
TO: Electoral Area Services Committee **MEETING:** February 12, 2019
FROM: Tom Armet
 Manager, Building & Bylaw Services **FILE:**
SUBJECT: Building Permit Activity - 2018

RECOMMENDATION

That the report Building Permit Activity – 2018 be received for information.

SUMMARY

This report contains 2018 summary information on building permit activity for the Regional District of Nanaimo's (RDN's) seven Electoral Areas, as well as the District of Lantzville where the RDN provides building permit and inspection services under contract. The RDN has experienced continued growth in residential construction activity during the past three years at levels higher than the provincial average. Overall, the number of permits in 2018 remained the same as 2017, which is a 21% increase over 2016. The value of the permits increased in 2018 by 7% over the 2017 amounts. Non-residential permits in 2018 declined by 44% over 2017. An update on innovations that the Department is continuing to implement to improve the efficiency of building permit processing is also provided in this report.

BACKGROUND

The increased level of building activity over the past three years within the Regional District of Nanaimo is reflective of the strong performing economy in the region. Recent published reports by Central 1 and the BC Real Estate Association are forecasting continued growth in the housing market in this region into 2019 and beyond.¹

Building permit data is collected and disseminated monthly to various federal and provincial agencies such as Statistics Canada and BC Assessment where the data is used for tracking, property valuation and forecasting of development trends. RDN staff also post monthly permitting activity reports on the RDN website and provide copies to the Area Directors.

Construction activity in the RDN Electoral Areas tends to be predominately residential, with a relatively small number of non-residential (commercial/industrial) building permits issued. This report provides a brief summary of both residential and non-residential building permit activity in the Electoral Areas and the District of Lantzville for 2018. Data for the years 2017 and 2016 is shown for comparison.

¹ https://www.central1.com/wp-content/uploads/2018/11/ea-2018_04-BC.pdf

Building Permit Applications

The RDN received 857 building permit applications in 2018, similar to the 2017 total, and a 21% increase over the number of permit applications in 2016. The overall construction value of the permits issued in 2018 is \$129.8 million, representing a 7% increase over 2017 and a 41% increase in construction value over 2016.

Non-Residential Building Permits

Non-residential (commercial/industrial) building permits typically represent a relatively small number of the permits issued by the RDN. However, the value of these permits can be high, depending on the scope of the commercial or industrial projects. While the overall volume of building permit applications remained at the same level as 2017, the number of non-residential permits declined. In 2018, the RDN issued 23 non-residential permits valued at \$3.8 million, compared to 41 permits valued at \$8.7 million in 2017, and 39 non-residential permits valued at \$4.6 million in 2016.

Building Permits by Electoral Area

Building activity levels in the electoral areas remain strong, particularly Areas A, E and F and G. The following table provides a breakdown of building permits issued by electoral area and Lantzville from 2016 to 2018:

Electoral Area	Building Permits Issued		
	2016	2017	2018
A	79	109	103
B	73	86	87
C	41	40	54
E	115	137	122
F	81	109	94
G	102	117	109
H	74	56	84
Lantzville	33	32	42
Total Permits issued	598	686	695
Total Construction Value (\$m)	\$94.1	\$121.7	\$129.8

Building Permit Approvals and Inspection Scheduling

Building Permit approval times can vary depending on the project complexity and increased volumes of applications during the busiest periods for construction activity. During the first quarter of 2018, the turn-around time for permit approvals was 2 to 3 weeks, however, as

anticipated, this increased to 5 to 6 weeks on average due to high volumes of permit applications in the summer months. In 2018, RDN Building Inspectors conducted just over 7,000 scheduled inspections within 24 to 48 hours of the client's request. The number of inspections in 2018 is consistent with 2017 and 18% over the total number of inspections in 2016. Permit approvals and inspection scheduling times in the RDN remain consistent with or lower than other regional districts and municipalities on Vancouver Island.

Service Enhancements

Permit processing times and the delivery of inspection services has an impact on our customers' ability to deliver product to their clients. In response to this, we have incorporated a continuous improvement model to review our processes, incorporate technology and adjust service and staff levels accordingly.

Work is continuing on the initiative to implement a public portal in early 2019 for online building permit applications and inspection scheduling. The public portal will be fully integrated with the RDN's internal processes and is designed to give the public the option to "self-serve" their building permit application and inspection requests from their home, office or mobile device. Use of the portal will eliminate the need for clients to travel to the RDN office or schedule their inspections by telephone, which in turn will enhance the overall efficiency of the permit/inspection process for the public and staff alike.

ALTERNATIVES

1. Receive the report on 2018 building permit activity for information.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

There are no financial implications in receiving this report.

STRATEGIC PLAN IMPLICATIONS

Reporting on building permit activity enhances regional governance by providing Area Directors with information on development activity and trends within each Electoral Area and the region overall.



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January 27, 2019

Reviewed by:

1. G. Garbutt, General Manager, Strategic and Community Development
2. P. Carlyle, Chief Administrative Officer