TORONTO

REPORT FOR ACTION

Development Review Timeline Metrics - Q4 2024

Date: October 15, 2024

To: Planning and Housing Committee

From: Deputy City Manager, Development and Growth Services

Wards: All

SUMMARY

This report responds to Planning and Housing Committee's direction for staff to report on development review timeline metrics to the Planning and Housing Committee on a quarterly basis (2023.PH6.2). Quarterly reports include the following:

- a. Average timeline to complete the Pre-Application Consultation Process;
- b. Average timeline to reach a decision on a Zoning By-law Application;
- c. Average timeline to reach a decision on a combined Official Plan Amendment/Zoning By-law Application; and
- d. Average timeline to approve a Site Plan Application.

In addition to a description of the metrics listed above, the report provides context on how ongoing improvements to the development review process impact application review timelines in the medium to long term.

To date, staff have advanced three quarterly reports: Q1 2024 (2024.PH9.2), Q2 2024 (2024.PH11.5), and Q3 2024 (2024.PH14.4). Reporting has evolved to reflect ongoing legislative change and to improve data accuracy and interpretation, as detailed in the Comments section of this report.

RECOMMENDATIONS

The Deputy City Manager, Development and Growth Services recommends that:

1. Planning and Housing Committee receive this report for information.

FINANCIAL IMPACT

There are no financial implications resulting from the recommendations included in this report. As addressed in a previous related report, (2022.EX1.4), Bill 109 presented significant risk to the City's cost recovery model of development review services.

On June 6, 2024, Bill 185, the *Cutting Red Tape to Build More Homes Act* received Royal Assent. Bill 185 removed application fee refund provisions introduced under Bill 109. Bill 185 does not waive any application fee refund eligibility accrued under Bill 109, potentially resulting in ongoing financial impact to municipalities.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

On May 22, 2024, City Council adopted the report "City Comments on Proposed Bill 185 - Cutting Red Tape to Build More Homes Act, 2024, Provincial Planning Statement, 2024, and New Minister Zoning Order framework." Bill 185 removes application fee refunds and mandatory pre-application consultation from the City of Toronto Act and the Planning Act.

https://secure.toronto.ca/council/agenda-item.do?item=2024.PH12.7

On December 13, 2023, City Council adopted the report "Implementing Bill 109 - 2023 Annual Update" outlining the implementation efforts of staff in responding to Bill 109 and plans for further policy and program updates in 2024.

https://secure.toronto.ca/council/agenda-item.do?item=2023.PH8.7

On October 11, 2023, City Council directed the Deputy City Manager, Development and Growth Services, to report to the Planning and Housing Committee on a quarterly basis beginning in the first quarter of 2024 with available metrics related to changes in development application review timelines as a result of continuous improvements to city processes, including:

- a. average timeline to complete the Pre-Application Consultation Process;
- b. average timeline to reach a decision on a Zoning By-law Application;
- c. average timeline to reach a decision on an Official Plan Amendment/Zoning By-law Application; and
- d. average timeline to achieve an approved Site Plan Application. https://secure.toronto.ca/council/agenda-item.do?item=2023.PH6.2

Background

Continuous improvement of the City's development review process, which began in March 2020 through the former C2K Office, has advanced into a more mature and permanent governance structure. This includes the establishment of the Development & Growth Services (DGS) Service Area in 2023 and the recently established Development Review Division. Organizational structure change, process improvements and technology upgrades continue to roll out to ensure optimal functioning of the development review process as the City responds to existing and evolving legislative changes as well as the converging housing and climate crises.

Metrics Overview

Attachment 1 to this report includes four development review timeline metrics, described below.

Changes to Data Query Methods Since Q3 2024

In the past, the City has taken a decision-based metrics approach to reporting on average timelines to decision. This approach captures all active applications on file with the City, regardless of when the application was initially submitted. It also includes the total time elapsed between initial submission and decision but does not differentiate between the time the application was with the City and the time the application was with the applicant, or any periods where review of the application may have been put on hold by the applicant. An application is reflected in metrics reporting in the quarter that a decision has been made on the file.

For example, consider a Site Plan application initially submitted to the City in 2015 concurrently with a Zoning By-law Amendment (ZBA) application. The Site Plan application may be held in queue for two years while the ZBA application is processed. If, following the approval of the ZBA, the application is appealed, the City and the applicant may mutually agree to wait for the outcome of the appeal before reviewing the Site Plan application. With the appeal settled, the applicant may modify the Site Plan application to reflect any changes in zoning permissions. Alternatively, market conditions may change in the intervening months or years since the initial submission and the applicant may choose to put the review of the Site Plan application on hold. In this example, if Notice of Approval Conditions (NOAC) is issued in 2020 - five years after the Site Plan application was initially submitted to the City - the quarterly metrics reporting captures that five-year timeline in the average time to decision, even though the application was not actively under review or within the City's control for all of that time.

The Q1 2024 report reflected application timelines for all active files, including those submitted after application fee refund provisions came into force under Bill 109 on July 1, 2023. The Q2 and Q3 2024 reports separated Bill 109 files from all active files by

applying a submission date filter. However, the one-year and five-year timeline averages for non-Bill 109 files included in the Q2 and Q3 reports were still calculated using a decision-based metrics approach.

In Q4 2024, following the removal of application fee refund provisions through Bill 185 and to reflect significant operating model improvements over the past few years, applications have been divided into two distinct groups by a data query that defines both a submission date and a decision date. This approach provides a more accurate picture of the time to decision for files that were actively under review for two periods:

- Applications submitted during the five-year period between July 1, 2018 and June 30, 2023, and
- Applications submitted on or after July 1, 2023.

Pre-Application Consultation

This metric measures the average number of business days from the time an applicant requests a PAC meeting to the time the City issues a Planning Application Checklist Package. Average timelines are presented in two ways: One-year average and sixmonth average. The City's mandatory PAC process service standard is 40 business days. Of note:

- Bill 185 removed the ability for municipalities to require pre-application consultation by by-law. Despite legislative change, the City continues to receive a high volume of PAC meeting requests.
- Q4 2024 metrics reflect reduced average timelines to complete the PAC process (both one-year and six-month) over Q3 2024. The six-month average timeline is **42 days.**

Standalone Zoning By-law Applications and Combined Official Plan Amendment/Zoning By-law Applications

These metrics measure the average number of calendar days it takes for a complete application to reach a decision of Council. Previously, these metrics illustrated average timelines for applications that were subject to application fee refunds under Bill 109 (i.e., applications with a submission date between July 1, 2023 and June 3, 2024). They also presented one-year (2023-2024) and five-year (2019-2024) average timelines to decision for non-Bill 109 applications. As noted above, the method for reporting these metrics has been updated in Q4 2024. Highlights include:

 In Q3 2024, the average time to decision for combined OPA/ZBA applications submitted on or after July 1, 2023 fell below 120 days. This trend continues in Q4, with an average time to decision of 114 days.

- The average time to decision for standalone ZBA applications increased slightly to 124 days. Since the removal of application fee refunds, in some cases ZBA approvals advanced to a later meeting of Council to avoid using a holding provision. This approach is sometimes referred to as "withholding the Bill."
- In many cases, timely decisions on combined OPA/ZBA and standalone ZBA applications have been achieved using holding provisions. Attachment 2 to this report illustrates the increased use of holding provisions as a timeline management tool. Attachment 2 shows that the use of holding provisions increased in the lead up to the 2022 municipal election, as staff advanced decisions on ZBA applications prior to the Council election break. The use of holding provisions then increased in 2023 and 2024 as a means of managing time to decision for ZBA applications under Bill 109. In collaboration with applicants, staff are currently assessing future process improvements to reduce the use of holding provisions and ultimately, get more shovels in the ground quicker.

Site Plan Applications

This metric measures the average number of calendar days it takes to issue the first decision (e.g., Notice of Approval Conditions (NOAC), refusal) for a complete Site Plan application. As noted above, this metric now illustrates two simplified categories of applications. In Q4 2024, this metric shows:

Consistency in time to decision for Site Plan applications relative to Q3 2024 reporting. Under Bill 109 and subsequently under Bill 185, the City has generally discouraged concurrent review of Zoning By-law and Site Plan applications. The City has generally refused Site Plan applications that cannot be approved within 60 days where in-force zoning does not permit the development proposed in the Site Plan application. Attachment 2 to this report shows that approximately 58% of Site Plan applications that were deemed complete since July 1, 2023 were refused.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Development Review Timeline Metrics - Q4 2024 **Attachment 2:** Decision Trends - Site Plan & Zoning By-law