

January 30, 2019

REPORT TO THE CHIEF ADMINISTRATIVE OFFICER
FROM THE DEVELOPMENT, ENGINEERING, AND SUSTAINABILITY DEPARTMENT

ON

**DEVELOPMENT, ENGINEERING, AND SUSTAINABILITY DEPARTMENT
2018 YEAR IN REVIEW**

PURPOSE

To present the 2018 Year in Review for the Development, Engineering, and Sustainability Department.

SUMMARY

2018 was another record-setting year for total Building Permit construction values, with increased growth in all sectors, including residential, commercial, industrial, and institutional. The number of new residential units constructed nearly reached the peak experienced in the mid-2000s, while overall development applications and Business Licence activity was on par with the previous year, which indicates a strong stable local economy.

Key projects and initiatives from 2018 included the following:

- KAMPLAN: City of Kamloops Official Community Plan (OCP) review and update was adopted.
- Updated Transportation Master Plan was adopted.
- Southwest Sector Industrial Lands Servicing Strategy was adopted.
- Regulations for Licensed Cannabis Retail Stores were adopted.
- The Sustainability Services Section joined the Development and Engineering team and advanced the Bring Your Own (BYO) waste reduction campaign, the Wood Stove Exchange Program, and the Anti-idling campaign.
- Xget'tem' Trail (Peterson Creek), River Road reconstruction, and Lansdowne Street Parkade and streetscape improvements were completed.
- NextRide was implemented on BC Transit buses, and transit service was expanded to Tk'emlúps te Secwépemc lands.
- Seven affordable housing projects were actioned, which secured 293 new housing units and 40 spaces for temporary transitional housing.

RECOMMENDATION:

For Council information only.

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DISCUSSION

Building and Engineering Development

The Building Permit construction value for 2018 totaled a record \$285.0 million, which was significantly higher than the previous record of \$224.1 million reached in 2017. The 2018 values consisted of \$39.6 million in institutional activity, \$51.3 million in commercial activity, \$18.4 million in industrial activity, and 163.8 million in residential activity (approximately 10% higher than 2017). Overall, 837 dwelling units were created in 2018, which was a 10% increase over the 2017 total of 758 units. The new dwelling units were distributed throughout the city as follows:

- 191 (23%) - North Shore, Brocklehurst, Batchelor Heights, and Westsyde
- 363 (43%) - Aberdeen, Pineview Valley, Dufferin, Sahali, and City Centre
- 283 (34%) - Barnhartvale, Dallas, Campbell Creek, Juniper Heights, Rose Hill, Valleyview, and Rayleigh

Development of apartment units in 2018 totalled \$54.3 million (423 units), which was up from \$34.1 million (370 units) in 2017. Along with the increased activity levels, the Building Inspection Section worked closely with the Sustainability Services Section on furthering the understanding of the provincial Energy Step Code (ESC).

As in recent years, the Engineering Development Section was required to commit significant time for construction oversight of utility company upgrade projects in addition to traditional development approvals. In 2018, a significant BC Hydro project along Valleyview Drive was completed. The section handled a total of 534 files, which was down from the 601 files in 2017.

In 2018, Building Permit processing times exceeded the targets, primarily due to the level of construction activity and challenges with filling staff vacancies. Changes in process and staff responsibilities helped with processing times for planning and subdivision application referrals. Additional staff resources and changes to the referral processes for Building Permits are anticipated to improve turnaround times in 2019.

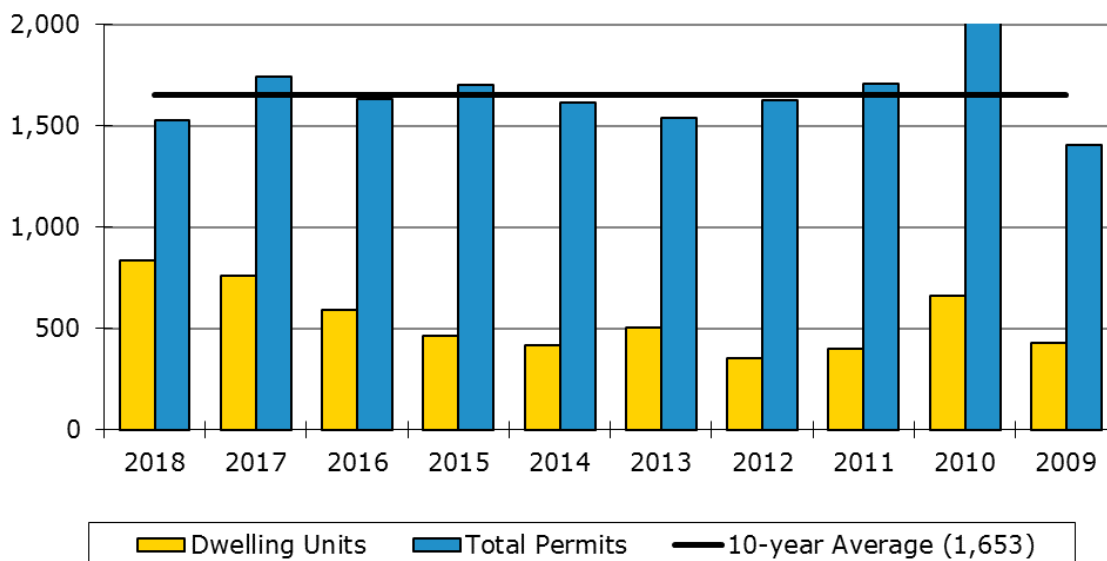
Application Processing Times						
		2018	2017	2016	2015	2014
	TARGET	Annual Average				
Building Permits						
Residential Building Permit	3 wks	4.2 wks	3.4 wks	2.5 wks	2.1 wks	3 wks
Commercial/Multi-family Building Permit	4–6 wks	7.5 wks	5.2 wks	2.9 wks	3.8 wks	4 wks
Engineering Development Referrals						
Planning Permit Review	3 wks	2.4 wks	3.2 wks	2.8 wks	2.6 wks	3 wks
Commercial Building Permit Review	3 wks	3.4 wks	3.2 wks	2.4 wks	2 wks	1.8 wks

Engineering Drawing Review (Subdivision/Development)	4 wks	5.6 wks	3 wks	5 wks	4.6 wks	4.2 wks
Subdivision Preliminary	4 wks	3.2 wks	4.4 wks	3.8 wks	3.8 wks	4.2 wks
Subdivision Final	2 wks	1.2 wks	1.2 wks	1 wk	1 wk	0.6 wk

Activities levels in 2018 were strong, with Building Information Requests totalling 2,058, which was down from the 2,252 received in 2017 but above the 10-year average of 1,827. The number of Building Permit applications received in 2018 totalled 1,527, which was down from the 1,745 in 2017; however, the size and complexity of the permits increased with the increased activity in the commercial, industrial, and institutional sectors.

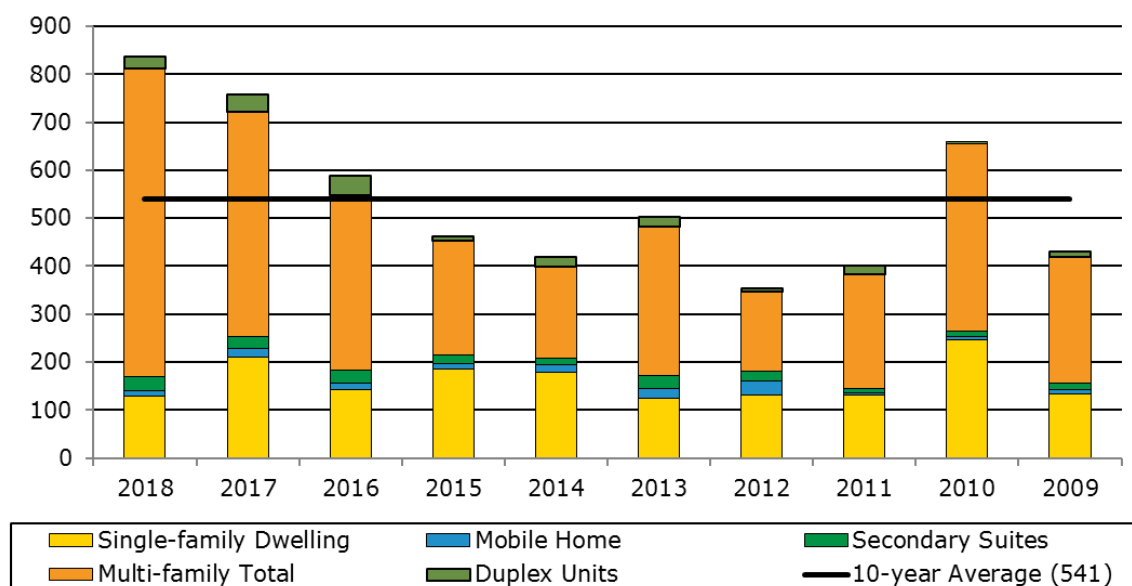
Application Summary - Annual Totals										
Activity	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Building Information Requests (BIRs)	2,058	2,252	2,077	1,859	1,754	1,716	1,601	1,617	1,609	1,731
Building Permits	1,527	1,745	1,633	1,701	1,618	1,542	1,627	1,710	2,026	1,408

Construction Activity



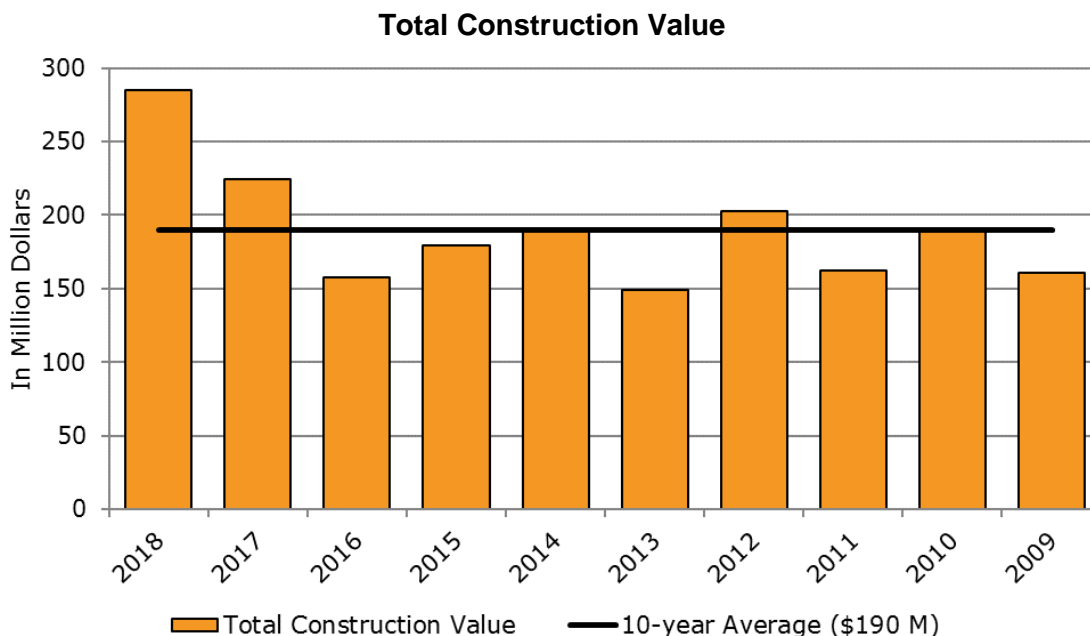
Building Permit Breakdown - Annual Average					
Construction Value	2018	2017	2016	2015	2014
Residential	163,836,093	149,022,156	125,279,696	120,634,023	106,397,118
Commercial/Industrial/ Institutional	109,288,214	64,658,196	25,562,134	52,342,605	76,133,821
Miscellaneous	11,903,695	10,448,475	6,893,275	6,338,989	8,329,895
Total Construction Value	285,028,001	224,128,827	157,735,105	179,365,617	190,860,834
Single family Dwelling	130	210	142	185	179
Mobile Home	10	19	15	12	16
Secondary Suite	29	24	26	17	14
Duplex Units	26	36	41	10	19
Multi-family (Apartments)	423	370	295	124	96
Multi-family (Single Units)	31	38	38	35	30
Multi-family (Duplex Units)	14	24	26	48	26
Multi-family (Three or more Units)	174	37	6	32	38
Total New Residential Units	837	758	589	463	418

Total Housing Starts by Dwelling Type



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In 2015, the Engineering Development Section started tracking the new infrastructure transferred to City ownership through the development process. This infrastructure is being included as City assets and tracked for future operation and maintenance purposes.

New Development Infrastructure				
	2018	2017	2016	2015
Road (lane m)	1,180	4,358	3,113	6,290
Sidewalk (m)	581	2,450	1,967	3,946
Multi-use Path (m)	292	177	752	808
Streetlights (unit)	26	54	57	84
Water main (m)	730	2,383	2,567	3,366
Sanitary main (m)	596	1,775	3,352	4,626
Storm main (m)	598	1,493	4,026	2,830

Planning and Development

The number of new subdivision applications received in 2018 (53) was down 18% over 2017 (65); however, the number of fee simple lots created is up 9.4% from 2017 (140 vs. 128), and the number of strata lots created was up to 95 in 2018 vs. 53 in 2017. The average time to process an application for preliminary subdivision approval was approximately 3 months, up slightly from the 2.4-month average in 2017. Average processing times for final subdivision approval was 3.1 weeks compared to 3.2 weeks in 2017.

The total number of development applications (other than subdivisions) in 2018 was down slightly, 186 in 2018 vs. 195 in 2017. The number of rezoning applications increased to 33 in 2018 vs. 26 in 2017. Development Variance Permit applications increased to 24 in 2018 vs. 20 in 2017, and Development Permit applications were down in 2018 to 41 vs. 54 the previous year.

At the end of 2018, there were 5,750 active Business Licences, 609 of which were new licences, which is comparable to the 5,796 licences in 2017. This indicates a vibrant and stable local economy. Considerable resources were required in implementing the new Federal Access to Cannabis Regulations, which resulted in Kamloops receiving the first licensed cannabis retail outlet in the province.

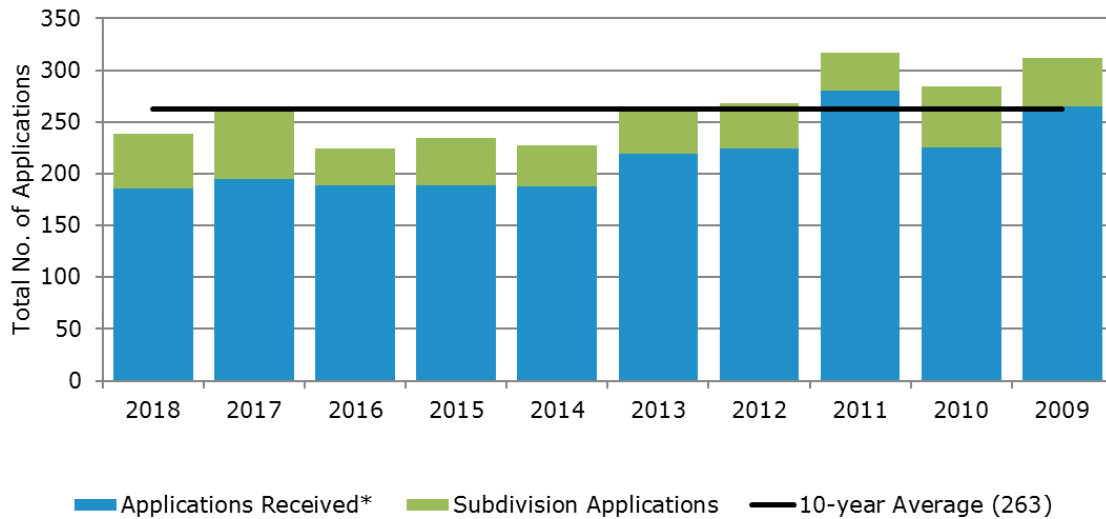
- New Business Licences issued: 609 vs. 654 in 2017 (7% decrease).
- Total applications received: 1,132 vs. 1,215 in 2017 (7% decrease).
- MyCity Business Licence accounts: 3,315 vs. 3,011 in 2017 (10% increase)
- Home-based businesses comprised 34.4% of all active Business Licences at the end of 2018. There is a slight reduction (2%) in the number of home-based businesses active at the end of 2018 as compared to 2017 (1,980 vs. 2,022).

Application Processing Times						
		2018	2017	2016	2015	2014
Activity	TARGET	Annual Average				
Rezoning	10 wks	7.9 wks	8.5 wks	8.2 wks	10 wks	10 wks
Development Permit	6 wks	4.5 wks	4.5 wks	4.4 wks	6.0 wks	5.9 wks
Development Variance Permit	6 wks	5.6 wks	5.7 wks	5.8 wks	5.6 wks	5.6 wks
Commercial Business Licence	15–18 days	16 days	18 days	16 days	16 days	17 days
Home-based Business Licence	1–3 days	1 day	1 day	1 day	1 day	1 day
Preliminary Subdivision	4 mos	3 mos	2.4 mos	4.2 mos	3.3 mos	2.5 mos
Final Subdivision	4 wks	3.1 wks	3.2 wks	4.4 wks	3.2 wks	2.0 wks

Application Summary - Annual Totals										
Activity	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Rezoning Applications	33	26	28	38	23	20	35	31	35	54
Development Variance Applications	24	20	33	20	15	13	23	27	24	31

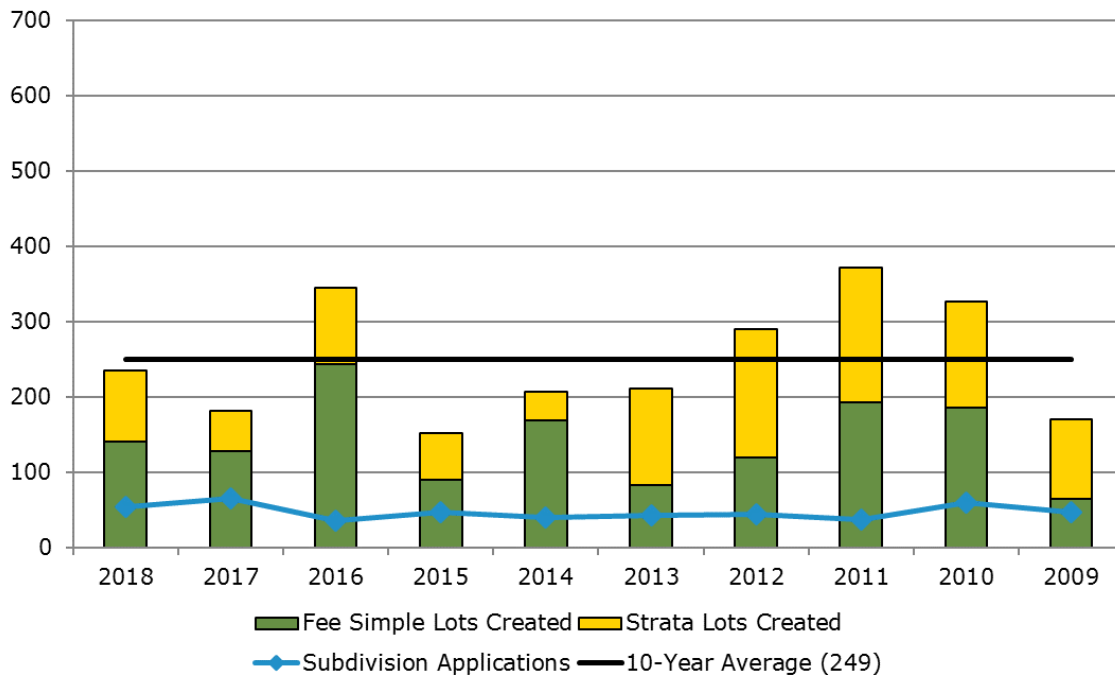
Application Summary - Annual Totals										
Activity	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Development Permit Applications	41	54	36	32	42	42	41	48	31	38
Board of Variance Applications	2	0	1	2	4	3	2	5	4	21
Preliminary Proposals	0	0	3	7	1	4	5	1	1	8
Inter-government Referrals	1	0	2	5	1	2	4	1	4	3
Liquor Licence Applications	7	14	3	13	4	4	9	12	12	6
ALR Application	1	3	1	3	2	3	0	3	1	1
Temporary Use Permits	2	1	2	4	1	1	2	10	5	3
Land Use Contract Applications	0	0	0	0	0	1	0	0	0	0
Sign Permit Applications	75	77	80	65	95	126	103	142	108	108
Subtotal	186	195	189	189	188	219	224	280	225	273
Zoning Information Requests	47	105	53	60	81	85	67	64	41	75
New Businesses	609	654	573	583	598	657	621	788	819	734
Total Business Licences	5,750	5,796	5,510	5,363	5,363	5,343	5,347	5,512	5,421	5,263
Subdivision Applications	53	65	35	46	39	43	44	37	59	47
Fee Simple Lots Created	140	128	243	89	168	82	119	193	185	64
Strata Lots Created	95	53	102	63	38	129	170	178	142	106
Total New Lots Created	235	181	345	152	206	211	289	371	327	170

Planning and Development Application Summary



*Total number includes applications for Rezoning, Development Variance Permits, Development Permits, Board of Variance, Preliminary Proposals, Intergovernmental Referrals, Liquor Licences, Agriculture Land Reserve (ALR), Temporary Use Permits, Land Use Contracts, and Sign Permits.

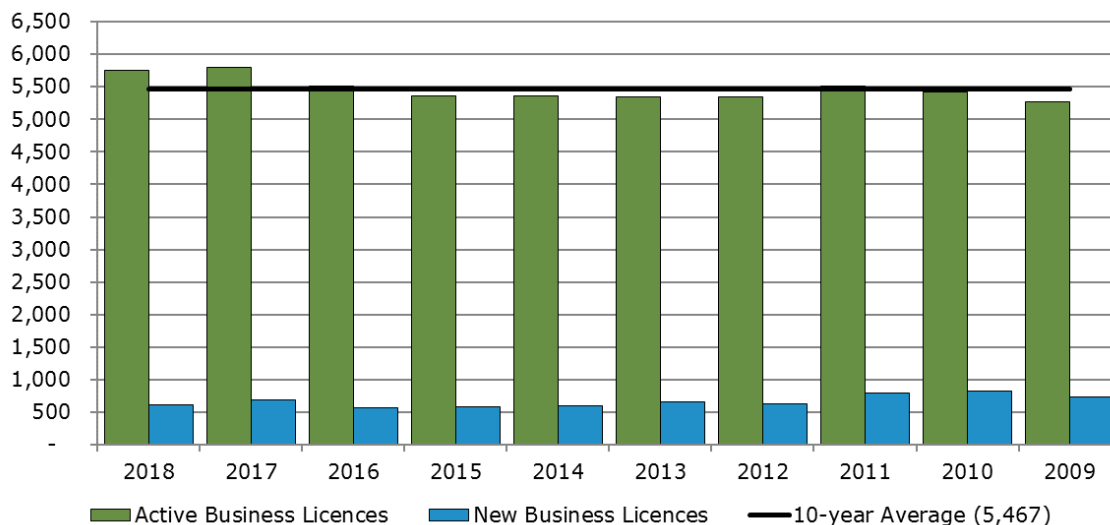
Residential Lots Created



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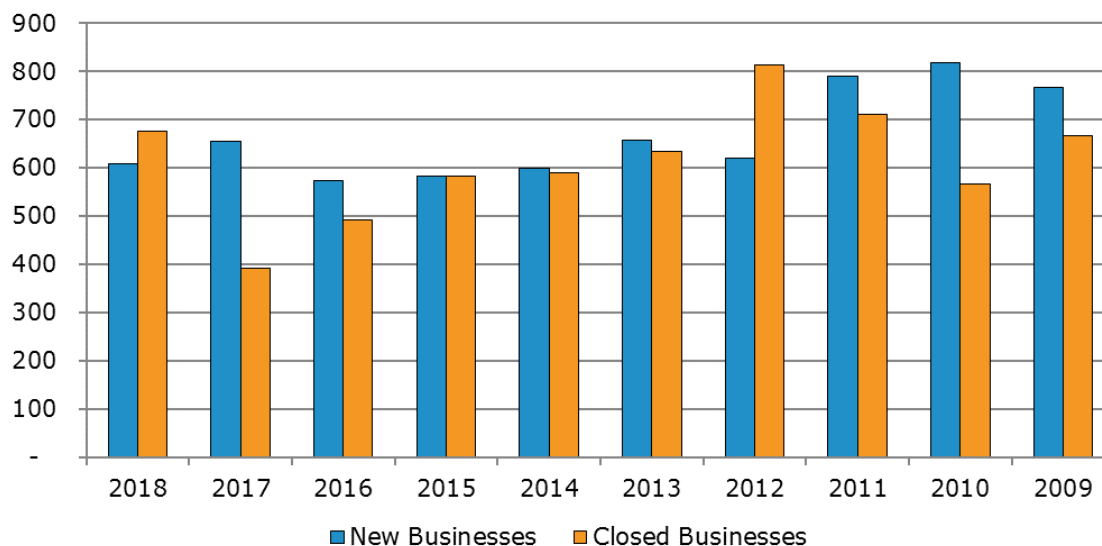
The following graph indicates the number of new Business Licences issued and the total number of active Business Licences over the last 10 years. At year end, there was a marginal reduction of less than 1% for the active Business Licences from the 2017 levels, which remains above the total number of active Business Licences active at the peak in 2011 before significant changes were made to the Business Licence and Regulations Bylaw.

Business Licence Activity - Active Licences/New Business Licences



This graph compares the number of licences issued to new businesses with the number of businesses closed. The increase in the number of closed businesses over 2017 levels can be attributed to the allocation of additional staff time to follow up on returned mail and delinquent accounts. Overall, the number of licences issued to new businesses has been relatively stable for several years.

Business Licence Activity - New Businesses/Closed Businesses



Community Planning and Sustainability

In 2018, a major milestone was the adoption of KAMPLAN, the City's Official Community Plan (OCP). Following the adoption of the OCP, the Downtown Plan Update was initiated. This planning process is now in its final phase and is expected to be completed by mid-2019. The review of the City's secondary suites policies and regulations also commenced in 2018, with results and potential options to Council for its consideration by the end of Q1 2019.

In March 2018, the Sustainability team joined with Community Planning as part of a corporate restructure. The Sustainability Services Section advanced a number of key initiatives, including the Bring Your Own (BYO) waste reduction campaign, the Wood Stove Exchange Program, the Anti-idling Bylaw engagement campaign, and, in collaboration with Building and Engineering Development, a Council Workshop on the BC Energy Step Code. In fall 2018, the City was awarded a \$125,000 Federation of Canadian Municipalities grant for the development of a Community Climate Action Plan (CCAP), which was a key environmental priority in Council's 2015-2018 Strategic Plan.

The Sustainability Services Section facilitates numerous education, communication, and engagement activities to inform and motivate Kamloops residents and employees to advance our community sustainability goals. Some highlights from 2018 include the following, with the estimated number of participants in parentheses:

- 3rd annual Green Living Expo (2,000)
- BYO engagement campaign (1,500)
- 2nd annual Electric Avenue (1,000)
- City/FortisBC Block Parties (1,200)
- Four sustainability newsletters (~4,000)

To increase its community profile and engagement, the Sustainability Services Section is relocating to Cunliffe House in Riverside Park early in 2019.

Engineering

Major construction projects that were completed were the Xget'tem' Trail (Peterson Creek Multi-use Path), River Road reconstruction, and Lansdowne Street Parkade and streetscape improvements. Detailed design work occurred on Victoria Street West and Todd Road as well as preliminary design work on the Hillside Drive Extension alignment from McGill Road to Home Depot. The Southwest Industrial Lands Servicing Strategy was also completed in 2018 and was recommended by Council for consideration in the 2019 Development Cost Charges Bylaw review and update.

The Transportation Master Plan update was completed in 2018 along with pedestrian and bike improvements on Bank Road; sidewalks on 2nd Avenue, 11th Avenue, and River Road; and safety improvements at Fortune Avenue and 8th Street (right-turn channelization). The City and BC Transit implemented NextRide, the first phase of BC Transit's Smart Bus program, which gives real-time information about bus locations to Kamloops riders. Staff worked closely with BC Transit and Tk'emlúps te Secwépemc (TteS) to implement service changes for Route No. 18 - Mt. Paul, which serves TteS lands and Sun Rivers.

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The table below shows a historical statistical profile of the Kamloops transit system. In 2017-2018, ridership increased 4.6% over the previous year. This growth can be attributed to the regular and consistent service improvements in recent years and the ongoing investment in the system. The system continues to show positive performance metrics compared to the previous year, with improved passenger trips per service hour (+2%) and cost recovery (+5%). Extreme growth in the ridership trend will be necessary to meet the Sustainable Kamloops Plan's goal of increasing ridership by 50% over 2008 by 2020. Ridership reported in 2017/18 compared to 2007/08 has increased by 21%. The Kamloops transit system continues to outperform other Tier 1 communities in terms of productivity and cost recovery.

Kamloops Transit Statistical Profile

	Rides	Percentage of Annual Growth	Productivity passenger trips per service hour	Cost Recovery Fare Revenue/ Total Operating Cost
2017/18	3,665,000	4.60%	35.3 (29.4)	39.0% (34.3%)
2016/17	3,503,000	2.30%	34.6 (28.3)	37.3% (33.6%)
2015/16	3,423,000	2.10%	33.8 (26.3)	36.3% (33.3%)
2014/15	3,354,248	-2.00%	31.9 (26.7)	32.5% (32.6%)
2013/14	3,421,960	-2.10%	32.2	34.20%
2012/13	3,496,318	2.80%	33.9	32.50%
2011/12	3,400,122	-2.00%	33.4	35.50%
2010/11	3,470,000	8.20%	34.7	34.80%
2009/10	3,205,275	-2.10%	32.6	35.80%
2008/09	3,277,000	8.00%	33.9	36.20%
2007/08	3,024,000	1.50%	32.4	38.60%
2006/07	2,980,000	3.70%	33.3	41.70%

() Average of Tier 1 municipalities

Real Estate

Four acquisitions, worth a total value of \$2,652,679, were completed in 2018, including the following:


- a 30,000 sq. ft. parcel on St. Paul Street for \$2,350,000 (18,000 sq. ft. for a 62-unit affordable housing project and the remaining 12,000 sq. ft. for interim parking for the RCMP)
- 438 MacKenzie Avenue for \$187,680, as part of the Spirit Square property assembly

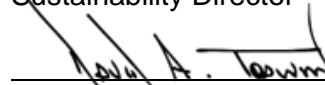
Revenue from the 17 leases administered by the Real Estate Division totalled \$251,000. The division did not complete any land sales, including road closures, in 2018.

The Real Estate Division continued to be heavily involved in the City's Affordable Housing Program. Seven housing projects were actioned in 2018, securing 293 new housing units as well as 40 spaces for temporary transitional housing. 2019 is expected to be just as busy, with BC Housing allocating over 300 units in Kamloops in its fall announcement. The Seniors' Housing Profit Sharing Program involving Cottonwood Manor, Legion Manor House, and The Willows generated \$144,788 for the Affordable Housing Reserve Fund, down from \$191,256 in 2017.

Real Estate Division Activity

		2018	2017	2016
Land Sales	Active	18	13	13
	Completed	0	2	1
	\$	\$0	\$6,270,000	\$39,388
Road Closures and Sales	Active	23	29	34
	Completed	0	4	3
	\$	\$0	\$460,355	\$59,151
Property Acquisitions	Active	19	15	17
	Completed	4	5	5
	\$	\$2,652,679	\$1,902,500	\$6,864,701
Statutory Rights-of-way	Active	61	67	46
	Completed	18	30	16
Subdivision Parkland Valuations	Completed	2	3	4
	\$	\$126,500	\$110,260	\$137,050
Seniors Housing Profit Sharing	Completed	14	16	16
	\$	\$144,788	\$191,256	\$151,931


M. Kwiatkowski, P.Eng.
Development, Engineering, and
Sustainability Director


Approved for Council

MK/lm/kjm