

# City of Mississauga Corporate Report



Date: November 6, 2020  To: Chair and Members of Planning and Development Committee	Originator's files:
From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building	Meeting date: November 23, 2020

## Subject

**BILD and Altus Group Municipal Benchmarking Study**

## Recommendation

That the report dated November 6, 2020, from the Commissioner of Planning and Building regarding the BILD and Altus Group Municipal Benchmarking Study be received for information.

## Report Highlights

- Published September 22, 2020, Mississauga, was among the cities, municipalities, and regions evaluated by Altus Group Economic Consulting who was retained by BILD to undertake a study of several factors that may be contributing to housing affordability issues in major housing markets across the Greater Toronto Area.
- Council directed staff to review the Study and to report back to Planning Development Committee
- Planning & Building staff liaised with BILD representatives and the authoring lead to gain a better understanding of the analysis and the data used to support the research.
- It was agreed that there was merit in revising the Study analysis for Mississauga. A memo outlining the changes was provided (See Appendix 1).
- Staff suggested that any future studies include outreach to the various cities to support research constraints, data, assumptions and accuracy.

## Background

During the September 23, 2020 General Committee meeting, Councillor Parrish inquired about the release of a report entitled "BILD and Altus Group Municipal Benchmarking Study".

Councillor Parrish indicated the Study rated Mississauga's development services at a level that seemed inconsistent with the feedback provided by the industry. The Councillor asked staff to review the Study and to report back to Planning Development Committee.

### The Study:

The Study, which was commissioned by BILD, assesses the impacts of "municipal processes and approval times on housing supply and affordability in the GTA, and beyond". Among the cities, municipalities, and regions evaluated were:

- Peel Region (Mississauga, Brampton, and Caledon)
- City of Toronto
- York Region (Vaughan, Markham, Richmond Hill, and Aurora)
- Halton Region (Oakville, Burlington, and Milton)
- Durham Region (Pickering, Whitby, Oshawa, and Clarington)
- Simcoe County (Barrie, Innisfil, and Bradford West Gillingham)

The Study focuses on assessing each of the subject municipalities based on the following 5 themes and provides a ranking for each:

1. **Municipal Utilization of Tools and Processes:** Reviews the features and tools utilized by municipalities to facilitate more efficient and transparent development processes.
2. **Municipal Approval Estimates and Permit Timelines** Estimates the amount of time that typical development applications spend in the municipal approvals process.
3. **Municipal Charges on New Housing** Uses two hypothetical development scenarios, to estimate the direct costs municipalities levy on new housing developments.
4. **Potential Costs Savings to Improve Municipal Processes:** Estimates the indirect costs associated with every month a development application is in the approvals process.
5. **Best Practices for Improving Municipal Processes Reviews** recent and ongoing initiatives that Municipalities or Provincial governments are taking to streamline approvals processes.

## **Comments**

Planning & Building staff contacted BILD to request a meeting with the author of the Study to gain a better understanding of the analysis and the data used to support the research. A meeting was held on October 6, 2020.

Overall, the meeting was very productive. Altus concurred that the data and assumptions used may not have been complete, and may have resulted in skewed results. As such, BILD and Altus graciously agreed to revise the analysis, and to submit the City a memo outlining the revised results. The memo is attached. (Appendix 1).

For the Committee's reference, some of the key issues and revisions of particular relevance are noted below:

## 1. Planning Tools & Features

The Study ranked each city on the number of planning features offered by each municipality that supports the development approval process. Features reviewed included on-line development application submission and/or building permit application portal; a “development guide” identifying required studies; a terms of reference for required studies; online tracking system for active development applications; online zoning, including a GIS file and/or a GIS portal.

Altus originally ranked the City at 4.5 out of 8.0 (56.5%). However, once staff directed Altus to the correct tools and data on the City’s web-page, the score was revised to a total of **6.5 out of 8.0 or 81.3%**. This places the City in the top-third of the municipalities studied in the Benchmarking Study.

This said, in staff’s assessment, the City meets all 8 features and should be rated higher. As example, respecting the availability of TOR, the author of the Study could not justify full points in part due to a missing information. It was noted that the benchmarking exercise may have been impacted by the City’s web modernization rollout, however it is a practice to provide this content during the pre-application and DARC meetings, and publicize it on the web-page, which has since been finalized.

Also, unlike most municipalities, the City of Mississauga has considerably invested in operational efficiencies and industry leading tools, most notable ePlans which was first in Canada and launched January 1<sup>st</sup> 2016. Unfortunately, the Study does not adequately recognize the value of such an online application system and its significance towards modernizing the application approval process. While other cities have rudimentary online application systems, staff feel such systems do not measure equally to ePlans, and the Study should have accounted for this in the scoring.

## 2. Application Processing Times

Among all of the municipalities included in the Study, Mississauga development application time was reported at 18 months, on average. The city’s ranking is close to that of both Pickering and Richmond Hill, and is less than cities like Toronto (36 mos.), Brampton (20 mos.), and Caledon (24 mos.).

From staff’s assessment, the time is reasonable. Specifically, the Study does not address the degree to which each city is committed towards community engagement as an element of adding time to the process. The City of Mississauga has a long standing practice of engaging the community at several steps during the application approval process – far exceeding the legislative requirements. Obviously, this adds time to the process but staff believes it is critical for good planning.

Interestingly, the Study found processing time for low density development to be faster in the more urban centres, while high rise development was found to be faster in more suburban areas. This resonates given the complexity of approving a high rise infill project in existing built-

up areas, versus a high rise in suburban greenfield development which would simply be part of a larger subdivision plan.

Finally, the Study did not examine the success rate at the LPAT for developers, but it did conclude that gaining a development approval through an LPAT appeal can take, on average, roughly twice as long as an approval from a municipality. Moreover, the Study states the LPAT route can be incredibly costly and time consuming. One might suggest that most developers are likely motivated to work with the municipality, and the timelines and process, versus the LPAT option.

### **3. Municipal Planning / Building Employees per 1,000 Housing Starts**

The Study also cites “Municipal Planning Employees per 1,000 Housing Starts” as an effective measure of the service level. The Study found, on average, 75 staff were available to process applications among the cities benchmarked. In the case of Mississauga, it found 97 staff per 1000 housing starts. This number is arrived at by dividing the total number of housing starts by the number of staff allocated to processing development and planning approvals.

However, Altus analysis is flawed. The study wrongly assumes the entire P&B staff compliment is involved in processing development applications; it also underestimates the annual housing starts by approximately 25%; and it does not acknowledge that a significant component of development staff’s work focuses on non-housing related applications.

Consequently, with all things considered, the Study has drastically overstated the true staff to housing starts ratio. Unfortunately, Altus was not able to account for the non-housing related work in its revised analysis, but staff approximate that this is close to 50% of staff’s time to ensure a healthy economy through job growth and ultimately the healthy turnover of commercial real estate assets.

The Study was also critical of the number of studies required in support of a development application. At the City of Mississauga, Site Plan approval processes have been designed into two categories – thus eliminating extra work and cost to the applicant. Unfortunately, this was not captured through the Study analysis. Staff recognizes that the Study requirements can be costly, as such, staff are undertaking a review to lean this process, where appropriate.

## **Financial Impact**

There are no financial impacts.

## **Conclusion**

In conclusion, staff is satisfied with both BILD and Altus responses to our feedback, and their offer to revise the data.

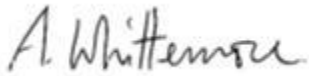
In fact, BILD representatives kindly acknowledged that Mississauga is leading in many ways when it comes to our land development services. BILD representatives indicated that they look

to the City as a model of “**best management practices**”. They also cite the City’s investment in “**ePlans**” as a perfect example of being service-ready”.

Moving forward, staff suggested to Altus that any future studies should include outreach to the various cities so as to the most accurate data is provided. Additionally, staff suggested Altus my wish to reconsider using “housing starts” as the best measure for assessing service levels and performance. Staff suggested construction value may be a more accurate measure and better alternative when benchmarking Ontario municipalities.

## Attachments

Appendix 1: October 14 Memo – Municipal Benchmarking Study – City of Mississauga



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Andrew Whitemore, M.U.R.P., Commissioner of Planning & Building