

**Law Amendments Presentation
Fall Session 2008 of Provincial Legislature
HRMbyDesign – Bill 181**

**Presented by President of the Chamber of Commerce
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Introduction:

I am here today to express the Halifax Chamber of Commerce's complete support for Bill 181, HRMbyDesign and to urge all of you, our lawmakers, to give HRMbyDesign the approval to finally go forward.

The Chamber has been a strong advocate for HRMbyDesign – informing members on the process and encouraging member engagement. Chamber policy and advocacy on municipal issues in general, endorses a clear and predictable approval process for development. Our members have been telling us for many years that this is critical for our city's future.

HRMbyDesign is a much bigger issue than just downtown development and permit approval times. HRMbyDesign is linked to the Regional Plan and therefore the overall goal of the economic strategy, which is to make HRM the envy of the world.

One of the strategy's eleven priority actions is to *"benchmark development permit approval times against competing cities."* In addition, one of the economic strategy's outcome measures is to *"improve decision times for construction projects."*

The Chamber publishes an annual "Report on the Economic Strategy Scorecard", which monitors progress towards the goals set out in the Economic Strategy. The purpose of the scorecard is to ensure that performance targets are established and monitored so that the economic strategy is more than just another plan that collects dust on a shelf. In 2008, two red lights were given to the measure of "improve decision times for construction projects." This is the worst possible

score that can be received. This situation must improve if our city is to remain competitive in today's global economy.

The Chamber was instrumental in the development of the city's economic strategy. We want to see action that will move us beyond the "paralyses of planning" and onto results. The passing of Bill 181 is necessary to move us forward on this measure of success.

Development Permit Approval Process

There are two main issues to be addressed in order to improve development approval times. The first relates to the approval process at the Municipal level and the second relates to the appeals process.

1. Approval Process at the Municipal Level

According to a report sent to Council on Feb.1st 2008 (page 5):

To determine how HRM compares to other cities, HRM attempted to benchmark planning approval processing timelines to comparable jurisdictions across Canada. The cities used for comparison were our "scorecard" cities:

St. John's; Quebec City, London, Regina, and Victoria.

Some key differences between HRM and the five benchmark cities are:

i) The amount of public consultation: No other city conducted more consultation than HRM, which has a public information meeting for all planning applications. It should be noted that not all pre-amalgamation municipalities followed this practice but it has become HRM's standard since amalgamation.

ii) Development agreements: HRM uses the development agreement process more than most cities across Canada. Development agreements require more consultation and negotiation time. A site plan approval process as proposed by HRMbyDesign, would cut this time requirement considerably.

iii) Meetings: The frequency of scheduled meetings is greater in some cities, allowing for more timely review. In HRM, Community Councils which review the majority of development applications meet once a month. A Design Review Committee meeting schedule would be much more flexible and better able to meet on a more frequent basis.

These deficiencies add up to cost the permit approval process time – and time is money.

The Feb. 1st 2008 report to Council goes on to conclude (page 8):

“Without doubt, the most significant step we can take, and the one which appears to be most eagerly anticipated by the development industry and the public is to establish new rules for development in the Halifax Central Business District. The “HRM by Design” project will provide greater clarity in policy on developments in the Halifax Central Business District and also propose a revised regulatory framework.”

2. Appeals Process

The second issue of the appeals process also requires passing of Bill 181 in order to: set timelines for the appeals process, bring the appeal decision power back to Council and restrict the definition of aggrieved persons.

Problems with the current appeals process to the NSUARB include:

i) Increased time frames equal increased project costs, which discourages investment:

Developers have expressed significant concerns over the impact of the appeals process on the cost of development in Halifax, particularly as relates to development on the peninsula. As noted in a report to Council on Jan. 17th 2007 by HRM planning staff, of Council approved developments over the past three years, there were 16 appeals filed with the NSUARB. This would include the time required to receive the approvals and permits required to and potentially to navigate the appeals process. In today’s internationally competitive environment,

government must do what it can to ensure our city remains attractive for investors.

¹See Information Report on Permits and Planning Application Processing Times, submitted to Regional Council by HRM staff on 18 January 2007.

ii) The current definition of “aggrieved persons” is too broad.

iii) Uncertainty:

The problem of the length of the process is compounded by the uncertainty surrounding whether a decision will be appealed. A lengthy and uncertain development process increases costs and reduces return on investment for developers, making them likelier to invest elsewhere. It also significantly increases the difficulty of obtaining financing for projects.

iv) Downgrading the intent of the appeals forum:

The appeals process has, in some cases, become an arena for extended debate on matters of urban planning, as opposed to a forum for a person who believes a decision of council will, in good faith, adversely affect the value or reasonable enjoyment of his/her property.

This means that the UARB is being asked to judge among alternate broad policy directions (a debate that will already have been subjected to the rigor of the municipal planning process, public hearings and so on) as opposed to more strictly ruling on the interpretation of Municipal Planning Strategies and land use by-laws.

v) Costs to the municipality:

The municipality also incurs costs with every appeal.

Premier MacDonald has publicly acknowledged the need to address the issue of development approval times in Halifax. As you all know, the health of Halifax impacts the entire province. As you are well aware, the region accounts for 40 percent of Nova Scotia’s GDP. There is no doubt that Halifax is the growth engine

for the province. HRMbyDesign will therefore not only impact Halifax, it will impact the entire province.

If this plan is not approved, Halifax will continue to develop haphazardly – without a plan. HRMbyDesign has been in the public consultation phase since July 2006 – it is time to move beyond planning and consultation, and into action. The Chamber urges you, our government to say YES to HRMbyDesign and YES to a vibrant future, not only for Halifax, but for our entire province.

From an economic development perspective, HRMbyDesign and Bill 181 will:

1. Create a unified vision for the downtown. The Design Manual sets out a vision of the downtown that we can all get excited about.
2. Speed up approval times through the site plan approval process: the site plan approval process is clear, transparent and predictable and will occur within 60 days.
3. Create much needed office space: according to the draft plan, one third of the 15 million square feet of development will be targeted towards office related functions, which is vital to the future of our downtown (this will almost double current capacity of the downtown's central business district).
4. Create a critical mass of people and business that we need if our downtown core is to continue to thrive and flourish.
5. Preserve the integrity of the public input process and send the message to the people of Halifax that their government respects their input:

Bill 181 gives the people more say in the sense that the elected council, not the Nova Scotia Utility and Review Board, will be the appeal body for development proposals.

In addition, more people have participated in the HRMbyDesign consultation process than in any other consultations concerning downtown Halifax. This speaks to the fact that people are passionate about Halifax and development in general.

According to a Bristol survey completed in August 2008 Eight in 10 people in urban and suburban HRM feel that new buildings in the downtown are good for the city.

<http://www.metronews.ca/halifax/Local/article/115989>.

Conclusion

Let's not get caught up in the "height versus heritage" debates of the past. The Chamber endorses a clear and predictable approval process for development. Yet, no one in the development community believes that heritage is not important to Halifax. Indeed, heritage is what attracts many people to visit our city and spend their time and money in the downtown core. It is possible to have balance; and this is what HRMbyDesign proposes for downtown Halifax. A city that remembers its heritage, while at the same time, has an eye on the future with an appreciation for architecture and functional office space.

No plan will please all the people, all the time. This was true of the Regional Plan in 2006, of the Economic Strategy in 2005 and will be true of HRMbyDesign. The fact that we don't have absolute consensus should not be a reason to hold up HRMbyDesign, which has already brought a new spirit of optimism, a feeling of pride and a continued belief that Halifax has the potential to be the greatest small city in the world. The Chamber fully supports HRMbyDesign and believes it vital for our city to maintain its competitive edge.

Attachments:

1. The Halifax Chamber of Commerce's Development Appeals Policy – March 2007
2. Planning Application Processing Time, Report to Council, Feb.1st 2008
3. Information Report on Permits and Planning Application Processing Times, Report to Council, January 18th 2007.
4. Letter to the Honourable Jamie Muir, April 10th, 2008.
5. Letter to the Honourable Premier MacDonald and Mayor Kelly, February 18th 2008.