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HRM Trusted
Housing Partner
Program
Housing Task Force

April 4, 2024

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1 | Background & context



1 | Background and context



- In spring 2022, Deloitte was retained to **identify barriers to efficient and effective housing development** in HRM and provide recommendations to address these barriers across all levels of government and industry.
- As part of this work, Deloitte recommended the creation of a Trusted Housing Partner Program to **create an enhanced fast-lane service** for applicants with a track record of high-quality submissions (for developers and consultants), and high-quality construction (for builders).
- This program was envisioned to allow for developers and consultants who have met an established set of criteria to get expedited approvals for residential development.
- In early 2023, the Office of Regulatory Affairs and Service Effectiveness undertook a comprehensive jurisdictional review of comparable programs in other municipalities. No program of this breadth exists.
- The Office subsequently engaged Deloitte to develop a preliminary program design for the Program.

1 | Background and context (continued)



As part of this work, Deloitte was engaged to:

- identify program **objectives and principles**
- identify areas or elements of the development or permitting process that should be **in and out of scope**
- identify **eligibility criteria**
- outline a **process for accreditation**
- provide advice on **where the program should reside** and a model that is likely to have the greatest impact
- provide a draft **implementation plan**

To achieve the above, we undertook the following steps:

- Collected and reviewed research and work completed to date
- Engaged with stakeholders (as the program required extensive input from HRM, a number of meetings and workshops were held with senior municipal officials to envision what the pilot program could look like and areas for acceleration).
- Held weekly meetings with Office of Regulatory Affairs and Service Effectiveness
- Drafted preliminary program design
- Validated, reviewed and held feedback cycles with RSE and HRM
- Finalized the report



2 | Program overview





Primary objective

The primary objective of the program is to accelerate housing supply by **reducing approval times for Trusted Housing Partners.**

By adopting a *risk-based audit approach* for those with a *proven track record* of quality submissions along with additional program features, the program is intended to streamline the application and approvals process to reduce time to approval for Trusted Housing Partners, generate material time savings, and enable timelier construction of housing.

2 | Program overview | Principles



- **Objectivity, fairness and transparency:** The program will be equally available to all eligible parties, and it will have clear, objective eligibility criteria. The program should be simple and easy to join for any applicant who meets the eligibility criteria, including small and large applicants. The program will maintain transparency in decision-making, accreditation processes, and dispute resolution to promote fairness and trust.
- **Rewarding quality submissions:** Trusted Partners with a proven track record of delivering quality work save time and resources in the approval process. Promoting a culture of rewarding good work for quality submissions is a key principle of the program.
- **Swift implementation:** Given the social and economic urgency of housing demand, the program should be structured in such a way that allows for swift implementation and activation.
- **Safety:** The program will ensure public safety and adherence to relevant codes, standards and best practices in building.
- **Reverse onus and accountability:** The work of accredited design professionals should be assumed to be competent and meet relevant building standards and requirements, eliminating the need for duplicative internal reviews and oversight, and their professional certifications and representative representations relied upon, within their scope for the issuance of approvals. If, however, errors and omissions become known through an audit, Trusted Partners will be accountable to remedy. All parties will be accountable for meeting timeframes and commitments.
- **Collaboration and communication:** The program will foster open lines of communication and promote a collaborative environment where Trusted Partners actively engage in problem-solving, sharing ideas, and generating new ways of working.
- **Continuous improvement:** The program will be continuously improved through consultation with design professionals, municipal and provincial officials, regulators, and builders. The program will adopt a practice of continuous improvement, adjusting processes continually as feedback is received.
- **Trust and integrity:** The program should foster a relationship based on trust and honesty between Trusted Partners, HRM and the Province. Parties commit to uphold the highest standards of integrity and professionalism throughout collaboration in the program. The program will also promote a culture of taking ownership and resolving issues promptly and efficiently.

2 | Program overview | How it works



The Trusted Housing Partner program employs several mechanisms to speed up approvals:



Deploys a **reverse onus approach**, putting the burden of compliance on applicants.



Eliminates certain steps from the process today and moves those to an **audit-based process**.



Single round of reviews by Municipal and Provincial Departments.



Capped review times for those steps that cannot be removed and **hard deadlines**.



Deferred fees, streamlined variances, and other incentives.

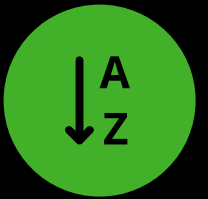
2 | Program overview | Proposed benefits



<p>1. Significant overall time savings</p> <p><i>Potential to save, on average, one year of time for more complex development approval applications.¹</i></p>	<p>2. Clear, predictable timeframes</p>	<p>3. Applications are prioritized by HRM, Provincial staff</p>	<p>4. Departmental reviews are time-bound and limited to a single round</p>	<p>5. Early knowledge and explanation of policy changes</p>
<p>6. Restrict ability to appeal variance decisions.</p>	<p>7. Council delegates authority to staff to sign off on Development Agreements</p>	<p>8. Trusted Housing Partners receive a dedicated single point of contact to work through any issues</p>	<p>9. Fee deferrals from time of application to Approval to Occupy stage</p>	<p>10. Accelerated public consultation, concurrent with Departmental reviews</p>

¹ Simple applications could see savings of 3 months, while more complex applications may see more than a year of time savings.

3 | Program scope



3 | Program scope | Types of development in scope



Eligible projects

All projects containing housing are eligible for the program. Mixed-use projects are eligible, but not projects that do not contain housing. This includes all of the housing options outlined below and more.

Detached single family homes	Duplex	Triplex & Fourplex	Townhouse	Multiplex	Mid-rise	High-rise	Other housing
✓ In scope	✓ In scope	✓ In scope	✓ In scope	✓ In scope	✓ In scope	✓ In scope	✓ In scope

Geography

The program will have no geographic limitations inside of HRM.

In-process applications

Projects that are already in progress by Trusted Housing Partners would qualify for acceleration.

3 | Program scope | Types of applications in scope



The Trusted Housing Partners program will only apply to *enabled* planning applications, meaning applications for rezonings or Development Agreements that do not require Municipal Planning Strategy amendments. Non-enabled applications can consume substantial municipal resources, sometimes requiring staff to write a new zone and policy for a specific property. It would be counterproductive to incentivize proposal types that slow down housing construction by consuming excessive staff time.

Types of applications	In scope	Typical duration
Rezoning	✓ Yes	8 – 16 months
Subdivision – Infill	✓ Yes	Varies
Development Agreement ¹	✓ Yes	Varies
Additional permits	✓ Yes	8 – 34+ days for each permit
Building permits (Part 3 buildings)	✓ Yes	110 days on average
Variances	✓ Yes (Phase 2)	Varies
Building permits (Part 9 buildings) ²	✓ Yes (Phase 2)	39 days on average
Subdivision with Infrastructure (Concept/Final)	✓ Yes (Phase 2)	Varies
MPS amendment ³	Out of scope	Varies
Land use bylaw amendment ³	Out of scope	10 - 24 months

1. As of August 2023, HRM reports significant progress in reducing the duration of Development Agreements from 2-5 years to 12-18 months.

2. Over the past several years we acknowledge that HRM has made significant improvements in processing times for approval of Part 9 buildings, and therefore the time gains may be minimal. As a result, in Phase 1, we recommend HRM focus on those other areas of the planning and development process where more significant gains can be made.

3. While MPS and LUB amendments are viewed as out of scope of this program, any projects which have previously gone through a MPS or LUB amendment process could be eligible for the Trusted Partner program *after* these amendments have been completed, and the project moves to a different phase that is in scope of the Program.



4 | Program eligibility



4 | Program eligibility | Eligible parties



Anyone who submits applications for housing development is eligible to become a Trusted Housing Partner. This includes:

Developers	Consultants	Builders	Builders ¹
property developers who develop housing	who submit applications on behalf of developers	who build Part 3 (complex) buildings	who build Part 9 (typically 3 storeys or under) buildings
✓ In scope	✓ In scope	✓ In scope	✓ Phase 2

- Applicants must have previously completed **2 consecutive applications** (developers, consultants) or buildings (developers, builders) with no substantive errors, as defined by HRM planning staff. Substantive errors are defined as erroneous statements or problems that would, if not addressed, warrant a work stoppage, lead to legal liability for the City, or endanger public health and safety.
- For applicants who do not operate in HRM, previously completed applications in jurisdictions outside of HRM will be accepted.
- Each Trusted Housing Partner must assign the role of “Designated Representative” for the program to one person or a small set of specific people, all of whom must have signing authority for the company.² These representatives will act as points of contact for the program and will be responsible for ensuring that all submissions contain no substantive errors, and that all professionals hired to work on submissions have the necessary competence to avoid substantive errors. They will also be required to participate in orientations and information sessions.

1. With the introduction of the POSSE system in 2020, HRM has significantly reduced approval times for building permits and inspections for Part 9 buildings, with most inspections being completed with 1-2 days. For this reason, we recommend that HRM concentrate on improvements in other aspects of the planning and development process in Phase 1, and revisit further improvements to Part 9 buildings in Phase 2.

2. In cases where the local company representative does not have signing authority, HRM may consider exploring more flexible arrangements such as virtual meetings or other accommodations.

4 | Program eligibility | Roles & responsibilities



Trusted Housing Partner Responsibilities

Trusted Housing Partners, and their Designated Representatives, will have the following responsibilities to the program:

- ensure applications are **high quality, comply with building and safety codes and HRM and Nova Scotia policy**, and contain **no substantive errors**.
- ensure all professionals they hire have the necessary **competencies, credentials** to complete work without substantive errors, and are in good standing.
- respond to HRM comments on applications (where relevant) within a **reasonable timeframe**.
- negotiate Development Agreements (where relevant) in **good faith**.
- provide constructive feedback to HRM in relation to processes and training requirements.

If a Trusted Housing Partner does not consistently fulfill its responsibilities, they may be removed from the program.

In addition, Trusted Housing Partners must:

1. Participate in Information Sessions

HRM staff will host these sessions annually at a minimum and on an ad-hoc basis as needed. The purpose is to allow HRM staff to clarify what is required for a complete application, share common errors to avoid, and advise Trusted Partners of changes in policy or process that have occurred in the previous year. These will be group sessions with all Trusted Housing Partners. Each Trusted Housing Partner is required to send all Designated Representatives to the annual Information Session.

2. Pass regular audits

HRM staff will conduct audits of Trusted Housing Partners following a risk-based approach. If a single submission contains multiple substantive errors, or if more than one submission contains substantive errors, the partner could be considered for removal from the program. HRM may wish to use an independent advisor if a Partner is being considered for removal from the program to give confidence that the removal process is objective.

Note: Trusted Partners should be provided the option not to use the fast-track option and use the regular planning & development stream in circumstances where that would be preferential for the applicant. If a Trusted Partner were to elect the regular planning & development stream for a project, they would not receive any of the benefits associated with the program for that project.

4 | Program eligibility | Application process



How to become a Trusted Housing Partner

Step 1: Provide the following documentation:

- a) A complete application.
- b) The two (2) most recent completed housing development submissions. These applications will be assessed by an assigned team of HRM staff to ensure they did not contain substantive errors at the time of application. For any development application made outside Halifax, the applicant must provide a letter from the relevant jurisdiction(s) confirming the development applications contained no substantive errors.

Application timing

Enrolment in the Trusted Housing Partner program will be on a rolling basis. Parties interested in joining the program can apply online at any point during the year. HRM Planning and Development will review applications and respond within 10 business days.

No application fees

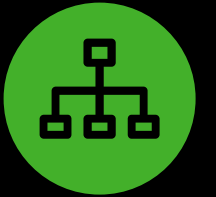
No application fees are required to be a Trusted Partner or apply to the program.

Notes:

- All professionals signing documents must be in good standing.
- Trusted Partners will be required to secure \$2M in professional liability insurance (individuals) or errors/omission insurance (business), however proof of this will not be required at the application stage.
- When launching the Builders component of the Trusted Partners program, HRM may require builders have the necessary safety certifications in place and comply with prompt payments best practices.

5 | Illustrative processes

Development Agreement process



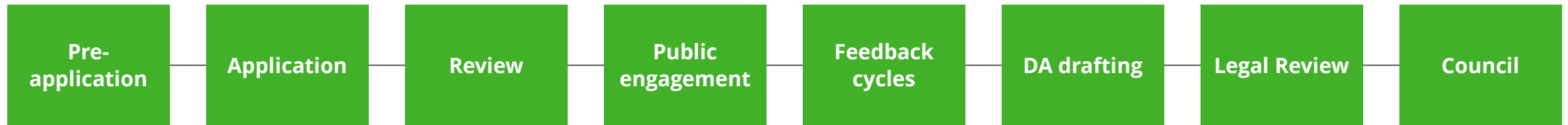
5 | Illustrative processes



Draft processes

To imagine how the program might work in practice, based on numerous discussions with HRM and the Province, we mapped out an illustration of how submissions make their way through the approvals process. The following pages are meant to be illustrative, not definitive. Furthermore, HRM may elect to further tailor these steps in the implementation of the program.

The following stages are typically included in a Development Agreement process.



5 | Sample | Development Agreement process (1 of 3)



Total time savings: 12-18 months

The Development Agreement process is the most common application process for new growth outside the Centre Plan area, and it can take many years. This is likely the area in which the Trusted Housing Partner program can have the greatest impact on accelerating housing approvals. Rezoning, meanwhile, are often necessary to build development that is in conformance with official plans, because in many contexts, zoning does not yet reflect the intent expressed in applicable plans. Rezoning can also involve substantial delays, because it follows a similar process as Development Agreements, minus the negotiation and legal review steps. The following table outlines the current Development Agreement and Rezoning process.

Stage	Current Process Steps	Proposed Process (illustrative)	Current time range ¹	Proposed	Time savings
Pre-application	0. Pre-application consultation/meeting – Optional meeting at conceptual stage where Trusted Partner shares initial ideas for the submission. HRM/Province provide advice or identify challenges that require attention.	Pre-Application meeting to ensure any significant issues can be raised before the application is submitted.	2 weeks	No change	-
Application	1. Application initiation. A Process Coordinator confirms all documents are submitted and forwards it to the planning department.	Eliminated. Application automatically moves to Planner.	1 week	-	1 week
Review	2. Departmental meeting. Halifax staff discuss the project at a standing internal biweekly meeting, and they decide which departments need to review the file.	No change.	2 weeks (maximum)	No change	-
	3. Preliminary review. All selected departments review and give comments on the file so that developers can update it before holding a public engagement. The file is sometimes distributed to Provincial departments if there are issues that affect their area of jurisdiction.	Eliminated.	3 weeks	-	3 weeks

¹Current time range is provided as an estimate. More precise data at this level is expected in 2024.

5 | Sample | Development Agreement process (2 of 3)



Stage	Current Process Steps	Proposed Process (illustrative)	Current time range ¹	Proposed	Time savings
Review (continued)	4. Detailed Departmental Review. Departments provide a second round of more detailed review, informed in part by public input.	Review will be expedited, in part, because technical documents (such as traffic studies) will be approved on submission and will not require detailed review. If municipal or provincial departments do not provide comment within the prescribed 8 weeks, they no longer have the opportunity to provide comment, and the file moves forward. Departments cannot make further requests to change the proposal after this review period, unless substantive changes are made to the file that impact the department's jurisdiction.	4-6 months	1-2 months	3-4 months
Public engagement	5. Public engagement. HRM must seek public input on the proposal. The format of engagements are at the discretion of the planning department.	Limited to online and mail-in surveys only. Public engagement will take place concurrently with departmental review. Note this is under consideration already.	6-8 weeks	Concurrent with step 4	6-8 weeks
Departmental coordination	6. Planning Review meeting takes place with HRM and Departments, partner organizations to collectively review and revise feedback. Only happens after all feedback received.	No change. For development agreements, the legal department will be encouraged to raise potential concerns at this stage.	2 weeks	2 weeks	-
Feedback cycles	7. Feedback returned to applicant.	No change. Single point of contact works directly with Trusted Housing Partner to address any disagreements.	1 week	1 week	-
	8. Second / third round of Departmental reviews. Applicant can respond or resubmit.	Removed.	8-12 months	0 weeks	8-12 months

¹Current time range is provided as an estimate. More precise data at this level is expected in 2024.

5 | Sample | Development Agreement process (3 of 3)



Stage	Current Process Steps	Proposed Process (illustrative)	Current time range ¹	Proposed	Time savings
Document drafting	9. Draft Development Agreement. Staff work with the developer to create a binding Development Agreement.	All requests from HRM staff and responses from developers will be recorded in writing and timestamped. Other departments only provide additional review if there are substantive changes to the proposal that impact their jurisdiction. HRM planning staff and the Trusted Partner will have 180 days to come to an agreement. After 180 days the issue gets escalated unless both parties agree. HRM will establish a process around escalation.	12+ months	4-6 months	6+ months
Legal Review	10. Legal review. The legal department reviews Development Agreements to reduce any legal risks. They are not required to do so by law or policy, but generally do so in practice.	Legal review will be expedited to the extent possible. The program will rely on information sessions, pre-application meeting, departmental review, and auditing to ensure projects meet legal requirements.	Variable	Included in 4-6 months above. Be part of drafting.	-
Council	11. Staff report. Staff write a report to Council with the Development Agreement and their recommendation	Eliminated in cases where staff are supportive of the application and DA.	1-3 months	-	1-3 months
	12. Council First Reading. If Council votes in favour on First Reading, it goes to Second Reading.	In cases where staff are <i>not</i> supportive, the applicant may elect to proceed to Council for a decision.	2-3 months	-	2-3 months
	13. Public hearing and Council Second Reading. The public has an opportunity to speak on the project in front of Council. Council then votes on whether to approve the Development Agreement.	Eliminated in cases where staff are supportive of the applicant and DA. In cases where staff are <i>not</i> supportive, the applicant may elect to proceed to Council for a decision.	1-2 months	-	1 -2 months

¹Current time range is provided as an estimate. More precise data at this level is expected in 2024.



6 | Audit & continuous improvement



6 | Auditing Trusted Housing Partners



Audit process

- The program will conduct regular audits of Trusted Housing Partner submissions approved through the program. These audits will follow best practices. HRM may consider hiring auditors directly who are knowledgeable of HRM rules and procedures to ensure audits are sufficiently concise in focus.
- Auditors will review submissions for errors, and, where necessary, distribute the submission to other departments that have expertise on a particular issue, using the same mechanisms by which HRM currently distributes submissions for review.
- The threshold for failing an audit should be applications that contain substantive errors, meaning false or erroneous statements, or problems that would warrant a work stoppage, lead to legal liability, or endanger public health and safety. Auditor can also flag non-substantive errors which staff and Relationship Managers can gather for continuous improvement measures.
- Auditors will also make note of whether the Trusted Housing Partner consistently fulfilled their duties in the program.

Removal from program

If an auditor identifies substantive errors in multiple submissions, or egregious errors and/or purposeful false statements in one submission, the auditor may recommend the partner be removed from the program.



7 | Operationalization



7 | Operationalization



Getting started

A critical element will be the swift launch of the Trusted Housing Partner program. Several factors should be taken into consideration when moving to implementation:

- **Consultation:** As this preliminary program design was done primarily with the Province and HRM, there is a need for additional consultation in the housing development community to ensure the program can work, identify additional opportunities, identify and resolve any unforeseen risks, deliver valuable benefits to potential Trusted Partners, and achieve crucial buy-in. We recommend consultation take place quickly in order to launch the program in early 2024.
- **Starting small:** HRM may wish to launch with a smaller cohort of Trusted Partners in order to iron out any wrinkles and grow the program gradually. Priority may be given the firms with housing development applications in the queue to ensure the program is targeted toward likely development.
- **Resourcing:** In order to successfully launch this program, it is critical that a project lead or project manager be assigned and dedicated to standing up the program and setting it up for success. Launching the program as a side-of-desk exercise will put the program at risk. In addition, we recommend the Province assign a Provincial Lead to support the stand-up of the program. This role may reside within the Office of Regulatory Affairs and Service Effectiveness, or the Department of Municipal Affairs and Housing.
- **Executive support:** We recommend both levels of government assign a senior leader to serve as executive champion of the program to ensure it gets the attention needed and that issues are resolved promptly.

- **Time-binding approvals:** Given the urgent need for housing construction and completion, we recommend that HRM initially consider time-binding approvals for applications that go through the Trusted Partner program so that construction would need to commence within a specified timeframe, or the approval would become void.

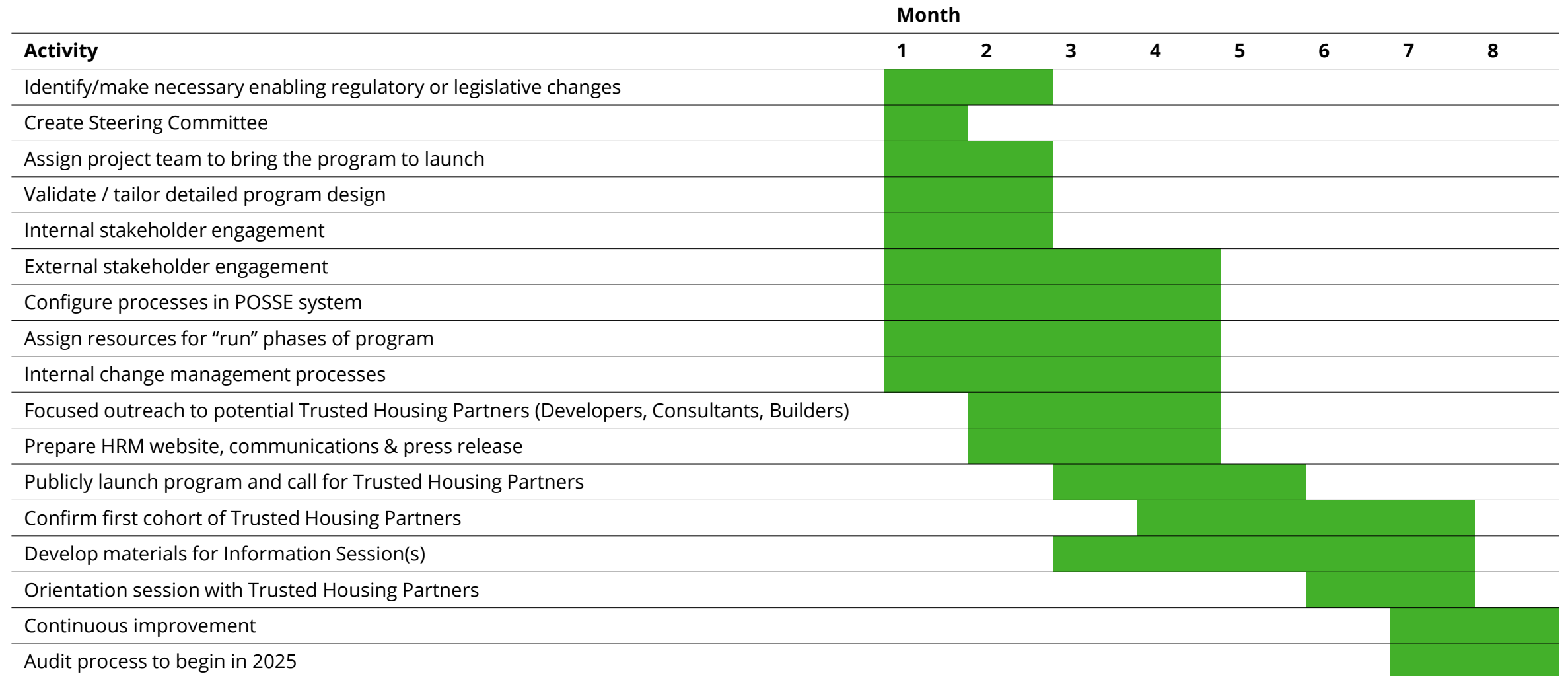
Additional recommendations relating to the Province

- While the contents of this report focused largely on the processes controlled by HRM, we heard there are several opportunities for process improvement within the jurisdiction of the Province regarding the ability to accept large digital files at the Land Registry Office, as well as processing of online payments at the Department of Environment and Climate Change. We recommend the Office of Regulatory Affairs and Service Effectiveness look at process improvement opportunities in the various provincial departments as it relates to housing development.

7 | Implementation plan



The Gantt chart below provides a high-level overview that takes the program from preliminary design to launch.





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