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REQUEST FOR DECISION

DATE: April 20, 2021   Report No. DEV-21-029

TO: Laurie Hurst, Chief Administrative Officer

FROM: Bill Brown, Director of Development Services

SUBJECT:

Council Resolution in Support of a Local Government Development Approvals Program Grant Application

RECOMMENDATION:

That Council endorse, through resolution, the Township's grant application to the Local Government Development Approvals Program (Appendix "A") for a $200,000.00 grant to transition the Township's development applications process from a paper based format to a totally digital web based format utilizing block chain and artificial intelligence technologies to secure, process, evaluate, disseminate, track, and coordinate all applications and related materials from pre-application meetings to permanent electronic records management.

Furthermore, Council grants authority to the Chief Administrative Officer or her delegate(s) to sign the application form and to be the main point of contact with the UBCM and Government of British Columbia on matters related to the application, and if successful, the implementation of the project.

RELEVANT POLICY:

Strategic Priorities 2019 - 2023
Community Charter
Local Government Act
Freedom of Information and Protection of Privacy Act

STRATEGIC RELEVANCE:

Strategic Priority - Excellence in Public Service

    Strategic Objective - Engage, respect and respond to the needs of our community

        Strategic Actions -
        •   Consider further improvement to Township website by evaluating best practices in accessibility standards and general usability
        •   Implement increased online functionality

- Improve electronic records inventory

BACKGROUND:

In 2019, the Province of BC initiated a Development Approvals Review Process. From this review, the Province developed the Local Government Development Approvals Program (Appendix "A"). "The intent of the Local Government Development Approvals Program is to support the implantation of established best practices and to test innovative approaches to improve development approvals processes while meeting local government planning and policy objectives" (Local Government Development Approvals Program 2021 Program & Application Guide). One of the eligible activities for funding is,

> *Improving information technology to facilitate development application processing. Examples include but are not limited to:*
> - *Undertaking assessments to support future implementation of digital application platform or digital permitting software.*
> - *Purchasing and implementing new or upgraded digital platforms or software.*
> - *Training staff on software or platform, or on process changes required to adopt software or platform.*

This program represents an extraordinary opportunity for the Township of Esquimalt to upgrade the array of technology it uses in the processing of applications from staplers, photocopiers, hand date stamps, and an array of individual technologies, to the use of block chain technology which will create processes that are faster, cheaper, more transparent, less prone to error, and will integrate the existing individual technology platforms (e.g. the Township's geographic information system) into a single digital ecosystem.

Blockchain is a digital technology that stores packages of information that are given unique identifiers and distributed across a network (The Truth About Blockchain (hbr.org) <https://hbr.org/2017/01/the-truth-about-blockchain> which makes the technology ideally suited to permit processing. The development application approvals process is long, complex, involves a variety of actors (developers, land owners, staff, Council, lawyers, architects, landscape architects, bankers, surveyors, engineers, consultants, arborists, etc.). Coordinating all the information from these actors is difficult. Often there are numerous versions of various plans, reports, agreements, covenants, bylaws, appraisals, letters from the public, e-mails, etc. Trying to keep all this information organized consumes a huge amount of staff time and energy which can lead to frustration, reduced productivity and potentially mistakes. Using a technology such as block chain tracks all this information digitally. It cannot be lost in a file, saved in an obscure folder, be attached to a deleted e-mail, etc. It would be clear what version of a set of plans or draft agreement is the most current because everyone has access to the same information. Likewise, there are often several versions of draft bylaws circulating and when not everyone is using the most recent version, mistakes can be made. These problems can be eliminated using permission-based block chain technology.

By having everything submitted through a web-based portal, the integrity of the application process is improved. Currently, we sometimes receive applications in pieces, the drawings will be submitted but no application fee or application form. By using a web-based application portal, the application will not be accepted by the computer until all the information has been submitted and the application form

properly completed. This will remove a significant administrative burden associated with the current development application process.

A web-based portal using permission-based block chain technology will speed up the approval process by ensuring that:
- Only completed applications with all the necessary information make it through the portal.
- Circulation of applications will be done digitally and traced using block chain technology.
- An algorithm will automatically determine the most efficient scheduling for advisory planning commission, design review committee, and Council meetings based on the complexity of the application and planner workloads. This system can be integrated into key performance indicators.
- When the applicant submits an application, they will be given a tracing number and will know exactly where their application is in the approval process at any time.
- All agreements will reside in the block chain making reviewing drafts much more efficient and faster.

A web-based portal using permission-based block chain technology will also be more secure and should allow Development Services to go to an exclusively electronic records management system without needing to keep paper records which are very expensive to store and retrieve and are also easier to misplace. A web-based portal using permission-based block chain technology will also be more transparent. The applicant will know exactly where the application is in the process. In addition, the technology should allow for increased public transparency.

A web-based portal using permission-based block chain technology will also increase accountability. Everything will be digitally date stamped and all changes to documents will be traceable through the block chain technology.

Despite the many advantages of using a web-based portal using permission-based block chain technology, Esquimalt would be an early adopter and as such will face the challenges being an early adopter. No other examples of local governments using this combination of technologies has been identified to date. However, it is clear that the use of this type of technology is expanding rapidly due to its many advantages over current systems. Esquimalt has a unique opportunity to take advantage of the Local Development Approvals Grant to take itself to the next level and be a leader in development application processing. This technology will also be transferable to the rest of the organization.

If the grant application is successful, a request for proposals will be issued for a consulting team that will do the following:
- Review the current application processing process and identify all areas that can be converted to a web-based portal system using block chain technology.
- Procure and install the software necessary to implement the web-based portal system. This will include developing a digital ecosystem capable of processing all aspects of application processing from preapplication meetings to final documentation of all electronic records.
- Train staff to use the new system and create communications material to help applicants and the public to understand the new system.

Web based portals are in common use. Having them integrated with block chain technology is a natural extension of the technology which would have many advantages for all actors involved in the

application process. Once implemented, processing times should be significantly increased, mistakes significantly reduced, and costs lowered. The Local Development Approvals Grant provides the Township with an excellent opportunity to implement this new approach in a cost effective manner.

ISSUES:

1. Rationale for Selected Option

   The current system of development application processing is susceptible to a myriad of issues that result in the potential delay of processing times and increased costs due to time spent doing manual activities associated with the current system. A web-based portal using permission-based block chain technology will both decrease processing times and reduce costs.

2. Organizational Implications

   This initiative will involve close collaboration with the IT department. Initial discussions with them have been very positive and they are supportive of integrating permission-based block chain technology into the Township's computer system.

3. Financial Implications

   The Township is applying for a $200,000.00 grant to develop and implement a web-based portal using permission-based block chain technology. This system is expected to result in cost savings due to the elimination of almost all manual labour associated with the current system.

   It is not expected that implementation of this system will result in the need to significantly invest in new computer hardware.

4. Sustainability & Environmental Implications

   This system will eliminate almost all paper associated with the current system. Furthermore, since applications are submitted through a web based portal, trips to the municipal hall by applicants will be significantly reduced

5. Communication & Engagement

   . No communications or engagement process is required at this time.

ALTERNATIVES:

1) That Council endorse, through resolution, the Township's grant application to the Local Government Development Approvals Program (Appendix "A") for a $200,000.00 grant to transition the Township's development applications process from a paper based format to a totally digital web based format utilizing block chain and artificial intelligence technologies to secure, process, evaluate, disseminate, track, and coordinate all applications and related materials from pre-application meetings to permanent electronic records management.

Furthermore, Council grants authority to the Chief Administrative Officer or her delegate(s) to sign the application form and to be the main point of contact with the UBCM and Government of British Columbia on matters related to the application, and if successful, the implementation of the project.

2) That Council request more information before making a decision noting that the application deadline is May 7, 2021.

3) That Council decline to support the grant application.