



AGENDA

BUSINESS ADVISORY COMMITTEE

November 16, 2020, 1:00 PM
IN THE COUNCIL CHAMBER

Members

Councillor W. Sutherland, Chair
Councillor J. Davison, Vice-Chair
Mayor N. Nenshi, Ex-Officio
City Manager Designate S. Sharp

SPECIAL NOTES:

Public are encouraged to follow Council and Committee meetings using the live stream [Calgary.ca/WatchLive](https://calgary.ca/WatchLive)

Members may be participating remotely.

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1. Minutes of the Regular Meeting of the Business Advisory Committee, 2019 December 06
5. CONSENT AGENDA
 - 5.1. DEFERRALS AND PROCEDURAL REQUESTS
None
 - 5.2. BRIEFINGS
None
6. POSTPONED REPORTS
(including related/supplemental reports)
None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 7.1. Update on the Customer Journey Issues for the Restaurant and Brewery Industry, BAC2020-1312

8. ITEMS DIRECTLY TO COMMITTEE

- 8.1. REFERRED REPORTS
None

- 8.2. NOTICE(S) OF MOTION
None

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

- 10.1. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
None

- 10.2. URGENT BUSINESS

11. ADJOURNMENT



MINUTES

BUSINESS ADVISORY COMMITTEE

December 6, 2019, 10:30 AM
LEGAL TRADITIONS COMMITTEE ROOM

PRESENT: Councillor W. Sutherland, Chair
Councillor P. Demong, Vice-Chair
City Manager Designate S. Sharp

ALSO PRESENT: A/City Clerk S. Muscoby
Recorder L. Gibb

1. **CALL TO ORDER**

Councillor Sutherland called the Meeting to order at 10:30 a.m.

2. **OPENING REMARKS**

Councillor Sutherland provided opening remarks.

3. **CONFIRMATION OF AGENDA**

Moved by Councillor Demong

That the Agenda for the 2019 December 06 Regular Meeting of the Business Advisory Committee be confirmed.

MOTION CARRIED

4. **CONFIRMATION OF MINUTES**

4.1 Minutes of the Regular Meeting of the Business Advisory Committee, 2019
September 20

Moved by Councillor Demong

That the Minutes of the 2019 September 20 Regular Meeting of the Business Advisory Committee be confirmed.

MOTION CARRIED

5. **CONSENT AGENDA**

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Business Advisory Committee Opinion on Social Procurement, BAC2019-1524

Moved by Councillor Demong

That with respect to Report BAC2019-1524 the following be approved:

That the Business Advisory Committee recommends that Council:

1. Continue with the Social Procurement Pilot project as considered in Report PFC2019-0384;
2. Reduce the number of pilot projects to two;
3. Change the name of the Policy from Social Procurement Policy to Benefit Driven Procurement Policy; and
4. Consider this report to be heard in conjunction with the postponed Social Procurement update, PFC2019-0384 at the Combined Meeting of Council, 2019 December 16.

MOTION CARRIED

7.2 Water Utility report back to the Business Advisory Committee on Indemnified Contractors, BAC2019-1484

A presentation entitled "Water Utility report back to the Business Advisory Committee on Indemnified Contractors" was distributed, with respect to Report BAC2019-1484.

Moved by Councillor Demong

That with respect to Report BAC2019-1484, the following be approved:

That the Business Advisory Committee recommends that Council:

1. Approve the proposed corporate-wide process for continued improvement of the Indemnified Contractor experience; and
2. Direct the Business and Local Economy Program, in conjunction with Utilities and Environmental Protection Department, to report back to the Business Advisory Committee with an update on the corporate-wide improvement process by the end of Q2 2020.

MOTION CARRIED

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

10.2 URGENT BUSINESS

None

11. ADJOURNMENT

Moved by Councillor Demong

That this meeting adjourn at 11:06 a.m.

MOTION CARRIED

THE FOLLOWING ITEM HAS BEEN FORWARDED TO THE 2019 DECEMBER 16
COMBINED MEETING OF COUNCIL:

Consent:

- Business Advisory Committee Opinion on Social Procurement, BAC2019-1524
- Water Utility report back to the Business Advisory Committee on Indemnified Contractors, BAC2019-1484

The next Regular Meeting of the Business Advisory Committee will be held at the Call of the Chair.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

UNCONFIRMED

Update on the Customer Journey Issues for the Restaurant and Brewery Industry

RECOMMENDATION(S):

That the Business Advisory Committee:

1. Direct the Business & Local Economy team to work with Planning & Development to report back to the BAC with a progress update on focus areas 1, 3, 3a, 3b, 3c, 4, and 5 identified in the “What We Heard” report by the end of Q1 2021;
2. Direct the Business & Local Economy team to work with Planning & Development to report back to the BAC with a progress update on focus area 2 identified in the “What We Heard” report by the end of Q2 2021; and
3. Direct the Business & Local Economy team to work with Planning & Development for continued improvement of the customer journey experience to other business segments.

HIGHLIGHTS

- The Business Advisory Committee (BAC) has been working with the restaurant and brewery industry to understand and address concerns and systemic issues/barriers to open and manage a business when dealing with The City. The purpose of this report is to provide an update on Administration’s next steps in response to the concerns and recommendations raised by targeted stakeholders during the restaurant and brewery meetings that BAC hosted. The recommendations will help The City achieve improvements and will identify opportunities for integrated solutions.
- What does this mean to Calgarians? Administration is committed to providing complete support and consistent knowledge for businesses to complete their journey to open and manage their business in Calgary.
- This matters to Calgarians because Calgary will continue to grow as a magnet for talent, a place where there is opportunity for all, and strive to be the best place in Canada to start and grow a business.
- The main return on investment of a business licence is that it provides citizens, customers, and employees with the assurance that expectations for safe and ethical business practices are met; protecting legitimate businesses from the negative impacts of illegitimate businesses.
- An approvals team has been created to bring together business approvals and building safety approvals, providing a one-stop shop for businesses.
- Ongoing collaboration between City Administration, the Business & Local Economy team, and business stakeholders will continue to advance a stronger level of service, improve the customer journey and customer satisfaction, and resolve service delivery issues.
- The most recent Council direction was for BAC to prioritize perceived system barriers and to work with City Administration on the restaurant journey.
- Background and Previous Council Direction is included as Attachment 1.
- Strategic Alignment to Council’s Citizen Priorities: A prosperous city

Update on the Customer Journey Issues for the Restaurant and Brewery Industry

DISCUSSION

The meetings that the Business Advisory Committee conducted with targeted stakeholders from the restaurant and brewery industry were based on a service design approach, where the conversation was focused on understanding the delivery of City services from a business perspective.

The first result from the workshops was the identification of issues when opening and managing a business in Calgary. The focus areas are:

1. Lack of opportunity to meet, consistency, and knowledge from staff when responding to inquiries
2. Uncertainty, time and cost increase due to Change of Use, lengthy process [2021 Focus]
3. The inspection process requires far more changes than what was initially approved on the plans/drawings
 - a. Cost increase due to over-design of various requirements related to safety
 - b. Building safety codes regulation required to design for construction are too vague
 - c. Lack of clarity on HVAC requirements
4. Lack of consistency/ subjectivity from inspection staff when making approval decisions
5. Lack of perceived value on paying for a business license

Administration is committed to providing complete support and consistent knowledge for businesses to improve the overall experience, such as a one-stop-shop for customers and their business needs that effectively coordinates approvals, acts as an early warning system for customers, and streamlines access to The City's expertise. An approvals team has been created to bring together business approvals with building safety approvals. This will provide operational alignment on the highlighted customer issues and will provide a unified approvals system. Please see Attachment 2 for further details on Administration's next steps and future considerations to address all of the above focus areas and to address the value proposition of business licences.

The second result from the workshops was the development of a customer journey map based on all of the qualitative data collected during the workshop and from internal subject matter experts. A customer journey map is a visual representation of the steps and the emotional states that a specific customer segment goes through over a period of time to accomplish a specific goal, including interactions with The City. By addressing the issues identified above, the customer journey will immediately see improvements. Additionally, in collaboration with the Planning & Development department, Business & Local Economy will continue to work in a coordinated fashion to support activities to address the issues, identify further ways to improve the journey, and start expanding this approach to create customer journey maps for different customer segments. The details related to the opportunities for improvement and the customer journey map is included in Attachment 3.

Update on the Customer Journey Issues for the Restaurant and Brewery Industry

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- ☐ Public Engagement was undertaken
- ☐ Public Communication or Engagement was not required
- ☐ Public/Stakeholders were informed
- ☒ Stakeholder dialogue/relations were undertaken

Through the Business Advisory Committee, the Business & Local Economy team has been engaging with restaurant and brewery business owners and stakeholders to gather feedback on the customer journey experience. Workshops and meetings were held in 2020 July and August.

IMPLICATIONS

Social

Remaining responsive to the needs of the business community through these unprecedented times is a critical social consideration.

Environmental

There are no environmental implications anticipated to be associated with implementing these recommendations.

Economic

Supporting businesses will keep the economy moving.

Service and Financial Implications

Self-supported funding

Calgary Building Services has dedicated \$900,000 per year from its self-funded operating budget, which includes six full-time equivalents and all associated costs, to support ongoing improvements for businesses.

RISK

It is important to identify opportunities to improve the business journey to open and manage a business in Calgary. With the challenging economic conditions in 2019 and 2020, including the impact of the COVID-19 pandemic, focusing on the foundations of a strong and vibrant local economy are even more important.

ATTACHMENT(S)

1. Previous Council Direction and Background
2. Administration's next steps and future considerations
3. What We Heard Report - Restaurants and Brewing Industry

**Planning & Development Report to
Business Advisory Committee
2020 November 16**

**ISC: UNRESTRICTED
BAC2020-1312
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Update on the Customer Journey Issues for the Restaurant and Brewery Industry

Department Circulation

General Manager	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development	Approve

Previous Council Direction and Background

Background

The Business Advisory Committee (BAC) working group's (comprised of a number of external stakeholders) responsibilities are to:

- 1) Bring forth perceived barriers that business stakeholders face in their everyday operations, and opportunities for discussion;
- 2) The working group will receive from Administration plans and associated presentations about work being done to become more business-friendly, and provide input on those plans;
- 3) Share updates with the broader community of business owners and investors once solutions or service improvements have been determined and implemented; and
- 4) Provide insight, advice, and recommend service improvements to the Business Advisory Committee, representing the customer perspective.

The BAC working group had identified the restaurant and brewery industry as a key priority for BAC to address in 2020. BAC hosted three confidential meetings with representatives from the Restaurant/Brewery sector in July with the objective to collect their feedback on their experience with The City.

Previous Council Direction

The Business Advisory Committee Q4 2019 – Q1 2020 Work Plan and the amended Terms of Reference (BAC2019-1193) were approved at the 2019 September 30 Combined Meeting of Council.

The Business Advisory Committee Q4 2019 – Q1 2020 Work Plan identified several opportunities to prioritize perceived system barriers. Three priorities were identified:

- 1) Restaurants
 - Importance of being more responsive with timelines. Municipal and Provincial collaboration.
- 2) Change of Use
 - Stakeholders would like a focus on streamlining process and permitting.
- 3) Industrial Land
 - Ensuring City industrial land remains regionally competitive.

Administration's next steps and future considerations

Issues	Work in Progress/Near-Term Considerations				Future Considerations	
	What is the perceived concern?	Proposed Organizational / Procedural changes	What are the desired outcomes?	What are the potential measures of success?	Potential future initiatives	Prioritization Notes
1 - Lack of opportunity to meet, consistency and knowledge from staff when responding to inquiries	Without regular input from staff, business owners are unaware of potential problems in applications until they are too late.	<p>The Case Manager role to be located within Business & Building Safety Approvals will help connect customers with the information they need.</p> <p>Develop approvals and inspections process guides.</p>	<p>Knowledgeable staff accessible to applicants, will have early warning of potential issues. This is in addition to the current access already available to all customers through live chat, email, and by phone.</p> <p>Case Manager will be able to connect customers with Subject Matter Experts (SMEs) where applications are complex.</p>	<p>Customer survey results.</p> <p>Tracking of difference between desired vs. actual business open date.</p>	<p>Enhance quality of information available to businesses and create more information channels.</p> <ul style="list-style-type: none"> Expanded SME availability Enhanced information sharing with business owner during approvals process. Use technology to track most common questions/problems Use data to develop customer education Use digital interactive tools to provide customers with real time property information. <p>Create more opportunities to provide early warning to customers.</p> <ul style="list-style-type: none"> Provide Safety Codes input earlier in approvals process Stronger focus on aligning business opening date and approvals process Engage stakeholders in processes that occur before the approvals process starts. 	Prioritize low cost/low effort initiatives with direct potential benefit.
2 - Uncertainty, time and cost increase due to Change of Use lengthy process	The longer the approvals process takes, the greater the loss in revenue for the business.	2021 focus – Key initiatives are being worked on already such as: Parking minimums removal for commercial and enterprise area expanding to other locations.				
3 - Inspection process require far more changes than what was initially approved on the plans/drawings	Lack of certainty that an approved design can be constructed without costly changes required by inspectors.	<p>Encourage complete applications</p> <ul style="list-style-type: none"> Illustrate what a complete application looks like <p>Enhance coordination between approvals and inspections staff through:</p> <ul style="list-style-type: none"> Training materials developed based on most common application and inspection deficiencies. 	<p>Customer knows what to submit in order to have an application approved and pass inspections.</p> <p>Enforcement is consistent among approvals and inspections staff.</p>	<p>Customer survey results.</p> <p>Tracking of difference between desired vs. actual business open date.</p>	<p>Encourage complete applications</p> <ul style="list-style-type: none"> Communicate timelines for complete vs. incomplete applications Track most common application and inspection deficiencies <p>Enhance education offerings for customers</p> <ul style="list-style-type: none"> Use data to develop customer education for all stakeholders. 	Data from tracking of most common application and inspection deficiencies will be available for customer education development purposes.

Administration's next steps and future considerations

Issues	Work in Progress/Near-Term Considerations				Future Considerations	
	What is the perceived concern?	Proposed Organizational / Procedural changes	What are the desired outcomes?	What are the potential measures of success?	Potential future initiatives	Prioritization Notes
		Clarify rules of engagement between customers and staff <ul style="list-style-type: none">Communicate an escalation protocolProvide organizational charts and contact information.			Enhance quality of information and training available to staff <ul style="list-style-type: none">Improve knowledge management systemCross-training.	
3A - Cost increase due to over design of various requirements related to safety	Lack of familiarity with codes results in design changes and over-designing in order to increase certainty of a successful application. Overdesign may reduce revenue-generating floor area. Business owners are caught unaware of changes to codes.	Approvals and inspections process guides to identify or link to minimum code requirements. Provide ongoing coaching/training of staff to ensure common understanding of minimum code requirements.	Business owners have access to easily understandable code information, including information about code changes. Staff are consistent in their understanding and application of minimum code requirements.	Customer survey results.	Enhance education offerings for customers <ul style="list-style-type: none">Use data to develop customer education for all stakeholders. Enhance quality of information and training available to staff <ul style="list-style-type: none">Improve knowledge management systemCross-training. Connect businesses with Codes development processes. Leverage relationships with Codes development bodies to provide enhanced information to customers.	Data from tracking of most common application and inspection deficiencies will be available for customer education development purposes.
3B – Building safety codes regulation required to design for construction are too vague	Lack of familiarity with design requirements/ design objectives results in design changes.	Provide an approvals and inspections process guide to identify or link to minimum code requirements. Provide an approvals and inspections process guide to identify or link to information about what type of designers/contractors the customer should hire in order to have an application approved and pass inspections. Provide ongoing coaching/training of staff to ensure deficiencies are communicated clearly.	Case Manager will be able to connect customers with Subject Matter Experts (SMEs) where applications are complex. Business owners have access to easily understandable code information. Business owners know what type of assistance they need in order to have an application approved and pass inspections.	Customer survey results. Tracking of difference between desired vs. actual business open date.	Enhance quality of information available to businesses and create more information channels. <ul style="list-style-type: none">Expanded SME availabilityEnhanced information sharing with business owner during approvals process.Use technology to track most common questions/problemsUse data to develop customer education Create more opportunities to provide early warning to customers. <ul style="list-style-type: none">Provide Safety Codes input earlier in approvals process	Prioritize low cost/low effort initiatives with direct potential benefit. Data from tracking of most common application and inspection deficiencies will be available for customer education development purposes.
3C – Lack of clarity on HVAC requirements	Code requirements for HVAC are not communicated effectively.	See items under Issue 3B.	See items under Issue 3B.	See items under Issue 3B.	See items under Issue 3B.	See items under Issue 3B.

Administration's next steps and future considerations

Issues	Work in Progress/Near-Term Considerations				Future Considerations	
	What is the perceived concern?	Proposed Organizational / Procedural changes	What are the desired outcomes?	What are the potential measures of success?	Potential future initiatives	Prioritization Notes
	HVAC retrofits are too expensive for building owners, which can prevent businesses from being able to lease space.					
4 - Lack of consistency/subjectivity from inspection staff when making approval decisions	Inconsistent interpretation and application of code requirements by inspections staff.	See items under Issue 3.	See items under Issue 3.	See items under Issue 3.	See items under Issue 3.	See items under Issue 3.
5 - Lack of perceived value on paying for a business licence	There is a negative perception that the Business Licence is another form of taxation. It seems that the business licence inspection only looks if the business has made the licence paper proof visible, missing the point of why the business is open.	<p>Investigate the removal of fire approvals from the business licence process to reduce requirements that provide little value to the business owner.</p> <p>Provide an automated option to renew business licences which is more convenient and efficient for the business owner.</p> <p>Investigate what other jurisdictions are doing to enhance the value for a business license.</p>	<p>Business owners understand the value and purpose of a business licence.</p> <p>Staff are consistent in their understanding of the business licence process and are better able to communicate to business owners.</p>	Customer survey results.	<p>Assess the use of revenue from Business Licence to create an external Advisory Panel to support other businesses that are starting up.</p> <p>Provide a value in return for business licence communication on the City of Calgary website.</p>	Prioritize digital options for enhanced customer service.



Restaurants & Brewery Industry meetings – What we Heard Report

Introduction

The restaurant and brewery workshop is an initiative in partnership with the Business and Local Economy (BLE) team and the Business Advisory Committee (BAC). The main goals of the initiative are:

- Build a highest level of the current state end-to-end journey map to open a business in Calgary
- Identify opportunities to improve the business journey to open and manage a business in Calgary

The purpose of this report is to document and analyze the feedback obtained from targeted stakeholders during the meetings. More importantly, the report provides a series of recommendations and next steps for the impacted business units to address and provide an update to BAC.

The Approach

A service design approach was used overall to achieve the goals of the initiative. Service design helps organization see their services from a customer perspective. It is an approach to designing services that balances the needs of the customer with the needs of the business, aiming to create seamless and quality services experiences (definition from This is Service Design Doing book).

In order to execute the initiative the following steps were followed:

- **Meetings:** three meetings with targeted stakeholders from the restaurant and brewery industry to empathize and collect their input and experiences.
- **Analysis:** information collected during the meetings were analyzed and themed to identify the best opportunities to improve.
- **Customer Journey Map:** further to the analysis from the meetings insights were generated to design a current state journey to open a business in the restaurant industry.
- **Recommendations:** development and prioritization of recommendations incorporating both perspectives from the customers and internally with BLE expertise.
- **Sustainment:** continue working and supporting the business units addressing the issues identified and elaborating on different industries customer journey maps.



Restaurants & Brewery Industry meetings – What we Heard Report

What we Heard

During the meetings, the BLE team along with the Councilors from BAC, engage with the participants better understanding of businesses needs and perspectives when interacting with The City to open and manage their business. Some of the questions asked were:

- What are the stages/phases to open a restaurant in Calgary?
- What are the activities, jobs and emotions businesses have to complete and go through within each stage of opening a business lifecycle?
- What are the pains and gains when going through the stages/phases of opening a business?

Table 1 below highlights the major issues emerged through the meetings with targeted stakeholders within the restaurant and brewery sector.

Issue	Where (BU) the issue is related to	Context and potential consequences for businesses	Suggested question(s) to be answered	Comments from stakeholders
1 - Lack of opportunity to meet, consistency and knowledge from staff when responding to inquiries	Calgary Building Services (CBS) - Customer Advisory Services	<p>Businesses rely on the City staff availability and knowledge to provide them information in order to:</p> <ul style="list-style-type: none"> • Identify the potential costs that will incur to open the business resulting on a viable and profitable business plan • Ensure the plans put forward for regulatory application meet all the necessary requirements. Conflicting and change of information can result in cost the business is not able to absorb and ultimately preventing the business to open their doors. 	What actions can be taken that would result in providing more opportunities for business customers to engage with The City in a consistent manner to avoid potential re-work/problems before and after a permit application?	<p>“Depends on who is on the counter at the time of application. That experience is critical, some might not understand what you’re trying to do”</p> <p>“In some cases apply in the morning with problems, come back in afternoon and is accepted even though no changes are made to proposal”</p> <p>“City’s process checklist is fairly good, however new business owners don’t understand the road blocks within each of those steps. New business owners don’t know</p>



Restaurants & Brewery Industry meetings – What we Heard Report

Issue	Where (BU) the issue is related to	Context and potential consequences for businesses	Suggested question(s) to be answered	Comments from stakeholders
				the right questions to ask at that point “Calgary can be the most challenging city to deal with compared to other municipalities”
2 – [2021 Focus] Uncertainty, time and cost increase due to Change of Use (COU) lengthy process.	<ul style="list-style-type: none"> Calgary Building Services (CBS) – Stream 2 Community Planning (CP) – Stream 3 Calgary Approval Coordination (CAC) 	Businesses have to manage their finances while they are waiting to confirm if the chosen location will be approved. While waiting for approval they have to negotiate and secure the lease of the place, which incurs considerable cost. The longer the process takes the longer the place is rented without generating revenue reducing the chances of the business to succeed. The lengthy process can cost the first years’ worth of net revenue from the business.	<ul style="list-style-type: none"> What actions can be taken that would result in reducing the time it takes to or remove the need of a COU? How could a more modernize Land Use bylaw look like to support a fast-paced business environment to start up a business? 	<p>“People are making decisions for the market such as elected officials and non-elected officials, why do they get to decide whether or not they want that business in a certain building/community?”</p> <p>“Issue of who gets the power to oppose, one voice should not be strong enough to delay”</p>
3- Inspection process require far more changes than what was initially approved on the plans/drawings	Calgary Building Services (CBS) – Building Safety Approvals	Businesses already incur cost to hire a professional engineer, who is legally liable for infrastructure. A great amount of additional effort, which increases the startup costs, is put towards interpreting City and provincial code standards for obtaining permits and to anticipate/mitigate any possible future problems that might occur.	<ul style="list-style-type: none"> What actions can be taken that would result in providing more certainty and continuity to business guaranteeing that approved plans will not require further changes? 	<p>“Frustration when drawings are approved and stamped, then during inspections. Inspector requests more changes. Frustrating for business to incur additional fixes and costs”</p> <p>“When speaking to the File Manager, mainly only to ask where the file is at. Need one</p>



Restaurants & Brewery Industry meetings – What we Heard Report

Issue	Where (BU) the issue is related to	Context and potential consequences for businesses	Suggested question(s) to be answered	Comments from stakeholders
		Despite all that effort and plans approved there is still a high degree of approval uncertainty and increased cost and time that could prevent business success.		knowledgeable person championing the whole process from beginning to end to sign off on all approvals” “Inspector at end is “god” and if he doesn’t like it, or having a bad day, will be a stickler”
3A - Cost increase due to over design of various requirements related to safety	Calgary Building Services (CBS) – Building Safety Approvals	Businesses already incur cost to hire an engineer to design for construction who interprets regulation/codes which are not clear resulting in a lengthy back and forth process between City and business to agree on the requirements. Several instances businesses decide to accept a requirement higher than expected to move the process ahead. The experience from businesses tell that the “requirement	<ul style="list-style-type: none"> What action can be taken that would result in clear guidelines for business to design and meet specifications and avoid extra and unnecessary costs? 	<p>“Dialogue back and forth on requirements however never had a clear understanding, as a result over designed to ensure an easy process of approval”</p> <p>“Challenges with not speaking directly to a City engineer or approver, instead conversing with a file manager representative who might not have all the information”</p>
3B – Building safety codes regulation required to design for construction are too vague	Calgary Building Services (CBS) – Building Safety Approvals	interpretation gap” could have generated huge potential savings. Additionally, every square foot of the business space counts. Overdesign reduces the space decreasing the revenue potential for the business.	<ul style="list-style-type: none"> What actions can be taken that would result in a more clear and easier way to interpret building safety codes regulation avoiding subjective and confusing interpretation? What can The City do to have a more active role and influence 	<p>“4” wall required to be built and up to code (R factor) versus an originally planned 3” wall for a refrigeration unit, needed to be redesigned. No one was asked or consulted on the change of code. Why would the City choose to make those changes, how are they</p>



Restaurants & Brewery Industry meetings – What we Heard Report

Issue	Where (BU) the issue is related to	Context and potential consequences for businesses	Suggested question(s) to be answered	Comments from stakeholders
		Businesses feel they are left in the dark with changes to code	building safety codes to avoid sudden changes that don't reflect best practices and support business success?	vetted and who sits down to decide on those changes? Just one department?" "A little nomadic how code came to be, best practices outdated, maybe not within best interest"
3C – Lack of clarity on HVAC requirements	Calgary Building Services (CBS) – Building Safety Approvals	HVAC requirements are a major uncertainty for businesses. When renting the space landlords can't afford the installation costs of HVAC. These costs could be \$150K and up. In some cases the cost can defer a business from opening.	<ul style="list-style-type: none"> What action can be taken that would result in clear HVAC requirements for business to design and meet specifications and avoid unpredictable costs? 	
4 - Lack of consistency/ subjectivity from inspection staff when making approval decisions	Calgary Building Services (CBS) – Building Safety Approvals	Business must engage with several different inspection staff from development, building, trades and fire. The experience with different inspectors varies to a higher degree with the inspections performed by Fire being the most accommodating one. The approach used by Fire is more constructive and direct where there is no hold-up of the business to open their doors. On the other hand, there is an adversarial attitude resulting on constant back and forth between business and	<ul style="list-style-type: none"> What actions can be taken that would result in a more consistent experience with all different inspection requirements? What actions can be taken that would result in a more constructive and direct approach to inspection where The City doesn't hold up the business to open its doors? 	<p>"All different staff (Inspectors; Calgary Fire; desk staff) working on the process to open a business seems to work on a different page. Development and Building Permits flawed and grey area within code review."</p> <p>"Fire will come in and say "this is wrong by our standards", make sure you get that changed but we aren't here to hold you up, here's your sign off"</p>



Restaurants & Brewery Industry meetings – What we Heard Report

Issue	Where (BU) the issue is related to	Context and potential consequences for businesses	Suggested question(s) to be answered	Comments from stakeholders
		inspectors to get the doors opened. The latter approach creates more uncertainty to businesses that have to allocate more money to cover the unknowns of inspections.		"One instance the inspector advised the sinks was too high for accessibility/handicap. Actions were taken to lower sinks. However the inspector came back saying the sinks were too low"
5 - Lack of perceived value on paying for a business license	<ul style="list-style-type: none"> Calgary Building Services (CBS) Community Standards – Compliance Services 	There is a negative perception that the Business License is another form of taxation. It seems that the Business License inspection only looks if the business has made the license paper proof visible, missing the point of why the business is open.	<ul style="list-style-type: none"> What actions can be taken that would result in a more positive perception for the need of a Business License and the benefits/value of business having it? How could a more modernize approach to Business License look like to support Calgary's business environment and help business thrive? 	<p>"Why does the City need a Business License? Tax grab?"</p> <p>"What are the benefits to the business owner to have a Business License?"</p> <p>"Does the business license provide comfort to customers or to The City?"</p> <p>"What is the added value of a Business License to the City?"</p>

Table 1 – Major Issues



Restaurants & Brewery Industry meetings – What we Heard Report

Customer Journey

A customer journey map (CJM) is a visual representation of the steps and emotional states a specific customer segment goes through over a period of time to accomplish a specific goal that includes interactions with The City. Customer journey maps can help you understand a customer's overall experience by looking at interactions in the context of the customer's broader goals and activities.

The CJM chosen was of opening a restaurant/brewery business in Calgary. The reason behind selecting that industry is the complexity of processes and other provincial bodies involved in setting up a food related business in Alberta. CJM can have various scales and scopes, and it is usually needed several to represent different aspects of one experience or service: from a high-level map showing an end-to-end experience (the one created), to more detailed maps focusing on one stage of a higher-level CJM. The intention of this initiative was to select one complex journey and, in the future, replicate the process to create CJM for different industries and stages of the journey.

The CJM represented in Figure 1 was based on the information collected during the meetings with stakeholders and the subject matter expertise of staff with experience in opening a business in Calgary. The context for the CJM is for a "Strategic Entrepreneur" who would like to open a small to medium business in a commercial property. The profile of the customer is one that has the following characteristics:

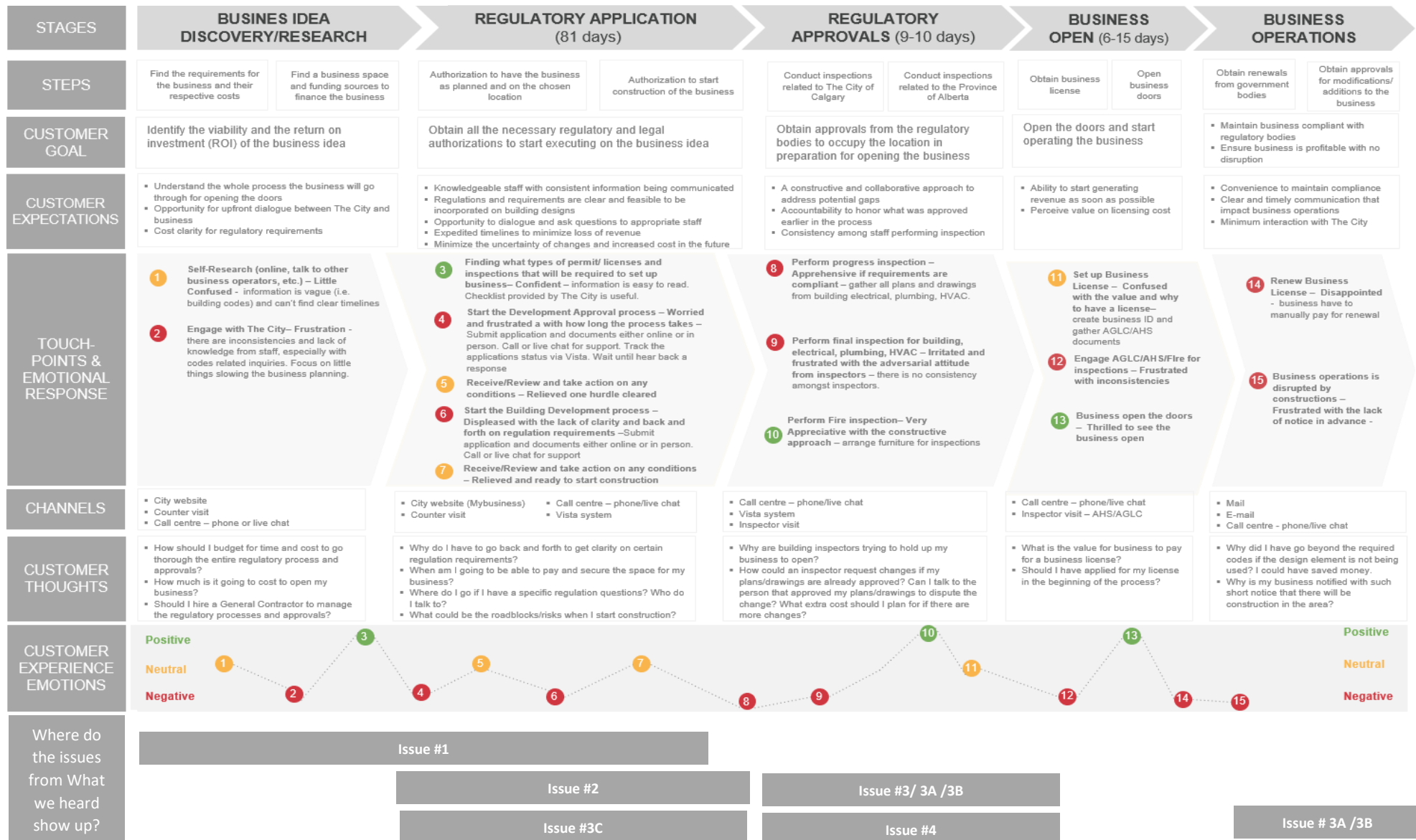
- Some experience opening a business in Calgary
- Understands the pace of starting up a business which requires fast responses and how to navigate the uncertainties that comes with a new venture
- Is part of the "food network" of restaurant owners in Calgary
- Has some understanding of the technical aspects (i.e. construction codes) to build a brick and mortar type of business

The CJM also includes at what stage of the journey the issues highlighted in the previous "What we Heard" section occur.



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Figure 1 – Opening a restaurant/ brewery business in Calgary





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Recommendations

The recommendations are divided into two categories:

1. Stakeholder: suggested recommendations provided by stakeholders through the meetings
2. Business and Local Economy (BLE): suggested recommendations provided by the BLE team

Further to identifying potential recommendations the BLE team has performed an initial assessment to identify implementation priorities according the following:

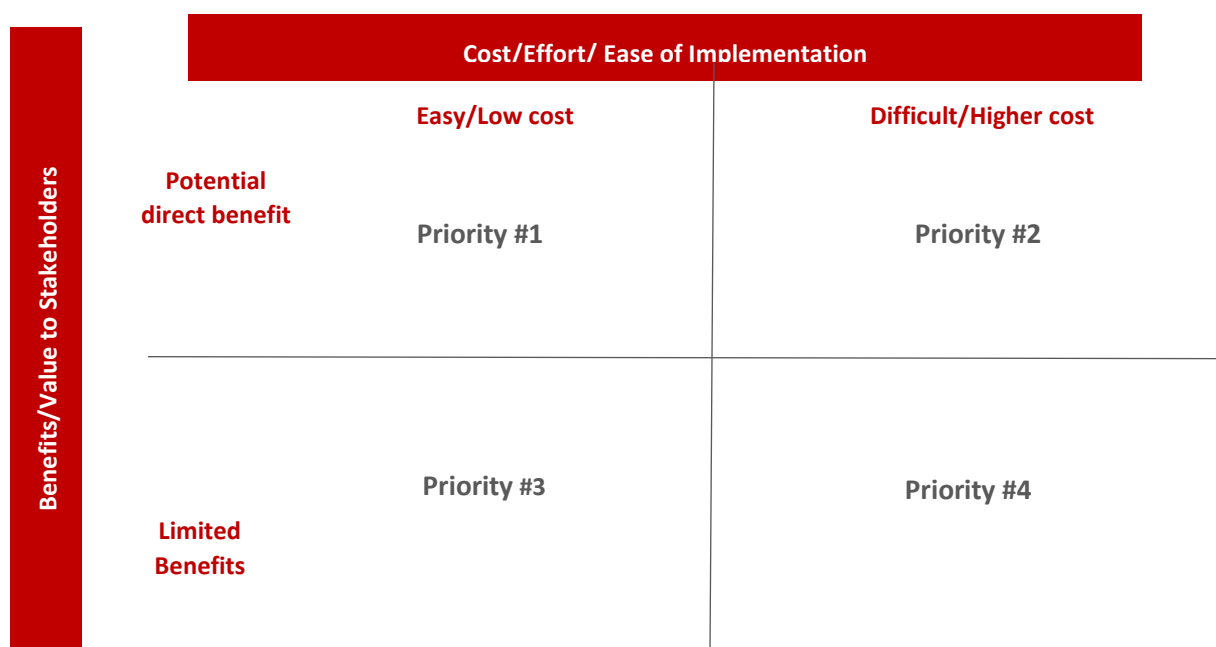


Table 2 highlights recommendations from all the issues from the What we Heard section except for issue number two (Uncertainty, time and cost increase due to Change of Use (COU) lengthy process) assessed according to the criteria mentioned above. The COU issue (#2) is a 2021



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focus and the recommendations identified can be further investigated by the involved business units. The recommendation for issue number two can be found in table 3.

Issue	Recommendations			
	Priority #1	Priority #2	Priority #3	Priority #4
1 - Lack of opportunity to meet, consistency and knowledge from staff when responding to inquiries	<ul style="list-style-type: none"> • Create preapplication meetings combined DP/BP • Make more staff available to help early in the process • Create Q&A forum, with top 10 common questions that others have asked and here are the answers with best practices. • Update content for internal staff site (ROBO) and Technical Assistance Centre. • Review training of staff. 	<ul style="list-style-type: none"> • Create a volunteer sub-committee with retired SME's possibly for new business owners to consult by a city sanctioned group without any skin in the game. • Track common questions to ensure consistent answers. • Establish a community of practice to share best business practices and changes between Calgary Building Services (CBS) and Community Planning (CP) • Leverage tracking systems used in different BU • Create checklists for staff to follow for different business types. • Opportunity to determine / estimate HVAC costs upfront 		
3- Inspection process require far more changes than what was	<ul style="list-style-type: none"> • Hold consistency meetings with inspectors 	<ul style="list-style-type: none"> • Same person reviews building permit does the inspection 	<ul style="list-style-type: none"> • Ensure approved permit plans and conditions are provided to business owner 	<ul style="list-style-type: none"> • Revisit the role of the SCO/File manager to flag issues earlier in the process



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Issue	Recommendations			
	Priority #1	Priority #2	Priority #3	Priority #4
initially approved on the plans/drawings	<ul style="list-style-type: none"> Senior inspector available for contractors to challenge the decisions Quality over quantity at intake process to avoid extended timelines due to missing information from applicants 	<ul style="list-style-type: none"> Look for overlaps between all the approval requirements 		<ul style="list-style-type: none"> Align clients engineering designs and City's approval bodies
3A - Cost increase due to over design of various requirements related to safety codes regulations not being clear	<ul style="list-style-type: none"> If the system is way over designed, contact the business owner. 		<ul style="list-style-type: none"> Provide building code sections upon review to business owner and contractor/consultant. 	
3B – Building safety codes regulation required to design for construction are too vague	<ul style="list-style-type: none"> Confirm with Safety Codes Council (SCC) what opportunities are available for The City to be engaged on safety codes regulations. A subcommittee created for distilleries to help with safety codes regulations is one alternative that might help for other businesses 	<ul style="list-style-type: none"> Engage with SCC to suggest the creation of a help centre where inspectors can ask clarifying questions when in doubt 		
3C – Lack of clarity on HVAC requirements	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Opportunity to determine the estimates for HVAC cost up front 		



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Issue	Recommendations			
	Priority #1	Priority #2	Priority #3	Priority #4
4 - Lack of consistency/ subjectivity from inspection staff when making approval decisions	<ul style="list-style-type: none"> Create a channel for businesses to call about challenges with inspections Provide building code sections on inspection reports, provide the documents to the business owner and contractor/consultant Have a contact such as a senior inspector available for contractors to challenge the decisions without retribution from the inspector 	<ul style="list-style-type: none"> Having the same person who signs off drawings on the beginning and at the end for more accountability and continuity 	<ul style="list-style-type: none"> Inspectors to hold consistency meetings to ask questions and review files. 	
5 - Lack of perceived value on paying for a business license	<ul style="list-style-type: none"> Administration to explain ROI to business owners Investigate what other jurisdictions (USA and Europe) are doing to enhance the value of charging for a business license. 	<ul style="list-style-type: none"> Investigate the removal of the fire fee - business license Use funds from Business License to create an external Advisory Panel to support other businesses that are starting up Provide an automatically options to Business License Renewal 		

Table 2 – Assessment of Recommendations

Note:

Blue text – Stakeholder Recommendation



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Green text – BLE Recommendation

Issue	Recommendations
2 - Uncertainty, time and cost increase due to Change of Use (COU) lengthy process.	<ul style="list-style-type: none"> Expand the Centre City Enterprise Area model or other similar to other communities allowing business to apply directly apply for Building permit – ON TRACK (already in progress) Remove the need of COU for simpler businesses Investigate what other jurisdictions (USA and Europe) are doing to simplify the COU process. Review commitment timelines. What can and can't be removed from circulation? Review staffing and workload. Update use questionnaire with targeted questions to prevent back and forth between clients and file managers. Reduce application fees

Table 3 – Issue #2 Recommendations

Note:

Blue text – Stakeholder Recommendation

Green text – BLE Recommendation

In addition to the above recommendations the BLE team has identified some common patterns amongst them. Business units are encouraged to consider the following observations for a successful issue resolution:

Culture & Change Management

- Customer Experience: recognize and reinforce the importance of customer experience in the success of providing services business owners need when interacting with The City. Using artifacts such as the journey mapping to encourage employees to build empathy toward customers can help understanding the impact and implications of internal processes and behaviors have on businesses.



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- Involvement of all levels of staff: all roles within the areas involved in providing services to business customers have a key part to play. A large part of creating a common mandate and vision to support a better customer experience involves meaningful engagement with front-line staff who has a wealth of knowledge to help solve issues with practical innovation.

Communications & Education

- Barriers between areas of expertise/functions: customers have to navigate multiple areas of expertise/functions until the service is delivered on its entirety and the final result is achieved. It is important to consider the entire journey the customer has to go through. Functions must be connected with constant communications and knowledge sharing to identify potential efficiencies and ensure the impacts of changes in one area does not reflect negatively in others.
- Customer communication: business customers face many risks, especially those starting up a new venture. Having an open line of communications with those customers can help alleviate some of those risks and minimize the chances of rework throughout the journey when accessing a service with The City.

Next Steps

Based on reporting requirements from the Business Advisory Committee (BAC) the following timeline was created to guide the efforts of this initiative.



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