



AGENDA

BUSINESS ADVISORY COMMITTEE

December 7, 2020, 8:30 AM
IN THE COUNCIL CHAMBER

Members

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

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, 2020 November 16
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. Business Advisory Committee Update, BAC2020-1399

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

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

PRESENT: Councillor W. Sutherland, Chair
Councillor J. Davison, Vice-Chair (Remote Participation)
City Manager Designate S. Sharp

ALSO PRESENT: Legislative Advisor G. Chaudhary
Legislative Advisor L. Gibb

1. **CALL TO ORDER**

Councillor Sutherland called the Meeting to order at 1:03 p.m.

2. **OPENING REMARKS**

Councillor Sutherland provided opening remarks and recognized that today is Louis Riel Day and the start of Métis Week in Alberta.

ROLL CALL

Councillor Davison, City Manager Designate S. Sharp and Councillor Sutherland

3. **CONFIRMATION OF AGENDA**

Moved by City Manager Designate Sharp

That the Agenda for the 2020 November 16 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 December 06

Moved by Councillor Davison

That the Minutes of the 2019 December 06 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 Update on the Customer Journey Issues for the Restaurant and Brewery Industry, BAC2020-1312

A presentation entitled "Update on the Customer Journey Issues for the Restaurant and Brewery Industry BAC2020-1312" was distributed with respect to Report BAC2020-1312.

Moved by Councillor Davison

That with respect to Report BAC2020-1312 the following be approved:

That the Administration recommendation contained in Report BAC2020-1312 be amended by adding a new recommendation #4 as follows:

4. Direct Planning & Development, the Business & Local Economy team and Calgary Community Standards to explore streamlining and efficiency options to direct business licensing and inspections related to business licensing under the Planning & Development department and report back to the Business Advisory Committee by the end of Q1 2021.

MOTION CARRIED

Moved by Councillor Davison

That with respect to Report BAC2020-1312 the following be approved, **as amended:**

That the Business Advisory Committee:

1. Direct the Business & Local Economy team to work with Planning & Development to report back to the Business Advisory Committee 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 Business Advisory Committee with a progress update on focus area 2 identified in the "What We Heard" report by the end of Q2 2021;

3. Direct the Business & Local Economy team to work with Planning & Development for continued improvement of the customer journey experience to other business segments; and
4. **Direct Planning & Development, the Business & Local Economy team and Calgary Community Standards to explore streamlining and efficiency options to direct business licensing and inspections related to business licensing under the Planning & Development department and report back to the Business Advisory Committee by the end of Q1 2021.**

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 City Manager Designate Sharp

That this meeting adjourn at 1:55 p.m.

MOTION CARRIED

The next Regular Meeting of the Business Advisory Committee is scheduled to be held on 2020 December 07 at 8:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

Business Advisory Committee Update

RECOMMENDATION(S):

That the Business Advisory Committee recommend that Council receive this Report for the Corporate Record

HIGHLIGHTS

- The Business Advisory Committee (BAC) continues to provide insights and perspectives from across a variety of business sectors to guide and support Administration in the execution of business-friendly initiatives.
- The purpose of this report is for BAC to provide an update to Council on progress of this committee's work plan.
- What does this mean to Calgarians?
 - Business owners and investors should perceive The City of Calgary as "open for business" and to deliver our services in an efficient and effective manner. With the current economic climate, it is more important than ever that The City look for ways to enhance and promote Calgary as a destination for economic diversity and investment. It is especially important to continue to reduce barriers for businesses during Calgary's recovery both economically and through the COVID-19 pandemic.
- Why does this matter?
 - 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. We must continually assess our business practices and processes to ensure we are removing barriers and providing value for our customers.
- Ongoing collaboration between BAC, Business and Local Economy (BLE), 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 BLE and Administration on the restaurant journey, change of use and industrial land.
- BAC and BLE have 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.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city. In addition, this report aligns with Business Environment Focus area of Calgary's Economic Strategy by working with government and business to continually improve City services to foster Calgary's business environment, innovation ecosystem and help build the foundation for business success.
- Background and Previous Council Direction is included as Attachment 1.

Business Advisory Committee Update

DISCUSSION

Several opportunities have been identified and prioritized through the BAC working group, which has resulted in one pilot project and three priorities to be explored.

The pilot project explored and evaluated solutions to resolve barriers for Indemnified Contractors when working with The City. This included streamlining the approvals processes for the necessary permits for Indemnified Contractors to conduct business in Calgary and in turn creating a flexible and functional customer service experience for them. After a year of continual dialogue, numerous meetings, and ongoing project management from BLE, 2020 July 16, BAC and BLE completed a “close the loop” meeting where representatives from Administration (Water and Roads business units), Indemnified Contractors, and BILD discussed the solutions implemented in response to confidential whiteboarding sessions held back in the Q2 2019. Administration has continued to engage with the stakeholder group on a regular basis.

Additionally, throughout 2019, BAC worked with Supply Management to gain feedback from the BAC Working Group on the Social Procurement Policy. BAC provided an opinion on the Social Procurement (BAC2019 -1524) at the Combined Meeting of Council 2019 December 16.

At the 2019 July 4 BAC Working Group meeting, the working group identified and approved BAC's top three priorities for 2020:

1. Restaurants

- Municipal and Provincial collaboration. Importance of being more responsive with timelines.

2. Change of Use

- Stakeholders would like a focus on streamlining process and permitting.

3. Industrial Land

- Work on ensuring City industrial land stays regionally competitive.

Two of the three priorities are now underway, exploring solutions to resolve barriers for businesses when working with The City. This includes streamlining the approvals processes for the necessary permits for entrepreneurs to conduct business in Calgary and in turn creating a flexible and functional customer service experience for them. See Attachment 2 for BAC Timeline and Workplan.

The meetings that BAC and BLE 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.

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,

Business Advisory Committee Update

the customer journey will immediately see improvements. Additionally, in collaboration with Administration, BLE will continue to work in a coordinated fashion to support activities to address issues, identify further ways to improve the customer journey, and start expanding this approach to create customer journey maps for different customer segments. Details related to the opportunities for improvement and the customer journey map are included in Attachment 3.

At the Regular Meeting of BAC 2020 November 16, BAC directed Administration to respond to the concerns and recommendations raised by targeted stakeholders during the restaurant and brewery meetings that BAC hosted, no later than Q1 2020, and for change of use, no later than Q2 2020.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

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

Engagement and two-way communications with the business community and affiliated partners and stakeholders is a priority for The City. Strategic communications and ongoing engagement enables issues to be surfaced and improved, and as a result, create the ideal conditions for businesses to thrive. The BAC will continue to receive advice and recommendations from working groups, prioritize perceived systemic barriers and work with respective City departments to resolve, and extinguish issues and remove red tape. Essential to these conversations and improvements is creating awareness within the business community on how their feedback is being used or addressed, and new or improved services, information and resources. BAC will start to share updates with the broader community of business owners and investors once solutions or service improvements have been determined and implemented.

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

Ensuring Calgary's "open for business"/business-friendly reputation with investors and business owners is paramount in delivering services in an efficient and effective manner, further supporting Calgary's economic recovery.

**City Manager's Office Report to
Business Advisory Committee**

**ISC: UNRESTRICTED
BAC2020-1399
Page 4 of 4**

Business Advisory Committee Update

Service and Financial Implications

No anticipated financial impact

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. BAC will ensure the identification of person(s) in the collection of external stakeholder conversations in working group sessions remains confidential. Working group participants that partake in a whiteboard session are notified that all discussions are subject to Freedom of Information and Protection of Privacy Act (FOIP Act) of Alberta. The breaching of this confidentiality would have every negative impacts so it is the role of BAC and BLE to sustain the anonymity of those providing the feedback that will inform improvements.

ATTACHMENT(S)

1. Previous Council Direction and Background
2. Business Advisory Committee Timeline and Workplan
3. What We Heard Report – Restaurants and Brewing Industry

Department Circulation

General Manager	Department	Approve/Consult/Inform
David Duckworth	City Manager's Office	Approve

Background

The Business Advisory Committee (BAC) continues to provide insights and perspectives from across a variety of business sectors to guide and support Administration in the execution of business-friendly initiatives.

Context

The Business Advisory Committee (BAC) Working Group includes several external stakeholders) and are responsible for:

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

The BAC Working Group 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 experiences with The City.

Previous Council Direction

The Business Advisory Committee Q4 2019 – Q1 2020 Timeline and 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.

At the Combined Meeting of Council 2019 June 17, Council directed the Business Advisory Committee (BAC) to review Report PFC2019-0384, which further detailed the Social Procurement Pilot project concepts, application by other municipalities, along with an implementation work plan strategy for The City to consider. For further analysis of the report, Council requested BAC provide an opinion with respect to the Social Procurement Pilot project relative to The City and the continuance of the initiative. The Business Advisory Committee provided an opinion on Social Procurement (BAC2019 - 1524) at the Combined Meeting of Council 2019 December 16.

Business Advisory Committee

December 16, 2019

BAC2019-1254

Council approved the Business Advisory Committee opinion on Social Procurement, 1) Continue with the Social Procurement Pilot project as considered in Report PFC2019-0384, 2) Reduce the number of pilot projects to two; and 3) Change the name of the Policy from Social Procurement Policy to Benefit Driven Procurement Policy.

September 30, 2019

BAC2019-1193

Council approved the Business Advisory Committee Timeline and Work Plan, and amended Terms of Reference.

June 17, 2019

PFC2019-0384

Council adopted, through a Motion Arising, “that Council request the Business Advisory Committee to consider Report PFC2019-0384 and provide an opinion to Council no later than Q4 2019”, which further detailed the Social Procurement Pilot project concepts, application by other municipalities, along with an implementation work plan strategy for The City to consider. For further analysis of the report, Council requested BAC provide an opinion with respect to the Social Procurement Pilot project relative to The City and the continuance of the initiative.



Business Advisory Committee Timeline/Work Plan

BAC acts as a conduit to address perceived City of Calgary barriers that business stakeholders face in their everyday operations.

BAC will continue to provide insight, advice and recommendations to reduce perceived barriers for business owners. BAC will share updates with the broader community once solutions or service improvements have been determined and implemented.

2018 to 2020

Deliverable	Date	Audience	Leads	Notes
Regular Meeting Council: Notice of Motion – Business Advisory Committee	October 15, 2018	Council	Cllr Sutherland Sonya Sharp/Amie Blanchette	C2018-1219 Notice of Motion Approved for establishment of a Business Advisory Committee and Terms of Reference to return to council end of Q4 2018
Regular Meeting Council: Business Advisory Committee Terms of Reference deferral	November 19, 2018	Council	Cllr Sutherland	Approved and to return end of Jan. 2019
Combined Meeting Council: Business Advisory Committee Terms of Reference	March 18, 2019	Council	Sonya Sharp	C2019-0351: Committee Terms of Reference - Approved
Regular Meeting: Business Advisory Committee	April 3, 2019	Public	Cllr Demong, Cllr Sutherland, Glenda Cole, Sonya Sharp	Establishment of a Working Group (Verbal) BAC2019-0444 Councillor Demong was elected Vice-Chair of the Business Advisory Committee, by acclamation and acknowledging the City Manager delegation to S. Sharp.
Business Advisory Committee: Working Group Meeting #1	April 10, 2019	BAC and Working Group	Cllr Sutherland (Chair) / BAC	Kick off meeting with External Stakeholders and Administration

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Deliverable	Date	Audience	Leads	Notes
Business Advisory Committee: Working Group Meeting #2	May 8, 2019	BAC and Working Group	Business Advisory Committee and Working Group	Presentation on potential campaign and refreshed online content on The City's external website. Working Group suggests pausing until Q4 2019.
Meeting with City Approved Indemnified Contractors	May 16, 2019	Members of BAC	Cllr Sutherland /Sonya Sharp/ Tomi Neilson	Received some stakeholder feedback on timelines, service delivery and communication. Business Advisory Committee conducted a "what we heard" report.
Indemnified Contractors Engagement Session	May 28, 2019	Invites	Tomi Neilson	Hosted at the Water Services Building.
Update to GM Duckworth	June 13, 2019	GM Duckworth/ Administration	Cllr Sutherland/ Sonya Sharp	GM Duckworth shared the "what we heard" with staff and decided on next steps.
Business Advisory Committee Update to Cllr Demong	June 18, 2019	Cllr Demong	Sonya Sharp/Tomi Neilson	Updating Cllr Demong on the "what we heard report" from June 13, 2019.
Regular Meeting: Business Advisory Committee	July 2, 2019	Public	Business Advisory Committee	Committee identified system issues with Indemnified Contractors "what we heard" report and next steps. GM Duckworth was advised.
Business Advisory Committee Working Group/External Stakeholders Update	July 4, 2019	Working Group	Business Advisory Committee	Level setting - meetings going forward and stakeholder discussions without Administration to create a safe environment.
Business Advisory Committee Working Group Update to City Administration	July 22, 2019	Members of City Administration who sit on the	Business Advisory Committee	Business Advisory Committee provided an update on the more specified direction the Working Group sessions wish to take

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Deliverable	Date	Audience	Leads	Notes
		Working Group		going forward. This was in response to the suggestion made in previous Working Group meetings.
Business Advisory Committee and Working Group: Opinion on Social Procurement Policy Discussion	July 23, 2019	Business Advisory Committee and Working Group	Supply Management	That with respect to Postponed Report PFC2019-0384, the following Motion Arising be adopted: That Council request the Business Advisory Committee to consider Report PFC2019-0384 and provide an opinion to Council by no later than Q4 2019.
Regular Meeting: Business Advisory Committee	July 30, 2019	Public	Water Resources/Services	Water Utility Report to the Business Advisory Committee on Indemnified Contractors BAC2019-0974
Regular Meeting: Business Advisory Committee	September 20, 2019	Public	Business Advisory Committee	Business Advisory Committee to approve the update report to Council.
Business Advisory Committee Semi-Annual Report to Council	September 30, 2019	Council	Business Advisory Committee	Consent agenda: BAC2019-1193
Organizational Meeting of Council	October 28, 2019	Council	City Council/Clerks	Councillors to serve as Chair and Vice Chair of the Business Advisory Committee. Chair, Cllr Sutherland, Vice Chair, Cllr Davison.
As per PFC 2019-0384 – Opinion on social procurement report	October 31, 2019	Supply Management	Business Advisory Committee	Working Group through the Business Advisory Committee to provide an opinion on social procurement report.

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Deliverable	Date	Audience	Leads	Notes
Regular Meeting: Business Advisory Committee	December 6, 2019	Business Advisory Committee	Water Resources/Services	Administration to report back to the committee on status update on the barriers resolved to-date actions for Indemnified Contractors.
Regular Meeting: Business Advisory Committee	December 6, 2019	Public	Business Advisory Committee	Social Procurement Policy Business Advisory Committee Opinion - Executive Summary Approval for December 16th Council BAC2019-1524
Business Advisory Committee update back to Indemnified Contractors	Q4 2019	Stakeholders that attended the May 16, 2019 meeting	Business Advisory Committee	Business Advisory Committee update from Administration back to Indemnified Contractors.
Combined Meeting of Council	December 16, 2019	Council	Business Advisory Committee	Business Advisory Committee Appointments (Verbal) C2019-1581 Business Advisory Committee Opinion on Social Procurement BAC2019 -1524
2020				
Business Advisory Committee: Working Group Meeting	January 21,2020	Business Advisory Committee and Working Group	Business Advisory Committee	Working group to discuss the Business Advisory Committee's top three priorities for 2020 identified by industry at the July 4, 2019 Working Group meeting: Restaurants, Change of Use and Industrial Land. Gained working group input on potential stakeholders to engage - the Change of Use process, Restaurants and Industrial lands.

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Deliverable	Date	Audience	Leads	Notes
Business Advisory Committee: Restaurant/Brewery Industry Feedback Whiteboarding Session #1	July 7, 2020	Restaurant Brewery Industry	Business Advisory Committee, Business and Local Economy	Business Advisory Committee, Business and Local Economy discussed how The City of Calgary can improve processes and remove barriers for the Restaurants and Brewery Industry. Goal was to create a Change of Use "Journey Map".
Business Advisory Committee: "Close the Loop" Meeting: ICs, BILD, Water & Roads	July 16, 2020	Indemnified Contractors BILD, Water Resources & Roads	Business and Local Economy, Water Resources/Services and Roads.	Administration provided an update to the Indemnified Contractors and BILD on the progress of the work to address the needs that were identified May 16, 2019.
Business Advisory Committee: Restaurant/Brewery Industry Feedback Whiteboarding Session #2	July 28, 2020	Restaurant Brewery Industry	Business Advisory Committee, Business and Local Economy	Business Advisory Committee and Business and Local Economy discussed how The City of Calgary can improve processes and remove barriers for the Restaurants and Brewery Industry. Goal was to create a Change of Use "Journey Map".
De-brief: Restaurants and Brewery Industry "What We Heard" report, and administration recommendations.	September 9, 2020	City Manager David Duckworth, Cllr Sutherland & Cllr Demong	Business and Local Economy, Leader, Sonya Sharp	Discussion to prioritize the issues identified in the Restaurants and Brewery Industry "What We Heard" report. Business and Local Economy to present recommendations to administration (General Managers and Directors).
Business Advisory Committee and Business Local	September 30, 2020	GM Dalglish, GM Black,	City Manager Duckworth, Business	Presented the findings of the Restaurants and Brewery

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Deliverable	Date	Audience	Leads	Notes
Economy: Restaurant and Brewery Industry "What We Heard" Report - Next Step		Director Desjardins, Director Hinse	and Local Economy Leader, Sonya Sharp	Industry "What We Heard" report developed by Business Advisory Committee and Business and Local Economy. Administration to work with the Business and Local Economy team to respond to issues.
Organizational Meeting of Council	October 26, 2020	Council	City Council/Clerks	Councillors to serve as Chair and Vice Chair of the Business Advisory Committee. Chair, Cllr Sutherland, Vice Chair, Cllr Davison. Executive Leadership Team [ELT], via Report C2020-1054 appointed S. Sharp as City Manager's designated delegate.
Regular Meeting: Business Advisory Committee	November 16, 2020	Business Advisory Committee	Planning and Development	Update on the Customer Journey issues for the Restaurant and Brewery Industry BAC2020-1312
Regular Meeting: Business Advisory Committee	December 7, 2020	Public	Business Advisory Committee	Business Advisory Committee to approve the update report to Council. BAC2020-1339
Regular Meeting of Council	December 14, 2020	Council	Business Advisory Committee	Business Advisory Committee Semi-Annual Report to Council Consent agenda: BAC2020-1339



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 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 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		<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 	"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



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 licence	<ul style="list-style-type: none"> Calgary Building Services (CBS) Community Standards – Compliance Services 	There is a negative perception that the Business Licence 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 Licence? Tax grab?"</p> <p>"What are the benefits to the business owner to have a Business Licence?"</p> <p>"Does the Business Licence provide comfort to customers or to The City?"</p> <p>"What is the added value of a Business Licence 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:

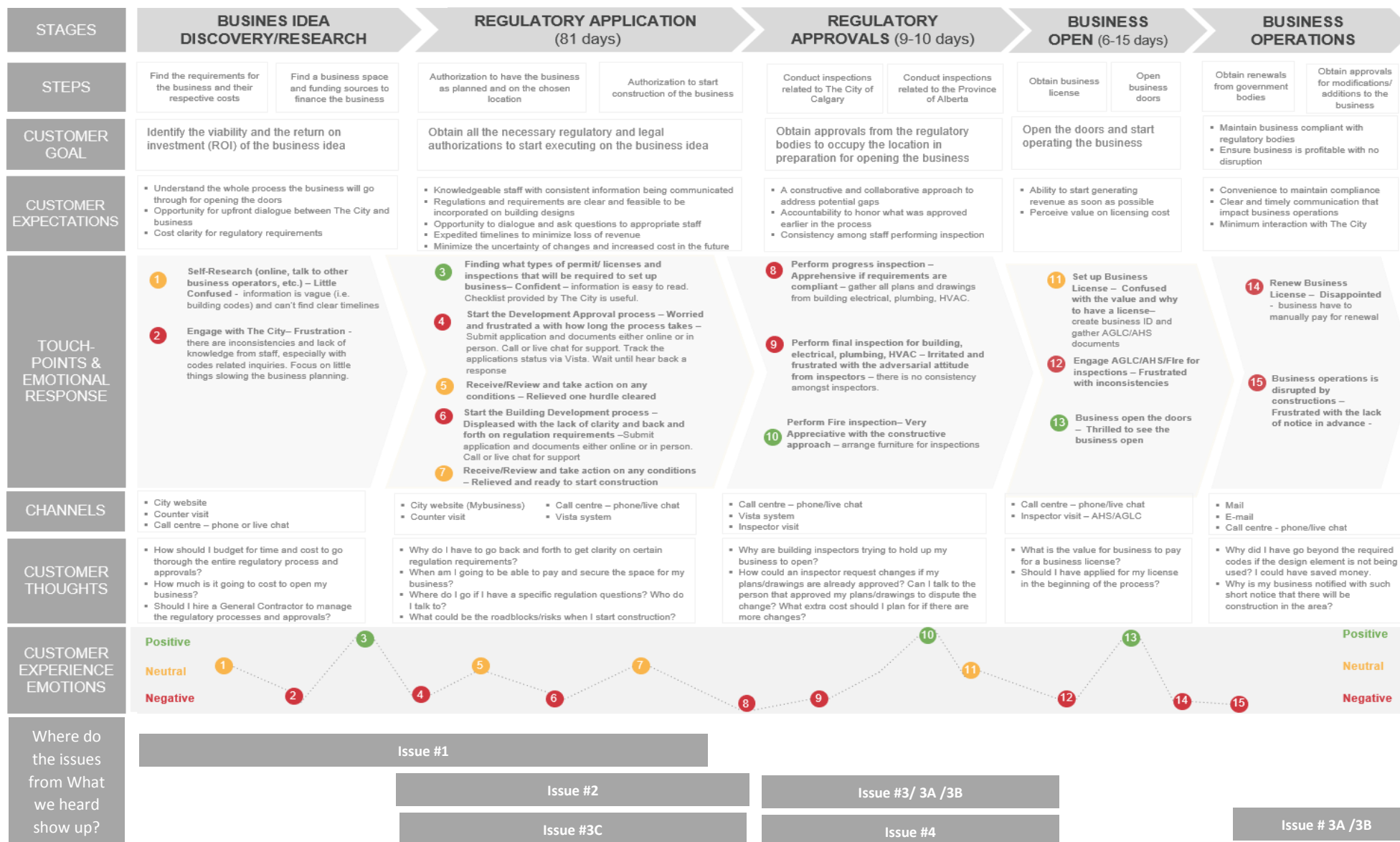
- Some experience opening a business in Calgary
- Understands the pace of starting up a business which requires fast responses and how to navigate the uncertainties that comes with a new venture
- Is part of the "food network" of restaurant owners in Calgary
- Has some understanding of the technical 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.



Restaurants & Brewery Industry meetings – What we Heard Report

Figure 1 – Opening a restaurant/ brewery business in Calgary





Restaurants & Brewery Industry meetings – What we Heard Report

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:

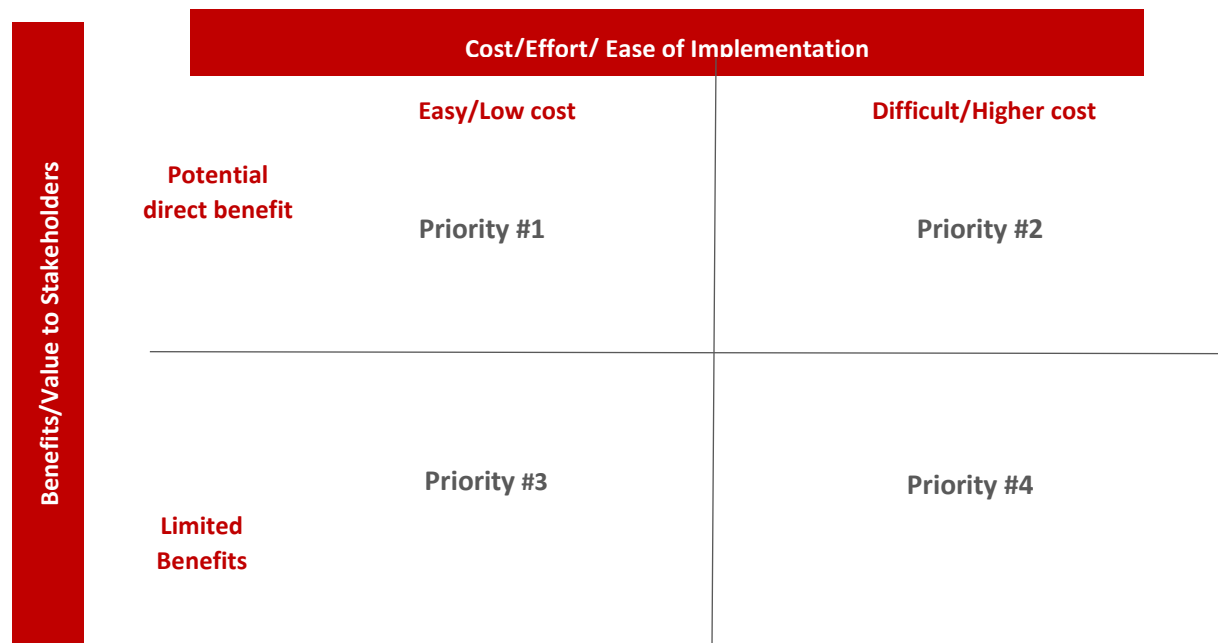


Table 2 highlights recommendations from all the issues from the What we Heard section except for issue number two (Uncertainty, time and cost increase due to Change of Use (COU) lengthy process) assessed according to the criteria mentioned above. The COU issue (#2) is a 2021



Restaurants & Brewery Industry meetings – What we Heard Report

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



Restaurants & Brewery Industry meetings – What we Heard Report

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 		



Restaurants & Brewery Industry meetings – What we Heard Report

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 licence	<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 licence. 	<ul style="list-style-type: none"> • Investigate the removal of the fire fee - Business Licence • Use funds from Business Licence to create an external Advisory Panel to support other businesses that are starting up • Provide an automatically options to Business Licence Renewal 		

Table 2 – Assessment of Recommendations

Note:

Blue text – Stakeholder Recommendation



Restaurants & Brewery Industry meetings – What we Heard Report

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.



Restaurants & Brewery Industry meetings – What we Heard Report

- 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.



Restaurants & Brewery Industry meetings – What we Heard Report

