



AGENDA

BUSINESS ADVISORY COMMITTEE

March 17, 2021, 1:00 PM
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://www.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 December 07
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. Restaurant and Brewery Industry Business Experience Improvement Program - BAC2021-0195

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

10.1.1. External Stakeholders of City Land Transactions - What We Heard Report (Verbal), BAC2021-0434
Held confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

Review by: 2031 March 17

10.2. URGENT BUSINESS

11. ADJOURNMENT



MINUTES

BUSINESS ADVISORY COMMITTEE

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

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

ALSO PRESENT: Legislative Coordinator M. A. Cario
Legislative Advisor L. Gibb

1. CALL TO ORDER

Councillor Sutherland called the Meeting to order at 8:30 a.m.

ROLL CALL

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

2. OPENING REMARKS

Councillor Sutherland provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by City Manager Designate Sharp

That the Agenda for the 2020 December 07 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, 2020 November 16

Moved by City Manager Designate Sharp

That the Minutes of the 2020 November 16 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 Update, BAC2020-1399

Moved by Councillor Davison

That with respect to Report BAC2020-1399, the following be approved:

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

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 8:36 a.m.

MOTION CARRIED

The following item has been forwarded to the 2020 December 14 Combined Meeting of Council:

CONSENT

- Business Advisory Committee Update, BAC2020-1399

The next Regular Meeting of the Business Advisory Committee is scheduled to be held at the Call of the Chair.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

UNCONFIRMED

Restaurant and Brewery Industry Business Experience Improvement Program

RECOMMENDATION:

That the Business Advisory Committee (BAC) direct Administration to return to BAC no later than Q2 2022 to provide a full progress update on all of the focus areas.

HIGHLIGHTS

- The purpose of this report is to provide an update on Calgary Building Services' action plan to improve the business licence experience for the restaurant and brewery industry. Administration recommends returning to the Business Advisory Committee in Q2 2022 in order to allow sufficient time for the improvements to be realized by the customers.
- What does this mean to Calgarians? Calgary Building Services is executing initiatives to enhance the business licence experience for the restaurant and brewery business owners.
- This matters to Calgarians because streamlined business licence approval will support a business-friendly approach and continue to improve Calgary's reputation as a great place to do business.
- Calgary Building Services has three key goals in mind for the improvement initiatives, which are: fast and predictable timelines; customer service that is knowledgeable, prompt, and tailored to business type; and demonstrated value for the cost of a business licence.
- Performance measures which includes clear timelines, differentiated among business types and customers that will be monitored, reported on, and improved upon, will be developed by 2021 Q3.
- A suite of deliverables will be completed concurrently by the end of the second quarter of 2021, as detailed in Attachment 2.
- Council directed Administration 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. These focus areas are outlined in Attachment 2.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

Calgary Building Services is committed to improving the business approvals service for restaurants and breweries by providing them with:

- Fast and predictable timelines that are measured and monitored with clear metrics
- Customer service that is knowledgeable, prompt, and tailored to business type with sufficient information available and accessible at all times
- Demonstrated value for the cost of a business licence.

Restaurant and Brewery Industry Business Experience Improvement Program

In order to advance the solutions previously presented to the Business Advisory Committee on 2020 November 16 and to achieve the above goals to improve the business licence experience for customers, Calgary Building Services has created a Business Experience Improvement Program for the restaurant and brewery industry, where three streams of work were identified:

- Customer Experience – focus on the relationship between business customers and The City, and the availability of resources to help customers open their business.
- Education and Training – focus on clearly communicating, externally and internally, relevant information that is required for a business customer to be successful in their journey, and for staff to deliver a consistent service.
- Business Licence – focus on articulating the value of a business licence and the opportunities to modernize it.

A number of meaningful workshops were held with internal stakeholders to build a deeper understanding of a customer's journey. As a result, staff have become even more vested in supporting the continued implementation of solutions that improve the business customer experience and address issues. The improvement program has already accomplished some key tangible actions:

Customer experience

Key issues: Lack of opportunity to meet, consistency and knowledge from staff when responding to inquiries

- In 2021 February, identified that Heating, Ventilation, and Air Conditioning (HVAC) concerns are a common cause of delays for restaurant and brewery business customers. Through the improvement program, HVAC approvals was realigned with business approvals to support businesses more appropriately.
- In 2021 February, launched the new role, called the Business Experience Representatives, nine month pilot and as a result, assembled a multi-discipline team. Team members are participating in the pilot offered to customers starting or modifying a restaurant or brewery business. The Representative will be well-trained on the application intricacies of each business type, and ready to support the customer's business licence journey once started, or provides advice before the journey starts. Focus groups will be held after the pilot.

Education & training

Key issues: Inspections process requires more changes than what was approved on the plans/drawings; cost increase due to over design; code requirements too vague; lack of clarity on HVAC requirements; lack of consistency/subjectivity from inspections staff

- Created a checklist of the most common deficiencies found during the permit application and inspections stages of the journey. An awareness campaign will be launched between April to June 2021. This work represents the foundation to focus on what and how to address potential roadblocks that restaurant/brewery businesses face when opening and managing their business.

Restaurant and Brewery Industry Business Experience Improvement Program

- Completed a deep dive on the restaurant/brewery customer's journey with focus on the permit application and inspections stages. Key barriers to be removed for business customers were identified.

Business licence

Key issues: Lack of perceived value in paying for a business licence

- Created an awareness campaign on the value of a business licence which will be launched in the second quarter of 2021.
- Through the Organization Realignment, the service line ownership of business licensing is planned to be moved from the Community Services department to the Planning & Development Services department. Community Services will continue to provide peace officer functions.

Please see Attachment 2 for further details on Calgary Building Services' deliverables that are underway/planned. Performance measures which includes clear timelines, differentiated among business types and customers that will be monitored, reported on, and improved upon, will be developed by 2021 Q3.

Finally, the progress of the improvement program so far has created an ideal environment to continue executing the solutions to address the issues identified by the restaurant/brewery stakeholders. Even though the focus of the work has been on the restaurant/brewery sector, the solutions being implemented will support the entire business community in Calgary.

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

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.

Restaurant and Brewery Industry Business Experience Improvement Program

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 current challenging economic conditions plus 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, Background
2. Business Experience Improvement Program Deliverables

Department Circulation

Stuart Dalgleish	Planning and Development	Approve
Katie Black	Community Services	Approve

Previous Council Direction and Background

Previous Council Direction

The Business Advisory Committee received the “Update on the Customer Journey Issues for the Restaurant and Brewery Industry BAC2020-1312” report on 2020 November 16. Councillor Davison added a 4th recommendation. The recommendations were 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.

Background

The Business Advisory Committee (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 and brewery sector in 2020 July with the objective to collect their feedback on their experiences with The City.

Business Experience Improvement Program Actions

Work Stream: Customer Experience						
Key Outcomes:						
<ul style="list-style-type: none"> • Knowledgeable staff identify issues early • Business Experience Representative connects customers with subject matter experts • Businesses know who can help deliver the project 						
Project	Issue it addresses (focus area)	What has been completed?	What is the impact?	What to expect in the future?	Measures of Success	Timelines
Business Experience Representative Pilot	1 - Lack of opportunity to meet, consistency and knowledge from staff when responding to inquiries	Launched the nine month Business Experience Representative pilot, and as a result, assembled a multi-discipline team that are participating in the pilot.	The Business Experience Representative service is offered to customers starting or modifying a restaurant or brewery business. The Representative is well-trained on the application intricacies of each business type, and ready to support the customer’s business licence journey once started, or provides advice before the journey starts.	Focus groups will be held after the pilot. Analysis of the results of the pilot will make an informed decision on a permanent solution.	Customer survey results. Tracking of the difference between desired versus actual business open date. Development of performance measures including clear timelines, differentiated among business types and customers that will be monitored, reported on, and improved upon.	Business Experience Representative Pilot: launched 2021 February Pilot lessons learned: 2021 December Performance measures, including clear timelines developed by the end of 2021 Q3
Reorganization in Calgary Building Services		<ul style="list-style-type: none"> • Brought together business approvals and building safety approvals. • Completed the realignment of Heating, Ventilation, and Air Conditioning (HVAC) approvals 	Streamlined Approvals – Better coordination of Business Approvals with HVAC approvals and inspections.		Faster timelines to issue a business licence	Reorganization completed: 2021 February

Work Stream: Education and Training						
Key Outcomes:						
<ul style="list-style-type: none"> • Customer knows what to do to be successful • Business owners have information they need • Codes are applied consistently • Enforcement is consistent 						
Project	Issue it addresses (focus area)	What has been completed?	What is the impact?	What to expect in the future?	Measures of Success	Key Timelines
Encourage Complete Applications; Training and Coaching	3 - Inspection process require far more changes than what was initially approved on the plans/drawings 3A - Cost increase due to over design of various requirements related to safety 3B – Building safety codes regulation required to design for construction are too vague 3C – Lack of clarity on HVAC Requirements	Created a checklist of the most common deficiencies found during the permit application and inspections stages of the journey. Issues were prioritized to focus on HVAC.	Improved upfront information provided. Clear interpretation - the issues and critical breakdowns identified help close the “requirement interpretation gap” with clear instructions on how to avoid them. Improved certainty and predictability - approvals and inspection process is faster with less re-work/issues. Tangibility - impact of a visual representation of the journey will make the journey more tangible and clear for business customers.	<ul style="list-style-type: none"> • Improve website content, and execute an awareness campaign, highlighting where to find information business customers need • Launch proactive communications to customers (i.e. videos; webinars, handouts, etc) on how to avoid the most common issues in support of their applications • Train staff to understand the most common issues, and how to help customers avoid them • Verify volume of incomplete applications and most common issues by collecting data to make adjustments to information for customers 	<p>Increase in the number of complete applications.</p> <p>Number of visits to webpages related to business support.</p> <p>Percentage of staff trained in 2021.</p> <p>Reduced number of re-inspections due to a “not acceptable” outcome.</p> <p>Approvals and inspection process is faster with less re-work/issues.</p>	<p>Updated website content completed: 2021 March</p> <p>Awareness campaign launch: 2021 late April to June</p> <p>Verify the volume of incomplete applications and most common issues by collecting data: 2021 Q3</p> <p>Staff training completed: 2021 Q2</p>
Journey guides	4 - Lack of consistency/subjectivity from inspection staff when making approval decisions	Completed a deep dive on the restaurant/brewery customer’s journey with focus on the permit application and inspections stages.		<ul style="list-style-type: none"> • Staff training on the customer’s experience • Customer journey guides and related communications 		<p>In-depth service journey for staff: 2021 Q2</p> <p>Customer journey guides with related promotion: 2021 June</p>

Work Stream: Business Licence						
Key Outcomes:						
<ul style="list-style-type: none"> Business owners understand value and purpose Staff are consistent in understanding process Staff are better able to communicate the process 						
Project	Issue it addresses (focus area)	What has been completed?	What is the impact?	What to expect in the future?	Measures of Success	Key Timelines
Value of Business Licence	5 - Lack of perceived value on paying for a business licence	<p>The initiatives described above will increase the value a business licence. This includes the enhanced ability for the service to promote public safety, consumer protection, and service quality. It also improves the service’s ability to coordinate approvals into a single regulatory framework.</p> <p>Through Council direction to the Financial Task Force, a review of the business licensing service line is underway that will assess the value of services and the cost of services that benefit residents and businesses.</p>	<ul style="list-style-type: none"> Fast and predictable timelines that are measured and monitored with clear metrics Customer service that is knowledgeable, prompt, and tailored to business type with sufficient information available and accessible at all times Demonstrated value for the cost of a business licence 	<ul style="list-style-type: none"> Execution of an awareness campaign highlighting the value of a business licence for citizens and businesses Complete a comprehensive review of the Business Licensing service line, including the service costs, the value to citizens and businesses and identification of any opportunities for the service line to deliver greater value Report to the Financial Task Force quantifying both the cost and value of service for Business Licensing 	Customer surveys to evaluate perceived value by customers.	<p>Awareness campaign launch: 2021 Q2</p> <p>Completion of comprehensive review of Service Line: 2021 Q2</p> <p>Report to Financial Task Force: 2021 Q4</p>
Explore streamlining and efficiency options to direct: a) business licensing and b) inspections related to business licensing under the Planning & Development department.	<p>a) Through the Organizational Realignment, the service line ownership of business licensing is planned to be moved from the Community Services department to the Planning & Development Services department.</p> <p>b) Calgary Building Services will be responsible for strategy for the service line. Calgary Community Standards will continue to provide peace officer functions.</p>	<p>Better service to citizens – changes to our organization structure will bring together similar functions which will enable us to work better together, strengthen our collaboration, coordination and innovation, and allow us to rethink how we deliver service to citizens.</p>		<p>Faster timelines to issue a business licence</p> <p>Citizen satisfaction</p>	<p>Realignment Implementation: 2021 Q2/Q3</p>	