



## REVISED AGENDA

### BUSINESS ADVISORY COMMITTEE

June 25, 2021, 9:30 AM  
ENGINEERING TRADITIONS

Members

Councillor W. Sutherland, Chair  
Councillor J. Davison, Vice-Chair  
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, 2021 April 21
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 to Council, BAC2021-0956*

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



**MINUTES  
BUSINESS ADVISORY COMMITTEE**

**April 21, 2021, 1:00 PM  
IN THE COUNCIL CHAMBER**

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

**ALSO PRESENT:** Legislative Advisor J. Palaschuk  
Legislative Advisor A. de Grood

**1. CALL TO ORDER**

Councillor Sutherland called the Meeting to order at 1:01 p.m.

**ROLL CALL**

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

**2. OPENING REMARKS**

Councillor Sutherland provided opening remarks.

**3. CONFIRMATION OF AGENDA**

**Moved by** Councillor Davison

That the Agenda for the 2021 April 21 Business Advisory Committee be confirmed.

**MOTION CARRIED**

**4. CONFIRMATION OF MINUTES**

4.1 Minutes of the Regular Meeting of the Business Advisory Committee, 2021  
March 17

**Moved by** City Manager Designate Sharp

That the Minutes of the 2021 March 17 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 Industrial Stakeholder What We Heard Report Update (Verbal), BAC2021-0590

A presentation entitled "Administration Response to the Industrial Stakeholder What We Heard Report" was distributed with respect to Report BAC2021-0590.

**Moved by** Councillor Davison

That with respect to Verbal Report BAC2021-0509, the following be approved:

That the Business Advisory Committee:

1. Receive the presentation for the Corporate Record; and
2. Direct Administration to continue work on the actions identified in the presentation and report.

**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 Davison

That this meeting adjourn at 1:48 p.m.

**MOTION CARRIED**

The next Regular Meeting of the Business Advisory Committee is scheduled to be held on 2021 May 26 at 1:00 p.m.

CONFIRMED BY COMMITTEE ON

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CHAIR

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ACTING CITY CLERK

UNCONFIRMED



## **Business Advisory Committee Update to Council**

### **RECOMMENDATION(S):**

That Council receive the report for the corporate record.

### **HIGHLIGHTS**

- The Business Advisory Committee (BAC) continues to act as a conduit to address perceived City of Calgary barriers that business stakeholders face in their everyday operations. BAC continues to provide insights and perspectives from across a variety of business sectors to guide and support Administration in the execution of delivering services in an efficient and effective manner.
- The purpose of this report is for BAC to provide an update to Council on progress of this committee's work plan, priority areas, Change of Use work, and recommended updates to the BAC Terms of Reference to include the Business Sector task force as a subcommittee.
- **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, Administration's Business and Local Economy (BLE) team, and business stakeholders will continue to advance a stronger level of service, improve the customer journey and customer satisfaction, and resolve service delivery challenges.
- BAC and BLE have been working with industry stakeholders to focus on understanding and addressing concerns and systemic issues/barriers on streamlining the Change of Use process and permitting when dealing with The City.
- This report supports Administration's Rethink to Thrive strategy and its action for The City to "be champions for business success and apply a business-friendly lens to planning and service delivery." 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.
- Strategic Alignment to Council's Citizen Priorities: **A prosperous city.**
- Background and Previous Council Direction is included in **Attachment 1.**

### **DISCUSSION**

#### **Business Advisory Committee (BAC) Workplan and Priorities**

## **Business Advisory Committee Update to Council**

The BAC 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, and
3. Industrial Land: Ensuring City industrial land remains regionally competitive.

The BAC Working Group identified the following priorities for 2021/2022:

1. The continuation of improving the Change of Use process,
2. Maintaining a strong relationship with Administration's Industrial Growth Strategy team,
3. Initiate competitive timelines and permit process to enable a more competitive and stronger restart for Calgary.

The BAC process includes conducting confidential whiteboarding sessions with external stakeholders to ensure The City is 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.

### **Change of Use Update**

BAC, in partnership with BLE, conducted whiteboarding sessions and workshops with targeted stakeholders who are characterized as experienced applicants and represent the major players in business in the Calgary market. They range from real estate and land development corporations, commercial property management, brokers and realtors. The outcome and goals of the sessions were:

1. Build a better understanding of businesses needs and perspectives when interacting with The City to open and manage their business, especially with the Change of use domain.
2. Identify opportunities to streamline the Change of Use (Policy; Land Use Bylaw; Timeline and Cost) process when opening a business

The What We Heard Report (**Attachment 4**) is a summary of the key findings based on the feedback from internal and external stakeholders. This includes major issues, potential considerations, an empathy map outlining the applicants experience when navigating the processes and activities related to Change of Use, and a high-level environmental scan of similar applications in comparable cities. The What We Heard Report will be distributed to Administration's applicable General Manager(s) to review and address the issues identified. It is critical for the customers and stakeholder to see improvements in this economic environment. Additionally, in collaboration with Administration, BLE will continue to work in a coordinated fashion to support activities to address issues and identify further ways to improve the Change of Use process. Details related to the opportunities for improvement, key findings, empathy mapping, and environmental scans are included in **Attachment 4**.

### **BAC Terms of Reference**



## **Business Advisory Committee Update to Council**

In 2019 March 18, the establishment of BAC and its Terms of Reference was approved, and in 2019 September 30 minor revisions to the TOR were adopted. Membership of the working group includes external stakeholders who provide insight into perceived and systemic barriers businesses face when working with The City, and identify opportunities where The City can improve its practices to ensure services are delivered in an efficient and effective manner.

On March 16, City Council endorsed The City of Calgary's COVID-19 governance structure to help flatten the curve and continue service and support to citizens, communities and businesses. A Business Sector Support Task Force was established to respond to business needs and priorities in the response and recovery from COVID-19. This included making operational decisions and sharing information to ensure coordinated support for the business community during the pandemic, and into recovery and beyond. Membership of the Task Force included representation from City Council, Calgary Chamber, Calgary Economic Development, Calgary Arts Development, Tourism Calgary, Business Improvement Areas and non-profit and business owners from various sectors.

The Task Force advocated on behalf of the Calgary business community to other orders of government; supported frequent two-way communication with the business community to inform tools and resources created to support businesses, enabled local government to think outside the box to help businesses, and facilitated connections within the business community.

The Task Force, Chaired by the Manager, BLE served as a conduit for the business community to share their immediate needs in real-time. The biggest difference between the membership of BAC's current working group and the Task Force is the membership. The Task Force includes entrepreneurs and business owners, and the current working group does not.

Both groups will continue to exist, but the Task Force will now be considered a sub-working group of BAC. This will give the Task Force members a greater opportunity to provide feedback directly to Council on meaningful issues to the business community, providing more weight to their input.

As The City moves into restart and recovery, it is important the two way communication with the broader business community and business owners continues identify priorities to focus on. Transitioning Administration's Business Sector Task Force as a subcommittee to BAC will enable this to happen. See **Attachment 2** for the updated Terms of Reference.

## **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

Strategic communications and ongoing engagement with the business community and affiliated partners and stakeholders enables issues to be surfaced and improved, and as a result, creates improved conditions for businesses to thrive. The BAC will continue to receive advice and recommendations from the working group and task force, prioritize perceived systemic barriers,

## **Business Advisory Committee Update to Council**

and create What We Heard reports, 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.

#### **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, 2020 and 2021, 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 Terms of Reference Amendments
3. Business Advisory Committee Timeline and Workplan
4. What We Heard Report – Change of Use
5. **Public Submission**

**City Manager's Office Report to  
Business Advisory Committee  
2021 June 25**

**ISC: UNRESTRICTED  
BAC2021-0956  
Page 5 of 5**

**Business Advisory Committee Update to Council**

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**Department Circulation**

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



# Background

The Business Advisory Committee (BAC) continues to act as a conduit to address perceived City of Calgary barriers that business stakeholders face in their everyday operations. BAC continues to provide insights and perspectives from across a variety of business sectors to guide and support Administration in the execution of delivering services in an efficient and effective manner.

## 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 following priorities for 2021/2022, the continuation of improving the Change of Use process, maintaining a strong relationship with Administration's Industrial Growth Strategy team, and initiate competitive timelines and permit process to enable a more competitive and stronger restart for Calgary.

## 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 and Breweries: 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.

At the Combined Meeting of Council 2021 March 1, Council approved \$30 million (\$8 million from the originally approved 2021 property tax rebate and \$22 million from the Fiscal Stability Reserve) for direct relief to businesses impacted by COVID-19. Council directed Administration, through the COFLEX program, with input from the Business Advisory Committee, to develop options for how best to deploy these funds. BAC provided input (C2021-0422) at the Combined Meeting of Council 2021 March 22.

At the Combined Meeting of Council 2021 May 31, Council adopted a Motion Arising with respect to Report C2021-0725 that directed the Business Advisory Committee to continue to conduct consultations with different sectors of businesses including personal wellness services and continue to bring opportunities for support to Council.

**Business Advisory Committee**

<b>DATE</b>	<b>REPORT NUMBER</b>	<b>DIRECTION/DESCRIPTION</b>
05/31/2021	C2021-0725	<b>Additional Options for Targeted Relief to Business Impacted by COVID-19</b> - Council adopted a Motion Arising with respect to Report C2021-0725 that directed the Business Advisory Committee to continue to conduct consultations with different sectors of businesses including personal wellness services and continue to bring opportunities for support to Council.
03/01/2021	C2021-0422	<b>Options for Targeted Relief to Business Impacted by COVID-19</b> - Council approved \$30M for direct relief to businesses impacted by COVID-19. Council directed Administration, through the COFLEX program, with input from the Business Advisory Committee, to develop options for how best to deploy these funds.
12/16/2019	BAC2019-1524	<b>Business Advisory Committee Opinion on Social Procurement</b> - 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.
09/30/2019	BAC2019-1193	<b>Business Advisory Committee update to Council</b> - Council approved the Business Advisory Committee Timeline and Work Plan, and amended Terms of Reference.
06/17/2019	PFC2019-0384	<b>Social Procurement Policy Implementation</b> - 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 continuance of the initiative.







## Business Advisory Committee Terms of Reference

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### 1. Establishment

The Business Advisory Committee ("BAC") was established by Council on 2018 October 15 after considering Notice of Motion C2018-1219 titled "Business Advisory Committee".

### 2. Mandate

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

Note: Tax and Assessment matters are not included under the BAC mandate.

BAC members' responsibilities are to:

1. Receive advice and recommendations from the BAC working group and the BAC task force;
2. Prioritize perceived systemic barriers and work with respective City administration departments for resolution by; and
3. Seek Council approval for additional resources when required to carry out a particular initiative the BAC believes should be pursued.

Items identified requiring funding beyond \$2,000, or where funding is not currently included in existing City budgets will be incorporated into BAC reporting to Council for funding and direction.

### 3. Reports To

The BAC reports to Council semi-annually, and more frequently as required.

### 4. Composition

The BAC consists of:

- Two (2) Members of Council appointed by Council. Council Members appointed to the Business Advisory Committee may notify the City Clerk of a designated Member of Council to serve as an alternate.
- The City Manager or delegated designate.



## Business Advisory Committee Terms of Reference

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### 5. Quorum

BAC quorum is all members.

### 6. Term

The initial term of BAC membership will be set by Council resolution. Members of Council will be appointed to the BAC at Council's annual Organizational Meeting for one-year terms expiring on the day of Council's next Organizational Meeting or when their successors are appointed, whichever is later.

### 7. Chair

The Chair and Vice-Chair shall be members of Council. The Chair and Vice-Chair shall be appointed by Council. After the initial term, the Chair and Vice-Chair will be appointed at the Council's annual Organizational Meeting.

### 8. Meetings

The BAC will meet at the call of the Chair in compliance with the provisions of section 195, 196 and 197 of the *Municipal Government Act* with respect to notice. Meetings will occur in the Municipal Complex.

### 9. Working Group

The BAC may establish a subcommittee in the form of a working group to support the role of the BAC.

The working group consists of the BAC members and additional external and internal stakeholders depending on industry focus. They may include representatives from the following groups including but not limited to:

- Chamber of Commerce
- Calgary Economic Development, Board Member
- BILD Calgary
- NAIOP-Commercial and Industrial Sector
- Calgary Economic Development
- Canadian Federation of Independent Business (CFIB)
- Business Council of Alberta
- City of Calgary, City Manager's Office
- City of Calgary, Community Services, General Manager or designate
- City of Calgary, Deputy City Manager's Office



## Business Advisory Committee Terms of Reference

- City of Calgary, Planning & Development, General Manager or designate
- City of Calgary, Transportation, General Manager or designate
- City of Calgary, Utilities & Environmental Protection, General Manager or designate

### 10. Task Force

The BAC may establish a subcommittee in the form of a task force to support the role of the BAC and the working group.

BAC task force responsibilities are to:

#### 1. Advocacy

- Serve as a conduit to the business community to share their immediate needs with BAC and the working group; and
- Make recommendations to BAC on short and medium-term solutions to support businesses

#### 2. Communication

- Advise on and implement ongoing communications to various types of businesses;
- Advise on and implement marketing strategies to immediately support businesses; and,
- Advise on and implement communications to Calgarians regarding business support

The Task Force is made up of representatives from the following groups, industries or sectors, including but not limited to:

- Calgary Chamber of Commerce
- Calgary Economic Development
- Calgary Arts Development Authority
- Tourism Calgary
- Two (2) Business Improvement Area representatives
- Arts, culture, entertainment, film and creative
- Retail
- Restaurant and food services
- Tourism and hospitality
- Professional services
- Personal care
- Real Estate



## Business Advisory Committee Terms of Reference

- Sports and recreation
- Distribution and logistics
- Not-for-profit sector
- Innovation
- Building and Development

### 11. Meeting Support

The City Clerk's Office will provide legislative services for BAC in accordance with Council Policy CP2016-03, *Governance and Appointments of Boards, Commissions and Committees*.

City Administration from The City Manager's will act as a resource to the BAC working group. Administration will be responsible for drafting reports and recommendations to BAC on behalf of the working group and task force.

### 12. Governance

- a) The BAC, the BAC working group and the BAC task force shall act in accordance with Council Policy CP2016-03, *Governance and Appointments of Boards, Commissions and Committees* and *Procedure Bylaw 35M2017* as amended.
- b) Any records submitted to the BAC, the BAC working group or the BAC task force is governed by the applicable provisions of the *Municipal Government Act* (Alberta) and the *Freedom of Information and Protection of Privacy Act* (Alberta).
- c) The BAC, the BAC working group, The BAC task force and any attending members of Council will act in accordance with the *Municipal Government Act* (Alberta), Bylaw 26M2018 *Code of Conduct for Elected Officials* or Council Policy CC045, *Code of Conduct for Citizen Members Appointed to Council Established Boards, Commissions and Committees* as appropriate to the position held and any other relevant Council Policies and in the best interest of The City taking into account the city as a whole, and without regard to the member's personal interests. They will consider all issues consistently and fairly, and in the light of all relevant facts, opinions and analysis of which the member should be reasonably aware. In addition, all members will endeavor to incorporate the following Guiding Principles into the oversight and guidance they provide regarding the mandate delivery of the BAC and its working group members:
  - Accountability
  - Citizen-centric
  - Diversity
  - Inclusion and authentic



## Business Advisory Committee Terms of Reference

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- Neutrality
- Respect
- Responsive and committed
- Timeliness
- Transparency





## Business Advisory Committee Timeline/Work Plan

The Business Advisory Committee (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 2021

Deliverable	Date	Audience	Leads	Notes
Regular Meeting Council: Notice of Motion – Business Advisory Committee	October 15, 2018	Council	Councillor Sutherland Sonya Sharp/Amie Blanchette	<b>C2018-1219</b> 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	Councillor Sutherland	Approved and to return end of Jan. 2019
Combined Meeting Council: Business Advisory Committee Terms of Reference	March 18, 2019	Council	Sonya Sharp	<b>C2019-0351:</b> Committee Terms of Reference - Approved
Regular Meeting: Business Advisory Committee	April 3, 2019	Public	Councillor Demong, Councillor Sutherland, Glenda Cole, Sonya Sharp	Establishment of a Working Group (Verbal) <b>BAC2019-0444</b> Councillor Demong was elected Vice-Chair of the Business Advisory Committee, by acclamation and acknowledging the City Manager delegation to S. Sharp.

ISC: Unrestricted

Deliverable	Date	Audience	Leads	Notes
Business Advisory Committee: Working Group Meeting #1	April 10, 2019	BAC and Working Group	Councillor Sutherland (Chair) / BAC	Kick off meeting with External Stakeholders and Administration
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	Councillor 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	General Manager Duckworth/ Administration	Councillor 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	Councillor 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.



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Deliverable	Date	Audience	Leads	Notes
Business Advisory Committee Working Group Update to City Administration	July 22, 2019	Members of City Administration who sit on the Working Group	Business Advisory Committee	Business Advisory Committee provided an update on the more specified direction the Working Group sessions wish to take 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 <b>PFC2019-0384</b> 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 <b>BAC2019-0974</b>
Confidential whiteboarding session	September 11, 2019	External Lawyers	Councillor Ward Sutherland, Tomi Neilson	Confidential whiteboarding session on City Land Transactions – directed to administration March 2021
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: <b>BAC2019-1193</b>

ISC: Unrestricted

Deliverable	Date	Audience	Leads	Notes
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.
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 <b>BAC2019-1524</b>
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) <b>C2019-1581</b> Business Advisory Committee Opinion on Social Procurement <b>BAC2019 -1524</b>
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

ISC: Unrestricted

Deliverable	Date	Audience	Leads	Notes
				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.
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".

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Deliverable	Date	Audience	Leads	Notes
Business Advisory Committee: Restaurant/Brewery Industry Whiteboarding report feedback	August 26, 2020	Restaurant Brewery Industry	Business and Local Economy, Business Advisory Committee	Final review of the Restaurant/Brewery What We Heard report with the stakeholders group to finalize before handing over to Administration.
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 Economy: Restaurant and Brewery Industry "What We Heard" Report - Next Step	September 30, 2020	GM Dalgleish, GM Black, Director Desjardins, Director Hinse	City Manager Duckworth, Business and Local Economy Leader, Sonya Sharp	Presented the findings of the Restaurants and Brewery 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 <b>C2020-1054</b> appointed S. Sharp as City Manager's designated delegate.

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Deliverable	Date	Audience	Leads	Notes
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 <b>BAC2020-1312</b>
Regular Meeting: Business Advisory Committee	December 7, 2020	Public	Business Advisory Committee	Business Advisory Committee to approve the update report to Council. <b>BAC2020-1339</b>
Regular Meeting of Council	December 14, 2020	Council	Business Advisory Committee	Business Advisory Committee Semi-Annual Report to Council Consent agenda: <b>BAC2020-1339</b>
Business Advisory Committee update to the Restaurant Brewery Industry	December 15, 2020	Restaurant Brewery Industry	Business and Local Economy, Business Advisory Committee	Progress update in response to the confidential whiteboarding session. Business and Local Economy team in collaboration with Planning & Development and Calgary Community Standards to address the concerns raised during those sessions. Both Business Units presented a progress report to the Business Advisory Committee on November 16th to update BAC on initiatives already currently in motion, which aspects will be the initial primary focus as “quick wins”, and what will be considered for longer term goals. These Business Units have been directed to report back to BAC by the end of Q1 2021 to

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Deliverable	Date	Audience	Leads	Notes
				provide further details on the longer term goals identified.
Business Advisory Committee: Working group meeting	January 20, 2021	Business Advisory Committee and Working Group	Business Advisory Committee	Conversation and update on the issues and pressures businesses went through in 2020; update on City's relief measures and communication strategy. Looking ahead at 2021 – economic uncertainty, COVID closures and update on BAC's upcoming meetings, and update on BAC's upcoming meetings and the Industrial Growth Strategy priority approach.
Business Advisory Committee update to City Administration on industrial land competitiveness	February 3, 2021	Real Estate Development Services, Planning & Development, Chief Financial Officer	Business Advisory Committee, City Manager	Business Advisory Committees' update to the appropriate administration groups that BAC will be conducting confidential whiteboarding sessions on industrial land.
Business Advisory Committee: Industrial stakeholder whiteboarding session	February 22, 2021	Industrial Stakeholders	Business Advisory Committee	Whiteboarding session for industrial stakeholders to provide input on the processes when doing business as an Industrial stakeholder with the City of Calgary. Deliverable is a "What we heard" report to be distributed to the appropriate City Administration departments to ensure City industrial land remains regionally competitive

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Deliverable	Date	Audience	Leads	Notes
City of Calgary - Streamlining the Change of Use process: Journey Mapping Session #1	March 9, 2021	External stakeholders from the Business Advisory Working group and further Industry members from Real Estate Sector Advisory Committee	Business and Local Economy/ Business Advisory Committee	Business and Local Economy facilitated a session on how The City of Calgary can improve processes and remove barriers for the Change of Use process. Goal is to create a Change of Use "Journey Map".
Request for input in how best to deploy Council's approved \$30 million for local small businesses.	March 11, 2021	Business Sector Task Force/ Business Advisory Working group	Business and Local Economy/ Business Advisory Committee	Business Advisory Committee received feedback on solutions in regards to the Phased Tax Program passed at Council on March 1, and the \$30 million targeted towards local small businesses <b>C2021-0422</b>
Regular Meeting: Business Advisory Committee	March 17,2021	Business Advisory Committee	Planning and Development	Progress update on the Customer Journey issues for the Restaurant and Brewery Industry <b>BAC2021-0195</b>
Regular Meeting: Business Advisory Committee	March 17,2021	Law Department	Business Advisory Committee	Law Department to receive Confidential What We Heard Report (Verbal) -External Stakeholders of City Land Transactions: <b>BAC2021-0434</b>
Regular Meeting: Business Advisory Committee	March 17,2021	Planning and Development/Real Estate Development Services	Business Advisory Committee	A document entitled "Industrial Stakeholder Whiteboarding - What We Heard" was distributed with respect to Verbal Report <b>BAC2021-0467</b>
Regular Meeting: Business Advisory Committee	April 21,2021	Business Advisory Committee	Planning and Development/Real	A presentation entitled "Administration Response to the Industrial Stakeholder What

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Deliverable	Date	Audience	Leads	Notes
			Estate Development Services	We Heard Report" was distributed with respect to Report <b>BAC2021-0590</b> . Receive the presentation for the Corporate Record; and Direct Administration to continue work on the actions identified in the presentation and report.
City of Calgary - Streamlining the Change of Use process: Journey Mapping Session #2	May 12, 2021	External stakeholders from the Business Advisory Working group and further Industry members from Real Estate Sector Advisory Committee	Business and Local Economy/ Business Advisory Committee	Business and Local Economy facilitated a session on Change of Use knowledge and empathy from a stakeholder/user perspective identify key actions; emotions and considerations about the Change of Use journey/story. Goal is to identify gaps and find solutions.
Business Advisory Committee: Working group meeting	May 26, 2021	Business Advisory Committee and Working Group	Business Advisory Committee	The BAC Working Group identified the following priorities for 2021/2022, the continuation of improving the Change of Use process, maintaining a strong relationship with Administration's Industrial Growth Strategy team, and initiate competitive timelines and permit process to enable a more competitive and stronger restart for Calgary.
Regular Meeting: Business Advisory Committee	June 25, 2021	Public	Business Advisory Committee	Business Advisory Committee to approve the update report to Council. <b>BAC2021-0956</b>



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Deliverable	Date	Audience	Leads	Notes
Regular Meeting of Council	July 5, 2021	Council	Business Advisory Committee	Business Advisory Committee Semi-Annual Report to Council Consent agenda: <b>BAC2021-0956</b>
Regular Meeting: Business Advisory Committee	July 28, 2021	Public	Law Department	Law Department report back to BAC. <b>BAC2021-0434</b>





Introduction

The Change of Use 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:

- 1. Build a better understanding of businesses needs and perspectives when interacting with The City to open and manage their business, especially with the Change of use domain.
- 2. Identify opportunities to streamline the Change of Use (Policy; Land Use Bylaw; Timeline and Cost) process when opening a business

The purpose of this report is to document and analyze the feedback obtained from targeted stakeholders during the meetings.

Approach

External stakeholders were identified to participate in two workshops described below. There were seven stakeholders who are characterized as experienced applicants and represent the major players in business in the Calgary market. They range from real estate and land development corporations, commercial property management, brokers and realtors. The two workshops were:

**Issues and Opportunities identification** - In order to obtain stakeholders feedback the workshop was focused on two key questions:

- When executing or going through Change of Use (COU) related activities what are the main difficulties and challenges that you encounter? What gives you a headache?
- What would make your life as a business owner easier? What would be a good relief for you? What do you dream about?

Business and Local Economy (BLE) has also engaged with key internal stakeholders from Planning & Development to build a better understanding of details related to Change of use.

**Empathy Mapping** – In order to build empathy towards the stakeholders when navigating the processes and activities related to Change of Use the workshop was focused on the participants telling their personal stories guided by the following questions:

Doing	Feeling	Thinking
<ul style="list-style-type: none"><li>• What are the things you did before even begin the COU process?</li><li>• What are the things you did to begin the COU process?</li><li>• What are the things you did while waiting for an outcome?</li><li>• What are the things you did when you got the outcome of the process?</li></ul>	<ul style="list-style-type: none"><li>• How did you feel at each part of the COU process?</li></ul>	<ul style="list-style-type: none"><li>• What went through your mind at each part of the COU process?</li></ul>

In addition to the above workshops the BLE team conducted a very high-level environmental scan with the cities of **Edmonton and Ottawa**.



What We Heard

Summary of findings

During the issues and opportunities identification workshop, the Business Advisory Committee (BAC) and the Business and Local Economy (BLE) engaged with key stakeholders to better understand their pains and gains and provide input on the processes when doing business with The City of Calgary.

Below there is a summary of the key findings based on the feedback from internal and external stakeholders

City Policy/ Land Use Bylaw	External Policies	Culture Change – People’s behaviors and mindsets	Customer Support and Awareness	Technology
Major Issues				
<p><b>Regulation</b> - The Land Use Bylaw overregulates the market limiting flexibility.</p> <p><b>Process Time</b> – The Land Use Bylaw generates processes that increases the time to be completed resulting in delays to start a business and consequently revenue lost.</p> <p><b>Process Cost</b> - The upfront COU permit fees and cost to the customer to put together required documents for the applications can be cost prohibitive for new businesses.</p>	<p><b>Increase of complexity</b> - External policies add more layers and contribute to a longer timeline in completing the Change of Use processes and requirements</p>	<p><b>Working towards a “Yes”</b> - Current City culture reinforces decisions towards a “No” instead of working towards a possible “Yes”.</p>	<p><b>Business startup requirements awareness</b> - Business owners are not aware of the approvals required. It is a challenge to understand how their business model related to the type of approvals required to start a business.</p>	<p><b>Integrated User Experience</b> - Technology is not fully integrated with the various stages and types of COU processes resulting in not the most optimal user experience.</p>



Change of Use Initiative – What we Heard Report

The external stakeholders have identified from the above the following priorities, in no order of importance:

- **Within the Land Use Bylaw Regulation:**
  - Prescriptive commercial zoning with too many discretionary uses
  - Lack of value and logic in the permitted use category
- **Land Use Bylaw processes and time that result in lack of clarity and uncertainty**
- **The shift in mindset to work towards a “Yes”**

Change of Use detail findings

Table 1 highlights the details around the major issues based on key internal and external stakeholder feedback.

Table 1 – Change of Use (COU) major issues details

Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
City Policy/ Land Use Bylaw	Regulation - The Land Use Bylaw overregulates the market limiting flexibility.	There are too many uses in the current Bylaw.	“Broaden existing uses”  “Permits per capita are higher than other cities, are we over regulating?”	Reduce and consolidate commercial uses such as Restaurant.  Regulate intensity and impact of uses  Remove rules from the use definition and add to the land use districts.  <b>Current Work in Progress: Short-term business friendly land use bylaw amendments to be approved by Council in July/2021.</b>
		The requirements (i.e. Land Use designations) from the 2P80 bylaw delivered better economic benefits than the ones in the 1P2007.	“Desirable uses are not listed in all districts and there is no explanation”  “Reduce number of districts i.e. C-N1 doesn’t allow for vet clinic and C-N2 does”	Reduce/consolidate land use districts, list more uses and if uses are not listed provide a rationale.
		The requirement to define a specific use for a location newly established poses two challenges:	“Is there a way to have more flexibility on the base DP uses? New tenants aren’t	Do not list the uses in the bays on the permit drawings. Instead list the uses for the parcel. This

## Change of Use Initiative – What we Heard Report

Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
		<ul style="list-style-type: none"> <li>Front-end - for the investor who needs to identify which one is best appropriate</li> <li>Future - for the investor who might be limited to commercialize the location and for the potential business who might need to apply for a change of use permit, depending on the type of business.</li> </ul>	<p>always known and causes more COU permits late”</p> <p>“In Phoenix they give you multiple options of uses in bays on the base DP”</p> <p>“There is lack of trust on developers”</p> <p>“Applicants that don’t live in the city do not understand the process and just want to check the boxes, then the city holds them up and just says no”</p>	would allow flexibility for where the uses can go in the building and eliminate more permitting requirements.
City Policy/ Land Use Bylaw	Process Time – The Land Use Bylaw generates processes that increases the time to be completed resulting in delays to start a business and consequently revenue lost.	Permitted Change of Use (COU) process/category has minimum impact and does not deliver significant benefits. Current mechanisms in the Land Use Bylaw (i.e. Tenancy Change) are not fully utilized to streamline the experience for businesses.	<p>“Why does the city need this?”</p> <p>“What is the value to a customer or citizen?”</p> <p>“Tenancy change is the same process except DP has a fee”</p> <p>“If change of use is permitted, why do you need a change of use?”</p> <p>“Revenue lost from processing permitted COU is insignificant.”</p> <p>“What is the value in the data for the city?”</p>	<p>Pilot removing permitted change of use applications.</p> <p>Re-allocate staff to review applications to ensure there is no time delay for approval.</p>
		Permitted COU permit applications take a few days. Permits take up to 12 weeks to issue if the COU is for permitted with relaxation or discretionary. The business opening is delayed, the business owner loses income and the landlord loses rental income or the tenant.		

## Change of Use Initiative – What we Heard Report

Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
		External circulation referees add 3 weeks to the application review timeline.	“Many do not make comments.”	Review list of circulation referees and determine if there is room to remove referees who do not provide feedback.  Decrease 3-week timeline for comment circulation referees.  Pilot removing circulation referees for non-contentious uses.
		Advertising dates for public online notices result in a 1-week delay.	“If a development permit is approved by Monday it makes the Thursday advertising window (2 days). If approved Tuesday or later, it will not get posted until the following Thursday (8 days).”	Increase number of days for the public notice to 2 days a week.
	<b>Process Cost</b> - The upfront COU permit fees and cost to the customer to put together required documents for the applications can be cost prohibitive for new businesses.	The fee for discretionary/relaxation change of use is substantially higher than for the permitted change of use. \$200.00 vs. \$625.00. If the application is not approved, the business owner loses their money and has to start all over again.	“There is a huge fee jump from permitted to discretionary”	Based on the experience with COVID19 relief (fees waived until end of 2021), explore a long-term fee structure and reduction for permitted to discretionary change of use categories.
<b>External Policies</b>	<b>Increase of complexity</b> - External policies add more layers and contribute to a longer timeline in completing the Change of Use	The Municipal Government Act, which determines the advertising period timeline of a development permit was changed from 2 week to a 3-week advertising period.		
		Requirements from Alberta building code (Safety Codes Council) - adds to the complexity of starting a business increasing time and potentially holding up applications.	“Other cities have a code check up front”  “Ottawa has a code compliance mechanism”	Safety Codes Officers to review change of use development permit applications and provide preliminary code comments upfront.

## Change of Use Initiative – What we Heard Report

Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
	processes and requirements.		“The commercial technical assistance centre (TAC) phone line that customers used to ask city staff code questions has been removed”	Re-introduce the Technical Assistance Centre (TAC) phone line service.
		Requirements from Alberta Health Services adds to the complexity of starting a business increasing time and potentially holding up applications		Circulate to AHS when for personal service and food service businesses.
		Subdivision Appeal board can add 2 months to the process if the permit decision or permit conditions are appealed.		Upfront education on the process so business owners are not surprised.
		Regulations related to Subdivision and Development Regulation (SDR) area (landfill/waste) automatically put business in the extended/longer timelines to complete the COU process.		
<b>Culture Change – People’s behaviors and mindsets</b>	<b>Working towards a “Yes”</b> - Current City culture reinforces decisions towards a “No” instead of working towards a possible “Yes”.	Bylaw interpretation is not consistent among City staff.	<p>“How do we get to yes?”</p> <p>“Staff doesn’t make decisions (decision paralysis), could there be a policy change?”</p> <p>“Admin provides too much input through conditions and suggestions”</p> <p>“Admin is not educated/does not have empathy on the business side of the project”</p>	<p>Look at training group sizes for front line staff.</p> <p>More upfront engagement with the customer.</p> <p>Explore a more customized use questionnaire.</p>
<b>Customer Support and Awareness</b>	<b>Business start-up requirements awareness</b> - Business owners are not aware of the approvals required. It is a challenge to understand how their business model related to the type of	Business owners are surprised by the COU requirement. Landlords do not inform business owners of the change of use requirement before signing the lease and then they are held up and unable to open.	“Other cities meet customers on site to provide insight on how to get approval”	Add information online to inquire about the change of use process prior to signing a lease
		Customers, including landowners and developers are not aware that there is a commencement date for their development permit. Additionally, if multiple development permit applications are submitted for a site, it is unknown which permit approves the use.	“Commencement date is inconsistent when it’s a comprehensive DP”	<p>Staff to educate customers on commencement of development.</p> <p>Staff to double check for lapse date on change of uses on revision development permits if uses are listed as existing and inform the customer</p>



## Change of Use Initiative – What we Heard Report

Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
	approvals required to start a business.	Customers might not be able to operate in the space they chose because applications can be refused or appealed.		More education tools for customers such as online content or webinars.
		The removal of the letter of authorization has compromised owners' legal rights and interests, and the ability of owners to successfully manage properties for the best interest of the owners and tenants alike.	<p>"Letter of authorization allows the landowner to understand what units have COU for future leasing deals, i.e. COU lapsed and didn't allow the use again"</p> <p>"New development sites have a number of COU applications on the development map, landlords do not know what is going on, on their sites"</p> <p>"Tenants often negotiate lease provisions which include exclusivity in certain uses, in their agreements; sometimes protecting for exclusivity in current uses / sometime protecting for potential future uses for business expansion; and there is significant potential for multiple use conflicts without the owners' diligent oversight"</p>	Review letter of authorization requirement for contentious uses, such as Cannabis Store or Liquor Store.
		Customers do not submit complete applications. Collecting permit documents causes delays. Drawings do not have enough detail.	"Combine customer transactions to limit multiple contact with city staff"	<p>More education tools for customers.</p> <p>More upfront discovery, staff to ask more questions.</p>
		Incorrect addressing provided by customer or landlord for business location. An incorrect address would require a new permit application to be submitted at the correct address.		<p>Consult with an Addressing Technician.</p> <p>Confirm with business owner/landlord or landowner.</p>
<b>Technology</b>	<b>Integrated User Experience -</b> Technology is not fully	<p>Challenges with the online systems were identified by customers and city staff.</p> <ul style="list-style-type: none"> <li>Applications are not easy to use.</li> </ul>	"Customers can apply for the wrong application"	Current systems are MyID, POSSE and Beanstream. Explore automation of systems.

## Change of Use Initiative – What we Heard Report

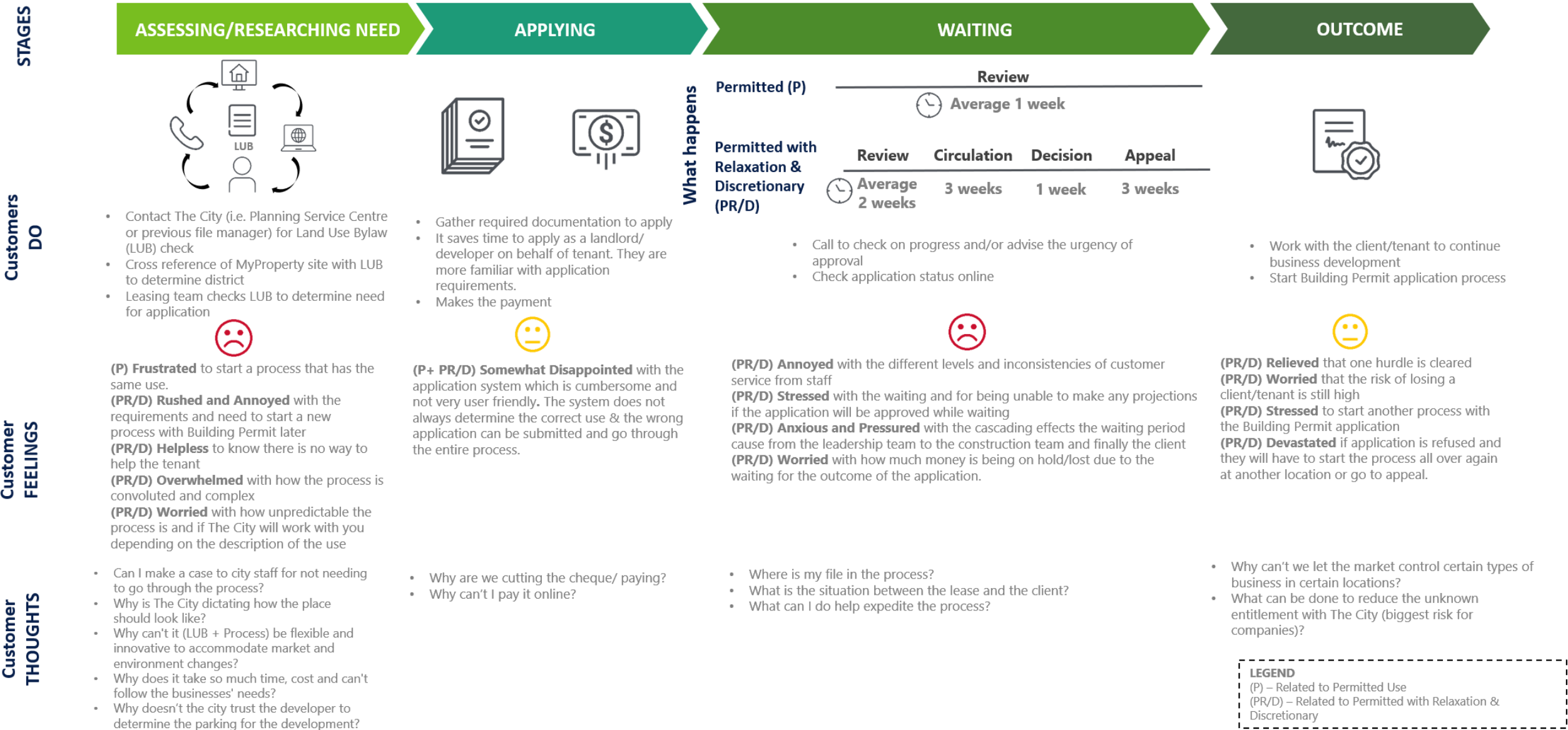
Theme	Major Issue	Context and details around the components of the major issue OR Sub-issue	Comments from stakeholders	Potential Considerations
	integrated with the various stages and types of COU processes resulting in not the most optimal user experience.	<ul style="list-style-type: none"> <li>There is no integration of various systems required to complete the change of use and other processes.</li> <li>There is no technical support available for some systems.</li> <li>Applications have been lost in the online system.</li> <li>The systems require some manual processes which can lead to delays.</li> </ul>	<p>“It can take 3 days to process a payment online”</p> <p>“The staff do not follow up”</p>	Identify COU applications with repeat errors. Fix questions/gaps that lead to the errors.
		The city website does not provide information needed for customers to determine what application they need apply for. If the information is there, it is not linked.	<p>“One stop shop map for your property. i.e. maps and info on all depts.”</p> <p>“Applicant is not always the business owner, the applicant would not know the business details, and they would like to apply for the COU only.”</p>	<p>Explore automation of systems and a more front facing system for customers. I.e. a map that you click on the address and it tells you the potential permits/licence you need for the business model.</p> <p>Scan and compare to other city websites to make improvements.</p>

### Empathy Mapping

During the empathy mapping workshop, the Business Advisory Committee (BAC) and the Business and Local Economy (BLE) engaged with key external stakeholders to build empathy towards and them when navigating the processes and activities related to Change of Use.

Below there is a summary of the key findings based on the feedback from external stakeholders

Change of Use Initiative – What we Heard Report





## Change of Use Initiative – What we Heard Report

### High-level Environmental Scan

The table below provides a few highlights from the conversations BLE had with representatives responsible for the change of use processes in Edmonton and Ottawa.

Components	Calgary	Edmonton	Ottawa
(Bylaw/ Policy) How is the land/development regulated?	<ul style="list-style-type: none"> <li>• <a href="#">Land use bylaw</a>.</li> <li>• Development permit is required for all permitted and discretionary uses. Excludes pop up and interim uses in section 134.2.</li> <li>• Tenancy change is required for some business activities to confirm the land use approval for the business licence.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Zoning bylaw</a>.</li> <li>• Development permit is not required if there is a building permit requirement.</li> <li>• No development permit required when business have same activities under the <a href="#">bylaw section 12.2</a>.</li> <li>• No tenancy change process. A zoning approval is part of the business licence application.</li> </ul>	<ul style="list-style-type: none"> <li>• Ontario building code.</li> <li>• Zoning bylaw</li> <li>• <a href="#">Site Plan control Bylaw</a>.</li> </ul>
(Customer Support) What supports are the available for the customer?	<ul style="list-style-type: none"> <li>• Where: Majority information online</li> <li>• What: Checklists are provided with details needed to review the applications.</li> <li>• Who: A Planning Services Technician on rotation answers all enquires in the planning call centre, front counter or through the live chat function online.</li> <li>• Pilot for a Business Experience Representative underway until December 2021.</li> </ul>	<ul style="list-style-type: none"> <li>• Where: Majority information online</li> <li>• What: Checklists are provided with details needed to review the applications.</li> <li>• Who: A rotating staff member (1 month per staff) is assigned to help applicants and act as single point of contact.</li> </ul>	<ul style="list-style-type: none"> <li>• Where: Majority information online</li> <li>• What: There are online guides to help navigate the “zoning codes”.</li> <li>• Who: dedicated <a href="#">Business Information Officer</a> (BIO) guides the applicant through the permit application, license and external approval process. Acts as a single point of contact.</li> </ul>



#### Change of Use Initiative – What we Heard Report

Components	Calgary	Edmonton	Ottawa
(Process time) How long does it take to complete an application?	<ul style="list-style-type: none"><li>• Permitted – average 2-5 days</li><li>• Permitted with relaxation and discretionary – average 9-12 weeks.</li><li>• Total advertising &amp; circulation period is 6 weeks.</li></ul>	<ul style="list-style-type: none"><li>• Permitted – average 1 to 2 weeks.</li><li>• Discretionary – average 25 calendar days.</li><li>• Total advertising &amp; circulation period is 3 weeks as per the Municipal Government Act.</li></ul>	Unable to determine.
Other findings:	<ul style="list-style-type: none"><li>• There is a 3-week time added for external circulation referees (Councilor, Business improvement area, community association) to make comments as per internal policy.</li><li>• Building permit can be taken in while the development permit is in advertising and is put on hold for the release of the development permit. There is no customer liability waiver.</li><li>• No letter of authorization is required from the property owner.</li></ul>	<ul style="list-style-type: none"><li>• There are no external circulation referees (Councilor, Business improvement area, community association) to make comments unless there are exterior alterations or zoning clearances required.</li><li>• Building permit customer <a href="#">liability waiver</a> is signed by the applicant to allow building permit review to go ahead prior to development permit release.</li><li>• No letter of authorization is required from the property owner. It is only a virtual check mark from the applicant when they apply.</li></ul>	<ul style="list-style-type: none"><li>• There is no separation of change of use and building permit.</li></ul>

#### Findings from cities outside of Canada

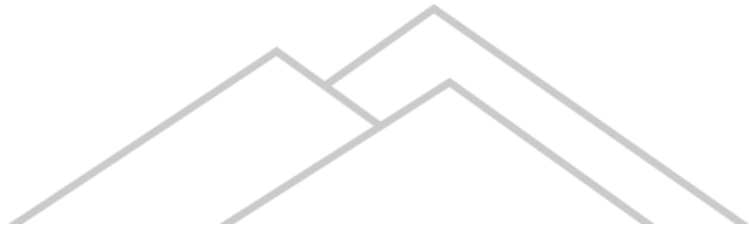
##### Houston

No zoning policy/bylaw. The City does not get involved in “programming” what businesses locate where.

Application only for:

- Deed restricted neighborhood (almost always single family)
- Liquor stores or adult entertainment





*Submitted to the City of Calgary, Business Advisory Committee: June 16, 2021*

**The Issue:**

The City of Calgary in recent years altered the change of use application process to remove the requirement for applicants to provide a **signed letter of authorization by the property owner** and replaced it with a declaration signed by the applicant.

**Unintended Consequences & Impacts:**

- This change has resulted in significant unintended consequences impacting both property owners and tenants, in both cost and time, when an unauthorized, improper change of use application is submitted and approved;
- The removal of the letter of authorization has compromised owners' legal rights and interests, and the ability of owners to successfully manage properties for the best interest of the owners and tenants alike;
- See the attached **Memorandum** dated June 16, 2021 expanding upon the consequences and impacts with Detailed Industry Comments and Examples.

**The Business Perspective: BILD's Member Comments**

- Our shopping and business centres are designed and managed so that tenants are successful; the success of the centre is dependent on the success of the tenants; we do not want empty spaces and that is directly linked to our tenants doing well;
- To manage a first class retail centre; the tenant mix is curated and historically Change of Use process is a tool that is used as a management or control mechanism:
  - Owners attempt to curate a successful mix of uses;
  - Consideration is given to adjacency – some uses are compatible in proximity and other are not;
  - Parking – with the removal of parking minimums for commercial/retail uses, Owners are cognizant of Tenants' parking needs to support their businesses;
- Our role is to provide assistance and guidance to the tenants e.g. reviewing drawings and signage as well as making sure that the use is correct - we do not want to slow business down but rather help tenants' businesses thrive and prosper;
- Tenants often negotiate lease provisions which include exclusivity in certain uses, in their agreements; sometimes protecting for exclusivity in current uses / sometime protecting for potential future uses for business expansion; and there is significant potential for multiple use conflicts without the owners' diligent oversight;
- Tenants want protection – particularly given the difficulties for tenants' businesses since the economic challenges since 2014 and most recently with the impacts from COVID 19;
- A great deal of time, energy and cost has been expended for both Owners and Tenants alike with Subdivision Development Appeal Board (SDAB) – cannabis exacerbated the issue but the problem is significant and continues to exist beyond this specialized use;
- **By example**, on one Commercial/Condo project, there were change of use applications submitted on units that had not even been sold yet; At one time there were 20 active applications and the property developer/owner was aware of ONLY 2 of them.

**The Solution:**

Short term: Immediately **Reinstate the Owner's Letter of Authorization** as a requirement of the change of use application process

Longer term: Engage stakeholders to identify opportunities to improve efficiencies and preserve property owners' rights

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# Memorandum

**Date:** June 16, 2021  
**Issue:** Change of Use Application Process  
**To:** Business Advisory Committee, City of Calgary  
**From:** BILD Calgary Region  
**Purpose:** For Information – Seeking Direction on Action

## Background

The City of Calgary in recent years altered the change of use application process to remove the requirement for applicants to provide a signed letter of authorization by the property owner and replaced it with a declaration signed by the applicant. It is understood the intent was, in large part, to streamline the application process for applicants. Unfortunately the change has resulted in significant unintended consequences impacting property owners and tenants alike, both in cost and time.

BILD and its members were not consulted regarding this change and did not have a prior opportunity to vet it for negative outcomes. However, it was brought to the attention of the BILD Commercial/Industrial Committee, when a member encountered an unauthorized application made by a tenant that resulted in significant costs and time to rectify the situation (see appendix example 1). Subsequently, other members have expressed concerns for the process change citing their own negative experiences as a result.

## Industry Recommendations

The current process is extremely problematic. The letter of authorization from the property owner must be reinstated into the change of use application process to preserve property owners' rights, protect business owners and avoid liability of those involved in the process of issuing approvals which impact the legal rights and interests of others, and have unintended consequences.



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# Memorandum

## Appendix 1

### Detailed Industry Comments

The rationale for our concerns is set out in more detail below-

- Impact on Landowner Rights. Without landowner authorization for an application (or control over the application's processing or approval because it's not "their" application), a landowner loses a very basic right associated with land ownership – the right to control use and development of its land.
- Contrary to Landowner Interests. Non-owner applications may be contrary to a landowner's interests (business or otherwise) or its obligation to others involved with the lands. For instance:
  - A parcel may have many occupants such as a shopping centre. In that case, it is absolutely critical for a landowner or its agent to exercise control over those lands (e.g., ensure compatibility of uses, operational and management logistics, meeting business objectives, shareholder obligations, ensuring compliance with third parties). Approval of a non-owner application (processed without landowner authorization) does not allow a landowner to effectively manage and control its own land.
- Contrary to Legal Obligations. Non-owner applications may be contrary to a landowner's legal obligations or others. For instance:
  - A landowner may have an agreement with a tenant prohibiting the same or incompatible uses nearby (restrictive covenant). The details may be confidential and not registered on title. If the agreement is registered on title, it may be by way of caveat that references the existence of an agreement but with few (or no) details about the use restriction. Approval of a non-owner application (processed without landowner authorization) for uses prohibited in a restrictive covenant, puts that landowner in breach of its obligations to another tenant.
- Confusion with Multiple Applications. Landowners cannot navigate and manage multiple occupants and applications relating to their properties if they do not have notice of them and control them in some fashion. For instance:
  - A landowner may apply for a use that is not allowed within a certain distance of another use as per the land use bylaw, and the landowner's application may automatically be refused because an occupant received previous approval for a use thus triggering the refusal.
  - An occupant may have made application which was refused, and the landowner may be limited in making another similar application within six months of that refusal.
    - A non-owner applies for a permitted use without relaxations without landowner authorization, and the approving authority must approve the application.

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- Unclear as to Who has the Right to deal with a Problem Application or Approval. Remedies available for a landowner to deal with a non-owner application that is being processed (or an approval that has been issued) is not always simple. There are questions as to who “owns” the application or approval, and who has the right to cancel or otherwise deal with the application or approval. Sometimes the applicant owns the application while it is being processed, and then the landowner owns the approval once it is issued because it “runs with the lands”. However, that line is very often not clear causing undue conflict and costs to address.
- Landowner Largely Responsible. A landowner is the main party responsible for what takes place on its lands, will most likely have to take the lead to rectify unauthorized applications, and will largely bear the monetary and other costs associated with correcting problems.

# Memorandum

## Appendix 2

### Industry Examples of Problematic Change of Use Applications

The following is a collection of random examples and not intended to be representative of all scenarios or comprehensive.

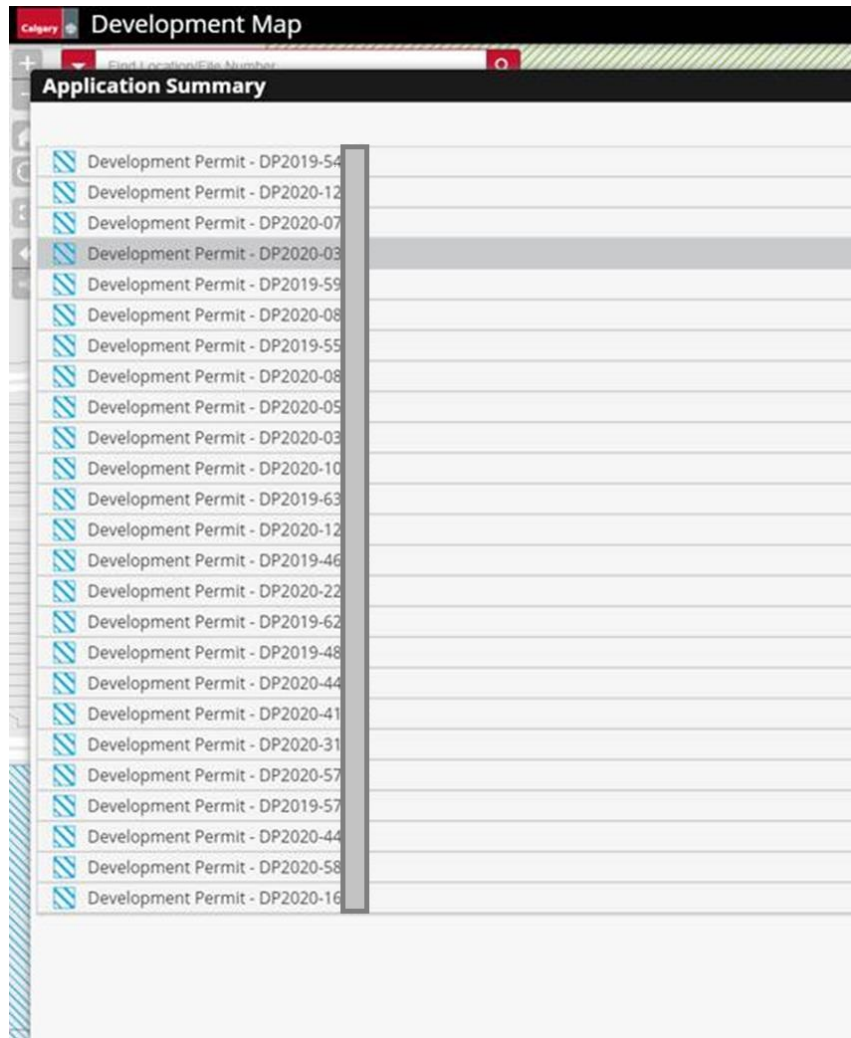
<p><b>Example 1</b></p>	<p><b><u>Scenario</u></b> An existing dry cleaning tenant applied for a change of use to a cannabis store (personal use to cannabis) without owner's knowledge after owner had already undertaken negotiations with a different cannabis operator on a vacant space in the centre</p> <p><b><u>Impacts to owner</u></b></p> <ol style="list-style-type: none"> <li>1) Time spent trying (unsuccessfully) to compel the City to cease its review of the submission.</li> <li>2) Lost credibility (and potentially a new tenant) with a group that was seeking the same use for a different location within the property.</li> <li>3) Spent money to legally demand (via the court) that the applicant, who was not even our tenant, withdraw its application.</li> <li>4) Pushed most of the legal costs back onto our original tenant that was working with the cannabis operator. This is a difficult thing to do with a small business that has otherwise been a good tenant.</li> <li>5) Owner absorbed the remaining legal costs.</li> </ol>
<p><b>Example 2</b></p>	<p><b><u>Scenario</u></b> Tenant gets a permit for a change of use and/or construction without owner approval; midway/after commencement tenant has financial difficulty; and tenant has insufficient security to satisfy all creditors including the City for unfinished work.</p> <p><b><u>Impacts to Owner</u></b></p> <ol style="list-style-type: none"> <li>1) Any unfinished work or problems will always fall back on the owner not the City</li> <li>2) Owner must rectify and incur costs for a situation they were not aware of, nor authorize</li> </ol>
<p><b>Example 3</b></p>	<p><b><u>Scenario</u></b> In 2018 an existing commercial tenant in a commercial center applied for a change of use DP to a "cannabis use" for their retail unit without owner's knowledge or approval. In 2019, the owner submitted an updated DP for the commercial center including the commercial unit with the 2018 approved cannabis use. In 2020 the owner learned that the Cannabis Use" approved in the 2018 Change of Use DP has now lapsed; however, the 2018 Cannabis Applicant is still in control of the Cannabis Use in the shopping center. Therefore, as the owner was not an entity on the 2018 Change of Use DP they are not in control of the "cannabis use" within their shopping center and now need to go through a process</p>

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	<p>to try and obtain control of the “Cannabis Use” within their own shopping center as owner would still desire to have a Cannabis Store at the shopping centre.</p> <p><b><u>Impacts to owner</u></b></p> <ol style="list-style-type: none"> <li>1. Time spent trying to work with the City to sort out the uses on the Shopping Centre site.</li> <li>2. Delay in leasing of a “cannabis use” within the shopping Centre</li> <li>3. Difficult to control the site, makes the lease deals difficult, risk of appearing disorganized, co-tenancy challenges could arise when the owner is not informed of the proposed “Change of Uses”</li> </ol>
<b>Example 4</b>	<p><b><u>Scenario</u></b></p> <p>An application is placed by an authorised agent of a party (with legal or equitable interest) applies for a DP on behalf of a party that has an easement, mortgage, etc. If the DP is for a permitted use with no relaxations, the City has to approve the DP.</p> <p><b><u>Impacts to owner</u></b></p> <ol style="list-style-type: none"> <li>1) There are limited rights of appeal to the SDAB for permitted uses with no relaxations, and the SDAB has typically said that they won't wade into whether a registration on title is valid.</li> <li>2) The owner may have little to say about the City's issuance of the DP to the applicant because 1P2007 says the legal or equitable interest holder (or authorized rep) can apply, and the SDAB refuses to wade into whether that legal or equitable interest is valid.</li> </ol>
<b>Example 5</b>	<p><b><u>Scenario</u></b></p> <p>A Tenant wanted a change of use and discussed with the owner. The owner went and prepared a “Change of Use” application and went down to the City to submit only to find there was already a “Change of Use” DP approved for the tenant's space. The owner was confused and followed up with the Tenant. The tenant was confused as they had not prepared the application; however, the Tenant's consultant had gone ahead and prepared the “Change of Use” DP application and submitted without the Tenant or owner being notified. The consultant had not selected the same use as the owner; this situation caught a number of parties by surprise.</p> <p><b><u>Impacts to owner</u></b></p> <ol style="list-style-type: none"> <li>1. Time spent preparing the application for a commercial unit.</li> <li>2. Surprise to learn at the City of Calgary counter that another Change of Use DP had been recently approved for the same commercial unit.</li> <li>3. “Change of Use” DP process is hard for owners to track when they are not informed of changes happening in their commercial Centre(s)</li> </ol>

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4. A new community shopping centre site has multiple (over 15) change of use DPs and the owner has only undertaken two (2) DP for the shopping centre as per the screen shot list below



Application Summary	
Development Permit - DP2019-54	
Development Permit - DP2020-12	
Development Permit - DP2020-07	
Development Permit - DP2020-03	
Development Permit - DP2019-59	
Development Permit - DP2020-08	
Development Permit - DP2019-55	
Development Permit - DP2020-08	
Development Permit - DP2020-05	
Development Permit - DP2020-03	
Development Permit - DP2020-10	
Development Permit - DP2019-63	
Development Permit - DP2020-12	
Development Permit - DP2019-46	
Development Permit - DP2020-22	
Development Permit - DP2019-62	
Development Permit - DP2019-48	
Development Permit - DP2020-44	
Development Permit - DP2020-41	
Development Permit - DP2020-31	
Development Permit - DP2020-57	
Development Permit - DP2019-57	
Development Permit - DP2020-44	
Development Permit - DP2020-58	
Development Permit - DP2020-16	

# Memorandum

## Additional General Comments

Large tenants in Commercial Centres frequently have a variety of 'exclusive uses' within their lease agreements which protect for the large tenant's current use and potential future uses – many of which may not be apparent based upon the primary use. Other tenants are not apprised of those agreements and, in the current process, can (and do) make change of use applications for uses that are protected by existing lease agreement with other tenants.

Condominium Boards are responsible for overseeing management of condominium property. Under the current change of use process, individual tenants, and even unit owners themselves, would not be required to obtain the permission of the Condominium Board in order to submit a change of use application. It may be worthwhile considering this unique circumstance in the seeking ultimate solutions.

Other Alberta municipalities (which are subject to the Alberta Municipal Government Act and related provincial legislation), including the City of Edmonton, DO require the property owner's authorization in processes comparable to Calgary's change of use process.

**From industry's perspective, the prior change of use process was well-established and reasonable, and worked well before this process change**