



STRICTLY CONFIDENTIAL

2016 January 17

Your Worship Mayor Nenshi and Members of Council:

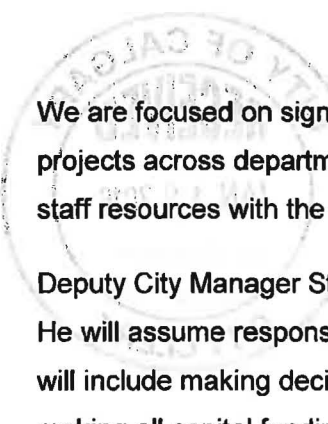
Subject: **Strategic Alignment to Deliver on Council Direction**

As Council has indicated, we are at a unique moment in Calgary's history. Council has decided to accelerate The City's capital program to provide Calgarians with additional employment opportunities and take advantage of reduced construction costs. The federal government has committed to funding a portion of the cost to construct the Green Line, which will ultimately provide light rail transit service to over a million Calgarians. Both the federal and provincial governments have expressed interest in funding other infrastructure projects as an economic stimulus. In addition, Council has expressed its desire to advance the transit oriented development program as a strategic initiative. This has created an exceptional opportunity for The City to build much needed infrastructure to benefit Calgarians.

I am writing to advise you of changes that I am making in responsibilities and reporting relationships in five priority areas. These changes are necessary to better position the Administration to intentionally manage The City's capital program while continuing to deliver on Council's direction as outlined in the Action Plan, Leadership Strategic Plan and Economic Resiliency Strategy and implement the off-site levy bylaw work plan. I can assure you that each individual referred to in this letter is excited about the opportunity to serve Council and Calgarians in a new way. All changes will be effective March 1, 2016. I look forward to further discussing these changes with you at Council's strategic meeting tomorrow.

Infrastructure Investment:

Given the extent of available funding and the diverse nature and sheer number of projects The City will be building, the General Managers and I have reconsidered the manner in which we deliver capital projects.



We are focused on significantly enhancing the Administration's ability to prioritize and manage projects across departments, track our capital spend, address risk, and ensure we have sufficient staff resources with the capability to deliver projects on time, on budget and within scope.

Deputy City Manager Stevens will lead a new corporate initiative called "Infrastructure Calgary". He will assume responsibility for overseeing a corporate infrastructure investment program. This will include making decisions between departments in regard to the relative priority of projects, making all capital funding recommendations to Council and ensuring that project managers receive sufficient support from enabling business units. Project management and delivery will remain the responsibility of the departments*.

Effective and efficient procurement practices and procedures are critical to delivering capital projects. Deputy City Manager Stevens will assume responsibility for overseeing Supply Management. He will also remain responsible for overseeing Infrastructure & Information Services and will continue to serve as The City's Chief Resilience Officer.

Growth Management and Development Approvals:

General Manager Dalglish has achieved success in realigning roles and responsibilities within Community Services to more effectively deliver community and protective services to Calgarians. He also has experience in planning and development matters given his past service as Acting General Manager of Planning, Development & Assessment. As a result of General Manager Stanley's change in responsibilities as outlined later in this letter, General Manager Dalglish will assume responsibility for the functions in Planning & Development. To allow him to focus on growth management and on implementing the off-site levy bylaw work plan, responsibility for the Assessment business unit will be transferred to Chief Financial Officer Sawyer. General Manager Dalglish's new title will be General Manager, Planning & Development.

Joel Armitage will serve as a Managing Director within Planning & Development. Mr. Armitage will assume responsibility for enhancing the quality, consistency and timeliness of decision making in the planning applications approval process. In particular, he will be responsible for making decisions between business units when there are differences of opinion about development permit and other applications or conditions associated with them.

I have asked Kurt Hanson to assume the role of General Manager, Community Services. Mr. Hanson will be responsible for continuing to implement the new service delivery model in Community Services that was designed to better align with community needs.

Real Estate:

Council has expressed a great deal of interest in better understanding the redevelopment potential of the Municipal Complex/Arts Commons/Olympic Plaza Civic District, the West Village, and City-owned and other lands in the downtown core, inner city and urban corridors. Council has also clearly expressed its need for timely information about the redevelopment potential of lands along the Green Line and desire to see increased focus on projects such as the Main Streets Initiative (urban corridors). It is clear that Administration needs to deliver a comprehensive urban strategy for Council's consideration.

General Manager Stanley will be assigned this responsibility. His new title will be General Manager, Urban Strategy and he will move to my office to work on this strategic assignment.

General Manager Stanley will continue to serve as The City's "Chief Planner" in advising Council at public hearings and on complex planning matters. General Manager Logan will continue to serve as Chair of the Calgary Planning Commission.

Deputy City Manager Stevens will continue to lead The City's response to the Calgary NEXT proposal and remain responsible for real estate services. To better position the Administration to deliver on Council's real estate priorities, real estate services in the corporation will be merged. Staff in Corporate Properties & Buildings (CPB) providing real estate services will join staff in real estate and development services in the Office of Land Servicing & Housing (OLSH). To reflect this change, OLSH will be renamed "Corporate Real Estate Services"*. This will allow CPB to focus on facility maintenance and assume responsibility for vertical project management for Community Service department buildings. CPB will be renamed "Corporate Facility Planning & Management"*.

To enhance delivery of Council's affordable housing objectives, affordable housing initiatives and policy staff in OLSH will be transferred to the Calgary Housing business unit under the direction of Director Sarah Woodgate.

Government Relationships:

To ensure continued progress on the Charter negotiations and MGA review and a focus on regional matters, Deputy City Manager Stevens will continue to be responsible for staff in Intergovernmental and Corporate Strategy. Regional planning staff will be transferred to this area.

People & Culture:

As you know, I have been very focused on the creation of a "One City, One Voice" culture. We are committed to our shared values of individual responsibility and collective accountability and our new common purpose and service promise developed as a result of input from hundreds of City employees. We are also committed to delivering services and acting in accordance with the essential qualities of our organization being character, competence, commitment, and collaboration.

We remain focused on advancing our culture-related initiatives. Human Resources will continue to support me in creating an even more collaborative workforce and advancing our "One City, One Voice" cohesive leadership culture. Customer Service & Communications is developing a "One Voice Master Communications Plan". The previously dispersed communication functions from across the Corporation have been centralized into Customer Service & Communications to build more effective communication delivery for citizens and stakeholders.

I hope you will agree that these changes in roles and responsibilities will enhance the Administration's ability to deliver on Council's direction at this unique moment in Calgary's history.

Sincerely,



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** As we proceed, operational needs may lead to a further refinement of structures, processes, business unit names, job titles, and budgets to support our objectives.*