

INTEGRATED CIVIC FACILITY PLANNING PROGRAM

EXECUTIVE SUMMARY

The current approach to the planning and implementation of corporate facilities by individual business units limits Administration's ability to realize Council's recent direction for integrated civic facility delivery (CPC2015-010). The City of Calgary is currently challenged with funding to maintain existing facilities and provide facilities in new communities, which will become greater as Calgary continues to grow. The ability to protect the investment in The Corporation's facility assets, and provide uninterrupted service to citizens, is unlikely in the future without a different corporate approach to facility planning and management. Greater economies of scale and alternative approaches to locating services are necessary, as well as more robust data to support informed decision making and transparent and accurate reporting.

The intention is that The Corporation will move to a coordinated approach for planning and delivering civic facilities that will enable greater consistency and accountability, while also creating a forum to identify opportunities for efficiencies, partnerships and innovation and investment. The Integrated Civic Facility Planning Program (ICFP) Project was created in response to Council direction in order to facilitate these objectives.

ADMINISTRATION RECOMMENDATION(S)

That the Land and Asset Strategy Committee recommend that Council direct Administration to report back to Council annually through the Land and Asset Strategy Committee with an update on the Integrated Civic Facility Planning Program project status no later than Q3 2016.

RECOMMENDATION OF THE LAND AND ASSET STRATEGY COMMITTEE, DATED 2015 OCTOBER 29:

That the Administration Recommendation contained in Report LAS2015-36 be approved.

Excerpt from the Minutes of the Regular Meeting of the Land and Asset Strategy Committee, held 2015 October 29:

"DISTRIBUTION

At the request of Administration and with the concurrence of the Chair, the Legislative Assistant distributed copies of Revised Attachment 2 with respect to Report LAS2015-36."

PREVIOUS COUNCIL DIRECTION / POLICY

On 2015 July 27 Council approved the recommendation from C2015-0661 Decentralization of The Provision of City Services – Motion Arising (2014 November 14) – Referral Report. The recommendation from the Motion Arising was "to report back to Council no later than Q3 2015 with the opportunities, impacts and costs associated with further geographically decentralizing the provision of City services." This reporting will now be the responsibility of the Integrated Civic Facility Planning Program and will be reported on no later than 2016 Q4.

On 2015 July 20 Council approved the recommendation from LAS2015-16, Corporate

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Workplace Framework Reporting – Referral Report directing Administration to report on the Corporate Workplace Framework, Operations Workplace Centres and the Motion Arising from CPC2015-010 through the Integrated Civic Facility Program initiative and report back to Council through the Land and Asset Strategy Committee no later than 2015 Q4.

On 2015 January 12 Council approved Motion Arising (CPC2015-010) directing Administration to “commence planning and implementation of civic facilities in a comprehensive, coordinated corporate-wide approach to achieve economies for municipal needs and funds, improved services to communities and citizens and inclusion of mixed uses, and that the program include consideration of build models with private sector locations and tenancies and report back to Council through Land and Asset Strategy Committee on the program of this work no later than 2015 Q4.”

On 2014 November 03 Council directed Administration to update the Corporate Workplace Framework which is a Council approved policy guiding decisions on the location of administrative workplace growth. At the same time Council also directed Administration to explore innovative and sustainable funding for city-wide administrative and operation workplace centre needs and development of a long term city-wide facility plan for workplace accommodation (LAS2014-50).

BACKGROUND

The Corporation's portfolio of buildings is valued (book) at \$3.72 billion and serves a diverse range of civic purposes. The City has a large variety of facilities including fire stations, recreation centres, transit stations, administrative buildings, warehouses, depots, water treatment plants, maintenance buildings and storage facilities. Buildings are necessary to enable the delivery of services to citizens, including front “citizen-facing” buildings and the “back-of-house” workplace facilities to support service delivery.

Many business units have had to develop their own facility planning, budgeting, and asset management processes in order to ensure their individual service requirements are met. Where possible, The Corporation has tried to capitalize on opportunities to create appropriate co-located and mixed-use facilities (Attachment 1), however, the uncoordinated nature of the current facility planning approach typically results in facilities that house only one or two business functions.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Challenges to integrated planning

Timelines for planning and developing facilities can often be decades long. Due to the way that new communities are built out, certain critical services are required before others. For instance, fire stations have a safety response requirement to exist early within a community. Other services, like recreation centres, community associations, and by-law services would be placed in the community as it becomes more established. In order to capitalize on multi-use facilities, these other services need to be considered much further in advance and the budget needs to be available in order for the appropriate land purchases and facility design to be completed.

Currently, business units are required to request capital budgets separately, limiting the ability to coordinate funding for multi-use facilities. There is also limited funding for the lifecycle of

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existing buildings which has resulted in deteriorating facilities within the established communities. The rapid growth of new communities has created a demand for services yet there is a lack of capital funding to build the facilities required to deliver these services.

In addition to budget constraints, there are no standardized, repeatable processes for business units to work together to identify and capitalize on economies of scale and opportunities for co-located services. The tools required for integrated planning include corporate level governance, strategies to guide decision making and bridge funding to span the timelines for planning and delivery. To build out facilities prior to when services are required, Council has asked that partnerships with the private sector be considered. Transparent guidelines and processes are required to ensure the risks and opportunities of such partnerships are effectively and consistently managed.

An integrated approach to facility planning

Council and Administration has set a vision for the future of Calgary through imagineCalgary, the Municipal Development Plan, Route Ahead, Transit-Oriented Development Guidelines, Main Streets, Complete Communities, Action Plan, etc. There is an opportunity for The City to demonstrate this future vision through its facilities.

On 2015 April 14 the Administrative Leadership Team (ALT) approved the creation of the Integrated Civic Facility Planning (ICFP) Program with the mandate of developing the tools and processes necessary to enable an coordinated approach to planning of civic facilities. The Program is guided by a vision that states: *Calgary's civic services are enabled by facilities that are the heart of our communities, supporting the needs of our citizens while providing social, economic, and environmental benefits for resilient communities.*

To resource the Project, business units have worked together to achieve a combination of dedicated and shared existing administrative resources, provided business unit subject matter experts, supported with limited term resources and consulting support. To deliver the Integrated Civic Facility Planning Program Project, Corporate Properties & Buildings has reprofiled existing positions for the core team and business units are sharing existing financial, legal, legislative and facility planning resources. Business units are providing and funding their shared and dedicated resources to the project from within their programs. Business units will continue to work together to share resources through the remainder of the Project.

The new approach will optimize the use of existing resources for future operations. The core Project resources will also be the core of the future operating group to deliver the new integrated civic facility planning in the future. The new Integrated Civic Facility Planning division will utilize reprofiled resources to operate the division and existing individual business unit facility planning resources within the processes.

The Project is established to deliver the following work streams (Attachment 2):

- 1) Corporate wide strategies for facility planning which will govern how facilities are planned and designed in alignment with imagineCalgary, the MDP, and other Council direction. These will also provide decision making criteria to help determine multi-use facilities;
- 2) A framework which will provide the process and tools (organizational structure, budgeting processes, land-use planning) required to achieve an integrated approach;

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- 3) Design of facility portfolio planning which will rationalize the existing facility portfolio and identify portfolio optimization and investment strategies; and
- 4) Learning projects which will demonstrate some of the desired outcomes and build the tools while delivering facilities. (Attachment 3)

In the short term, some of the Project's key deliverables will be:

- 1) The development of temporary fire halls in new communities which will provide time to develop more comprehensive build out strategies;
- 2) The investigation of a new accessory public service land-use to facilitate co-location of civic uses with other compatible services;
- 3) The enhancement of the administrative land circulation process to facilitate identification of opportunities for the co-location/multi-use of civic facilities
- 4) Corporate wide facility data standards and reporting for buildings;
- 5) Facility planning that further enables Tomorrows Workplace flexible work as the standard way of delivering administrative workspace; and
- 6) Engagement with private development industry to inform partnerships and build models.

Benefits to integrated planning

Implementation of a corporate approach to facility planning and delivery will provide the following benefits and opportunities:

- Enables The City to strategically locate civic facilities to support outcomes such as Transit Oriented Developments and community revitalization;
- Creates opportunities for places within communities for civic services that include other community services such as health and education;
- Creates opportunities to deliver and partner with others to provide additional affordable housing;
- Provides flexible workspaces for City staff thereby reducing the need for dedicated administrative buildings and creating capacity for growth;
- Provides community meeting spaces, reducing the need for dedicated community association facilities and associated facility management costs;
- Identifies opportunities to partner with private industry and create facilities with both private and public functions, in order to share risk, increase the assessment base, and share costs;
- Creates opportunities for co-location that will achieve economies on reduced land costs, shared services, standardization, and consolidated operations and maintenance functions over the life of the facility; and
- Enables The City to efficiently and effectively manage its civic facility portfolio in alignment with strategic objectives.

Impact to projects currently underway

The facility planning process The City undertakes is a continuum of needs requirements, planning, land-use, budgeting, land acquisition, design and construction. The timeline for this process can be as much as 20 - 30 years prior through the Regional Context Study or Area Structure Plan processes. Once these projects have reached the City budgeting process the planning of these facilities is fairly solidified. While the ICFPP Project is underway, there will be

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individual facility projects that will need to be delivered as planned in order to ensure citizen services are maintained.

Stakeholder Engagement, Research and Communication

Since the initiation of the ICFP Program the program office has:

- Engaged with key facility owning business units through Administration's Accommodation & Infrastructure Steering Committee
- Conducted external research on other Canadian municipalities and reviewed documentation from United States and Australian municipalities
- Engaged subject matter experts representing specific areas that will be involved in the development of the framework
- Engaged with external partners such as Calgary Public Library, Calgary Police Service and Alberta Health Services

Strategic Alignment

Council Priorities

This report's recommendation aligns with and contributes to the following of Council's key strategic objectives in Action Plan 2015 – 2018:

- A City of Inspiring Neighbourhoods: Every Calgarian lives in a safe, mixed and just neighbourhood, and has the opportunity to participate in civic life.
- A Well Run City: Calgary's government is open, responsive, accountable and transparent, delivering excellent services at a fair price. We work with our government partners to ensure we have the tools we need.
- A Prosperous City: Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and the best place in Canada to start and grow a business.
- A Healthy and Green City: We steward our air, land, and water while encouraging healthy lifestyles for all Calgarians

A detailed breakdown of the strategic alignment of this Program is provided in Attachment 4.

Social, Environmental, Economic (External)

A comprehensive, corporate-wide framework for the planning and delivery of facilities and a portfolio plan will provide the following value:

- The development of civic facilities can create job opportunities in tough economic times
- More multi-service facilities require less land, reducing The Corporation's environmental footprint
- Create opportunities for The City's civic partners to co-locate and achieve greater efficiencies in City facilities
- Well positioned facilities will help encourage private development and support economic growth
- Lower The City's risk by having repeatable tools and processes
- Create opportunities to avoid future real estate costs by achieving greater economies
- Enable services to citizens will be more accessible

Financial Capacity

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Current and Future Operating Budget:

None with this report. Administration will deliver this work within existing resources and repurpose positions for the Project and future operations.

Current and Future Capital Budget:

None with this report. Existing capital programs will support the Project.

Risk Assessment

There is no current process to realize Council's expectations for civic facilities to achieve greater mixed-use and co-location. The ICFP program will provide an interim coordination function within The Corporation on key "learning projects" as the Program is creating a future standardized process. The learning projects will identify civic facility initiatives already underway and in the appropriate project planning stage, that can consider co-location, multi-use or partnership opportunities that can test and inform an Integrated Civic Facility Planning Framework.

REASON(S) FOR RECOMMENDATION(S):

To provide Council with an update on the creation and status of the newly formed Integrated Civic Facility Planning Program project to address the challenges the new approach will experience and realize the benefits and the value from investing in a new integrated civic facility approach to delivering City and community services.

ATTACHMENT(S)

1. City of Calgary co-located and mixed use examples
2. Integrated Civic Facility Planning Program Workstreams - **Revised**
3. Learning Projects Overview
4. Summary of Strategic Alignment