

Infrastructure Services Report to  
Infrastructure and Planning Committee  
2026 March 11

ISC: UNRESTRICTED  
IP2026-0200

## **Advancing Business-Friendly Construction**

---

### **PURPOSE**

This report updates Council on The City's business-friendly construction approach. It presents the proposed Business-Friendly Construction Policy for approval and reports back on outcomes of the Main Streets Business Support Grant pilot.

### **PREVIOUS COUNCIL DIRECTION**

On 19 March 2024, Council directed Administration (Attachment 1) to pilot the Main Streets Business Support Grant and develop a Business-Friendly Construction Policy (IP2024-0293).

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

That the Infrastructure and Planning Committee recommends that Council:

1. Approve the Business-Friendly Construction Policy CP2026-05; and
2. Receive this report for the Corporate Record.

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

The General Manager of Infrastructure Services concurs with this report.

### **HIGHLIGHTS**

- Since 2022, The City has been piloting business-friendly construction approaches focused on supporting business continuity and helping customers continue to access businesses during City infrastructure construction.
- Engagement with more than 1,200 businesses and customers, along with on-the-ground experience, informed the proposed Business-Friendly Construction Policy.
- The Policy sets clear objectives that endeavor to support business continuity and customer access, while balancing safe and effective project delivery of City projects.
- In 2024, Council directed Administration to pilot a one-time \$5,000 Main Streets Business Support Grant to evaluate the effectiveness of providing financial support to businesses, with the stated intent of helping businesses prepare their operations and implement their own strategies to encourage patronage during construction.
- The evaluation found the grant was not effective in achieving its stated intent. Most businesses self-reported using the funds for general operating costs rather than the intended purpose, and engagement showed stronger support for investing in area-based measures that improve customer access and business area vitality during construction.
- Administration has determined that expanding area-wide business supports would benefit more businesses, support customer access, and avoid potential legal risk; this approach is aligned with the Business-Friendly Construction Policy and The City is well positioned to deliver this support.

## **Advancing Business-Friendly Construction**

---

- Next steps focus on formalizing a consistent business-friendly construction approach, implementing training for broader application across City projects, and strengthening collaboration with business community, construction industry, and utility companies to support business continuity and help customers access businesses during construction.

## **DISCUSSION**

### **Issue**

- The City's capital program has increased from \$1.1B in 2022 to \$3.8B in 2026, driven by growth, aging infrastructure, and community renewal.
- Increased investment means more construction and greater potential for business impacts as more projects occur in areas with established businesses and communities.
- Businesses have increasingly asked The City for support, primarily to prioritize actions that mitigate construction impacts, with a focus on business continuity and customer access, while some have also requested financial support.
- Municipalities across Canada are facing similar challenges and have been adopting approaches that prioritize mitigations to minimize disruptions.

### **Piloting Business-Friendly Construction Approaches**

The City of Calgary recognizes the importance of local businesses to Calgary's economy and to the well-being of communities. In response to feedback from the business community, The City has been piloting business-friendly construction approaches (Attachment 2). These approaches recognize that while construction impacts cannot be fully avoided, they can be mitigated in ways that support business continuity and help customers access businesses during construction.

Since 2022, The City has piloted and refined a set of business-friendly construction approaches on several City projects, which include: assessment of potential construction impacts and building mitigations, early and ongoing communication with businesses, dedicated business liaison support throughout construction, area-based measures to support customer access and visibility, grants to business improvement areas (BIAs) to encourage patronage during construction, and approaches that help customers safely navigate construction-affected areas.

Engagement with the business community and learnings from pilots collectively informed the development of the proposed Business-Friendly Construction Policy, which will guide the approaches The City will formalize moving forward.

### **Business-Friendly Construction Policy**

The Business-Friendly Construction Policy (Attachment 3) reinforces The City's aim to consider business needs where possible in balance with City priorities of delivering safe, effective projects for the benefit of all Calgarians. It clarifies what Calgarians can expect from City-led construction projects; it sets clear objectives to guide how business continuity and customer access is considered during the planning and delivery of City projects, and guides how these approaches are formalized and applied more consistently across projects. It focuses The City's efforts and investments on mitigation practices and aims where possible to:

- Consider and plan with business operations in mind,

## **Advancing Business-Friendly Construction**

---

- Assess and mitigate business impacts,
- Provide timely plain-language information,
- Maintain ongoing communications during construction,
- Provide safe, accessible, easy to follow public access around construction, and
- Implement initiatives to promote business area vitality and build customer confidence.

### **Main Streets Business Support Grant Pilot Evaluation**

In 2024, Council directed Administration to pilot a one-time \$5,000 Main Streets Business Support Grant to evaluate the effectiveness of providing financial support for the stated intent to help businesses prepare their operations for construction and implement their own strategies to encourage customer patronage during construction. It was clear that the grant was not financial compensation as The City is not legally obligated to provide financial support to businesses related to City projects.

The evaluation (Attachment 4) found the grant did not achieve its stated intent. Most businesses (71 per cent) self-reported using funds for general operating costs (e.g., rent, payroll, utilities), while about one-third used funds for intended business-led initiatives. Business sentiment was mixed; some businesses found the grant helpful, others did not. Overwhelmingly, business feedback identified improved customer access and convenience, along with early and ongoing communication, as the most effective supports during construction – priorities identified in the Business-Friendly Construction Policy and where The City is well positioned to deliver this support.

Based on engagement with businesses and a review of other jurisdictions, Administration has determined that expanding broader business-area supports better aligns with business and customer needs and therefore benefits more businesses than individual cash grants. These include mitigation tactics such as temporary customer parking, flaggers and wayfinding to direct customers to businesses, and business-area promotional programs, delivered by The City or in partnership with Business Improvement Areas, to encourage Calgarians to support local businesses during construction.

The City's business-friendly construction approach better supports business continuity and customer access across entire business areas, builds customer confidence and business area vitality and avoids introducing potential legal risk. For these reasons, Administration will discontinue the Main Streets Business Support Grant and focus investment on The City's business-friendly construction approach, including broader, area-based supports.

### **Next Steps**

In 2026, Administration will continue to apply The City's business-friendly construction approach across more City infrastructure projects. Tools and guidance will be formalized in alignment with the Policy objectives and staff training developed to support broader adoption of the business-friendly construction approach beginning in 2027.

Administration will continue to engage with the business community, the construction industry and utility companies to explore opportunities that enhance how businesses and customers

## **Advancing Business-Friendly Construction**

---

experience construction of City projects. Policy progress will be monitored using performance measures and will inform ongoing refinement as the approach is expanded.

### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed     | <input type="checkbox"/> Public communication or engagement was not required        |

More than 1,200 business owners, customers, business organizations, Business Improvement Areas, and construction industry representatives participated in engagement to inform the Policy (Attachment 5). An additional 243 participants – primarily business owners or operators – provided feedback on the Main Streets Business Support Grant pilot.

Engagement findings align with The City's piloted approaches. Businesses want earlier information, with more consultation during project planning so they can prepare. They identified improved customer access and convenience, along with early and ongoing communication, as the most effective supports during construction. Feedback on the grant pilot was mixed, with limited evidence that it achieved its stated intent. While some businesses were seeking more substantial support, engagement findings showed stronger support for investing in area-based measures that improve customer access and business area vitality during construction.

### **IMPLICATIONS**

#### **Social**

Mitigating construction impacts supports business continuity and contributes to the well-being of communities.

#### **Environmental**

Supporting the efficient and coordinated delivery of infrastructure projects by reducing unnecessary delays and costs, enables timely investment in assets that strengthens climate adaptation and/or long-term infrastructure resilience.

#### **Economic**

Business-friendly approaches help support business continuity and customer access during construction, building customer confidence and supporting business area vitality.

#### **Service and Financial Implications**

#### **Other:**

Starting in 2027-2030 Service Plan and Budget Cycle, project budgets will incorporate business-friendly construction measures, and additional budget will be identified to deliver broader business-area supports for City-led initiatives, including funding contributions to Business Improvement Areas.

**Advancing Business-Friendly Construction**

---

**RISK**

Providing cash grants to individual businesses during construction introduces potential legal risk. Instead, Administration will invest in business-friendly construction approaches, including broader business-area supports, to support business continuity and encourage customer patronage during construction.

There is reputational risk that the Policy could create an unrealistic expectation that construction impacts can be fully avoided given construction inherently being disruptive. Administration will mitigate this risk by clearly communicating The City’s business-friendly approach which endeavors to consider business needs, where possible, in balance with City priorities of delivering safe, effective projects.

**ATTACHMENT(S)**

1. Attachment 1 - Previous Council Direction
2. Attachment 2 - Piloting Business-Friendly Construction Approaches
3. Attachment 3 - Business-Friendly Construction Policy CP2026-05
4. Attachment 4 - Main Streets Grant Pilot Evaluation Report
5. Attachment 5 - Engagement and Research Summary
6. Attachment 6 - Advancing Business-Friendly Construction Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Michael Thompson, General Manager	Infrastructure Services	Approve
Sarah Huber, Director of Project Development	Infrastructure Services	Approve
Lynne Davies, Director of Law	Legislative Services & Security	Consult
Anne Cataford, Director of Utilities Delivery	Infrastructure Services	Consult
Kerensa Fromherz, Director Public Spaces Delivery	Infrastructure Services	Consult
Ryan Vanderputten, Director of Capital Planning & Business Services	Infrastructure Services	Inform