

UPDATE ON SOLUTIONS TO IMPROVE INTERNAL PROCESSES ON TOWN-LED CAPITAL PROJECTS

Issue

An update on solutions to improve internal processes on Town-led capital projects is provided for information.

Motion Recommended by Administration

That the update on solutions to improve internal process on town-led capital projects be received as information.

Report, Analysis and Financial Implications

At the regular Council meeting on May 10, 2021, Council passed a motion directing Administration to report back on strategies for improvement of internal processes on Town-led development related projects.

Identified Challenges

Over the past years, Administration has identified internal challenges in the effective execution of large-scale development projects led by the municipality. Challenges include timeliness of application submissions to meet pre-set Council/MPC dates, lack of available land for budgeted projects, inadequate budget to address all site development conditions, misalignment of proposed sites with zoning and listed uses, differing process and standards expectations, and inconsistencies in internal communication to keep stakeholders apprised when design changes occurred.

Overall, the main themes that came out of cross-functional internal discussions were:

- Lack of understanding on processes / requirements for development and/or building permits, who to speak to, or where to direct regulatory inquiries, when determining whether a project meets regulatory requirements. For example, projects may make it through budget approval and to the procurement stage without the appropriate land (e.g. zoning) or understanding of site development standards, permit requirements and timelines that should be factored into the RFP and overall project.
- Challenges with internal timelines and meeting pre-set deadlines and pre-set budgets that were determined before developing a wholesome understanding of the regulatory requirements for a project. Examples could include not factoring in costs of lighting despite that being a standard development requirement or budgeting for a gravel parking lot when a paved parking lot is a standard requirement.
- Projects progressing through detailed design without cross-functional internal review, resulting in changes needed to comply with land use, Building Code

requirements or operational aspects not considered at design stages, being out of scope and budget.

- Opportunities to better align project management duties with education and experience of staff. Given the size of the organization and not being quite large enough to support a Corporate Properties or Project Management division, this is a challenge of resourcing.
- Opportunities to better involve and educate involved business centres regarding those processes and regulations that are mandatory or legislated, and where flexibility or variances can and cannot be applied
- Town strategic priorities not being more fully incorporated into projects (such as sustainability / EMP goals and initiatives) due to costs and late-stage involvement of appropriate individuals

Private vs. Town Developments

With private sector developments, the approach largely deviates from public sector projects upon approval of the project. Private developments are required to provide a Performance Security to the Town to ensure the completion of conditions. These performance securities are used as a tool to incentivize completion of the project in alignment with the approved plans. With Town projects, given that it is the same entity regulating and applying for the development, performance securities are not utilized.

If there are proposed changes that come up through the development process as a result of budget challenges or a shift in direction, these revisions must be caught through information sharing between departments and an understanding of when to check-in with the development authority as to whether the proposed changes require an amended development permit or not. With private sector developments, in situations where they are not built in accordance with the approvals, this is either caught through the reviews prior to them receiving their performance securities back and/or through complaints that arise from issues in the nonconforming design.

Potential Solutions (In-Progress or for future changes)

Over the past six (6) months, Administration has undertaken some additional projects and processes that were underway in advance of the May 10, 2021 Council motion to mitigate some of the challenges that have arisen internally with development projects. These include:

1. Creation of a Land Committee & Land Inventory Process

Several internal departments participate in a Land Committee that meets on a quarterly basis to discuss policies related to land so there is more clarification and a streamlined and strategic approach to disposal, acquisition and future planning of Town lands. This Committee exposes more business centres to planning and building requirements, and builds on communications in relation to Town assets, land holdings and potential land uses.

Through this Committee, a land inventory process has also been created that works with all Town departments to try to anticipate and plan for their future land needs over the short, medium and long-term. This ensures Administration is working to plan for and obtain properties in locations that work for the uses that are needed, rather than a reactionary approach to acquisitions. Regular updating of the land inventory will occur so it is a living document that is considered during review of future Area Structure Plans (ASPs).

2. Investment in Envision Training for an Interdisciplinary Perspective on Major Projects

In 2020, the Town provided a number of Town employees from a range of departments the opportunity to go through Envision training which provides training on how to review major (or minor) capital projects through an interdisciplinary and multi-faceted lens. This training is to expose employees to the possibilities and add-ons that could be considered to address multiple strategic objectives across departments and disciplines, rather than just what is likely one initial project goal. Through training of employees in understanding how a project can achieve multiple goals through a more efficient process, it also opens up the opportunity for dialogue and the idea that other departments should be looped in early in the process on project ideas.

3. Regular capital planning meetings and cross collaboration to include impacted business centres at the onset and ongoing progress of capital projects.

For the past few years regular capital planning meetings have been held internally, which has proved to be effective including aligning construction timelines and operational continuity. Continuing these cross collaboration meetings earlier in the budget process, and expanding participation to include regulatory authorities where appropriate, should improve project delivery.

Short-Term Solutions

1. Creation of a checklist to provide to all departments that work on capital projects so each is aware of what rules and regulations will apply to projects being considered. This checklist will outline the necessary documents and considerations prior to a department putting a capital project in the budget and allow consideration as to whether or not planning and building approvals are needed and who should be consulted at what stage. This will aim to raise all considerations at the outset to ensure budget and design align with site design and building code requirements, along with long-term operational and asset management considerations.
2. Meetings with internal departments to collaborate on solutions, increase awareness and education on municipal regulations as well as provincial codes and other statutory requirements. These could be held on a regular basis as a form of “lunch and learn” so other departments are better informed as to the

reasons behind development and building standards, and where flexibility can be exercised.

Medium-Term Solutions

3. Increased training on project management within business centres tasked with leading facility projects so there are the required skill sets within departments to manage major projects.
4. Establish a digital intake form for business centres to submit capital project ideas through for Planning, Engineering, Building Services and Parks to review and flag any added considerations for the project, timeframes and regulatory documents that would apply

Long-Term Solutions

5. As the population and town size warrants it, consider a Project Management position to manage major projects which could eventually lead into a Project Management Office, similar to how Calgary has Corporate Properties and other larger municipalities have a division for managing municipal lands.

Summary

In summary, the proposed approach involves working to improve communication and understanding of process and regulations among business centres before, during and after a project. The ability of people to succeed in managing projects effectively will be improved through increased education and training on project management. Finally, implementing systems that allow projects to be reviewed in advance of budget deliberations so that applicants have a full understanding of what will be required will enable them to properly scope time for the approvals process and the correct budget amounts to see projects through to completion in alignment with Town standards.

Strategic Plan Goals

<input type="checkbox"/>	Manage Community Growth	<input checked="" type="checkbox"/>	Provide Strong Governance
<input checked="" type="checkbox"/>	Provide Quality Community Infrastructure	<input type="checkbox"/>	Healthy and Safe Community
<input checked="" type="checkbox"/>	Enhance Organizational Excellence	<input type="checkbox"/>	Foster Economic Vitality
		<input type="checkbox"/>	Promote Environmental Excellence

Governing Policies/Bylaws/Legislation or Agreements

The following sections outlines the main Governing Policies that have influence on many of our projects. This list is by no means comprehensive, but includes the key legislative framework that must be considered in regards to major development projects. There is other provincial legislation and municipal regulations that must also be reviewed and considered in regards to Town projects.

Municipal Government Act (MGA): This statutory provincial legislation plays a key role in terms of the development application process and legally mandated timelines for advertising (when needed) and the appeal process. Knowledge on these requirements is important when considering larger projects that require planning approvals. There is no flexibility to rules outlined in the MGA except where it defers to municipal legislation.

Municipal Development Plan (MDP): The MDP is a statutory document approved by Council. This outlines the appropriate location for future developments at a high level as well as policies directing types of growth, urban design, transportation, sustainability and the overall strategic objectives of the Town. As these are statutory policies, Administration does not have the flexibility to waive these requirements.

Area Structure Plans (ASP): ASPs provide specific direction for long-range planning and growth for a particular area of the municipality (ie. Multiple quarter-sections). These are considered when determining if a use is appropriate in a location and are also statutory and must be followed when considering a planning proposal.

Land Use Bylaw (LUB): The Land Use Bylaw outlines the rules and regulations for development within defined land use districts as specified by this non-statutory document. Regulations within the LUB can be varied to a certain extent when deemed appropriate given the context of the development or site, however there are aspects that cannot be varied. For example, a use that is not listed in a district cannot apply to be located in that land use district and there is no ability of the development authority to vary a use. Regulations can be varied, and variances are considered on a site-specific basis taking into account the site and surrounding context.

Alberta Building Code (ABC): The Alberta Building Code is a provincial regulation that is administered at the municipal level. Most aspects of the Building Code cannot be varied as they represent the minimum standard and are intended for preservation of human health and safety. There are some opportunities to receive a variance through a Safety Codes Officer (SCO), however only in cases of seeking a solution that is equal or greater than the code requirement – not a lesser requirement.

Alternatives for Consideration

n/a

CAO Comments

I support the short, medium and long term strategies to improve the Town's execution on major projects. Clarity in terms of roles/responsibilities and when the 'regulator' approval must be sought is important to ensure continuous improvement and alignment of authorities.

Attachment(s)

n/a

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