

ST. ALBERT PLACE
5 ST. ANNE STREET
ST. ALBERT, ALBERTA
CANADA T8N 3Z9
(780) 459-1500



CITY MANAGER'S OFFICE

Phone: (780) 459-1607

Fax: (780) 459-1591

File No.: 156-11

October 4, 2005

Re: City of St. Albert "Business Friendly" Review

The attached "Business Friendly" Review report represents the City's efforts in understanding and addressing the issues and challenges that our stakeholders have when dealing with the City on land sales and development-related activity.

This report would not have been possible without the commitment and open sharing of our stakeholders. The input has been critical and valuable to our improvement efforts. We feel this has been a worthwhile process and hope that the report fairly represents the views and challenges of the many stakeholder groups involved.

City Council received the report on October 3, 2005 and have referred it to the October 17 City Council meeting to receive input from stakeholders and other interested parties. If you would like to provide comments to City Council regarding the report you can do so by mail (City Council, 5 St. Anne Street, St. Albert, Alberta, T8N 3Z9), by fax (780) 459-1591, or by e-mail to City Council c/o mayor@st-albert.net. You may also request an appointment with Council on October 17 by contacting Legislative Services at 459-1548.

I hope you take the opportunity to contact Council regarding the report, its recommendations and any other information you feel is important to raise. The City of St. Albert is committed to continuously improving the way in which it serves its customers and the City as a whole.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Holtby", with a long horizontal line extending to the right.

Bill Holtby
City Manager

cc: City Council
Sandyne Beach McCutcheon, Mayor's Office



City of St. Albert
Business Friendly Review
Observations and Recommendations

October 3, 2005

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1. Executive Summary

The City Manager, on the direction of Council, allocated Administration resources towards the identification and resolution of issues and concerns related to land sales and development policies, processes and customer service. This “Business Friendly Review” report is the result of this effort and summarizes the issues and recommendations stemming from more than 40 interviews with stakeholders from the land sales and development community in St. Albert.

While many stakeholders had positive comments, clearly there are areas requiring improvement and refinement. Specifically, the following issues are discussed and recommendations provided.

General Issues

- “Not in My Backyard” syndrome
- Lack of diversity of housing options
- Stress resulting from the gradual growth and evolution of the City of St. Albert

Policy-Related Issues

- Letters of credit
- Landscaping requirements
- Land purchase agreement caveats
- Land planning policy (including the Land Use Bylaw)
- Condition of developed industrial land for sale by the City

Process-Related Issues

- Pre-application meetings and information
- Land sale approval and circulation
- Land Use Bylaw update
- Municipal Planning Commission
- Residential inspections
- Conflict resolution

People-Related Issues

- Customer service and staffing

Overall, this review identified a number of important issues that the City should take quite seriously. Steps already taken by the City to address a number of the issues are a good start but more work will be required to further refine policies, processes and customer service. Although this report outlines a number of recommendations, it is important to consider the affect on the organization of planning and implementation. The City will have to carefully plan its next steps by establishing its priorities and developing reasonable and achievable implementation plans in light of the over arching requirements of ongoing business and Council’s priorities.

2. Introduction

2.1 Background

There is a perception held by certain stakeholders throughout the Greater Edmonton region that St. Albert is not meeting its mandate to be “Business Friendly” (“St Albert is, and is perceived to be, a business friendly community” – Outcome from Objective #4 City of St. Albert Economic Development Master Plan). Consequently, the City Manager was asked to review processes that encompass land sales through to completion of development (land and development processes) to determine if the City can do it better, or if managing the expectations and perceptions of stakeholders needs to be the focus of Council and Administration (i.e. can we communicate better?).

At present, the land and development processes touch a wide variety of stakeholders including internal departments, external parties, Council and Council committees. The processes have a number of distinct activities, functions and responsibilities on the part of both internal and external stakeholders. Because of the nature of land, development and regulatory transactions, there is substantial potential for misunderstanding, confusion and related dissatisfaction from the development and building community.

Also, because of the large number and variety of interactions between clients and “the City,” there are many opportunities to be dissatisfied with one of the many steps of a complex process. Regulatory transactions are governed by the Municipal Government Act (M.G.A.), municipal bylaws or City policy. Resulting dissatisfaction may be viewed as “Business Unfriendly,” however; the staff or committees often have little discretion over legislated decision processes.

Anecdotes and “one off” samples do not provide enough of a basis on which to make refinements to processes, policies, practices or communications. A thorough investigation of stakeholder issues and the underlying processes was needed in order to identify and remedy inefficiencies and/or ineffectiveness, if they exist. This analysis intended to bring a rigorous approach to understanding how the land and development processes function and if improvements were required. Also, it was critical to ensure that stakeholders were engaged in the process and that communication was factual and effective.

2.2 Objectives

The overall objective is to improve land and development processes and policies where possible and improve stakeholders’ perceptions of the City’s performance in managing the land and development processes (“St. Albert is, and is perceived to be, a business friendly community.” – outcome goal from Objective 4 of the City of St. Albert Economic Development Master Plan).

The objectives for this review were:

- Identify issues related to processes and policies
- Identify opportunities for improvement in land and development processes, if any
- Improve processes (and customer service where possible)
- Communicate to stakeholders
- Evaluate continuous improvement programs

2.3 Approach

In order to undertake this review, the approach was characterized by fact-based analysis, stakeholder engagement and communication throughout. *It is critical to note that throughout the review we identified, implemented and communicated quick wins and successes to the appropriate stakeholders.*

Through the course of the review, interviews were conducted with over 40 stakeholders representing commercial/industrial developers, builders, owner/occupiers, realtors, related agencies and City staff. It is important to note that organizations were invited to participate based on either the volume of interaction with the City or the existence of issues and concerns. To-date, the review has included the following:

- Letters to first 25 stakeholders sent (April 2005).
- Presentation to SAEDAC (April 2005).
- Letters to remaining stakeholders sent (May 2005).
- Phone calls to arrange interviews (April/May 2005).
- Update in “Focus on Business in St. Albert” newsletter (May 2005).
- 35 interviews involving over 40 stakeholders (April/May/June 2005).
- Update in “Focus on Business in St. Albert” newsletter (June 2005).
- Meeting with SAEDAC Objective 4 Group (June 2005).
- Development of preliminary report and review with Administration (June 2005).
- Follow up status letter to participants with a summary of issues (June 2005).
- Letter to participants advising of the reporting of the Business Friendly review to Council (September 2005).
- Completion of report and presentation to Council (October 2005).

Many of the issues raised through the stakeholder interviews were related to potential revisions to the Land Use Bylaw. As such, preliminary findings from the interviews were communicated to Administration for consideration. Consequently, it was appropriate to complete this report after the adoption, by Council, of the revisions to the Land Use Bylaw and thus more accurately respond to the issues raised by stakeholders.

Other issues focused on Municipal Engineering Standards and their interpretation, landscaping and service delivery.

3. Comments and Issues

3.1 Positive and Negative Comments

Through the interview process, many participants indicated that they were satisfied with specific processes or staff. A sample of respondents' **positive comments** is listed below.

- Planning staff were very helpful in working through the plans for our new structure.
- Economic Development was very helpful and accommodating with our search for new land in St. Albert.
- No people issues at the City – enjoy working with the staff.
- The building permits process is good. Building permits went very well.
- Zoning and appeal went smoothly.
- Staff support the City's architectural guidelines as they maintain the beauty of the City.
- Development permit process went relatively quickly.
- Inspectors do a great job for homeowners.
- No problems with inspectors although we heard that St. Albert inspectors were tough.
- Planning and Engineering directors and staff very helpful, professional and knowledgeable.
- Planning is very knowledgeable of the DP/BP process – much more so than other municipalities.
- Administration is small and very approachable.
- Staff is helpful. Good job in making themselves available to deal face-to-face.
- Permitting is very strong.
- Planning department has been helpful and supportive.
- When purchasing land, I needed property sub-divided and had no problems at all with the City.
- “Business is Right in St. Albert” - the front door (Economic Development) is excellent.
- Economic Development very business-like, represented my interests well.
- Planning and Engineering people are great to work with.
- Director of Engineering has been outstanding at working for win/win solutions.
- Terrific staff in Legal.
- Turnaround time for DP and BP are good.
- Engineering does a good job – high-end maintenance standards.
- City staff doing a great job.
- Administration is very good to work with – very clear about what is acceptable and what isn't.
- Economic Development very helpful.
- Extremely pleased with Administration – consistently good staff in Planning – open and responsive.

Through the interview process, many participants indicated that they were not satisfied with specific policies, processes or staff. A summary of respondents' **negative comments** is listed below with their corresponding reference number in brackets (##.#).

- “The City is asking for too much money for Letters of Credit, especially for small developers and owner/occupiers. The percentages are too high as are the amounts that the City values the work to be complete.” (3.3.1)
- “Money is tied up in letters of credit until all conditions are met and in the case of landscaping, this could take two years.” (3.3.1)

- “The form and wording of the letter of credit required by the City of St. Albert is not consistent with the standard requirements of most banks – why is St. Albert’s requirement so different?” (3.3.1)
- “What are we supposed to do if we disagree with the City?” (3.3.1)
- “All landscape plans must be stamped by a landscape architect.” (3.3.2)
- “The landscaping standards are very strict and often applied inconsistently.” (3.3.2)
- “The City’s ‘commitment to build’ caveat makes it difficult to secure financing for developments.” (3.3.3)
- “The Land Use Bylaw (LUB) is confusing and poorly written.” (3.3.4)
- “The LUB is inappropriate and inflexible for market conditions (quota driven versus market driven).” (3.3.4)
- “The City sells commercial/industrial lots that they claim are fully serviced, but the lots are either not serviced or the definition of ‘serviced’ is not at all clear.” (3.3.5)
- “I have never been in a pre-application meeting.” (3.4.1)
- “It can take a while to get all departments to review land sales, resulting in delays in the process.” (3.4.2)
- “It can take months to get an offer to purchase to Council for review and decision.” (3.4.2)
- “Developers, builders, and realtors wanted to participate in the development of the Land Use Bylaw update. This was a very closed process without broad-based dialogue.” (3.4.3)
- “Staff provide the best professional advice but MPC may decide to listen to the gallery instead.” (3.4.4)
- “MPC makes decisions in secret and does not explain its rationale to developers - most other municipalities have disbanded this body for re-districting.” (3.4.4)
- “Staff will not generally vote against their bosses and therefore the voting is not legitimate.” (3.4.4)
- “Inspectors are restrictive and too picky in St. Albert compared to other municipalities.” (3.4.5)
- “We do not have a way to resolve our conflict with the City.” (3.4.6)
- “The City is not good at responding to clients...multiple calls have gone unanswered.” (3.5.1)
- “I have had to deal with numerous City of St. Albert staff while other municipalities have one person as a point of contact particularly for inspections – Spruce Grove uses a Development Officer.” (3.5.1)
- “City is understaffed creating customer service issues.” (3.5.1)

3.2 General Issues

Through the course of the review, several consistent, high-level themes arose. These themes generally covered a broad scope or were related to the City as a whole and, as such, have been summarized as “general issues.” There are other processes within the City that are managing these issues in greater detail. However, they are included here for completeness and because they do impact many of the more detailed level issues related to land sales, development and building.

3.2.1 NIMBY

A significant portion of those interviewed in this review expressed a degree of frustration with what they perceived to be reluctance on the part of some St. Albert residents to support particular types of developments in the city. Specifically, it was indicated that securing re-zoning approval for anything but single-family, detached housing met with substantial and organized resistance from the community. Most expressed this as the “NIMBY” syndrome (not in my backyard).

Further, it was claimed that even in cases where the concerns of adjacent residents did not have merit, Municipal Planning Commission and Council were reluctant to oppose residents gathered in the Council gallery (it was suggested by respondents that appeals could be vetted for merit and/or much more expensive to file). Consequently, many viable developments were either stalled or altogether rejected. In several cases, Administration has recommended in favour of these developments based on the fit with general and specific planning principles and policies.

Administration agrees that this is an ongoing concern for developers, particularly for multi-family or multi-unit apartment developments that are lacking in St. Albert. This leads into the next issue related to diversity of housing options.

3.2.2 Diversity of Housing Options

A significant portion of those interviewed indicated that the City does not accommodate a full range of housing options because restrictions in the Land Use Bylaw do not support the development of smaller lot sizes to the extent needed. According to some of the stakeholders interviewed, adequate affordable housing stock is not available for sale in St. Albert and St. Albert is losing residential growth to neighboring communities where smaller lot sizes and smaller houses are permitted to a greater extent.

The suggested impact of this on families in St. Albert is that, as their adult children seek independent housing, they simply cannot afford to live in St. Albert and must relocate in neighboring communities. The suggested impact on businesses is that, for the retail and service sectors in particular, it is difficult to secure needed staff because there is an inadequate supply of affordable housing for those working in these sectors. Several interviewees made the assertion that St. Albert has missed the latest residential housing boom and is missing out on the associated increase in tax assessment.

Conversely, being able to build on small lots does not compel the developer or builder to actually build housing that is more affordable to the groups that are mentioned above. It would be possible to place large homes on small lots.

Clearly, this is an important issue for the City of St. Albert and was addressed by Council in June during the Land Use Bylaw review and is currently being addressed on a number of fronts including the Affordable Housing Advisory Board.

3.2.3 Evolution of the City of St. Albert

One factor that cannot be ignored and has had a substantial impact on development-related processes in St. Albert is the continued growth and evolution of the city. The City has grown substantially over the past several years and decades, and the level of sophistication and complexity required to run the City effectively has also increased.

This may have impacted the level of customer service, as demand for service is dramatically outstripping Administration's ability to affordably meet it (annexation could further exacerbate this issue). No study or analysis of this issue has been conducted but it is reasonable to assume that

increased population and associated workload would result in an erosion of customer service if resources have not kept pace.

In fact, it is interesting to note that the headcount in the Planning & Development and Engineering Departments at the City of St. Albert are lagging behind several of those in comparable municipalities. A snapshot of this is contained in the table below. Although a comprehensive analysis has not been performed to derive these numbers (review of municipalities’ organization charts), the information does provide enough directional evidence to support the hypothesis that St. Albert staffing in Planning & Development and Engineering Departments is lagging other municipalities and, at a minimum, may require further analysis and verification (staffing levels may be affected by the types of development and/or the involvement of contracted services).

Informal Comparison of Planning & Development and Engineering Departments

Municipality	Population	Planning and Development	Engineering and Inspections	Total	Population per FTE
St. Albert	56,310	10.0	17.0	27.0	2,085
Grand Prairie	40,226	8.0	14.0	22.0	1,828
Medicine Hat	51,249	6.0	15.0	21.0	2,440
Lethbridge	72,717	26.0	28.0	54.0	1,346
Red Deer	75,923	N/a	41.0	41.0	1,851*
Strathcona	75,949	42.0	45.0	87.0	872

**Does not include Planning FTE’s*

One of the challenges resulting from the rapid expansion of the city is for staff to continue to provide the same level of personal services as they did when St. Albert was much smaller. The capacity of current resources will not support this level of involvement in developments and this will most certainly affect customer service.

Recommendation: It is suggested that the City ensures that these general issues (NIMBY, Diversity of Housing Options and Evolution of the City of St. Albert) are addressed in the context of the City’s overall, long-term strategic direction. As such they should be considered in the development of the Municipal Development Plan and Council’s annual strategic planning and prioritization efforts. It is likely that they will continue to have a significant effect on the City’s future development and therefore require vigilant oversight and planning.

3.3 Policy-Related Issues

3.3.1 Letters of Credit

Letters of credit are required to ensure that the City protects the interests of the residents of St. Albert from financial obligations for completing or fixing development or infrastructure initiated by a private company or individual. The intent is to compel the developer to complete their development to a standard acceptable in St. Albert and, failing that, the City can use the money from the letter of credit to complete the work itself. The letter of credit is the means that the City uses to secure the performance of the developer’s obligations under a development permit or development agreement. Issues related to letters of credit are numerous and include the following.

“The City is asking for too much money for Letters of Credit, especially for small developers and owner/occupiers. The percentages are too high as are the amounts that the City values the work to be complete.” The City currently requires that the developer provide a letter of credit in the amount of 100% of the value of landscaping and 50% of the value of municipal improvements. The City is in the process of reviewing the process that it uses to assign amounts. Currently, if the developer does not provide the City with an estimate for the work to be undertaken, the City will prepare an estimate based on normal construction practices and costs. It should be noted that the City is prepared to accept estimates from developers provided that the estimates are not, in the view of the City, substantially inaccurate or fail to account for all required work.

The City is in the process of drafting a policy to determine letter of credit amounts based on the size of the development in dollars (greater than and less than \$500,000). Dependent on the type and size of development, the policy will potentially reduce the percentage requirement on local improvements. The City is considering a reduction from 50% of the value of the work to be completed to 30%, however, the percentage for landscaping would remain at 100%. It is anticipated that the policy will be implemented by December 2005.

Recommendation: The letter of credit policy should be reviewed for completion, finalized and implemented by January 2006.

“Money is tied up in letters of credit until all conditions are met and in the case of landscaping, this could take two years.” Currently, the City does not proactively release letters of credit in whole or in part until all conditions are met. In one example provided, if a developer had satisfactorily completed 43 of 45 units, they would still receive no allowance on the letter of credit. It was generally suggested that portions of the letter of credit value be released as the work is satisfactorily completed.

Staff has indicated that letters of credit are reviewed on their anniversary date and that it undertakes “releases” or “reductions” at that point on fully completed components (City breaks down construction into components such as underground, surface, walks and landscaping). The City provides acceptances and security reductions as these components are completed.

Staff has further suggested that if a developer or builder contacts the City to have the letter of credit amount reduced during the project, the City will reduce the security amount with proper acceptances in place. However, since there is a cost associated with reducing security amounts, this may not occur for projects with relatively small security amounts. It is important to note that the City indicated that it will only take this action at the request of the developer or builder and will not initiate this review outside of the regular annual review process. It will remain the obligation of the builder to request a review and reduction in the letter of credit amount since the builder is aware, more specifically, of what work has been completed.

With respect to landscaping requirements and the release of security for landscaping work, the City has indicated that it will investigate the possibility of modifying its’ policies and procedures to better suit developers and builders. Specifically, the City will develop new guidelines that will

specify a “reasonable standard of quality” for landscaping. It is suggested that the new guidelines should also address the issue of the timing of the release of the letter of credit for landscaping.

Recommendation: The Landscaping guidelines should be reviewed for completion and implementation in January 2006 (see Issue 3.3.2). Also, as part of their upcoming long term departmental planning, the Engineering Department should evaluate if dedicated resources and proactive tracking of letters of credit should be implemented.

“The form and wording of the letter of credit required by the City of St. Albert is not consistent with the standard requirements of most banks – why is St. Albert’s requirement so different?”

Several interviewees expressed frustration that standard letters of credit used in other municipalities were not acceptable in St. Albert. The City has indicated that the letter of credit used in St. Albert is specifically designed to best protect the City of St. Albert and provide the most clear and easy access to funds associated with the letter of credit should the developer not meet their obligations. It is not readily clear that St. Albert’s requirements are so unique that it requires its own custom-designed document when commonly used standard documents satisfy the requirements of other municipalities.

Recommendation: The City should review the necessity of maintaining a unique letter of credit and assess the appropriateness of more common letters of credit without compromising the City’s ability to call upon security.

“What are we supposed to do if we disagree with the City?” Interviewees expressed the concern that there was no mediating body or appeal body to assist in the resolution of disputes related to letters of credit. In the case where a developer or builder disagrees with the amount of the letter of credit or the timing of the release of the letter of credit, the City simply imposes its’ will. Staff indicated that the development agreement contains an arbitration process that is accessible for these developments.

In addition, the City indicated that the “once around and up” approach can be taken if a disagreement cannot be resolved (staff to director to general manager to city manager). It is not clear that this represents an optimal use of time for those involved, as there would be substantial redundancy in re-iterating one’s concern to each escalating level of management.

Recommendation: The City should document the conflict resolution remedies available within the City already and investigate opportunities to broaden the remedies available to resolve conflicts (see Issue 3.4.6).

3.3.2 Landscaping Requirements

Similar to letters of credit, interviewees have indicated that the landscaping requirements of the City of St. Albert are too restrictive and unlike the standards in neighboring municipalities. Several issues were raised.

“All landscape plans must be stamped by a landscape architect.” Several interviewees expressed frustration that all landscaping plans required the signoff of a professional landscape architect. This is an issue for several reasons. First, a landscape architect is required regardless of the size of the proposed landscaping, even if the area is quite small. Landscape architects cost the builders money and the smaller the development, the greater the proportion of landscape architect fees to the overall development. It is suggested that insisting on a landscape architect’s stamp for all developments does not appear to be a reasonable practice.

The City has indicated that it will investigate the development of a breakpoint (based on value and square footage) below which landscaping projects will not require stamped plans. This potential resolution will form part of new landscaping guidelines that will be developed by December 2005.

Secondly, it was indicated that the City would often make or require changes to the landscape architect’s plans. Interviewees were concerned that they needed to pay money for a landscape architect only to have the City not accept the plans and require changes. Further, the City then requires the builder to re-draw the plans and have them re-stamped by the landscape architect. It was indicated that in other municipalities staff would mark up landscaping plans and provide specific direction to builders. It is suggested that, once again, these requirements do not appear to be reasonable for all developments.

The City’s response to this issue is that even with a landscape architect developing the plans, it is not a guarantee that all of the requirements of St. Albert will be met. Municipalities have their own standards for landscaping and unique requirements that are necessary to maintain the desired quality and appearance of landscaped areas. It is not clear that this rationale drives the need to require landscape architect’s stamps in all cases.

Recommendation: The Landscaping guidelines should be reviewed for completion and implementation in January 2006.

“The landscaping standards are very strict and often applied inconsistently.” It was indicated that some of the City’s requirements are unreasonably high (topsoil requirements are double that of other municipalities). In addition, standards are applied inconsistently across private and City developments. It was suggested that the City holds builders to a higher standard than the standard to which the City holds itself. The City agrees with this suggestion in certain cases.

Regarding tree caliper, the City appears to impose a higher standard for private developments than it does for its’ own developments. The rationale for this is that the City is comfortable using a lower caliper tree in its developments because it will be responsible for the tree in the long term and the standard that the City uses is based on an economic analysis of tree acquisition cost and replacement rate and cost. In the case of private developers, the developer is responsible for a specific tree for the period of maintenance at which point the City takes over responsibility for the tree. A larger tree caliper requirement increases the likelihood that the tree will survive and mitigates the City’s expense in replacing these trees.

Another issue is the fact that the City cannot intervene in a case where landscaping has been completed, signed off and then allowed, by the owners of private property, to deteriorate over time. It was indicated that a builder could be held to very high landscaping standards while the

neighboring business has let landscaping deteriorate to poor condition. The City confirms that once the landscaping requirements have been met, there is little they can do to enforce good maintenance of landscaped areas on private property.

As a part of the landscaping guidelines mentioned earlier, the City is developing standards for private property landscaping that may assist in addressing this issue, however, it would be difficult to tell owners how to maintain their property. The City is reviewing its draft guidelines with interested stakeholder groups.

Recommendation: The Landscaping guidelines should be reviewed for completion and implementation in January 2006.

3.3.3 Land Purchase Agreement Caveats

“The City’s ‘commitment to build’ caveat makes it difficult to secure financing for developments.” Several interviewees expressed concern about the City’s land purchase agreement and particularly the ‘commitment to build’ clause. This clause requires builders to complete a defined portion of their project (“substantial completion”) in a defined time period prior to the City’s release of the caveat. While the caveat is in place, the City retains the right to purchase the land back from the builder at a discount from the builder’s purchase price. The City’s intention is to promote development in the City and prevent speculation on land that is in very short supply in the City.

The result of the caveat is that it places the City ahead of the builder’s financier (usually a bank) in terms of rights to the security (the land). Most banks are uncomfortable extending mortgages to builders when they do not have first call on the security. Banks are typically not willing to be behind the City in terms of creditor status. This is particularly challenging for smaller builders who may not have the financial capacity to finance the development themselves until the caveat is released.

The City Manager has taken steps to modify the purchase agreement and relax the ‘commitment to build’ clause somewhat. With the change, the caveat will be released when “foundations and footings” are completed and not ‘substantial completion.’ This should provide the builder with greater ability to access financing as required. Typically, the builder would access the first draw on the mortgage at the completion of foundation and footings; therefore this will now be in step with typical bank financing.

Recommendation: The City should assess the satisfaction of developer/builders with this change to the land purchase agreement caveat.

3.3.4 Land Planning Policy (including the Land Use Bylaw)

Interviewees identified several issues related to land planning policy and the Land Use Bylaw (Bylaw 18/94) in St. Albert. These issues are summarized below (please note that during the course of this review a new Land Use Bylaw, Bylaw 9-2005, was adopted by Council and the following comments relate to Bylaw 18/94).

“The Land Use Bylaw (LUB) is confusing and poorly written.” Several interviewees expressed concerns related to the current LUB. The City understands this issue. The most recent review and update to the LUB have attempted to be more “user friendly” by dealing with the structure and language of the Bylaw and not just the policies and procedures. For example, the updated LUB contains a more comprehensive table of contents, many new figures and illustrations, easier to read headings, and zoning maps included in atlas format to name a few improvements. It should be noted that the LUB remains a legal document and, as such, must comply with legal requirements for structure and language.

Recommendation: The City should continue to solicit feedback from users of the Land Use Bylaw to assess the degree to which the revisions have resulted in a clear and easy to understand document. The LUB is a living document and constant improvements and changes may be necessary.

“The LUB is inappropriate and inflexible for market conditions (quota driven versus market driven).” The City requires a mix of lot sizes to ensure a mix of house lots. This is often referred to as “quotas.” Interviewees suggested that the City should be more attentive and responsive to the demands of the market and allow for a more market-driven approach to development. The City has a planning policy on requiring a mix of lots and uses the LUB to control and prevent neighborhoods from only containing one style or size of lot. The City policy was created previously to support the development of a higher percentage of medium and large sized homes. The LUB is the tool that allows the City to maintain what it feels is an appropriate mix of lot sizes and house sizes.

The recent revision of the LUB has made adjustments to the lot size mix permitted in residential developments. Specifically the required percentage of large residential lots in developments has decreased from 60% to 50% allowing for the development of more small and medium sized housing. In addition, the minimum lot width has been reduced to 10 meters, further accommodating the development of smaller housing stock (resulting in more diversity of housing stock).

Overall, the revision to the LUB has addressed a number of issues (to greater and lesser extent) that were raised during the interview process. Developers and builders still favour a non-quota system that leaves the decision on lots sizes in the hands of the market, however, some developers and builders have acknowledged that changes to the LUB have been positive. Administration will be evaluating the affects of the new LUB in two years. It would be appropriate for developers and builders to review the updates to the LUB and determine whether or not their concerns have been addressed.

Recommendation: The City should solicit feedback from developers and builders when the LUB review on lots sizes is conducted in two years. In addition, the City should engage in regular and periodic dialogue with stakeholders related to changes to the LUB.

3.3.5 Condition of Developed Industrial Land for Sale by the City of St. Albert

“The City sells commercial/industrial lots that they claim are fully serviced, but the lots are either not serviced or the definition of ‘serviced’ is not at all clear.” Several owner/occupiers expressed frustration with the condition of commercial/industrial lands purchased from the City and in several cases believe that they have had to complete servicing work that they expected the City to complete.

Concerns in this area range from the improper removal of topsoil to drainage, roads and power connections. In one example, the purchaser believed that the land was properly graded and ready to build on. The land was not and this resulted in additional costs for grading and a delay to their construction plans. Several others expressed concern that engineering drawings representing service connections were inaccurate or the service connections were simply not where they should have been.

There appears to be inconsistency in how the City services various commercial/industrial lots. In addition, there is a lack of clarity inside the City as to the condition of a “fully serviced lot.” In other jurisdictions, tailored packages are developed for each individual lot that provide a clear indication of the level of servicing and other relevant facts related to the land for sale. This is not the case in St. Albert. If the City is to remain in the commercial/industrial developer role, it is necessary to provide clarity related to what it is offering (e.g. location of services, size of services, what is included etc.).

Recommendation: The City should either modify its sales agreement to include an attachment with an accurate description of the condition of the land (including the location of services) **or** prepare its land for sale to a consistent standard so that there is no confusion internally or between the City and land purchasers.

3.4 Process-Related Issues

3.4.1 Pre-Application Meeting

“I have never been in a pre-application meeting.” At the beginning of development process, developers/builders are invited to attend a pre-application or project coordination meeting. These meetings are normally coordinated with the project architect. The meeting is an opportunity for the developer/builder to meet with the relevant City staff (Planning, Engineering, Fire Department, Inspections etc.) to discuss the requirements and expectations of the City related to the development and layout the entire process. In addition, the City outlines its requirements for documentation and related timing. Several interviewees indicated that they were not aware of this meeting and felt it would have been valuable to attend.

At present, the City (through Economic Development) suggests that all land purchasers participate in this meeting. In order to insure that land purchasers are aware of this opportunity, the City will add the pre-application meeting to the checklist provided to all land purchasers. The City can distribute this information when executing an “offer to purchase” as part of the package provided to the purchaser. In addition, the City will endeavor to communicate this information to realtors on private land sales so that all land purchasers receive the same opportunity to participate in the pre-application meeting regardless if they purchase from the City or through a private sale.

In addition, to make the pre-application meeting more effective, the City is developing an Engineering and Inspection Services requirements checklist that can be distributed at the pre-application meeting. This checklist is expected to be completed by December 2005.

Recommendation: The City should ensure that all land purchasers are made aware of the pre-application meeting and the City should review the completion and implementation of the engineering requirements checklist by January 2006.

3.4.2 Land Sale Approval and Circulation

“It can take a while to get all departments to review land sales, resulting in delays in the process.”

In order for a land sale to proceed to Council for approval, it is necessary that a number of City departments review various aspects of the sale. Specifically, it is necessary for the Economic Development department to work with the buyer to prepare an offer to purchase. Engineering, Planning, Finance, Assessment and Legal departments will typically become involved in reviewing the offer to purchase. Coordinating the review by all these departments can take several days or weeks especially if City staff have a number of land sales to process or are engaged in other duties, or on vacation. Finally, the City Manager is required to review the final, revised purchase agreement prior to furtherance to Council at a future Council meeting. This entire process can be time consuming.

The City is in the process of testing a new process whereby all required departments could meet to discuss the offer to purchase and work together to resolve issues. In addition, staff could prepare a list of requirements that could be communicated to the potential purchaser thus reducing the back and forth and waiting time experienced in the existing process. This approach was very effective in turning around a recent offer to purchase.

In addition, the City will be developing a flow chart for land sales that specifies staff roles, responsibilities and timelines in order to ensure a common understanding of the process and facilitate refinement. It is anticipated that the flowchart will be completed by the end of October 2005. It is suggested that the flowchart be used as a tool to facilitate the review of the process and identify opportunities for improvement.

Recommendation: The City should review the completion and implementation of the “land sale circulation meeting” to ensure it is being used and it is effective. The flow chart for land sales should be reviewed for completion and implementation by December 2005.

“It can take months to get an offer to purchase to Council for review and decision.” Interviewees expressed frustration with the length of time for “offers to purchase” to get to Council. Specific examples included several “offers to purchase” that took up to two months to get to Council and resulted in winter building and other increased costs and inconvenience. This has been the result of Council not being able to meet, such as during the municipal election, other breaks in the Council schedule or when Council agendas are filled to reasonable capacity. Interviewees suggested that staff should be empowered to approve land sales as is done in other municipalities (e.g. Edmonton – uses a licensed broker on staff and can respond within 24 hours).

Subsequent to the initiation of this review, Council approved a policy to delegate authority to the City Manager to approve offers to purchase under specified circumstances (offer is within 10% of market value of the property and there are no special or exceptional requirements or caveats). Now, the City Manager can approve offers to purchase thus reducing the potential process time by a

minimum of two weeks. This combined with potential improvements resulting from the process change identified above could result in a substantial reduction in the total processing time.

Recommendation: The City should review the status of land sales and assess whether or not the delegation of approval authority (in specific cases) has had the desired effect in expediting land sales.

3.4.3 Land Use Bylaw Update

“Developers, builders, and realtors wanted to participate in the development of the Land Use Bylaw update. This was a very closed process without broad-based dialogue.” Several interviewees expressed frustration with the closed nature of the Land Use Bylaw (LUB) update. It was indicated that stakeholders actively participate in the review and revision of Land Use Bylaws in other municipalities.

The review and update of the LUB was initiated by Council in March of 2002 and Administration was given direction from Council to perform a limited review. In this case, stakeholder consultation would typically be minimal. In any event, stakeholders including the development community were consulted at the commencement of the review. However, this consultation was limited and some time ago. As the review of the LUB expanded over time, it would have been appropriate to re-visit the necessity for stakeholder input, and potentially engage stakeholders more directly.

During the public review and debate in May/June 2005 on the changes to the Bylaw, the City used the media to communicate about the LUB and invite participation. Additional time was added to the review process to allow for stakeholders to thoroughly review and make presentations to Council. In addition, Urban Development Institute (UDI), Edmonton Region Homebuilders Association (ERHBA) and other groups met with staff throughout the latter stages of the review and provided substantial input into the review process, which resulted in changes to the Bylaw.

Recommendation: The City should include wider stakeholder consultation in future reviews and revisions of the LUB whether or not the reviews are comprehensive or limited in scope (degree of involvement to be determined by depth of review).

3.4.4 Municipal Planning Commission (MPC)

“Staff provide the best professional advice but MPC may decide to listen to the gallery instead.” Several developers expressed frustration that, while City staff use policy and technical guidelines and standards to review and make recommendations related to re-districting, MPC may reject a re-districting based on how many residents are in the gallery and how loud they are. Developers expressed concern that their developments may be turned down on the basis of public reaction rather than sound decision-making and planning.

It is the role of MPC to listen to all the facts and the arguments and then provide a recommendation on developments. MPC has the prerogative to use information it deems relevant in reaching its recommendations.

Recommendation: None

“MPC makes decisions in secret and does not explain its rationale to developers - most other municipalities have disbanded this body for re-districting.” MPC does not provide any feedback to developers as to why their proposal was not supported. The developer puts in substantial effort in research, consulting with stakeholders and development of plans for presentation to MPC, and MPC has no obligation to even explain why a re-districting was denied. The developer therefore has no feedback and no opportunity to respond to the issues and concerns of MPC. One interviewee indicated that St. Albert is the only one of 40 municipalities that he has worked with that does not provide feedback on decisions.

Recommendation: While MPC is not required to hold its decision deliberations in public and provide feedback on re-districting or statutory plan amendment recommendations that it makes, it is recommended that MPC provide an explanation of decisions to proponents in some form to clarify MPC’s rationale for both proponents and opponents. This is especially important when the MPC is making recommendations to City Council.

“Staff will not generally vote against their bosses and therefore the voting is not legitimate.” Interviewees expressed doubt that the in camera voting on re-districting is in any way independent. Most indicated that they believed that City staff would likely vote with Council members and not against – especially given the fact that the City Manager is the employee of Council. It is very difficult to confirm that this actually occurs, however, the process has left this impression with developers.

The recent review of the Land Use Bylaw considered the question of the long-term necessity of maintaining MPC as the development approval authority. In addition, more powers have been given to development officers in the management of variances and discretionary uses. Specifically, policy items (i.e. statutory plan adoption or amendment and LUB amendments) will continue to be decided upon by Council while delegation of authority to staff is proposed to be limited to the tools necessary to implement Council policy (i.e. development permits and subdivision applications). Council has supported City staff’s recommendation. In addition, staff are developing a public consultation policy to ensure that the public has an opportunity to participate in discussions related to statutory plans.

Recommendation: The City should review the success of the replacement of MPC with several new delegations and policies. The Public Consultation policy should be reviewed for completion and implementation by March 2006.

3.4.5 Inspections

“Inspectors are restrictive and too picky in St. Albert compared to other municipalities.” Several interviewees expressed concern that building inspections in St. Albert were overly picky and that some trades people do not like to operate in St. Albert because of the aggressiveness of inspectors.

Staff indicate that all approvals and inspections are carried out in accordance with regulatory requirements, building codes, the Provincially approved Quality Management plan and general

good construction practices. In addition, the City of St. Albert has extremely high expectations for the quality of residential buildings. As a result, purchasers can be assured that they are buying a well-constructed building. Comments from builders do indicate that there is generally no difficulty in selling homes in St. Albert due partially to higher building standards and the thoroughness of inspections.

Recommendation: None

3.4.6 Conflict Resolution

“We do not have a way to resolve our conflict with the City.” Several interviewees expressed frustration that they have no recourse to resolve conflicts with the City – “I fought the law and the law won!” This was expressed throughout the various processes including disagreements over letters of credits, inspections, condition of purchased serviced land, and landscaping requirements. While there are several conflict resolution options available to developers and builders, these options may not be clearly identified. In some areas, it is likely that a conflict resolution process may need to be developed.

Recommendation: The City should document the conflict resolution remedies available within the City (and through provincial statute) and investigate opportunities to broaden the remedies available to resolve conflicts.

3.5 People-Related Issues

3.5.1 Customer Service and Staffing

Throughout the interview process numerous issues were raised related to customer service and City staffing levels in the Planning and Engineering Services Division. These issues are summarized as follows.

“The City is not good at responding to clients...multiple calls have gone unanswered.” Several interviewees expressed frustration with the lack of follow up from City staff. Specifically, clients contacting Engineering Services and Planning & Development often had to wait a long time for a call back or, in some cases, received no call back to their enquiries. City staff claimed that they were too busy to respond in a timely manner and respondents want the City to stop providing excuses and fix the problem – if it is short staffing (to be discussed further below). One respondent indicated that the City has improved in the last year at responding to client calls. The City will analyze the existing customer service training for staff. However, a review and consideration of staffing levels would be appropriate as well.

There has been a modest reorganization in the Engineering Services Department that is intended to help address concerns over customer service in that department.

Recommendation: The City should review its’ formal customer service training and, if necessary, make improvements. The City should also formally review the appropriateness of staffing levels in the context of workload and customer service.

“I have had to deal with numerous City of St. Albert staff while other municipalities have one person as a point of contact particularly for inspections – Spruce Grove uses a Development Officer.” Several interviews expressed frustration at having to deal with several City staff. In addition, respondents indicated that their application was started by one staff member in Planning and then moved to two others and stalled. The City has indicated that it is difficult to have one contact person to aid someone through the entire development and building process as different disciplines have differing and distinct skill sets. Further, Administration indicated that if the City was to use a single point of contact (who was not responsible for technical advice), there would be severe human resource implications.

Recommendation: The City should review this matter in the context of its customer service expectations and the human resource implications.

“City is understaffed creating customer service issues.” Several interviewees expressed concern that City departments (Planning & Development and Engineering) are short of staff and as a result cannot meet client expectations related to service. Respondents are also concerned about the level of turnover in the Planning & Development department and the shortage of experienced staff. Staff have indicated that similar shortages exist in the Inspection Services Unit partially due to the difficulty in attracting and retaining experienced staff. A related issue is that, due to short staffing, work on applications does not proceed when staff is on vacation or on their “days off.”

Recommendation: The City should investigate this matter in the context of a review of staffing levels and service expectations for Planning & Development and Engineering Services.

4. Recommendations and Conclusion

4.1 Actions Taken by City Related to Specific Issues

The progress of the City in addressing the concerns and issues has not waited for the completion of this business friendly review. In fact, action on many fronts was underway prior to the initiation of this review and has occurred concurrent with the review. In some cases, action has been taken and changes have been implemented. In others, action has been planned with an anticipated future implementation date. The emphasis of the recommendations related to these issues are that the City follows up to ensure that commitments made in various departments are met and progress is monitored and measured in a systematic manner.

The following table provides a listing of the actions either taken to date or planned by the City to address specific issues raised in this review.

#	Issue	Action	Recommendation
3.3.1	Letters of credit	Letters of credit policy in development	Verify completion (01/2006)
3.3.1	Letters of credit	Landscaping guidelines in development	Verify completion (01/2006)
3.3.2	Landscaping requirements	Landscaping guidelines in development	Verify completion (01/2006)
3.3.3	Land purchase agreement caveats	Purchase agreement has been modified	Assess satisfaction with modifications to agreement (tbd)
3.3.4	Land planning policy (LUB)	Substantial changes to the structure and organization of the LUB have been undertaken (more user friendly)	Assess satisfaction with the modifications to structure and organization (tbd)
3.3.4	Land planning policy (LUB)	LUB revision completed and approved by Council (addressed several issues raised in business friendly review)	Solicit feedback from stakeholders regarding satisfaction with changes (tbd)
3.4.1	Pre-application meeting	For public land sales – process to inform purchasers of pre-application meeting	Assess awareness of pre-application meeting (tbd)
3.4.1	Pre-application meeting	For private land sales – process to inform realtors of pre-application meeting	Assess awareness of pre-application meeting (tbd)
3.4.2	Land sale approval and circulation	Process to expedite circulation of land sales in development	Verify completion of process (12/2005)
3.4.2	Land sale approval and circulation	Flow chart containing steps, roles, and timing in development	Verify completion of flow chart (12/2005)
3.4.2	Land sale approval and circulation	Authority for approval of land sales meeting specific requirements delegated to City Manager	Assess land sale approval time (tbd)
3.4.3	LUB update	Additional time was added to the public discussion of the proposed changes; Staff consulted with key stakeholder groups	None – this action satisfied stakeholders
3.4.4	Municipal Planning Commission	Role of MPC substantially modified and certain functions re-distributed	Verify completion of adjustment to MPC Bylaw (12/2005) Assess effectiveness of modification of MPC (tbd)
3.4.4	Municipal Planning Commission	Public Consultation policy to address changes to MPC in development	Verify completion of policy (03/2006)
3.5.1	Customer service and staffing	Evaluation of customer service training	Verify completion of evaluation of customer service training (06/2006)
3.5.1	Customer service and staffing	Modest re-organization and personnel re-allocation completed	Assess effectiveness of new structure and staff re-allocation (09/2006)

4.2 Recommendations for Specific Issues

There are several issues that were not addressed by the City during the course of this business friendly review. Recommendations have been developed on an issue-specific basis and are documented below.

#	Issue	Recommendation
3.3.1	Letters of credit	The City should review the necessity of maintaining a unique letter of credit.
3.3.1	Letter of credit	The City should document the conflict resolution remedies available within the City and investigate opportunities to broaden the remedies available to resolve conflicts.
3.3.1	Letters of credit	Engineering Services should evaluate the need to proactively manage letters of credit.
3.3.5	Condition of developed industrial land for sale by City	The City should either modify its' sales agreement to include an attachment with an accurate description of the condition of the land for sale or prepare its' land for sale to a consistent standard.
3.4.3	Land Use Bylaw update	The City should include stakeholder consultation in future reviews and revisions to the LUB whether the reviews are comprehensive or limited.
3.4.4	Municipal Planning Commission (MPC)	MPC should provide an explanation of decisions to proponents.
3.4.6	Conflict resolution (see 3.3.1 above)	The City should document the conflict resolution remedies available within the City and investigate opportunities to broaden the remedies available to resolve conflicts.
3.5.1	Customer service and staffing	The City should formally review the appropriateness of staffing levels in the context of desired customer service levels.
3.5.1	Customer service and staffing	The City should review the matter of "single point of contact" for development and inspection processes in the context of customer service expectations and human resource implications.

4.3 General Recommendations

Continuous Improvement

It is important to view all of the general recommendations in light of an overall continuous improvement environment that the City Manager is advocating throughout the organization. The intent is to use the information and experience gained throughout the business friendly policies and processes to learn, refine and implement new and better approaches to managing the future development of the City of St. Albert. All of the following recommendations have a component of review and evaluation followed by reporting to management to facilitate the continuous improvement of the processes. It would be appropriate for a group, such as the development team, to develop and manage the continuous improvement process.

4.3.1 General Issues

During the course of the review, three general issues were identified: "Not in my backyard (NIMBY)"; "Diversity of Housing Issues"; and, "Evolution of the City of St. Albert." It is recommended that the City ensure that these general issues are addressed in the context of the City's overall, long-term strategic direction. As such they should be considered in the development of the Municipal Development Plan and Council's annual strategic planning and prioritization

efforts. It is likely that these issues will continue to have a significant affect on the City's future development and therefore require vigilant oversight and planning.

4.3.2 Regular Review and Reporting

A critical component to ongoing management and to a continuous improvement philosophy is the implementation of regular review and reporting on key measures. In order to assess the City's progress related to "business friendly," it is recommended that several areas be assessed regularly and monitored by an empowered group such as the re-constituted development team.

It is further recommended that the development team consider the implementation of an "Exit Interview" program for all developers and builders in St. Albert. The information from exit interviews could be compiled and reported to the development team on a periodic basis for follow-up action. In addition, a mechanism should be put in place to identify good business practices in other municipalities on an ongoing basis. Again, the development team could be charged with identifying, compiling and assessing the applicability of new practices in St. Albert.

Another opportunity for feedback is the marketing communication audit performed for the Economic Development department every four years. This audit could be modified, its frequency increased (every two years) and outputs used by the development team to help shape improvements.

Overall, the City should be monitoring customer satisfaction with key development/building processes, policies and customer service. It is recommended that the development team be the focal point for identifying appropriate measures and targets, and for using the information for continuous improvement.

4.3.3 Communication and Collaboration

Open communication and collaboration have been proven to be very effective tools between the City and the development community. Where the City and stakeholders have collaborated, good progress has been made in resolving conflict and developing solutions that work for all parties. Examples of this include the monthly meetings between the City's Planning & Development and Engineering departments and Urban Development Institute (UDI). UDI and the City have resolved many issues through this regular meeting process. In addition, the Engineering department has been undertaking a full review of the Municipal Engineering Standards with input from developers, contractor consultants and Public Works. This has been quite successful to-date with the implementation of revised standards expected in January of 2006.

There exist additional opportunities such as regular meetings with Edmonton Region Homebuilders' Association (ERHBA) and realtors. It was suggested that the City could host an annual forum with developers and realtors to network and discuss issues and challenges. At present, Planning & Development and Inspection Services staff attend ERHBA's monthly meetings that provide an opportunity to hear topical presentations from experts in the field and provide information to the homebuilders.

The City distributes a monthly newsletter, "Focus on Business in St. Albert," which provides an update on several business related areas.

It is recommended that the City conduct an assessment of its development-related stakeholders and their information needs in order to build a plan to communicate and collaborate with the development community more effectively. As with the prior recommendation, the development team could initiate this action.

4.3.4 Internal Review and Improvement

Based on the feedback from this review, both internal and external, there are opportunities for improvement in internal processes and communication. Several issues were raised related to how internal City departments interact and communicate. To external stakeholders, it appears that when they are dealing with the City, they are in fact dealing with a many-headed dragon. Different departments will provide differing information and do not appear to be aligned around a common organizational goal.

To improve internal processes and communication, the Engineering Department has already undertaken some re-organization and re-allocation of personnel. It is recommended that staff continue to review this matter and seek out ways to improve internal operations and communication.

4.3.5 Council Oversight

Council has a significant interest into the development of the City of St. Albert. In fact, Council develops vision and adopts policies to guide the development of the City. It is critical that Council be informed as to the nature and magnitude of issues that affect the development of the City. At present, the Mayor and some Councillors have been active in visiting local businesses with the objective of raising Council's awareness and understanding of the issues faced by businesses in St. Albert and to promote St. Albert as a great place to do business.

It is recommended that the development team, through the City Manager, provide regular updates on the progress it is making towards improving processes, policies and customer service related to business friendly processes. An option for Council to consider is to participate in an annual retreat/working session with development industry stakeholders to discuss issues and develop joint solutions. Also, it is recommended that there be a yearly meeting between Council and senior staff members to discuss what each has heard from various stakeholders about the City's business friendly approach. A mechanism for a frank exchange of information between Council and staff could be fruitful.

4.3.6 Re-Established Development Team

Many of the general recommendations provided require a department or body to review, redesign, report and manage issues related to the development processes. The development team as exists under its current terms of reference is not appropriately constituted to perform these functions. It is suggested that the development team be re-established with an updated terms of reference. At a minimum, it would be necessary to have cross-functional representation on the team and the mandate to address development-related issues and opportunities.

Some of the functions the development team could manage include:

- Establishing review and reporting related to the development/building processes.
- Monitoring and integrating business practices from other municipalities.
- Monitoring the progress and outcomes from City-stakeholder collaboration (e.g. monthly meetings with UDI etc.).
- Participating in stakeholder input sessions, forums, etc.
- Prioritizing and managing internal improvement initiatives.
- Overseeing continuous improvement process.
- Reporting to City Manager the status of all initiatives.
- Assisting in the resolution of significant conflict between the City and stakeholders and acting as an intake for major development-related complaints (ombudsman function).
- Responding to the recommendations of internal and external reviews such as this review.

4.3.7 City Response

It is recommended that Administration prepare a response to this report and develop an action plan to implement the recommendations, as it deems appropriate.

4.4 Conclusion

Overall, interviewees identified a number of important issues that the City should take quite seriously. Steps already taken by the City to address a number of the issues are a good start but more work will be required to further refine policies, processes and customer service. In particular, the update to the Land Use Bylaw and the development of policies and guidelines related to letters of credit and landscaping requirements are very positive steps.

Although this report outlines a number of recommendations, it is important to consider the affect on the organization of planning and implementation. Staff resources in some areas (Planning & Development and Engineering in particular) may not be adequate to address current ongoing operational needs let alone implement a number of changes. The City will have to carefully plan its next steps by establishing its priorities and developing reasonable and achievable implementation plans in light of the over arching requirements of ongoing business and Council's priorities.

In the end, the City will be successful if it continues to include stakeholders in the process and set appropriate expectations for progress.