
2020 Municipal Red Tape Reduction Report



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Background and Objectives

The Premier announced Alberta's Recovery Plan on June 29, 2020, which committed up to \$500 million to municipal authorities, Metis Settlements, and the Townsite of Redwood Meadows for capital infrastructure. Municipal Affairs developed the Municipal Stimulus Program (MSP) to deliver this funding to municipalities and maximize economic opportunities within Alberta.

As one of the conditions of MSP funding, municipalities are required to submit an annual red tape reduction (RTR) report in 2020 and 2021, indicating how they have made progress in the following areas since the stimulus program announcement:

- Make it easier to start a new business.
- Streamline processes and shorten timelines for development and subdivision permit approvals.
- Attract new investment and/or tourism.

While Municipal Affairs is not evaluating the specific effectiveness of municipal RTR efforts, municipalities must demonstrate their commitment to reducing red tape and, in 2021, show progress in one or more of the above areas.

This report provides an overview of municipal RTR activities undertaken by municipalities that submitted reporting in 2020, and illustrates how they fulfilled the objectives of the RTR report in the first year.

Overall, this report demonstrates municipalities are taking concrete and effective steps to reduce red tape for business, and increasing attraction of tourism and business investment in their communities. In a number of communities, these efforts began well before reducing red tape became a requirement of the MSP. These actions from communities align with the steps the province is also taking to reduce red tape and indicate a shared commitment to enhance the business and tourism environment in Alberta, which will only serve to further support our economic recovery.

Overview

The RTR reporting form provided examples of actions municipalities could take to reduce red tape, while leaving the opportunity for municipalities to take other actions according to their local circumstances. The form collected information on RTR actions taken in 2020 and activities planned for 2021.

Municipal Affairs received 293 RTR reports by the 2020 reporting deadline, representing a broad cross-section of municipalities in Alberta:

Municipality Type	No. of responses
Cities	19
Rural Municipalities	59
Towns	99
Villages	72
Summer Villages	40
Others (Includes Improvement Districts, Townsite of Redwood Meadows)	4

Of the 293 report submissions, 288 were considered complete and are included in this analysis.

2020 Activity Alignment with Red Tape Reduction Objectives

As illustrated in Figure 1 below, 37 per cent of RTR actions taken by municipalities in 2020 sought to streamline and shorten timelines for development and subdivision permit approvals, while 36 per cent sought to make it easier to start a new business. Twenty-seven per cent of actions were related to attracting new investment or tourism.

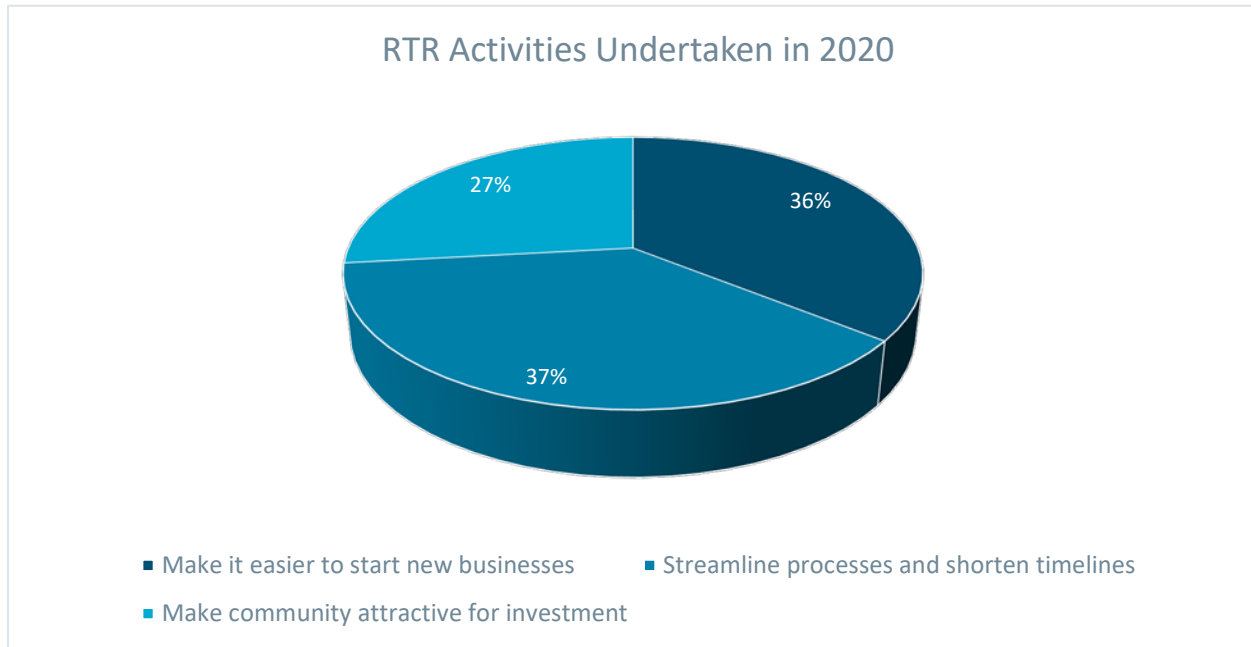


Figure 1

As Figure 2 demonstrates, cities, towns, and rural municipalities took more actions toward making it easier to start a new business, while villages and summer villages focused on streamlining processes and shortening timelines.

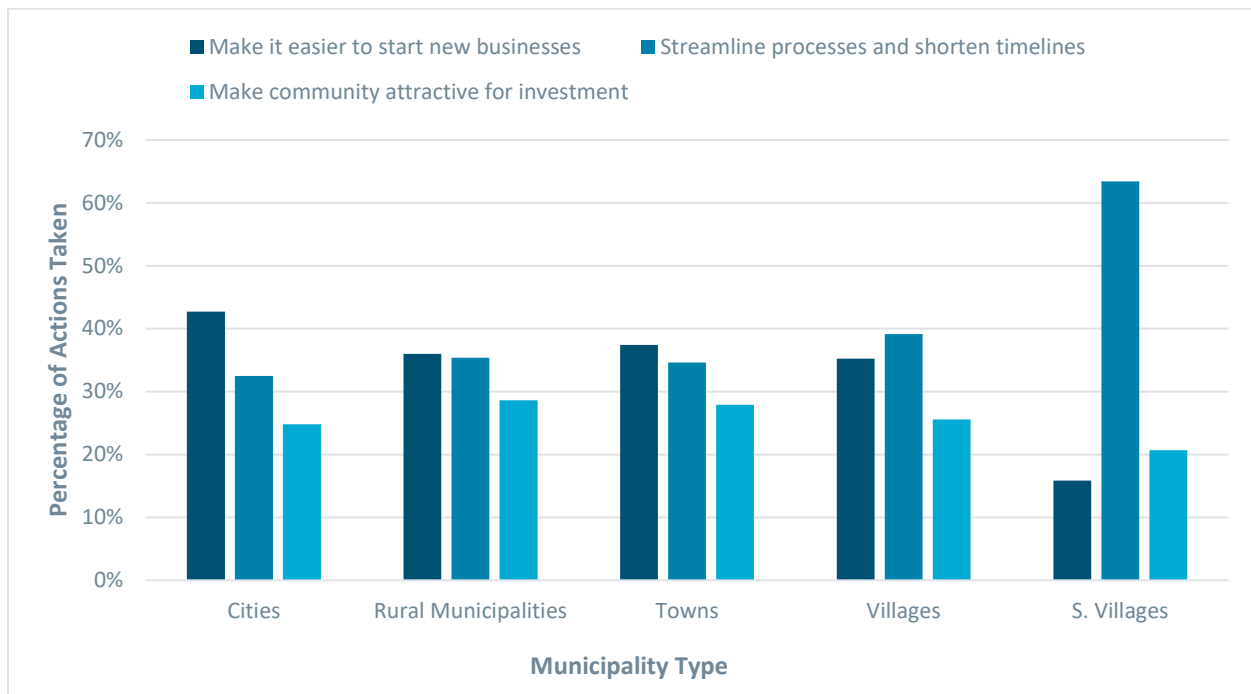


Figure 2

Summer villages had the lowest percentage of participation in making it easier to start businesses in 2020, with many noting that there are no businesses in the community. Instead, summer villages have placed greater emphasis on streamlining processes and shortening timelines in 2020.

2020 Red Tape Reduction Objectives and Activities by Municipality Type

Alberta has a great diversity of municipalities, and each has different opportunities for reducing red tape. The following analysis provides insight into the influence of municipality type on various RTR objectives and activities undertaken in 2020.

Objective 1: Starting a Business

Figure 3 below shows cities had the largest percentage of participation in activities related to starting a business, while summer villages had the lowest percentage. For the majority of these activities, the percentage of participation in a given activity decreased by municipality size, where cities had the highest percentage of participation followed by rural municipalities, towns, villages, and summer villages.

In 2020, cities and towns concentrated efforts on streamlining business licence processes, and supporting the shift to paperless application forms and electronic payments. Rural municipalities focused on reviewing processes and eliminating redundant municipal requirements to support red tape reduction, while villages and summer villages increasingly cooperated with their neighbours to support bylaw changes that streamline municipal operations.

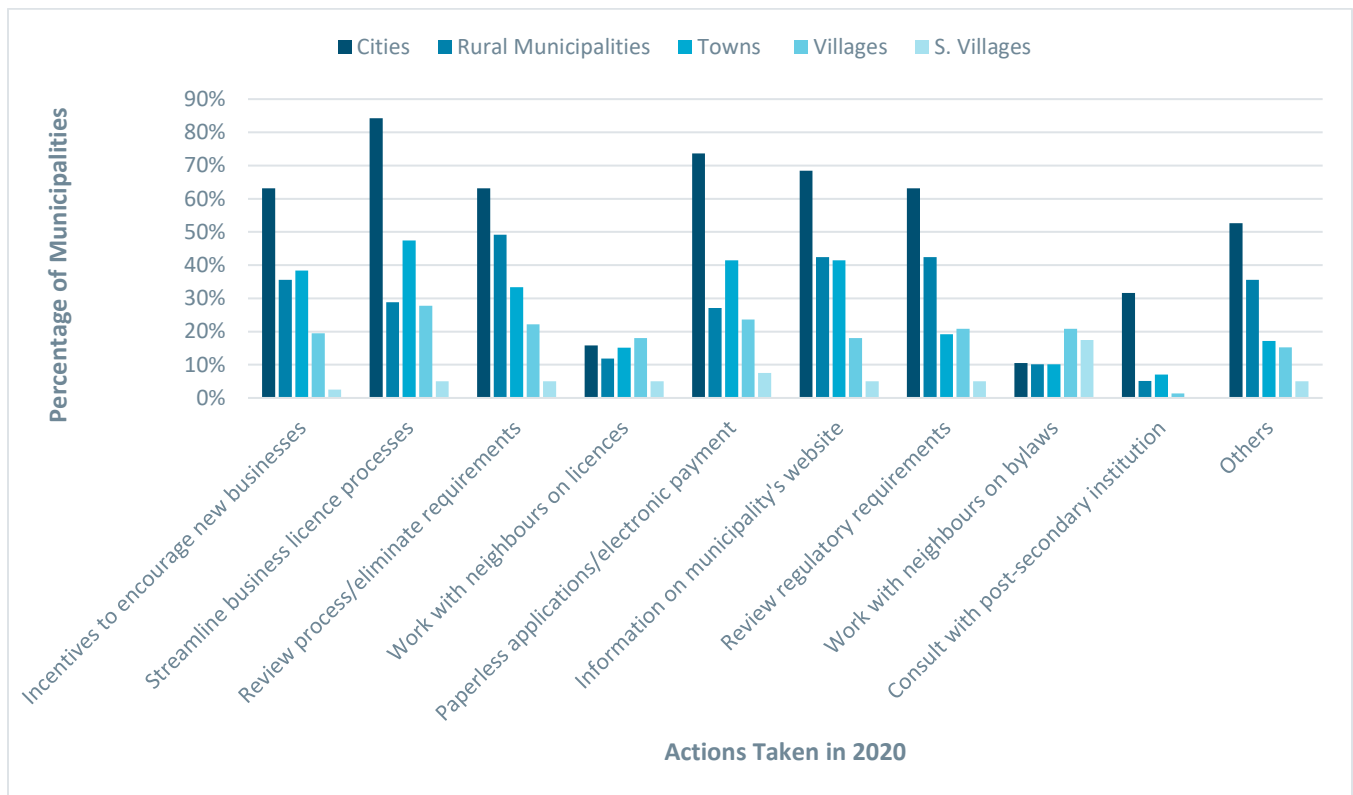


Figure 3: Percentage of municipalities (classified by municipality type) that undertook various RTR activities in 2020, aimed at making it easier to start up new businesses.

Objective 2: Streamline processes and shorten timelines for development and subdivision permit approvals

Similar to Objective 1, participation in RTR activities concerned with streamlining processes and reducing timelines is highest for cities, and gradually decreases with municipality size.

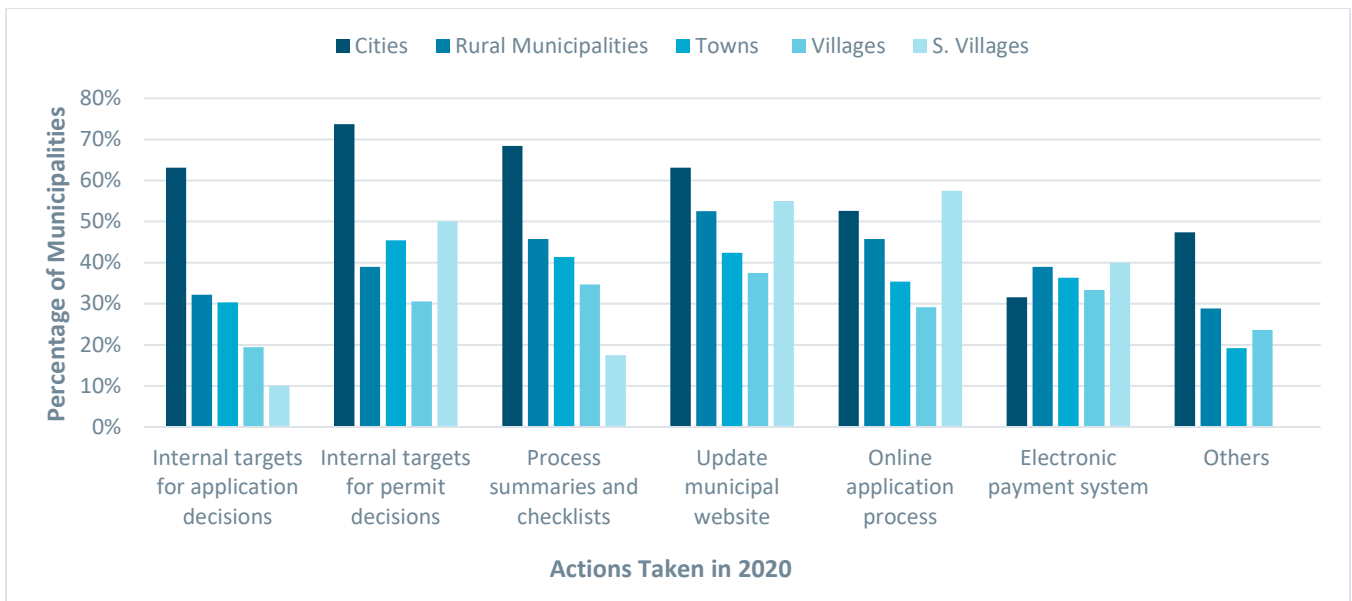


Figure 4: Percentage of municipalities (classified by municipality type) that undertook various RTR activities in 2020, aimed at streamlining processes and shortening timelines for development and permit approvals.

Objective 3: Attract new investment and/or tourism

Trends observed under the first two objectives also apply to attracting new investment and/or tourism. The lower participation amongst smaller municipalities may be due to these activities involving capital investments and infrastructure improvements that are cost-intensive.

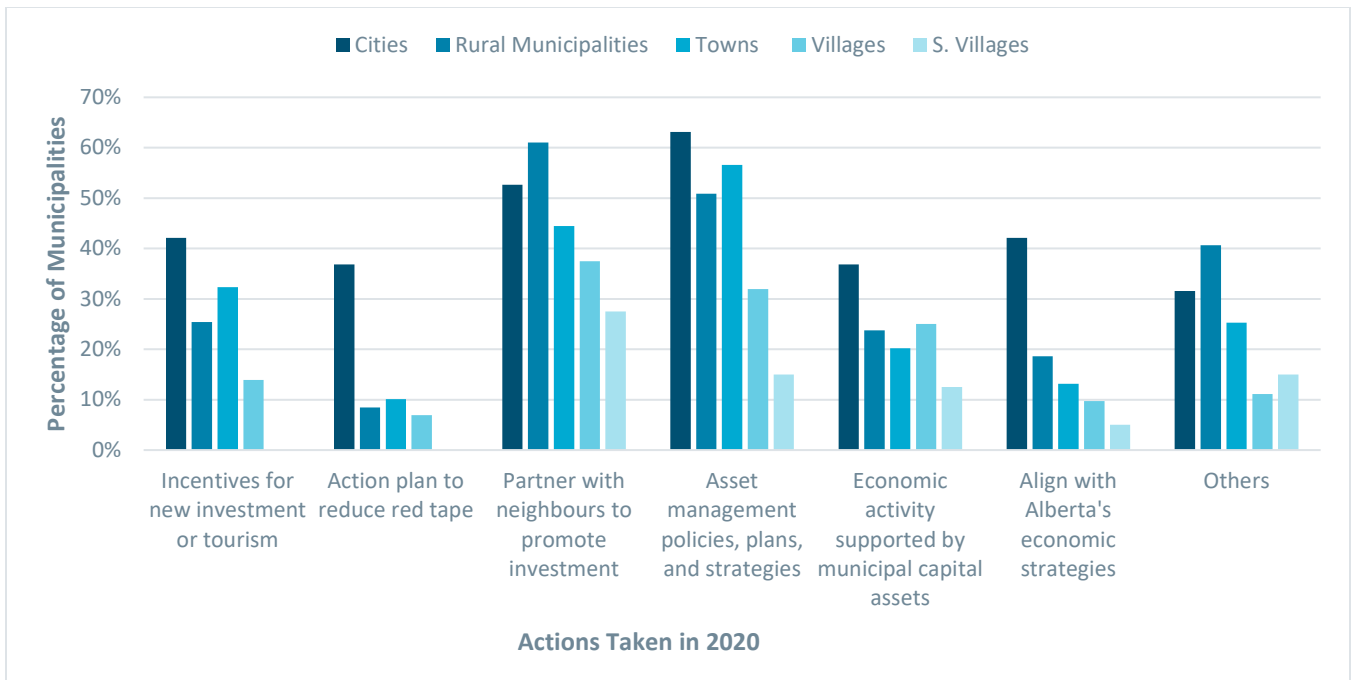


Figure 5: Percentage of municipalities (classified by municipality type) that undertook various RTR activities in 2020, aimed at making their municipality a more attractive destination for new investment and/or tourism.

What Does It All Mean? The Stories Behind the Numbers

As the previous section shows, municipalities across Alberta worked hard to reduce red tape in a number of areas in 2020.

The following section focuses on how Alberta's two largest cities and other municipalities met the objectives of RTR in 2020. From making it easier to start a business, to streamlining processes and timelines, to attracting new investment and tourism, municipalities across the province showed that RTR is not dependent on a municipality's size, but on its level of commitment.

The Cities of Calgary and Edmonton – Large Urban Similarities

As the province's two largest cities, it is unsurprising that the cities of Calgary and Edmonton were already investigating and acting on the reduction of municipal red tape. They initiated and continued a number of similar RTR activities intended to make it easier to start businesses, streamline processes and timelines, and attract new investment.

Key areas of focus for both cities included:

- waiver of full or partial business related fees in 2020 due to COVID-19;
- direct assistance programs for new and existing businesses to support economic growth;
- reduced administrative barriers for businesses interacting with city departments and the website;
- investments in technology to eliminate redundant processes and applications; and
- removal of restrictive bylaw requirements, such as parking stall requirements for new businesses.

The City of Calgary

Making it easier to start a business, supporting innovation

The City of Calgary engaged in several activities in 2020 to support business and innovation. Calgary continued the Benefit Driven Procurement pilot, a program designed to reduce barriers and facilitate access to city contracts for small- and medium-sized businesses and non-profit businesses. Purchases began in 2020 for both below and above trade agreement threshold procurement. The City of Calgary plans to track the impact of the pilot program on encouraging businesses that may not otherwise have had access to the city's procurement process, and the effect on fairness and competition.

The city also continued the Market Led Proposals pilot, a procurement process that supports businesses with a potentially unique or innovative product or service. The pilot encourages businesses to submit unique or innovative solutions to the city, which could result in initiatives that would not ordinarily be considered. The city plans to track the conversion rate of proposals to procurement contracts.

In response to downtown vacancy rates, the City of Calgary invested in a tenant-matching program to create one million square feet of new street level space in partnership with a downtown Business Improvement Area. The program seeks to curate tenants to occupy vacant street level space in the city's downtown core, support property owners, and create an interesting and vibrant mix of for-profit and non-profit businesses. The program helps fill vacant retail space, streamlines the rental process, and results in cost-savings for both landlords and tenants.

In 2020, the city installed over 32 kilometres of dark fibre digital infrastructure to support connectivity and innovative growth. The city has installed over 586 kilometers of dark fibre to date, and licences excess dark fibre to organizations to encourage innovation, economic growth, and competition within Calgary.

Streamlining processes and shortening timelines, progress in a difficult time

The City of Calgary continued to shorten planning and development processes in 2020. Hastened by the impact of COVID-19 on city and business operations, the city moved all development applications online in March 2020. That year, the overwhelming majority of development applications were submitted online, including 87 per cent of building permits, 97 per cent of trade permits, 47 per cent of development permits, and 72 per cent of other planning applications.

Despite the impact of COVID-19 on the city and the development industry, Calgary was able to exceed its 2020 performance targets for the adjudication of multidisciplinary development applicants. The city uses a combination of application triage that addresses complexity, requirement checklists, and monthly reporting that closely tracks approval timelines and adjudication. The prioritization of applications often results in same day approval for low-impact applications. Low complexity applications receive a technical review by a planning technician, while high-impact, complex applications receive a multidisciplinary review by a team of urban planners and engineers. This ensures applications receive the right expertise to streamline processes and reduce timelines.

Attracting new investment and tourism, overcoming pandemic challenges

The City of Calgary took a number of steps to attract investment and tourism in 2020, including actions to streamline the cost of municipal government, and support for individuals and businesses through tax relief measures during difficult economic times. In 2020, council approved operating budget reductions of \$91 million and provided Calgarians an overall tax rate decrease of 1.77 per cent to support businesses and citizens, and improve investment and competitiveness.

The City of Calgary provided \$18.5 million in funding to the Opportunity Calgary Investment Fund, supporting five technology-based projects in 2020. These projects develop innovative ecosystems in key sectors identified in Calgary's economic strategy, and further support economic diversification initiatives in Calgary. In addition, the city provided Platform Calgary with core operating support to encourage entrepreneurialism and innovation, and support for the construction of the new Platform Innovation Centre to accelerate growth in the technology sector.

The city continued to support Tourism Calgary in 2020, providing flexible core operating funding that contributes to the city's economic and destination strategy. In 2020, the city provided Tourism Calgary access to its Special Event Fund, allowing the organization to adapt plans and commitments in alignment with COVID-19 restrictions. The city continued to fund civic partners that operate cultural attractions, convention centre services, and entrepreneurial support and services. Providing flexible core operating funding supports their ability to adjust their operations to adapt to a quickly changing environment, including the shifting operating environment due to COVID-19. Common changes to operations during the pandemic included a transition to digital and contactless options, as well as the shift to outdoor events and self-guided tours and programs. The shift to digital payment methods will remain as a lasting red tape reduction activity following the pandemic. The city also concluded its micro-mobility pilot in 2020, and noted that 496,000 trips on e-scooters or e-bikes ended their journeys in a Business Improvement Area within the year.

Calgary invested in a "ShopHERE" pilot project to support small business in 2020. The pilot program allowed businesses access to free support to enhance or develop their online commerce to increase resilience during the pandemic and beyond. In 2020, over 90 businesses were supported free of charge, limiting the economic fallout of the pandemic on local business and creating opportunities for continued economic growth within the city.

The City of Edmonton

Making it easier to start a business, supporting economic recovery

The City of Edmonton engaged in several activities in 2020 to support businesses, economic recovery, and innovation. The city provided incentives to support both new and existing businesses to navigate the impacts of the pandemic through a 50 per cent reduction in business licence fees in 2020. The grant provided \$1 million in funding across 772 businesses and five business associations, addressing the immediate and critical needs of the local economy. An additional 800 businesses received hands-on support through a pandemic modified One-on-One program in 2020, an initiative to assist business owners and entrepreneurs to navigate city processes and explore location options for starting a new business.

The city introduced Edmonton's Digital Mainstreet in October 2020. The Digital Mainstreet initiative supports businesses within Edmonton's Business Improvement Areas by providing digital marketing consulting services that optimize the digital elements of their businesses. With an improved online presence, businesses can create new revenue opportunities to support resiliency during the pandemic and beyond. The program employs students, providing real-world experience and inspiring a new generation of entrepreneurs. The program looks to support up to 700 businesses in the capital city by 2021.

The City of Edmonton removed minimum parking requirements from the zoning bylaw in 2020. Beyond simplifying the business licence and development permit process, an economic barrier for business was removed, making it easier for businesses to open and decide how much on-site parking they require based on their own needs.

Streamlining processes and shortening timelines, innovation in a time of need

The City of Edmonton continued to collaborate with the development industry and undertake innovative work including the use of predictive artificial intelligence modelling, which continues to help the city reduce timelines and regulations and enhance digital services.

The city significantly improved business licence processes through digital services, providing businesses with convenient access to apply and renew licences. In 2020, over 85 per cent of applications were submitted online, compared with 17 per cent in 2019. These digital enhancements have improved processes and reduced timelines for business licences by up to 10 days.

The Canadian Home Builders' Association recognized the City of Edmonton in 2020 for providing online land development and permit services, amongst other related services. The City of Edmonton ranked second of 23 municipalities in its benchmarking study that compared municipal processes, approval timelines, and charges and fees from municipalities across Canada. In addition, Edmonton undertook a significant overhaul of the subdivision and rezoning process in 2020. The city implemented new target timelines, updated checklists, and a website refresh for each.

In 2020, the city began development of artificial intelligence software to predict whether builders will pass low-risk inspection types, and enable the city to automatically pass inspections for builders with good records of accomplishment. The software reduces bureaucratic red tape, frees personnel to inspect higher risk projects, and shortens builder timelines. The City of Edmonton was recognized internationally as the recipient of the Smart 50 Award in the category of Digital Transformation from Smart Cities Connect for its efforts to reduce timelines and red tape, while freeing personnel to inspect higher-risk projects.

The city continued collaboration with the development industry and other municipalities to initiate changes to the Regional Evaluation Framework used by the Edmonton Metropolitan Region Board. The intent is to reduce the number of applications required by 40 per cent. The city also began work to establish a pilot program to provide guaranteed timelines for infill houses, including development and building permits for qualified applicants. Edmonton also initiated work on reducing development permit timelines for supportive housing through zoning bylaw amendments. Not only will these amendments help people experiencing homelessness, they will also encourage ongoing affordable housing development.

Attracting new investment and tourism, overcoming pandemic challenges

The city continued to actively attract investment within Canada and internationally, growing the metropolitan region's reputation as a destination for investment, tourism, and economic development. In 2020, the city continued to support the Edmonton Global Regional Development Corporation to attract direct foreign investment, and work with the Alberta Industrial Heartland Association to establish a joint policy for tax exemption incentives for specific energy-related investments.

The city also modified the Neighbourhood Renewal Program to accelerate infrastructure renewal in Business Improvement Areas as focal points for economic activity, and completed a pilot cost share for water infrastructure, which enabled seven infill projects and 113 units of infill housing.

Edmonton continued to collaborate with international bodies to increase tourism opportunities through sporting events that support economic recovery in the hospitality industry. The city expects a \$16 million impact in 2021 as a host for the World Junior Ice Hockey Championships, and \$72.6 million for its return in 2022. The city also expects a \$474 million impact in Alberta if Edmonton is selected as an official host city for the FIFA World Cup in 2026.

Working Towards the Objectives: City of Lethbridge, Town of Whitecourt, Village of Alix

The City of Lethbridge, Planning for Investment

The City of Lethbridge evaluated a number of development-based incentive policies in 2020 that were not well utilized within the community. In response to feedback from the business and development community that the existing incentives were too restrictive, Lethbridge city council approved a series of development-based incentive program improvements to support investors and revitalize the downtown, as well as business owners and their employees, during challenging economic times.

The city focused enhanced incentives through six programs, including the Affordable/Social Housing Capital Program Grant, Real Estate Sales and Leases, the Urban Core Housing Incentive Program, the Targeted Redevelopment Incentive Program,

the Urban Core Property Improvement Grant Program, and an Industrial Municipal Tax Incentive Program. The redeveloped incentives are supported by \$4 million in previously committed funding, and have no impact on residential property taxes.

The city will closely monitor the success of the redeveloped programs through number of inquiries, successful applications, number of new residential units, amount of funding issued, the growth in the assessment base, and the ratio of construction value to grant dollars provided.

The Town of Whitecourt, Streamlining for Efficiencies and Ease of Use

The Town of Whitecourt undertook substantial effort in 2020 to make its internal processes, information services, and systems more efficient and user friendly.

The town created an ambassador program to assign planning or economic development staff based on the nature of an incoming business inquiry. The assigned staff reach out to other departments on behalf of the business, and are also empowered to reach out to support agencies that provide assistance to new businesses. Contact tracking is logged by the town, and ambassadors are encouraged to follow up with each business to track progress and provide additional services if required. Following the announcement of COVID-19 related restrictions in 2020, the town implemented virtual Municipal Planning Commission meetings and public hearings to ensure planning and development approvals continued and timelines were met.

The town also launched a simplified business dashboard that provides local economic information, industry trends, customer research, competition analysis, and local opportunities that show where new development is occurring or planned. The dashboard provides several additional insights for prospective investors, including incentives, development indicators, population data, and community facilities that contribute to higher employee quality of life. The dashboards' ease of use and comprehensive local market research saves businesses time and money.

The Town of Whitecourt updated its municipal design standards to clarify expectations for the design and construction of new infrastructure within the community, and also established construction value thresholds to trigger requirements under the land-use bylaw. The town also undertook efforts to combine all municipal geographical information system mapping (GIS) data sets in one centralized location to allow for more efficient use and informed decision making, and shared much of this data with the public.

The Village of Alix, Attracting Tourism and Making it Easier to Start a Business

The Village of Alix is focused on economic development and growing local tourism. In 2020, the village reallocated 50 per cent of a recreation staff member's time to an economic development portfolio. The staff member's new responsibilities include the development and implementation of a marketing and tourism strategy in support of the village's strategic plan, which looks to promote Alix as an affordable, vibrant, and safe community for raising families, and a fun place to visit.

The village also identified a number of other municipalities in the region that host similar annual community-based events, and sought to encourage collaboration to eliminate event overlap, encourage tourism rotation, and increase economic opportunities within the region through the development of an event calendar.

The village undertook a review of its bylaws and policies in 2020 and discovered guidelines for establishing a new business were distributed across several documents. Efforts are underway to ensure the elimination of contradictory content and address inconsistencies between municipal regulations. Alix also recognized an opportunity to develop an easy-to-follow information sheet for business start-ups, which also includes useful contact information for local organizations including the Chamber of Commerce.

The village took steps to streamline the development process over a number of years, and they continue to receive compliments from businesses who note how easy it is to work with Alix, the Development Officer, and the Municipal Planning Commission.

Focus on Activities: Emerging Municipal Priorities

Several common themes emerged when considering specific RTR activities undertaken by municipalities in 2020. Communities concentrated efforts on increasing their online presence, improving processes and procedures, removing barriers to economic growth, and building resilient partnerships.

Increased Online Presence & Website Development

Perhaps hastened by the impact of COVID-19 on municipal administration and operations, municipalities focused their efforts on website development to increase functionality, reduce timelines, attract investment, and improve the user experience. Website development activities in 2020 included:

- an increased shift to electronic forms for commercial development, permit applications, and business licences;
- increased use of electronic forms of payment for residents and businesses;
- marketing and promotional improvements to attract new residents, commercial entities, and tourism;
- step-by-step guides to assist citizens accessing municipal administration and services, and commercial entities looking to start a business; and
- increased use of software, and digital transformation of land-use bylaws, regulations, and geospatial information.

Examples

In 2020, the Town of Bon Accord ensured all development permits, building permits, and subdivision applications were available online. In addition, fillable business licence forms were added to the town website with the ability to submit online payment.

The Townsite of Redwood Meadows created a webpage and application that allows residents to electronically submit development permit requests. Redwood Meadows also created an e-transfer account to facilitate online payments, making it easier for its residents to access municipal services and save time.

The Town of Bentley created a business resource page on its website in 2020, with the intention of creating a one-stop location for businesses to access information, attract investment, and support local business during the pandemic and into the future. The town also began work with a municipal partner and Central Alberta Economic Partnership to identify gaps in community readiness for investment and tourism attraction.

Rocky View County updated its municipal website to clearly communicate building permit and sub-trade permit approval processes in 2020. It also created a checklist for building permit and sub-trade permit submission requirements, and created guidelines for building code specific topics, and building and sub trade permit inspection processes.

The Town of Valleyview took steps to reduce its reliance on paper-based development and permit applications in 2020 through the purchase of software, which will transform its current paper-based system into an online system and automate previously manual functions. The new software is expected to save the municipality significant time, improve the user experience, and modernize critical functions within the town.

Process and Procedure Improvements

Municipalities also focused on internal processes and procedures in 2020 to reduce operational and administrative timelines, increase the speed of economic development, and improve the experiences of residents and businesses. Process and procedure improvements in 2020 included:

- improvements in staff reporting, departmental reorganizations, and training;
- development of internal processes that ensure processing by legislated timeframes;
- conversion of paper documentation to electronic forms of storage, which saves space and time, and improves access to historical records; and

- outsourcing development work to regional services commissions to streamline municipal operations and focus on other areas important to the community.

Examples

In 2020, the City of Leduc implemented software changes that allow the municipality to review both development and building permits at the same time. Staff training and use of the new software allow for parallel processing, and have cut approval time by nearly half for residential and non-residential projects year-over-year. The city also completed a cross-training initiative that reduced the number of staff required to conduct electrical and building inspections from two to one. A single staff member is now able to perform both electrical and building inspections, saving municipal resources and providing additional flexibility to builders who need to coordinate only one inspection appointment.

The Town of Stony Plain established a pre-application process in 2020 for development projects to communicate municipal requirements clearly. Stony Plain also established a formal development agreement to reduce the time it takes developers to begin their projects, setting clear and consistent expectations. The town worked with external consultants to document the development application process, and established internal service levels for development applications to ensure processing within legislated timeframes.

The City of Airdrie catalogued all non-residential buildings in an electronic database that includes the building code designation and unit occupancy rate in 2020. The new database allows for a seamless review of building classification and zoning for all non-residential properties in Airdrie. The database provides efficient use, saves space and time, and improves local decision-making capabilities.

A number of municipalities, including Lethbridge County, the Municipal District of Taber, and the Village of Champion, contract the Oldman River Regional Services Commission (ORRSC) to provide planning, GIS, and subdivision services in southern Alberta. The use of these services permits both large and small municipalities to streamline and standardize development work, and focus staff resources in other areas important to their communities.

Removing Administrative Barriers

From municipal planning and development improvements, to forms and applications, municipalities looked to simplify complicated materials and remove barriers to attract investment in their communities going forward. Improvements to this area in 2020 include:

- removing redundant clauses within land-use bylaws;
- improving the user experience and accessibility (online);and
- reducing or eliminating business licence requirements.

Examples

The Town of Taber updated a number of clauses within its land-use bylaw in 2020. These changes included the ability to approve uses that are not defined, adding permitted and discretionary uses to districts that did not previously have them, removing food trucks from the bylaw resulting in quicker business licence issuance, and reducing parking requirements. These business-friendly bylaw changes simplify complicated materials, and help retain and attract new investment to the community.

The Town of Sexsmith approved the implementation of new software that allows businesses to apply for their licences online, and took steps to update economic development content on its website to provide new and more user-friendly information that is critical to investment decisions. The town also worked with neighbouring communities to offer building permits through a single online regional system, which saves time, reduces costs, and simplifies the process for applicants.

In an effort to support local business development, the City of Grande Prairie engaged in a significant review of its business licence bylaw in 2020. Stakeholder engagement was conducted to review the impact of the regulations on business, and a comprehensive review of the bylaw was undertaken to ensure it was clear, consistent, and reasonable. As a result of the review, a number of redundant requirements were removed to eliminate unintended consequences for applicants.

Building Resilient Partnerships

A number of municipalities took steps in 2020 to build or strengthen partnerships to generate valuable economic benefits and opportunities for residents. These partnerships will continue to improve communities and regions across Alberta after the pandemic is over. Activity in this area in 2020 focused on:

- public and private partnerships to support local and regional economies;
- partnerships to support local business and respond to municipal and regional priorities; and
- partnerships that attract tourism and market municipalities as an attractive destination for investment.

Examples

The City of Lacombe passed a community economic development bylaw in 2020 that established Echo Lacombe Association as its economic development partner agency. The association partnership includes the city, Burman University, and Lacombe and District Chamber of Commerce. It is focused on cultivating innovation; nurturing a business-friendly culture; promoting sustainable growth; and creating a safe, inclusive, and healthy community. Through increased collaboration, the partnership looks to support a growing economy, encourage social enterprise, and build community pride.

The Village of Coutts joined in partnership with a number of southern Alberta municipalities to form Canada's Western Gateway, an initiative that seeks to pool collective efforts to attract investment, increase trade with the United States, and deliver economic benefits to the region and province.

Following a new branding strategy in 2019, Wheatland County worked in partnership with several communities in its area in 2020 to help develop the Wheatland County Community Profile, a comprehensive municipal and regional economic development guide to promote the region and local businesses for investment attraction. The frequently updated guide shares investor-related information such as demographics, the labour force, business counts by industry, building- and development-related fees, and travel-related logistics. It also provides information on living within the county, such as notable events and services available, creating a sense of awareness of the culture and communities within Wheatland County, and a deeper connection with prospective investors.

Looking Forward in 2021

Municipalities were provided the opportunity to share RTR plans for 2021 through the first year of RTR reporting. An analysis of planned activities shows that municipalities plan to increase RTR activities in 2021, reducing municipal red tape to sustain and create local jobs, and support the private sector.

As communities continue to evaluate RTR actions taken in 2020 and the impact of COVID-19 on municipal administration and operations, planned RTR activities will enhance Alberta's competitiveness and productivity, and position communities to participate in future economic growth.

The following analysis identifies actions planned in 2021 by municipality type, and compares RTR actions undertaken by municipalities in 2020 with planned activities in 2021. The results indicate that municipalities will sustain their efforts to reduce red tape, and continued improvements to the business and tourism environment in Alberta can be expected.

2021 Red Tape Reduction Planned Activities & Objectives by Municipality Type

Objective 1: Starting a Business

Figure 6 shows planned RTR activities related to starting a new business in 2021. Of the 10 activities shown in Figure 7, cities maintain the highest percentage of activity participation in the majority of areas.

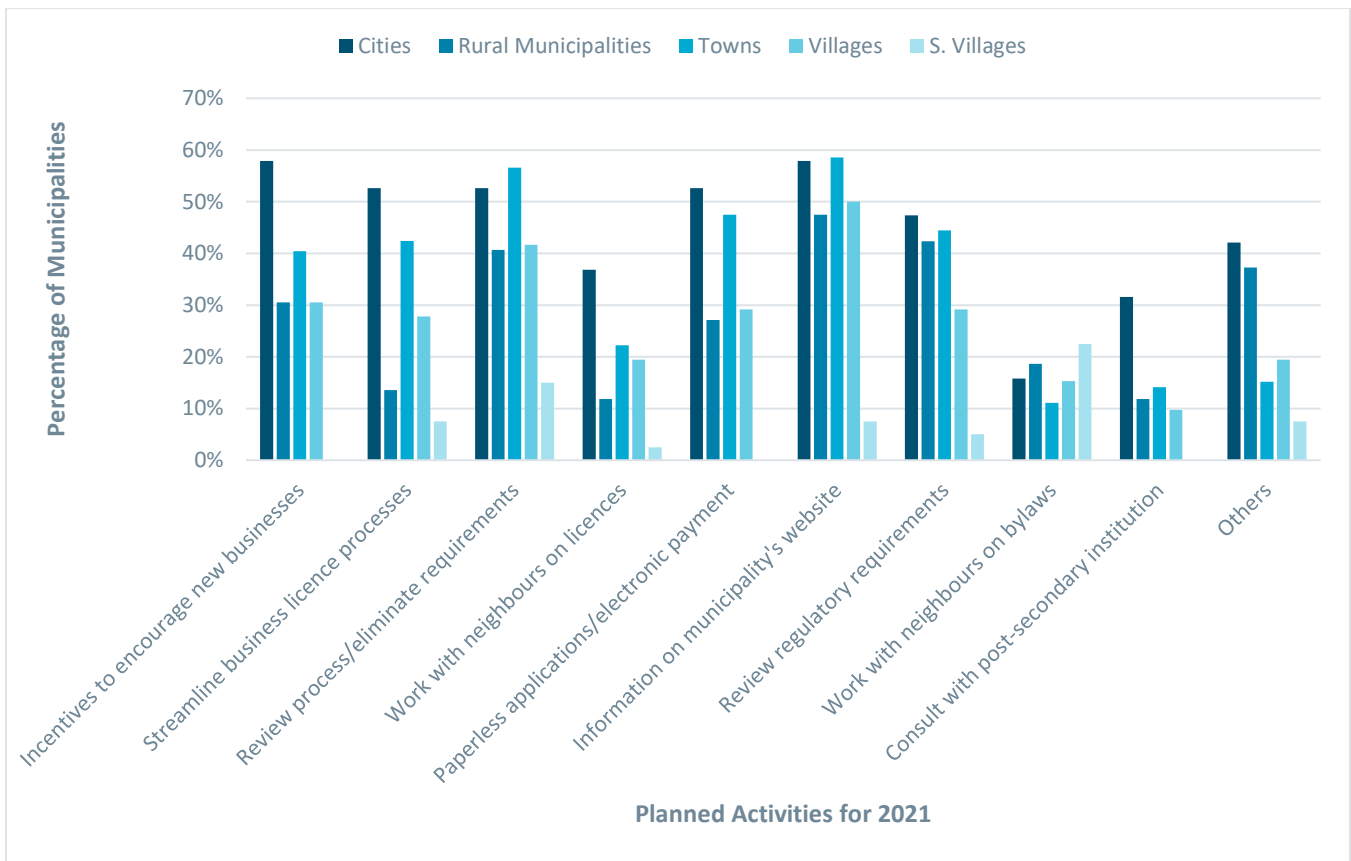


Figure 6: Percentage of municipalities (classified by municipality type) planning to undertake various RTR activities that will make it easier to start up new businesses in 2021.

Objective 2: Streamline processes and shorten timelines for development and subdivision permit approvals

Figure 7 shows that smaller municipalities are planning to increase their efforts to streamline processes and shorten timelines for development and subdivision permit approvals. In fact, it is primarily smaller municipalities driving an increase in planned RTR activities in 2021. Though smaller municipalities may have fewer resources, their planned increase in activity participation could be attributed to the awareness created by the RTR reporting requirement of the MSP program in 2020.

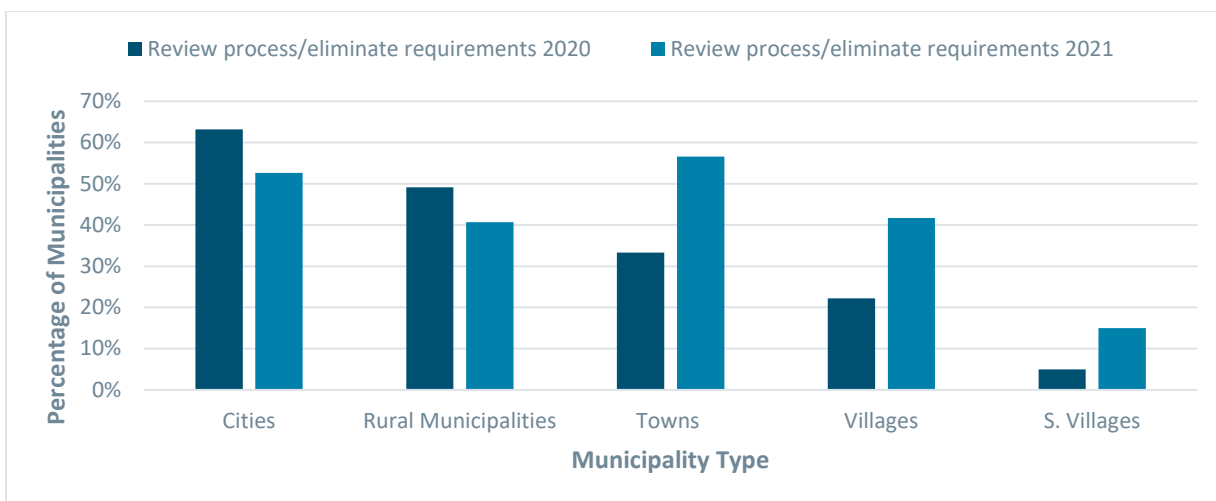


Figure 7: Sample illustration of the influence of municipality type on the percentage of participation in a selected RTR activity (Review process/eliminate requirements) for years 2020 and 2021.

Figure 8 shows activities related to streamlining processes and shortening timelines planned for 2021. Smaller municipalities continue to plan more activities to streamline processes and reduce timelines in 2021 compared to their larger counterparts.

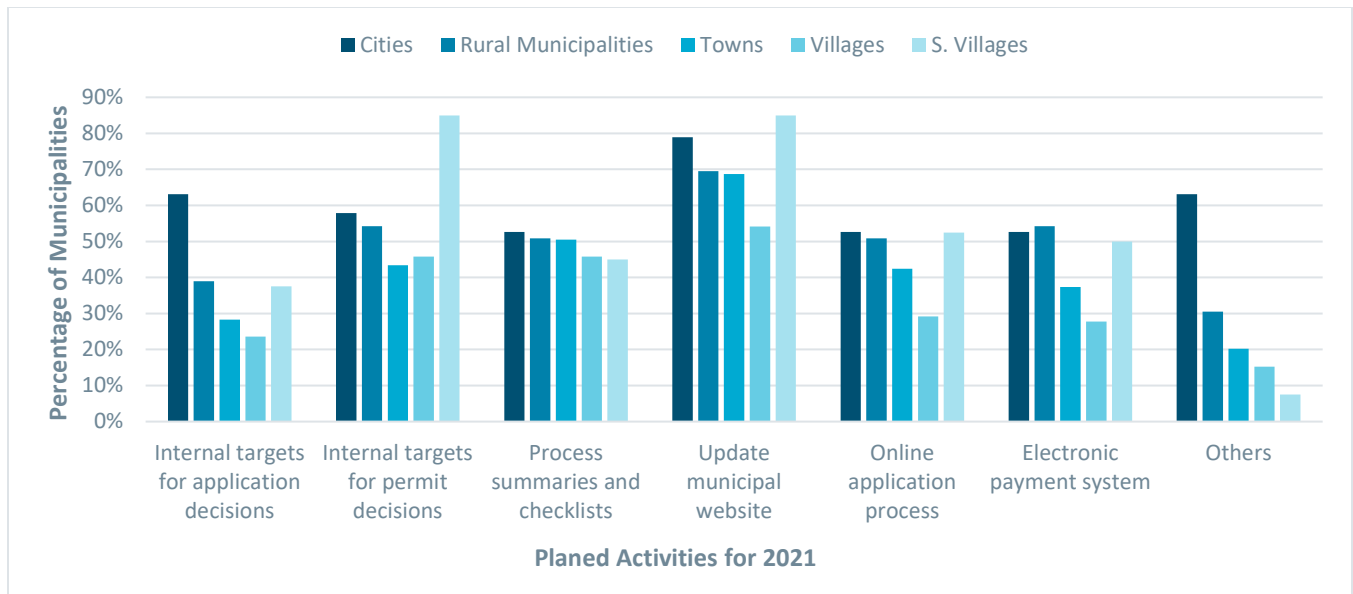


Figure 8: Percentage of municipalities (classified by municipality type) planning to undertake various RTR activities that will streamline processes and shorten timelines for development and permit approvals in 2021.

Objective 3: Attract new investment and/or tourism

Trends observed under the first two objectives also apply to Objective 3, with the exception that the rise in the percentage of participation of smaller municipalities is slightly decreased in 2021 (Figure 9 below). As previously suggested, the lower participation amongst smaller municipalities is likely due to activities that involve capital investments and infrastructure improvements that are cost-intensive. This may also be due to the more limited resources for planning in smaller municipalities. As a result, the increase in planned activities to attract new investment and/or tourism is driven by larger municipalities, though contributions remain from smaller municipalities. It is hoped that by sharing experiences and information, smaller municipalities may identify other opportunities throughout the year to further reduce red tape.

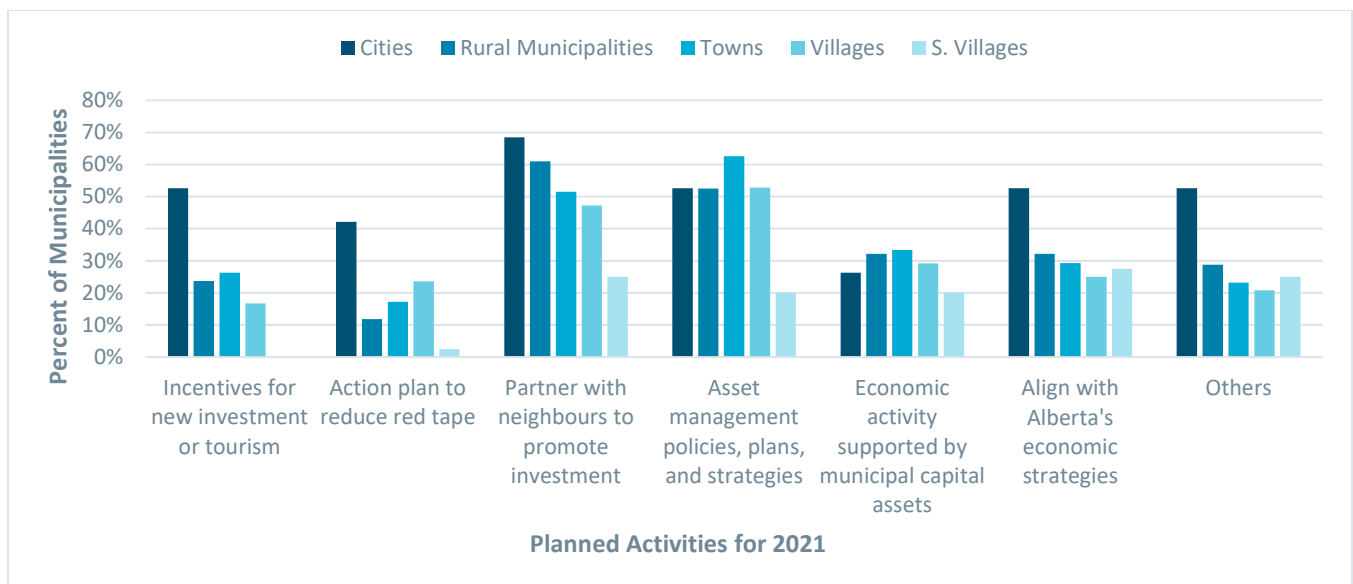


Figure 9: Percentage of municipalities (classified by municipality type) planning to undertake various RTR activities that will make their municipality a more attractive destination for new investment and/or tourism in 2021.

Influence of Municipality Type on RTR Objectives

As in 2020, different types of municipalities have placed emphasis on different RTR objectives. Figure 10 shows that cities, towns, and villages plan to work more on making it easier to start businesses, while rural municipalities and summer villages plan to focus on streamlining processes and shortening timelines. As in 2020, summer villages have the lowest percentage of participation in making it easier to start businesses. Instead, summer villages have placed greater emphasis on planning to streamline processes and shorten timelines in 2021.

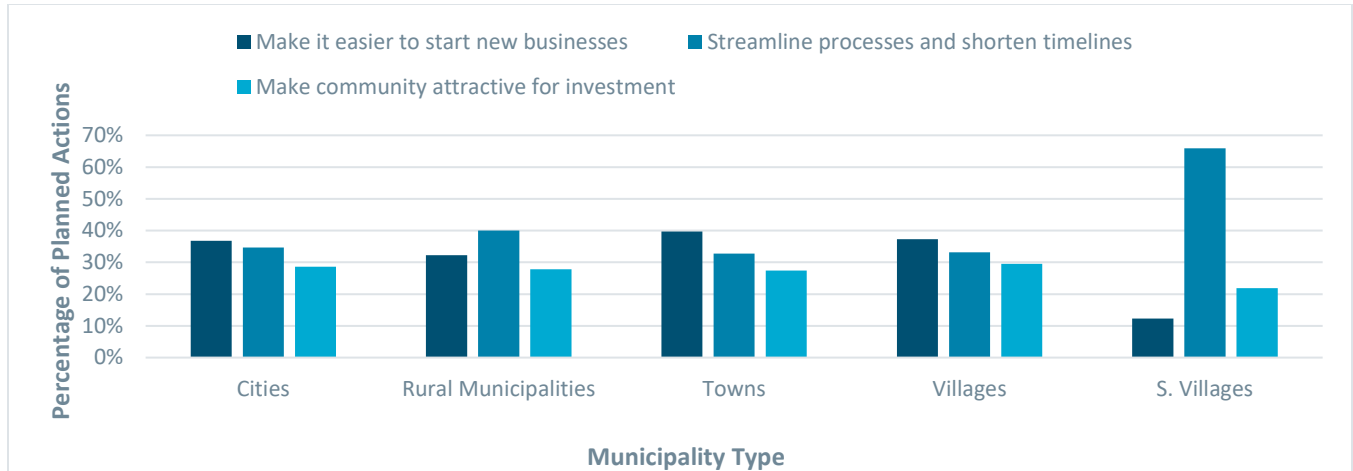


Figure 10: Percentage of RTR activities (classified by RTR objectives) planned by various types of municipalities for 2021.

Overall, more municipalities plan to undertake RTR activities in 2021 in all three RTR objectives. This suggests the RTR reporting requirement was successful in creating RTR awareness, and encouraged municipalities to explore additional opportunities to reduce red tape in subsequent years.

Comparing RTR Actions taken in 2020 with planned activities in 2021

RTR Objective 1: Make it easier to start a new business

Figure 11 shows the percentage of municipalities that participated, or plan to participate in, business-related RTR activities.

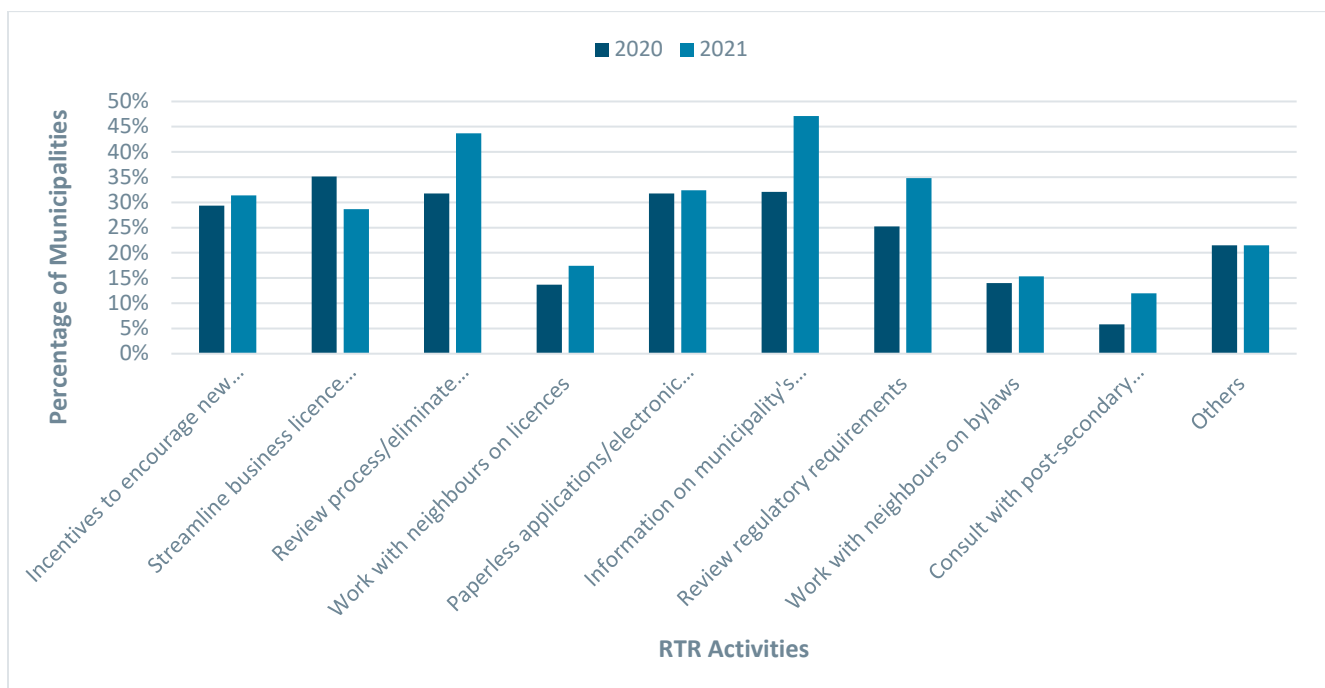


Figure 11: Percentage of municipalities that undertook various RTR activities in 2020 and the percentage of municipalities planning to undertake similar activities in 2021, aimed at making it easier to start new businesses.

With the exception of “streamlining business licence processes,” more municipalities plan to make it easier to start a new business in 2021 when compared to 2020. A higher percentage of planned activities in 2021 may be attributed to increased RTR awareness and guidance provided by the RTR reporting template, as well as the limited time in 2020 given to implementing these initiatives.

A year-over-year reduction in “streamlining business licence processes” may be evidence of previous municipal efforts to reduce business licence red tape prior to 2020.

Municipalities plan to increase business-related information on their websites by 15 per cent in 2021, likely due to digital migration trends and electronic forms of communication expedited by the pandemic, and will likely continue into the future.

Activities included in the “Other” category (shown in Figure 12) include municipal amalgamation, development of favourable taxation methods, land sales, lobbying the provincial government, and new initiatives such as partnering with industries on strategic projects.

RTR Objective 2: Streamline processes and shorten timelines

Figure 12 (below) shows the percentage of municipalities that have participated in, or plan to participate in, streamlining processes and shortening timelines for development and subdivision permit approvals.

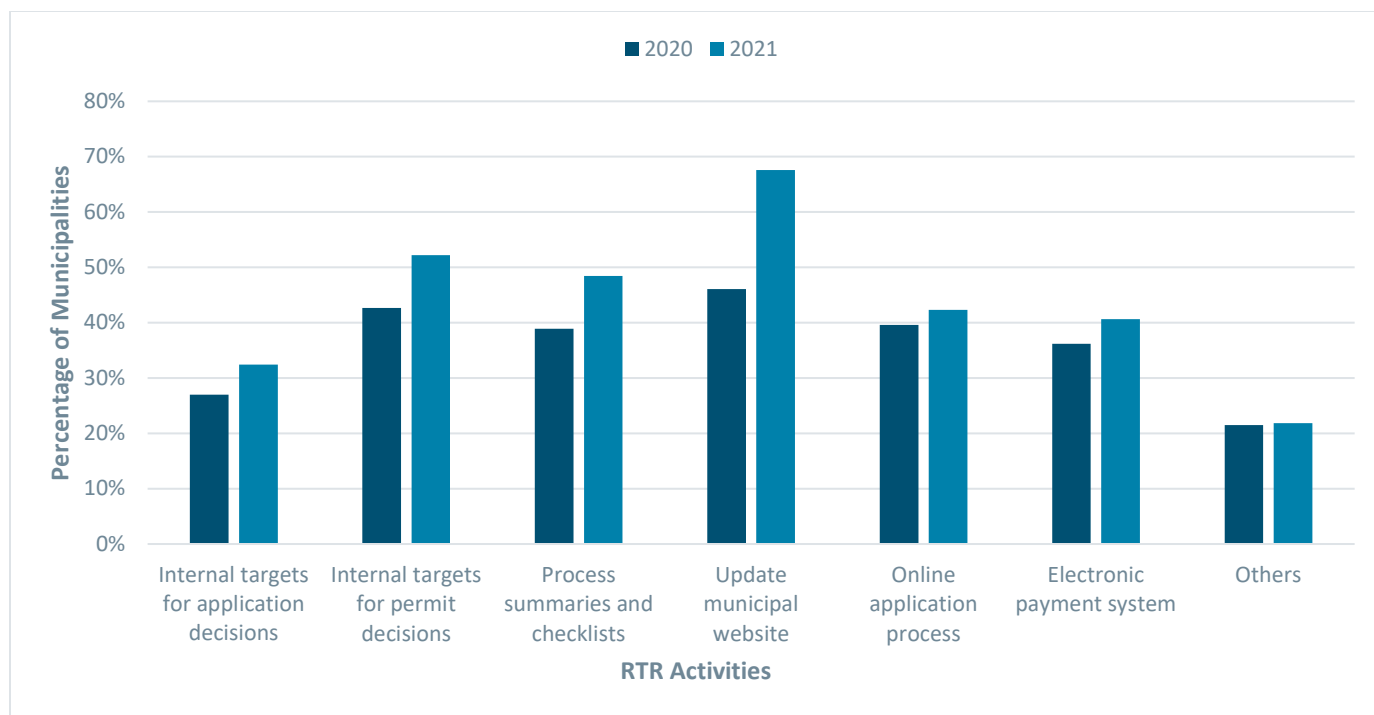


Figure 12: Percentage of municipalities that undertook various RTR activities in 2020 and the percentage of municipalities planning to undertake similar activities in 2021, aimed at streamlining processes and shortening timelines for development and permit approvals.

More municipalities plan to take measures to streamline processes and shorten timelines for development and subdivision permit approvals in 2021 when compared to 2020.

As with the first objective, communication related work (e.g., update municipal website) saw the largest year-over-year activity, with municipalities planning to increase this activity by 22 per cent in 2021. The increase is likely due to digital migration trends and electronic forms of communication expedited by the pandemic, and will likely continue into the future.

Activities in “Others” include advocating for changes to provincial regulations, municipal amalgamation, property rezoning, personnel recruitment, and staff training.

RTR Objective 3: Make communities a more attractive destination for new investment and/or tourism

Figure 13 shows the percentage of municipalities that began work or plan to initiate activities to make their community a more attractive destination for new investment or tourism.

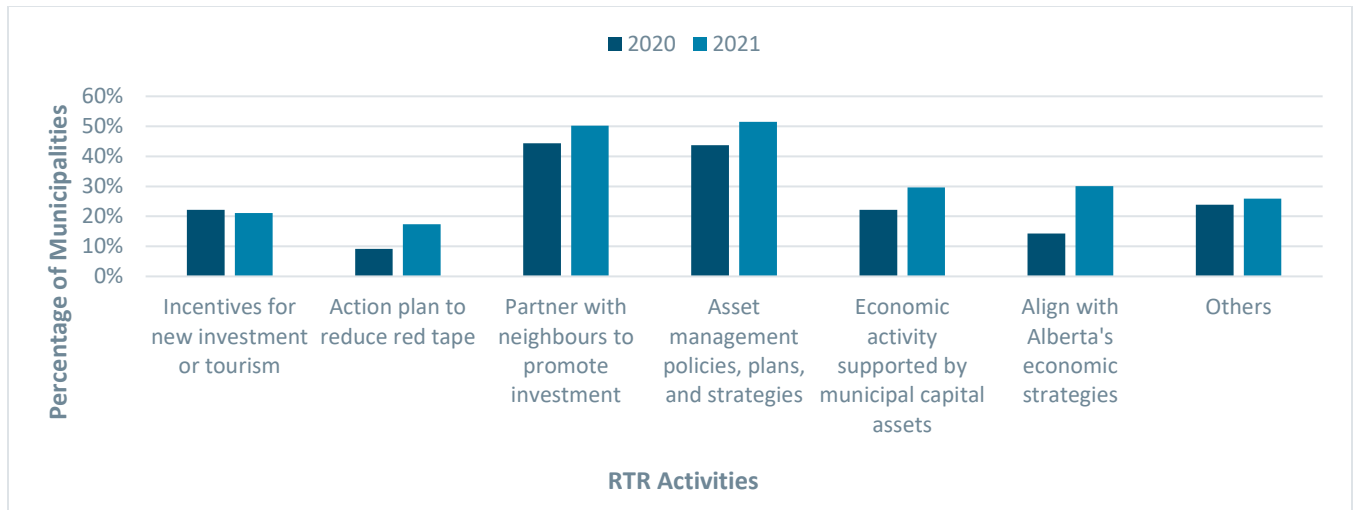


Figure 13: Percentage of municipalities that undertook various RTR activities in 2020 and the percentage of municipalities planning to undertake similar activities in 2021, aimed at making municipalities a more attractive destination for new investment and/or tourism.

With the exception of “incentives for new investment or tourism,” more municipalities plan to make their community an attractive destination for investment or tourism in 2021 when compared to 2020.

A slight drop in the number of municipalities planning to work on incentives for new investment or tourism could be due to finite incentives, such as grant programs or infrastructure upgrades, which can be viewed as costly. Fewer municipalities plan to provide incentives for newer investment or tourism in 2021.

Activities in “Others” include infrastructure support/upgrade, launch or implement new initiatives, pandemic recovery plan/framework, and enhancing municipal cleanliness.

RTR Activity Comparison

Figure 14 compares the number of activities taken by municipalities in 2020 and planned in 2021 between the three RTR objectives. A total of 1,969 RTR activities were undertaken by municipalities in 2020, with 2,390 planned in 2021.

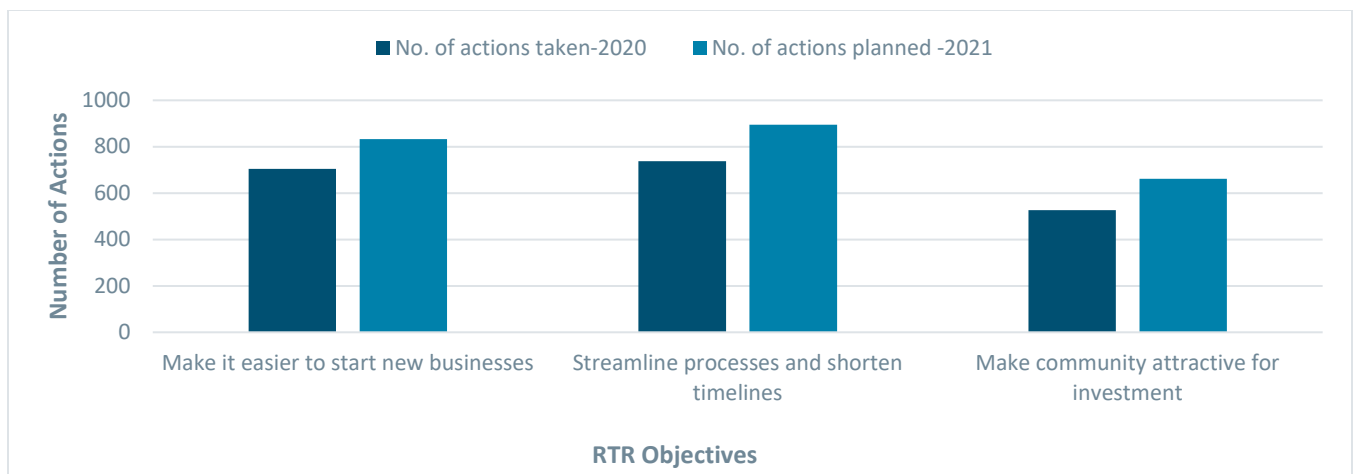


Figure 14: Number of RTR actions undertaken by municipalities in 2020 and planned for 2021 in alignment with RTR objectives.

Municipalities have planned more activities in 2021 than those taken in 2020, and plan to focus more on the activity “streamline processes, shorten timelines for development and subdivision permit approvals.” This may be due to the activity using internal resources, making it easier to implement with minimal or no external support, given impacts to revenue from the pandemic and provincial economic conditions.

The activity “making it easier to start a business” may be impacted by incentives that negatively affect municipal revenues, making these activities less attractive. These activities may include the reduction or abolishment of taxes or fees, or reductions in municipal land cost.

The activity “making a community attractive for investment or tourism” may have been affected by the requirement for capital investment and infrastructure improvements that some municipalities may lack.

Despite the notable increase of activities planned for 2021 as compared to those undertaken in 2020, the distribution of activities amongst the three objectives remains almost the same. (See Figure 15.) This shows that the possible contributing factors discussed above may be valid in both 2020 and 2021.

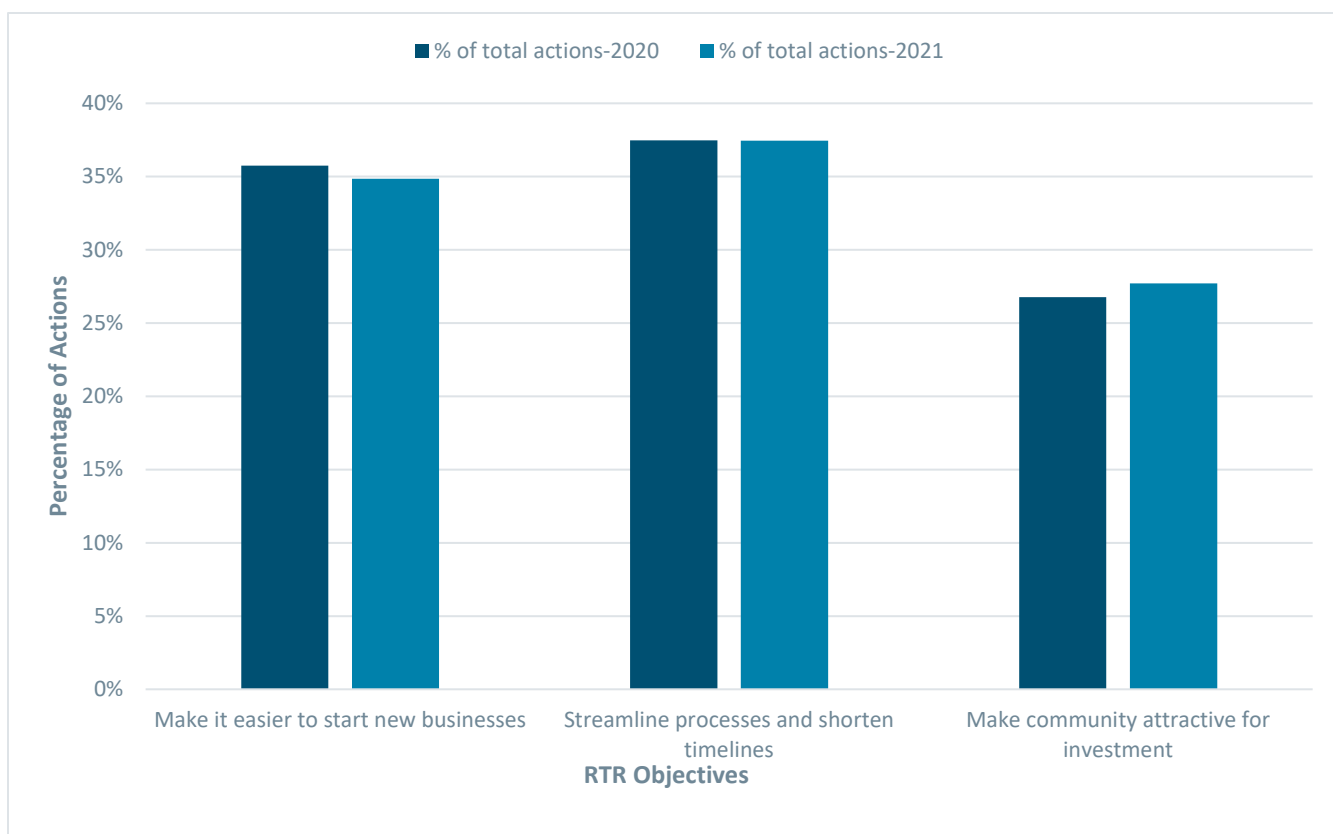


Figure 15: Distribution of RTR actions undertaken by municipalities in 2020 and those planned in 2021 in alignment with RTR objectives.

In conclusion: Comparing RTR Actions taken in 2020 with planned activities in 2021

The analysis of RTR objectives and activities indicates that municipalities plan to undertake more activities in 2021 than they did in 2020. Results also show that the program was successful in creating RTR awareness, and encouraged municipalities to undertake additional RTR activities.

Analysis performed in 2022 will determine whether planned activities were actually completed in 2021.

Conclusion

Municipalities across Alberta took steps to reduce red tape in 2020, and made plans to reduce red tape further in 2021. In many cases, these initiatives were started before the global pandemic, indicating that many municipalities recognize the importance of reducing red tape. From the Town of Milk River in southern Alberta, to Canmore in the Rockies, Red Deer in central Alberta, and Fort Vermilion in northern Alberta, communities across the province moved swiftly to address challenges brought on by the pandemic and current economic realities.

In 2020, municipalities took concrete steps to remove barriers to investment by making it easier to start a business, reducing the burden on those wishing to invest in their communities. They built economic partnerships with neighbouring communities to pool resources, streamline their operations, and create a better climate for people and businesses to invest in their region. Municipalities streamlined their internal processes; cleaned up redundant or counterintuitive policies, procedures, and legislation; and made considerable efforts to improve the services they provide to the public and business. While many of these activities were accelerated by the onset of the pandemic, municipalities are likely to continue to reduce red tape beyond the emergence of COVID-19, further realizing value by saving time, money and other resources.

As municipalities look toward their RTR plans in 2021, it is expected they will continue to concentrate on activities that encourage investment, boost Alberta's competitiveness, and get more Albertans back to work. These efforts will continue to drive economic growth and make Alberta the best place in Canada in which to live and invest.