

Fredericton Chamber of Commerce Brief to
Fredericton City Council
May 2015



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Introduction

The Fredericton Chamber of Commerce and its members have enjoyed an effective working relationship with the City of Fredericton - including its councils, mayors and staff - throughout our histories. In this brief we look back and update our recommendations in 2014 and provide new feedback for 2015. Overall, the chamber and its members believe that City Council and staff are responsible managers of Fredericton's finances and agree with a cautious and prudent approach on major projects. With an eye towards our joint goals of encouraging economic growth, enhancing business development and ensuring that our city is a place where people want to work, live and play - the chamber looks forward to continuing to work together with local government.

2014 Brief in Review

We submitted our 2014 brief to council in late April 2014 and have followed up on a number of items since that time. We are pleased to note that a number of the key recommendations contained therein have seen positive movement over the past year. These remain high-priority items for the chamber and its members and we will continue to monitor their progress in the coming year.

Ignite Fredericton - the increased funding as requested by Ignite in the 2015 budget was a welcomed and needed investment. The Fredericton chamber is firmly behind Fredericton's Vision 2020 economic plan and as stewards of the plan, Ignite Fredericton must have the tools needed to effectively lead the City's economic development efforts. We were also encouraged that Council provided public support to Ignite's Natural Resources Task Force, of which we are a member.

Immigration & Skilled Labour - the City's Immigration Coordinator is critical position as we try to grow our population and increase retention rates for the city's newcomers - many of whom are here to start businesses and grow the economy. We are also pleased that Fredericton was approved for federal funding under the Local Immigration Partnerships program. The data that will be gathered through this funding will assist a number of groups in the city to support our newcomer ecosystem.

Property Tax - in any municipality, the property tax burden is a major concern for businesses and residents alike. The city has been able to maintain property tax rates over several years, despite decreased revenues in other areas. In the future, it would be helpful for the City to provide meaningful comparisons to understand the relative tax burden amongst other New Brunswick cities and other similarly-sized cities elsewhere in Canada.

Infrastructure - we are pleased that construction on the Smythe Street roundabout will begin in 2015 - this will serve as an important link to a growing commercial area on Bishop Drive and beyond. We also support the City's careful efforts to ensure a long-term solution to maintaining a downtown performing arts centre. This piece not only supports economic development in the city's downtown, but also serves as an important social hub and connects the community and region. We encourage the City to continue working with our provincial and federal representatives on getting major infrastructure projects approved over the next year.

Zoning/Permitting - as indicated in our 2014 brief, our members are satisfied overall with the City's zoning and permitting process - particularly in terms of helpful and effective staff members. One specific area that our members believe could be more flexible is in terms of allocating parking spaces for a new multi-use construction project. Often, the developer does not know precisely what types of businesses will ultimately be tenants and this requires some guesswork up front and adjustments afterwards - this type of scenario requires some flexibility in the permitting process.

2015 Recommendations

With feedback received in previous years, we have crafted our 2015 brief to be more targeted and specific. We hope that Council finds value in our perspective as the Voice of Business in Fredericton and our leadership team is available at your convenience to discuss the content of our brief or any other topic at anytime.

Greater transparency in the Decision-Making Process

The City has done a good job in recent years in becoming increasingly transparent in its decision-making and we encourage this trend to continue. Written explanations of certain decisions would be an enhanced way of communicating the decision-making process - benefitting both the public and City. For example, walking the public through the process of deciding to continue funding the York Arena or the decision to not fund the proposal by NB Exhibition Ltd., created some controversy that may have been mitigated with a fulsome explanation. Contextualizing decisions within Council's larger plan would also provide greater guidance for future proposals from groups or individuals.

City Land Acquisition Policies - In January of 2015 the City reported that an external investigator would review how the City handled a land-expropriation deal with MacLean's Sports. It was anticipated that the report would be completed by mid-march 2015. We recommend that the City make the findings of this review public. Additionally, should there be any short-comings identified in terms of the City's land acquisition policies, we recommend that a policy review be undertaken to ensure any deficiencies are cured.

Public Transit

An effective and efficient public transit system is a key part of a municipality's transportation network. Over the past twenty years, there have been many changes to Fredericton's road network and economic landscape, yet the transit system has essentially remained the same. The most significant barrier to improving the system is a lack of detailed data on usage. We recommend that the City collect detailed time-of-day usage and load levels on a per-neighbourhood basis and use this data to reduce frequency in areas of underutilization and increase frequency in areas with higher transit usage. In order to fully understand the needs of passengers, and potential future passengers, there must be regular consultation and communication with the public. As residential and commercial areas develop in the city, the public transit system must evolve to reflect these changes, using best practices from similarly-sized cities.

Road Construction

Our members have told us that the road construction season in 2014 was particularly difficult with multiple projects undertaken simultaneously in close proximity. While we support and encourage efforts to properly maintain infrastructure, more could be done to mitigate the disruptive nature of the construction - namely, improved communication between project managers and business owners or other stakeholders. During planning phases, meet with affected business owners and other residents to provide details that outline the scope and duration of each phase. Showing how each

phase is linked to the previous one and how delays will cascade down the phases will create greater buy-in from the citizenry. During the construction phases, keep in contact with business owners. This could be accomplished simply by having an up-to-date project schedule on the City's website. Updates regarding weather delays and other issues that can change the project's schedule would be invaluable information for business owners. After construction, have follow-up meetings with business owners to address concerns for future construction seasons.

City Centre Plan / Main Street Urban Design Plan

Consultations with Downtown Fredericton Inc. (“DFI”) and Business Fredericton North (“BFN”) provided helpful insights into the proposed City Centre Plan on the southside of Fredericton and the Main Street Urban Design Plan on the northside. Both plans will ultimately result in more friendly, useable spaces for business and recreation. We echo the comments of the DFI and BFN that these plans should be implemented over a fiscally-responsible timeframe and coordinated with other needed infrastructure work to minimize cost and impact on movement around the city. However, this implementation process should begin as soon as possible.

Downtown Hotel / Destination Marketing Levy

We continue to support the City’s push for another downtown hotel to compliment and support other growth initiatives such as the Fredericton Convention Centre. Being able to attract more and larger events to our downtown core will have spin-off effects felt throughout the city. We also still support efforts to establish a destination marketing levy through the provincial government. While the current government did not include such a levy in their platform, they did state: “Recognizing the economic benefits and potential growth opportunities in our tourism sector by working with the Tourism Industry Association of New Brunswick and other stakeholders to support our operators and enhance this vibrant sector of our economy.”¹ This support remains contingent on the City not subsequently reducing other tourism-related marketing, as stated in our 2014-15 brief.

Development Growth vis-a-vis the City’s Tax Base

An emerging issue we see in the medium- to long-term is the lack of available land for future development within Fredericton’s borders. In this case, Fredericton will truly be a victim of its own success - consistently hitting the \$100 million mark annually in new construction. As areas within the city continue to be developed, the costs to purchase land to construct new developments will rise with land becoming increasingly scarce. This will make areas immediately outside of the city become more attractive and cost-effective - the City of Fredericton losing out on needed future revenue. With the current 55,000-65,000 tax base supporting nearly 100,000 users of services and infrastructure already, this situation appears to be worsening.

¹ 2014 New Brunswick Liberal Party Platform, page 12

Conclusion

The Fredericton chamber recognizes the time and attention that council pays to economic development priorities and issues. We appreciate being included consultatively as stakeholders on issues that have a direct or indirect impact on our 950 member organizations and their 25,000+ employees. Council has placed Fredericton in a excellent position to move forward through its financial stewardship, Vision 2020 strategy, support for Ignite Fredericton and commitment to continuing to work with other levels of government. The chamber will continue to be an engaged partner as we make Fredericton the start-up capital of Canada and the preferred place to live and work in Atlantic Canada.

2014-15 Municipal Government Affairs Committee

Bob Gallen, RPS HMA	Co-Chair
Jill Dickinson, Clowater's Plumbing & Heating	Co-Chair
Betty Blanchard, Fredericton Convention Centre	Committee Member
James Terhune, Indosoft	Committee Member
John Landry, NB Construction Association	Committee Member
Patrick Nicholson, Enbridge	Committee Member
John Robison, Skill Search Recruiting	Committee Member
Krista Ross, Fredericton Chamber of Commerce	Chief Executive Officer
Morgan Peters, Fredericton Chamber of Commerce	Policy & Research Manager

2014-15 Board of Directors

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