

## **Introduction**

The Town of Clarendville's Economic Development Committee struck a Working Group in the Fall of 2006 to develop an economic development plan for the town. One of the recommendations of the plan was to establish a Business Council Working Group (BCWG) in order to review all business policies, fee and practices.

As indicated in the Business Council Working Group's Terms of Reference (Appendix 1), the purpose of the Group was to review all business policies, fees and practices to ensure they are appropriate; fair and equitable; and administered as fairly, professionally, efficiently and as seamlessly as possible. The BCWG was tasked to consider business and business property tax rates; development permit process; permit fees; and communications with business community.

Members of the BCWG included members of the Town's Economic Development Committee, one Clarendville and Area Chamber of Commerce representative (President Bill Farrell) and two local business people (Roy Percy and Sonya Matthews). The Group met in November 2006, February 2007, May 2007 and June 2007 (minutes in Appendix II).

## **Recommendations**

### **Business and Business Property Tax Rates**

<b>Recommendation</b>	<b>Status – June 2007</b>	<b>Who</b>
1. Include the tax comparisons on next year's budgeting process and request Finance Committee to review	Fall 2007	Frazer Russell, Chair of Finance
2. Remove reminder stamp from monthly tax statements	Completed	D. Strong
3. Introduce a phased-in approach to property taxes for sub-division development	Completed. Approved by Council June 7, 2007.	

### **Development Permit Process**

<b>Recommendation</b>	<b>Status – June 2007</b>	<b>Who</b>
4. Lobby provincial government to address delays in commercial permitting process.	Letter written. Response unsatisfactory. Write again. Approach the Chamber of Commerce to do the same.	D. Strong

### **Communications with the Business Community**

Communication can always improve and can be challenging to find ways that are efficient and meaningful for the business community. While new initiatives such as a town newsletter and a revised website have been well-received, the following recommendations have been made to enhance communications further:

<b>Recommendations</b>	<b>Status – June 2007</b>	<b>Who</b>
5. Forward copies of newsletters to waiting areas (i.e. office locations)	To be initiated with Fall 2007 edition.	S. Oake
6. Add a guestbook to the town website.	July 2007	S. Oake
7. Initiate a contest on the town website to encourage more visitation.	July 2007	S. Oake
8. Offer website visitors the opportunity to provide email addresses so that they can be forwarded notices by email.	July 2007	S. Oake
9. Post report on town website.	July 2007	S. Oake

### **Conclusion**

The Working Group served as a positive way to help implement one of the recommendations of the Economic Development Plan for the town. As per the practice of the Economic Development Committee, similar groups will be established in the future as issues develop.

## **Business-Council Working Group Terms of Reference**

### **Introduction**

The Town of Clarendville Economic Development Strategy 2006-09 stressed the importance of how and what services are offered to the business community. In order to review all business policies, fee and practices, the Economic Development Committee will establish a Business-Council Working Group.

### **Purpose**

The Business-Council Working Group will review all business policies, fees and practices to ensure they are appropriate; fair and equitable; and administered as fairly, professionally, efficiently and as seamlessly as possible.

The Business-Council Working Group will consider (but not limited to):

- Business and business property tax rates
- Development permit process
- Permit fees
- Communications with business community

### **Membership**

The Economic Development Committee members will be members of the Business-Council Working Group, one of whom will chair the Economic Development Committee. A maximum of three members of the local business community will be invited to participate on the Working Group.

### **Meeting Frequency**

Meetings will be called at the discretion of the Chair.

### **Deliverable**

The Business-Council Working Group will provide a report to the Economic Development Committee no later than May 1. The Working Group will disband after the report is delivered.

**Business Council Working Group**  
**Tuesday, November 14, 2006**  
**Noon – 1:00 p.m.**  
**Town Hall**

Present: Lisa Browne (Chair), Frazer Russell, Paul Tilley, Sonya Matthews, Roy Percy, Dave Strong  
Regrets: Bill Farrell

**1. Welcome and Introductions**

Introductions occurred and committee members were thanked for volunteering for this initiative. Bill Farrell was unable to attend but it was noted that he participated on the Economic Development Working Group and would therefore be aware of the purpose of the Business Council Working Group.

**2. Economic Development Plan**

Background information was provided on the town's Economic Development Plan. Essentially, the plan stresses the importance of focusing on the quality of life for the people of the town. Economic development is providing an environment for citizens to create community and individual wealth by seizing business and employment opportunities. Copies of the plan had previously been circulated to committee members.

**3. Draft Terms of Reference**

The draft terms of reference, circulated with the agenda, were reviewed. They were approved with the following changes:

- i) Purpose – The Business Council Working Group will consider (but not limit itself to):
  - o Business and business property tax rates
  - o Development permit process
  - o Permit fees
  - o Communications and working with the business community
  
- ii) Deliverable - The Business Council Working Group will develop a preliminary report by May 1 with the final report to the Economic Development Committee by June 1.

**3. Next Steps**

The committee discussed the next steps. It was agreed that a comparison of other towns' business and business property tax rates and permit fees would be appropriate. The towns to be compared will be Bay Roberts, Marystown, Gander, Grand Falls-Windsor and Deer Lake. This will be done after the towns have completed their budgeting process in January.

A flowchart will be developed to look at the development permit process. A discuss occurred regarding the impact that Government Services has on the permit development process.

Communications and working with the business community will be discussed once the finding of the tax rates, permit fees and permit process are known.

4. **Other**

The next meeting will occur in February 2007 once the information referenced above has been gathered. The Chair will provide an update to committee members in January as to the progress being made.

## **Business Council Working Group**

February 28, 2007 12:00 – 1:00

Town Hall

Present: Lisa Browne (Chair), Councillor Paul Tilley, Councillor Frazer Russell, CAO Dave Strong, Bill Farrell, Chamber of Commerce Representative, Roy Percy, Business Representative, Sonya Matthews, Business Representative

### **1. Previous Minutes**

Minutes from the November 14 meeting were review and adopted.

### **2. Tax and Permit Rates**

Tax and permit rates were presented from Bay Roberts, Marystown, Gander, Grand Falls-Windsor, and Deer Lake. There was a general discussion around the rates and the difficulty in comparing total taxation levels across jurisdiction. Dave suggested that for the next meeting a calculation would be done using a common base line of \$100,000 in value to see what it would mean in terms of permit fees and taxes in each community.

Roy inquired if the quality of furnishings in a building was a factor in determining property value. Dave indicated that fixtures/equipment was not a factor however he will check with the assessment agency and report at the next meeting.

Frazer brought forward that there is a perception in the community that assessed values were high. He also wondered if spreading taxes over a monthly basis instead of the current system could be implemented. Dave indicated that assessments are not done by the Town and business owners can appeal their assessment if it is too high. As for the ability to spread taxes over the year Dave indicated that the Municipalities Act precluded this with June 30<sup>th</sup> being an established deadline however he will confirm that with Municipal Affairs and report back at the next meeting.

There was a discussion around the different levels of enforcement of development regulations. The level of complexity and enforcement varied greatly across municipalities with no consistency.

The turnaround time for commercial application was discussed. It is apparent that the delay primarily rests with the Provincial Government getting comments back on plan reviews. It was suggested that this be an issue that Council should address with the Provincial Government to have remedied.

### **3. Other**

Roy mentioned the need for a positive public relations campaign which should be implemented with the business community as the current perception is that Council may not be business friendly. Lisa responded that the present Council has done a great deal to improve communications with all taxpayers and that this working group is an example of how they are trying to work with business. This will be put on the agenda for the next meeting. It was agreed that it is important to share the results of the working group when completed with the target audience.

Next meeting to take place after April 31, 2007.



## **Business Council Working Group**

May 15, 2007

12:00 – 1:00

Town Hall

Present: Lisa Browne (Chair), Councillor Paul Tilley, CAO Dave Strong (by phone), Bill Farrell, Chamber of Commerce Representative, Roy Percy, Business Representative

Regrets: Councillor Frazer Russell; Sonya Matthews, Business Representative

### **1. Previous Minutes**

Minutes from the February 28, 2007 were reviewed and adopted.

### **2. Business Arising**

Dave reported on the following information arising from the February meeting:

- Furnishings do not impact on property values. From an assessment perspective, walls, floors, etc. would be considered.
- While it is permissible for a town to enter into tax agreements with any business, the spirit of the legislation is that the taxes are paid by March 30.

### **1. Tax and Permit Rates**

*(CAO Dave Strong joined by phone)*

Tax and permit rates for the towns of Bay Roberts, Marystown, Gander, Grand Falls-Windsor, Deer Lake and Clarenville were presented based on a commercial building valued at \$100,000 for comparison purposes. While it was noted that Gander's taxes seem low in comparison to the other towns, they have a very strong residential base with double the population of Clarenville. Clarenville has more infrastructure and hence the cost of running the town is more costly in Clarenville than Gander. Also important to note that the average value of a building is much more in Gander than in Clarenville.

A couple of outliers in the tax classes were noted:

- drydocks/shipyards – significant difference between Clarenville and Marystown but the Marystown facility is significantly larger
- fish plants - significant difference between Clarenville and Marystown
- professional services- Clarenville highest – mil rate is high in this class

It was agreed that the review was a good exercise and very revealing. Suggested that the document be reviewed as part of next year's budgeting process.

A discussion occurred regarding making it easier for businesses to pay taxes. The following comments

were made:

- when get monthly statement, reminder is stamped on the statement although it's not a reminder – this turns people off
- good to give businesses flexibility re tax payments such as pay by April 1 and have no interest or over one year with interest. The importance of balancing cash flow and administration were noted.
- developers must pay property tax in first year before subdivision development occurs; some towns encourage development by phasing in taxes. CAO Dave to develop a proposal around this for Council's consideration. It was noted that this should not wait for the BCWG report to be completed as this is the time when developers move forward with subdivisions.

*(CAO Dave Strong left the meeting.)*

## **1. Communications**

The importance of communicating with business and all residents was emphasized. The following points were suggested:

- put the newsletters in waiting rooms (i.e Percy Drodge waiting area)
- allow people to submit emails on the website and forward notices about what's happening on a regular basis
- have a contest on the website
- add guest book – people really enjoy reading the comments

Working Group members were encouraged to visit the town website which has recently been redone and has been getting lots of hits.

## **5. Other**

Lisa indicated that there will be one more meeting of the group and a report will be submitted. Bill and Roy wondered whether or not the group should continue. The intent of the group was to be disbanded after the report was submitted. This will be discussed at the Economic Development Committee.

## **Business Council Working Group**

June 27, 2007

Town Hall

8:00 a.m.

Present: Lisa Browne (Chair), CAO Dave Strong (by phone), Bill Farrell, Chamber of Commerce Representative, Roy Percy, Business Representative, Sonya Matthews, Business Representative, Councillor Frazer Russell

Regrets: Councillor Paul Tilley, Bill Farrell, Chamber Representative

### **1. Previous Minutes**

Minutes from the May 15, 2007 meeting were reviewed and adopted.

### **2. Report Review**

The BCWG report had previously been distributed by e-mail. It was reviewed and agreed it forward it to Council. Committee member agreed the report was a reflection of the issues discussed. They indicated the importance of including the minutes as part of the report and making the report accessible on the website.

### **3. Other**

Committee members were thanked for their assistance and dedication to the town.