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Halifax Chamber of Commerce

2018 Municipal Issue Note

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Prepared For:

Mayor Mike Savage & Councilors of the Halifax Regional Municipality

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Introduction

The Halifax Chamber of Commerce is a business focused organization that represents over 1,600 members and over 65,000 employees in the Greater Halifax Area. Halifax represents 56%¹ of the GDP for Nova Scotia and 45%² of the population. In our new 2019-2023 Strategic Plan we are striving to create value and prosperity for our members. We will provide services our businesses need, and we will continue to advocate for the conditions in the economy that enhance their prosperity. Please find attached our 2019-2023 Strategic Plan visual for your consideration.

Each year, the Halifax Chamber of Commerce submits a note to the City, detailing the issues that affect our members, our concerns for the upcoming year and the current and past projects that are beneficial to the growth of the city. This year, the issues we are presenting range from entrepreneurship training to export development to the reduction of the regulatory burden facing businesses daily. Our task forces, “Fostering Private Sector Growth” chaired by Paul Bent and “Accessing the Skilled Workforce” chaired by Don Bureau, will focus on the following goals.

- Optimizing the Impacts of Government
- Creating a Frictionless Business Environment
- Supporting Export Development
- Reducing the tax burden
- Promoting Immigration
- Student Retention
- Entrepreneurship Training
- Promote the Growth of Halifax as a major city.

We look forward to hearing your comments as they will help guide our Task Forces and staff in the creation of our annual Pre-Budget Submission.

Advocacy Asks

- Municipality balance the budget through expenditure reductions, rather than tax increases
- Implement commercial tax reform without raising taxes on the commercial sector
- Utilizing the tools, we currently have for Cannabis regulations rather than funding additional by-law officers that might not be necessary
- Projects, whether municipal run or in partnership with other stakeholders, are transparent and allow the public to provide input and review the projects that affect their business and life in Halifax

¹ <http://www.halifaxpartnership.com/en/home/economic-data-reports/halifax-index/halifax-profile.aspx>

² IBID

Optimizing the Impacts of Government

Vacancy rates for commercial buildings are finally dropping³ and more businesses are occupying the vacant spaces in the municipality. This, we suspect, should increase the Municipality's overall tax base and potentially reduce the need for future tax increases. We are aware it normally takes between 3 and 4 years for the market to adjust to its new capacity, and as Halifax building investments continue to grow and be completed, we hope to see the rate decline steadily.

- We were concerned with the increase to the residential taxes by 1.97%, even though there was an average decrease of 1.1% in commercial taxes there still was an increase to commercial tax rate. We hope that the Council appreciates how significant these increases are on a businesses bottom line. We continue to ask that the municipality balance the budget through expenditure reductions, rather than tax increases.
- We have attended two tax sessions with the Municipality and are hopeful that the potential changes to the tax rate, like tax rate averaging, will reduce the peaks and valleys of a businesses tax bill for greater consistency and clarity. We hope you continue to hold stakeholder sessions which are very beneficial for our members and for our ability to advocate for common-sense tax ratios. We ask that the municipality implement commercial tax reform without raising taxes on the commercial sector.
- The cost, an expected \$3.3 million per year, for new by-law officers and training for police and fire, for the legalization of cannabis, will be a large addition to the municipalities spending. It is the Chamber's view, as well as the Federal Government, that the money needed will flow from the Provincial government's cannabis profits. We are also in favour of utilizing the tools we currently have rather than funding additional by-law officers that might not be necessary. We support a watch and learn approach.

Creating a Frictionless Business Environment

The current regulatory environment for businesses is improving. Governments, such as HRM, are working in partnership with other levels of government and stakeholders to ensure entrepreneurs and their employees have the best chance of succeeding. Growth in the business sector is needed for growth in our municipality.

- The Chamber is looking forward to reading the Joint Project for Regulatory Modernization Action Plan that is addressing the regulatory burden caused by rules, requirements, and processes that are unnecessary, complex, outdated or redundant⁴. We are pleased with the partnership with the Provincial Department of Regulatory Affairs & Service Effectiveness. Navigating the municipal regulatory environment is often a topic of discussion with our members at roundtables and events so this project will help alleviate some of the barriers to opening a new business and/or continuing a current one. We are also awaiting the final 10% of the goal to update process maps and communicate current service targets to business customers for development applications⁵. We hope that this will improve service targets and create more realistic timelines for our members.

³ <https://www.reminetwork.com/articles/halifax-office-vacancy-rate-dips-modestly/>

⁴ <https://www.halifax.ca/business/doing-business-halifax/reducing-red-tape>

⁵ <https://www.halifax.ca/business/doing-business-halifax/reducing-red-tape>

- Our 2017 issue note we stated our request for a pro business approach and consistent service standards, especially when it comes to sign by-laws. Our members are looking forward to reading the completed amendments to temporary sign by-laws which will streamline licences applications and hopefully reduce time spent filling out paper work and submitting fees.
- Our members are very glad to hear that the Municipality will be implementing the necessary actions to introduce the Auditor General's 10 recommendations to make government more efficient. The continuation of the Joint Project for Regulatory Modernization project will be beneficial to the partnership between government and the private sector.
- We met with CAO, Jacques Dubes, at our September Board of Directors meeting, where we were pleased to hear of the work the Municipality is doing to ensure service improvements, streamlining development approvals, pragmatic approaches to planning and strategic management. We want less, or more specifically, zero barriers for new and current businesses. An efficient and effective government will mean better, faster, cheaper and easier processes for opening and doing business.

Promote the Growth of Halifax as a Major City

Our Municipality needs to grow and evolve. Through thoughtful planning and evaluation, changes can be beneficial for residents and businesses. There have been many physical changes to our municipality which we feel will help accommodate new businesses and any addition to our population. We were also pleased to hear that Halifax has seen over 5000 new people choose to reside in our municipality and that 3000 new jobs have been created this year. We hope to see these numbers continue to climb and for our retention rate to increase as well.

- We are looking forward to the final draft of the Centre Plan document and the answers and further details it will provide our members. We will be following the Community Design Advisory Committee for their review of Package A and the review from stakeholders.
- We are pleased to see the Government of Nova Scotia, more specifically the Department of Energy and Mines, has allotted the municipality \$440,507 for the Connect2 program⁶. We are specifically pleased to see how the \$30,000 is used for the development and implementation of the “integrated way-finding system” which will “include some elements that cater to visually impaired people and others who orient themselves using means other than visual aids”⁷.
- The Halifax Chamber is always pursuing projects that will make our municipality a vibrant place to live and work, and we look forward to the final design of the Cogswell District Redevelopment Project and have been attending public engagement sessions as well as encouraging our members to have their voices heard. The new design for the Cogswell Interchange will allow for buildings to occupy businesses as a mixed-use development and it will also be living space for 2500-3000 people, making it easier to work and live in the same place.

⁶ <https://www.thestar.com/halifax/2018/08/31/province-ponies-up-for-halifax-transportation-projects.html>

⁷ <https://www.halifax.ca/sites/default/files/documents/city-hall/standing-committees/170518cpedinfo2.pdf>

- As per our recent municipal pre-budget submission, we continue to ask that projects, whether municipal run or in partnership with other stakeholders, are transparent and allow the public to provide input and review the projects that affect their business and life in Halifax.

We would like to see the availability of transportation options increase between places of work, shops and living spaces, as this would promote residents to shop local, live near their workplace and chose alternate methods of transit. The Integrated Mobility Plan is an integral piece for mobility in the municipality and we look forward to seeing the final project and its projected achievements.

- We are very happy with the decision to utilize a mobile payment application for parking within the municipality. Finding parking, especially downtown Halifax, can be a challenge, so making the process more efficient and effective is very valuable for our members. We are looking forward to what other applications the municipality adopts for transportation.
- Commuter rail continues to be a common topic of conversation during our task force meetings. The Halifax Partnership study revealed that 66% of respondents supported or strongly supported a new commuter rail system⁸. While participants were not informed of the capital costs associated with commuter rail, we support the municipality in further the commuter rail study and await the report from the \$500, 000 set aside for the study.

We look forward to your feedback as it is used during our task force meeting(s) to research and create our pre-budget submissions. If you have any questions or would like to clarify something we have said, please do not hesitate to reach out. The Chamber has enjoyed a productive working relationship with Council in the past and we look forward to continuing this dialogue in the future. We strongly believe in the economic future of our municipality and will work with our over 1,600 members and their over 65,000 employees to continue championing positive change in Halifax.

Sincerely,

Patrick Sullivan



President & CEO, Halifax Chamber of Commerce

⁸ [http://www.halifaxpartnership.com/site/media/Parent/GHP_HalifaxIndex_June-06-2018_WEB\(2\).pdf](http://www.halifaxpartnership.com/site/media/Parent/GHP_HalifaxIndex_June-06-2018_WEB(2).pdf)

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