



YOUR BUSINESS COMMUNITY ADVOCATE

Putting Gilbert Back To Work

Gilbert Chamber of Commerce 2009 Local Public Policy Priorities

June 23, 2009

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TO: Mayor and Town Councilmembers

The Gilbert Chamber of Commerce believes we must create an environment that will foster business growth and stimulate activity that will put Gilbert back to work; which in turn creates a community that is an attractive place to live, conduct business, shop, work and play. As outlined throughout this document, we believe that sound business development policy decisions are essential to balancing efforts to operate sound municipal services and cost-effective government.

As the Town matures, the need to update policies and processes is critical to address new market trends and to keep up with new ways of doing business using technology and other resources. We appreciate the Town's focus on development services policies and procedures to make it easier for businesses to build and open here in Gilbert. The time and resources expended to do a thorough review of these policies will pay dividends for years to come.

Throughout this priorities document we have outlined the Chamber's positions on business-related issues that have come before the Council in the past and/or may come forward in the future. By putting these priorities in writing it is our intent to provide both Town Council and staff a better understanding of our philosophy and perspective on several issues and to help expedite decisions regarding our involvement in the appropriate Town processes.

On behalf of the Board of Directors, I would like to welcome the new Mayor and Council members and personally thank each of you for your commitment to a pro-business environment and for your consideration of these priorities. We look forward to continuing our partnerships with the Town to help support our business community and the community at large.

Best regards,

Laurie Eberst
Chairman of the Board



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Periodically, the Gilbert Chamber of Commerce evaluates the business climate in Gilbert by looking at the impact Town policies and proposals have on businesses and by gathering information from local officials and our members. Based on these evaluations, the Chamber determines certain priorities that it believes are important for local policy-makers to consider. A main theme is the Chamber supports economic policies that will most directly promote the attraction and the retention of businesses. To this end, we present our 2009 Local Public Policy Priorities.

SETTING THE STAGE FOR A PRO-BUSINESS CLIMATE

It is important the Town of Gilbert be known as an innovative community that supports a pro-business climate. We appreciate the Town's focus on development services policies and procedures to make it easier for businesses to build and open here in Gilbert. The time and resources expended to do a thorough review of these policies will pay dividends for years to come. The Chamber supports the Town's efforts to simplify tenant improvement, certificate of occupancy, and shortening the entitlement processes, as well as, predictable and competitive fees. We look forward to partnering with the Town on these efforts.

The Chamber also supports the Town Council's decision to move forward with creating a Preferred Company Environment, with healthcare related industries as the first step to gaining national recognition for our Town and business development efforts. We are committed to providing resources to move this effort forward.

Small businesses make up the majority of the Town's inventory of revenue generators. In addition to attracting high-wage industries, we urge the Town Council to continue work with the Chamber to create policies and programs to help small businesses be successful in Gilbert.

While actual construction and expansion decisions have slowed during this economic downturn, Gilbert needs to be prepared to move quickly when the tide turns. The types of businesses we want to attract to Gilbert are going to expect a community that has

infrastructure in place and sufficient building inventory. Non-existing infrastructure within our business parks could easily take Gilbert out of the running for larger companies looking to relocate. We understand the many priorities and limited government funds the Council must consider, however, creative private/public partnerships should be carefully explored to build the infrastructure in designated business parks needed to attract new businesses.

➤ **Tenant Improvements, Certificate of Occupancy, Fees, Registrations, Licenses, Permits, Inspections and Code Requirements**

One of the main themes of this document is the simplifying of tenant improvement, certificate of occupancy, and entitlement processes that will help small businesses open their doors. The Chamber has been active in these discussions and continues to offer our services as the Town explores new processes, technology resources, and training for staff to help small businesses understand the requirements of opening their businesses.

We appreciate the Town's decision to not charge businesses for the new requirement of annual fire inspections. Based on the feedback received from businesses, the fire inspectors have been very friendly and helpful in notifying businesses of the requirement to register their business or obtain a certificate of occupancy. We understand the Town requires these items to identify the type of business and whether they have hazardous materials that may end up in our waste water treatment system or provide a potential hazard for firefighters. We understand the importance of assuring the business provides a safe environment for their employees and customers.

We believe the Town should integrate a technology software program that connects the various departments so businesses can easily find information on all registrations, fees, licenses, permits or other items required to open their business in a one-stop type process and allow payment of these fees at one time on an annual basis. Also, we would like to recommend expanding the role of a current Development Services employee(s) to serve as a dedicated resource to help small businesses understand the above mentioned items and to be the go-to person when a business runs into delays opening their doors due to Town requirements. Predictable and affordable fees and processes will help small businesses maneuver through the process with the least amount of delay.

We'd also like to see an on-line tutorial for new businesses to view that includes fillable, downloadable forms that would include payment options. In the past, the Chamber has published a guide on "How to Start a Business in Gilbert" and the brochure relating to the top ten things you must know to open a business. We are looking to update these documents and would like to work with the Town to do so and/or develop new printed and on-line tools.

As the Town continues to mature and demographics shift, older neighborhoods become more rundown and vacancy occurs as businesses relocate to newer areas of Town. We believe the Town should be pro-active in designing a plan to address maturing neighborhoods to ensure they are kept safe, maintained and in some cases enhanced.

The Gilbert Chamber supports the current sign code and amendments that were recently approved as they strengthen business visibility, which in turn translates into additional sales tax dollars for the Town of Gilbert. Since economic recovery is anticipated to be slow in the near future, we may want to pro-actively revisit new and innovative signage products that may help small businesses promote their business and sales.

➤ **Protecting Commercial and Employment Zoning**

As the Town goes through the process to update the General Plan, we feel the Town should use this opportunity to examine whether the need to expand the amount of employment acreage is needed as well as maintaining commercial and employment growth which is essential to the Town of Gilbert's fiscal stability.

As in the past, the Chamber once again strongly recommends the Town of Gilbert protect all current commercial and employment land use and not allow downzoning to occur.

Protecting employment land use is critical to the Town's ability to attract new businesses and to encourage current businesses to expand. New and expanded businesses create a strong employment base, which in turn results in increased employment opportunities, bringing more tax dollars to the Town. We urge the Council to protect commercial and industrial land designations and to thoroughly evaluate the long-term impact of eliminating industrial and commercial land for other uses prior to making any decision to do so. It is extremely critical that commercial and employment land use is protected along the Santan corridor.

The Chamber does not support separation policies as it pertains to business locations other than appropriate distances from schools or religious assemblies as currently dictated in code.

➤ **Incentives**

The Chamber continues to support the limited use of incentives to draw business to the Town when such incentives do not unreasonably increase the taxes and fees paid by current Town businesses and there is a benefit to the Town from the business that is being incentivized.

➤ **Eminent Domain**

The Gilbert Chamber of Commerce commends the Council for its continued restraint in using eminent domain for redevelopment in the Heritage District. Personal property rights should be protected. We support the ability to have eminent domain as a tool in our Town's economic tool kit; however, we believe it should be exercised in only extreme situations closely following the current statutory language.

TAXATION AND FEES

➤ **Taxes**

The Chamber supports taxes that have a direct relationship to the provision of basic and necessary services and supporting infrastructure. While we are cognizant of the costs of providing necessary infrastructure and services to the community, the costs of those services and infrastructure should not be inordinately born by businesses which pay a disproportionately larger amount of property taxes than do homeowners. Any increases in business taxes and fees during this economic downturn are detrimental to the attraction, retention and survival of businesses. We urge the Town to decrease spending patterns and carefully weigh the negative impact of increasing taxes and fees on businesses.

➤ **Fees**

The Gilbert Chamber of Commerce acknowledges the need to charge fees to cover the cost of providing a service or expanding a service because of growth or aging infrastructure. However, all fees (license, application, use permit, building permit) should be based on the cost of services and should not be out of line when compared to that charged in neighboring communities. While nominal fee increases may not seem excessive when taken by themselves, the cumulative impact of such increases is to adversely affect our efforts to attract and retain businesses.

We appreciate the Town changing fee reviews and recommendations for changes to an annual cycle. Fair and consistent fees are important as financing for projects are often times based on current fee structures which are not charged until a permit is pulled; unexpected increases could jeopardize the company's ability to move forward with a project.

The Chamber supports the methodology used for system development fees and the philosophy of growth paying for itself. This methodology was originally intended to provide a consistent revenue source for future projects with an anticipated minimal annual increase. The Town's stakeholders group and introduction of the justification reports has helped tremendously in keeping fee increases lower than in the past and also keep cost considerations current.

➤ **Capital Improvement Projects**

The Town's new process of reviewing proposed capital improvement projects and weeding out the unnecessary and/or excessive projects has been beneficial to not only the stakeholders group but the public in general. We support a continuation of current Town efforts as well as stakeholder involvement in the review of such projects. A

significant factor underlying the need for increased taxes and fees is the cost of the Town's capital improvement projects. The Gilbert Chamber of Commerce recommends the Council take into account the cost of maintenance and operation when considering the cost of new capital improvement projects. We recommend an evaluation of whether or not the need for the project justifies the construction, operation and maintenance costs of the project in terms of present and future impact on the Town's General Fund, and the impact of the project on system development fees before any such projects are approved.

➤ **Bed Tax for Tourism Promotion**

With the number of hotels opening along the freeway and close to the SanTan Mall and Mesa-Phoenix Gateway Airport; the Chamber has been asked by our members what the bed tax will be used for and will it help to promote visitors to stay in Gilbert. The Chamber encourages the Council to support using bed tax money to partner with regional tourism efforts to market our area to visitors.

➤ **Accepting Federal Funds**

The Chamber believes that prior to accepting any federal funding grants; the Town must consider all long-term implications and commitments associated with those funds. Of most concern is the commitment to cover maintenance and operation costs after a short period of time when the Town may not have the capacity to do so or the need to invest in additional infrastructure to support the project/equipment the funds purchased.

IMPORTANCE OF MAINTAINING REGIONAL PARTNERSHIPS

The Town of Gilbert has a history of working closely to share costs of projects with other entities and the Chamber supports continuing these efforts such as Phoenix-Mesa Gateway Airport.

➤ **Phoenix-Mesa Gateway Airport**

The Gilbert Chamber of Commerce recognizes Phoenix-Mesa Gateway Airport as an economic engine for Gilbert and the East Valley. The Chamber continues to oppose any legislation that will adversely affect its ability to grow and attract industry to the area. To ensure future commercial and employment growth, the area surrounding the airport must be protected from residential encroachment. The Chamber supports the Town of Gilbert's financial commitment to the airport as well as building partnerships to attract businesses to Gilbert that will support those on the airport.

TRANSPORTATION

The Town has made great progress on the construction of or the improvement to arterial roads within the Town limits in the past several years. The Gilbert Chamber of Commerce promotes effective use of resources for the development, preservation and improvement of the roadway system and connections throughout the community to provide quality mobility, traffic control, quality of life, economic vitality and safety. The efficient and effective movement of goods, employees and customers is essential to business success in Gilbert.

➤ Multi-modal Transportation

The Gilbert Chamber of Commerce urges the Town of Gilbert to support bus routes on major arterials, as well as through larger business parks, so employees can get to Gilbert jobs and consumers can get to Gilbert retailers. To succeed, the buses must be frequent, convenient, and have schedules easy to understand. In addition, we support the Town of Gilbert actively participating in regional commuter-rail discussions. Regional connectivity to the light-rail system should also be considered in the future as well.

➤ Road Construction/Access to Businesses

During the construction phase of street expansion and repair throughout the community, the Gilbert Chamber of Commerce urges the Town of Gilbert to continue its efforts to minimize the negative impact on businesses. Efficient “business access” signs and thoroughfares will make the difference between a business’ success and closure. The ability to take advantage of free banner placement during construction is of monumental help to those businesses as well.

➤ Santan Freeway

The Gilbert Chamber of Commerce supports the acceleration of the additional general purpose lanes and expansion of HOV lanes along the Santan Freeway as a way to more efficiently move traffic in and out of the Town. The Chamber also supports the Town’s involvement in regional transportation planning, especially as it pertains to the Santan Freeway connection through Queen Creek and discussions regarding Hunt Highway.

HERITAGE DISTRICT REDEVELOPMENT

We agree the Gilbert Heritage District is the historic and symbolic center of the community. The Gilbert Chamber of Commerce supports the adaptation of historic and significant properties to uses that will have a positive impact in the downtown area and serves to draw citizens to the area. The Chamber supports the goals of the Gilbert Heritage District Redevelopment Plan and the efforts to coordinate the Plan with the Heritage District Guidelines so businesses can better understand expectations of developing downtown.

Many improvements to the downtown streetscape and attraction of unique projects have taken place; however, we believe the implementation of the redevelopment plan's goals could be more efficient and timely with additional dedicated Town resources to the downtown area.

The Gilbert Chamber of Commerce thanks the Council for their support of preserving the water tower in conjunction with the Water Tower Plaza project. This project will serve as a community gathering place and focal point in downtown for generations.

To aid in the development of the Heritage District as a destination center for Gilbert, the Gilbert Chamber of Commerce supports decisions that will allow the tourism/visitors center to remain in the Heritage District.

The Chamber also supports the Town's use of private/public partnerships to build a parking structure in the Heritage District.

PUBLIC SAFETY

The Gilbert Chamber of Commerce understands the vital importance of public safety for continued success of the community by protecting lives, rights, property and privileges of its residents and businesses. The Chamber supports efforts to ensure adequate resources for cost effective and efficient public safety services for the Town of Gilbert.

WATER

The current plan for providing water infrastructure to the Town seems to be adequate for build-out. The ability to buy water rights in the future and replenish ground water quickly is of bigger concern. We recommend the Town continue its current effort to secure water rights and to consider future water needs as decisions are made about land use, height, and types of development.

ENVIRONMENT

The Chamber supports the Town's creation of an Environmental Task Force this past year to look at environmental options for the Town. We also applaud the new Mayor's indication of support for future energy efficient alternatives. Along these lines, the Chamber supports initiatives on the part of the Town to provide incentives for energy efficient operations and urges the Town to put a priority on streamlining the permitting process and code requirements for energy saving and efficient options pursued by Town businesses and residents.

RECALLS AND REFERENDUMS

Recalls, referendums and political indecisiveness make it difficult to attract new business into our community. Recalls and referendums create negative images which slow economic development, cost the community approximately \$150,000 for special called elections, and make it difficult to attract good leadership and businesses to the community. The Chamber believes sound, consistent and well-supported decisions by the Town Council will help deter the need for recalls and referendums. However, the Chamber does not believe the Town should reverse sound decisions when faced with the threat of a referendum. It is important that businesses be able to rely on consistency from the Town in supporting its decisions.

6/18/2009