



Public Hearing, City Council Chambers

7:00 PM, March 22, 2004

**Proposed Drinking Establishment Bylaw
Presentation by Jackie Brooks, 2nd Vice President
Red Deer Chamber of Commerce**

Good evening Your Worship, representatives from the Red Deer business community, and members of the public.

Thank you for the opportunity to address you on this important issue. I am Jackie Brooks, 2nd vice president of the Red Deer Chamber of Commerce.

The Chamber represents over 860 member businesses. We view the economic health and safety of our community as a partnership.

The City is the heart of our standard of living. The businesses create the jobs, opportunity and prosperity. This is why the Red Deer Chamber of Commerce believes it has a responsibility to provide comment, direction, and support to the City's decision making process.

The Red Deer Chamber of Commerce acknowledges a problem of litter, graffiti, noise, rowdiness, and property damage exists in the Downtown bar area. We commend the City and downtown businesses for working together to address these problems.

We also commend the City for maintaining a competitive business property tax rate and for eliminating the business tax some years ago. I'm sure that all of us agree that a competitive local tax regime attracts new businesses and encourages growth in existing firms. These, in turn, drive the prosperity of our area.

The Red Deer Chamber of Commerce, however, fears the introduction of the proposed Drinking Establishment Licensing Bylaw as a solution to the existing problem. We have three primary reasons for this concern which I will highlight.

I am also pleased to provide several alternate approaches as we are all in agreement that the problems which have been identified MUST be resolved.

Our first two concerns are that the Bylaw focuses on a tax or user fee.

- I) If it is a tax, then we respectfully point-out that businesses in Red Deer already shoulder a disproportionate burden of tax.

We pay \$2.00 for every \$1.00 paid by a residential property owner despite the fact that studies show that businesses often use fewer municipal services, like garbage collection, than residential property owners.



When administration and licensing fees like the ones being considered here tonight are introduced, they provide the optics to appease voting residents, while placing the burden on businesses with no political or voting recourse.

The result is not fair or equitable.

- 2) Our second concern is based on the explanations of the problem identified in the February 11, 2004 Memo from Greg Scott to Kelly Kloss.

The Memo indicates that the proposed Licensing Fee is designed to “raise revenues to assist with Bylaw enforcement”. The Background goes on to specify that the reasoning for the Bylaw is “to address the issue of safety and security around the Drinking Establishments.” It further identifies that the primary and perhaps only concern lies in the Downtown.

These messages are reiterated in the second and third WHEREAS statements in the proposed Bylaw. These read:

AND WHEREAS the operation of Drinking Establishments in the City of Red Deer has resulted in a significant increase in problems associated with the use of Drinking Establishments by patrons, including disorderly conduct, violent altercations in the street, breaches of traffic and parking regulations, vandalism, littering, noise, and other disturbances of the peace;

AND WHEREAS the City of Red Deer has incurred substantial additional expense in order to deal with these problems, including increased costs related to policing, bylaw enforcement, and street cleaning;

The license and administration fees may therefore be viewed as user fees.

The Canada West Foundation, in its materials on addressing municipal funding challenges, clearly specifies that user pay systems must promote “effectiveness, equity, and efficiency”. People should pay for what they use and the right amount of service should be provided at the right price.

As all of you know, the purpose of a user pay system is to dispel the myth that public services are free and to create a new dynamic for individuals or organizations to cut back on consumption to save money. User fees should force people and organizations to realize the actual costs of their behaviour.

The proposed Drinking Establishment Licensing Bylaw applies to many establishments that have had few or no incidents of the problem behaviour identified in the Memo’s Background and the WHEREAS statements.

As a result, it is highly unlikely to result in the improvements the Bylaw seeks to achieve.



Downloading costs to businesses that are not at the root of the problem is not equitable or transparent.

When one combines this with the City staff's acknowledgement that the recommended charges are unlikely to cover the costs of operating the enforcement program, it makes the proposal that much more problematic.

- 3) Our third concern focuses on items specifically identified in the proposed Bylaw. These include the following:
- 8(b)(ii) which specified that these bars are responsible for (I quote) "the vicinity of the Drinking Establishment". This property may not even belong to them and which may be some distance from their buildings.

It is our understanding that some of the problems take place blocks away from the Drinking Establishments and it would be difficult if not impossible to determine which bars the perpetrators had attended. Responsibility on behalf of a particular bar would then be very difficult to determine.

Item 13 indicates an appeal process which is not objective. Bylaw enforcement is responsible to the City. The City mayor and manager to whom Bylaw enforcement officers are responsible, are then the judge and jury with only one additional independent person. We respectfully suggest that, though we agree an appeals process must exist, the one in the proposed Bylaw is not arms-length enough.

Item 16 seems to indicate that additional inspections are required of Drinking Establishment premises. These bars are already subject to inspections from food inspectors, fire inspectors, and others.

The Chamber of Commerce has and continues to encourage the City to operate as efficiently as possible. Adding an additional layer of inspections and inspection personnel may not be the most efficient way to approach this – from the perspective of manpower and costs.

The Red Deer Chamber of Commerce cannot emphasize enough, that we are fully in agreement that the safety issues exist and that our community has experienced increasing costs as a result. We also agree that this **MUST** be resolved.

Our interpretation of the material provided and discussions with local bar owners throughout the City does indicate, however, that the problem is primarily localized to the Downtown Drinking Establishments. For this reason, we believe that the resolution lies there and not as a blanket across an entire bar business sector.

As a result, the Chamber strongly recommends that the City take another look at the cause of the safety and security issues and consider our alternatives instead of passing the proposed Bylaw.



- 1) First, we recommend that solutions to the problem should place primary responsibility for behaviour with the bar patrons who are causing the problems when leaving the Drinking Establishments. Their actions clearly contravene existing laws.

In addition, we understand that the City is looking into Bylaws to better enforce more appropriate behaviour. The Chamber commends you for this and encourages the City to explore this option fully.

- 2) Our second recommendation places more responsibility with the Drinking Establishments that may be contributing to the unacceptable behaviour demonstrated by the bar patrons.

We suggest that formal agreements be made directly with the Drinking Establishments of concern. These would clearly outline the responsibilities they have for their premises, the vicinity for which they are responsible, and harsh penalties for noncompliance.

The Chamber recommends that the resolutions and penalties focus on those Establishments that are repeatedly found to be at the root of the safety and security issues. Only they can change the outcome and they will if the problems and penalties are linked to them and not spread across an entire business sector.

- 3) Finally, if the proposed Bylaw does proceed, we strongly recommend that where possible and where required, the inspection force and administration should be provided from within those that already exist. Drinking Establishments are already visited by a wide range of inspectors. Efficiencies may exist by putting any inspection duties on one of those bodies.

The costs associated with this should be funded by fines for safety and security infractions that are directly linked to specific Drinking Establishments.

In summary, the Red Deer Chamber of Commerce acknowledges the magnitude of the safety and security issue as it relates to the Downtown Drinking Establishments. We also agree that these issues must be resolved.

We do not view the proposed Drinking Establishment Bylaw as an appropriate solution as it diffuses responsibility and costs across a broad segment of the bars which are not causing the safety and security concerns.

Behavioral change is more likely to occur if both the bar patrons and the Drinking Establishments that are causing the problems are held directly accountable through an appropriate, cost-recovery, penalty system.