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Growing your Small Business in Gainesville:

A Conversation with City Leaders

Feedback and Recommendations

June 20, 2013

On May 13, 2013, Mayor-Elect Ed Braddy and the Gainesville Area Chamber of Commerce collaborated to present “Growing your Small Business in Gainesville: A Conversation with City Leaders.” Over 130 people gathered together to share constructive insight and hear actionable ideas on supporting small business development. This dialogue facilitated public discussion between Gainesville small business owners, City of Gainesville City Commissioners and City of Gainesville general government staff. Company presentations and small group discussions focused on the following five stages of business development: conception, start-up, growth, expansion and established. Feedback and recommendations received for the City of Gainesville are synthesized in this report.

Feedback

I. Conception

The conception phase encompasses the first year of business. Feedback received reflected dissatisfaction and frustration with City of Gainesville's general government assistance. It was noted that many barriers for small businesses lie between the conception and start-up phases. Business owners need comprehensive and consistent information at this juncture.

Key challenges encountered with the general government involved a lack of accessibility and simplicity. A four-day work week and complex website were specific problems cited. A five-day work week, centralized online portal, and printed pamphlet with clear guidance regarding permits, procedures, and resources were recommended. "I'd like to see a one-stop location to serve as a roadmap for new small businesses," suggested Dave Wise of Big Frog Custom T-Shirts & More.

Many business owners have expressed deep concerns about compliance costs, complexity, and a general lack of transparency regarding difficulties complying with local ordinances and regulations. Gainesville City and Alachua County governments must focus on reducing the time and cost associated with obtaining zoning compliance permits, business licenses, wellfield exception permits, and a host of other costly and time consuming permitting hurdles small businesses face.

In lieu of immediate large scale reductions in the number and cost of permits local governments currently require for new businesses, a central, "one-stop" City of Gainesville office that provides assistance to businesses seeking to comply with permitting and licensing processes could streamline a process widely regarded as opaque, time consuming, and costly. Workshops should be held and information be given to new businesses on collaborating with business mentors through resources such as the Chamber, SCORE, and Small Business Development Centers (SBDCs).

II. Start-Up

The start-up stage spans years one through five of the business development cycle. Business owners are often confused by the quantity, opacity, and costs of the various steps required for compliance with local regulations. A number of business owners have described a feeling of general helplessness when interacting with general government staff.

Poor customer service experiences emerge as a recurrent theme with business owners when asked about their interaction with general government staff. Participants called for significant change in the customer service culture of general government staff. Many business owners have described general government as having a "Culture of No," where government staff tells businesses what they are unable to do instead of facilitating businesses by helping them navigate what can be done.

Business owners in the start-up stage desired productive communication with general government staff and a permanent means to provide constructive feedback. A centralized online information portal regarding required processes, forms and permits was also noted as an important objective. Business owners expressed hope that a consolidated portal would facilitate removal of archaic information from the city website.

Feedback

III. Growth

The growth stage of a small business is from year five to year seven. This phase was also seen as crucial as business owners realize that not all concerns present themselves in the first two stages. Higher utility rates accompany company growth and were cited as a burden to business owners.

Some participants did not believe the city was cooperative enough as they attempted to grow their businesses. One business owner said zoning regulations were impeding the success of his business. Business owners wanted the city to promote economic growth and encouraged benchmarking best practices for small business development against other growing cities.

Reducing barriers to business growth by eliminating complicated and unnecessary zoning code regulations was considered a top priority. Replicating the Innovation Square “Simplify and Succeed” zoning reform model throughout Gainesville was recommended to facilitate business growth. Implementing this simple zoning reform model would also create economic opportunity for people from the GED to the PhD levels of education.

IV. Expansion

The expansion phase spans years seven through ten. Business owners encounter barriers on a regular basis as they expand. Many expressed concern about property tax increases in recent years and noted that it was counterintuitive for the government to increase property taxes while still expecting small businesses to expand. A halt to property tax increases or a property tax break for expanding businesses was recommended. “If you invest in our small businesses, you will get the return you want,” observed a participant. Expanding business owners also observed that inconsistent city code enforcement counteracts established policies and impedes business expansion. Providing conflict resolution teams to address distress between small businesses and their neighbors was also suggested.

V. Established

The last stage for a small business is the established phase, in which a business has existed for more than ten years. Core concerns concentrated on permitting and licensing. Established small business owners took note of the inconvenience and fees placed upon them by the online permitting and licensing process. They recommended that an owner be able to either complete the process online or mail in an actual check. Property owners should be notified about fire marshal inspections. Property owners – not tenants – should be assessed for fire marshal inspections where appropriate. Many business owners disapproved of inconsistency between city inspectors and recommended establishing a mechanism enabling them to evaluate and provide objective feedback on the inspection process. It would benefit the city and business owners by promoting accountability, dependability, and efficiency.

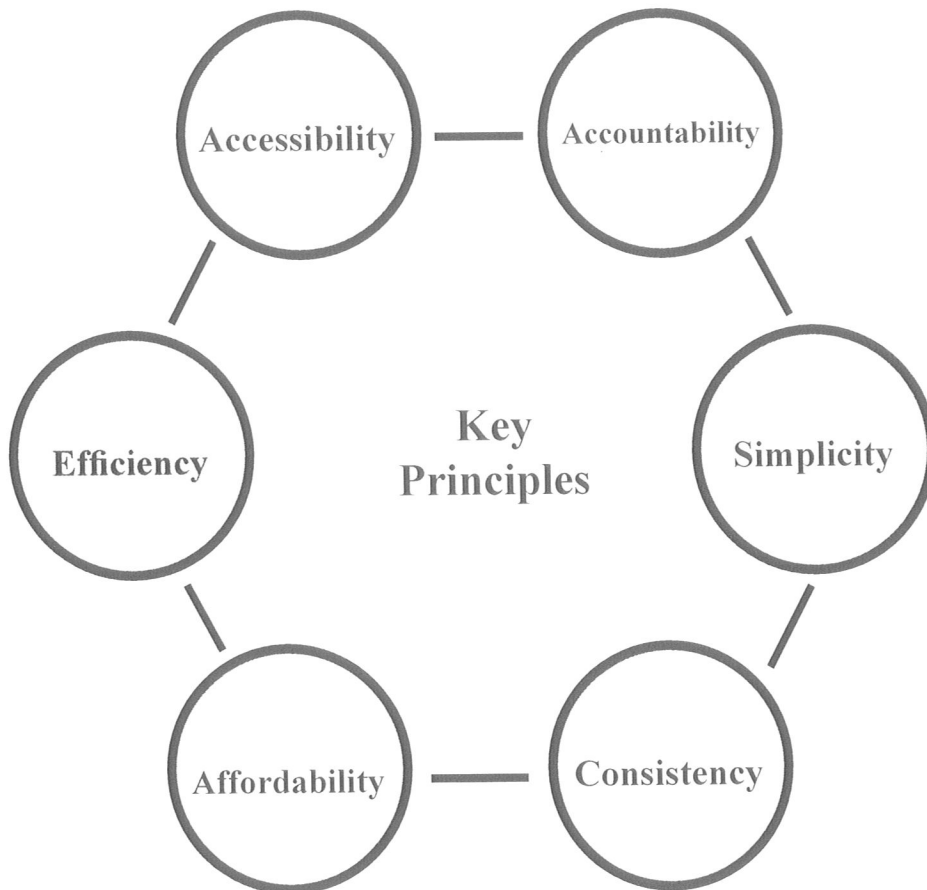
Mayor-Elect Ed Braddy concluded the public dialogue and said, “Every business has the right to rise. You may not succeed, but if you fail it should be on your own terms under the current market conditions, not because of artificial, third-party impediments.”

Principles

Feedback and recommendations received for the city involve the following six principles:

1. *Accessibility*
2. *Accountability*
3. *Simplicity*
4. *Consistency*
5. *Affordability*
6. *Efficiency*

The City of Gainesville should use these principles as criteria to evaluate the effectiveness of policies, procedures and personnel affecting small businesses. Small businesses create many jobs and are a key economic driver for the City of Gainesville. The success, or failure, of small businesses will shape the future economic landscape of the city.



Recommendations

I. Accessibility

1. **Website:** Launch a simplified, comprehensive, and current one-stop website to serve as a road map for new small businesses and a resource for existing businesses
2. **Pamphlet:** Create a printed pamphlet with information consistent with that on the website
3. **Work Week:** Eliminate the four-day work week and institute a five-day work week

II. Accountability

4. **Customer Service:** Train city staff to master and maintain a “problem solving” mindset and not a “problem stating” mindset in interactions with small businesses
5. **Timelines:** Establish efficient and predictable timelines that start-up businesses and existing owners can use in planning their deployment or expansion
6. **Inspectors:** Construct a mechanism for small business owners to evaluate and provide feedback on inspectors to promote dependability and efficiency
7. **Business Assistance:** Establish a mechanism, such as a survey, in which citizens can offer constructive feedback on city business assistance processes and staff
8. **Benchmarking:** Benchmark best practices for small business development against comparable growing cities
9. **Level Playing Field:** Ensure that the city holds itself to the same standards it requires for businesses

III. Simplicity

10. **Zoning:** Replicate the Innovation Square “Simplify and Succeed” zoning reform model throughout Gainesville to facilitate business growth
11. **Payment Processing:** Provide business owners with the ability to pay for permits and licenses online and via a check through the mail
12. **Doing Business with the City:** Simplify and modernize the presentation of Request for Proposals (RFPs) from the Purchasing Division
13. **RFP Administrative Black Out Period:** Review this period to ensure there is appropriate public input and evaluation of RFPs

Recommendations

IV. Consistency

14. **Standardization:** Impose standardized policies throughout the city to ensure there is no inconsistent enforcement of rules
15. **Inspectors:** Maintain consistency and uniformity between city inspectors
16. **Policy Harmonization:** Ensure that tree policy does not conflict with solar policy
17. **Fairness:** Ensure that the regulatory framework is fair and coherent

V. Affordability

18. **Business Cost Reduction:** Reduce assessment fees, lower utility costs and eliminate complicated and unnecessary regulations
19. **Tax Relief:** Halt property tax increases or offer a property tax break to expanding small businesses to promote economic growth

VI. Efficiency

20. **Centralized Business Assistance Office:** Establish a centralized office to help small business owners navigate regulatory processes and process payments
21. **GRU Plan Review Process:** Ensure that the GRU Plan Review process for projects is streamlined, efficient, and cost-effective
22. **Urban Sprawl:** Avoid unintended consequences, such as urban sprawl, due to onerous regulations and inefficient zoning or land use policy
23. **Business Insight:** Inform new businesses about the benefits of collaborating with business mentors through resources such as the Chamber, SCORE and SBDCs
24. **Conflict Resolution:** Provide conflict resolution teams to alleviate distress between small businesses and their neighbors
25. **Fire Marshal Inspections:** Ensure that property owners are notified about fire marshal inspections and assess property owners - not tenants - for fire marshal inspections where appropriate
26. **Code Rationalization:** Ensure that public safety policies have priority over landscape codes
27. **Recordkeeping:** Ensure that efficient recordkeeping procedures are being utilized

About the Gainesville Area Chamber of Commerce

Formed in 1924, the Gainesville Area Chamber of Commerce is the voice of business in the Gainesville, Florida area. Representing over 1,100 members that employ more than 70,000 employees, the Chamber firmly believes that thriving businesses build a thriving community. The Gainesville Area Chamber of Commerce is 5-star accredited by the United States Chamber of Commerce, putting it in the top 1% of all chambers of commerce nationwide. Learn more at www.GainesvilleChamber.com or call us at 352.334.7100.

Creating Opportunity Through Outreach and Innovation

The Gainesville Area Chamber of Commerce created the Council for Economic Outreach (CEO) to attract new business and investment to Gainesville and help existing businesses grow. CEO markets the assets of the region to the national and international business community. The Chamber led the creation of Innovation Gainesville (iG), which began as a community-wide initiative to harness innovation to create jobs in green and health technologies. It has evolved into a movement of hundreds of individuals and organizations collaborating to grow an ecosystem fostering innovation and success.

Advocating for Your Business

The Gainesville Area Chamber of Commerce advocates policies and promotes programs that help businesses thrive. We represent the interests of the business community on city, county, regional, state and federal levels. The Chamber actively engages elected officials and government staff on important issues fostering business growth and economic development.

Please contact us at PublicPolicy@GainesvilleChamber.com for more information.



Gainesville Area
CHAMBER OF COMMERCE

