

# Construction Negatively Affects Businesses: A Solution is Proposed

Downtown Barrie BIA  
October 8th, 2019



CFIB - The real  
cost of road work:  
65,000 Canadian  
businesses taking  
a major hit



**CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS**

*In business for your business™*

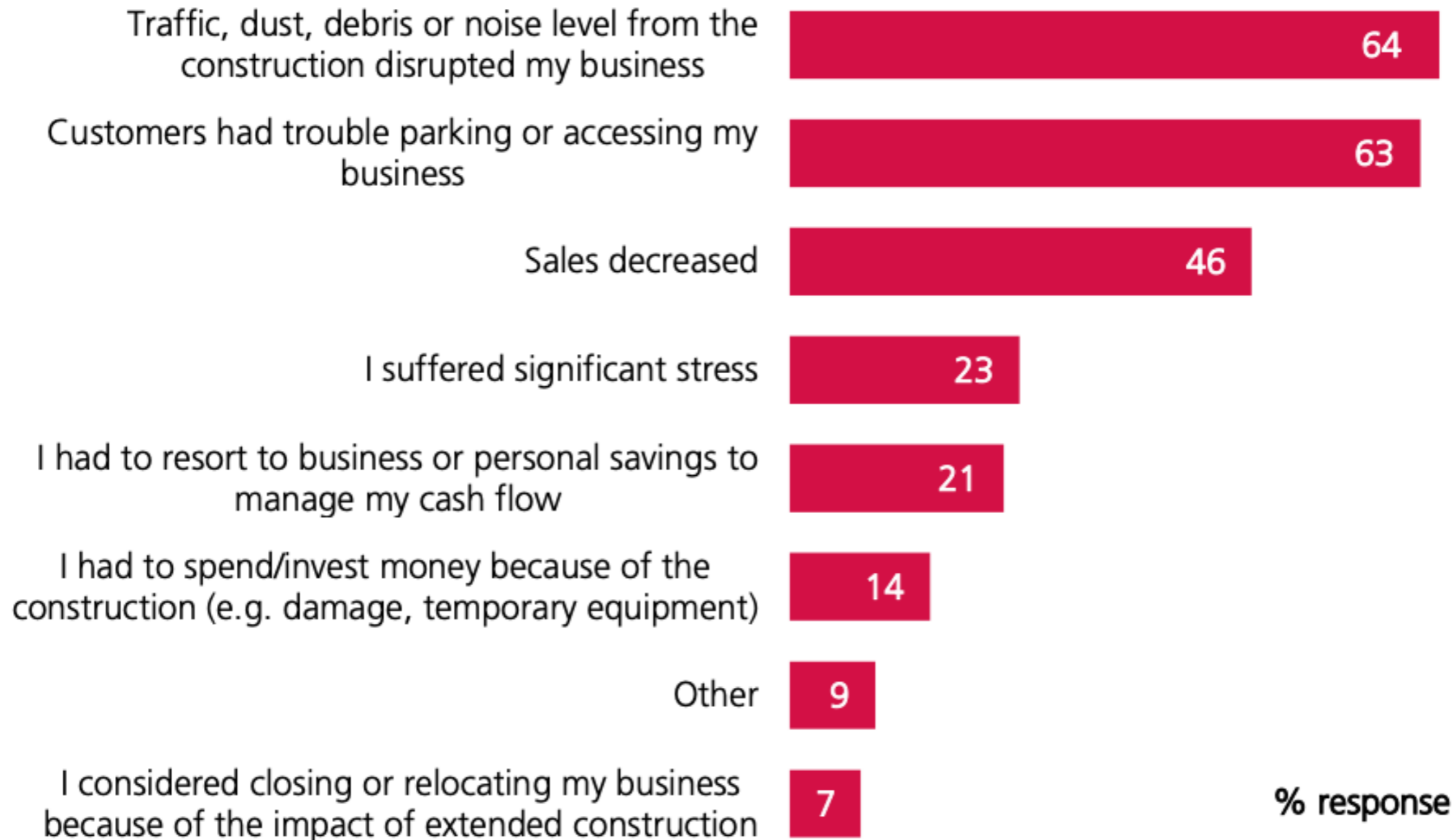
# PAVING A SMOOTHER ROAD

HELPING SMALL BUSINESSES  
SURVIVE INFRASTRUCTURE WORK

TORONTO, May 2, 2018 /CNW/ - Lower sales, higher costs, added stress and even closure are just a few of the devastating consequences road construction wreaks on thousands of small businesses every year.

FIGURE 1:

## How were you and/or your business affected during the last five years?



Source: CFIB, national survey on municipal issues, Web, July 6 - July 26, 2017, 2,135 responses,  $\pm 2.1\%$ , 19/20.  
Note: respondents were allowed to select as many answers as apply.

# THE REAL COST OF ROAD WORK

Tens of thousands of small businesses are affected by poorly planned construction projects, losing sales, suffering significant stress and even considering closing. Municipalities can ease this burden with concrete policy tools that help mitigate the impact on small business.

## HOW MANY BUSINESSES ARE GETTING HURT?

Over 5 years, construction projects affected **41%** of Canadian small businesses



# THE REAL COST OF ROAD WORK

WHO IS  
HIT WORST?

65,000

Canadian Businesses



**BIG IMPACT, BIG COSTS** How does construction hurt businesses?

46%

lost sales

23%

suffered significant stress

**WHAT ARE GOVERNMENTS DOING?**

7<sub>IN</sub>10

businesses are dissatisfied with how governments respond to their road construction issues

21%

had to rely on savings

7%

considered closing or relocating



# CFIA Suggests:



A **compensation program**, including financial compensation, for construction that has a moderate to major impact over an extended period on the operations of local businesses.



A **"no surprise" rule** to track infrastructure conditions and provide advanced notification to businesses.



A **comprehensive planning approach** involving the "dig once" principle and the phasing/timing of projects.



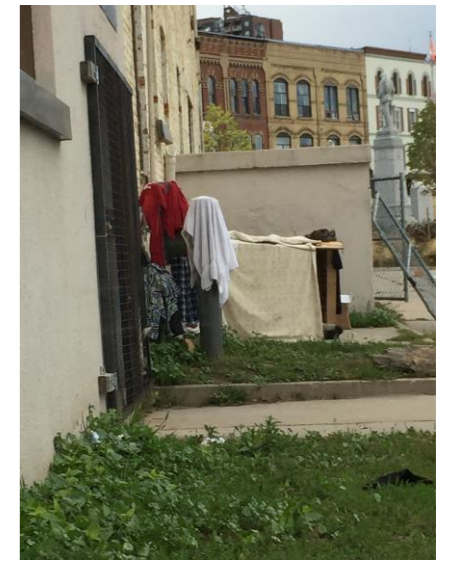
An **improved contracting process** with incentives for timely completion of projects.



A **business liaison officer** with managerial authority designated for each project and accessible to the business community.



# Local Scene



- “...we were mentally prepared; Sales down 22% last month, 42% this month” ....**Everleigh Gardens**
- “In Sept, down 56% compared to 2018, down 51% compared to 2017; My retail was down 32-43% compared to the previous two years. Also I was affected in late August when they decided to start earlier than the promised Sept. 10th”...**Inhabit Interiors**
- “negatively impacted, at least 75% down”...**The Works**
- “ Down 50% at both businesses the day the construction started!”...**Swirleez and Chillz**
- “Down 35%; have cut hours” ....**Bohemia**
- “Sales the same as 2018”....**Janet Kemp**
- “Weekly sales down because difficult to get through on foot”...**Bell, Book & Candle**
- “The construction has drastically affected my business! Wasn’t prepared for this; lack of information, not enough warning. Needed more communication. Free parking would definitely be an incentive. Need more safety downtown - more police on foot and/or bike to be more visible, to make patrons feel safe, and encourage shopping....**Bliss Ann Green Yoga**
- **Overall Consensus: “We’re Losing Money!”**



# Accessibility?

To make Ontario more accessible and ensure people with disabilities can participate more actively in their communities, the AODA establishes five standards that recognize five areas of daily life:

Customer service standard

Information and communications standard

Transportation standard

Employment standard

**Design of public spaces standard**

**Parking over a block away?**

**Gravel sidewalks?**

**No Walk-Through Across the Street?**





# Oakville - A Comparative City Undergoing a Streetscape



- *Shane Cullis, Vice-President Membership Development, Oakville Chamber of Commerce:* “Downtown construction has “drastically affected the businesses; foot traffic dropped quite a bit”
- *Oakville BIA source:* “2 different instructions - confusing, businesses would’ve preferred blanket free parking”

# A Potential Business Stimulant?



Offer FREE Parking for all of the Downtown BIA area during all Phases of the Construction

Put Downtown Barrie on an EQUAL footing with local Malls and Shopping Centres by offering FREE parking

# Current Solution



- 2-Hour Free Parking on 4th floor of Parkade 39 spots - Not Effective, Safety Concerns, Inconvenient, Designed to promote parking garage/not Downtown businesses
- Confusing signage; directs *AWAY* from the Downtown
- Patrons yelling at business owners!
- BIA Board committed \$300,000 towards the streetscape but many BIA businesses won't survive without quick action
- Parking solution needs to be simple - all parking lots within the downtown

# Why Free Parking?



- Quick to offer and promote increased business immediately
- Fair to all businesses affected
- **Oakville** - have had **FREE Parking** through their 10-month construction period
- Downtown Business Owners:
  - “Free parking would definitely be a solution”...**The Works**
  - “Free parking would be great.” ....**Everleigh Gardens**