CITY APPROVES COMMERCIAL (ELECTRIC) UTILITY RATE INCREASE TO BALANCE THE BUDGET

As was first identified by the Business Advocacy Committee on October 6, and was worked diligently upon by the Chamber during the month, the City of Tallahassee (“City”) took final action on October 22 to raise utility rates to meet their budgeted revenue targets for FY 14/15 and, specifically, to accommodate a previously approved increased fund transfer from the Utility Fund to support general government programs and services - as included in the City’s current year spending plan. Those new utility rates, which will become effective on November 1, included a 5.7% increase to the commercial electric utility rate paid by many Chamber members and area businesses. The rate increase will effectively close an estimated $8.2m funding gap that would have otherwise existed in the current City budget. No residential electric rate increases were included as part of the city action.

(Key Background: Ad valorem, or property, taxes make up approximately 23% of the City’s total general government revenues. By comparison, the revenue transfers from utility funds make up approximately 29% of total general government revenue. Of this 29%, the Electric Utility will transfer $28.8 million or approximately 9% of gross electric revenues to the General Fund to support City governmental services).

A thorough update was generated by the Business Advocacy Committee upon this matter on October 17 and is available upon request by Chamber members. That update provided Chamber members with extensive and thorough background, facts, and data regarding the proposed electric rate increase for commercial customers, and water rate increase for all customers, by the City with particular attention to the commercial electric rate increase issue.
While the City had deliberated frequently during the past year’s budget development process regarding how to address their overarching budgetary shortfalls through using utility transfers from the City’s utility revenues (rather than increasing property tax “millage” rates or reducing expenditures), the October 22 proposal to increase the utility rates for commercial customers only surfaced during October and upon the conclusion of an outside consultant’s rate study that was initiated by the City in July. As the rate increase would have direct financial impacts upon Chamber members and the overall business community, the Chamber acted quickly upon learning of the proposal to communicate with the City to obtain the background, facts, and data to better inform you on this City proposal.

In conclusion, and noting that the passage of the commercial utility rate increase has been expedited through approval earlier this month, the Chamber fully appreciates the overarching benefit of having a strong utility system toward supporting the wellness, public safety, and top quality of life within our capital community. Moreover, we appreciate the many benefits provided by our City’s utility. Specifically, the benefit of maintaining comparatively low utility rates and high service level efficiencies while also keeping millage rates lower than would otherwise be possible given current City program and service levels. *These facts noted and affirmed*, we have effectively expressed our sincere concern to City officials regarding what was clearly an expedited commercial electric rate increase process, one with lasting impact upon businesses, but that was implemented with minimal business outreach and input. Moreover, we look to the City for continued improvement in proactive engagement with the business community moving forward – not only upon utility rate matters but, more correctly, regarding the larger City budgetary development process as those decisions clearly impact the business community.

We remain strong advocates for close collaboration between the public and private sectors and serve as an effective resource and convener toward such productive engagement with the business community. Accordingly, we look forward to joining City officials in further process improvements moving into 2015. As we look ahead, the Chamber’s Business Advocacy Committee anticipates keeping you informed, obtaining your input, and communicating your feedback to our many local partners and toward the shared betterment of our community – a future enabled by a sustainable and dynamic business sector that powers our local quality of life.

**PENNY SALES TAX EXTENSION TO BE VOTED ON NEXT TUESDAY**
After years of extensive study and analysis, the finalization of a comprehensive strategic plan to help shape and improve quality of life for the next 20 years via future project expenditures, and months of public comment, education and debate, the current Blueprint “Penny” or 1% Local Options Sales Tax is finally set for referendum vote (and possible approval) next Tuesday by the voters in Leon County. In place since its last reauthorization in November 2000, this tax (and its pending extension) has been heralded as the largest single locally authorized public driver for targeted future economic growth in our community and has gained broad support in the past few months including from the Boards of the Greater Tallahassee Chamber of Commerce, the Economic Development Council, both local governments and (most recently) with an endorsement by the Tallahassee Democrat’s Editorial Board.

As you may recall, estimates conducted by the FSU Center for Economic Forecasting and Analysis project that the implementation of this tax extension will pump over $1.1B into our local economy over the next 20 years, creating an additional 8,338 new jobs as well. As we are now in the early voting period, and with the general election date on the near horizon, your informed vote is critical on this issue (and many more). The Committee joins other local groups in asking you to get informed regarding the full details surrounding this referendum and expenditure proposal (reference: [www.leonpenny.org](http://www.leonpenny.org)) and encourages you to vote on November 4th.

CHAMBER & EDC ASK YOUR HELP TO COMPLETE EXISTING EMPLOYERS SURVEY

The EDC, an affiliate program of the Chamber, as seeking your help in completing an Existing Employer Survey to gather economic data and key data baselines about industry activity, staffing plans, barriers to success as well as talent and training needs. This data will allow the EDC to better allocate resources to those areas where our local businesses need assistance or see opportunities for a more robust local economy and generate a top-tier quality of life within our community.

Access EDC Existing Employer Survey

BUSINESS ADVOCACY COMMITTEE MEMBER SPOTLIGHT

***Gloria Pugh***

Q: What is the name of your company/organization and what does it do? How long have you been with the company/organization?

A: AMWAT Moving Warehousing Storage is an expert service provider in the relocation industry. AMWAT’s diversified lines of business include local, statewide, national and international moving services, packing/custom crating, warehousing, supply chain and logistics as well as climate controlled storage. I have been with AMWAT since February 2005.

Q: How long have you been a member of the Chamber and why did you choose to get involved?

A: AMWAT has been a member of the chamber since 2006. We chose to join the chamber on the recommendation of one of our mentors, Nolia Brandt, Florida State University, College of Business, Jim Moran Institute. It was one of the best business decisions we have made.

Q: Why did you choose to be a member of the Business Advocacy Committee? What would you like to see it accomplish in the coming months?

A: I strongly believe in active participation whether it is in the business community and/or community at large. A healthy community starts with its residents; we cannot rely on government alone to ensure the general wellbeing of our quality and standard of life. Tallahassee has experienced many positive changes in the last few years however, we have challenges we must address. One of our biggest challenges is the
This survey, and your participation in it, is essential to our ability to grow our economic base, including the expansion of existing industries and the recruitment of new ones. We are proud to collaborate closely with our partners in this communitywide survey with the goal of implementing key priorities to enhance our region.

We hope everyone will take the time to complete it and give us your feedback so our community can better support your business by anticipating changing economic priorities as well as ensuring our region remains competitive.

LEON COUNTY NAMES CRISTINA PAREDES NEW DIRECTOR FOR OFFICE OF ECONOMIC VITALITY

As Leon County continues to advance economic development initiatives, Cristina Paredes has been named as the new Director of the Office of Economic Vitality. Cristina’s appointment will only ensure that Leon County’s economic initiatives continue to move forward. As part of the recent reorganization within Leon County, the existing Office of Economic Development and Business Partnerships was renamed to Office of Economic Vitality. This change reflects a more holistic approach to our growing, talent-rich and vital economy. The Office of Economic Vitality will coordinate several key areas including Economic Development, Tourism Development, Cultural Arts and Heritage, and Minority, Women and Small Business Enterprise.

In her new role, Cristina looks forward to continuing to advance Leon
County’s vision and initiatives on economic development as well as engaging business leaders and community and regional partners. Cristina’s appointment as Director commits the necessary resources of the County to ensure the successful implementation of the penny sales tax extension. As the lead staff person for the penny sales extension, her depth of knowledge uniquely qualifies her to steward extension’s economic development component and infrastructure projects. This penny sales tax extension is on the upcoming November ballot. Recently, Cristina spearheaded voter education regarding the extension of the penny sales tax. Cristina brings a strong fiscal and operational background that will be instrumental in supporting the County’s M/WSBE program while advancing the priorities of the Board.

During Cristina’s nine-year tenure with Leon County, she worked in the Office of Management and Budget as Senior Budget Analyst for the County’s capital improvement plan. Cristina previously served as Intergovernmental Affairs Coordinator where she was the County’s liaison for state and federal affairs. Prior to her County experience, Cristina earned a Master’s degree in Public Administration from the Florida State University and interned with the Florida Legislature.

Outside of the office, Cristina stays active through a number of professional and personal pursuits. She is active in professional and community organizations, as well as the community having previously volunteered with the Tallahassee Junior League and Capital Region YMCA. Cristina also currently serves as a board member of Catholic Charities of Northwest Florida’s Eastern Deanery, whose mission is to carry out the social mission of the Catholic Church in Northwest Florida to serve, to empower and to advocate for vulnerable families and individuals of any race, religion or national origin.

Cristina can be reached at 606-5300 or ParedesC@LeonCountyFL.gov.

FROM THE COMMITTEE CHAIRMAN – A LOOK AHEAD

At the start of the Chamber’s new Fiscal Year, I want to express my deep appreciation for the confidence entrusted to Chair the Business Advocacy Committee from my peers and new Chamber Chair Rick Moore. With the assistance of our new Committee Members: Ed Murray (Immediate Past Chamber Chair), Kelly O’Keefe, Laurie Dozier, Gloria Pugh and Anthony Hopson, we intend to only build upon last year’s success toward fostering meaningful and continued enhancement and support of our business community’s economic vitality.
I also want to take a moment to sincerely acknowledge the hard work of those previous members of the Business Advocacy Committee that have moved forward to other important Chamber assignments for the coming year. From incoming Chamber Chair Rick Moore to past Chamber Chair Todd Sperry, Johanna Money, Monesia Brown, Dewitt Miller and former FAMU Chief of Staff Shamis Abdi: your positive impact during the past year was substantial and has set a high bar to build further upon. I sincerely thank you for your collaboration and service!

We thank you, our membership, for joining with the Business Advocacy Committee and the Greater Tallahassee Chamber of Commerce in supporting business across our community and region. Your Business Advocacy Committee looks forward to working with you in the upcoming 2014-2015 fiscal year as we develop and implement priorities on your behalf.

Cordially,

Reggie L. Bouthillier, Chair