



Freedom Party ... YOUR NEW CHOICE, NOW

Freedom Party of Ontario, P.O. Box 2214, Stn. 'A', London, Ontario N6A 4E3 (519) 433-8612

September 22, 1986

Dear East London Business,

Recently, the FREEDOM PARTY OF ONTARIO delivered an information package to your business which outlined the dangers of your being forced to join a BUSINESS IMPROVEMENT AREA (BIA).

Many of you responded and were very supportive of our information campaign and of our commitment to help you insure that any association you join will be one of YOUR CHOICE. In keeping with that commitment, we are once again keeping you informed of the FACTS relating to BIAs, and in particular, to the BIA planning an expansion in your area --- the CENTRETOWN BIA.

In a recent issue of CENTRETOWN NEWS, an article headlined "Centretown Expansion/Misconception", an attempt was made to whitewash the true nature of BIAs with information that was far more misleading than any current "misconceptions" that may exist.

For your benefit, we have reprinted this article IN ITS ENTIRETY and have added our own observations to the claims made so that YOU CAN MAKE AN INFORMED CHOICE when the time comes to do so.

We hope you find our information useful. By all means, please feel free to pass your comments (pro or con) along to us or to give us suggestions.

Sincerely,
FREEDOM PARTY OF ONTARIO

Marc Emery
Action Director

CENTRETOWN EXPANSION/ MISCONCEPTION

It is unfortunate that a few people seem to believe that expanding the Centretown boundary, would in some way be bad for their business. It appears that this is definitely a misconception when you look at the positive versus the negative aspects of an expansion.

The idea of the levy being another form of tax is totally wrong. All of the money that is collected from the merchants is used directly for the Business improvements in the Centretown area. Each of the Merchants have a direct say as to how the money is spent. The city only collects the money for the B.I.A. and then makes sure that the money is not misused in any way, but does not keep any of the money.

Another direct benefit of belonging to a B.I.A. is that it enables you as a group to apply to the province for grants for improvements otherwise not available. The B.I.A. also receives direct support through the city and the Ministry of Municipal Affairs in several areas, such as advice, city staff expertise, provincial seminars, group work

shops for improving B.I.A.'s and their businesses as well as promotional ideas.

Some of the other advantages to belonging to a B.I.A. are, you work as a group and therefore you have a stronger voice when trying to get things accomplished. You also have a larger group to share a smaller work load. It costs less to advertise as a group which enables you to do more advertising throughout the year. A single identity is formed, therefore, it also helps with advertising and promotions.

You create a pleasant environment to shop in when a uniform streetscape has been developed. You therefore draw more shoppers to the area, which is good for every business.

A member of city council sits on the B.I.A. board of management to give advice, provide valuable input as to what is happening in the city and to provide us with a voice on city council.

The Ministry of Municipal Affairs has recently established a B.I.A. resource centre to assist B.I.A.'s in program

delivery. The resource centre is a library of information on a wide range of topics ranging from beautification and facade improvements, to how to organize a Christmas promotion. There is also listings on other B.I.A.'s and their success.

As an organized effective group, the B.I.A. can encourage other businesses to locate in the area, which improves everyone's business.

Centretown is a special and unique area with a homey comfortable atmosphere. The Merchants are friendly and the shoppers feel very much at home. There is a large variety of stores creating an area for every shoppers needs.

It is proven that Centretown is growing again with several new stores opening. Within the past two years the Produce Peddler and Atrium Plants have located there and more recently Dale Integrated Services, Nancy's Draperies, Neighbourhood Legal Services, Canadian Institute for the Prevention of Addiction, Watch, Canada Trust, Goodwill

has just moved to a larger store, also a brand new jeweler store called Butler's, and Hudsons store is now under development for a new mall. Other businesses and developers are also looking seriously at locating in the Centretown area.

During the Street Bazaar, there were several interesting events sponsored by the Centretown B.I.A., such as the London Police Pipe Band, Joe Foster's Kenpo Karate demonstration, the give away of four 12 speed bicycles, breakfast with our Mayor Tom Gosnell, a Celebrity Fashion Show hosted by Laurel Gosnell and eight models from city council including the Mayor and professional models from Tresa Symons Inc.

RESPONSE TO THE ALLEGATIONS MADE IN 'CENTRETOWN NEWS' ARTICLE:
"CENTRETOWN EXPANSION/MISCONCEPTION"

"THE IDEA OF THE LEVY BEING ANOTHER FORM OF TAX IS TOTALLY WRONG."

This statement is totally wrong. A "tax" is any government-imposed levy that is COMPULSORY. Failure to pay will result in consequences no different from failing to pay your property, business, or income tax. Once a BIA is formed in your area, you are given no choice about whether to pay, how much to pay, or when to pay. You also will not have the right to opt out.

If the BIA levy isn't a tax, then why is it included on your city tax bill?

"ALL OF THE MONEY THAT IS COLLECTED FROM THE MERCHANTS IS USED DIRECTLY FOR BUSINESS IMPROVEMENTS IN THE CENTRETOWN AREA."

False. BIAs can use your money for just about anything. This includes political purposes, the publishing of newsletters and newspapers which extoll the 'value' of BIAs (like the CENTRETOWN NEWS in which this article appeared), poor or ineffectual advertising campaigns, the refurbishing of government-owned property, and of course, ADMINISTRATION --- hardly direct benefits to the businesses forced to join BIAs.

A business has no assurance or guarantee that it will ever have a dime spent on something of direct value to that business. In the 'real world' (as opposed to the political fantasy of BIAs), when you hire someone to promote your business, YOU HAVE A CHOICE of which ad agency you use, and you receive a written contract outlining services that meet your approval and requirements.

Ask the organizers of a BIA if they would be willing to offer this kind of guarantee in writing --- and if not, WHY?

"EACH OF THE MERCHANTS HAVE A DIRECT SAY AS TO HOW THE MONEY IS SPENT."

Wrong again. To begin with, "merchants" aren't the only ones forced into joining BIAs. ALL BUSINESSES, including wholesalers, dentists, lawyers, strip bars, hotels, auto repair shops, etc. (all of which are in the proposed Centretown BIA area) are forced to pay the BIA tax --- AND THEY ARE ALL TREATED AS ONE SINGLE GROUP WITH A COMMON INTEREST! Thus, a religious book store will end up subsidizing the promotion of a strip bar, and vice-versa.

AND REMEMBER, THOSE WHO DON'T WANT TO PAY THE TAX HAVE NO RIGHT TO WITHDRAW FROM THEIR FORCED "ASSOCIATION"!

What's the point of being invited to an annual meeting where you can vent your frustration for a few minutes, while the BIA executive can go ahead and do what it wants with your money anyway (since you can't refuse to pay)? And BIA executives are APPOINTED by City Council --- no "democracy" here! Where voting IS permitted (at City Council's discretion), there is no guarantee that it will not be rife with corruption and "irregularities" that invariably suit the purposes of existing BIA executives. This has happened in BIAs elsewhere in the province.

With an alderman as paid administrator, and a city councillor on the board, who do YOU think is really going to have the "vote" that counts?

"THE CITY ONLY COLLECTS THE MONEY FOR THE BIA AND THEN MAKES SURE THAT THE MONEY IS NOT MISUSED IN ANY WAY, BUT DOES NOT KEEP ANY OF THE MONEY."

False. City Hall is not just some benevolent, neutral, charitable "collector" --- IT IS THE ENFORCER OF PAYMENT. If you don't (or can't) pay, you suffer the same consequences that would occur if you didn't pay your ALREADY EXISTING TAXES.

The claim that BIA money won't be "misused" is almost laughable. A "misuse" of funds depends upon the PURPOSE to which those funds are applied. Since BIAs can spend your money in any number of ways (see above), "misuse" is a highly subjective term.

But the fiscal abuse (i.e., WASTE) that goes on in BIAs is well known and well documented across the province, and London's downtown BIA offers a shining example (see pamphlet, enclosed). Since politicians and city councils benefit from the establishment of BIAs in that they help deflect responsibility for your area away from them, they will turn a blind eye to any and all "misuse" that BIAs routinely engage in.

COST OVERRUNS, BUDGET INCREASES OF 20-25-30% PER YEAR, MORE BUREAUCRACY, INEFFECTIVE PROMOTIONS, LOANS, GRANTS, POLITICAL INVOLVEMENT, BALLOT-STUFFING, AND ELECTION FRAUD are rubber-stamped by city councils. In all fairness however, most of the time city councils have no idea what BIA executives are up to; when problems surface, the corruption and inefficiency in BIAs is so similar to what goes on in city halls that it isn't regarded as abnormal.

"SOME OTHER ADVANTAGE TO BELONGING TO A BIA ARE, YOU WORK AS A GROUP AND THEREFORE YOU HAVE A STRONGER VOICE WHEN TRYING TO GET THINGS ACCOMPLISHED."

Impossible. BIAs do not "work as a group." A LEGITIMATE group relies on the VOLUNTARY cooperation of its members, who join without being forced to do so, and who join for a recognized and agreed-to mutual interest. Those who do not recognize or share this mutual interest are not required to join.

Imagine if someone told you that you could get "more achieved" if your whole block was forced to join the Liberal Party. Would you appreciate having your freedom of choice destroyed for some vague promise of "a stronger voice"? Of course not. The only voice that would be stronger would be that of the Liberal Party.

"YOU HAVE A LARGER GROUP TO SHARE A SMALLER WORK LOAD."

WHAT "work load?"

"IT COSTS LESS TO ADVERTISE AS A GROUP..."

It COSTS MORE.

Although YOU may pay less to advertise for the BIA than you would for your own business, YOU RECEIVE NO DIRECT BENEFIT. Unless the advertising promised you by a BIA specifically mentions your store's name and product or service offered, there's no way that anyone can claim to receive a direct benefit from collective advertising.

Will a dentist benefit as much from such advertising as a tavern? How would you know? What if you've already planned your own marketing strategy and identity for your business? Will the BIA advertising enhance or damage your reputation? The considerations are endless.

"A SINGLE IDENTITY IS FORMED..."

This claim pretty much confirms our suspicions. Do you want to be lumped in with all the other businesses in your area --- INCLUDING YOUR COMPETITION --- for the sake of being seen by your markets as a "single identity"? Aren't you in business precisely because you want to establish YOUR OWN BUSINESS IDENTITY AND REPUTATION, where price, product, and/or service determines your success?

If a total stranger walked into your store or business and, without

presenting any meaningful credentials, demanded \$300 or \$400 to promote your business, would you just hand over your money?

DAWN ERSKINE, the current administrator of the CENTRETOWN BIA, may not be a "total stranger", but let's take a look at her credentials and background:

As a city councillor, she certainly has City Hall's interests in mind, but are these YOUR interests? As a candidate in the last election, who were her primary supporters and backers? In examining City Hall records of her campaign, we find that the three largest contributors were THE UNITED AUTO WORKERS TRADE UNION (LOCAL 27) - \$200, THE LONDON AND DISTRICT LABOUR COUNCIL - \$250, and the UNITED AUTO WORKERS TRADE UNION (LOCAL 1520) - \$2,300!

Furthermore, one of her most enthusiastic campaign workers was a federal candidate for the COMMUNIST PARTY (MARXIST-LENINIST) OF CANADA.

While the voters of London are certainly entitled to cast their votes where they please, do you feel confident, as a small businessperson, that Dawn Erskine really appreciates FREEDOM OF CHOICE and FREE ENTERPRISE? Or do you see a philosophic consistency between the nature of BIAs and the nature of the support Erskine is receiving?

YOU OWE IT TO YOURSELF TO KNOW WHAT YOU'RE GETTING INTO.

WE CAN HELP. FREEDOM PARTY can supply facts, information, case histories, etc. to support every claim and statement we have made in this letter and our pamphlet. Can BIA promoters do the same to back up their statements?

The next move is YOURS. Call us or write us. Exercise your FREEDOM OF CHOICE --- while you still have it.