
April 17, 2025

Mayor Clark and Members of City Council
City of Medicine Hat
580 1 St SE
Medicine Hat, AB T1A 8E6

Dear Mayor Clark and Members of City Council:

SUBJECT: Development and Infrastructure Division Fees and Charges follow up

Following our letter of March 26, 2025 and the subsequent Development and Infrastructure meeting held on April 3 with the Planning & Development Services Business Licenses Fees presentation, we wanted to highlight a few additional areas of opportunity for consideration.

Our recently adopted policy highlights improvements and several key areas of concern, including the impact of these fees on small businesses. For ease of reference, key recommendations included:

- Re-evaluating the 2025 & 2026 increases,
- Engaging key business owners when considering significantly increasing or altering the methodology,
- Communicating the justified fee for service, and
- Benchmarking with comparable sized cities

We understand there exists a delicate balance between taxpayer-funded and user-funded services, as well as the pressures of inflation and the need to discover efficiency improvements. Business owners too face these same challenges and continue to struggle with uncertainty as they navigate the aftermath of the pandemic, transportation strikes, construction closures, rising interest rates and exchange fluctuations, and, more recently, the introduction of tariffs.

Small businesses supply our local economy and neighbouring regions with continued employment, tourist attractions, charitable contributions, and generate business-to-business activity. It is essential that business retention, investment attraction, and maintaining a competitive advantage be at the forefront of policy decisions and fee structures.

The presentation alluded to a fee for service for new licenses and renewals, and balancing user-funded versus tax-funded services, highlighting the Council's direction to increase revenue and mitigating property tax increases.

This approach raises some questions and concerns, particularly when the expenses include internal allocations and a reduction in fees for two groups that do not also contribute to the property tax fund pool through non-residential businesses.

The City of Medicine Hat has the second/third highest home-based, general, and non-resident business license fees among the 10 comparators used in the presentation. When Calgary and Edmonton are removed, it signals that Medicine Hat would be the first/second highest.

The observations above emphasize our previous recommendation to review the fee structure, communicate the specific direct fees for service, and benchmark these results to similarly sized cities.

Taxi, ride share, and other vehicles for hire business license information also were not provided in the presentation, but experienced a substantial increase in 2025 and 2026. We would recommend that this information be communicated in the same information summary.

In addition to these observations, there was also a line item in the briefing note that stated that a comparison table of fees from 2024 vs. 2025 and 2026 fees was provided to industry. However, we repeatedly asked for a comparison table and had to conduct our own analysis from the fees and charts from 2022-2024 and the new fees for 2025 and 2026, when we were unable to obtain a comparison table.

We hope the goal would be to identify potential adjustments that could alleviate some of the financial pressures on small businesses, while still ensuring continued development and financial sustainability and balancing the financial pressures of both the public and private sectors. We also hope that the Council will re-evaluate the 2025-2026 fee increases in consideration of the priority to create opportunities to incentivize business and reduce barriers to achieve a dynamic and thriving community economy. This may also include clarity for administration on what this priority means when considering balances to revenues against taxpayer-funded operating expenses.

Collaboration between the City and the business community is vital to fostering a thriving economic environment and defining what goals, objectives and action plans moving forward will contribute to our overall business and community growth

We appreciate you prioritizing this matter and we look forward to any opportunities for further discussion. Thank you for your time and consideration in advance of the next Council meeting that this will be reviewed and considered.

Sincerely,



Steven Pudwell
2024-2025 President of the Board of Directors
Southeast Alberta Chamber of Commerce



Lisa Dressler
Executive Director
Southeast Alberta Chamber of Commerce

Cc: Ann Mitchell, City Manager
Cc: Joseph Hutter, Managing Director of Public Services

cc: Ann Mitchell, City Manager
cc: Pat Bohan, Managing Director, Development and Infrastructure

References:

1. Development and Infrastructure Division Fees and Charges - [Development and Infrastructure Division Fees and Charges | Southeast Alberta Chamber of Commerce](#)
2. Additional publications from similar sized cities:
 - a. <https://www.edmonton.ca>
 - b. <https://www.calgary.ca>
 - c. <https://thecityofchestermere.ca>
 - d. <https://www.okotoks.ca>
 - e. <https://www.canmore.ca>
3. Alberta Regional Dashboard & Site Selector <https://regionaldashboard.alberta.ca/>
4. Municipal Financial and Statistical Data <https://open.alberta.ca/opendata/municipal-financial-and-statistical-data>