**Report - Executive Policy Committee - March 18, 2003**

**Item No. 5 Exchange District Business Improvement Zone - 2003 Proposed Program, Zone Levy and Budget Estimates**
**File FL-7.1 (Vol. 5)**

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2003, the Executive Policy Committee considered this matter and recommends to Council:

1. That the 2003 Proposed Program, Zone Levy and Budget Estimates for the Exchange District Business Improvement Zone be approved.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the submission of the necessary by-law directly to Council.

**Report - Executive Policy Committee - March 18, 2003**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2003, the Executive Policy Committee recommended approval of the 2003 Proposed Program, Zone Levy and Budget Estimates for the Exchange District Business Improvement Zone, and submitted the matter to Council.

# Exchange District Business Improvement Zone
# Proposed Program & Budget

January 1, 2003 – December 31, 2003

*The catalyst making the historic Exchange District Manitoba's most unique and vibrant business, cultural and residential community.*

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# Exchange District BIZ
# Proposed Program & Budget 2003

*Message from the Management Board*

The Exchange District Business Improvement Zone Management Board is pleased to present the 2003 Proposed Program and Budget. This document provides a comparison of committee expenditures from the previous year and outlines proposed planned expenditures for 2003.

The Exchange District BIZ is committed to implementing programs and delivering services that promote the area, enhance District maintenance and address issues of personal safety. The BIZ is continually exploring ways to communicate more effectively both with zone members on BIZ issues and with the general public on District events and amenities.

Each year the Management Board requests the membership approve a budget for the upcoming year. The BIZ levy rate required to support the planned expenditures for 2003 is estimated at 1.42%. This is based on the latest available total Annual Rental Value (ARV) of $14,570,000.00 for the District as of September 2002. This estimated rate represents an approximate increase of 3% from the rate applied in 2002.

Each year, the Exchange District BIZ pursues cash and in-kind sponsorships to increase the level of programming we are able to offer our members. In 2003, the anticipated financial requirements of the Exchange District BIZ total $285,170.00. Of this we will endeavor to raise approximately $50,000.00 from outside sources. The Exchange District BIZ also plans to draw from its accumulated surplus in 2003 at an increased level from that of previous years. The Management Board has developed a three-year guideline for use of surplus funds that can be found at the end of this document.

The following tables outline the budgeted revenues and expenditures for each committee and administration. The accompanying text provides an overview of the continuing and new activities of the Exchange District BIZ in 2003.

Respectfully submitted,
EXCHANGE DISTRICT BIZ

Tracy Schultz, Chair
Exchange District BIZ Management Board

# Exchange District BIZ
# Expenditures / Revenues Summary, 2002 – 2003

| Expenditures / Revenues Summary | 2002 Budget | 2002 Projected | 2003 Budget |
|---|---|---|---|
| **Programs, Operations & Old Market Square** | | | |
| Committee Expenditures | 42,890 | 50,925 | 48,342 |
| Less Contributions: | | | |
| Non-Levy | (8,550) | (15,550) | (17,050) |
| Use of Accumulated Surplus | - | - | (5,000) |
| **Net Levy** | **34,340** | **35,375** | **26,292** |
| **Image Enhancement & Community Relations** | | | |
| Committee Expenditures | 42,590 | 39,174 | 69,193 |
| Less Contributions: | | | |
| Non-Levy | (3,000) | (9,270) | (33,000) |
| Use of Accumulated Surplus | (12,500) | (8,473) | (20,000) |
| **Net Levy** | **27,090** | **21,431** | **16,193** |
| **Marketing & Communications** | | | |
| Committee Expenditures | 34,700 | 28,969 | 31,950 |
| Less Contributions: | | | |
| Non-Levy | (3,000) | - | - |
| Use of Accumulated Surplus | | - | - |
| **Net Levy** | **31,700** | **28,969** | **31,950** |
| **Administration** | | | |
| Committee Expenditures | 128,459 | 133,914 | 135,685 |
| Less Contributions: | | | |
| Non-Levy | (3,500) | (1,600) | (1,200) |
| Use of Accumulated Surplus | | - | (2,000) |
| **Net Levy** | **124,959** | **132,314** | **132,485** |
| **Total Expenditures** | **248,639** | **252,981** | **285,170** |
| Less Contributions: | | | |
| Non-Levy | (18,050) | (26,420) | (51,250) |
| Use of Accumulated Surplus | (12,500) | (8,473) | (27,000) |
| **Net Levy** | **218,089** | **218,089** | **206,920** |

# Exchange District BIZ
# Three Year BIZ Levy Rate Comparison, 2001 – 2003

| Exchange District ARV Assessment & Levy Rate | 2001 actual | 2002 actual | *2003 estimated* |
|---|---|---|---|
| Total ARV | 14,808,664.00 | 15,836,973.00 | *14,570,000.00* |
| BIZ Levy Rate | 1.481 | 1.377 | *1.420* |
| Biz Levy Amount | $219,362 | $218,089 | *$206,920* |

# Exchange District BIZ
# Proposed Budget 2003

## Revenues Summary

| REVENUES SUMMARY | Budget 2003 | |
|---|---|---|
| **City of Winnipeg BIZ Levy** | **206,920.00** | |
| **Non-Levy Contributions** | **51,250.00** | |
| *Contributions Breakdown by Committee:* | | |
| *Programs, Operations & Old Market Square* | | |
| *Grants* | | *6,000.00* |
| *Corporate Sponsorship* | | *5,500.00* |
| *Tour Income* | | *5,500.00* |
| *Telephone Commission* | | *50.00* |
| *Total* | | *17,050.00* |
| *Image Enhancement & Community Relations* | | |
| *Grants* | | *33,000.00* |
| *Total* | | *33,000.00* |
| *Administration* | | |
| *Interest* | | *1,200.00* |
| *Total* | | *1,200.00* |
| **Use of Accumulated Surplus** | **27,000.00** | |
| **TOTAL** | **285,170.00** | |

# Exchange District BIZ
# Proposed Budget 2003

## Expenditures Summary

| EXPENDITURES SUMMARY | |
|---|---|
| **Programs, Operations & Old Market Square** | **Budget 2003** |
| Event Sponsorship & Grants | 18,500.00 |
| Old Market Square - Programming | 13,600.00 |
| Old Market Square - Maintenance & Operations | 4,242.00 |
| Guided Walking Tours | 12,000.00 |
| **Total** | **48,342.00** |
| Non-levy Contributions | (17,050.00) |
| Use of Surplus | (5,000.00) |
| **Net Levy** | **26,292.00** |

| **Image Enhancement & Community Relations** | **Budget 2003** |
|---|---|
| General Maintenance | 2,940.00 |
| District Streetscape Project | 12,900.00 |
| Seasonal Crew Wages | 31,288.00 |
| Crew Uniforms, Communications & Supplies | 3,565.00 |
| Safety Initiatives | 15,000.00 |
| Annual General Meeting | 3,500.00 |
| **Total** | **69,193.00** |
| Offsetting Contributions | (33,000.00) |
| Use of Accumulated Surplus | (20,000.00) |
| **Net Levy** | **16,193.00** |

| **Marketing & Communications** | **Budget 2003** |
|---|---|
| Cooperative Advertising | 10,000.00 |
| Exchange District Visitors Guide | 9,000.00 |
| Joint Publications | 6,700.00 |
| Newsletters | 3,000.00 |
| Promotions & Sponsorships | 3,000.00 |
| Photography | 250.00 |
| **Total** | **31,950.00** |
| Offsetting Contributions | - |
| **Net Levy** | **31,950.00** |

*Expenditures Summary Cont'd*

| Administration | | Budget 2003 |
|---|---|---|
| | Bank Charges | 200.00 |
| | Office Equipment & Computer Leases | 3,900.00 |
| | Courier | 480.00 |
| | Depreciation | 1,200.00 |
| | Executive Director Expenses | 650.00 |
| | GST Paid on Purchases | 2,600.00 |
| | Insurance | 3,000.00 |
| | Board Support / Meetings | 1,500.00 |
| | Internet Access | 900.00 |
| | Membership Fees | 800.00 |
| | Parking | 100.00 |
| | Postage | 600.00 |
| | Power | 1,000.00 |
| | Professional Fees | 1,500.00 |
| | Rent Expense | 4,800.00 |
| | Leasehold Improvements | 1,000.00 |
| | Professional Development | 4,500.00 |
| | Office Supplies | 1,500.00 |
| | Staff Benefits | 4,680.00 |
| | Subscriptions | 765.00 |
| | Telephone | 3,660.00 |
| | Employment Expense - Wages | 75,500.00 |
| | Employment Expense - EI, CPP | 5,000.00 |
| | Uncollected Levy | 15,650.00 |
| | Miscellaneous | 200.00 |
| | **Total** | **135,685.00** |
| | Offsetting Contributions | (1,200.00) |
| | Use of Surplus | (2,000.00) |
| | **Net Levy** | **132,485.00** |
| | | |
| | **Total Expenditures** | **285,170.00** |
| | **Less Contributions:** | |
| | **Non Levy** | **(51,250.00)** |
| | **Use of Accumulated Surplus** | **(27,000.00)** |
| | **Net Levy** | **206,920.00** |

# Exchange District BIZ
# Proposed Program Highlights 2003

## Programs, Operations & Old Market Square

This committee operates to increase the public awareness and use of the Exchange District by encouraging special events, providing unique facilities, and providing a setting in which these events can be successful.

The Exchange District BIZ will continue to provide financial assistance to major festivals and events that take place in the Exchange District each year. The popular noon hour concerts will remain a staple in Old Market Square each Thursday. The Exchange District BIZ is also hoping to establish, in partnership with the Winnipeg Folk Festival, a pilot "Urban Market" in the fall of 2003. It is also the desire of the Exchange District BIZ to provide the popular Guided Walking Tours on a daily basis in the summer and to research new tour possibilities as an additional source of future revenue to the BIZ.

The BIZ will continue to provide Old Market Square with portable washrooms, a "hawkers licence" and a portion of its power supply in 2003.

## Image Enhancement & Community Relations

This committee operates to improve the appearance of the District, address the public's concern about safety, accessibility and cleanliness, and to represent the BIZ on downtown planning and advocacy issues.

The BIZ will continue pursue general maintenance activities in the areas of handbill removal and litter clean up as well as work with Take Pride Winnipeg and the City of Winnipeg on their graffiti control program. The BIZ is committed to aggressively pursue outside sources of funding to hire a larger seasonal maintenance crew and undertake an expanded plant and flower program in 2003. Other streetscaping initiatives include support for tree lighting and murals.

The BIZ is also working with the Downtown Watch and the Winnipeg Police Service to pursue a cost-effective community foot patrol program for the Exchange District.

## Marketing & Communications

This committee operates to raise awareness of the retail, service and special event opportunities in the Exchange District, and to communicate BIZ activities with the local community.

The BIZ is pleased to continue to offer cooperative advertising opportunities in publications such as "Where Magazine" as a member benefit. The Committee is also dedicated to pursuing joint marketing initiatives with other organizations such as the Downtown BIZ and The Forks, in order to offer quality products that promote our concerts and walking tours at a shared cost. Our newsletters will be re-formatted and mailed to BIZ members quarterly. The Committee has also allocated funds to pursue promotions and sponsorship for the various opportunities that are presented each year.

The BIZ will also update and reprint our popular "Exchange District Visitors Guide" in 2003.

# Exchange District BIZ
# Surplus Funds Allocation Plan

| **Exchange District BIZ**<br>**Surplus Funds: Three-Year Allocation Plan** | 2003 | 2004 | 2005 |
|---|---|---|---|
| **Programs, Operations & Old Market Square** | | | |
| Old Market Square - Site Improvement Plan | | x | |
| New Program Development | 5,000.00 | | |
| **Marketing & Communications** | | | |
| Heritage Poster Account Project | | x | |
| Market Research Project | | x | |
| **Image Enhancement & Community Relations** | | | |
| Community Foot Patrol Start-Up | 10,000.00 | | |
| Expanded Maintenance Program: | 10,000.00 | | |
| Vehicle or Motorized Cart (Maintenance Crew) | | | x |
| Bikes (Foot Patrol) | | x | |
| **Administration** | | | |
| Leasehold Improvements | 1,000.00 | | |
| Office Equipment Upgrade | 1,000.00 | | |
| **Total** | 27,000.00 | | |

The above chart illustrates the projects the Exchange District BIZ Management Board would like to undertake over the next three years, utilizing an appropriate amount from the surplus funds available on a yearly basis.

The surplus allocation for the year 2003 detailed above totals $27,000. The "x" indicates the year in which a listed potential project could be implemented. It should be noted here that this plan is not exhaustive and the Exchange District BIZ Management Board welcomes feedback from its members as to the best use of surplus funds.