Minute No. 269
Report - Executive Policy Committee - March 18, 2003

Item No. 18 Approval of Zone Levy for Business Improvement Zones - 2003
File FL-7 (Vol. 5)

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That, contingent upon the approval of the 2003 Business Improvement Zone (BIZ) budgets, the by-law setting the zone levy applicable to each BIZ be adopted and that Council impose the zone levy for collection.

2. That the 2003 zone levy rates, as indicated in Exhibit A, be applied to the annual rental value of individual properties on the Business Tax Roll.

3. That Council direct the City Treasurer to make payment to the Board in each zone in accordance with By-law 8111/2002.

Report - Executive Policy Committee - March 18, 2003

DECISION MAKING HISTORY:

Moved by His Worship Mayor Murray,
That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2003, the Executive Policy Committee concurred in the administrative recommendation, and submitted the matter to Council.

REPORT

RE: **APPROVAL OF ZONE LEVY FOR BUSINESS IMPROVEMENT ZONES – 2003**

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Chief Financial Officer

REPORT DATE: March 6, 2003

RECOMMENDATION(S):

1. That, contingent upon the approval of the 2003 Business Improvement Zone (BIZ) budgets, the attached by-law setting the zone levy applicable to each BIZ be adopted and that Council impose the zone levy for collection.

2. That the 2003 zone levy rates, as indicated in Exhibit A, be applied to the annual rental value of individual properties on the Business Tax Roll.

3. That Council direct the City Treasurer to make payment to the Board in each zone in accordance with By-law 8111/2002.

REPORT SUMMARY

Key Issue(s):
The attached by-law imposing the 2003 zone levy for each of the 16 established Business Improvement Zones is conditional upon Council approving the budgets adopted at the Annual General Meetings of each BIZ.

Implications of the Recommendation(s):

General Implications

- [ ] **None**
- [ ] **For the organization overall and/or for other departments**
- [X] **For the community and/or organizations external to the City**
- [ ] **Involves a multi-year contract**

Comment(s): The adoption of the 2003 BIZ levy rates will authorize the collection of the levy as requested by each Zone.

Policy Implications

- [X] **No**
- [ ] **Yes**

Comment(s):

Environmental Implications:

[X] **No**
[ ] **Yes**
Comment(s):

Human Resources Implications:

[X] **No**
[ ] **Yes**
Comment(s):

Financial implications

[X] **Within approved current and/or capital budget**
[ ] **Current and/or capital budget adjustment required**
Comment(s): There is no financial impact as the zone levy is revenue neutral to the City of Winnipeg.

REASON FOR THE REPORT:
In order for each of the 16 Business Improvement Zones to obtain the revenue required to meet their 2003 budget, Council must impose, by by-law, the zone levy rates (Exhibit A) to be applied to the Business Tax Roll for each of the Zones.

HISTORY:
In prior years, the *City of Winnipeg Act* governed the administrative process with respect to Business Improvement Zones. The new *City of Winnipeg Charter* has transferred this responsibility to the City of Winnipeg wherein Council, on September 25, 2002, passed By-law 8111/2002.

Under this by-law, the policies and procedures for the Zones have been streamlined with some responsibilities being transferred between civic departments. As an example, it is now the responsibility of the City Clerk to arrange Council's review and approval of budgets set at the Zone's Annual General Meeting. The City Treasurer has maintained the responsibility for setting and collecting the individual Zone levies.

DISCUSSION:
Pursuant to the former City of Winnipeg Act, Community Committees and the Executive Policy Committee were required to review the programs and budgets approved at the Annual General Meeting of the Zones before coming to Council. Council then typically adopted each Business Improvement Zone program, proposed budget and the zone levy necessary to meet that budget.

By-law 8111/2002 has streamlined this process. There is no automatic review of BIZ programs and budgets by Community Committees with the City Clerk reporting on responses from BIZ members (if any) to published notices concerning the BIZ budgets and programs. At a single meeting, Council may now pass by-laws approving both the BIZ budgets and a separate by-law imposing the zone levy applicable to each Zone.

Based on the 2003 zone levy requirement received from each of the 16 established Business Improvement Zones, the administration has calculated the zone levy rate to be applied to the Business Tax Roll (see Exhibit A). Additionally, Exhibit B provides details with respect to budget, zone levy, annual rental value, and zone levy rate changes for individual zones.

Consultation has occurred with the City Clerks Department regarding the process of obtaining approval for the zone budgets. Furthermore, this report was submitted to Legal Services for review and concurrence with its content.

Financial Impact Statement

No financial impact

"Original Signed by Carrie Erickson"
Carrie Erickson
Manager of Finance & Administration

Exhibit "A"

BUSINESS IMPROVEMENT ZONES
LEVY RATES
FOR THE YEAR 2003

ANNUAL RENTAL VALUES (A.R.V.) AND LEVY RATES

ZONE	BUDGET	BUDGET REQUIRED THROUGH LEVY	A.R.V.	LEVY RATE
ACADEMY ROAD	$ 21,210	$ 21,210	$ 1,580,880	1.342%
CORYDON AVENUE	86,600	86,600	3,073,140	2.818%
DOWNTOWN WINNIPEG	1,596,425	1,143,450	83,953,240	1.362%
EXCHANGE DISTRICT	285,170	206,920	14,932,500	1.386%
FRENCH QUARTER	24,650	24,650	2,476,308	0.995%
GROSVENOR SQUARE	5,521	5,521	391,500	1.410%
MOSAIC MARKET	37,225	37,225	2,775,972	1.341%
NORWOOD GROVE	134,643	88,129	6,201,332	1.421%
OLD ST.VITAL	69,653	60,183	4,456,900	1.350%
OSBORNE SOUTH	24,400	24,400	1,259,640	1.937%
OSBORNE VILLAGE	109,396	99,896	3,798,890	2.630%
ST. JAMES VILLAGE	46,000	46,000	2,739,660	1.679%
SELKIRK AVENUE	15,500	15,500	854,760	1.813%
TRANSCONA	150,000	150,000	7,665,266	1.957%
WEST BROADWAY / SOUTH SHERBROOK	70,296	70,296	6,025,524	1.167%
WEST END WINNIPEG	262,400	262,400	22,409,308	1.171%

Note – The budget amount to be collected through the BIZ levy can be less than the Zone budget due to a prior years surplus.

Exhibit "B"

BUSINESS IMPROVEMENT ZONES
2002/2003 COMPARISON

ZONE	*YEAR*	BUDGET ($)	*CHANGE (%)*	ZONE LEVY ($)	*CHANGE (%)*	A.R.V. ($)	*CHANGE (%)*	*ZONE LEVY RATE (%)*	*CHANGE (%)*
Academy Road	2002	21,400		21,400		1,673,268		1.279%	
	2003	21,210	-0.9%	21,210	-0.9%	1,580,880	-5.5%	1.342%	4.9%
Corydon Avenue	2002	81,750		81,750		3,149,414		2.596%	
	2003	86,600	5.9%	86,600	5.9%	3,073,140	-2.4%	2.818%	8.6%
Downtown Winnipeg	2002	1,495,554		1,068,490		85,837,075		1.245%	
	2003	1,596,425	6.7%	1,143,450	7.0%	83,953,240	-2.2%	1.362%	9.4%
Exchange District	2002	248,639		218,089		15,836,973		1.377%	
	2003	285,170	14.7%	206,920	-5.1%	14,932,500	-5.7%	1.386%	0.6%
French Quarter	2002	23,600		23,600		2,489,188		0.948%	
	2003	24,650	4.4%	24,650	4.4%	2,476,308	-0.5%	0.995%	5.0%
Grosvenor Square *	2002	0		0		0		0.000%	
	2003	5,521	N/A	5,521	N/A	391,500	N/A	1.410%	N/A
Mosaic Market	2002	34,494		34,494		2,743,378		1.257%	
	2003	37,225	7.9%	37,225	7.9%	2,775,972	1.2%	1.341%	6.7%
Norwood Grove	2002	120,083		78,740		6,735,225		1.169%	
	2003	134,643	12.1%	88,129	11.9%	6,201,332	-7.9%	1.421%	21.6%
Old St. Vital	2002	60,705		53,438		4,507,928		1.185%	
	2003	69,653	14.7%	60,183	12.6%	4,456,900	-1.1%	1.350%	13.9%
Osborne South	2002	22,500		22,500		1,274,425		1.766%	
	2003	24,400	8.4%	24,400	8.4%	1,259,640	-1.2%	1.937%	9.7%
Osborne Village	2002	100,396		86,896		3,865,989		2.248%	
	2003	109,396	9.0%	99,896	15.0%	3,798,890	-1.7%	2.630%	17.0%
St. James Village	2002	41,100		41,100		3,082,305		1.333%	
	2003	46,000	11.9%	46,000	11.9%	2,739,660	-11.1%	1.679%	25.9%
Selkirk Avenue	2002	18,200		18,200		1,148,581		1.585%	
	2003	15,500	-14.8%	15,500	-14.8%	854,760	-25.6%	1.813%	14.4%
Transcona	2002	150,000		150,000		7,931,856		1.891%	
	2003	150,000	0.0%	150,000	0.0%	7,665,266	-3.4%	1.957%	3.5%
West Broadway/ South Sherbrook	2002	82,680		67,680		6,215,320		1.089%	
	2003	70,296	-15.0%	70,296	3.9%	6,025,524	-3.1%	1.167%	7.1%
West End Winnipeg	2002	225,000		225,000		24,253,212		0.928%	
	2003	262,400	16.6%	262,400	16.6%	22,409,308	-7.6%	1.171%	26.2%

* Budget was defeated in 2002.

In preparing this report, there was consultation with and concurrence by:

City Clerks Department
Corporate Services Legal Services Division

This Report Submitted By:

Department:	Corporate Finance Department
Division:	Taxation & Revenue
Prepared by:	Robert Weselowski
File No.	BIZ REPORT 2003.doc