Agenda – Executive Policy Committee – March 13, 2013

REPORTS

Item No. 1 2013 Business Improvement Zone Levies

The following proposed Program, Zone Levy and Budget Estimates for 2013 are submitted to the Executive Policy Committee for consideration and recommendation to Council for approval:

- Academy Road Business Improvement Zone
- Corydon Avenue Business Improvement Zone
- Downtown Winnipeg Business Improvement Zone
- Exchange District Business Improvement Zone
- North End Business Improvement Zone
- Norwood Grove Business Improvement Zone
- Old St. Vital Business Improvement Zone
- Osborne South Business Improvement Zone
- Osborne Village Business Improvement Zone
- ZAC Boulevard Provencher Boulevard Business Improvement Zone
- Zone d'amélioration commerciale Saint-Norbert Business Improvement Zone
- Selkirk Avenue Business Improvement Zone
- St. James Village Business Improvement Zone
- Transcona Business Improvement Zone
- West Broadway Business Improvement Zone
- West End Business Improvement Zone

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That Council approve the 2013 Business Improvement Zone budgets and set and impose a zone levy to be applied to the annual rental value of each business within each zone.

2. That Council direct the City Treasurer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

3. 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.

ADMINISTRATIVE REPORT

Title: **APPROVAL OF BUSINESS IMPROVEMENT ZONE LEVIES – 2013**

Critical Path: **Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin	M. Chambers	Mike Ruta, CFO	D Joshi COO

RECOMMENDATIONS

1. That Council approve the 2013 Business Improvement Zone budgets and set and impose a zone levy to be applied to the annual rental value of each business within each zone.

2. That Council direct the City Treasurer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

3. 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.

REASON FOR THE REPORT

In order for each Business Improvement Zone to obtain the revenue required to meet its 2013 budget, Council must impose, by by-law, the zone levy rates (Schedule A) to be applied to the Business Tax Roll for each Business Improvement Zone that submitted a budget for 2013.

IMPLICATIONS OF THE RECOMMENDATIONS

The adoption of the 2013 Business Improvement Zone levy rates will authorize the collection of the levy as determined by the City of Winnipeg.

HISTORY / DISCUSSION

Under the *City of Winnipeg Charter* Council may, by by-law, establish a Business Improvement Zone as well as set the policies and procedures for a Business Improvement Zone including, among other

factors, the administrative process for reviewing and approving individual Business Improvement Zone budgets. This authority is found in the Business Improvement Zone Procedures By-law No. 8111/2002.

The City of Winnipeg has received the 2013 budgets from all of the existing Business Improvement Zones; 16 zones in total.

For the purposes of raising sufficient money for each Business Improvement Zone budget, a Business Improvement Zone levy rate has been calculated and will be applied against the Annual Rental Value (ARV) of each business within the Business Improvement Zone (see Schedule A).

Schedule B provides a 2012/2013 comparison of each Business Improvement Zone budget levy requirement and the Business Improvement Zone levy rate. The Business Improvement Zone budget levy requirement changes for all zones ranged from a 7.9% decrease for Academy Road Business Improvement Zones to an increase of 28.4% for the Selkirk Avenue Business Improvement Zone. The Business Improvement Zone levy rate changes ranged from a decrease of 0.6% for the St. James Village Business Improvement Zone to an increase of 24.8% for the Selkirk Avenue Business Improvement Zone.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 22, 2013

Project Name:

Approval of Zone Levy for Business Improvement Zones

First Year of Program **2013**

	2013	2014	2015	2016	2017
Capital					
Capital Cost of Proposed Projects	$ -	$ -	$ -	$ -	$ -
Less: Costs paid by Developer	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
BIZ Levy Payments Required	$ 4,194,818	$ -	$ -	$ -	$ -
Less: BIZ Levies Billed	4,194,818	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

There is no financial impact as the Business Improvement Zone levy is revenue-neutral to the City of Winnipeg.

Original signed by
Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal:

City Clerks Department
Urban & Neighbourhood Planning Branch of Planning, Property and Development Department

SUBMITTED BY

Department:	Assessment and Taxation
Division:	Taxation and Finance
Prepared by:	T. Austin, Acting, Manager of Taxation and Finance
Date:	February 22, 2013
File No.	n/a

SCHEDULE A

BUSINESS IMPROVEMENT ZONES
ANNUAL RENTAL VALUES (ARV) and LEVY RATES
FOR THE YEAR 2013

	Zone	2013 BIZ Budget	Budget Required Through Levy	Levy as % of Budget	2013 ARV	Required Levy Rate	2013 BIZ Levies to be Collected
1	**Academy Road**	$ 50,500	$ 50,500	100%	$ 2,374,260	2.127%	$ 50,501
2	**Corydon Avenue**	$ 199,000	$ 199,000	100%	$ 5,799,540	3.432%	$ 199,040
3	**Downtown Winnipeg**	$ 3,206,604	$ 1,943,514	61%	$ 116,631,200	1.667%	$ 1,944,242
4	**Exchange District**	$ 594,830	$ 375,000	63%	$ 25,053,168	1.497%	$ 375,046
5	**North End** *(former Mosaic Market)*	$ 55,350	$ 45,350	82%	$ 3,444,780	1.317%	$ 45,368
6	**Norwood Grove**	$ 189,100	$ 140,000	74%	$ 8,878,896	1.577%	$ 140,020
7	**Old St. Vital**	$ 243,450	$ 208,400	86%	$ 7,134,288	2.922%	$ 208,464
8	**Osborne South**	$ 52,600	$ 52,600	100%	$ 1,890,840	2.782%	$ 52,603
9	**Osborne Village**	$ 178,500	$ 131,000	73%	$ 5,803,848	2.258%	$ 131,051
10	**Provencher Boulevard**	$ 73,133	$ 55,311	76%	$ 4,059,600	1.363%	$ 55,332
11	**St. James Village**	$ 113,405	$ 80,500	71%	$ 4,458,720	1.806%	$ 80,524
12	**Saint-Norbert** *(new)*	$ 28,000	$ 21,000	75%	$ 983,940	2.135%	$ 21,007
13	**Selkirk Avenue**	$ 26,326	$ 26,326	100%	$ 1,472,940	1.788%	$ 26,336
14	**Transcona**	$ 253,400	$ 198,400	78%	$ 9,993,140	1.986%	$ 198,464
15	**West Broadway**	$ 160,000	$ 137,000	86%	$ 11,076,960	1.237%	$ 137,022
16	**West End**	$ 761,485	$ 529,645	70%	$ 31,554,376	1.679%	$ 529,798
	TOTAL	$ 6,185,683	$ 4,193,546	68%	$ 240,610,496		$ 4,194,818

Note: The *'budget'* amount could be different from the *'budget required through levy'* as a Business Improvement Zone:

- may have revenue from other sources;
- may be operating using a prior year's surplus; or
- is required to recover a deficit from the previous year.

SCHEDULE B

BUSINESS IMPROVEMENT ZONES
2012 / 2013 COMPARISON
BUDGET LEVY REQUIREMENTS and LEVY RATES

	Zone	Budget Levy Requirements				BIZ Levy Rates		
				Change				Change
		2012	2013	Amount	%	2012	2013	%
1	**Academy Road**	$ 54,850	$ 50,500	$ (4,350)	-7.9%	2.061%	2.127%	3.2%
2	**Corydon Avenue**	$ 199,000	$ 199,000	$ -	0.0%	3.216%	3.432%	6.7%
3	**Downtown Winnipeg**	$ 1,789,156	$ 1,943,514	$ 154,358	8.6%	1.524%	1.667%	9.4%
4	**Exchange District**	$ 350,000	$ 375,000	$ 25,000	7.1%	1.496%	1.497%	0.1%
5	**North End** *(former Mosaic Market)*	$ 45,350	$ 45,350	$ -	0.0%	1.285%	1.317%	2.5%
6	**Norwood Grove**	$ 136,600	$ 140,000	$ 3,400	2.5%	1.479%	1.577%	6.6%
7	**Old St. Vital**	$ 188,650	$ 208,400	$ 19,750	10.5%	2.660%	2.922%	9.8%
8	**Osborne South**	$ 48,550	$ 52,600	$ 4,050	8.3%	2.452%	2.782%	13.5%
9	**Osborne Village**	$ 115,000	$ 131,000	$ 16,000	13.9%	2.012%	2.258%	12.2%
10	**Provencher Boulevard**	$ 50,309	$ 55,311	$ 5,002	9.9%	1.290%	1.363%	5.7%
11	**St. James Village**	$ 80,500	$ 80,500	$ -	0.0%	1.817%	1.806%	-0.6%
12	**Saint-Norbert**	$ 21,000	$ 21,000	$ -	0.0%	2.064%	2.135%	3.4%
13	**Selkirk Avenue**	$ 20,500	$ 26,326	$ 5,826	28.4%	1.433%	1.788%	24.8%
14	**Transcona**	$ 177,885	$ 198,400	$ 20,515	11.5%	1.734%	1.986%	14.5%
15	**West Broadway**	$ 117,538	$ 137,000	$ 19,462	16.6%	1.065%	1.237%	16.2%
16	**West End**	$ 509,625	$ 529,645	$ 20,020	3.9%	1.590%	1.679%	5.6%
	TOTAL	$ 3,904,513	$ 4,193,546	$ 289,033	7.4%			