REPORTS

2. From the Chief Financial Officer
Report 2002/03/12

Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002

File FL-7 (Vol. 5)

Recommending that:-

1. That the attached 16 By-laws approving the Business Improvement Zone's Management Board's programs, zone levies and budget estimates be adopted and that Council impose the 2002 Zone levy for each of the Zones.

2. That the zone levy rates, per Exhibit A, be applied to the annual rental value of individual properties in each listed zone.

3. That Council direct the City Treasurer to make payment to the Board in each zone in accordance with the following schedule:

   (a) 75% of the approved budget on June 30, 2002;
   (b) 15% of the approved budget on August 31, 2002;
   (c) 10% of the approved budget on October 31, 2002.

Agenda - Executive Policy Committee - March 20, 2002

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

Re: BUSINESS IMPROVEMENT ZONES – PROPOSED PROGRAM, ZONE LEVY AND BUDGET ESTIMATES – 2002

For submission to: Executive Policy Committee

Submitted by: Chief Financial Officer

Report date: March 12, 2002

Recommendation(s):

1. That the attached 16 By-laws approving the Business Improvement Zone's Management Board's programs, zone levies and budget estimates be adopted and that Council impose the 2002 Zone levy for each of the Zones.

2. That the zone levy rates (Exhibit A) be applied to the annual rental value of individual properties in each listed zone.

3. That Council direct the City Treasurer to make payment to the Board in each zone in accordance with the following schedule:

   (a) 75% of the approved budget on June 30, 2002;
   (b) 15% of the approved budget on August 31, 2002;
   (c) 10% of the approved budget on October 31, 2002.

Report Summary

Key Issues:

Council is required to annually pass a by-law approving all or a part of a Business Improvement Zone's proposed program, zone levy and budget estimates. This includes the requirement to set a zone levy for each of the established business improvement zones.

Implications of the Recommendation(s):

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

General Implications

☐ None

☐ For the organization overall and/or for other departments

☑ For the community and/or organizations external to the City of Winnipeg

☐ Involves a multi-year contract

Comment:

Policy implications

☑ No

☐ Yes

Comment:

Financial Implications

☐ Within approved current and/or capital budget

☐ Current and/or capital budget adjustment required

Comment: There is no financial impact as this levy is revenue neutral to the City of Winnipeg.

Report

Recommendation(s):

1. That the attached 16 By-laws approving the Business Improvement Zone's Management Board's programs, zone levies and budget estimates be adopted and that Council impose the 2002 Zone levy for each of the Zones.

2. That the zone levy rates, per Exhibit A, be applied to the annual rental value of individual properties in each listed zone.

3. That Council direct the City Treasurer to make payment to the Board in each zone in accordance with the following schedule:

   (a) 75% of the approved budget on June 30, 2002;
   (b) 15% of the approved budget on August 31, 2002;
   (c) 10% of the approved budget on October 31, 2002.

Reason for the report:

The City of Winnipeg Act S.M. 1989-90, c.10 Subsection 200(8) and Subsection 200(6) state the following:

Approval of estimates.

200(8) *Subject to Subsection (6), Council may pass a By-law approving all or part of the Board's proposed program, zone levy and budget estimates and, upon that approval, may direct the payment to the Board or on behalf of the Board of an amount not exceeding the amount approved.*

Notice of Objection.

200(6) *The board's proposed program, zone levy and budget estimates shall not be forwarded to council if the committee of council receives written notice of objection on or before the date specified under subsection 200(5)(b) from at least 1/3 of the businesses in the zone that represent at least 1/3 of the total business assessment in the zone.*

History:

The attached Exhibit B details the relevant dates in the annual budget process for the sixteen established Business Improvement Zones. Save for the Grosvenor Square BIZ, the processes

followed by the remaining 15 BIZ's fully comply with the requirements of *The City of Winnipeg Act* and the respective By-laws of each Zone. Moreover, Council, on January 30 and February 27, 2002 adopted the Executive Policy Committee's recommendation for each Zone's proposed 2002 program, zone levy and budget estimates.

The Grosvenor Square BIZ, in a letter dated November 6, 2001, notified the Executive Policy Committee that the Zone would not be submitting a 2002 Program and Budget for approval. They further advised that the 2002 Program and Budget was defeated by the general Grosvenor Square BIZ membership at their Annual General Meeting of October 25, 2001.

Discussion:

Attached hereto is Exhibit C that illustrates the 2001 to 2002 comparison of the budget, zone levy, annual rental value and zone levy rates for each of the Business Improvement Zones.

As the 15 Business Improvement Zones have complied with both the legislation and their individual by-laws governing the budget processes, Council is now required to adopt a by-law approving all or part of the Board's proposed program, zone levy and budget estimates. The 16 By-laws comprise the 15 individual Zone by-laws plus one general BIZ by-law.

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

Financial Impact Statement:

Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates 2002

Date: March 12, 2002

	2002	2003	2004	2005	2006
Capital					
Capital Expenditures Required	n/a				
Less: Existing Budgeted Costs	n/a				
Additional Capital Budget Required	n/a	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	n/a				
Total Additional Debt Required	n/a				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: There is no financial impact as this levy is revenue neutral to the City of Winnipeg.

Carrie Erickson
Manager of Finance & Administration

This Report Submitted By:

Department: Corporate Finance
Division: Taxation & Revenue
Prepared by: Guy Frobisher

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

EXHIBIT A

BUSINESS IMPROVEMENT ZONES
LEVY RATES
FOR THE YEAR 2002

ANNUAL RENTAL VALUES (A.R.V.) AND LEVY RATES				
ZONE	**BUDGET**	**BUDGET REQUIRED THROUGH LEVY**	**A.R.V.**	**LEVY RATE**
DOWNTOWN WINNIPEG	1,495,554	1,068,490	85,837,075	1.245%
EXCHANGE DISTRICT	248,639	218,089	15,836,973	1.377%
OSBORNE VILLAGE	100,396	86,896	3,865,989	2.248%
CORYDON AVENUE	81,750	81,750	3,149,414	2.596%
WEST END WINNIPEG	225,000	225,000	24,253,212	0.928%
NORWOOD GROVE	120,083	78,740	6,735,225	1.169%
WEST BROADWAY / SOUTH SHERBROOK	82,680	67,680	6,215,320	1.089%
SELKIRK AVENUE	18,200	18,200	1,148,581	1.585%
OSBORNE SOUTH	22,500	22,500	1,274,425	1.766%
MOSAIC MARKET	34,494	34,494	2,743,378	1.257%
ACADEMY ROAD	21,400	21,400	1,673,268	1.279%
OLD ST.VITAL	60,705	53,438	4,507,928	1.185%
TRANSCONA	150,000	150,000	7,931,856	1.891%
ST. JAMES VILLAGE	41,100	41,100	3,082,305	1.333%
FRENCH QUARTER	23,600	23,600	2,489,188	0.948%

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

EXHIBIT B

BUSINESS IMPROVEMENT ZONES
BUDGET RENEWAL PROCESS
FOR THE YEAR 2002

Action Established By By-Law Number: Date Established:	Downtown Winnipeg B/L 5080/89 (Jan. 25/89)	Exchange District B/L 5081/89 (Jan. 25/89)	Osborne Village B/L 5322/89 (Dec. 20/89)	Corydon Avenue B/L 5378/90 (Mar. 7/90)	West End Winnipeg B/L 5650/91 (Mar. 6/91)	Norwood Grove B/L 5649/91 (Mar. 6/91)	W. Broadway S. Sherbrook B/L 5921/92 (Mar. 25/92)	Selkirk Avenue B/L 5770/91 (Sep. 25/91)
Zone's Annual General Meeting To Approve Budget	Oct.18/01	Oct.18/01	Oct 29/01	Oct 30/01	Oct 18/01	Oct 17/01	Oct. 11/01	Oct. 29/01
Community Committee To Hold A Public Meeting Is Advertised	Nov.19/01	Nov.19/01	Jan 21/02	Jan 21/02	Jan 21/02	Dec 28/01	Nov.19/01	Dec. 21/01
Community Committee Passes Motion That The Proposed Budget Be Ratified By Executive Policy Committee And Council	Dec. 4/01	Dec. 4/01	Feb 5/02	Feb 5/02	Feb 5/02	Feb 19/02	Dec. 4/01	Jan. 15/02
Executive Policy Committee Recommends Proposed Budget Be Adopted By Council	Jan 23/02	Jan 23/02	Feb 20/02	Feb 20/02	Feb 20/02	Feb 20/02	Jan 23/02	Jan 23/02
Council Approves Proposed Budget	Jan 30/02	Jan 30/02	Feb 27/02	Feb 27/02	Feb 27/02	Feb 27/02	Jan 30/02	Jan 30/02

Action Established By By-Law Number: Date Established:	Osborne South B/L 6201/93 (Jul. 21/93)	Mosaic Market B/L 6220/93 (Nov. 17/93)	Academy Road B/L 6688/95 (Sep. 27/95)	Old St. Vital B/L 6715/95 (Nov. 29/95)	Transcona B/L 6729/95 (Dec. 20/95)	St. James Village B/L 7025/97 (Apr. 30/97)	Grosvenor Square B/L 7255/98 (Jul. 22/98)	French Quarter B/L 7310/98 (Mar. 24/99)
Zone's Annual General Meeting To Approve Budget	Oct. 15/01	Oct. 24/01	Oct. 16/01	Oct 24/01	Oct 1/01	Oct 3/01	*	Oct 30/01
Community Committee To Hold A Public Meeting Is Advertised	Nov.19/01	Dec. 22/01	Nov.19/01	Feb 01/02	Nov.16/01	Dec 21/01		Dec 28/01
Community Committee Passes Motion That The Proposed Budget Be Ratified By Executive Policy Committee And Council	Dec. 4/01	Jan. 15/02	Dec. 4/01	Feb 19/02	Dec. 4/01	Jan 15/02		Feb 19/02
Executive Policy Committee Recommends Proposed Budget Be Adopted By Council	Jan 23/02	Jan 23/02	Jan 23/02	Feb 20/02	Jan 23/02	Jan 23/02		Feb 20/02
Council Approves Proposed Budget	Jan 30/02	Jan 30/02	Jan 30/02	Feb 27/02	Jan 30/02	Jan 30/02		Feb 27/02

* Note: Grosvenor Square 2002 Program and Budget was defeated by the general B.I.Z. membership at their Annual Meeting on October 25, 2001.

Attachment to Item 02 - "Business Improvement Zones - Proposed Program, Zone Levy and Budget Estimates - 2002"

EXHIBIT C

BUSINESS IMPROVEMENT ZONES

2001/2002 COMPARISON

ZONE	YEAR	BUDGET ($)	CHANGE (%)	ZONE LEVY ($)	CHANGE (%)	A.R.V. ($)	CHANGE (%)	ZONE LEVY RATE (%)	CHANGE (%)
Downtown Winnipeg	2001	1,317,300		998,300		80,227,070		1.244%	
	2002	1,495,554	13.5%	1,068,490	7.0%	85,837,075	7.0%	1.245%	0.0%
Exchange District	2001	251,662		219,362		14,808,664		1.481%	
	2002	248,639	-1.2%	218,089	-0.6%	15,836,973	6.9%	1.377%	-7.0%
Osborne Village	2001	96,446		84,246		3,538,640		2.381%	
	2002	100,396	4.1%	86,896	3.1%	3,865,989	9.3%	2.248%	-5.6%
Corydon Avenue	2001	79,336		79,336		2,871,420		2.763%	
	2002	81,750	3.0%	81,750	3.0%	3,149,414	9.7%	2.596%	-6.1%
West End Winnipeg	2001	219,500		219,500		22,121,712		0.992%	
	2002	225,000	2.5%	225,000	2.5%	24,253,212	9.6%	0.928%	-6.5%
Norwood Grove	2001	108,600		78,521		5,721,034		1.372%	
	2002	120,083	10.6%	78,740	0.3%	6,735,225	17.7%	1.169%	-14.8%
West Broadway/	2001	46,782		46,782		5,688,600		0.822%	
South Sherbrook	2002	82,680	76.7%	67,680	44.7%	6,215,320	9.3%	1.089%	32.4%
Selkirk Avenue	2001	19,700		19,700		1,022,700		1.926%	
	2002	18,200	-7.6%	18,200	-7.6%	1,148,581	12.3%	1.585%	-17.7%
Osborne South	2001	32,475		22,475		1,163,784		1.931%	
	2002	22,500	-30.7%	22,500	0.1%	1,274,425	9.5%	1.766%	-8.6%
Mosaic Market	2001	35,303		35,303		2,651,040		1.332%	
	2002	34,494	-2.3%	34,494	-2.3%	2,743,378	3.5%	1.257%	-5.6%
Academy Road	2001	20,150		20,150		1,662,060		1.212%	
	2002	21,400	6.2%	21,400	6.2%	1,673,268	0.7%	1.279%	5.5%
Old St. Vital	2001	52,155		44,655		4,078,264		1.095%	
	2002	60,705	16.4%	53,438	19.7%	4,507,928	10.5%	1.185%	8.3%
Transcona	2001	147,000		147,000		7,264,998		2.023%	
	2002	150,000	2.0%	150,000	2.0%	7,931,856	9.2%	1.891%	-6.5%
St. James Village	2001	41,100		41,100		2,133,780		1.926%	
	2002	41,100	0.0%	41,100	0.0%	3,082,305	44.5%	1.333%	-30.8%
Grosvenor Square	2001	5,425		5,425		347,700		1.560%	
	2002	*********BUDGET WAS DEFEATED*********							
French Quarter	2001	24,500		24,500		2,424,520		1.011%	
	2002	23,600	-3.7%	23,600	-3.7%	2,489,188	2.7%	0.948%	-6.2%

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