**Minutes – Executive Policy Committee – July 9, 2014**

## REPORTS

### Minute No. 461 Community Image and Neighbourhood Main Streets – Business Improvement Zone Funding Grant Agreements

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That subject to the conditions set out below, the City of Winnipeg provide funding in the following amounts to the following Business Improvement Zones (BIZs) for Streetscaping Projects:

    A. Academy Road BIZ - $200,000
    B. Norwood Grove BIZ - $100,000
    C. Old St Vital BIZ - $200,000
    D. Osborne Village BIZ - $200,000
    E. St Norbert BIZ - $75,000
    F. West End BIZ - $50,000

2. That the funding referred to in Recommendation No. 1 be provided in each case on the following conditions:

    A. That the final design, developed by a landscape architect, is acceptable to the Director of Planning, Property and Development or delegate;
    B. That the BIZ accepts full responsibility and liability for carrying out the work in accordance with the approved design;
    C. That the BIZ accepts full responsibility and liability for maintenance of the project after the work has been completed;
    D. That the funding flow as invoices are submitted to the City and that no funding will flow to the BIZ after two years have elapsed since the agreement was executed;
    E. That the City be entitled to terminate the agreement upon the provision of notice to the BIZ.

3. That the City of Winnipeg enter into grant agreements for the above-noted Streetscaping Projects and such other agreements as are determined necessary by the City Solicitor/ Director of Legal Services to implement the intent of Recommendation No. 1.

4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreements referred to in Recommendation No. 1 in accordance with this Report in addition to such other terms and conditions deemed necessary by the City Solicitor/ Director of Legal Services to protect the interests of the City.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Deputy Mayor Swandel,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

# ADMINISTRATIVE REPORT

**Title:** **Community Image and Neighbourhood Main Streets; Business improvement Zone Funding Grant agreements**

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

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| B. Smith | B. Thorgrimson | M. Ruta | D. Joshi |

## RECOMMENDATIONS

1. That, subject to the conditions set out below, the City of Winnipeg provide funding in the following amounts to the following Business Improvement Zones (BIZes) for Streetscaping Projects
    - Academy Road BIZ - $200,000
    - Norwood Grove BIZ - $100,000
    - Old St Vital BIZ - $200,000
    - Osborne Village BIZ - $200,000
    - St Norbert BIZ - $75,000
    - West End BIZ - $50,000

2. That the funding referred to in Recommendation #1 be provided in each case on the following conditions:
    - that the final design, developed by a landscape architect, is acceptable to the Director of Planning, Property and Development or delegate;
    - that the BIZ accepts full responsibility and liability for carrying out the work in accordance with the approved design;
    - that the BIZ accepts full responsibility and liability for maintenance of the project after the work has been completed;
    - that the funding flow as invoices are submitted to the City and that no funding will flow to the BIZ after two years have elapsed since the agreement was executed;
    - that the City be entitled to terminate the agreement upon the provision of notice to the BIZ.

3. That the City of Winnipeg enter into grant agreements for the above-noted Streetscaping Projects and such other agreements as are determined necessary by

the City Solicitor/ Director of Legal Services to implement the intent of Recommendation #1.

4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreements referred to in Recommendation #2 in accordance with this Report in addition to such other terms and conditions deemed necessary by the City Solicitor/ Director of Legal Services to protect the interests of the City.

## REASON FOR THE REPORT

Although funding for these agreements has been approved through the Community Image and Neighbourhood Main Streets Capital Funding, and these amounts have been allocated into the 2013 and 2014 Capital Funding years which has received Council approval, Council approval is still needed to enter into agreements with the respective BIZes.

## IMPLICATIONS OF THE RECOMMENDATIONS

- Funding in the amounts set out in Recommendation #1 has been allocated into the 2013 and 2014 Capital Funding years through the BIZ Zones, Image Routes and Neighbourhood Main Streets Capital Funding and has received Council approval.
- This Report proposes the use of a standard agreement which has been employed for similar funding agreements with BIZes in the past. Besides standard provisions that protect the City legally, the agreement provides for
    - Design approval by the Director of Planning, Property and Development or delegate;
    - The BIZ accepting full responsibility and liability for carrying out the work in accordance with the approved design;
    - The BIZ accepting full responsibility and liability for maintenance of the project after the work has been completed;
    - Funding to flow as invoices are submitted to the City and the termination of funding after two years have elapsed since the agreement was executed;
    - Termination by the City upon the provision of notice to the BIZ.
- The City of Winnipeg Insures the BIZ Zones within the City of Winnipeg. Any issues of liability for these streetscape elements are covered through the Risk Management Division and therefore there is coverage for replacement value if damage occurs by a third party.

## HISTORY

The City of Winnipeg Charter provides for City Council to create a Business Improvement Zone (B.I.Z.) by by-law.

Business Improvement Zones are governed by a set of procedures and required processes, which are laid out within the Business Improvement Zone Procedures By-Law No. 8111/2002. This By-Law specifies the Objects of a BIZ Board (By-Law No 8111/2002; 5(1)(2)).

Those objects are:

> *5(2) The objects of a board are*
>
> > *(a) to beautify, improve and maintain real property of the City in the zone subject to the authorization by Council, and*
> >
> > *(b) to promote improvements and economic development in the zone.*

BIZ Zones are funded by a BIZ Levy (collected through the Business Tax), which are BIZ budgets passed by the BIZ membership and then presented to City Council for Approval. As well, BIZ Zones apply for other Grants, complementary funding and Sponsorships Dollars to deliver their programs and Capital Projects. The BIZ Zones are ready to carrying out their respective Streetscape Enhancement Strategy plans, which now requires the funding legal agreement to put into place and to have the projects move forward toward implementation.

## FINANCIAL IMPACT

**Financial Impact Statement** **Date:** July 3, 2014

**Project Name:** **First Year of Program** **2014**

Community Image and Neighbourhood Main Streets; Business improvement Zone Funding Grant agreements

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ 825,000 | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | 825,000 | - | - | - | - |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - |
| Grants (Enter Description Here) | - | - | - | - | - |
| Reserves, Equity, Surplus | - | - | - | - | - |
| Other - The Winnipeg Foundation | - | - | - | - | - |
| Total Funding | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | $ - | $ - | $ - | $ - | $ - |
| Less: Incremental Revenue/Recovery | - | - | - | - | - |
| Net Cost/(Benefit) | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | - | - | - | - | - |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - |

**Additional Comments:** Capital expenditures of $825,000 are funded by 2013 Community Image and Neighbourhood Main Street capital program and 2014 Biz Zones, Image Routes and Neighbourhood Main Streets capital program

*"Original signed by"*
Joseph Chammartin, CGA
Acting Manager of Finance

## CONSULTATION

**In preparing this report there was consultation with:**
Legal Services

## SUBMITTED BY

| | |
|---|---|
| Department: | Planning, Property and Development |
| Division: | Urban Design |
| Prepared by: | Martin Pasieczka |
| Date: | June 29, 2014 |
| File No. | O:\Reports Directive\Planning and Land Use\Urban Planning\2014\ Community Image and Neighbourhood Main Streets; Business Improvement Zone Funding Grant agreements – June 29, 2014.doc |