Agenda – Executive Policy Committee – March 18, 2015

REPORTS

Item No. 1 2015 Business Improvement Zone Levies

The following proposed Program, Zone Levy and Budget Estimates for 2014 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 2015 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 Chief Financial Officer (CFO) 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 – 2015**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin	M. Chambers	Mike Ruta	M. Jack A/CAO

RECOMMENDATIONS

1. That Council approve the 2015 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 Chief Financial Officer (CFO) 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 (BIZ) to obtain the revenue required to meet its 2015 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 2015.

IMPLICATIONS OF THE RECOMMENDATIONS

General Implications

(X) For the community and/or organizations external to the City

Comment(s): The adoption of the 2015 Business Improvement Zone levy rates will authorize the collection of the levy as determined by the City of Winnipeg.

Financial Implications

(X) Within approved current and/or capital budget

Comment(s): There is no financial impact as the Business Improvement Zone levy is revenue-neutral to the City of Winnipeg.

HISTORY / DISCUSSION

Under the *City of Winnipeg Charter* Council may, by by-law, establish a Business Improvement Zone (BIZ) as well as set the policies and procedures for a BIZ including, among other factors, the administrative process for reviewing and approving individual BIZ budgets. This authority was accomplished by enacting the Business Improvement Zone Procedures By-law No. 8111/2002.

The City of Winnipeg has received the 2015 budgets from all of the existing Business Improvement Zones; 16 zones in total.

For the purposes of raising sufficient money for each BIZ budget, a BIZ 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 2014/2015 comparison of each BIZ budget levy requirement and the BIZ levy rate. The BIZ budget levy requirement changes for all zones which increased up to 43.8% for the Saint Norbert BIZ. The BIZ levy rate changes ranged from a decrease of 3.5% for the Transcona BIZ to an increase of 43.9% for the Old St. Vital BIZ.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 13, 2015

Project Name:

Approval of Zone Levy for Business Improvement Zones

First Year of Program 2015

	2015	2016	2017	2018	2019
Capital					
Capital Cost of Proposed Projects	$ -	$ -	$ -	$ -	$ -
Less: Costs paid by Developer	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
BIZ Levy Payments Required	$ 4,914,605	$ -	$ -	$ -	$ -
Less: BIZ Levies Billed	4,914,605	-	-	-	-
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

Ramona Hodges
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal:

City Clerks Department
Economic Development Branch, Planning, Property and Development Department

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: T. Austin, Manager of Taxation and Finance Services
Date: February 13, 2015
File No. n/a



Attachment BIZ Budgets for Report.p

SCHEDULE A

BUSINESS IMPROVEMENT ZONES
ANNUAL RENTAL VALUES (ARV) and LEVY RATES
FOR THE YEAR 2015

	Zone	2015 BIZ Budget	Budget Required Through Levy	Levy as % of Budget	2015 ARV	Required Levy Rate	2015 BIZ Levies to be Collected
1	**Academy Road**	$ 67,200	$ 67,200	100%	$ 2,557,860	2.628%	$ 67,221
2	**Corydon Avenue**	$ 211,000	$ 211,000	100%	$ 6,017,340	3.507%	$ 211,028
3	**Downtown Winnipeg**	$ 3,910,766	$ 2,421,126	62%	$ 117,022,904	2.069%	$ 2,421,203
4	**Exchange District**	$ 716,050	$ 440,000	61%	$ 25,273,170	1.741%	$ 440,006
5	**North End**	$ 49,350	$ 49,350	100%	$ 3,845,040	1.284%	$ 49,370
6	**Norwood Grove**	$ 321,400	$ 140,000	44%	$ 9,473,520	1.478%	$ 140,019
7	**Old St. Vital**	$ 582,989	$ 310,989	53%	$ 7,810,260	3.982%	$ 311,005
8	**Osborne South**	$ 56,800	$ 56,800	100%	$ 2,160,542	2.629%	$ 56,801
9	**Osborne Village**	$ 399,000	$ 131,000	33%	$ 6,359,760	2.060%	$ 131,011
10	**Provencher Boulevar**	$ 69,604	$ 60,000	86%	$ 4,004,220	1.499%	$ 60,022
11	**St. James Village**	$ 127,528	$ 80,547	63%	$ 4,016,340	2.006%	$ 80,568
12	**Saint-Norbert**	$ 254,580	$ 23,000	9%	$ 1,196,220	1.923%	$ 23,003
13	**Selkirk Avenue**	$ 27,464	$ 27,464	100%	$ 1,393,440	1.971%	$ 27,465
14	**Transcona**	$ 267,500	$ 210,500	79%	$ 11,574,420	1.819%	$ 210,539
15	**West Broadway**	$ 371,500	$ 150,000	40%	$ 10,671,840	1.406%	$ 150,046
16	**West End**	$ 889,463	$ 535,015	60%	$ 31,674,440	1.690%	$ 535,298
	TOTAL	$ 8,322,194	$ 4,913,991	59%	$ 245,051,316		$ 4,914,605

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

- 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
2014 / 2015 COMPARISON
BUDGET LEVY REQUIREMENTS and LEVY RATES

	Zone	Budget Levy Requirements				BIZ Levy Rates		
				Change				Change
		2014	2015	Amount	%	2014	2015	%
1	Academy Road	$ 56,400	$ 67,200	$ 10,800	19.1%	2.096%	2.628%	25.4%
2	Corydon Avenue	$ 199,000	$ 211,000	$ 12,000	6.0%	3.215%	3.507%	9.1%
3	Downtown Winnipeg	$ 2,058,816	$ 2,421,126	$ 362,310	17.6%	1.729%	2.069%	19.7%
4	Exchange District	$ 405,000	$ 440,000	$ 35,000	8.6%	1.586%	1.741%	9.8%
5	North End	$ 48,350	$ 49,350	$ 1,000	2.1%	1.273%	1.284%	0.9%
6	Norwood Grove	$ 140,000	$ 140,000	$ -	0.0%	1.464%	1.478%	1.0%
7	Old St. Vital	$ 220,795	$ 310,989	$ 90,194	40.8%	2.768%	3.982%	43.9%
8	Osborne South	$ 53,500	$ 56,800	$ 3,300	6.2%	2.355%	2.629%	11.6%
9	Osborne Village	$ 131,000	$ 131,000	$ -	0.0%	2.059%	2.060%	0.0%
10	Provencher Boulevard	$ 55,559	$ 60,000	$ 4,441	8.0%	1.354%	1.499%	10.7%
11	St. James Village	$ 80,525	$ 80,547	$ 22	0.0%	1.872%	2.006%	7.2%
12	Saint-Norbert	$ 16,000	$ 23,000	$ 7,000	43.8%	1.395%	1.923%	37.8%
13	Selkirk Avenue	$ 27,000	$ 27,464	$ 464	1.7%	1.933%	1.971%	2.0%
14	Transcona	$ 201,600	$ 210,500	$ 8,900	4.4%	1.884%	1.819%	-3.5%
15	West Broadway	$ 128,650	$ 150,000	$ 21,350	16.6%	1.188%	1.406%	18.4%
16	West End	$ 535,015	$ 535,015	$ -	0.0%	1.615%	1.690%	4.6%
	TOTAL	$ 4,357,210	$ 4,913,991	$ 556,781	12.8%			