Minutes – Executive Policy Committee – May 10, 2017

REPORTS

Item No. 7 Business Improvement Zones (BIZs), Image Routes and Neighbourhood Main Streets 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:

    - South Osborne BIZ - $100,000
    - Norwood Grove BIZ - $100,000
    - Osborne Village BIZ - $50,000
    - Old St Vital BIZ - $50,000
    - Transcona BIZ - $50,000
    - West Broadway BIZ - $50,000
    - St Norbert BIZ - $55,000

2. That the funding referred to in Recommendation #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, execute and deliver grant agreements for the above-noted streetscaping projects and such other agreements as are determined necessary by the Director of Legal Services and City Solicitor to implement the intent of Recommendation #1 (the "Ancillary Agreements").

4. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreements referred to in Recommendation #3 and the Ancillary Agreements, in accordance with this report in addition to such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor 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 Councillor Morantz,

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

Carried

ADMINISTRATIVE REPORT

Title: Business Improvement Zones (BIZs), Image Routes and Neighbourhood Main Streets Funding Grant Agreements

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
S. Cianflone	J. Kiernan	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

This report is seeking Council approval to enter into grant agreements with the listed BIZs.

This report provides the conditions to be met, funding amounts and respective BIZs to receive Capital Funding from the BIZ Zones, Image Routes and Neighbourhood Main Streets Capital Program.

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 (BIZs) for streetscaping projects:
    - South Osborne BIZ - $100,000
    - Norwood Grove BIZ - $100,000
    - Osborne Village BIZ - $50,000
    - Old St Vital BIZ - $50,000
    - Transcona BIZ - $50,000
    - West Broadway BIZ - $50,000
    - St Norbert BIZ - $55,000

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, execute and deliver 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 (the "Ancillary Agreements").

4. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreements referred to in Recommendation #3 and the Ancillary Agreements, 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.

REASON FOR THE REPORT

Although the funding for these grant agreements has been approved through the BIZs, Image Routes and Neighbourhood Main Streets Capital Program, and these amounts have been allocated into the 2016 and 2017 Capital Funding years which has received Council approval, Council approval is still needed to enter into grant agreements with the respective BIZs.

IMPLICATIONS OF THE RECOMMENDATIONS

Funding in the amounts set out in Recommendation #1 has been allocated from the 2016 and 2017 Capital Funding years through the BIZs, 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 grant agreements with BIZs 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 BIZs 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/DISCUSSION

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.

BIZs 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, BIZs apply for other grants, complementary funding and Sponsorships Dollars to deliver their programs and Capital Projects.

The BIZs are ready to begin carrying out their respective Streetscape Enhancement Strategy plans, which now requires grant legal agreements to be put into place and to have the projects move toward implementation.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 15, 2017

Project Name:

First Year of Program 2017

Business Improvement Zones (BIZs), Image Routes and Neighbourhood Main Streets Funding Grant Agreements

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ 469,788	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	469,788	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Interim-financing - General Capital Fund	$ -	$ -	$ -	$ -	$ -
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					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	14,788	-	-	-	-
Net Cost/(Benefit)	$ (14,788)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(14,788)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures represent grants totaling $455,000 + short-term financing and corporate admin fees of $14,788. The latter amount is offset by recoveries in the current budget of the Corporate Finance Department. Funding for these expenditures is provided from the 2016 and 2017 BIZ Zones, Image Routes and Neighbourhood Main Streets capital program budgets.

"Original signed by"

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

Legal Services (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

01- A City that Works (Direction 4): Collaborate with all public, private and community economic development agencies to advance economic advantages.
To help improve the image and attraction for a Business Improvement Zone, will in turn support a thriving and vibrant Neighbourhood Mainstreet as a Community and citywide destination.

02- A City that Works (Direction 8): Encourage Activities Beneficial to the Winnipeg Economy.
Supporting the improvement of a BIZ Zone (as a Neighbourhood Mainstreet) supports economic growth both within the community and city overall.

03- A Sustainable City (Direction 6) Plan for the sustainable development of healthy neighbourhoods based on their particular historic identity and character.
Support streetscape enhancement developments within the Business Improvement Zones, allows for the development of active, distinct, sustainable and vibrant districts.

04- Quality of Life (Direction 6): Promote cleanliness and beautification.
Reinvestment in partnered projects in Business Improvement Zone will enhance support for distinct identity, design and programs that enhance and promote the aesthetic appeal of public spaces and districts.

SUBMITTED BY

Department: Planning, Property and Development
Division: Office of the Director, Economic Development Branch
Prepared by: Martin Pasieczka, Neighbourhood Economic Development Officer & BIZ Liaison
Date: March 16, 2017