Minute No. 401
Report – Executive Policy Committee – June 6, 2018

Item No. 5 Business Improvement Zones, Image Routes and Neighbourhood Main Streets Funding Grant Agreements

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That, subject to the conditions set out below, the City of Winnipeg provide funding allocated in the 2017 and 2018 Capital Budget in the following amounts to the following BIZ's for Streetscaping Projects:

    - West End BIZ - $100,000
    - St Norbert BIZ - $50,000
    - Corydon Ave BIZ - $200,000
    - West Broadway BIZ - $20,000
    - North End BIZ - $20,000
    - Selkirk Ave BIZ - $20,000

2. That subject to approval of Recommendation 1 above, that funding be provided to each BIZ based on the following terms and conditions:

    A. that the final design, developed by a landscape architect, is acceptable to the Director of Planning, Property and Development or designate;
    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 grant agreement was executed and;
    E. that the City be entitled to terminate the grant agreement upon the provision of notice to the BIZ.

3. That the City enter into, execute and deliver grant agreements with the BIZ's for the above-noted Streetscaping Projects and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the forgoing (the "Ancillary Agreements").

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COUNCIL DECISION (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

4. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreements with the BIZ's and the Ancillary Agreements, in accordance with this report and 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.

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Bowman,

That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 6, 2018, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: Business Improvement Zones, 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 Business Improvement Zones (BIZs) established by the City of Winnipeg.

It also outlines the 2018 Council approved Capital BIZ's, Image Routes and Neighbourhood grant allocations and proposed terms and conditions of the grant funding agreements.

RECOMMENDATIONS

1. That, subject to the conditions set out below, the City of Winnipeg provide funding allocated in the 2017 and 2018 Capital Budget in the following amounts to the following BIZ's for Streetscaping Projects:
   - West End BIZ - $100,000
   - St Norbert BIZ - $50,000
   - Corydon Ave BIZ - $200,000
   - West Broadway BIZ - $20,000
   - North End BIZ - $20,000
   - Selkirk Ave BIZ - $20,000

2. That subject to approval of Recommendation 1 above, that funding be provided to each BIZ based on the following terms and conditions:

   a) that the final design, developed by a landscape architect, is acceptable to the Director of Planning, Property and Development or designate;

   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 grant agreement was executed and;

e) that the City be entitled to terminate the grant agreement upon the provision of notice to the BIZ.

3. That the City enter into, execute and deliver grant agreements with the BIZ's for the above-noted Streetscaping Projects and such other agreements as determined necessary by the City Solicitor/ Director of Legal Services to implement the intent of the forgoing (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 with the BIZ's and the Ancillary Agreements, in accordance with this report and 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

Funding for the grants proposed herein has been approved through the 2017 and 2018 Capital BIZ's, Image Routes and Neighbourhood Main Streets Capital Funding Program. Council approval is required to enter into grant agreements with the BIZ's for the specific allocation of Council-approved Capital Funds.

IMPLICATIONS OF THE RECOMMENDATIONS

Council approved the amounts set out in Recommendation 1 in the 2017 and 2018 BIZ's, Image Routes and Neighbourhood Main Streets Capital Fund Program.

This report proposes the use of a standard agreement that has been employed for similar grant agreements with BIZ's in the past. In addition to other standard terms and conditions contained in the grant agreement, the following provisions are proposed to protect City interests:

a) Design approval by the Director of Planning, Property and Development or designate;
b) The BIZ accepting full responsibility and liability for carrying out the work in accordance with the approved design;
c) The BIZ accepting full responsibility and liability for maintenance of the project after the work has been completed;
d) Funding to flow as invoices are submitted to the City and the termination of funding after two years have elapsed since the grant agreement was executed;
e) Termination of the grant agreement by the City upon the provision of notice to the BIZ.

The City insures the BIZ's within the City of Winnipeg. Any issues of liability for these streetscape elements are covered through the Risk Management Division of the Corporate

Finance Department. Adequate coverage is in place for replacement value if damages occur by a third party.

HISTORY/DISCUSSION

The City of Winnipeg Charter provides authority for City Council to create BIZ's by by-law.

BIZ's 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 as follows:

> *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.*

They are funded by a self-imposed BIZ Levy collected through the City of Winnipeg Business Tax process. BIZ's include the proposed rate of BIZ levy as part of their annual BIZ budget submissions to Council for consideration and approval and are eligible to apply for other grants, complementary funding and sponsorships to deliver their programs and capital Streetscaping Projects.

The BIZ's identified in this report have confirmed that they are ready to begin carrying out their Streetscape Enhancement Projects. This report recommends approval for the City to enter into grant agreement with the BIZ's listed herein for capital Streetscaping Projects approved by Council under the 2017 and 2018 Capital Budget.

FINANCIAL IMPACT

Financial Impact Statement

Date: May 11, 2018

Project Name:

First Year of Program **2018**

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

	2018	2019	2020	2021	2022
Capital					
Capital Expenditures Required	$ 211,663	$ 211,663	$ -	$ -	$ -
Less: Existing Budgeted Costs	211,663	211,663	-	-	-
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					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	6,663	6,663	-	-	-
Net Cost/(Benefit)	$ (6,663)	$ (6,663)	$ -	$ -	$ -
Less: Existing Budget Amounts	(6,663)	(6,663)	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures consist of the $410,000 in grants to the BIZ's noted in the report + short-term financing charges & corporate admin fees of $13,326. The latter amount is offset by an equal recovery in the current budget of the Corporate Finance Department. For the purposes of this analysis, it has been assumed that grant funding will flow equally over 2018 and 2019. **No additional budget is required.**

"Original signed by"
Mike McGinn, 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: May 15, 2018

File name: 2018 05 11 - BIZ Zone Capital Streetscaping Allocation