Minutes – Executive Policy Committee – July 9, 2019

REPORTS

Item No. 8 Business Improvement Zones, 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 provide funding allocated in the 2019 Capital Budget in the following amounts to the following Business Improvement Zones (BIZs) for Streetscaping Projects:

A.	West End BIZ	$75,000
B.	Academy Road BIZ	$50,000
C.	Norwood Grove BIZ	$50,000
D.	West Broadway BIZ	$50,000
E.	Transcona BIZ	$37,000
F.	South Osborne BIZ	$25,000
G.	St James Village BIZ	$20,000

2. That the funding referred to in Recommendation #1 be provided, subject to 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 enter into, execute and deliver grant agreements with the BIZs 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 foregoing (the “Ancillary Agreements”);

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 BIZs 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.

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

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

Carried

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
B. Smith	J. Kiernan	B. D'Avignon, acting for P. Olafson	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

This report is seeking Council approval to enter into grant agreements with the listed Business Improvement Zones (BIZs).

This report provides the conditions to be met, funding amounts and respective BIZs to receive funding from the 2019 BIZ Zone, Image Routes and Neighbourhood Main Streets Capital Program Budget.

RECOMMENDATIONS

1. That Council approve, subject to the conditions set out below, for the City to provide funding allocated in the 2019 Capital Budget in the following amounts to the following Business Improvement Zones (BIZs) for Streetscaping Projects:

   A. West End BIZ $75,000
   B. Academy Road BIZ $50,000
   C. Norwood Grove BIZ $50,000
   D. West Broadway BIZ $50,000
   E. Transcona BIZ $37,000
   F. South Osborne BIZ $25,000
   G. St James Village BIZ $20,000

2. That the funding referred to in Recommendation #1 be provided, subject to 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 enter into, execute and deliver grant agreements with the BIZs 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 foregoing (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 BIZs 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

Council approval is required 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 Council-approved 2019 BIZs, Image Routes and Neighbourhood Main Streets Capital Program Budget.

A standard agreement, which has been employed for similar grants to BIZs in the past, will again be utilized and will include standard provisions that protect the City legally. The agreements will provide 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. 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 is caused 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 included in BIZ budgets passed by the BIZ membership and then presented to City Council for approval. In addition, 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 requires legal agreements between the BIZs and the City for grant monies to have the projects move toward implementation.

Projects are selected based upon community readiness and partnership opportunities. The BIZs utilize grants received from the City to leverage additional funding to undertake projects. Project funding will be delivered as a grant to each BIZ group through legally executed grant agreements.

A meeting with was held with the Winnipeg BIZ Alliance on May 7th, 2019 to discuss allocations utilizing the developed parameters. The list of BIZs allocations for 2019 is what is being presented.

Allocation of grants to Business Improvement Zones is determined based on the criteria described below. It should be noted that no one criterion is more important than another and that a balanced approach is taken in considering which BIZs will be recommended to receive capital funding allocations in any particular year.

- Rotation of funding – Consideration of time elapsed since a given BIZ has received a funding allocation (this does not mean that a BIZ is automatically in line to get a grant, even if that BIZ has not received one for a long time).
- Connection with other (City of Wpg) works - Opportunities for partnering with other planned work (e.g. street renewal, hydro light replacements, etc.) makes better use of this limited capital funding.
- Part of a plan - Proposed streetscape project is part of a Streetscape Enhancement Strategic Master Plan, Vision plan, (local area plan), public realm strategy, place making, etc.
- Missing piece - Proposed project is a final phase or subsequent phase to previous works completed.

- Matching funds – Availability of matching funding (war chest) from BIZ, partnerships (other sources) or sponsors.
- Long-term care – Availability/capacity of the BIZ having a continual (line item) budget for on-going maintenance of elements installed.
- Need - Proposed project addresses an identified need (e.g. more lighting, more bike parking, etc.).
- Project readiness - Project is designed or fully scoped out (“shovel ready”) so it can be completed in a timely manner. For design/consultant assignments, there is a clear objective with BIZ buy-in.

FINANCIAL IMPACT

Financial Impact Statement

Date: May 29, 2019

Project Name:

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

First Year of Program **2019**

	2019	2020	2021	2022	2023
Capital					
Capital Expenditures Required	$ 316,978	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	316,978	-	-	-	-
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	9,978	-	-	-	-
Net Cost/(Benefit)	$ (9,978)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(9,978)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures consist of grants to the BIZs totaling $307,000 as outlined in this report + short-term financing charges and corporate admin fees of $9,978. The latter amount is offset by an equal recovery in the current budget of the Corporate Finance Department.

"Original signed by"

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Winnipeg BIZ Alliance

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: Urban Planning and Design
Prepared by: Martin Pasieczka, Neighbourhood Economic Development Officer & BIZ Liaison
Date: June 7, 2019