Agenda - Executive Policy Committee - March 17, 2004

REPORTS

Item No. 2 2004 Zone Levy for Business Improvement Zones
File FL-7

The following proposed Program, Zone Levy and Budget Estimates for 2004, are before the Executive Policy Committee for favourable consideration and recommendation to Council for approval, namely:

- Academy Road Business Improvement Zone
- Corydon Avenue Business Improvement Zone
- Downtown Winnipeg Business Improvement Zone
- Exchange District Business Improvement Zone
- Grosvenor Square Business Improvement Zone
- Mosaic Market Business Improvement Zone
- Norwood Grove Business Improvement Zone
- Old St. Vital Business Improvement Zone
- Osborne South Business Improvement Zone
- Osborne Village Business Improvement Zone
- St. James Village Business Improvement Zone
- Selkirk Avenue Business Improvement Zone
- Transcona Business Improvement Zone
- West Broadway-South Sherbrook Business Improvement Zone
- West End Winnipeg Business Improvement Zone
- ZAC Quartier Francais-French Quarter Business Improvement Zone

ADMINISTRATIVE RECOMMENDATION:

1. That Council approve the 2004 Business Improvement Zone (BIZ) budgets and set and impose a zone levy to be applied to the annual rental value (ARV) of each business in the BIZ.

2. That Council direct the City Treasurer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

ADMINISTRATIVE REPORT

RE: APPROVAL OF ZONE LEVY FOR BUSINESS IMPROVEMENT ZONES - 2004

FOR SUBMISSION TO: EXECUTIVE POLICY COMMITTEE

ORIGINAL REPORT SIGNED BY: CHIEF FINANCIAL OFFICER

REPORT DATE: March 10, 2004

RECOMMENDATION(S):

1. That Council approve the 2004 Business Improvement Zone (BIZ) budgets and set and impose a zone levy to be applied to the annual rental value (ARV) of each business in the BIZ.

2. That Council direct the City Treasurer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

REPORT SUMMARY:

Key Issue(s):

The 2004 zone levy for each of the 16 established Business Improvement Zones is conditional upon Council approving the budgets adopted at the Annual General Meetings of each BIZ.

Implications of the Recommendation(s):

General Implications

	None
	For the organization overall and/or for other departments
X	**For the community and/or organizations external to the City**
	Involves a multi-year contract

Comment(s): The adoption of the 2004 BIZ levy rates will authorize the collection of the levy as calculated by the City of Winnipeg.

Policy Implications

X	**No**
	Yes

Comment(s):

Environmental Implications:

X	**No**
	Yes

Comment(s):

Human Resources Implications:

X	**No**
	Yes

Comment(s):

Financial implications

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

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

REASON FOR THE REPORT:

In order for each Business Improvement Zone to obtain the revenue required to meet its 2004 budget, Council must impose, by by-law, the zone levy rates (Exhibit A) to be applied to the Business Tax Roll for each of the 16 Business Improvement Zones.

HISTORY:

Under the City of Winnipeg Charter, Council may by by-law, establish a BIZ as well as set the policies and procedures for Business Improvement Zones which includes, among other things, the administrative process for reviewing and approving individual BIZ budgets.

DISCUSSION:

The City of Winnipeg has received the 2004 budgets from each of the sixteen Business Improvement Zones. For the purposes of raising sufficient money for each BIZ budget, a business improvement zone rate has been calculated and will be applied against the annual rental value of each business in the Business Improvement Zone (see Exhibit A).

Additionally, Exhibit B provides a year-over-year comparison of BIZ budgets, BIZ levies, annual rental values and BIZ levy rate changes for individual zones between 2003 and 2004.

Financial Impact Statement

There is no financial impact as the zone levy is revenue neutral to the City of Winnipeg.

"Original Signed by Carrie Erickson"
Carrie Erickson
Manager of Finance & Administration

EXHIBIT "A"

BUSINESS IMPROVEMENT ZONES
LEVY RATES
FOR THE YEAR 2004

ANNUAL RENTAL VALUES (A.R.V.) AND LEVY RATES

ZONE	BUDGET	BUDGET REQUIRED THROUGH LEVY	A.R.V.	LEVY RATE
ACADEMY ROAD	$ 24,306	$ 24,306	$ 1,712,940	1.419%
CORYDON AVENUE	83,800	83,800	3,086,100	2.715%
DOWNTOWN WINNIPEG	1,613,610	1,225,985	84,253,634	1.455%
EXCHANGE DISTRICT	276,821	210,000	15,567,600	1.349%
FRENCH QUARTER	24,650	24,650	2,458,052	1.003%
GROSVENOR SQUARE	6,196	6,196	399,780	1.550%
MOSAIC MARKET	38,796	38,796	2,507,172	1.547%
NORWOOD GROVE	125,093	86,747	6,102,392	1.422%
OLD ST.VITAL	89,000	77,800	4,367,320	1.781%
OSBORNE SOUTH	24,400	24,400	1,226,280	1.990%
OSBORNE VILLAGE	103,396	105,896	3,921,350	2.700%
ST. JAMES VILLAGE	46,000	46,000	2,788,380	1.650%
SELKIRK AVENUE	15,500	15,500	880,980	1.759%
TRANSCONA	156,000	150,000	7,409,066	2.025%
WEST BROADWAY / SOUTH SHERBROOK	75,200	75,200	5,839,224	1.288%
WEST END WINNIPEG	262,400	262,400	21,315,712	1.231%

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

- may have revenue from other sources;
- may be operating using a prior years surplus; or
- is required to recover a deficit from the previous year.

BUSINESS IMPROVEMENT ZONES
2003/2004 COMPARISON

ZONE	*YEAR*	BUDGET ($)	*CHANGE (%)*	ZONE LEVY ($)	*CHANGE (%)*	A.R.V. ($)	*CHANGE (%)*	*ZONE LEVY RATE (%)*	*CHANGE (%)*
Academy Road	2003	21,210		21,210		1,580,880		1.342%	
	2004	24,306	14.6%	24,306	14.6%	1,712,940	8.4%	1.419%	5.7%
Corydon Avenue	2003	86,600		86,600		3,073,140		2.818%	
	2004	83,800	-3.2%	83,800	-3.2%	3,086,100	0.4%	2.715%	-3.6%
Downtown Winnipeg	2003	1,596,425		1,143,450		83,953,240		1.362%	
	2004	1,613,610	1.1%	1,225,985	7.2%	84,253,634	0.4%	1.455%	6.8%
Exchange District	2003	285,170		206,920		14,932,500		1.386%	
	2004	276,821	-2.9%	210,000	1.5%	15,567,600	4.3%	1.349%	-2.7%
French Quarter	2003	24,650		24,650		2,476,308		0.995%	
	2004	24,650	0.0%	24,650	0.0%	2,458,052	-0.7%	1.003%	0.8%
Grosvenor Square	2003	5,521		5,521		391,500		1.410%	
	2004	6,196	12.2%	6,196	12.2%	399,780	2.1%	1.550%	9.9%
Mosaic Market	2003	37,225		37,225		2,775,972		1.341%	
	2004	38,796	4.2%	38,796	4.2%	2,507,172	-9.7%	1.547%	15.4%
Norwood Grove	2003	134,643		88,129		6,201,332		1.421%	
	2004	125,093	-7.1%	86,747	-1.6%	6,102,392	-1.6%	1.422%	0.1%
Old St. Vital	2003	69,653		60,183		4,456,900		1.350%	
	2004	89,000	27.8%	77,800	29.3%	4,367,320	-2.0%	1.781%	31.9%
Osborne South	2003	24,400		24,400		1,259,640		1.937%	
	2004	24,400	0.0%	24,400	0.0%	1,226,280	-2.6%	1.990%	2.7%
Osborne Village	2003	109,396		99,896		3,798,890		2.630%	
	2004	103,396	-5.5%	105,896	6.0%	3,921,350	3.2%	2.700%	2.7%
St. James Village	2003	46,000		46,000		2,739,660		1.679%	
	2004	46,000	0.0%	46,000	0.0%	2,788,380	1.8%	1.650%	-1.7%
Selkirk Avenue	2003	15,500		15,500		854,760		1.813%	
	2004	15,500	0.0%	15,500	0.0%	880,980	3.1%	1.759%	-3.0%
Transcona	2003	150,000		150,000		7,665,266		1.957%	
	2004	156,000	4.0%	150,000	0.0%	7,409,066	-3.3%	2.025%	3.5%
West Broadway/ South Sherbrook	2003	70,296		70,296		6,025,524		1.167%	
	2004	75,200	7.0%	75,200	7.0%	5,839,224	-3.1%	1.288%	10.4%
West End Winnipeg	2003	262,400		262,400		22,409,308		1.171%	
	2004	262,400	0.0%	262,400	0.0%	21,315,712	-4.9%	1.231%	5.1%

IN PREPARING THIS REPORT, THERE WAS CONSULTATION AND CONCURRENCE BY:

Corporate Services Department, Legal Services Division
City Clerks Department

THIS REPORT SUBMITTED BY:

Corporate Finance Department, Taxation and Revenue Division
Prepared by: Robert Weselowski, Manager, Taxation and Revenue Division
File No. BIZ Levy Rpt 2004.doc