Agenda – Executive Policy Committee – March 12, 2024

REPORTS

Item No. 3 Approval of Business Improvement Zone Levies – 2024

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That Council approve the 2024 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 enact the 2024 Business Improvement Zone Levy By-law, a draft of which is attached as Schedule C to this report.

3. That Council direct the Chief Financial Officer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

4. 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 – 2024

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Yanchishyn	T. Austin	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the setting of the 2024 Business Improvement Zone (BIZ) levy rates.

This report addresses the 2024 budget levy requirements based on the budget submissions from the 16 Business Improvement Zones.

The Public Service, in accordance with The City of Winnipeg Charter and the Business Improvement Zone Procedures By-law No. 8111/2002, is recommending that Council approve the 2024 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.

All 16 Business Improvement Zones have complied with the annual filing requirements established under section 21(1) of the Business Improvement Zone Procedures By-law No. 8111/2002.

RECOMMENDATIONS

1. That Council approve the 2024 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 enact the 2024 Business Improvement Zone Levy By-law, a draft of which is attached as Schedule C to this report.

3. That Council direct the Chief Financial Officer to make payment to the Board of each zone in accordance with the Business Improvement Zone Procedures By-law No. 8111/2002.

4. 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 2024 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 2024.

IMPLICATIONS OF THE RECOMMENDATIONS

The adoption of the 2024 Business Improvement Zone Levy Rates will authorize the collection of the levy as determined by the City of Winnipeg. 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 Charter provides that BIZ budgets may only be approved by Council and only by by-law. The Charter further provides that Council may by by-law impose a tax on businesses in the zone in order to raise money for the Business Improvement Zone's approved budget. Finally, the Charter provides that Council may direct payment of funds to the various BIZes whose budgets have been approved.

The Business Improvement Zone Procedures By-law sets out the process for Council to approve BIZ budgets. After a budget has been adopted at a BIZ's annual general meeting, it must be submitted to the City Clerk who is required, at least 15 days prior to the Council meeting, to publish a newspaper notice advising where the budget can be viewed and notifying businesses they can file written objections to the budget by a specified date. If more than 1/3 of the businesses in the zone representing at least 1/3 of the total business assessment in that zone file written objections, the budget cannot be sent to Council for approval.

All the Business Improvement Zones have complied with the annual filing requirements established under section 21(1) of the Business Improvement Zone Procedures By-law No. 8111/2002 and the City of Winnipeg has received the 2024 budgets from all of the existing Business Improvement Zones; 16 zones in total. The required notifications concerning these will be completed by the City Clerk prior to the March Council meeting.

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 2023/2024 comparison of each BIZ budget levy requirement and the BIZ levy rate. The BIZ budget levy requirement changes ranged from a decrease of 0.4 percent for the Downtown Winnipeg BIZ to an increase of 20.0 percent for the Provencher Boulevard BIZ. The BIZ levy rate changes ranged from a decrease of 5.3 percent to an increase of 26.3 percent for the Academy Road BIZ and Selkirk Avenue BIZ, respectively.

FINANCIAL IMPACT

Financial Impact Statement **Date:** January 30, 2024

Project Name: **First Year of Program** **2024**

Approval of Business Improvement Zone Levies - 2024

	2024	2025	2026	2027	2028
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
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	$ 6,728,690	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	6,728,690	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Incremental Revenue reflects the amounts to be collected from the businesses within the various Biz Zones based on the 2024 rates. This amount is fully offset by a transfer to the various Biz Zones which is included above as Direct Costs for no financial impact to the City of Winnipeg.

Tanis Yanchishyn, January 30, 2024

Tanis Yanchishyn, CPA, CA
Manager of Taxation and Finance
Assessment and Taxation Department

CONSULTATION

This Report has been prepared in consultation with:

- City Clerk's Department
- Planning, Property and Development Department
- Legal Services

OURWINNIPEG POLICY ALIGNMENT

Goal: Leadership and Good Governance

Policy 1.8 Accountable Revenue Generation - Pursue municipal revenue generation based on a predictable, equitable and evidence-informed methodology that offsets service costs while achieving this Plan's sustainability goals.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects with the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to any of the specific Goals and Objectives in the PRS and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Assessment and Taxation Department
Division: Taxation and Finance
Prepared by: Tanis Yanchishyn
Date: January 31, 2024

Attachments:

Schedule A – Annual Rental Value (ARV) and Levy Rates for 2024

Schedule B - 2023/2024 Comparison of Budget Levy Requirements and Levy Rates

Schedule C – Draft Business Improvement Zone Levy Rate By-law