

**Subject: 2023 Budgets and Special Levies for Business Improvement Areas (BIA) and Sparks Street Mall Authority**

**File Number: ACS2023-FCS-FIN-0002**

**Report to Finance and Corporate Services Committee on 4 April 2023  
and Council 12 April 2023**

**Submitted on March 14, 2023 by Isabelle Jasmin, Deputy City Treasurer,  
Corporate Finance, Finance and Corporate Services Department**

**Contact Person: Luke Senecal, Manager, Accounting & Reporting, Corporate  
Finance, Finance and Corporate Services Department**

**613-580-2424, extension 22356, Luke.Senecal@ottawa.ca**

**Ward: Citywide**

**Objet : Budgets de 2023 pour les Zones d'Amélioration Commercial (ZAC) et  
l'Administration du Mail de la Rue Sparks**

**Dossier : ACS2023-FCS-FIN-0002**

**Rapport au Comité des finances et des services organisationnels**

**le 4 avril 2023**

**et au Conseil le 12 avril 2023**

**Soumis le 14 mars 2023 par Isabelle Jasmin, Trésorière municipale adjointe,  
Services des finances municipales, Direction générale des finances et des  
services organisationnels**

**Personne ressource : Luke Senecal, Gestionnaire, Comptabilité et Rapports,  
Services des finances municipales, Direction générale des finances et des  
services organisationnels**

**613-580-2424 poste 22356, Luke.Senecal@ottawa.ca**

**Quartier : À l'échelle de la ville**

## **REPORT RECOMMENDATIONS**

**1. That the Finance and Corporate Services Committee recommend that Council approve the 2023 budgets and special levies, as presented in Document 1, for the following:**

- **Bank Street BIA**
- **Barrhaven BIA**
- **Bells Corners BIA**
- **ByWard Market BIA**
- **Carp BIA**
- **Carp Road Corridor BIA**
- **Downtown Rideau BIA**
- **Glebe BIA**
- **Heart of Orleans BIA**
- **Kanata Central BIA**
- **Kanata North BIA**
- **Manotick BIA**
- **Preston BIA**
- **Somerset Chinatown BIA**
- **Somerset Village BIA**
- **Sparks Street BIA**
- **Sparks Street Mall Authority**
- **Vanier BIA**
- **Wellington West BIA**
- **Westboro Village BIA**

**2. That Council enact the BIA levy by-laws and the Sparks Street Mall Authority by-law for the BIAs and Mall Authority listed in Recommendation 1 once the 2023 tax ratios are approved by Council.**

## **RECOMMANDATIONS DU RAPPORT**

**1. Que le Comité des finances et des services organisationnels recommande au Conseil municipal d'approuver les budgets de 2023 tels que présentés dans le document no 1, pour les organismes suivants:**

- **ZAC de la rue Bank**
- **ZAC de Barrhaven**
- **ZAC de Bells Corners**
- **ZAC du marché Byward**
- **ZAC de Carp**
- **ZAC du corridor Carp**
- **ZAC de la rue Rideau (centre-ville)**
- **ZAC de Glebe**
- **ZAC du cœur d'Orléans**
- **ZAC de Kanata Centrale**
- **ZAC de Kanata Nord**
- **ZAC de Manotick**
- **ZAC de la rue Preston**
- **ZAC de Somerset Chinatown**
- **ZAC du village de Somerset**
- **ZAC de la rue Sparks**
- **Administration du mail de la rue Sparks**
- **ZAC de Vanier**
- **ZAC de Wellington Ouest**
- **ZAC du village de Westboro**

**2. Que le Conseil adopte les règlements municipaux concernant le prélèvement d'impôts visant les zones d'amélioration commerciale (ZAC) et le règlement du mail de la rue Sparks visant l'administration des ZACs et du**

**mail, énumérés à la recommandation 1 lorsque les coefficients fiscaux de 2023 seront approuvés par le Conseil.**

## **BACKGROUND**

The *Municipal Act*, Section 205(2), requires that City Council approve the annual budgets for all Business Improvement Areas (BIAs) and Mall Authority.

This submission constitutes the approval required for the 2023 BIA and Sparks Street Mall Authority Budgets as shown in Document 1. There is a maximum of 32 property classes that would be subject to a BIA levy in the City of Ottawa. A rate has been assigned to each property class even if there are currently no properties assessed in the class in order to ensure that if assessment moves into these classes, either through an appeal or on a supplementary roll, a rate of taxation will exist. The 2023 BIA and Sparks Street Mall Authority levy requirements have been determined with consideration given to the 2023 assessment roll, the 2023 approved board budgets, the audited 2021 surplus/deficit, and the 2022 unaudited year-end disposition.

## **DISCUSSION**

The BIAs are funded through a levy on all ratable properties in the area that are within a prescribed business property class. The operations of the Sparks Street Mall Authority are funded by way of special meter-frontage charges imposed on properties fronting on a special area of the mall. The City collects the special levies on behalf of these outside agencies.

BIA levies are charged to owners who may apportion it back to their tenants based on a formula prescribed by legislation.

Payments-in-lieu of tax (PILT) properties are billed at the rate equivalent to the BIA levy. The exceptions being the ByWard Market BIA, which has chosen not to budget for the following properties: United States Embassy, National Art Gallery, Royal Canadian Mint, Connaught Building; and the Downtown Rideau BIA, which has chosen not to budget for payment-in-lieu of revenue for the Bytown Museum.

In accordance with subsection 208(3) of the *Municipal Act*, the Barrhaven Board of Management has approved a minimum rate of two hundred and fifty dollars (\$250) per property, and the Carp Road Corridor Board of Management has approved a maximum rate of one thousand five hundred and sixty-two dollars and fifty cents (\$1,562.50) per property.

The Byward Market BIA has made a decision to dissolve. The dissolution is expected to occur in the Fall of 2023. This BIA did prepare a budget for 2023 which was approved by their Board and is presented in Document 1 for Council approval as part of this report. Their 2023 budget is significantly reduced compared to prior years, as the BIA will be gradually winding down their operations throughout 2023. No levy will be charged by the Byward Market BIA for 2023 and the operations will be funded using surplus balances accumulated from prior years. Subsection 216(1) of the *Municipal Act, 2001* authorizes a municipality to dissolve a local board. A further update will be provided to Council as the operations wind down and to finalize the dissolution of the board and repealing of the associated board by-laws. As per Section 214(1) of the *Municipal Act*, once the Board of Management of the BIA is dissolved, the assets and liabilities of the BIA become the assets and liabilities of the City of Ottawa.

The by-law establishing the 2023 levies for the BIAs and Sparks Street Mall Authority will be placed on the agenda of Council once Council approves the 2023 tax ratios and these ratios are applied to the approved budgets of the BIAs. Minor adjustments of the rates may occur due to finalization of tax ratios.

### **FINANCIAL IMPLICATIONS**

The BIA and Mall Authority budgets and levy requirements have no direct financial impact on the City. Pursuant to subsection 205(3) of the *Municipal Act*, a BIA shall not incur any indebtedness extending beyond the current year. Any deficit positions shown on Document 1 are funded through an increase in the BIA tax levy or contribution from previous years' surplus and/or reserve fund.

### **LEGAL IMPLICATIONS**

There are no legal impediments to approving the recommendations in this report.

### **COMMENTS BY THE WARD COUNCILLOR(S)**

This is a Citywide report and does not require comments by the ward councilor.

### **CONSULTATION**

All BIA Executive Directors are aware of the contents of this report specific to their BIA.

**ACCESSIBILITY IMPACTS**

Finance and Corporate Services supports and considers the *Accessibility for Ontarians with Disabilities Act, (2005)* in its operations. There are no accessibility impacts associated with this report.

**RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

**RURAL IMPLICATIONS**

The levies associated with this report will support the ongoing activities of the Manotick BIA, the Carp Road Corridor BIA and the Carp BIA.

**TERM OF COUNCIL PRIORITIES**

This report supports the City's on-going commitment to financial sustainability and transparency.

**SUPPORTING DOCUMENTATION**

Document 1 – 2023 Summary of BIA and Mall Authority Budgets.

**DISPOSITION**

The Finance and Corporate Services Department will set the BIA levies by applying the 2023 tax ratios to the approved BIA budgets once these ratios are established by City Council and will apply the meter-frontage charge to properties in the Sparks Street Mall Authority.

Legal Services and Finance Services will work together to prepare and place the BIA levy by-laws and Sparks Street Mall Authority by-law on the agenda of Council for enactment by Council once the 2023 tax ratios are established.