

Subject: Kanata Central Business Improvement Area – Boundary Adjustment

File Number: ACS2023-PRE-EDP-0036

Report to Finance and Corporate Services Committee on 5 September 2023

and Council 13 September 2023

Submitted on August 23, 2023 by David Wise, Director, Economic Development and Long-Range Planning, Planning, Real Estate and Economic Development Department

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Ward: Kanata North (4) , Kanata South (23)

Objet : Ajustement des limites de la zone d'amélioration commerciale centrale de Kanata

Dossier : ACS2023-PRE-EDP-0036

Rapport au Comité des finances et des services organisationnels

le 5 septembre 2023

et au Conseil le 13 septembre 2023

Soumis le 23 août 2023 par David Wise, Directeur, Développement économique et planification à long terme, Services de la planification, des biens immobiliers et du développement économique

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Quartier : Kanata Nord (4), Kanata-Sud (23)

REPORT RECOMMENDATION(S)

That the Finance and Corporate Services Committee recommend Council:

1. Designate the area described in Document 1 as an expanded Business Improvement Area, under Sections 204 and 209 of the *Ontario Municipal Act, 2001*;
2. Authorize and direct the City Clerk to send out a notice of Council's intention to adopt a By-law to alter the existing Business Improvement Area boundaries, as described in Document 1, in accordance with Section 210 of the *Ontario Municipal Act, 2001*;
3. Authorize and direct the City Clerk to prepare a By-law to designate the area as an expanded Business Improvement Area, as described in Document 1, in accordance with Sections 204 and 209 of the *Ontario Municipal Act, 2001*; and
4. Enact the aforementioned By-law in accordance with Sections 204 and 209 of the *Ontario Municipal Act, 2001*, subject to the City Clerk receiving favourable results on the notices referred to in Recommendation 2, advising of the intention to adopt a By-law expanding the Business Improvement Area boundary.

RECOMMANDATION(S) DU RAPPORT

Que le Comité des finances et des services organisationnels recommande ce qui suit au Conseil :

1. Désigner le secteur décrit dans le document 1 comme étant une zone d'amélioration commerciale élargie, en vertu des articles 204 et 209 de la *Loi de 2001 sur les municipalités*;
2. Autoriser le greffier municipal à publier un avis de l'intention du Conseil d'adopter un règlement municipal modifiant les limites actuelles de la zone d'amélioration commerciale, comme le décrit le document 1, conformément à l'article 210 de la *Loi de 2001 sur les municipalités*;
3. Autoriser le greffier municipal à rédiger le texte d'un règlement municipal désignant le secteur décrit au document 1 comme zone d'amélioration commerciale élargie, en vertu des articles 204 et 209 de la *Loi de 2001 sur les municipalités*; et

- 4. Promulguer le règlement municipal susmentionné, en vertu des articles 204 et 209 de la *Loi de 2001 sur les municipalités*, à condition que le greffier municipal reçoive des réponses favorables à l'avis mentionné à la recommandation 2, au sujet de l'intention d'adopter un règlement municipal élargissant la zone d'amélioration commerciale.**

BACKGROUND

A Business Improvement Area (BIA) is an association of commercially assessed property owners and their tenants within a specified geographic area who join together, with approval of the municipality under [Section 204 of the Ontario Municipal Act, 2001](#), in a self-funded program paid through a levy collected with annual municipal property taxes. BIAs undertake a variety of beautification, cleanliness and safety, and marketing programs to attract customers and visitors to the area and support their member businesses. The City of Ottawa currently has [nineteen \(19\) BIAs](#).

The Kanata Central BIA was formed in 2017 and is located just north of highway 417 and includes major arterial roads such as Kanata Avenue, Campeau Drive, and Terry Fox Drive. Within the BIA boundary is the Kanata Centrum Shopping Centre, Kanata Commons Shopping Mall, and the Terry Fox transitway station and park and ride. The BIA's overall mandate is to promote the area as a commercial district, advocate on behalf of its members, and help beautify and make improvements to the streetscape and public realm to enhance customer experience and area vibrancy. The BIA currently supports more than twenty-seven (27) property owners and one-hundred and thirty-five (135) businesses.

The Kanata Central BIA Board of Management submitted a letter (Document 2) to the City of Ottawa officially requesting that City Council adopt a by-law to adjust the BIA boundary. The BIA Board of Management would like to expand the current boundary to include three additional areas:

- 1) Terry Fox Road from Palladium Drive to Kanata Avenue North, Kanata Avenue North to Campeau Drive to Eagleson Road;
- 2) Eagleson Road to Katimavik Road, Katimavik Road to Palladium Drive; and
- 3) Palladium Drive including Silver Seven Road up to the Carp River.

The expanded boundary is identified in Document 1 - Proposed Boundary Expansion Map.

Pursuant to [Section 210 of the Ontario Municipal Act, 2001](#), City Council must authorize the City Clerk to send out a notice of intention to designate the area as a BIA to all

property owners in the existing BIA area as well as the proposed expansion area. The property owner must, within 30 days after the notice is mailed, provide a copy of the notice to each tenant of the property who is required to pay all or part of the annual municipal property taxes.

City Council shall not enact a by-law if written objections are received by the City Clerk within sixty (60) days of the notices being mailed and the objectors represent:

1. at least one-third of the total number of persons entitled to notice; and
2. at least one-third of the annual municipal property taxes in all prescribed business property classes within the improvement area.

DISCUSSION

The Kanata Central BIA Board of Management has completed several studies to explore the feasibility, advantages, and business dynamics of an expansion of the current boundary to respond to rapid growth in the area, including more than five new mixed-use buildings and developments, several locally owned businesses located just outside the current boundary to the north and south, and the Kanata Town Centre in the Kanata South area. With the completion of the [Kanata Light Rail Transit Planning and Environmental Assessment Study](#), the BIA is eager to expand its boundary now to be able to support further growth and development when the LRT extension comes to fruition. Additionally, several independent businesses outside of the current boundary, contacted the BIA during the COVID-19 pandemic seeking assistance with marketing, grant application support, and other related issues demonstrating both the need and desire for ongoing business support through membership in the BIA.

In 2023, the Kanata Central BIA was a successful grant recipient of the City of Ottawa's [Formation and Expansion Funding Program](#) administered by Economic Development Services. The BIA received seven thousand and five-hundred dollars (\$7,500.00) in grant funding to conduct research to a) gauge the level of interest in the business community in supporting an expansion of the BIA, b) perform a thorough review of its current boundary and membership and c) assess the potential benefits and impacts of an expansion.

Key findings from an analysis of the number of properties that would be added to the BIA membership should an expansion be approved, indicated that a total of eighty-seven (87) properties comprising approximately two hundred (200) businesses would be included. The current property assessment value of the existing BIA membership is approximately \$384,533,000.00. Through research, the BIA concluded that the proposed expansion area property assessment value would total approximately

\$287,529,636.00. The total new property assessment value (existing and proposed expansion area) would be approximately \$672,062,636.00. The increase in overall property assessment value resulting from a boundary expansion would support the BIA in expanding their capacity and resources while ensuring that the individual member levy remains affordable.

The [2023 levy](#) for the Kanata Central BIA was \$200,000.00, which was the sixth lowest levy for BIAs in Ottawa. Based on research, the BIA concluded that an estimated 2023 levy for the expansion area would be \$180,806.00, which would total a combined levy (existing and proposed expansion area) of \$380,806.00.

The additional levy realized through the boundary expansion will allow the BIA to deliver expanded marketing and special projects to position the area as a vibrant business district and customer destination and improve the overall streetscape aesthetic and visitor experience.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

LEGAL IMPLICATIONS

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

COMMENTS BY THE WARD COUNCILLOR(S)

Councillor Hubley:

“The Kanata Central Business Improvement Area (KCBIA) has been very successful in bringing together the businesses in Kanata over the past years. I personally am very excited to see the KCBIA expand to include additional areas not only in Kanata North, but across the current boundary lines in Ward 23 – Kanata South. Many businesses in my Ward have reached out over the years to request that some sort of BIA be formed in Kanata South.

The KCBIA has been instrumental in helping small business in Kanata before, during and after the pandemic and as our business community continues to grow, it is important (especially for new businesses) that our small businesses know they have the support that prompts growth and expansion.

The Kanata Central area has become a popular destination for locals and tourists alike, and as this area continues to grow, it is only natural that the KCBIA grows with it.

I am supportive of this expansion proposal and feel that the timing couldn't be better in

line with the business growth in the Kanata community.”

Councillor Curry:

“The Kanata Central Business Improvement Area (KCBIA) has played and will continue to play a crucial role in the Kanata Business sector. From helping its businesses weather the storm and limit the effects of COVID-19 pandemic, to promoting continued innovation and entrepreneurial spirit, to advocating for a healthy and revitalized business area, the KCBIA serves as a business engine for Kanata Central and as fundamental to Kanata’s growth at large.

With development underway, and change forthcoming in the years ahead, the expansion of the KCBIA boundaries is rational and very welcome.”

ADVISORY COMMITTEE(S) COMMENTS

There are no advisory committee(s) comments.

CONSULTATION

Following the Kanata Central BIA’s initial outreach to the City of Ottawa (Economic Development Services) in 2022, the BIA advised their members in January 2023 at their Annual General Meeting, that they would be exploring a boundary expansion with the intent that it come into effect on January 1, 2024. In February 2023, the BIA advised both Councillor Curry and Councillor Hubley of the boundary expansion plan and solicited letters of support from both Councillors for the Formation and Expansion Funding Program application to the City of Ottawa.

In March 2023, an Expansion Steering Committee was established and included members from within the current BIA boundary area and the proposed expansion area. Steering Committee activities included defining the physical boundary of the proposed expansion, developing a consultation process, and organizing public meetings. On March 9, 2023, Economic Development Services staff provided a presentation and overview of the boundary expansion process to the BIA Board of Management. Also on March 9, 2023, the BIA Board of Management formally approved a Motion to move forward with a boundary expansion. Following the meeting, the Chair of the Board of Management submitted a letter (Document 2) to the City of Ottawa officially requesting that City Council adopt a by-law to adjust the boundaries of the Kanata Central BIA.

Throughout April 2023, the BIA continued the consultation process by launching a website and providing weekly updates to members via a weekly newsletter. The Steering Committee continued to consult informally with property owners and businesses in the proposed expansion area. All property owners and businesses were

notified of the BIA's intent to expand through in-person visits, email or mail. As well, a virtual information meeting was held on April 13, 2023, to discuss the on-going work being performed related to the expansion process.

During this consultation period, the BIA received letters of support from nine (9) current members and seven (7) prospective members. There was no formal opposition to the boundary expansion from current BIA members. Three (3) prospective members expressed objections to the proposed expansion after the BIA solicited in-person with approximately two hundred (200) businesses in the expansion area.

An in-person public meeting for current and prospective members was held on May 9, 2023, to discuss the initiative, provide further information on the BIA and its programs, and to explain the expansion process. Approximately twenty-five (25) people attended the public meeting after the BIA advertised the public meeting on their website, weekly newsletters, and weekly updates.

ACCESSIBILITY IMPACTS

There are no accessibility impacts.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications.

CLIMATE IMPLICATIONS

There are no climate implications.

DELEGATION OF AUTHORITY IMPLICATIONS

There are no delegation of authority implications.

ECONOMIC IMPLICATIONS

Business Improvement Areas (BIAs) are a critical part of Ottawa's economic development ecosystem representing the interests of small businesses and highlighting the significance of vibrant main streets and commercial districts to economic growth and prosperity. Vibrant neighbourhoods and main streets contribute to quality of life and the attractiveness of Ottawa as a place to live, work, play, invest, visit and learn.

An expansion of the Kanata Central BIA boundary will provide more businesses with critical advocacy and support and the increased levy will fund marketing initiatives and street beautification and animation to drive customer traffic and enhance the customer experience.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

INDIGENOUS GENDER AND EQUITY IMPLICATIONS

There are no Indigenous, gender and equity implications.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications.

RURAL IMPLICATIONS

There are no rural implications.

TECHNOLOGY IMPLICATIONS

There are no technology implications.

TERM OF COUNCIL PRIORITIES

The recommendations in this report support the following 2023-2026 Term of Council priorities:

A city with a diversified and prosperous economy.

SUPPORTING DOCUMENTATION

Document 1 Proposed Boundary Expansion Map – Kanata Central BIA (Held on file with the City Clerk)

Document 2 Letter from Kanata Central BIA to City of Ottawa (Held on file with the City Clerk)

DISPOSITION

City Clerk will forward notices to affected property owners as provided for under [Section 210 of the *Municipal Act, 2001*](#).

Legal Services Branch will prepare a By-law to designate the area as an expanded Business Improvement Area, as described in Document 1, in accordance with Sections 204 and 209 of the Ontario Municipal Act, 2001, and place the aforementioned By-law on the Orders of the Day, subject to the responses to the aforementioned notices.

Economic Development Services staff will report back on the results of the circulation, and whether the expansion was successful.