

Subject: Heart of Orléans Business Improvement Area – Boundary Adjustment

File Number: ACS2023-PRE-EDP-0037

**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: Orléans East-Cumberland (1) , Orléans West-Innes (2)

Objet : Ajustement des limites de la zone d'amélioration commerciale du cœur d'Orléans

Dossier : ACS2023-PRE-EDP-0037

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 : Orléans-Est-Cumberland (1) Orléans-Ouest-Innes (2)

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 Heart of Orléans BIA was formed in 2006 and is located along Saint Joseph Boulevard between Youville Drive and Centrum Boulevard, with small property clusters at Jeanne d'Arc Boulevard, Place d'Orléans Drive, and Centrum Boulevard. 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 one-hundred and fifty (150) property owners and three-hundred and fifty (350) businesses.

The Heart of Orléans 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 the four future LRT stations in Orléans, as well as the Youville, Taylor Creek, and Jeanne d'Arc commercial areas. 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

As a result of rapid growth in Orléans, the Heart of Orléans BIA Board of Management has been considering a boundary expansion for several years. City projects like the [Orléans Corridor Secondary Plan Study](#) and the future [O-Train East Extension](#), which includes four stations in Orléans (Jeanne d'Arc, Convent Glen, Place d' Orléans, and Trim Road) will be a catalyst for additional investment and economic growth. Several businesses located outside of the current BIA boundary have requested BIA representation.

In 2023, the Heart of Orléans 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 one-hundred and seventy-nine (179) properties comprising approximately four-hundred and twenty-eight (428) businesses would be included. The current property assessment value of the existing BIA membership is approximately \$216,127,400.00. Through research, the BIA concluded that the proposed expansion area property assessment value would total approximately \$404,746,718.00. The total new property assessment value (existing and proposed expansion area) would be approximately \$620,874,118.00. 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 [2022 levy](#) for the Heart of Orléans BIA was \$249,303.00, which was the eighth lowest levy for BIAs in Ottawa. Based on research, the BIA concluded that an estimated 2022 levy for the expansion area would be \$448,988.00, which would total a combined levy (existing and proposed expansion area) of \$698,291.00.

The additional levy realized through the boundary expansion will allow the BIA to deliver expanded marketing and special projects to support Orléans 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 Luloff:

The Business Improvement Area plays an important role in promoting economic development in the Saint Joseph corridor. I am pleased to support their expansion efforts and hope to see the diversification of businesses represented on the board.

The inclusion of the Taylor Creek Business Park will play a crucial role in seeing the initiatives identified in the BIA strategic plan realized much faster.

Given the Orléans Secondary Plan has been passed by Council, it makes good sense now to maximize the BIA in anticipation of the launch of Stage 2 LRT.

While I would have liked to have seen exemptions from the levy for not-for-profit entities, I understand that the administration of such a request isn't feasible.

Councillor Dudas:

Small businesses are the backbone of our local economy. In the east end, particularly along Saint Joseph Boulevard and Jeanne d'Arc Boulevard, there are a vast array of small and medium sized businesses, many locally owned, that strengthen our community, improve our quality of life, bolster our economy, and add a unique element to the options consumers have on offer.

The Heart of Orléans Business Improvement Area has been a strong advocate for east end businesses within their catchment area, and on many occasions in the past, those businesses beyond their jurisdiction. Their imminent expansion to include additional areas of the east end, is a positive change that will provide a more cohesive business strategy in our community. With the Council approval of the Orléans Corridor Secondary Plan and its impending implementation, the BIA's expansion is timely and reflects the greater economic focus recently being placed on the east end from a city perspective.

I support the expansion and I look forward to seeing how the BIA continues to support its members going forward.

ADVISORY COMMITTEE(S) COMMENTS

There are no advisory committee(s) comments.

CONSULTATION

In October 2022, the Heart of Orléans BIA hosted a member networking event during which a 2023 strategic plan was presented which included discussions regarding a BIA expansion. Following the BIA's initial outreach to the City of Ottawa (Economic Development Services) in 2022, the BIA advised members at their Annual General Meeting on November 17, 2022, that they would be engaging in formal research to examine boundary expansion options.

In January 2023, an Expansion Steering Committee was established. Steering Committee activities included defining the physical boundary of the proposed expansion, developing a consultation process and organizing public meetings. On January 18, 2023, Economic Development Services staff provided a presentation and overview of the boundary expansion process to the BIA Board of Management.

Throughout the winter and spring of 2023, the BIA consulted both current and prospective members via an expansion webpage. The webpage included a survey and communicated and received feedback from property owners and businesses within the proposed expansion area. In addition, the BIA executed social media campaigns, provided information through their electronic newsletter, and created member kits and booklets displaying the benefits of BIA membership and the value it can have on economic activity.

During this robust consultation period, the BIA received twenty-five (25) formal letters of support from both current and prospective members, and one (1) formal objection from a prospective member. An outreach blitz initiated in the spring of 2023 to current and prospective members, indicated that 59 per cent supported expansion and 40 per cent were not opposed. Ongoing feedback received from property owners and businesses was generally supportive of the BIA boundary expansion.

An in-person public meeting for current and prospective BIA members was held on June 8, 2023, to discuss the initiative, provide further information on the BIA and its programs, and to explain the expansion process. The Board of Management met on June 21, 2023, where they formally approved a Motion in support of a boundary expansion and, subsequently, 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 boundary of the Heart of Orléans BIA.

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 Heart of Orléans BIA boundary will provide more businesses with critical advocacy 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 – Heart of Orléans BIA (Held on file with the City Clerk)
Document 2	Letter from Heart of Orléans 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.