

Subject: 2025 Budgets and Special Levies for Business Improvement Areas (BIA) and Sparks Street Mall Authority

File Number: ACS2025-FCS-FIN-0002

**Report to Finance and Corporate Services Committee on 1 April 2025
and Council 16 April 2025**

**Submitted on March 21, 2025 by Isabelle Jasmin, Deputy City Treasurer,
Corporate Finance, Finance and Corporate Services Department**

**Contact Person: Miriam Mesquita, Manager, Accounting & Reporting, Corporate
Finance, Finance and Corporate Services Department**

613-580-2424, extension 26794, Miriam.Mesquita@ottawa.ca

Ward: Citywide

**Objet : Budgets de 2025 pour les Zones d'Amélioration Commercial (ZAC) et
l'Administration du Mail de la Rue Sparks**

Dossier : ACS2025-FCS-FIN-0002

Rapport au Comité des finances et des services organisationnels

le 1 avril 2025

et au Conseil le 16 avril 2025

**Soumis le 21 mars 2025 par Isabelle Jasmin, Trésorière municipale adjointe,
Services des finances municipales, Direction générale des finances et des
services organisationnels**

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

613-580-2424 poste 26794, Miriam.Mesquita@ottawa.ca

Quartier : À l'échelle de la ville

REPORT RECOMMENDATIONS

1. That the Finance and Corporate Services Committee recommend that Council approve the 2025 budgets and special levies, as presented in Document 1, for the following:

- **Barrhaven BIA**
- **Bells Corners BIA**
- **Carp BIA**
- **Carp Road Corridor BIA**
- **Centretown BIA**
- **Downtown 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 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 2025 tax ratios are approved by Council.

RECOMMANDATION(S) DU RAPPORT

1. Que le Comité des finances et des services organisationnels recommande au Conseil municipal d'approuver les budgets de 2025 tels que présentés dans le document no 1, pour les organismes suivants:

- **ZAC de Barrhaven**
- **ZAC de Bells Corners**
- **ZAC de Carp**
- **ZAC du corridor Carp**
- **ZAC de Centretown**
- **ZAC du centre-ville**
- **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**
- **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 2025 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 2025 BIA and Sparks Street Mall Authority Budgets as shown in Document 1. There is a maximum of 18 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 2025 BIA and Sparks Street Mall Authority levy requirements have been determined with consideration given to the 2025 assessment roll, the 2025 approved Board budgets, the audited 2023 surplus/deficit, and the 2024 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) is a value that is attributable to a property if it was taxable. Properties that pay PILT, which mainly consist of properties owned by upper levels of government (within the jurisdiction of applicable BIAs), are billed at a rate equivalent to the BIA levy. The exception being 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 Board of Management of the following BIAs has established special charges as follows:

- **Barrhaven:** Approved a minimum rate of two hundred and fifty dollars (\$250) per property.
- **Carp Road Corridor:** Approved a maximum rate of one thousand five hundred and sixty-two dollars and fifty cents (\$1,562.50) per property.

- **Kanata Central:** Approved a flat rate amount of one hundred dollars (\$100) for one undeveloped property and two hundred dollars (\$200) for two undeveloped properties.
- **Glebe:** Approved a levy that equates to 6 per cent of the BIA's annual budget for one of their properties.
- **Preston:** Approved a flat rate amount of ten thousand dollars (\$10,000) for one property, as well as a flat rate amount for four properties owned by the same owner that will increase in 2025 by the same per cent as the 2025 budget increase.
- **Westboro:** Approved a flat rate amount of seven thousand four hundred and twenty-two dollars (\$7,422) for one of their properties.

The by-law establishing the 2025 levies for the BIAs and Sparks Street Mall Authority will be placed on a future agenda of Council after Council approves the 2025 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 councillor.

CONSULTATION

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

ACCESSIBILITY IMPACTS

Finance and Corporate Services adheres to the requirements of the *Accessibility for*

Ontarians with Disabilities Act, (2005) in its operations, programs and initiatives. This report is administrative in nature and has no associated accessibility impacts.

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 ongoing commitments the current 2023 - 2026 Term of Council Priorities of: a city that has affordable housing and is more livable for all; a city that is more connected with reliable, safe and accessible mobility options; a city that is green and resilient; and a city with a diversified and prosperous economy. The report also promotes the City's commitment to financial sustainability and transparency.

SUPPORTING DOCUMENTATION

Document 1 – 2025 Summary of BIA and Mall Authority Budgets.

DISPOSITION

The Finance and Corporate Services Department will set the BIA levies by applying the 2025 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 2025 tax ratios are established.