

**Report to
Rapport au:**

**Council
Conseil**

8 April 2020 / 8 avril 2020

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**Submitted by
Soumis par:**

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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2020-FSD-FIN-0003

SUBJECT: 2020 BUDGETS AND SPECIAL LEVIES FOR BUSINESS IMPROVEMENT AREAS (BIA) AND SPARKS STREET MALL AUTHORITY

OBJET: BUDGETS DE 2020 POUR LA ZONES D'AMÉLIORATION COMMERCIAL (ZAC) ET L'ADMINISTRATION DU MAIL DE LA RUE SPARKS

REPORT RECOMMENDATIONS

- 1. That Council approve the 2020 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 Business Park 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 2020 tax ratios are approved by Council.

RECOMMANDATIONS DU RAPPORT

1. Que le Conseil municipal approuve les budgets de 2020 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 By

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 du parc d'affaires de Kanata Nord

ZAC de Manotick

ZAC de la rue Preston

ZAC de la rue 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

ZAC du village de Westboro

- 2. Que le Conseil adopte les règlements municipaux concernant le prélèvement d'impôts visant la zones d'amélioration commerciale et le règlement du mail de la rue Sparks visant l'administration des ZAC et du mail énumérés à la recommandation 1 lorsque les coefficients fiscaux de 2020 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 and Mall Authority.

This submission constitutes the approval required for the 2020 BIA and Sparks Street Mall Authority Budgets as shown in Document 1. There is a maximum of 28 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 2020 BIA and Sparks Street Mall Authority levy requirements have been computed with reference to the 2020 assessment roll, the 2020 approved board budgets, the audited 2018 surplus/deficit, and the 2019 unaudited year-end disposition.

DISCUSSION

The BIAs are funded through a levy on all rateable 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 charge 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 properties are billed at the rate equivalent to the BIA levy. The exceptions being 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 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 by-law establishing the 2020 levies for the BIAs and Sparks Street Mall Authority will be placed on the Agenda of Council once Council approves the 2020 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.

On October 1, 2019, Chinatown BIA transferred their financial responsibility to the City.

COVID-19 Impact

All BIAs have discussed and submitted their budgets and levy requirements to the City prior to the World Health Organization assessment of COVID-19 as a global pandemic, and the subsequent declaration of a State of Emergency by the Province of Ontario on March 17, 2020. As a result of the current circumstances, businesses in the City of Ottawa are facing uncertain financial futures.

City staff have been approached by several BIA boards wishing to waive the collection of BIA levies in full or in part for 2020. Staff have contacted all BIAs in the City advising them of the option to waive collection of BIA levies and reduce their expenses or operate out of their reserve fund for 2020.

On March 19, 2020 the province passed legislation amending section 238 of the *Municipal Act, 2001* to allow electronic attendance of members of local boards at meetings when a state of emergency has been declared.

The City has received resolutions from the following BIAs, indicating that they wish to waive the collection in full or in part of BIA levies for 2020:

- Bells Corners BIA reduced the 2020 proposed levy amount of \$188,409 to \$182,934.
- Carp Village BIA reduced the 2020 proposed levy amount of \$13,000 to \$0.
- Chinatown BIA reduced the 2020 proposed levy amount of \$169,900 to \$0.
- Preston BIA reduced the 2020 proposed levy amount of \$459,193 to \$230,000.
- Westboro BIA reduced the 2020 proposed levy amount of \$489,577 to \$414,479.

RURAL IMPLICATIONS

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

CONSULTATION

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

COMMENTS BY THE WARD COUNCILLOR(S)

This is a City-wide report and does not require comments by the ward councillor.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications.

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.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

TERM OF COUNCIL PRIORITIES

There are no implications to the City's Strategic Plan.

SUPPORTING DOCUMENTATION

Document 1 – Summary of BIA and Mall Authority Budgets is a separate document.

DISPOSITION

The Finance Services Department will set the BIA levies by applying the 2020 tax ratios to the approved BIA budgets once these ratios are established by City Council, and apply the meter-frontage charge to properties in the Sparks Street Mall Authority.

Legal Services and the Finance Services Department will work together to prepare and place the BIA levy and Sparks Street Mall Authority by-laws on the Agenda of Council for enactment by Council once the 2020 tax ratios are established.