

Community Services Report to
SPC on Community and Protective Services
2019 September 11

ISC: UNRESTRICTED
CPS2019-1039

Establishment of the Beltline Business Improvement Area

EXECUTIVE SUMMARY

On 2019 June 10 City Administration received a request to establish a Business Improvement Area (BIA), to be called the Beltline BIA. The request meets the legislative requirements of the Business Improvement Area Regulation, AR 93/2016 (the Regulation). A petition opposing the request was submitted on 2019 August 23 by business owners within the proposed BIA. The petition was declared to be not sufficient.

As the request for establishment of a BIA has met legislative requirements and the petition is not sufficient, Administration is recommending that Council consider approving this request to establish the BIA. Administration has prepared the proposed wording for a bylaw for the establishment of the Beltline BIA for Council's consideration.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Community and Protective Services recommend that Council:

1. Approve the establishment of the Beltline Business Improvement Area as outlined (Attachment 1); and
2. Give three readings to a proposed Bylaw to establish the Beltline Business Improvement Area (Attachment 2); and
3. Appoint, by resolution, the individuals listed in Attachment 3 as the interim Beltline Business Improvement Area board until an Annual General Meeting is held and board members are approved by Council by Q1 2020.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 November 3 Council adopted PFC2014-0760 Business Revitalization Zones 2015-2018 Business Plan, which identifies the growth of new BIAs (formerly known as Business Revitalization Zones or BRZs) as a key outcome.

BACKGROUND

In 1983 June, the Government of Alberta amended the *Municipal Government Act* Alberta (MGA) to empower municipalities to enact a bylaw to establish a Business Improvement Area (BIA). Council's authority to establish a BIA is found in sections 50 to 52 of the MGA, and Sections 2 to 6 of the Business Improvement Area Regulation AR 93/2016 (the Regulation). The MGA sets out the purposes of the BIA, to: improve, beautify and maintain property in the area; develop, improve and maintain public parking; and promote the areas as a business or shopping district. The bylaw establishes a board to govern the BIA, and the board members are appointed by Council.

BIA operations are funded through a tax paid by all taxable businesses in the BIA and collected from business operators. The tax enables the business owners to collectively fund activities to promote and improve the economic vitality of their main area for purposes set out in the MGA. Calgary currently has 12 BIAs, established between 1984 and 2017.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

The businesses in support of the proposed Beltline BIA seek to form a collective voice and dedicate a taskforce to advocate for and act on behalf of local businesses, with the ultimate mission to improve the economic vitality of the area. The proposed initiatives fall within section 50 of the MGA.

The original process of engagement of the request to establish the BIA occurred in early 2016. At that time, the requirement under Section 3(1) of the Regulation to secure signatures from persons representing at least 25 per cent of the businesses that would be taxable if the area was established was not met. Business owners and local community volunteers who worked on the request to establish the BIA in 2016 indicated that at that time, many of the taxable businesses in the proposed boundary were vacant and non-existent businesses which likely contributed to the request for establishment not meeting requirements of Section 3(1) of the Regulation.

In 2019 March, the conversation about establishing a BIA including engagement efforts were reinitiated. Communication included a general email to all businesses within the proposed boundaries and door to door conversations supported by printed BIA information packages. Visits to over 150 businesses in the proposed area took place between 2019 March 18 and April 11. An information session was held on 2019 March 25, and two follow up emails were sent on 2019 March 27 and 2019 April 3. For more details of the request to establish and engagement process see Attachment 4.

Administration assessed the request to establish a Beltline Business Improvement Area for compliance with Sections 3(1) and (2) of the Regulation. The Regulation requires the request to be signed by at least 25 per cent of the businesses that would be liable to pay the BIA tax if the BIA were established. A request to establish was submitted on 2019 June 10 and included valid signatures from 95 of the 348 businesses, which amounts to 27.3 per cent of the businesses in the proposed BIA. A notice of request letter was mailed by Administration to every business in the proposed area that would be a taxable business if an area was established on 2019 June 24 as per Section 3(3) of the Regulation.

Pursuant to the Regulation, a petition objecting to the establishment of a BIA may be submitted. A petition was received by The City on 2019 August 23 objecting to the establishment of the Beltline Business Improvement Area. The petition was reviewed by Administration to determine whether it met the legislative requirements. The number of businesses eligible to sign the petition was 348 businesses and there was a total of 8 valid signatures on the petition, totalling 2.3 per cent of the businesses within the proposed BIA. As the petition did not meet the 50 per cent threshold required by the Regulation, it was declared insufficient. On 2019 September 4 a letter was sent by Administration to the individual that submitted the petition informing them that the petition was deemed to be insufficient under the requirements of the Regulation.

Stakeholder Engagement, Research and Communication

Administration provided information and assistance to both the organizers of the request to establish the BIA, and organizers of the petition opposing the establishment of the BIA.

Both those wanting to establish the Beltline BIA and those opposing the establishment of the BIA have been notified via email by Administration that this report will be brought forward at the

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2019 September 11 Standing Policy Committee on Community & Protective Services and
September 30 Combined Council meetings.

Strategic Alignment

BIAs encompass networks of businesses that support *Calgary in the New Economy: An Economic Strategy for Calgary*, more specifically the Business Environment Area of Focus, through activities that support local economic development, placemaking and revitalization. Their activities also contribute to the *Cultural Plan for Calgary* and Tourism Calgary's *Destination Strategy*. BIA's located in the downtown contribute to implementation of The City's Downtown Strategy.

The BRZ/BIA 2015-2018 Business Plan identifies the growth of new BIAs as a key outcome.

Social, Environmental, Economic (External)

BIAs provide an opportunity to promote Calgary, support economic activity and neighbourhood revitalization. Under *One Calgary*, BIAs fall within the Economic Development and Tourism line of service and support the implementation of *Calgary in the New Economy: An economic strategy for Calgary*, The City's Downtown Strategy, a *Cultural Plan for Calgary*, *Centre City Plan* and *Resilient Calgary Strategy*.

BIA board members are local business community volunteers appointed by Council under the terms of The City's bylaw that established the BIA. The board is responsible for addressing the needs of the defined area as identified by the business owners that are liable to pay the BIA tax.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget implications associated with this report. The revenue paid by taxpayers in the BIA will be transferred directly to the interim and established BIA board.

Current and Future Capital Budget:

There are no capital budget implications as a result of this report.

Risk Assessment

The request to establish the proposed BIA and the petition were reviewed for compliance with the MGA and the Regulation. The legislation was reviewed to determine Council's obligation to consider the request and Council's authority to pass a bylaw to establish the BIA.

While the request meets the legislative requirements to form a BIA, the lack of consensus among the BIA potential taxpayers is evidenced by the filing of the petition. Although Section 226(3) of the MGA states that Council is not required to take any notice of a petition that is not sufficient, Council may still consider both the support and the opposition to the BIA when deciding whether to pass a bylaw to establish the proposed BIA.

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The proposed boundary of the BIA is immediately adjacent or near several established BIAs, including Victoria Park, Calgary Downtown Association, and 4th Street South West. Members of the group requesting to establish the Beltline BIA have informally met with several BIA Executive Directors with the goal to learn about current practices during the request for establishment process.

REASON(S) FOR RECOMMENDATION(S):

The request to establish the Beltline BIA meets the legislative requirements. The petition submitted opposing the BIA establishment was not sufficient. When a petition is not sufficient, the BIA regulation requires Council to consider the request.

BIAs are a defined geographical area that come together to improve said area. Under the MGA, the purposes of a BIA are to improve, beautify and maintain property in the area; develop, improve and maintain public parking; and promote the areas as a business or shopping district. Administration has prepared a bylaw to establish the proposed BIA.

ATTACHMENT(S)

1. Attachment 1 – Proposed Beltline Business Improvement Area (BIA) map
2. Attachment 2 – Proposed Beltline BIA bylaw
3. Attachment 3 – Proposed interim Beltline BIA board
4. Attachment 4 – Documents relating to Beltline BIA proposal