

2021 Business Improvement Area Tax Bylaw

RECOMMENDATION(S):

That the Priorities and Finance Committee:

1. Recommends that Council give three readings to the proposed 2021 Business Improvement Area Tax Bylaw (Attachment 2); and
2. Forward this report and attachments to the 2021 January 18 Combined Meeting of Council as a matter of Urgent Business.

HIGHLIGHTS

- Passing the 2021 Business Improvement Area (BIA) Tax Bylaw will authorize The City to impose and collect the BIA tax.
- What does this mean to Calgarians? BIAs are established by businesses in an area to jointly raise and administer funds for various projects and promotional activities which help support local businesses.
- Why does this matter? The work of BIAs supports and aligns with Calgary in the New Economy: an updated economic strategy for Calgary and benefits all Calgarians by improving, beautifying and maintaining property in the BIA; developing, improving and maintaining public parking; and promoting the BIA as a business or shopping area.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

BIAs provide economic benefit to Calgary by creating a healthy environment for businesses within the BIA to grow and attract customers. There are fifteen BIAs in Calgary. A list, including a reference to the bylaw which creates each respective BIA, is contained in Schedule "A" to the 2021 BIA Tax Bylaw (Attachment 2).

The approval of the BIA Tax Bylaw, addressed in this report, will authorize The City to impose and collect the BIA tax. The approval of the BIA budgets and enabling bylaws, addressed in a concurrent report,¹ will allow the BIAs to receive the funding to serve their business communities.

To enhance administrative efficiency, the draft bylaw provides for a minimum BIA tax of \$25.00. Businesses with a calculated BIA tax of \$24.99 or less will not receive a 2021 Business Improvement Area Tax Notice.

2021 BIA tax bills are scheduled to be mailed on or before 2021 February 05, and will be due on 2021 March 31.

¹ The "2021 Business Improvement Area Budgets and Enabling Bylaws" Report PFC2021-0029, to be presented to Priorities and Finance Committee on 2021 January 12, and subsequently to Council on 2021 January 18.

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STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder or customer dialogue/relations were undertaken

The preparation of the 2021 Business Improvement Area Tax Bylaw Report involved representatives from Finance, Law, Assessment and Calgary Neighbourhoods.

Representatives of the BIAs within Calgary have been engaged and advised that the BIA tax will continue to be imposed through a form of business tax until changes to the MGA and associated BIA Regulation has been effected and provides for the levying of the BIA tax from the property owner instead of the business owner.

In accordance with the BIA Regulation (Section 12), the Finance Business Unit mailed to taxable businesses in each of the 15 BIAs a copy of the appropriate 2021 BIA budget and notice of the date and place of the 2021 January 12 Priorities and Finance Committee Meeting, and the 2021 January 18 Combined Council Meeting.

IMPLICATIONS

Social

Under the purposes set out in Section 50 of the Municipal Government Act, BIAs play an important role in supporting neighbourhood revitalization and place-making.

Environmental

There are no environmental implications anticipated to be associated with implementing these recommendations.

Economic

The work of BIAs supports and aligns with Calgary in the New Economy: an updated economic strategy for Calgary. BIAs are included as part of the Economic Development & Tourism service line in One Calgary.

Council's direction and the work discussed in this report aligns with the Citizen Priority of A Prosperous City in One Calgary 2019 – 2022, "Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business."

Service and Financial Implications

No anticipated financial impact

The BIA Levy amount is based on BIA budgets approved by council. The revenue raised from the BIA levy is transferred directly to the respective BIA to support their operating expenses including programs, events and services.

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There is an annual impact to The City's operating budget of one full-time employee in Calgary Neighbourhoods and support from multiple business units including Finance, Law, City Clerk's, Assessment and others; this support is currently absorbed through existing capacity.

The City will continue to advocate to Alberta Municipal Affairs to permit BIA tax to be imposed using property assessment, rather than business assessment. If permitted, it is estimated that it would save The City of Calgary over \$2 Million in capital and operating cost.

RISK

There are no significant risks associated with this report.

2021 BIA tax bills are scheduled to be mailed on or before 2021 February 05. Limited time is available to complete the required activities between the Council Meeting on 2021 January 18 to the scheduled mailing date. A delay in the third reading of the BIA Tax Bylaw could delay the mailing of the BIA tax bills.

ATTACHMENT(S)

1. Attachment 1 - Background and Previous Council Direction
2. Attachment 2 - Proposed Wording for 2021 Business Improvement Area Tax Bylaw

Department Circulation

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| General Manager | Department | Approve/Consult/Inform |
| CFO Carla Male | CFOD | Approve |
| A/GM Katie Black | Community Services | Inform |