

2015 AUDITED FINANCIAL STATEMENTS FOR BUSINESS REVITALIZATION ZONES

EXECUTIVE SUMMARY

Provide to Council for information the 2015 Audited Financial Statements for all Calgary's Business Revitalization Zones.

ADMINISTRATION RECOMMENDATION(S)

The Priorities and Finance Committee recommends that:

1. Council receive for information the 2015 Audited Financial Statements for:
 - 1) Bowness BRZ;
 - 2) Calgary Downtown Association;
 - 3) Fourth Street BRZ;
 - 4) Inglewood BRZ;
 - 5) International Avenue BRZ;
 - 6) Kensington/Louise Crossing BRZ;
 - 7) Marda Loop BRZ;
 - 8) Montgomery BRZ;
 - 9) 17th Avenue Retail Entertainment District BRZ;
 - 10) Victoria Crossing BRZ;as per Attachments #1 to 10; and
2. Attachments #1 to 12 to this report remain confidential under the Freedom of Information and Protection of Privacy Act, Section 16(1) for 15 years.

PREVIOUS COUNCIL DIRECTION / POLICY

All Calgary Business Revitalization Zones (BRZs) must annually submit audited financial statements to Council as required by section 19 of the Business Improvement Area (BIA) Regulation. Alta. Reg. 93/2016 (BIA Regulation, see attachment 13) replaces the Business Revitalization Zone Regulation, Alta. Reg. 377/1994 which expired on 2016 June 30.

BACKGROUND

The Province of Alberta passed enabling legislation in 1983 June to allow municipalities to establish BRZs. The provisions are now contained in Municipal Government Act (MGA) section 50, as amended, and BIA Regulation sections 2 to 7. Legislation requires Council to review the audited financial statements from each BRZ annually. Effective 2016 July 1 the reference to BRZ in the MGA has been replaced by BIA. For ease of reference we continue to refer to the BRZs as business revitalization zones as the BRZs have not yet requested that their establishing bylaws be amended to reflect this change.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The unqualified audited financial statements for the subject BRZs are attached and have been reviewed by the Finance Business Unit for content and accuracy. There is no concern arising from the review.

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A summary of each BRZ's Statement of Operations (Attachment 11) and Statement of Financial Position (Attachment 12) are also attached so they can all be viewed in one report. Caution should be exercised when comparing one BRZ to another in those statements. Each BRZ maintains their accounting records based on their business needs and accounting practices. What is included in each category may be different from one BRZ to another BRZ. The Chinatown District BRZ was established in 2015 December, so their first year to provide audited financial statements will be 2016.

Stakeholder Engagement, Research and Communication

Finance Business Unit engaged all BRZs in Calgary to ensure they meet the legislative requirements to submit their annual audited financial statements. All BRZs have been advised of the 2016 meeting date for The Priorities and Finance Committee.

Strategic Alignment

The establishment of eleven BRZs in Calgary through Provincial legislation and City bylaws allows BRZs to serve their business communities which support the following Council's Strategic Action:

- Support civic, business and community partners, as well as business revitalization zones, to collaborate and attract local and global investment.

Social, Environmental, Economic (External)

BRZs provide economic benefit to the city by creating a healthy environment for businesses within the BRZ to grow and attract customers.

Financial Capacity

Current and Future Operating Budget:

There is no impact on The City's operating budget. The revenue raised as a result of the BRZ levy is transferred directly to the respective BRZ.

Current and Future Capital Budget:

There are no implications on the capital budget.

Risk Assessment

There are no significant risks associated with this issue.

REASON(S) FOR RECOMMENDATION(S):

The BIA Regulation requires Council to review the audited financial statements from each BRZ annually.

ATTACHMENT(S)

1. Bowness BRZ
2. Calgary Downtown Association
3. Fourth Street BRZ
4. Inglewood BRZ
5. International Avenue BRZ

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6. Kensington/Louise Crossing BRZ
7. Marda Loop BRZ
8. Montgomery BRZ
9. 17th Avenue Retail Entertainment District BRZ
10. Victoria Crossing BRZ
11. Summary of Statement of Operations
12. Summary of Statement of Financial Position
13. Business Improvement Regulation/Alberta Regulation 93/2016