

2014 BUSINESS REVITALIZATION ZONE BUDGETS AND ENABLING BYLAWS

EXECUTIVE SUMMARY

To approve the 2014 budgets for Calgary's ten Business Revitalization Zones (BRZs) and the enabling bylaws.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommends that Council:

1. Approve the 2014 BRZ budgets (Attachment 1);
2. Give three readings to the proposed 2014 BRZ Tax Bylaw;
3. Give three readings to the proposed 2014 BRZ Tax Rates Bylaw; and
4. Consider this report (2014 Business Revitalization Zone Budgets and Enabling Bylaws) as an item of urgent business at the 2014 January 13 Combined Public Hearing and Council Meeting.

PREVIOUS COUNCIL DIRECTION / POLICY

Annually, since the inception of BRZs in Calgary in 1984, Council has approved the BRZ annual budgets and bylaws as required by the Municipal Government Act (MGA) and BRZ Regulation 377/94 as amended.

BACKGROUND

The Province of Alberta passed enabling legislation in 1983 June to allow municipalities to establish BRZs. The provisions are contained in MGA Section 381 and BRZ Regulation 377/94 as amended. Legislation requires Council's annual approval for:

- the BRZ budgets (BRZ Regulation Section 10);
- a BRZ bylaw (BRZ Regulation Section 18); and
- a bylaw establishing BRZ tax rates (BRZ Regulation Section 19).

INVESTIGATION: ALTERNATIVES AND ANALYSIS

There are currently ten BRZs in Calgary. A list, including a reference to the establishing bylaw, is contained in Schedule A to the proposed 2014 BRZ Tax Bylaw (Attachment 2). Between 2013 October and November, each BRZ Board of Directors met and approved its 2014 program and budget requirements. The BRZ budgets were submitted to Administration and included in this report for Council's approval.

Pursuant to the MGA, Council may approve all or part of the budget requests. The BRZ levy identified in the respective budgets (Attachment 1) is raised through a BRZ tax (calculated by business assessment multiplied by the BRZ rate) levied against each taxable business in the BRZ. The BRZ tax is reflected on each business tax bill.

2014 BRZ Levy Summary and Budgets (Attachment 1) contains, for each BRZ, a summary comparing the 2014 and 2013 BRZ levy followed by the 2014 budget request.

The proposed 2014 Business Revitalization Zone Tax Bylaw is legislated to be passed annually if there is to be a BRZ in a municipality.

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The proposed 2014 BRZ Tax Rates Bylaw sets the tax rates required to raise the BRZ levy identified in each BRZ budget.

Stakeholder Engagement, Research and Communication

In accordance with the MGA provisions and Council approved procedures, Finance & Supply Business Unit mailed to taxable businesses in each of the ten BRZs a copy of the appropriate 2014 BRZ budget.

Strategic Alignment

The approval of the BRZ budgets and enabling bylaws allows BRZs to serve their business communities which support the following Council's fiscal plan:

- Making Calgary the best place in Canada for a business to start and flourish.

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

2014 business tax bills, including the BRZ levy, are scheduled to be mailed on 2014 February 3. From the Council meeting on 2014 January 13 to the scheduled mailing date, limited time is available to complete required activities. A delay in approving the BRZ budgets and third reading of the bylaws could delay the mailing of business tax bills.

REASON(S) FOR RECOMMENDATION(S):

MGA requires Council to approve the budgets and enabling bylaws annually if there is to be a BRZ in a municipality.

ATTACHMENT(S)

1. 2014 BRZ Levy Summary and Budgets
2. Proposed wording for a 2014 Business Revitalization Zone Tax Bylaw
3. Proposed wording for a 2014 BRZ Tax Rates Bylaw