

ANNUAL REPORT: CALGARY BUSINESS IMPROVEMENT AREAS – DEFERRAL REQUEST

EXECUTIVE SUMMARY

This report requests a deferral for the Annual Report: Calgary Business Improvement Areas (BIAs) to enable Administration to continue to collaborate with the BIA boards on the content of the report and the process for collecting the information required to prepare the report. The BIAs require additional time to consider what they wish to highlight and the steps each BIA board has taken to meet the goals and objectives identified in the Business Revitalization Zone (BRZ)/BIA 2015-2018 Business Plan (the Business Plan).

In addition, the Government of Alberta is currently in the process of amending the Business Improvement Area provisions in the Alberta *Municipal Government Act* (MGA) and the *Business Improvement Area Regulation*, AR 93/2016 (the *BIA Regulation*). These amendments may create challenges or opportunities for the BIAs, may necessitate changes to their collective Business Plan and may impact the legislative framework that governs the relationship between the BIAs and The City.

Deferring the report will enable Administration to complete its engagement with the BIAs and ensure that the report provides meaningful information on the BIAs' activities while aligning with the most current governing BIA legislative framework. The recommended deferral date is reflective of the need to allow legislative changes to be proclaimed.

ADMINISTRATION RECOMMENDATION

That the SPC on Community and Protective Services recommends that Council defer the Annual Report: Calgary Business Improvement Areas to no later than 2018 Quarter 3.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 September 12 Council directed Administration to "bring an Annual Report highlighting the steps taken [by the BIAs] towards meeting the goals and objectives identified in the Business Revitalization Zone (BRZ)[BIA] 2015-2018 Business Plan as well as other successes, challenges and the overall governance of Calgary BRZs [BIAs] and to report to Council through the SPC on Community and Protective Services no later than Q2 2017".

On 2014 September 30 Council adopted PFC2014-0760 'Business Revitalization Zones 2015-2018 Business Plan,' which was prepared by the BIAs with the support and assistance of a consultant and The City. A key outcome identified in the BIAs' Business Plan is to develop an annual report to Council of the BIAs' activities.

BACKGROUND

In 1983 June the Government of Alberta amended the MGA to allow municipalities to enact a bylaw to establish BIAs. The bylaw also establishes boards to govern BIAs, which are appointed by Council. BIA boards operate as non-profit corporations and are subject to provincial legislation.

BIA operations are funded through a tax paid by all businesses operating within the BIA that are assessed for business tax. The tax enables the business owners to collectively fund activities to promote and improve the economic vitality of their area for the purposes set out in the MGA. Calgary currently has 11 BIAs, established between 1984 and 2015.

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The BIAs, with the support and assistance of Administration, are working towards implementing the BRZ/BIA 2015-2018 Business Plan in a phased approach. Significant progress has been made towards achieving the three Priority Areas, the three Focus Areas and related key activities identified in the Business Plan.

The Priority Areas are:

- Accountability and Risk Management;
- Outcome Measurement; and,
- Long Term Sustainability.

The Focus Areas are:

- Enhancement of the BRZ/BIA City Interface;
- Integration of Social and Economic Goals; and,
Expansion of Strategic Alignment, Resource Leveraging and Collaboration.

Key activities achieved to date include:

- Creation of the BIA Liaison team;
- Establishment and ongoing functioning of an internal BIA Action Committee;
- Active involvement in the MGA review process;
- Increased communication and prioritization of BIA related issues;
- Drafting of Memorandums of Understanding;
- Pursuing alternate funding mechanisms; and,
- Drafting of a BIA Toolkit.

The BIAs' Business Plan identifies the development of an annual report to Council as a key activity to enhance the interface between the BIA boards and The City. As part of the phased approach to implementing the Business Plan, the creation of an annual report was planned for the latter half of implementation. This is largely due to the opportunity to include more significant outcomes related to the implementation of the Business Plan. The Business Plan outlines the following regarding the Annual Report:

Initial work is proceeding to create a format for an annual report of the collective actions of BRZs [BIAs]. The proposed content has been identified and would include a summary of the activities and successes of BRZs [BIAs] in the previous year; important statistical information; reporting on priority outcome measures; and progress in implementation of the business plan. The plan would enhance BRZ [BIA] accountability and provide an additional avenue to inform Council as to BRZ [BIA] accomplishments and challenges.

Administration has been working with the BIAs to identify and collect information on their respective activities in order to prepare their first annual report to Council. The approach adopted by Administration, in working with the BIA boards, seeks to foster a relationship of collaboration and partnership. Additional time is therefore needed to complete this process and determine what and how the BIA boards wish to report to Council.

Furthermore, the Government of Alberta passed the *Act to Strengthen Municipal Government*, SA 2017, c.13 on June 17, 2017 (formerly Bill 8). This Act amends the BIA provisions in the MGA and will require corresponding amendments to the *BIA Regulation*. However, these amendments have not yet been proclaimed and, therefore, are not yet in force. The Province has expressed its intention to amend the *BIA Regulation* and to provide a draft of the proposed

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Regulation for public feedback. These legislative amendments may result in challenges or opportunities for the BIA boards that they may wish to address in the Annual Report.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

As agreement has not been reached with the BIAs on the content of the report, work still needs to be done with the BIA boards. This is to make certain that the information provided will enable Administration to prepare a report that accurately conveys data on their activities and highlights the unique contributions of each BIA.

Deferral of the report will enable Administration to further collaborate with the BIA boards to develop a report that is informative and showcases the BIAs' distinct contributions to the economic landscape of Calgary. In light of the pending changes to the BIA legislation, it will also allow for considerations of the most current BIA legislation to be incorporated. The Annual Report supplements the BIA boards' annual financial reporting required by the *BIA Regulation*.

Stakeholder Engagement, Research and Communication

Administration has engaged with the Calgary BIAs to initiate the development of an annual report to Council. However, further engagement with the BIA boards is required to determine the report content. Additional engagement with the BIA boards, as well as City business units, will achieve a collaborative partnership for the reporting of the BIAs' activities to Council.

Strategic Alignment

Municipal support for BIAs aligns with *Action Plan 2015-2018* and the associated Council Priorities to create "a Prosperous City" whereby Calgary is "...a place where there is opportunity for all, and the best place in Canada to start and grow a business," and to create "a City of Inspiring Neighbourhoods" where "every Calgarian lives in a safe, mixed and just neighbourhood, and has the opportunity to participate in civic life".

The BRZ/BIA 2015-2018 Business Plan identifies the development of a BIA annual report as a key activity.

Social, Environmental, Economic (External)

Not applicable to this deferral report.

Financial Capacity

Current and Future Operating Budget:

Not applicable to this deferral report.

Current and Future Capital Budget

Not applicable to this deferral report.

Risk Assessment

Deferring the current report will provide Administration with additional time to complete engagement with the BIA boards in order to determine the content of the report and to create a mechanism for the BIAs to provide information on their activities. This will further develop a collaborative, respectful and productive relationship between The City and the BIA boards to accomplish the mutual goal of enhancing the economic vitality of Calgary. Additionally, it will

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allow the report to be aligned with the most current BIA legislation and address any pending legislative amendments.

REASON FOR RECOMMENDATION:

The deferral of the BIA Annual Report to 2018 Quarter 3 will enable Administration to complete its engagement with the BIAs and ensure that the report provides meaningful information on the BIAs' activities and is aligned with the most current governing BIA legislative framework. As the Government of Alberta brings into force the MGA changes, and amends the *BIA Regulation*, there may be resulting challenges or opportunities that need to be addressed within the Annual Report.

ATTACHMENTS

None