

Community Services Report to
SPC on Community and Protective Services
2018 December 05

ISC: UNRESTRICTED
CPS2018-1097

Business Improvement Area Policy & Governance Framework – Request for Deferral

EXECUTIVE SUMMARY

This report requests a deferral to allow provincial legislative changes that pertain to Business Improvement Areas (BIA) to come into effect before bringing forward a BIA policy and governance framework for Council's consideration. Amendments contained in a third bill to renew the Municipal Government Act, *An Act to Strengthen Municipal Government*, 2017 await proclamation. The Government of Alberta has also communicated its intention to amend *The Business Improvement Area Regulation* (The BIA Regulation) and provide a draft of the proposed Regulation for public feedback. These legislative changes will have a direct impact on any BIA policy at the municipal level. In the interim, Administration is preparing policy options and will proceed once the legislative changes are complete.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Community and Protective Services recommends that Council defer a report back on the Business Improvement Area policy and governance framework to no later than one year after the Provincial legislative changes related to Business Improvement Areas are finalized.

RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, HELD 2018 DECEMBER 05:

That the Administration Recommendations contained in Report CPS2018-1097 be adopted.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 July 24 Council directed Administration to develop a Business Improvement Area (BIA) policy and governance framework in consultation with the BIA community that details the roles and responsibilities of the BIAs and The City of Calgary related to the establishment and ongoing functioning of BIAs, including reporting obligations, and return to Council through the Standing Policy Committee on Community and Protective Services no later than 2018 Q4.

BACKGROUND

In 1983 the Government of Alberta amended the Municipal Government Act (MGA), to allow municipalities to enact bylaws to establish Business Improvement Areas (formerly referred to Business Revitalization Zones in the legislation). The BIA Regulation contains specific provisions with respect to BIA matters, including establishment of a BIA, financial matters, capital property, tax and disestablishment.

When The City creates a bylaw to establish a new BIA it also establishes a Board of Directors to govern the BIA. Board of Directors are appointed by Council under the terms of the bylaw, and business owners within the defined geographical boundary are required to pay a levy referred to as a BIA levy. The BIA levy enables these business owners to collectively fund activities to promote and improve the economic vitality of their area for the purposes set out in the MGA.

Currently, there are twelve BIAs in Calgary. Each BIA is responsive to the distinct issues and opportunities in their respective areas.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

A deferral of the BIA Policy and Governance Framework Report is requested to allow time for The City's work to align and adhere to the anticipated amendments to the MGA and BIA Regulation.

Administration has taken steps to prepare for anticipated changes to the MGA and BIA Regulation and is exploring policy and governance framework options. One option being considered is to update the *Investing in Partnerships Policy* (CP2017-01) to include BIAs as a category.

The City continues its advocacy with the Government of Alberta on the importance of proclaiming the legislative amendments in a timely manner. The amendments to the MGA and BIA Regulation will permit the BIA levy to be imposed on the owner of the property within each BIA which is a change from the current practice of collecting the levy from the business owners. This change has implications for BIA membership and possibly governance structure. These changes will also require The City to update the annual Business Improvement Area Tax Bylaw.

Stakeholder Engagement, Research and Communication

Administration has been working collaboratively to ensure BIAs remain informed. Further engagement is planned with BIAs once the legislative changes are complete. Consultation will also take place with BIAs to inform the policy and governance framework.

Strategic Alignment

Council's direction and the work discussed in this report aligns with the Citizen Priority of A Prosperous City in One Calgary 2019-22, "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."

Social, Environmental, Economic (External)

BIAs play an important role in supporting economic activity and neighbourhood revitalization.

Financial Capacity

Current and Future Operating Budget:

There is no impact on operating budgets arising from this report.

Current and Future Capital Budget:

There is no impact on capital budgets arising from this report.

Risk Assessment

There is significant risk in developing and bringing forward a Business Improvement Area policy and governance framework when legislative changes are in progress. This risk can be mitigated through a deferral.

REASON(S) FOR RECOMMENDATION(S):

Approval of a deferral for a Business Improvement Area policy and governance framework will allow time for amendments to provincial legislation pertaining to BIAs to come into force. Once

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in force, Administration will consult with BIAs on options for a policy and governance framework that is in accordance with provincial requirements.

ATTACHMENT(S)

None