

BYLAW 20347

2023 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw

RECOMMENDATION

That Bylaw 20347 be given the appropriate readings.

Purpose

To allow for the 2023 annual and supplementary Business Improvement Area (BIA) assessment and taxation of businesses operating within a Business Improvement Area.

Readings

Bylaw 20347 is ready for three readings

Passage of this bylaw by January 31, 2023, is required to facilitate the mailing of the Business Improvement Area assessment and tax notices on February 17, 2023, to meet the March 31, 2023, payment due date.

A majority vote of City Council on all three readings is required for passage.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree “That Bylaw 20347 be considered for third reading.”

Position of Administration

Administration supports this Bylaw.

Report Summary

The 2023 Business Improvement Area (BIA) budgets were approved by City Council on December 5, 2022.

The 2023 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw establishes the manner in which businesses within a Business Improvement Area are assessed, and the corresponding tax rates to fund the Business Improvement Area association operating budgets, as approved by City Council.

BYLAW 20347 - 2023 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw

REPORT

A Business Improvement Area (BIA) is a specific geographic area of the city in which businesses combine resources and work together, through a formal association, to enhance the economic development of their area. The City of Edmonton is required by provincial legislation (*Municipal Government Act* and *Business Improvement Area Regulation, Alberta Regulation 93/2016*) as well as City Policy C462B, Business Revitalization Zone Establishment and Operation, to collect BIA taxes and distribute those funds to each BIA for the purpose of implementing the specific improvements approved by the membership. Programs, services and operations in support of each business improvement area are financed largely through the BIA tax. Some BIAs also raise funds through other sources, such as grants and sponsorships.

BIA associations operate as non-profit statutory corporations and submit operating budgets annually for review and approval by City Council. Local business owners make up the membership of a BIA, with each governed by a member-nominated board. Businesses within a BIA, including professional corporations, pay a BIA tax.

Each BIA association has the ability to set the minimum and maximum amounts of BIA taxes within their respective area each year. The associations review these rates annually and make adjustments based on budget needs and resource demands to ensure an equitable distribution of support across their membership. The following BIA associations changed their minimum/maximum amounts in 2023:

- Beverly - increase in the minimum from \$200 to \$220, increase in the maximum from \$5,000 to \$5,500.
- Downtown - increase in the minimum from \$100 to \$150, increase in the maximum from \$8,000 to \$10,000.
- Old Strathcona - increase in the minimum from \$100 to \$250, increase in the maximum from \$4,300 to \$5,000.
- Stony Plain Road and Area - increase in the maximum from \$2,500 to \$3,500.

The method of assessment and taxation for BIAs has been in place since 2006. Assessments are based on the typical net annual rental value of the space occupied or used for the purpose of the business, or at a percentage of the property assessment.

Budget/Financial Implications

This Bylaw establishes the 2023 tax rates to achieve the annual BIA budgets totalling \$4,090,386.

Legal Implications

Passage of Bylaw 20347 will allow the City to create a BIA assessment roll and impose a BIA tax, supplementary BIA assessment and tax, and set the 2023 tax rates to generate sufficient revenues to fund BIA operating budgets as approved by City Council.

BYLAW 20347 - 2023 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw

ATTACHMENT

1. Bylaw 20347 - 2023 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw

OTHERS REVIEWING THIS REPORT

- M. Plouffe, City Solicitor