

Bylaw 19551

2021 Business Improvement Area Assessment, Supplementary Assessment, Tax, Supplementary Tax and Tax Rate Bylaw

Purpose

To allow for the 2021 annual and supplementary Business Improvement Area (BIA) assessment and taxation of the businesses operating within a Business Improvement Area.

Readings

Bylaw 19551 is ready for three readings.

Passage of this bylaw by February 22, 2021, is required to facilitate the mailing of the Business Improvement Area assessment and tax notices on March 15, 2021, to meet the April 30, 2021, 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 19551 be considered for third reading.”

Position of Administration

Administration supports this Bylaw.

Report Summary

The 2021 Business Improvement Area (BIA) budgets were approved by City Council on December 7, 2020.

The 2021 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 operating budgets, as approved by City Council.

The bylaw also reflects wording changes to include a definition of “permanently closed” as it pertains to the pro-rating and rebating of BIA taxes and to clarify that this

pro-rating is really the creation of a partial year exemption for the business when it ceases to operate from a location. These provisions ensure that a business is not being taxed when it is no longer in operation. There are also minor changes in the wording surrounding minimum and maximum levy amounts to better reflect what is done in practice. All the wording changes are for clarity, and to match legal requirements, and are not intended to significantly change the assessment and taxation of businesses in a BIA.

Report

A Business Improvement Area is a commercial area within the City of Edmonton where business owners have combined efforts to enhance and promote the location. The City of Edmonton is required by provincial legislation 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 district are financed by the BIA tax.

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

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.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmonton has a globally competitive and entrepreneurial business climate.			
Outcome(s)	Measure(s)	Result(s)	Target(s)
The City facilitates the BIAs' goals of creating safe, attractive and interesting commercial places.	Total budgeted revenue from each of the 13 BIAs	Approved rates will achieve budgets of: Alberta Avenue - \$134,000 Beverly - \$96,000 Chinatown and Area - \$120,780 Downtown - \$1,040,898 Fort Road - \$80,000 French Quarter - \$132,000 Kingsway - \$290,301 North Edge - \$80,000 Northwest Industrial \$212,386	2021 BIA taxes based on total budgets of \$3,354,548 billed in Q1 2021.

		Old Strathcona - \$525,000 Stony Plain Road - \$262,183 124 Street - \$253,000 The Crossroads - \$128,000	
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Public Engagement

No public engagement was undertaken for this bylaw. As required annually, City Council approved the BIA budgets on December 7, 2020. Prior to this date, the Board of Directors of each BIA provided their members with budget details at their annual general meetings.

Budget/Financial Implications

This Bylaw establishes the 2021 tax rates to achieve the annual BIA budgets totalling \$3,354,548.

Legal Implications

Passage of Bylaw 19551 will allow the City to create a BIA assessment roll and impose a BIA tax, supplementary BIA assessment and tax, and sets the 2021 tax rates to generate sufficient revenues to fund BIA operating budgets as approved by City Council.

Attachment

1. Bylaw 19551

Others Reviewing this Report

- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- B. Andriachuk, City Solicitor