

Town of Whitby

Staff Report

whitby.ca/CouncilCalendar



**Report Title: Downtown Whitby Business Improvement Area (BIA)
2023 Budget and 2022 Reporting**

Report to: Committee of the Whole

Date of meeting: March 6, 2023

Report Number: FS 11-23

Department(s) Responsible:

Financial Services Department
Office of the Chief Administrative Officer

Submitted by:

Fuwing Wong, Commissioner, Financial
Services

**Acknowledged by M. Gaskell, Chief
Administrative Officer**

For additional information, contact:

Fuwing Wong x 4314

Janet Battersby x 2815

Christy Chrus x 3164

1. Recommendation:

1. That Council receive the proposed 2023 Detailed Program of Improvement, and Beautification and Maintenance and the 2022 Annual Report, (Attachments 2 and 3 of Report FS 11-23), from the Downtown Whitby Business Improvement Area Board; and
2. That Council approve the Downtown Whitby Business Improvement Area Board's proposed 2023 Budget, (as outlined in Attachment 1 of Report FS 11-23), inclusive of a \$210,000 special tax levy for businesses within the Downtown Business Improvement Area.

2. Highlights:

- The proposed Downtown Business Improvement Area ("BIA") budget for 2023 is \$375,442 which is \$5,598 lower than the approved 2022 budget;
- The proposed BIA budget includes a Special Tax Levy in the amount of \$210,000 which is a \$10,000 (or 5%) increase over the approved 2022 BIA (Special Tax) levy;

- The Special Tax Levy for the BIA is in addition to the general tax levy and is collected from properties in one of the prescribed business property classes within the Downtown Whitby Business Improvement Area.

3. Background:

The Downtown Whitby Business Improvement Area was established on April 17, 2017 through By-law # 7268-17 in accordance with Section 204 of the Municipal Act. The by-law included a schedule that outlined the defined boundary of the Downtown Whitby Business Improvement Area (see Attachment 4).

The Downtown Whitby Business Improvement Area Board of Management (“**BIA Board**”) is a local board for the municipality and has the responsibility to promote the Business Improvement Area as a business or shopping area. The BIA Board may also oversee the improvement, beautification, and maintenance of municipally-owned land, buildings, and structures within the BIA beyond the service levels and budgets provided for within the Town’s budget. A Terms of Reference was developed (ToR-LB-03) which includes requirements for the BIA Board to submit various financial and non-financial reports annually to the Town of Whitby. This report contains the annual reports from the BIA Board, including the Board’s proposed 2023 Downtown Whitby Business Improvement Area budget.

The BIA’s budget is mainly funded through a Special Tax Levy. Other sources of funding for the BIA include grants and event revenues. The Special Tax Levy for the BIA is applied only to properties within the Downtown Whitby Business Improvement Area that are in one of the rateable business tax classes. For property owners within the boundaries of the BIA, the Special Tax Levy is in addition to the General Tax Levy collected by the Town.

4. Discussion:

Annual reports from the BIA Board are attached to this Staff Report FS 11-23 and include:

- The BIA Board’s 2022 Annual Report
- The 2023 BIA Beautification and Maintenance Proposal
- The BIA Board’s Proposed 2023 Budget

Further, there will be a delegation from members of the BIA Board at the March 6, 2023, Committee of the Whole meeting.

Subject to Council approval of the BIA Board’s proposed 2023 budget, staff will finalize the Special Tax Levy By-law to collect a Special Levy from businesses located within the boundaries of the Downtown Whitby Business Improvement Area. The Special Tax Levy will support the initiatives outlined in the proposed 2023 BIA budget and is in addition to the General Tax Levy collected for Town of Whitby services.

5. Financial Considerations:

Full Details of the BIA's proposed 2023 budget are included in Attachment 1. Highlights of the proposed 2023 BIA budget are as follows:

- The BIA Board has presented a balanced budget where the proposed 2023 revenues and expenses are equal (at \$375,442).
- The Special Tax Levy included in the proposed 2023 BIA budget is proposed to increase by \$10,000 (or 5%) from \$200,000 in 2022 to \$210,000 in 2023
 - This special levy, along with grant and event revenues is to fund BIA Board's operating and capital programs outlined in the BIA's 2023 budget;
 - The Special Tax Levy for the BIA is in addition to the general tax levy and is collected from property owners with property that is within the BIA boundary and in one of the prescribed business property classes.
- Overall the proposed 2023 BIA budget is \$5,598 lower than the BIA's approved 2022 budget:
 - 2022 approved budget was \$ 381,040
 - 2023 proposed budget is \$375,442
 - The reduction is primarily due to the conclusion of a Region of Durham COVID relief program.
 - The BIA Board is also proposing an increase in BIA event expenditures in 2023 with partial event revenue offsets.
- Note: the financial audit for 2022 has not yet been completed so the 2022 actuals noted in the Proposed 2023 BIA Budget are unaudited at this time and may change following completion of the audit.

6. Communication and Public Engagement:

The BIA has held consultation with its members and this budget was voted on and approved at their Annual General Meeting on January 17, 2023

7. Input from Departments/Sources:

The BIA held meetings with staff members from the Finance and Strategic Initiatives Departments as part of developing this proposed budget.

8. Strategic Priorities:

This supports the Mission of the Town's Corporate Strategic Plan that "Together we deliver services that make a difference to our community."

9. Attachments:

Attachment 1 – Proposed 2023 BIA Budget

Attachment 2 – 2023 BIA Beautification and Maintenance Proposal

Attachment 3 – 2022 BIA Annual Report

Attachment 4 – Downtown Whitby Business Improvement Area Map