

Town of Whitby

Staff Report

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**Report Title: Downtown Whitby Business Improvement Area (BIA)
2025 Budget and 2024 Reporting**

Report to: Committee of the Whole

Date of meeting: April 7, 2025

Report Number: FS 12-25

Department(s) Responsible:

Financial Services Department
Office of the Chief Administrative Officer

Submitted by:

Fuwing Wong, Commissioner, Financial
Services, Treasurer

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

For additional information, contact:

Crystal Doucette, Senior Manager
Revenue and Taxation x 2815

Christy Chrus, Senior Manager Creative
Communities x 3164

1. Recommendation:

1. That the Downtown Whitby Business Improvement Area Board of Management's proposed 2025 Beautification Report and the 2024 Annual Report, (Attachment 2 of Report FS 12-25), be received as information; and
2. That the Downtown Whitby Business Improvement Area Board of Management's proposed 2025 Budget, (as outlined in Attachment 1 of Report FS 12-25), inclusive of a \$220,500 special tax levy for businesses within the Downtown Business Improvement Area, be approved.

2. Highlights:

- The proposed Downtown Whitby Business Improvement Area ("BIA") budget for 2025 is \$257,586 which is \$24,697 lower than the approved 2024 budget.
- Despite a decrease in the BIA's overall operating budget, of \$24,697 from 2024, the BIA tax levy requirement is proposed to remain the same at \$220,500.
- Although the Special (BIA) Tax Levy amount, at \$220,500, is not proposed to change, the overall BIA tax rate will decrease by 0.38% due to assessment growth within the BIA.

- 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 3).

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 2025 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 sponsors 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:

The BIA Board will make a delegation at the April 7, 2025 Committee of the Whole meeting on the following reports:

- The BIA Board’s 2024 Annual Report
- The 2025 BIA Beautification Report
- The BIA Board’s Proposed 2025 Budget

The proposed 2025 budget (attachment 1) was presented to the BIA board at the September 23, 2024 meeting. The BIA board presented the 2025 budget to the BIA members via an Annual General Meeting held on January 14, 2025 for final approval.

Subject to Council approval of the BIA Board’s proposed 2025 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 2025 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 2025 budget are included in Attachment 1. Highlights of the proposed 2025 BIA budget are as follows:

- The BIA Board has presented a balanced budget where the proposed 2025 revenues and expenses are equal (at \$257,586).
- Overall, the proposed 2025 BIA budget is \$24,697 lower than the BIA's approved 2024 budget:
 - 2024 approved budget was \$ 282,283.
 - 2025 proposed budget is \$257,586.
- The Special Tax Levy included in the proposed 2025 BIA budget of \$220,500 is the same as the Special Tax Levy in the BIA's 2024 budget.
 - This special levy, along with sponsorship and event revenues, is to fund the BIA Board's operating and capital programs outlined in the BIA's 2025 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 is in one of the prescribed business property classes.
- The BIA's proposed 2025 Budget no longer relies on a draw from reserves to fund on-going operations. As previously communicated to Council, draws from reserves to fund on-going operations is not sustainable. Accordingly, Staff support the BIA Board's removal of a \$29,783 draw from reserves in the proposed budget and a corresponding decrease in overall expenditures.
- Note: the financial audit for 2024 has not yet been completed so the 2024 actuals noted in the Proposed 2025 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 14, 2025.

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 report and the Downtown Whitby Business Improvement Area supports action item 3.2.5 – "Implement initiatives that support our downtowns as thriving destinations"; in the Town of Whitby's Community Strategic Plan.

9. Attachments:

Attachment 1 – Proposed 2025 BIA Budget

Attachment 2 – 2025 BIA Annual Report and Beautification Report

Attachment 3 – Downtown Whitby Business Improvement Area Map