



**STAFF REPORT
ACTION REQUIRED**

**Leslieville Business Improvement Area (BIA) 2013
Operating Budget**

| | |
|--------------------------|---|
| Date: | February 28, 2013 |
| To: | Economic Development Committee |
| From: | Deputy City Manager and Chief Financial Officer |
| Wards: | 30, 32 |
| Reference Number: | P:\2013\Internal Services\fp\FP13009 |

SUMMARY

This supplementary report brings forward the Leslieville Business Improvement Area (BIA) 2013 operating budget, to be considered with the four BIA operating budgets in report No. 3, for approval by Council as required by the *City of Toronto Act, 2006*. Council approval is required to permit the City to collect funds through the tax levy on behalf of the BIAs. Of the 74 established BIAs, one BIA has yet to submit an operating budget.

The Leslieville BIA has requested Council consideration of its 2013 Operating Budget at its meeting of April 3-4, 2013 to make it possible for the newly created BIA to receive its first levy instalment by the end of May. Unlike established BIAs, the newly created Leslieville BIA has no cash reserve to draw upon while awaiting its first levy instalment.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. The Economic Development Committee adopt and certify to City Council the 2013 expenditure request of Leslieville BIA totalling \$110,000 and a 2013 BIA levy requirement of the same amount.

Financial Impact

No City funding is required since financing of Business Improvement Area operating budgets is raised by a special levy on members which totals \$110,000 in this supplementary report.

DECISION HISTORY

City Council at its meeting of February 20-21, 2013 designated Leslieville as a Business Improvement Area (BIA) by City of Toronto By-law No. 262-2013 enacted February 21, 2013.

The new BIA held its inaugural Annual General Membership meeting on February 28, 2013 to nominate Board members and adopt a 2013 Operating Budget.

Toronto and East York Community Council will be considering recommendations to establish a Board of Management for the Leslieville BIA and appointing nominees to the Leslieville BIA Board of Management on April 9, 2013.

The City of Toronto Municipal Code Chapter 19 and the *City of Toronto Act, 2006* require that BIA operating budgets be approved by Council.

Appendix A includes a summary of the BIA budget discussed in this report, including a calculation of its net levy requirement.

COMMENTS

The Steering Committee of the Leslieville BIA was not able to schedule its first Annual General Meeting in time for inclusion in BIA Budget Report No. 3, as the deadline for inclusion was February 13, 2013, but the designation of the BIA was scheduled for City Council approval on February 20-21, 2013.

Unlike established BIAs, the Leslieville BIA has no cash reserve to draw upon while awaiting its first levy instalment. If this BIA were included in a later report, the organization would not receive its first instalment of funds until the end of June or later, rather than in May. The Leslieville BIA requires funds in the Spring of 2013 to hire staff to facilitate day-to-day operations. The BIA will also need to make arrangements for its festival which is likely to take place in the summer or early fall when the weather is optimal. Receiving the first levy instalment in May will allow the BIA to carry out the activities planned for its inaugural 2013 budget year.

2013 Operating Budget:

The first budget of the newly created Leslieville BIA was approved at meetings of the BIA's Steering Committee on February 13, 2013 and its general membership on February 28, 2013. The BIA proposes 2013 Operating Expenditures of \$110,000 to be fully funded from BIA levies of the same amount, as summarized in Appendix A of this report. The BIA has budgeted \$25,000 for administration which will in large part be used to hire staff to facilitate operations of the BIA. The budget also includes a \$5,000 allocation for general maintenance and a \$60,000 allocation to fund a festival, build a website, brand the area, and market the BIA. In anticipation of future capital projects, the BIA has also budgeted \$10,000 to be set aside for that purpose. The proposed budget also includes a provision for assessment appeal reductions of 10% of the 2013 BIA levy or \$10,000. It is recommended that the Leslieville BIA's 2013 budget of expenditures and BIA levy of \$110,000 be approved.

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SIGNATURE

Roberto Rossini
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix A – BIA Budget Summary

APPENDIX A

| Leslieville BIA 2013 Budget Summary | | | |
|--|----------------------------|-----------------------------|--------------------------------|
| | 2012 Approved Budget | 2012 Projected Actual | 2013 Budget Request (\$) |
| Revenue: | | | |
| - Levy Funds Required (incl. 10% provision) | N/A | N/A | 110,000 |
| - Other Revenue | N/A | N/A | 0 |
| - Appeal Provision Surplus | N/A | N/A | 0 |
| - Contribution from Accumulated Surplus | N/A | N/A | 0 |
| Total Revenues | N/A | N/A | 110,000 |
| Expenditures: | | | |
| - Administration | N/A | N/A | 25,000 |
| - Capital | N/A | N/A | 10,000 |
| - Maintenance | N/A | N/A | 5,000 |
| - Promotion & Advertising | N/A | N/A | 60,000 |
| - 10% Provision for Assessment Appeal Reductions | N/A | N/A | 10,000 |
| Total Expenditures | N/A | N/A | 110,000 |
| Surplus/(Deficit) | N/A | N/A | 0 |