



REPORT FOR ACTION

Business Improvement Areas (BIAs) – 2021 Operating Budgets - Report No. 1

Date: November 23, 2020

To: Economic and Community Development Committee

From: Chief Financial Officer and Treasurer

Wards: 3, 4, 5, 8, 10, 11, 12, 13, 14

SUMMARY

This report brings forward Business Improvement Area (BIA) annual Operating Budgets for approval by City Council as required by the City of Toronto Act, 2006. City Council approval is required to permit the City to collect funds through a special tax levy on the commercial and industrial properties within the respective BIA boundaries.

There are currently 84 established BIAs in the City of Toronto, of which 23 BIA 2021 Operating Budgets are submitted for City Council approval through this report.

The recommendation in this report reflects the board-adopted 2021 Operating Budgets by the respective BIAs' Boards of Management and General Membership. Complete budgets and supporting documentation have been reviewed by City staff to ensure that the 2021 Operating Budgets for BIAs reflect Council's approved policies and practices.

Two COVID-19 related themes emerge in these budget submissions: a number of BIAs are specifically attempting to reduce financial demands on their memberships, and a number of BIAs are exercising caution by postponing festivals and events.

RECOMMENDATIONS

The Chief Financial Officer and Treasurer recommends that:

1. City Council adopt and certify the 2021 recommended Operating Budgets and Levy requirements of the following Business Improvement Areas:

Business Improvement Area	2021 Operating Budget (\$)	2021 Levy Funds Required (\$)
Bloor by the Park	83,707	73,773

Business Improvement Area	2021 Operating Budget (\$)	2021 Levy Funds Required (\$)
Bloor Street	4,175,928	1,650,000
Bloor-Yorkville	4,447,712	3,381,368
Chinatown	619,236	459,161
Church-Wellesley Village	331,388	258,391
Dupont by the Castle	258,053	137,841
Financial District BIA	1,929,059	1,450,615
Forest Hill Village	245,095	196,931
Greektown on the Danforth	1,414,721	424,900
Lawrence Ingram Keele	219,988	189,988
Leslieville	215,607	139,569
Liberty Village	430,003	387,023
Little Italy	591,615	383,519
Pape Village	141,352	98,005
Parkdale Village	276,707	232,907
Riverside District	305,066	200,240
Roncesvalles Village	506,434	323,910
St. Lawrence Market Neighbourhood	1,634,214	1,281,023
The Eglinton Way	427,589	290,037
Toronto Entertainment District	3,413,149	3,085,761
Trinity Bellwoods	86,679	57,573
Village of Islington	224,532	147,453
Yonge & St. Clair	730,817	541,710
Total	22,708,651	15,391,698

FINANCIAL IMPACT

No City funding is required since the financing of Business Improvement Area Operating Budgets is raised by a special levy on the commercial and industrial properties within the respective BIA boundaries. The 2021 Operating Budgets for the 23 BIAs totals \$22,708,651 which requires a special tax levy in the amount of \$15,391,698. All of the 2021 BIA Operating Budgets submitted for consideration are balanced budgets which are funded by levies, funds from the BIA's accumulated surplus, grants, donations, sponsorships, festival revenues, and other third party revenues. Detailed budgets of individual BIAs discussed in this report are set out in Appendix A.

The BIA Operating Budgets have provisions set aside for required capital cost-sharing contributions for those capital projects approved in 2020 or prior and carried forward into 2021, as well as new capital cost-share projects submitted for consideration in the 2021-2030 Capital Budget and Plan for Economic Development and Culture as part of the 2021 Budget process.

The dates at which the 2021 Operating Budgets were adopted by the respective BIAs' Boards of Management and General Membership are provided in Appendix B.

DECISION HISTORY

The approval by City Council of the 2020 Operating Budgets for 83 BIAs took place in multiple phases as follows:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC10.16>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EC11.6>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EC12.8>

COMMENTS

The Business Improvement Area (BIA) is a self-help program to allow local businesses and property owners to join together to organize, finance, and deliver capital streetscape improvements, and to promote economic development in a district. Each BIA is governed by a Board of Management that serves its local membership, known as the general membership in this report, and follows the policies set out in Chapter 19 of the Toronto Municipal Code and the City of Toronto Act, 2006. On an annual basis the Board of Management holds an annual general meeting to report on the BIA's accomplishments, status of current projects, forecasted revenues and expenditures for the current year, the budget for the following year, as well as appointments of an auditor and membership elections.

Through the annual general meeting the general membership approves the levy that is a key source of funding for the annual budgets. The levy is a special charge on commercial and industrial rateable property in the business improvement area. This special charge, or levy, is identified as a separate line item on the final property tax bill. Once collected by the City, the funds are disbursed to the BIA's Board of Management in three portions throughout the calendar year. A BIA may also use funds previously set

aside in their reserve, known as the accumulated surplus, to fund their annual operations, to offset budget pressures, as well as third party funding such as grants, donations, sponsorships, and festival revenues.

The BIA Operating Budgets must be approved annually by City Council prior to collection of the special levy and spending of the budget. Below is the financial summary of the 2021 Operating Budget, by BIA, with supplementary information detailing net change from 2020 as set out in Appendix A.

The **Bloor by the Park BIA** has proposed a 2021 Operating Budget of \$83,707 with a levy of \$73,773. The proposed budget has decreased by 25% from prior year, primarily due to the WiFi program being put on hold as the City has re-issued the RFQ for a new vendor, resulting in reduction of \$33,312 in levy and \$32,050 in maintenance expenditures (Appendix A, Table 1).

The **Bloor Street BIA** has proposed a 2021 Operating Budget of \$4,175,928 with a levy of \$1,650,000. The proposed budget has increased by 57% from prior year, primarily due to \$1,512,056 increase in capital expenditures to secure a location for installation of its art project and additional payments on loan principal. This is funded through \$1,672,090 withdrawals from its accumulated surplus reserve (Appendix A, Table 2).

The **Bloor-Yorkville BIA** has proposed a 2021 Operating Budget of \$4,447,712 with a levy of \$3,381,368. The proposed budget has decreased by 40% from prior year, due to expending its capital project on Bloor Street Lighting program, resulting in \$3,010,000 reduction in capital expenditures and \$2,286,656 reduction in withdrawals from its accumulated surplus reserves. Maintenance expenditures have decreased by \$202,500 due to less traffic in the area. (Appendix A, Table 3).

The **Chinatown BIA** has proposed a 2021 Operating Budget of \$619,236 with a levy of \$459,161. The proposed budget has decreased by 6% from prior year, as lower maintenance and festivals and events expenditures are expected, resulting in reduction of \$18,100 and \$20,400 respectively. Signature events revenue have decreased by \$42,600 since event sponsorships were only a one-time funding for 2020 (Appendix A, Table 4).

The **Church-Wellesley BIA** has proposed a 2021 Operating Budget of \$331,388 with a levy of \$258,391. The proposed budget has decreased by 18% from prior year, mainly due to \$60,800 reduction in capital cost as there are no capital project plans for 2021, as well as reduction in promotion and advertising expenditures by \$16,753 as the social media position has been integrated into Marketing Coordinator role. Furthermore, Digital Main Street program and Streetscape Master Plan grants are being discontinued resulting in reduction of \$34,500 in grants and \$33,500 in signature events revenue (Appendix A, Table 5).

The **Dupont by the Castle BIA** has proposed a 2021 Operating Budget of \$258,053 with a levy of \$137,841. The proposed budget has increased by 44% from prior year, mainly due to \$43,097 increase in administration expenditure to cover the cost of PPE program due to COVID-19, as well as increase in maintenance expenditure by \$27,500

for snow removal. To fund these initiatives, the BIA will use \$72,431 from its accumulated surplus reserves (Appendix A, Table 6).

The **Financial District BIA** has proposed a 2021 Operating Budget of 1,929,059 with a levy of \$1,450,615. The proposed budget has increased by 2% from prior year, mainly due to \$79,752 increase in capital expenditures for beautification project that includes pole wrap replacements (Appendix A, Table 7).

The **Forest Hill Village BIA** has proposed a 2021 Operating Budget of \$245,095 with a levy of \$196,931. The proposed budget has decreased by 45% from prior year, primarily due to \$210,000 reduction in capital project costs and \$205,200 reduction in withdrawals from its accumulated surplus as most of the funding for the Bumpouts project is available in the reserves from the 2020 budget (Appendix A, Table 8).

The **Greektown on the Danforth BIA** has proposed a 2021 Operating Budget of \$1,414,721 with a levy of \$424,900. The proposed budget has decreased by 1% from prior year, as lower maintenance expenditures are estimated for 2021 due to \$25,000 reduction in holiday decoration (Appendix A, Table 9).

The newly formed **Lawrence Ingram Keele BIA** has proposed a 2021 Operating Budget of \$219,988 with a levy of \$189,988. The BIA was established on July 28 and 29, 2020 through City Council's adoption of the report entitled "*Proposed Lawrence Ingram Keele Business Improvement Area Poll Results EC14.1*". For 2021, the BIA has budgeted administrative expenditures of \$69,466 to retain consultants and seasonal staff, and establish its office. The streetscape master plan, street signs, murals and banners will be developed, requiring a budget of \$73,000. These initiatives are partially funded through a \$25,000 streetscape master plan program grant and \$5,000 from a street art program grant (Appendix A, Table 10).

The **Leslieville BIA** has proposed a 2021 Operating Budget of \$215,607 with a levy of \$139,569. The proposed budget has increased by 8% from prior year, as the BIA increased its maintenance expenditures by \$23,300 to account for replacing garage receptacles and implement a comprehensive graffiti cleaning program. The BIA has increased its capital expenditures by \$10,000 for mural and consultant work on its streetscape master plan, which is offset by \$10,000 increase in grants from outdoor mural & street art program. The BIA has increased administration expenditures by \$11,149 to support consultant and seasonal work as well as a decrease of \$14,660 in their festivals and events expenditures to account for uncertainty of having in-person events for 2021 (Appendix A, Table 11).

The **Liberty Village BIA** has proposed a 2021 Operating Budget of \$430,003 with a levy of \$387,023. The proposed budget has decreased by 35% from prior year, mainly due to completion of Liberty Street Parkettes capital project, reducing capital expenditures by \$200,000. Festival and events expenditures has decreased by \$50,000 due to uncertainty of the pandemic and in-person events for 2021 fiscal year, resulting in reduction of \$55,000 from other festival revenues and \$5,000 from other revenue streams (Appendix A, Table 12).

The **Little Italy BIA** has proposed a 2021 Operating Budget of \$591,615 with a levy of \$383,519. The proposed budget has decreased by 6% from prior year, mainly due to decrease of \$25,000 in capital project cost as lower funds are needed for the 2021 fiscal year as well as a decrease of \$33,650 in festivals and events expenditures as the College Street Beats event will not be taking place. This resulted in a decrease of \$79,200 from signature events revenue (Appendix A, Table 13).

The **Pape Village BIA** has proposed a 2021 Operating Budget of \$141,352 with a levy of \$98,005. The proposed budget has increased by 16% from prior year, due to \$9,500 increase in promotion and advertising expenditures to create virtual opportunities to promote members, and \$7,574 increase in administration expenditures to hire students through Canada Summer Jobs program. The BIA is expected to receive \$20,000 in grants from Construction Mediation and Canada Summer Jobs (Appendix A, Table 14).

The **Parkdale Village BIA** has proposed a 2021 Operating Budget of \$276,707 with a levy of \$232,907. The proposed budget has decreased by 2% from prior year, primarily due to \$12,000 reduction in capital expenditures as the projects are being postponed as a result of the pandemic (Appendix A, Table 15).

The **Riverside District BIA** has proposed a 2021 Operating Budget of \$305,066 with a levy of \$200,240. The proposed budget has decreased by 4% from prior year, primarily due to \$33,000 reduction in capital expenditures as the BIA anticipates a phased approach budget in 2021 and beyond for its Tree Grate project. (Appendix A, Table 16).

The **Roncesvalles Village BIA** has proposed a 2021 Operating Budget of \$506,434 with a levy of \$323,910. The proposed budget has decreased by 21% from prior year, primarily due to \$271,700 decrease in festivals and events expenditure as the Roncesvalles Polish Festival and Roncy Rocks event for 2021 is being put on pause due to uncertainty of the pandemic, resulting in reduction of \$257,532 from signature events revenue. Grants have decreased by \$38,250 since the BIA will not be applying for streetscape improvement program and outdoor mural & street art program grants (Appendix A, Table 17).

The **St. Lawrence Market Neighbourhood BIA** has proposed a 2021 Operating Budget of \$1,634,214 with a levy of \$1,281,023. The proposed budget has increased by 1% from prior year, as salaries from various operational needs have been consolidated with administration expenditures resulting in an increase of \$143,683. This is offset by reduction of \$77,000 in maintenance expenditures and \$90,000 in promotion and advertising expenditures. Capital expenditures have increased by \$60,000 to account for additional cost to Adelaide/Wellington hydro program project and consultant costs for streetscape improvement projects. The BIA will be using surplus carryover from unused 2020 budget to reduce levy for 2021 year and provide some relief for members of the BIA, resulting in \$157,398 reduction in requested 2021 levy (Appendix A, Table 18).

The **Eglinton Way BIA** has proposed a 2021 Operating Budget of \$427,589 with a levy of \$290,037. The proposed budget has decreased by 4% from prior year, as administration, maintenance, and promotion and advertising expenditures have decreased by \$5,710, \$13,845 and \$28,150 respectively as a result of due to uncertainty of the pandemic. The BIA has decided to focus on a street art sculpture

project with a \$52,500 increase in capital expenditures, which is offset partially through accumulated surplus and grants (Appendix A, Table 19).

The **Toronto Entertainment District BIA** has proposed a 2021 Operating Budget of \$3,413,150 with a levy of \$3,085,761. The proposed budget has net 0% change from prior year. The BIA will focus on its new CafeTO street beautification and streetscape artwalk projects as well as, promote the area and continue efforts to expand the BIA boundary (Appendix A, Table 20).

The **Trinity Bellwoods BIA** has proposed a 2021 Operating Budget of \$86,679 with a levy of \$57,573. The proposed budget has decreased by 1% from prior year, primarily due reduction of \$6,145 in administration expenditures as lower demand for administration duties is expected. The BIA has increased its maintenance expenditure by \$10,050 to fund future CafeTO programs through furnishing and general streetscape maintenance improvements. This is offset by reduction in administration, promotion and advertising, and festivals and events expenditures (Appendix A, Table 21).

The **Village of Islington BIA** has proposed a 2021 Operating Budget of \$224,532 with a levy of \$147,453. The proposed budget has increased by 4% from prior year, primarily due to \$10,000 increase in maintenance expenditures for cost of holiday decorations, planting, and floral display. Capital expenditures have increased by \$5,000 to account for the cost of mural lighting and one new mural (Appendix A, Table 22).

The **Yonge & St. Clair BIA** has proposed a 2021 Operating Budget of \$730,817 with a levy of \$541,710. The proposed budget has decreased by 3% from prior year, primarily due to completion of capital project for banner poles, reducing capital expenditures by \$18,033. The BIA has lowered its withdrawal from accumulated surplus reserves by \$63,000 to account for lower expected expenditures for 2021 (Appendix A, Table 23).

CONTACT

Anthony Ng
Manager, Financial Planning
Financial Planning Division
Phone: 416-395-6767
Fax: 416-392-3649
E-mail: anthony.ng@toronto.ca

Mike Major
Manager, Business Improvement Areas
Economic Development and Culture
Phone: 416-392-0623
Fax: 416-392-1380
E-mail: mike.major@toronto.ca

Nick Naddeo
Manager, Revenue Accounting & Collection
Revenue Services Division
Phone: 416-395-6789
Fax: 416-395-6703
E-mail: nick.naddeo@toronto.ca

SIGNATURE

Heather Taylor
Chief Financial Officer and Treasurer

ATTACHMENTS

Appendix A – Summary of 2021 Operating Budget by BIA
Appendix B – Status of BIA 2021 Operating Budget Approvals