



REPORT FOR ACTION

Business Improvement Areas (BIAs) – 2020 Operating Budgets - Report No. 2

Date: December 30, 2019

To: Economic and Community Development Committee

From: Chief Financial Officer and Treasurer

Wards: 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 19, 20, 21, 22

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 83 established BIAs in the City of Toronto. The approval by City Council of the 2020 Operating Budget for 83 BIAs takes multiple phases. At its meeting on December 17-18, 2019, City Council approved the 2020 Operating Budget for 26 BIAs as part of the Report No. 1. Included in this Report No. 2 is the 2020 Operating Budgets for 29 BIAs for City Council approval.

The recommendation in this report reflects the board-adopted 2020 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 2020 Operating Budgets for BIAs reflect Council's approved policies and practices.

RECOMMENDATIONS

The Chief Financial Officer and Treasurer recommends that:

1. The Economic and Community Development Committee adopt and certify to City Council the 2020 recommended Operating Budgets and Levy requirements of the following Business Improvement Areas:

Business Improvement Area	2020 Operating Budget (\$)	2020 Levy Funds Required (\$)
Bayview Leaside	263,786	193,951
Bloor Street	2,663,872	1,650,000
Bloorcourt Village	270,469	203,490
Bloordale Village	230,310	142,816
Bloor-Yorkville	7,404,591	3,728,629
Cabbagetown	423,736	306,310
College Promenade	250,709	234,252
Corso Italia	255,228	220,228
Crossroads of the Danforth	255,931	215,281
Danforth Mosaic	750,643	365,883
Downtown Yonge	3,998,801	2,995,326
DuKe Heights	3,870,485	3,483,899
Harbord Street	53,900	35,298
Hillcrest Village	152,378	132,524
Junction Gardens	452,520	340,674
Kennedy Road	282,599	256,136
Lakeshore Village	157,607	109,891
Leslieville	199,569	139,570
Little Portugal on Dundas	597,465	326,929
Mimico by the Lake	63,504	54,836
St. Clair Gardens	115,195	93,331
St. Lawrence Market Neighbourhood	1,611,840	1,438,421
The Waterfront	1,720,039	1,289,413
Toronto Entertainment District	3,408,813	3,085,761
Trinity Bellwoods	87,124	57,574

Business Improvement Area	2020 Operating Budget (\$)	2020 Levy Funds Required (\$)
Village of Islington	216,678	158,170
Wexford Heights	437,574	242,331
Yonge Lawrence Village	264,595	209,847
York-Eglinton	348,569	237,536
Total	30,808,531	21,948,307

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 2020 Operating Budgets for the 29 BIAs totals \$30,808,531 which requires a special tax levy in the amount of \$21,948,307. All of the 2020 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 2019 or prior, and carried forward into 2020, as well as new capital cost-share projects submitted for consideration in the 2020-2029 Capital Budget and Plan for Economic Development and Culture, as part of the 2020 Budget process.

The dates at which the 2020 Operating Budgets were adopted by the respective BIAs' Boards of Management and General Membership are provided in Appendix B.

DECISION HISTORY

At its meeting on December 17-18, 2019, City Council approved the 2020 Operating Budget Report No. 1 for 26 of the 83 established BIAs.

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

The approval by City Council of the 2019 Operating Budgets for 83 BIAs took place in three phases as follows:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC1.2>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC2.8>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC3.11>

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 that is imposed on commercial and industrial rateable property in the business improvement area that is collected by the City through property taxes of the general membership and is disbursed to the BIA 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 2020 Operating Budget, by BIA, with supplementary information detailing net change from 2019 as set out in Appendix A.

The **Bayview Leaside BIA** has proposed a 2020 Operating Budget of \$263,786 with a levy of \$193,951. The proposed budget has increased by 3% from prior year primarily due to \$27,860 increase in promotion and advertising expenditures by sourcing a social media coordinator to create comprehensive marketing plan for 2020. Furthermore, the BIA will start planning phase 2 of the Parkettes development with an increase of \$8,812 in its capital expenditure (Appendix A, Table 1).

The **Bloor Street BIA** has proposed a 2020 Operating Budget of \$2,663,872 with a levy of \$1,650,000. The proposed budget has decreased by 34% from prior year mainly due to \$1,340,000 reduction in capital expenditures including consulting fee to reflect the scope change associated with the Streetscape Improvement project. Maintenance expenditures have decreased by \$30,000 as the Bloor-Yorkville BIA will be taking over the responsibility for the maintenance and repair of the Bloor Street granite (Appendix A, Table 2).

The **Bloorcourt Village BIA** has proposed a 2020 Operating Budget of \$270,469 with a levy of \$203,490. The proposed budget has decreased by 24% from prior year due to \$100,000 reduction in capital expenditures from completion of beautification project in the neighborhood. Other changes include lower promotional and advertising expenditure of \$8,000 as 2019 was the 40th anniversary and more funds were allocated towards advertisement (Appendix A, Table 3).

The **Bloordale Village BIA** has proposed a 2020 Operating Budget of \$230,310 with levy of \$142,816. The proposed budget has increased by 44% from prior year as the BIA budgets \$41,500 for its capital project of updating benches, adding more bike posts and planters in the neighborhood. There is an additional \$48,800 increase in maintenance expenditure due to revitalization and replacement of garbage cans, incorporating creative street light and maintenance of light poles. Promotion and advertising expenditures has increased by \$22,020 to promote the bike lane education campaign and annual publication highlights of the BIA (Appendix A, Table 4).

The **Bloor-Yorkville BIA** has proposed a 2020 Operating Budget of \$7,404,591 with levy of \$3,728,629. The proposed budget has increased by 54% from prior year primarily due to \$2,785,000 increase in capital expenditure for implementing the Bloor Street Lighting and Bench Program, largely funded by the use of \$2,632,800 accumulated surplus reserves. Promotion and advertising expenditures have increased by \$202,300 to create comprehensive marketing strategy for 2020 (Appendix A, Table 5).

The **Cabbagetown BIA** has proposed a 2020 Operating Budget of \$423,736 with levy of \$306,310. The proposed budget has increased by 34% from prior year with \$76,539 increase in levy and \$30,100 increase in grants to offset its expenditure increase of \$56,000 in capital projects for Streetscape Master Plan and murals, \$23,650 increase in maintenance for holiday decorations and \$10,050 increase in promotion and advertising for website maintenance and mural development (Appendix A, Table 6).

The **College Promenade BIA** has proposed a 2020 Operating Budget of \$250,709 with levy of \$234,252. The proposed budget has decreased by 13% from prior year due to reduction of \$41,322 in maintenance expenditure as it was budgeted at a higher rate in 2019 for the uncertainty in maintenance cost of the streetscape. Capital expenditure has decreased by \$13,099 due to completion of custom bike rings project (Appendix A, Table 7).

The **Corso Italia BIA** has proposed a 2020 Operating Budget of \$255,228 with levy of \$220,228. The proposed budget has increased by 3% from prior year mainly due to \$21,101 increase in levy to fund its operations and reduce the draw from the accumulated surplus reserve by \$11,451 (Appendix A, Table 8).

The **Crossroads of the Danforth BIA** has proposed a 2020 Operating Budget of \$255,931 with levy of \$215,281. The proposed budget has decreased by 7% from prior year primarily due to the \$25,000 reduction in capital expenditures as no funds will be required to fulfill its decorative lighting project of 2019 (Appendix A, Table 9).

The **Danforth Mosaic BIA** has proposed a 2020 Operating Budget of \$750,643 with levy of \$365,883. The proposed budget has increased by 28% from prior year mainly due to \$180,000 increase in capital expenditures for Streetscape Masterplan implementation and \$40,000 increase in festival and events to fund Nuit Blanche in Danforth East and Danny Loves Music event. These expenditures are funded by an increase use of \$222,669 from accumulated surplus reserve with an additional \$17,530 increase in levy to support its operations (Appendix A, Table 10).

The **Downtown Yonge BIA** has proposed a 2020 Operating Budget of \$3,998,801 with levy of \$2,995,326. The proposed budget has increased by 11% from prior year due to \$344,000 increase in promotion and advertising expenditure for Community Engagement Team to address the mental health and issues in the neighbourhood. Capital expenditure have decreased by \$357,000 since the BIA will not be doing any cost sharing projects with the City of Toronto due to commitment to the public realm improvements. Furthermore, grants have increased by \$150,000 due to funding from the City and increase pay for service revenues, grant applications and federal and provisional funding (Appendix A, Table 11).

The **Duke Heights BIA** has proposed a 2020 Operating Budget of \$3,870,485 with levy of \$3,483,899. The proposed budget has increased by 7% from prior year due to \$162,125 increase in capital expenditures for phase 2 of the pole wraps and additional streetscape improvement, as well as increasing promotion and advertising expenditure by \$97,300 to account for the implementation of the new Economic Development program. Festival and events expenditures has increased by \$46,000 for additional two events, followed by an increase of \$50,934 in administration costs for extra office rental and storage. In addition, the levy was increased by \$120,271 to fund the increased in the expenditures (Appendix A, Table 12).

The **Harbord Street BIA** has proposed a 2020 Operating Budget of \$53,900 with levy of \$35,298. The proposed budget has increased by 41% from prior year mainly due to \$13,500 increase in capital expenditures for its gateways project, funded using \$15,459 from accumulated surplus reserves (Appendix A, Table 13).

The **Hillcrest Village BIA** has proposed a 2020 Operating Budget of \$152,378 with levy of \$132,524. The proposed budget has increased by 11% from prior year primarily due to increase of \$9,541 in administration expenditure to provide better service on the street and online, as well as increasing maintenance expenditure by \$7,306 to improve beautification of the neighborhood. To fund these initiatives, the BIA has increased its levy by \$7,815 followed by additional \$2,500 in grants (Appendix A, Table 14).

The **Junction Gardens BIA** has proposed a 2020 Operating Budget of \$452,520 with levy of \$340,674. The proposed budget has increased by 10% from prior year mainly due to \$94,922 increase in administrative costs for senior level leadership and additional staffing. Festival and events expenditures has increased by \$21,000 for expansion of festival activities to better outreach all its members, offset by additional \$29,000 use of accumulated surplus (Appendix A, Table 15).

The **Kennedy Road BIA** has proposed a 2020 Operating Budget of \$282,599 with levy of \$256,135. The proposed budget has net 0% change from prior year (Appendix A, Table 16).

The **Lakeshore Village BIA** has proposed a 2020 Operating Budget of \$157,607 with levy of \$109,891. The proposed budget has increased by 11% from prior year to continue expanding the BIA's Grilled Cheese Challenge event with an increase of \$14,400 to the festival and events expenditures, resulting in an additional \$15,000 of other festival revenues to offset the increases. Maintenance expenditures have

increased by \$7,000 due to additional planters and holiday decoration storage and installations (Appendix A, Table 17).

The **Leslieville BIA** has proposed a 2020 Operating Budget of \$199,569 with levy of \$139,570. The proposed budget has increased by 39% from prior year primarily due to increase of \$16,412 in administration expenditure to account for employer contributions in CPP, EI and WSIB. Capital cost of \$50,000 is budgeted for the Streetscape Master Plan, partially funded by an increase of \$29,463 in grants and \$11,751 increase in levy (Appendix A, Table 18).

The **Little Portugal on Dundas BIA** has proposed a 2020 Operating Budget of \$597,465 with levy of \$326,929. The proposed budget has increased by 10% from prior year as the BIA increased costs by \$38,208 for the Dundas West Fest to account for more entertainment, staging, security and waste removal costs. Lower expected grants resulted in \$12,500 reduction, follow by a decrease of \$108,210 revenue from other festivals, offset by an increase of \$149,500 revenue from signature events. Capital expenditures has increased by \$7,500 to rebrand the new BIA through the use of new banners (Appendix A, Table 19).

The **Mimico by the Lake BIA** has proposed a 2020 Operating Budget of \$63,504 with levy of \$54,836. The proposed budget has decreased by 21% from prior year mainly due to \$17,808 reduction in capital expenditures from completion of curb restoration resulting in \$20,466 reduction in the use of accumulated surplus (Appendix A, Table 20).

The **St. Clair Gardens BIA** has proposed a 2020 Operating Budget of \$115,195 with levy of \$93,331. The proposed budget has increased by 6% from prior year with \$13,383 increase in maintenance expenditures for holiday decorations. Capital cost have decreased by \$6,750 with the installation of planters (Appendix A, Table 21).

The **St. Lawrence Market Neighbourhood BIA** has proposed a 2020 Operating Budget of \$1,611,840 with levy of \$1,438,421. The proposed budget has increased by 5% from prior year mainly due to \$58,550 increase in festival and events expenditures for the growth of KEDD initiative and a new signature event Feast, partially offset from \$21,550 increase in signature events revenue. Promotion and advertising expenditures has increased by \$51,000 as a social media component has been added to its marketing strategy and \$44,000 increase in maintenance expenditure for banner replacements, planting and floral displays. Other changes include reduction in capital cost by \$80,000 for completion of Wellington Streetscape and an increase of \$146,865 in levy to offset fund its operations (Appendix A, Table 22).

The **Waterfront BIA** has proposed a 2020 Operating Budget of \$1,720,039 with levy of 1,289,413. The proposed budget has increased by 10% from prior year as the BIA has budgeted \$226,750 for its "Waterfront ReConnect" underpass improvement project and TO360 Wayfinding signage project, offset by use of \$260,000 accumulated surplus. Festival and events expenditures have decreased by \$235,000 due to cancellation of Singing Ambassadors Program and reduction funds for Ice Breaker Art Exhibit event. Increase in promotion of neighborhoods and midscale marketing strategies will be put in place resulting in \$141,000 increase in promotion and advertising expenditures and PT

Government Relations Consultant is budgeted with an increase of \$50,477 in the administrative cost that was not accounted for in 2019 (Appendix A, Table 23).

The **Toronto Entertainment District BIA** has proposed a 2020 Operating Budget of \$3,408,813 with levy of \$3,085,761. The proposed budget has increased by 9% from prior year mainly due to \$141,367 increase in promotion and advertising expenditure with the anticipation of participating with Waterfront BIA's Under the Gardiner project (Appendix A, Table 24).

The **Trinity Bellwoods BIA** has proposed a 2020 Operating Budget of 87,124 with levy of \$57,574. The proposed budget has decreased by 47% from prior year primarily due to \$92,000 reduction in capital expenditure for completion of pedestrian lighting project with 100% reduction in the use of accumulated surplus (Appendix A, Table 25).

The **Village of Islington BIA** has proposed a 2020 Operating Budget of \$216,678 with levy of \$158,170. The proposed budget has increased by 10% from prior year due to \$29,000 increase in promotion and advertising expenditure for calendar costs, mural lighting and wireless headset system for mural tour guides and \$18,000 increase in other revenues from ad sales (Appendix A, Table 26).

The **Wexford Heights BIA** has proposed a 2020 Operating Budget of \$437,574 with levy of \$242,331. The proposed budget has decreased by 9% from prior year as the Parkettes project is on hold due to pending constructions planned in 2020 for its capital expenditures resulting in \$65,000 reduction in its budgets (Appendix A, Table 27).

The **Yonge Lawrence Village BIA** has proposed a 2020 Operating Budget of \$264,595 with levy of \$209,847. The proposed budget has increased by 12% from prior year mainly due \$31,987 increase in its administrative expenditures for new strategic plan to review the BIA's strategy, directions and priorities, partially offset with an increase draw of \$18,000 from accumulated surplus (Appendix A, Table 28).

The **York-Eglinton BIA** has proposed a 2020 Operating Budget of \$348,568 with levy of \$237,536. The proposed budget has increased by 19% from prior year primarily due to \$50,000 increase in capital expenditure for Metrolinx related capital work and implementation of Eglinton Connects planning and design work, partially offset by \$35,000 increase in the use of accumulated surplus reserves and \$41,556 increase in levy (Appendix A, Table 29).

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SIGNATURE

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ATTACHMENTS

Appendix A – Summary of 2020 Operating Budget by BIA
Appendix B – Status of BIA 2020 Operating Budget Approvals