

Business Improvement Areas (BIAs) - 2025 Operating Budgets - Report 2

Date: March 25, 2025

To: Economic and Community Development Committee

From: Chief Financial Officer and Treasurer

Wards: 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 19, 20, 22, 23

SUMMARY

This report brings forward Business Improvement Area (BIA) annual Operating Budget 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 levy on the rateable commercial and industrial properties within the respective BIA boundaries. Special levy rate reductions for the subclasses have been set out in Appendix C, for properties in the subclasses of the commercial and industrial property classes.

The BIA is an association, independently managed from the City and operated by local businesses and property owners, joining together to organize, finance, and deliver capital streetscape improvements, and to promote economic development in a district with its own governance structure as set out in Chapter 19 of the Toronto Municipal Code and the City of Toronto Act, 2006.

There are currently 85 established BIAs in the City of Toronto. City Council previously approved the 2025 Operating Budgets for 65 BIAs through Report 1 at its meeting on February 5, 2025 ([Item 2025.CC26.1](#)). Included in this Report 2 is the 2025 Operating Budgets for the 17 BIAs for City Council approval. One BIA, Historic Queen East, is inactive. The 2025 Operating Budgets for the remaining 2 BIAs will be presented to Council once the board-adopted budgets are available. No City funding is required since the financing of individual Business Improvement Area Operating Budgets is raised by a special levy on the rateable commercial and industrial properties within the respective BIA boundaries.

Under current Chapter 19 of the Toronto Municipal Code, the Business Improvement Areas By-law does not have specific provision requiring a BIA maintain a certain amount in their accumulated surplus. Should a BIA find itself in a deficit, be dissolved or becomes inactive, City Council has the authority to collect funds required and liabilities including interests, through the BIA levy as stipulated under the By-law. If a board is dissolved and the liabilities exceed the assets assumed by the City, Council shall recover the difference.

The recommendation in this report reflects the board-adopted 2025 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 2025 Operating Budgets for BIAs reflect Council's approved policies and practices.

RECOMMENDATIONS

The Chief Financial Officer and Treasurer recommends that:

1. City Council adopt and certify the 2025 recommended Operating Budgets and Levy requirements of the following Business Improvement Areas:

Business Improvement Area	2025 Operating Budget (\$)	2025 Levy Funds Required (\$)
Bloorcourt Village	442,567	224,345
Crossroads of the Danforth	349,432	200,304
Danforth Mosaic	491,661	365,883
Dovercourt Village	23,127	8,645
Emery Village	3,274,791	2,198,151
Harbord Street	35,962	22,120
Marketo District	157,188	111,000
Mount Dennis	175,395	40,406
Oakwood Village	73,345	44,237
Ossington Avenue	186,018	82,841
Queen Street West	624,426	338,173
Regal Heights Village	139,527	50,497
Sheppard East Village	253,176	202,172
Trinity Bellwoods	176,966	57,574
Village of Islington	226,311	179,170
Weston Village	254,814	152,814
Wilson Village	387,704	356,193

Total	7,272,410	4,634,525
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2. City Council elect to have the subclasses for the commercial and industrial property classes apply for 2025, and to apply the respective BIA special levy rate reductions to the subclasses, all as set out in Appendix C.

FINANCIAL IMPACT

Financing of the Business Improvement Area Operating Budgets is raised by a special levy on the rateable commercial and industrial properties within the respective BIA boundaries, accumulated surplus, grants administered and funded by the city and/or external parties, donations, sponsorships, festival revenues, and other third-party revenues. The BIA Office within the Economic Development & Culture Division (EDC) works with the BIAs to ensure that all BIAs are aware of the available City grant programs.

The BIA operating budgets and changes in levies are board-adopted by the respective BIAs' Boards of Management and General Membership. The 2025 Operating Budgets for the 17 BIAs total \$7.272 million which requires a special levy in the amount of \$4.635 million which is consistent with the special levy from 2024. All of the 2025 BIA Operating Budgets submitted for consideration are balanced budgets that are managed independently by the BIAs and not economically dependent on the City. 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 2024 or prior and carried forward into 2025, as well as new capital cost-share projects in the 2025-2034 Capital Budget and Plan for Economic Development and Culture through the 2025 Budget process.

The dates at which the 2025 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 February 5, 2025, City Council adopted the 2025 Operating Budget Report 1 for 65 of the 85 established BIAs.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.CC26.1>

At its meeting on April 18, 2024, City Council voted in favour of bylaw 354-2024 to provide for the levy and collection of special charges for the year 2024 in respect of certain business improvement areas:

<https://www.toronto.ca/legdocs/bylaws/2024/law0354.pdf>

At its meeting on July 19, 2022, City Council directed the General Manager, Economic Development and Culture, to conduct additional review and consultation on other issues impacting Business Improvement Areas, including the potential for further amendments

to the Municipal Code, Chapter 19, Business Improvement Areas, and report back on the outcomes of the By-law's review.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EC31.12>

COMMENTS

A Business Improvement Area (BIA) is an association, managed and operated by local businesses and property owners, joining 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. The BIA Operating Budgets must be approved annually by City Council prior to collection of the special levy and spending of the budget through the BIA governance structure. Below is the financial summary of the 2025 Operating Budget, by BIA, with supplementary information detailing net change from 2024 as set out in Appendix A

Following the general membership approval and submission of the annual budgets to Council, Council approves to disburse funds 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 **Bloorcourt Village BIA** has proposed a 2025 Operating Budget of \$442,567 with a levy of \$224,345 which is 5% or \$10,683 higher than 2024. The proposed budget has increased by 28% or \$96,692 from prior year. Capital expenditures have increased by \$65,000 for a Streetscape Master Plan project. Festival and events expenditures have increased by \$18,000 for various events including Block Party, Community Partnership and Tours events. Administration, maintenance, and promotion and advertising expenditures have increased by \$6,222, \$2,000, and \$4,500 respectively. The above expenditures are offset by a \$67,780 increase in withdrawals from the accumulated surplus reserve, a \$25,000 increase in grants from the Streetscape Master Plan Program, and a \$10,683 increase in levy (Appendix A, Table 1).

The **Crossroads of the Danforth BIA** has proposed a 2025 Operating Budget of \$349,432 with a levy of \$200,304 which is 6% or \$10,815 higher than 2024. The proposed budget has increased by 7% or \$22,926 from prior year mainly driven by capital and administration expenditures, partially offset by decreases in promotion and advertising, and festival and events expenditures (Appendix A, Table 2).

The **Danforth Mosaic BIA** has proposed a 2025 Operating Budget of \$491,661 with a levy of \$365,883 consistent with 2024. The proposed budget has increased by 1% or \$5,086. Administration and capital expenditures have increased by \$46,134 and \$7,500, offset by decreases in maintenance expenditures (Appendix A, Table 3).

The **Dovercourt Village BIA** has proposed a 2025 Operating Budget of \$23,127 with a levy of \$8,645 which is 4% or \$340 higher than 2024. The proposed budget has increased by 1% or \$258 mainly driven by administration expenditures (Appendix A, Table 4).

The **Emery Village BIA** has proposed a 2025 Operating Budget of \$3,274,791 with a levy of \$2,198,151 which is 4% or \$90,411 lower than 2024. The proposed budget has increased by 23% or \$608,200 from prior year. Capital expenditures have increased by \$544,000 for the Weston and Bradstock intersection beautification project, digital gateway sign project and hanging baskets. Administration expenditures have increased by \$61,242 for employee benefits and security camera system. Maintenance expenditures have increased by \$41,177 for security patrols, decorations, new furnishing, and various repairs partially offset by a reduction in festivals and events, and promotion and advertising expenditures by \$20,000 and \$10,000 respectively. Further offsets to the expenditure increases consist of a \$695,000 increase in withdrawal from accumulated surplus reserves (Appendix A, Table 5).

The **Harbord Street BIA** has proposed a 2025 Operating Budget of \$35,962 with a levy of \$22,120 which is 3% or \$688 higher than 2024. While the levy has increased by 3%, overall expenditures in the proposed budget has decreased by 2% or \$595 from prior year mainly driven by reduced maintenance expenditures (Appendix A, Table 6).

The **Marketo District BIA** has proposed a 2025 Operating Budget of \$157,188 with a levy of \$111,000 which is 2% or \$1,779 higher than 2024. The proposed budget has decreased by 7% or \$11,511 from prior year mainly driven by reduced capital, promotion and advertising, and festivals and events expenditures, partially offset by increases in maintenance (Appendix A, Table 7).

The **Mount Dennis BIA** has proposed a 2025 Operating Budget of \$175,395 with a levy of \$40,406 which is 17% or \$5,979 higher than 2024. The proposed budget has decreased by 14% or \$29,232 from prior year mainly driven by reduced capital, and promotion and advertising expenditure, partially offset by increased administration and maintenance expenditures. The increase in levy is due to a reduction in revenues, mainly from grants and the withdrawal from the accumulated surplus reserves (Appendix A, Table 8).

The **Oakwood Village BIA** has proposed a 2025 Operating Budget of \$73,345 with a levy of \$44,237 which is 7% or \$2,894 higher than 2024. The proposed budget has decreased by 35% or \$39,627 from prior year. Promotion and advertising expenditures have decreased by \$39,500 for reduced marketing initiatives for Transit Mitigation and Main Street Innovation activities offset by a reduction in corresponding grant revenue. Capital, and festivals and events expenditures have decreased by \$6,500 and \$3,300 respectively, partially offset by \$9,000 increase in maintenance (Appendix A, Table 9).

The **Ossington Avenue BIA** has proposed a 2025 Operating Budget of \$186,018 with a levy of \$82,841 which is 6% or \$4,689 higher than 2024. The proposed budget has slightly increased by 1% or \$949 from prior year driven by higher maintenance, administration, and promotion and advertising expenditures, partially offset by decreases in capital expenditures, while decreased grants are being partially offset by increased festival revenue (Appendix A, Table 10).

The **Queen Street West BIA** has proposed a 2025 Operating Budget of \$624,426 with a levy of \$338,173 which is 5% or \$16,103 higher than 2024. The proposed budget has decreased by 1% or \$4,841 from prior year mainly driven by reduced in promotion and advertising expenditures, partially offset by increased maintenance and capital expenditures, with increased levy and grants offsetting reduced contribution from surplus reserves (Appendix A, Table 11).

The **Regal Heights Village BIA** has proposed a 2025 Operating Budget of \$139,527 with a levy of \$50,497 which is 7% or \$3,304 higher than 2024. The proposed budget has decreased by 4% or \$5,257 from prior year mainly driven by reduced promotion and advertising expenditures, partially offset by increased maintenance expenditures (Appendix A, Table 12).

The **Sheppard East Village BIA** has proposed a 2025 Operating Budget of \$253,176 with a levy of \$202,172 which is 1% or \$1,705 higher than 2024. The proposed budget has increased by 3% or \$7,124 from prior year mainly driven by higher promotion and advertising expenditures, partially offset by decreases in administrative expenditures (Appendix A, Table 13).

The **Trinity Bellwoods BIA** has proposed a 2025 Operating Budget of \$176,966 with a levy of \$57,574 consistent with 2024. The proposed budget has increased by 117% or \$95,242 from prior year. Capital expenditures have increased by \$54,795 for various projects including murals, pole decals, parkette reactivation, painting bike lanes and CafeTO. Maintenance expenditures have increased by \$31,200 for graffiti removal and planting. Festivals and events have increased by \$12,050 for expansion of existing events. Promotion and advertising expenditures have decreased by \$3,000 for not hiring a consultant. Expenditure increases are being funded by a \$97,064 increase in withdrawal from accumulated surplus reserves (Appendix A, Table 14).

The **Village of Islington BIA** has proposed a 2025 Operating Budget of \$226,311 with a levy of \$179,170 which is 6% or \$10,142 higher than 2024. The proposed budget has decreased by 11% or \$26,957 from prior year mainly driven by reduced contribution to accumulated surplus reserves and capital expenditure (Appendix A, Table 15).

The **Weston Village BIA** has proposed a 2025 Operating Budget of \$254,814 with a levy of \$152,814 which is 3% or \$4,451 higher than 2024. The proposed budget has decreased by 7% or \$18,052 from prior year mainly driven by reduced capital, promotion and advertising, and festivals and events expenditures, partially offset by increased in maintenance and administrative expenditures (Appendix A, Table 16).

The **Wilson Village BIA** has proposed a 2025 Operating Budget of \$387,704 with a levy of \$356,193 which is 5% or \$17,038 higher than 2024. The proposed budget has decreased by 44% or \$306,929 from prior year. Capital expenditures have decreased by \$336,000 for completion of the gateway project and reduced consultation costs related to the Streetscape Improvement projects, offset by a \$26,000 increase in maintenance expenditures for banner replacement and reduced withdrawals from accumulated surplus reserves of \$317,400 (Appendix A, Table 17).

CONTACT

Karin Dahm, Manager, Financial Planning, Financial Planning Division, 416-392-8167, Karin.Dahm@toronto.ca

Sandi Koitsis-Zigomanis, Acting Manager, Business Improvement Areas Office, Economic Development and Culture, 416-392-7183, Sandi.Koitsis-Zigomanis@toronto.ca

Tenzin Wangchuk, Manager, Revenue Accounting & Collections, Revenue Services Division, 416-395-6800, Tenzin.Wangchuk@toronto.ca

SIGNATURE

Stephen Conforti
Chief Financial Officer and Treasurer

ATTACHMENTS

Appendix A - Summary of 2025 Operating Budget by Business Improvement Area
Appendix B - Status of Business Improvement Area 2025 Operating Budget Approvals
Appendix C - 2025 BIA Special Levy Rate Reductions for Subclasses