

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 20, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	HYDE PARK BUSINESS ASSOCIATION 2018 PROPOSED BUDGET – MUNICIPAL SPECIAL LEVY

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to the Hyde Park Business Improvement Area:

- a. The Hyde Park Business Improvement Area proposed 2018 budget submission in the amount of \$306,754 **BE APPROVED** as outlined in Schedule “A”;
- b. The amount to be raised by The Corporation of the City of London for the 2018 fiscal year for the purposes of the Hyde Park Business Improvement Area and pursuant to subsection 208(1) of the Municipal Act, 2001 **BE FIXED** at \$306,754;
- c. A special charge **BE ESTABLISHED** for the amount referred to in part b, above, by a levy in accordance with By-law CP-1519-490 as amended; it being noted that the special charge shall have priority lien status and shall be added to the tax roll pursuant to subsection 208(7) of the Municipal Act, 2001; and
- d. The attached by-law (see Schedule “B”) with respect to municipal special levy for the Hyde Park Business Improvement Area **BE INTRODUCED** at the Municipal Council meeting on March 27, 2018 for three readings.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

Planning and Environment Committee Report – September 25, 2017 – Designation of an Improvement Area under Section 204 of the *Municipal Act, 2001* – Hyde Park BIA.

LINK TO STRATEGIC PLAN

Council’s 2015-2019 Strategic Plan for the City of London identifies “Growing Our Economy” and “Leading in Public Service” as strategic areas of focus. These areas include “Strategic, collaborative partnerships” and “Collaborative, engaged leadership” as strategic priorities. These priorities involve working better together for economic growth with Business Improvement Areas and continuing to build strong working relationship with such community partners. In line with these strategies, the City provides guidance to the Business Improvement Areas of London in regards to establishment and ongoing business and financial operations. The City also acts as the intermediary with respect to collecting the approved levy amounts which fund services to the Business Improvement Area members and thus promote continued growth in London’s economy.

BACKGROUND

The Hyde Park Business Improvement Area approved its 2018 budget on December 13, 2017 (Schedule “A”).

Under subsection 205(2) of the Municipal Act, 2001, a business improvement area must submit an annual budget to Council that Council may approve in whole or in part, but may not add expenditures to it. The Hyde Park BIA has met this requirement in Schedule “A”, noting the 2018

expenditure budget of \$306,754.

Civic Administration provides the following comments based on our review of the submission:

- a) This is the first year of submission for the Hyde Park BIA therefore there are no prior year budget comparators.
- b) Total revenue of \$306,754 is being provided through the City of London Levy.
- c) Significant expenditures include salary and benefits, office rent, the CTV Ad Package and expenses related to Community Beautification Projects. Such expenditures and amounts are in line with standard BIA operational and community project initiative costs. An amount for the repayment of a special City grant to fund partial first year operating costs is also included.

At the time of submitting this report, 2017 financial statements were unavailable. The unaudited December 31, 2017 reserve fund balance as reported by Hyde Park, which includes year-end adjustments is nil.

The owners of business property within the business improvement area will be responsible for payment of the municipal levy to the City of London. The City of London will pay the Hyde Park BIA the budgeted special levy amount of \$306,754, upon Council approval.

Under subsection 207(1) of the Municipal Act, 2001, a business improvement area must submit to Council its annual financial report for the preceding year. The Hyde Park BIA meets this requirement each year through the City of London's Annual Financial Report.

PREPARED BY:	REVIEWED AND CONCURRED BY:
CINDY WILLIAMSON, CPA, CGA MANAGER, FINANCIAL MODELLING, FORECASTING AND SYSTEMS CONTROL	ALAN DUNBAR, CPA, CGA MANAGER, FINANCIAL PLANNING & POLICY
RECOMMENDED BY:	
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

Schedule "A"

**Hyde Park Business Improvement Area
2018 Proposed Budget
with 2017 Comparators**

Revenue Overview

Revenue Detail:	2017 Approved Budget	2017 Actuals	2017 Surplus (Deficit)	2018 Proposed Budget	% of Total Rev	Increase / (Decrease) over 2017
City of London Levy				306,754		306,754
Interest Revenue						-
Draw from Accumulated Surplus						-
Government Student Funding						-
Miscellaneous						-
Total Revenue	-	-	-	306,754	100.0%	306,754

Expenditure Overview

Expenditure Detail:	2017 Approved Budget	2017 Actuals	2017 Surplus (Deficit)	2018 Proposed Budget	% of Total Exp	Increase / (Decrease) over 2017
ADMINISTRATION						
Salary, Wages, MERCS				90,318		90,318
Phone, Internet, Office 365				2,186		2,186
Stationary / Supplies				5,000		5,000
Insurance				2,111		2,111
Bookkeeping, Audit, Professional Fees				9,500		9,500
Office Signage				500		500
Office Furniture				5,000		5,000
Bank Charges				250		250
Subscriptions / Memberships				800		800
Training / Conferences				4,000		4,000
Promotional Marketing Materials				3,000		3,000
Miscellaneous Expense				3,000		3,000
City Repayment				8,430		8,430
Total Administration				134,095	43.7%	134,095
RENT						
Office Rent incl tax				23,526		23,526
Total Rent				23,526	7.7%	23,526
MEMBER SERVICES						
AGM including Postage				10,000		10,000
Member365				3,133		3,133
Q Newsletters / Graphic Design / Content Dev				1,500		1,500
Total Member Services				14,633	4.8%	14,633
BUSINESS DEVELOPMENT						
Monthly Business Networking Meetings				4,000		4,000
Special Events				10,000		10,000
Other Program Initiatives				5,000		5,000
Communications & Marketing				6,000		6,000
Outdoor Piano Project				6,000		6,000
Traffic Calming Program				8,500		8,500
CTV Ad Package				27,000		27,000
Website Dev, Hosting & Maintenance				5,000		5,000
Community Beautification Projects				50,000		50,000
Miscellaneous				3,000		3,000
Total Business Development				124,500	40.6%	124,500
Tax Write Offs						-
Allowance for Vacancy Rebates				10,000		10,000
HST						-
Total Hyde Park Expenditure	-	-	-	306,754	100.0%	306,754
Net Surplus / (Deficit)				-		
Draw from/(Contribution to) Operating Fund				-		
Net	-	-	-	-		

All figures subject to audit.

All figures subject to rounding.

Schedule "B"

Bill No.
2018

By-law No.

A by-law to raise the amount required for the purposes of the Hyde Park Business Improvement Area Board of Management for the year 2018 in accordance with section 208 of the *Municipal Act, 2001*.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the *Municipal Act, 2001* as amended provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS subsection 10(2) of the *Municipal Act, 2001* as amended provides that a municipality may pass by-law respecting; the financial management of the municipality (paragraph 3) and services or things that the municipality is authorized to provide under subsection 10(1) (paragraph 7);

AND WHEREAS By-law CP-1519-490, as amended, provides for an improvement area to be known as the Hyde Park Business Improvement Area and to establish a Board of Management for it known as the Hyde Park Business Improvement Area Board of Management;

AND WHEREAS subsection 208(1) of the *Municipal Act, 2001* provides that Council shall annually raise the amount required for the purposes of the Hyde Park Business Improvement Area Board of Management;

AND WHEREAS section 23 of the *Municipal Act, 2001* provides that without limiting sections 9, 10 and 11 those sections authorize a municipality to delegate its powers under the *Municipal Act, 2001*;

AND WHEREAS it is deemed expedient to pass this by-law;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. That the budget for the 2018 fiscal year submitted by the Hyde Park Business Improvement Area Board of Management attached as Schedule "A" is approved.
2. The amount to be raised by the Corporation for the 2018 fiscal year for the purposes of The Hyde Park Business Improvement Area Board of Management and pursuant to subsection 208(1) of the *Municipal Act, 2001* is \$306,754.
3. A special charge is established for the amount referred to in section 2 of this by-law by a levy in accordance with By-law CP-1519-490, as amended.
4. The special charge referred to in section 3 of this by-law shall have priority lien status and shall be added to the tax roll pursuant to subsection 208(7) of the *Municipal Act, 2001*.

5. The administration of this by-law is delegated to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

6. This by-law comes into force and effect on the day it is passed.

Matt Brown,
Mayor

Catharine Saunders,
City Clerk

First Reading – March 27, 2018
Second Reading – March 27, 2018
Third Reading – March 27, 2018