

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 19, 2019
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	HAMILTON ROAD BUSINESS IMPROVEMENT AREA 2019 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 Hamilton Road Business Improvement Area:

- a. The Hamilton Road Business Improvement Area proposed 2019 budget submission in the amount of \$140,525 **BE APPROVED** as outlined in Schedule “A”;
- b. The amount to be raised by The Corporation of the City of London for the 2019 fiscal year for the purposes of the Hamilton Road Business Improvement Area and pursuant to subsection 208(1) of the Municipal Act, 2001 **BE FIXED** at \$70,000;
- c. A special charge **BE ESTABLISHED** for the amount referred to in part b, above, by a levy in accordance with By-law C.P.-1528-486 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 Hamilton Road Business Improvement Area **BE INTRODUCED** at the Municipal Council meeting on March 26, 2019.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

Planning and Environment Committee, September 24, 2018, Agenda item 2.7, Designation of an Improvement Area under Section 204 of the *Municipal Act, 2001* – Hamilton Road BIA.
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=50675>

Planning and Environment Committee, May 14, 2018, Agenda item 4.3, Hamilton Road Business Improvement Area (BIA) Authorization to Initiate Creation
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=44515>

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 relationships 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 provided to the Business Improvement Area members and thus promote continued growth in London’s economy.

BACKGROUND

On January 23, 2019, the Board of Management of the Hamilton Road Business Improvement Area (HRBIA) approved the 2019 budget (Schedule “A”) and presented the budget to the members at the Annual General Meeting.

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. The HRBIA has met this requirement in Schedule “A”, noting the 2019 expenditure budget of \$140,525.

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

- a) This is the first year of submission for the HRBIA, therefore there are no prior year budget comparators;
- b) HRBIA revenue includes the Municipal Special Levy of \$70,000 and the one-time contribution of \$50,000 approved by Council on February 12, 2019;
- c) HRBIA plans to use this one-time contribution towards short-term and long-term initiatives. Some of the planned initiatives include the following:
 - i. Taste of Hamilton Road/Flexstreet (beautification initiatives)
 - ii. Networking/Open House (with BIA members and the community)
 - iii. Graffiti removal project
 - iv. Creation of website and technical support
 - v. Christmas decoration contest
 - vi. Tree Trunk Tour selfie contest
 - vii. Hanging flower pots
 - viii. Festival entry fees
 - ix. Trade show booth and signs
- d) Significant expenditures in 2019 include administrative salaries and wages, rent, training/conferences and expenses related to special events and projects. Such expenditures are in line with standard business improvement area operational costs and community projects/initiatives.

The owners of business property within the business improvement area will be responsible for payment of \$70,000 to be raised by the Corporation for the 2019 fiscal year for the purposes of HRBIA and pursuant to subsection 208(1) of the Municipal Act, 2001. Upon Council approval, the City of London will pay HRBIA the budgeted Municipal Special Levy amount.

Under subsection 207(1) of the Municipal Act, 2001, a business improvement area must submit to Council its audited annual financial report for the preceding year. 2019 is HRBIA's first year of operations, therefore, a financial report for 2018 is not available.

PREPARED BY:	REVIEWED BY:
ZEINA NSAIR, CPA, CGA MANAGER, FINANCIAL MODELLING, FORECASTING AND SYSTEMS CONTROL FINANCIAL PLANNING & POLICY	ALAN DUNBAR, CPA, CGA MANAGER FINANCIAL PLANNING & POLICY
SUBMITTED BY:	RECOMMENDED BY:
KYLE MURRAY, CPA, CA DIRECTOR FINANCIAL PLANNING & BUSINESS SUPPORT	ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

**Hamilton Road Business Improvement Area Template
2019 Proposed Budget
with 2018 Comparators**

Revenue Overview

Revenue Detail:	2018 Budget	2018 Actuals	2018 Surplus (Deficit)	2019 Proposed Budget	Increase / (Decrease) over 2018
Municipal Special Levy			-	70,000	70,000
Net Municipal Special Levy	-	-	-	70,000	70,000
Special Allowance Granted by Council			-	50,000	50,000
Government Student Funding			-	18,025	18,025
Administrative Fees			-	2,500	2,500
Total Hamilton Road Revenue	-	-	-	140,525	140,525

Expenditure Overview

Expenditure Detail:	2018 Budget	2018 Actuals	2018 Surplus (Deficit)	2019 Proposed Budget	Increase / (Decrease) over 2018
ADMINISTRATION					
Admin Salaries and Wages			-	40,800	40,800
Payroll, EI and CPP			-	2,805	2,805
Summer Jobs			-	17,000	17,000
Payroll, EI and CPP (Summer Jobs)			-	1,025	1,025
Telephone and Fax and Internet			-	1,500	1,500
Supplies			-	1,200	1,200
Printing			-	1,800	1,800
Insurance			-	1,000	1,000
Training/Conference			-	3,000	3,000
Mileage Expenses			-	550	550
Postage and Courier			-	600	600
Bank Charges			-	300	300
Total Administration				71,580	71,580
RENT					
Rent			-	7,200	7,200
Total Rent				7,200	7,200
BUSINESS DEVELOPMENT					
Website Maintenance and Domain			-	850	850
Signage and Permits			-	645	645
Marketing			-	1,200	1,200
Public Art Maintenance			-	1,100	1,100
Special Events/Projects			-	6,300	6,300
Long & Short-term Initiatives			-	50,000	50,000
Total Business Development				60,095	60,095
MEMBER SERVICES					
CRM/Membership Services			-	800	800
AGM			-	500	500
Memberships - Provincial BIA			-	350	350
Total Member Services				1,650	1,650
HST			-		-
Total Hamilton Road Expenditure	-	-	-	140,525	140,525
Net Surplus / (Deficit)	-	-	-	-	
Draw from/(Contribution to) Operating Fund	-	-	-	-	
Net	-	-	-	-	

All figures subject to audit.

All figures subject to rounding.

Bill No.
2019

By-law No.

A by-law to raise the amount required for the purposes of the Hamilton Road Business Improvement Area Board of Management for the year 2019 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-1528-486, as amended, provides for an improvement area to be known as the Hamilton Road Business Improvement Area and establishes a Board of Management for it known as the Hamilton Road Business Improvement Area Board of Management;

AND WHEREAS subsection 208(1) of the *Municipal Act, 2001* provides that the municipality shall annually raise the amount required for the purposes of the board of management (of a business improvement area);

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 2019 fiscal year submitted by the Hamilton Road Business Improvement Area Board of Management attached as Schedule "A" is approved.
2. The amount to be raised by the Corporation for the 2019 fiscal year for the purposes of the Hamilton Road Business Improvement Area Board of Management and pursuant to subsection 208(1) of the *Municipal Act, 2001* is \$70,000.
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-1528-486, 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.

Ed Holder,
Mayor

Catharine Saunders,
City Clerk

First Reading – March 26, 2019
Second Reading – March 26, 2019
Third Reading – March 26, 2019