



RPT 20-385

TITLE: Prince Albert Downtown Business Improvement District 2021 Budget

DATE: November 25, 2020

TO: Budget Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That the proposed Prince Albert Downtown Business Improvement District Board (PADBID) 2021 Operating and requisitions be approved.

TOPIC & PURPOSE:

Section 25 of The Cities Act empowers Council to establish a business improvement district (the 'BID') and appoint a board to govern the BID.

The PADBID is a statutory board and is submitting its 2020 proposed budget according to the City of Prince Albert Bylaw No. 4 of 2005, Downtown Business Improvement District Bylaw:

"Budget, Section 10 (2) Board will submit to the City the Board's revenue and expenditure estimates for the next fiscal year by September 15 with evidence of support by the majority of the membership. The budget shall set out in its estimates:

(a) the amounts required to be raised through the levy referred to in section 4 hereof;

(b) the amounts and details of other revenue projected to be received by the Business Improvement District, ...

(c) The proposed expenditure for the year, ...

(d) Details of any proposed financial commitments that extend beyond the current budget year; and

(e) A narrative description of the specific programs and activities to be undertaken, including associated revenues and expenditures."

BACKGROUND:

*Bylaw No. 7 of 2020, The 2020 Property Tax Bylaw,
There shall be levied, raised and collected as taxes, defined as the Prince Albert Downtown Business Improvement District Levy, upon the taxable and grant in lieu property assessment as shown in the assessment roll for the current year for those properties defined in the Downtown Business Improvement District area at a rate of 5.8% of mill rate generated municipal property taxes.*

Projected revenues from The City's Property Tax Bylaw No. 7 of 2020 is estimated at \$78,000 and an estimated grant of \$22,000 for City-owned properties within the Business Improvement District boundary on the basis of 'what-if' those City-owned properties were taxable.

Due to 2021 being a revaluation year the current levy will need to be reviewed and changed to cover the estimated revenue required for the 2021 budget. Any increase or decrease in the BID levy will be dependant on reassessed values once known.

PROPOSED APPROACH AND RATIONALE:

Approval of the PADBID budget is required in order for the City to approve the levy established in Bylaw No. 7 of 2020 of the 2020 Property Tax Bylaw.

The PADBID 2021 budget includes a request of \$40,000 from reserve funds for new projects.

A summary of the proposed PADBID 2021 budget with previous year comparatives are as follows:

	2021 Budget	2020 Budget
Revenue		
Prince Albert Business Improvement Tax Levy	\$78,000	\$78,000
City of Prince Albert Grant in Lieu of Taxes	22,000	22,000
Reserve Funding for Programs and Projects	40,000	40,000
Total Revenue	\$140,000	\$140,000
Expenditure		
Salaries, Wages and Benefits	\$76,800	\$84,600
Contracted and General Services	3,600	1,650
Grants and Donations	40,000	40,000
Rent	12,000	6,000
Utilities	2,500	2,000
Maintenance, Materials and Supplies	5,100	5,750
Total Expenditure	\$140,000	\$140,000
Net Revenue over Expenditures	\$0	\$0

Revenue:

- The Downtown Improvement Reserve request of \$40,000 would be used for:
 - \$15,000 for Downtown Events
 - \$10,000 for a Façade Grant
 - \$10,000 for Mini Façade Grants
 - \$5,000 for a Downtown Business Owners Workshop

Expense:

- The Downtown Improvement Reserve request for the 2021 budget is \$40,000 (see revenue section above for details).

The PADBID has no financial commitments that extends beyond the 2021 budget year.

The 2021 budget was supported by the majority of the membership and approved by the PADBID board at a meeting held July 28, 2020.

CONSULTATIONS:

- Financial Services department reviews requests relating to purchases and use of reserve funds.
- Planning and Development Services department reviews PADBID'S requests relating to the downtown development.
- City of Prince Albert downtown businesses are involved with the planning and activities of the PADBID board and have an interest in promoting the downtown core. City of Prince Albert residents, City facilities and other businesses will benefit from PADBID's initiatives.

POLICY IMPLICATIONS:

The approval of the PADBID budget is required in order for the City to change the levy established in Bylaw No. 7 or 2020 of the 2020 Property Tax Bylaw.

FINANCIAL IMPLICATIONS:

As at December 31, 2019 the Downtown Improvement Reserve (DIR) was \$182,478. Projects approved for 2020 totaled \$40,000 and \$26,006 is estimated to be utilized. The estimated balance of the DIR as of December 31, 2020 is projected to be \$196,472 and as of December 31, 2021 \$196,472.

Downtown Improvement Reserve	\$	\$
December 31, 2019 Balance		\$182,478
2020 Budgeted Annual Reserve allocation		40,000
2020 Annual Reserve Transfers:		
Downtown Events	\$15,000	
Façade Grant	10,000	
Mini Façade Grants (\$1,000 each)	10,000	
Downtown Business Owners Workshop	5,000	
Total Reserve Funds Approved for 2020		\$(40,000)
Add Estimated Reserve Funds not used in 2020		13,994
Estimated Balance December 31, 2020		<u>\$196,472</u>
2021 Estimated Budgeted Annual Reserve allocation		\$40,000
2021 BID Requested Reserve Funds		<u>(40,000)</u>
Estimated Balance December 31, 2021		\$196,472

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no communication and / or announcement plan, privacy implications, official community plan or options to the recommendation.

STRATEGIC PLAN:

This report supports the long-term strategy of improving and revitalizing the City of Prince Albert's downtown core.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION: N/A

Written by: Cheryl Tkachuk, Director of Financial Services

Approved by: City Manager