



ADMINISTRATIVE REPORT

Report Date: November 4, 2014
Contact: Jane Pickering
Contact No.: 604.873.7456
RTS No.: 10754
VanRIMS No.: 08-2000-20
Meeting Date: November 25, 2014

TO: Vancouver City Council
FROM: General Manager of Planning and Development Services
SUBJECT: Approval of Council Initiative - Commercial Drive BIA Renewal

RECOMMENDATION

- A. THAT Council confirm the Commercial Drive Business Society as sponsor for the Commercial Drive BIA.
- B. THAT Council approve the commencement of a Council Initiative to re-establish (renew) the Commercial Drive BIA, for a further term (7 years) commencing April 1, 2015;

FURTHER THAT Council forward the application of the Commercial Drive Business Society to a hearing of the Court of Revision.
- C. THAT the City of Vancouver notify property owners and tenants within the area (outlined in Appendix A) of the proposed BIA renewal and levy.
- D. THAT Council approve a 7-year (2015-2022) funding-ceiling of \$3,850,000 for the Commercial Drive BIA, subject to Council approval of the renewal.

REPORT SUMMARY

The current 5-year Commercial Drive BIA term (last renewed April 1, 2010) will expire March 31, 2015. The BIA must now be re-established (renewed) for a further term to continue to operate. The purpose of this report is to advance the renewal process by approving a Council Initiative to renew the Commercial Drive BIA.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Council policy for the renewal of a BIA was approved on July 30, 1992, and for the establishment and expansion of a BIA on October 14, 1997, as follows:

A BIA is established, renewed, and/or expanded by Council Initiative process; under a Council Initiative, affected property owners and commercial tenants receive a

notification that sets out a description of the Initiative, the designated area, and the estimated annual charge and rate. The notification includes instructions for filing objections to the Initiative, which are reported to Council after they are received and tabulated. Council also hears delegations as to whether or not the Initiative should proceed. The Initiative generally will not be approved if one third or more of the owners, representing one third of the assessed property value, or one third of the tenants, counted separately, submit objections.

Section 462 of the Vancouver Charter was amended on September 23, 1998, to permit BIA terms of up to 20 years, as opposed to the previous 5-year limitation. Council has exercised its authority under the amendment by previously approving ten year renewal terms for the Mount Pleasant and Downtown Vancouver BIAs, and seven year renewal terms for the Cambie Village, Chinatown, Collingwood, Hastings North, Marpole, Robson Street, Strathcona and West End BIAs. As some BIAs have continued to apply for 5-year renewal terms, the range of BIA terms varies from 5 to 10 years.

Section 458 of the Vancouver Charter permits Council to alter (reduce or expand) BIA boundaries, or to merge two or more BIA areas, in the same manner as that provided to establish a BIA. Council exercised its authority under this section by merging the Downtown Vancouver BIA and Downtown Vancouver Expansion Area BIA in 2000, and the Commercial Drive BIA and Commercial Drive Expansion Area BIA in 2009.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager and the General Manager of Planning and Development Services recommend APPROVAL of the foregoing.

REPORT

Background/Context

BIA Renewal Process Overview

The renewal process has two basic steps as described below - the first is the BIA's role and the second is the City's role:

Step 1

The Commercial Drive Business Society (CDBS) has completed the first step in the BIA renewal process which involves consultation with all of the BIA's property and business owners regarding BIA renewal and cost ("renewal outreach") culminating in membership approval of renewal resolutions at the CDBS Annual General Meeting in September. Those resolutions include a) formally requesting the City to consider BIA renewal; b) stipulating a renewal term and funding-ceiling¹ for Council approval and c) approving a first-year renewal budget (Appendix B). The CDBS renewal outreach is summarized in this report based on an outline provided by CDBS (Appendix C). Detailed documentation is maintained on file by CDBS and is available at the City's request.

¹ Vancouver Charter section 456(2) (b) stipulates that Council, by by-law, must establish the maximum amount of money to be granted to a BIA applicant. A 'funding ceiling' is the cumulative maximum amount, over the current BIA term, which may be granted and then recovered by way of a levy on parcels of real property within a BIA.

Step 2

Renewal Step 2 requires Council approval of the recommendations in this report as follows: a) to confirm the Commercial Drive Business Society as sponsor of the Commercial Drive BIA; b) to approve a Council Initiative to renew the Commercial Drive BIA, which means the City will notify the affected property owners and tenants prior to Council approval or rejection of the Initiative; c) to forward the renewal application to Court of Revision, and; d) subject to final Council approval, to approve the proposed funding ceiling for the proposed BIA renewal term.

If, after notification of owners and businesses, Council approves the BIA renewal, staff will report back for approval of the renewal year-1 budget along with all of the other BIAs' 2015 - 2016 budget requests. Although Council does not approve the proposed year-1 budget at this stage in the BIA renewal process, a copy of the proposed budget is attached to this report for reference, to indicate the anticipated cost of the proposed renewal. This addresses Vancouver Charter section 506(2), which requires the City's formal notification to include an estimate of each property owner's expected contribution.

BIA Renewal Outreach - Background

In this section, additional information is provided on the overall approach to renewal outreach and reporting outlined as Step 1. The section that follows provides background and strategic analysis for the Commercial Drive BIA.

As part of the renewal process, BIAs are required to conduct outreach to the commercial property owners and business tenants within their respective BIA renewal areas, culminating in renewal resolutions at their Annual General Meeting, or at a General Meeting specifically held for the purpose.

BIAs determine generally how they fulfill their requirement to conduct outreach, and have agreed to include, with their AGM notification (sent to all property and business owners), a letter from the City about business improvement areas. The letter includes information about how BIAs are funded through a special tax levy, how the BIA and levy are renewed for a further term, and how proceedings at the BIA AGM set directions about continuance of the BIA levy and its cost to owners.

BIAs retain all materials generated as part of their renewal outreach and agree to produce their materials for the City on request. In addition, each BIA provides a point-form outline of their outreach materials and activities. An outreach outline from the Commercial Drive Business Society is attached to this Report as Appendix C. Council reports related to BIA renewals include a factual summary of each BIA's outreach activities. At the time of this report, no concerns had been raised about BIA outreach, although a business owner in the Commercial Drive BIA contacted the City in August contemplating active opposition to BIA renewal.

The above self-reported outreach is the first step of the BIA renewal process. Subsequently, as part of the Council Initiative (Step 2), all BIA property owners and business tenants will receive a notification from the City, if approved in the Recommendations in this report, to which they can respond before a final decision on BIA renewal is made by Council.

Strategic Analysis

Commercial Drive BIA Renewal

BACKGROUND

The Commercial Drive BIA was one of four BIAs established in 2000, along with the Chinatown, Marpole and Strathcona BIAs. The BIA was last renewed in 2010 for a third 5-year term which expires at the end of March 2015. The Commercial Drive Business Society (CDBS) wishes to renew the BIA for a further term (7-years) (April 1, 2015 - March 31, 2022).

DISCUSSION

BIA Renewal Proposal

The Commercial Drive BIA boundary roughly comprises 22 linear blocks of Commercial Drive between Venables and E.13th Avenue. (See map in Appendix A.)

When approved by Council, the proposed funding-ceiling of \$3,850,000 will define the maximum amount that may be levied over the Commercial Drive BIA 7-year renewal term, and reflects an increase of 30% over the previous 5-year ceiling, corrected for length of term. As the ceiling functions as a cumulative 'cap' rather than as a budget, a ceiling-increase does not necessarily reflect BIA annual expenditure increases.

The CDBS proposes a Year 1 renewal budget of \$466,338, representing an annual levy rate of \$1.13 per \$1,000.00 of assessed property value. If, after owner and business notifications, Council approves the Commercial Drive BIA renewal, a report for approval of the Year 1 budgets will include the CDBS Year 1 budget with all of the other BIAs' 2015 - 2016 budget requests. (See budget in Appendix B.)

Renewal Outreach Activities

Renewal outreach activities extended from July to September 2014, and included:

- July 2014 distribution of a member survey and outreach to membership. The survey was developed to measure member support for current programs, and to elicit membership input for CDBS budget planning and priorities going forward.
- August 2014 analysis of member survey results, followed by revision of draft renewal strategic plan and budget based the survey results.
- August 2014 member notification for the Annual General Meeting (AGM); the meeting notification package included content about BIA renewal, including the renewal proposal and budget.
- The CDBS AGM held on September 29, 2014. The renewal strategic plan /budget was discussed during the AGM. The proposed 7-year renewal, funding ceiling, and renewal budget were unanimously approved.

The CDBS's renewal request letter and an outline of its outreach process are attached as Appendix C.

Comments

The CDBS confirms it has notified all commercial property owners and tenants within the proposed renewal area. As required, the CDBS has provided a summary of its outreach process, and has included the City's information letter with its AGM notification.

One business owner has expressed opposition to the BIA via a telephone call. The CDBS reports that it was contacted by, and subsequently met with, the same business owner, but the matter was not resolved. The CDBS reports that it has not received any other opposition in response to its member outreach.

On September 29, 2014, at a duly constituted AGM, the CDBS membership approved BIA renewal, a new 7-year funding ceiling, and the 2015-2016 budget.

Based on the AGM results and member input received to date, the CDBS believes that the BIA 7-year renewal, the proposed 7-year funding ceiling, and the Year-1 budget are generally supported.

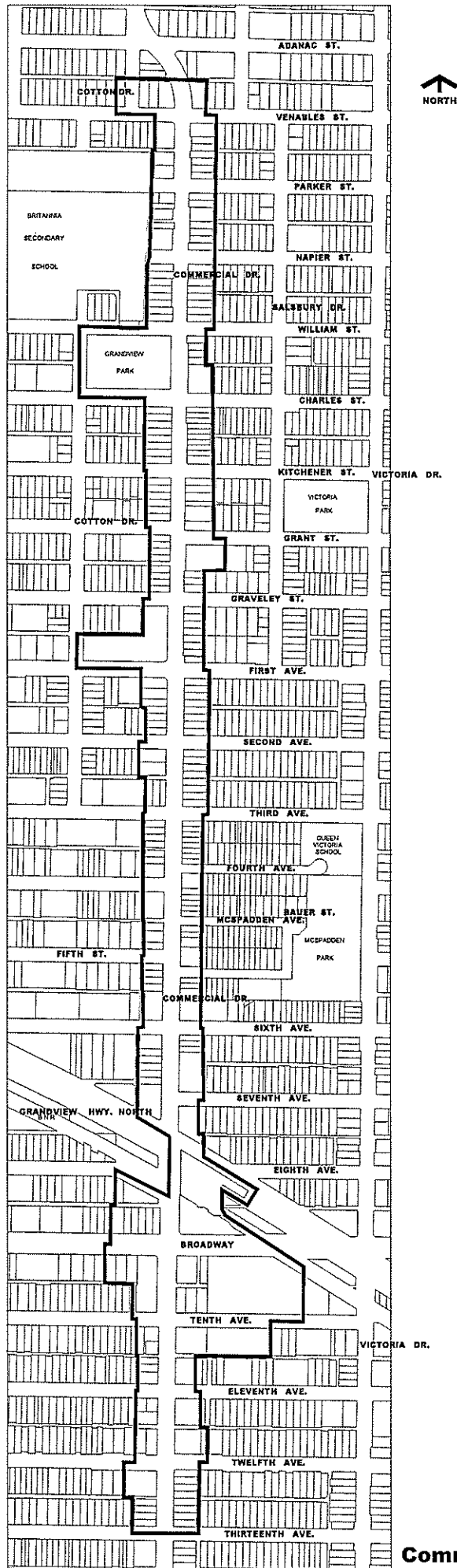
Financial Implications

There are no financial implications.

CONCLUSION

The by-laws for the Commercial Drive Business Improvement Area are set to expire at the end of March 2015, and the Commercial Drive Business Society has asked that its renewal application be forwarded by way of Council Initiative to a Court of Revision. The results of the Society's outreach activities indicate little or no opposition at this stage in the process. It is recommended that the application be forwarded to Court of Revision. If Council approves the BIA renewal, a report for approval of the Year 1 budgets will include the CDBS budget along with all of the other BIAs' 2015 - 2016 budget requests.

* * * * *



Commercial Drive BIA

AGM – APPROVAL OF THE OPERATING BUDGET 2015-2016

Operating Budget 2015-2016

BIAs provide a way for property owners and businesses to join together to promote and improve the economic vitality of their business district. The City collects a BIA levy from all commercial properties in the area, and forwards the amount to the BIA semi-annually.

The Commercial Drive BIA was approved in 2010 for a 5 year term. The Business Society surveyed local businesses and property owners, and received feedback to develop a renewal budget for a proposed seven year term.

Attached is a copy of the proposed operating budget for the first year (2015-2016) of the proposed seven year term. The operating budget outlines the proposed amounts allocated to each Committee for the next annual fiscal period.

Each year of the proposed seven year budget shows an incremental increase of 4% year to year.

The Treasurer will be on hand to answer any questions for discussion, as well as representatives for the various committees referred to in the proposed budgets.

INCOME	
City of Vancouver Levy	\$ 466,338.08
Interest	5,000.00
TOTAL Income	\$ 471,338.08
EXPENSES	
Administration/Operations	
Salary	\$ 58,240.00
Payroll Expenses	5,000.00
Office Rent/Overhead	16,056.00
AGM	4,000.00
Insurance	6,000.00
Accounting-Trout Lake Group	3,000.00
CDBS Audit	4,000.00
Scholarships/Bursaries	1,500.00
TOTAL	\$ 97,796.00
Marketing	
Brochures/Newsletter	\$ 5,000.00
Memberships and Partnerships	1,500.00
Tourism Campaign	10,000.00
Web Site	6,000.00
Advertising	55,000.00
Public Relations/Social Media	10,000.00
Graphic Media & Printing	8,000.00
TOTAL	\$ 95,500.00
Festivals	
Italian Day Sponsorship	\$ 25,000.00
New Projects/Festivals	10,000.00
Halloween/Christmas	15,000.00
TOTAL	\$ 50,000.00
Street Enhancement	
Street Banners	\$ 30,000.00
Capital Project Fund	15,000.00
Anti-Graffiti Program	36,000.00
Kettle Street Clean Team	33,000.00
Tricom Program	24,000.00
Maintenance Miscellaneous	10,000.00
TOTAL	\$ 148,000.00
Safety & Security	
Community Patrol Program	\$ 40,000.00
Night Security	25,000.00
Day Security	10,000.00
Miscellaneous/Outreach	2,000.00
TOTAL	\$ 77,000.00
Fair Tax Coalition	
TOTAL	\$ 2,000.00
TOTAL EXPENDITURES	\$ 468,296.00
NET Carry Forward	\$ 1,042.08



Commercial Drive Business Society
4-1726 Commercial Drive, V5N-4A3
604.251.2884 | executivedirector@thedrive.ca | thedrive.ca

October 15, 2014

Mayor Gregor Robertson and Members of Council
c/o Peter Vaisbord, BIA Program Coordinator
Vancouver City Hall
243 West 12th Avenue
Vancouver, BC V5Y 1V4

Dear Mayor Robertson and Council,

RENEWAL REQUEST - COMMERCIAL DRIVE BUSINESS IMPROVEMENT AREA

Please accept this letter as the Commercial Drive Business Society's formal request to renew the Commercial Drive Business Improvement Area (BIA), as required by the City of Vancouver's BIA Program.

On behalf of the property owners and merchants of the Commercial Drive Business Improvement Area, I hereby advise Vancouver City Council that Commercial Drive Business Society is seeking a new seven-year mandate for the Commercial Drive Business Improvement Area, commencing April 1, 2015, and ending on March 31, 2022.

The Commercial Drive Business Improvement Area encompasses 22 blocks of Commercial Drive, Adanac to 13th Avenue.

The extended mandate and budgets were presented and approved during our recent Annual General Meeting on September 29, 2014.

We look forward to continuing the positive work in our community and appreciate your support in this matter.

If you have any questions, please feel free to contact me at 604.808.7685, or via email, at executivedirector@thedrive.ca.

Thank you for your continued support and leadership.

Best Regards,

A handwritten signature in black ink that reads "Nick Pogor".

Nick Pogor, Executive Director
Commercial Drive Business Society
604.251.2884 | executivedirector@thedrive.ca | thedrive.ca

cc. Peter Vaisbord BIA Program, City of Vancouver



COMMERCIAL DRIVE BUSINESS IMPROVEMENT AREA – OUTREACH SCHEDULE

