

Report

Date December 6, 2023

File: 3900-50

Subject Renewal of the Chemainus Business Improvement Area

PURPOSE

To obtain Council approval for the renewal of the Chemainus Business Improvement Area for a three-year term from 2024 to 2026 by means of the Council Initiative process and to instruct staff to take all the necessary measures to bring forward a renewal bylaw.

BACKGROUND

A business improvement area is a local service area established by a municipal council where business and light industry property owners finance activities to promote business. Removing graffiti, holding events, and conserving heritage property can improve the local economy and advance the community's social well-being.

The *Community Charter* provides the authority for a municipality to create a business improvement area by bylaw and establishes the rules for establishing and operating such an area. Business promotion activities in a business improvement area are financed through a municipal grant and local service property tax scheme.

The Chemainus Business Improvement Area (CBIA) was initially established in 1996 through the adoption of Chemainus Business Improvement Area (Willow) Bylaw 2881, which at that time was limited to a portion of Willow Street with an annual grant amount in the \$30,000-\$32,000 range to be paid out over five years. The land covered in the CBIA was later expanded to include additional properties as illustrated in Attachment 1.

DISCUSSION

The current Chemainus Business Improvement Area Bylaw expires on May 1, 2024. A formal request to renew the CBIA, submitted by Krystal Adams, Executive Director of the CBIA was received on November 2, 2023 (Attachment 2). The CBIA has indicated they would like to renew the Chemainus Business Improvement Area for another three-year term, to maintain the existing boundary, and to keep the monies granted and the repayment tax scheme the same.

A business improvement area bylaw must:

- Describe the service;
- Define the boundaries of the local service area;
- Identify the organization representing the business improvement area;
- Identify the methods of cost recovery for the service, including the form of local service tax and the portion of the costs of the service that are to be recovered by the local service tax;
- Identify the business promotion scheme for which the money will be granted;
- Identify the organization to which the money will be granted;

- Establish the maximum amount of money to be granted;
- Establish the term that the bylaw will be in effect; and,
- May set conditions and limitations on the receipt and expenditure of the money.

Renewal Process

After the Bylaw has received first three readings, formal notification of the proposed business improvement area is sent by the Municipality to all property owners within the service area. Property owners not in favour of proceeding with the business improvement area renewal have 30 days to petition to Council to not proceed by completing a petition form provided by the Municipality.

Unless a sufficient petition against the CBIA is received, the Bylaw can proceed to final adoption. A sufficient petition against proceeding with the CBIA requires the support of at least half of the landowners, representing at least 50% of the total assessed value of the properties liable to be charged under the proposed business improvement area. Following the required notifications, a further report will be brought back to Council with recommendations regarding the next steps in the process.

CBIA Term

Although the current bylaw does not expire until May 1, 2024, initiating this process now provides time to undertake the petition process and ensure that the Chemainus Business Improvement Area Bylaw is adopted well in advance of the Financial Plan and the annual Property Tax Bylaw, which must be adopted before May 15.

The total term of the operation is not limited by legislation, but for the past two terms, the renewal term for the CBIA has been three years. They have requested the same three-year term for this renewal.

Repayment Tax Scheme

The granted monies are repaid to the Municipality through a special levy on each property within the BIA service area.

If the bylaw is adopted, the amount to be granted shall not exceed:

- \$146,287 on or before August 1, 2024,
- \$149,213 on or before August 1, 2025, and
- \$152,197 on or before August 1, 2026.

A schedule of the property value tax for the proposed term will be charged at the ratios noted below.

Sub-Area	Ratio Charged on Assessed Value
1	40%
2	25%
3	35%

OPTIONS

1. (Recommended Option)

THAT Council:

- (1) Approve the use of the Council Initiative process as the means by which to measure property owner support for a three-year renewal term of the Chemainus Business Improvement Area;
- (2) Authorize the Corporate Officer to bring forward a renewal bylaw for the required readings and authorize staff to undertake all the necessary related actions; and
- (3) Request that staff proceed with the formal property owner notification process related to the renewal of the Chemainus Business Improvement Area and submit a further report on the matter, complete with recommendations for Council’s consideration after the expiry of the Council Initiative notice period.

- This is consistent with past practice.

2. THAT Council refer the request to renew the Chemainus Business Improvement Area to the Committee of the Whole for further discussion.

- This provides Council the opportunity to discuss the economic benefits to continue with this service.

IMPLICATIONS

The CBIA’s current Bylaw expires on May 1, 2024.

RECOMMENDATION

THAT Council:

- (1) Approve the use of the Council Initiative process as the means by which to measure property owner support for a three-year renewal term of the Chemainus Business Improvement Area;
- (2) Authorize the Corporate Officer to bring forward a renewal bylaw for the required readings and authorize staff to undertake all the necessary related actions; and
- (3) Request that staff proceed with the formal property owner notification process related to the renewal of the Chemainus Business Improvement Area and submit a further report on the matter, complete with recommendations for Council’s consideration after the expiry of the Council Initiative notice period.

Report prepared by:



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Report reviewed by:



Michelle Martineau
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Approved to be forwarded to Council:



Ted Swabey
Chief Administrative Officer

Attachments:

- (1) Map of Chemainus Business Improvement Area
- (2) Renewal Request from the Chemainus BIA
- (3) CBIA Renewal Timelines