

Attachment #1

Letter from Uptown New Westminster Business

Improvement Society

dated 09/19/2023



September 19, 2023

City of New Westminster
511 Royal Avenue
New Westminster, B.C.
V3L 5H1

Attention: Mayor and Council

Dear Mayor and members of City Council

Re: Uptown Business Association's BIA mandate renewal

We write to request your consideration for the renewal of the BIA Bylaw for the Uptown Business Association. The current mandate expires December 31, 2023. We request that the Bylaw be renewed for a further 5 years.

Attached to this letter you will find an outline providing history and context, as well as our plans for the period from 2024 to 2028. Lastly, the attachment includes the proposed budget, the BIA levy area, and levy allocation method.

We look forward to working with the City Council and staff on this mandate renewal.

Sincerely,

Uptown Business Association of New Westminster

Bart Slotman
Chairperson

c.c. UBA Board of Directors
Carolyn Armanini - CNW
Blair Fryer - CNW

UPTOWN BUSINESS ASSOCIATION AND THE CURRENT BIA LEVY

Uptown Business Association

The Uptown Business Association of New Westminster (“UBA”) is a not-for-profit society with a mandate to promote the retail sector in the Uptown district of New Westminster.

The UBA’s members consist of business owners and property owners in the Uptown area. The UBA area follows the definition by the City of New Westminster and extends to Royal Avenue.

BIA Levy

In 2013, the UBA obtained the City of New Westminster’s approval to establish a Business Improvement Area (BIA) within a part of its service area. The BIA is a mechanism to collect fees from properties within the BIA area for the purposes set out in the BIA bylaw. The initial BIA mandate was for a 5 year term, which was renewed in 2018 for a further 5 years expiring December 31, 2023.

The BIA area extends primarily along Sixth Street from Fifth Avenue to Eighth Avenue, and along Sixth Avenue from Fifth Street to Eighth Street and includes certain side streets such as Belmont Street and part of Seventh Street.

The BIA levy is based on a frontage foot basis. Based on the width of a typical storefront, the fees per retail business amount to approximately \$400 per year.

Programs

The BIA was established to fund the following 4 program pillars:

1. Street Beautification UBA pays for the street banners and Christmas lighting. In previous years, it also paid for the hanging baskets, and various street improvements such as bike racks, banner brackets and street furniture. The UBA has an inventory of tents and event seating (tables and chairs).
2. Street Activation UBA supports various events, including Uptown Live and Recovery Day. In addition, it has worked with community partners, including the Arts Council, in funding Uptown Unplugged and other events and markets.
3. Promotion & Marketing UBA markets and promotes the Uptown area and the retailers and restaurant businesses located Uptown.
4. Outreach UBA partners with community organizations to help fund programs that are mutually beneficial, such as I’s on the Street, providing opportunities for people that are homeless or at risk of being homeless, while enhancing the Uptown area through additional street cleaning.

The UBA's goals have been accomplished primarily through outsourcing to vendors and suppliers, and partnering with third parties. Unlike many other business organizations, the UBA intentionally does not employ any staff (i.e. an executive director) and does not rent office space. This allows us to spend more than 90% of our annual revenues on funding of the actual programs and activities. The balance of our funds pay for the required annual filing and accounting fees to keep the society in good standing.

Financial health

The UBA is in a healthy financial position, with a positive cash balance exceeding 6 months of planned expenditures. Its revenues are stable and secure with the consistency of the BIA levies accounting for the majority of its annual income.

The UBA has set aside reserve funds to help furnish Uptown Plaza, the public square that is planned to be constructed on Belmont Street by the City of New Westminster in 2024.

MANDATE RENEWAL

In order to continue its programs, the UBA seeks to renew its mandate for a further 5 year term from January 1, 2024 to December 31, 2028.

Goals and objectives

For the renewal period, the BIA will fund the same 4 program pillars, consisting of (1) Street Beautification, (2) Street Activation, (3) Marketing and Promotion, and (4) Outreach. We are not proposing any expansion of our activities into new program areas.

However, the plan is to refocus our efforts more on streetscape enhancement and activities. Over the years, retail has shifted to be more experiential in nature. Customers expect a pleasant retail environment to linger, to enjoy, to meet neighbours and friends. The UBA will adjust its programs and spending to better suit that expectation. For example, a larger portion of the overall budget will go towards street activation, and instead of spending money on promoting the area in general, marketing dollars will be directed to promote a specific event.

Uptown Plaza Activation

The City of New Westminster plans to make permanent improvements to Uptown Plaza, the newly created public space at the intersection of Belmont Street and Sixth Street. The vision is to create an open plaza that can be programmed by community groups for events and activities.

UBA firmly supports the City's vision for Uptown Plaza. It has created a new program providing micro grants to assist community groups with the financial costs (including City permit fees and premiums for insurance coverage required by the City) of holding events in the plaza.

BIA levy

The annual levies are proposed to be \$150,000 in the first year (which is lower than the current 2023 levies of \$158,000), increasing by approximately 2.5-2.7% per year for subsequent years to account for inflation. This level of funding is anticipated to be sufficient to meet the planned program expenditures.

Program Pillar	Current Year 2023	mandate renewal period				
		Year 1 2024	Year 2 2025	Year 3 2026	Year 4 2027	Year 5 2028
1 Street Beautification*	34,000	30,000	31,000	32,000	33,000	34,000
2 Street Activation*	60,000	70,000	72,000	74,000	76,000	78,000
3 Marketing & Promotion	40,000	30,000	31,000	32,000	33,000	34,000
4 Outreach	10,000	10,000	10,000	10,000	10,000	10,000
General expenses	14,000	10,000	10,000	10,000	10,000	10,000
Total BIA Levy**	158,000	150,000	154,000 2.7%	158,000 2.6%	162,000 2.5%	166,000 2.5%

We note that the above amounts for Street Beautification and Street Activation are net of grants and other funding sources for specific projects and events. Furthermore, the exact allocation of funds between the 4 program pillars is subject to change depending on opportunities and needs.

As is the case currently, some expenditures are repetitive, such as the cost of twice yearly street banner replacements and the annual Christmas decorations. Other expenditures, such as events and outreach, are dependent on opportunities that arise during the year, and funds are allocated on a project basis as approved by the UBA's Board.

BIA Levy Area

At present, the BIA levy area is limited to the retail blocks in closest proximity to the key intersection of Sixth Street and Sixth Avenue, and includes the following streets:

- Sixth Street: 500, 600 and 700 blocks
- Sixth Avenue: 500, 600 and 700 blocks
- Seventh Street: part of 500 block
- Belmont Street: 600 block

Attached is a map of the current BIA levy area.

For the 2024-2028 mandate renewal, the BIA area is proposed to remain unchanged.

While the UBA is open to expanding the BIA area in future years to include other parts (i.e. the 200 to 400 blocks of Sixth Street), no support has been expressed by businesses and property owners in those blocks to pay BIA levies in order to expand the UBA's programs into those areas. The UBA feels that support will need to come from business and property owners in those blocks in order to justify expanding the BIA Levy area.

It is important to note that the UBA area does extend to include those blocks, and businesses and property owners in those blocks are free to join the UBA.

Annual BIA levies

At present, the levies are collected on a "frontage foot" basis.

For the renewal period, the levies are proposed to be collected on the same basis, by frontage foot. For properties located on a street corner, only 1 frontage (the longer one) will count. Properties used solely for residential purposes are exempted.

While City staff have suggested to explore an allocation based on "assessed value" basis, UBA strongly disagrees as it is primarily the retail businesses and restaurants at street level that benefit from the activities the BIA levies support. If allocated based on assessed value, businesses on the upper floors of office buildings will contribute a larger share while receiving no direct benefits. The frontage foot basis is the most equitable method.