

*Attachment 1*

*October 16, 2023 - Uptown Business  
Improvement Association Renewal 2024 -  
2028*

## **REPORT**

### ***Office of the Chief Administrative Officer***

**To:** Mayor Johnstone and Members of Council  
**Date:** October 16, 2023

**From:** Lisa Spitale,  
Chief Administrative Officer  
**File:**

**Item #:** 2023-660

**Subject:** **Uptown Business Association Business Improvement Association  
Renewal: 2024 – 2028**

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#### **RECOMMENDATION**

THAT renewal of the Uptown Business Improvement Area by Council initiative, at the request of the Uptown Business Association, be commenced;

THAT Uptown Business Improvement Area Bylaw No. 8424, 2023 be forwarded for Council's consideration of three readings; and

THAT staff be directed to proceed with the notice requirements under the *Community Charter*.

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#### **PURPOSE**

To initiate the renewal of the Uptown Business Improvement Area under the initiative plan as defined in the Community Charter.

#### **BACKGROUND**

A business improvement area (BIA) is a local service area established by a municipal council where business and light industry property owners finance, through a municipal grant and local service property tax scheme, activities to promote business.

The *Community Charter section 215* provides the authority for a municipality to create a Business Improvement Area (BIA) by bylaw, and establishes the rules for the establishment and operation of such an area. A municipal council can only grant money

for a business improvement area that has as one of its aims the planning and implementation of a business promotion scheme. Business promotion activities in a business improvement area are financed by the municipal grant.

The business promotion scheme must include one or more of the following:

- Carrying out studies or developing reports
- Improving, beautifying or maintaining streets, sidewalks or municipally-owned land, buildings or other structures
- Removing graffiti from buildings and other structures
- Conserving heritage property
- And generally encouraging business

Before a business improvement area can be established or renewed, the property owners in the area must indicate whether they favour or oppose its establishment/renewal. Generally, this is accomplished by Council initiative - subject to petition against, whereby Council initiates the establishment or renewal of a business improvement area by providing an opportunity for a petition against the proposed service tax. Council must give notice of a petition against in accordance with the *Community Charter* and by mailing notice to affected property owners that would be subject to the local service tax. Unless Council receives a sufficient petition against within 30 days, it can proceed. The threshold for sufficient petition against is 50 percent of parcels that would be subject to the local area tax and those persons must be the owners of parcels that in total represent at least 50 percent of the assessed value of land and improvements that would be subject to the local service tax.

### **EXISTING POLICY AND PRACTICE**

New Westminster has two BIA's, one in the Downtown commercial area and the other in the Uptown commercial area. The Uptown Business Association was established in 2013, for a five year period, and then renewed in 2018 for another five year period, ending in 2023. The Uptown Business Improvement Association (BIA) has been broadly supported during past renewal processes.

- The 2013 establishment recorded 4 of 50 properties opposed (8%), equal to 2% of assessed value opposed
- The 2018 renewal recorded 3 of 49 properties opposed (6%), equal to 1% of assessed value opposed

Past Council policy has been to support the Uptown BIA process when requested to do so. It is therefore recommended that the process be initiated for proposed renewal of the BIA in 2023 for a further five year term commencing in 2024.

### **DISCUSSION**

The Uptown Business Association of New Westminster (UBA) is a not-for-profit society

incorporated on October 15, 2013 under the *Society Act* of British Columbia. The constitution of the society states its purpose to be:

- a. To promote business in the uptown area of New Westminster, British Columbia;
- b. To receive donations, gifts, funds and property from all sources and to hold and invest such funds and property and to administer and distribute such funds and property for the purposes of the Society;
- c. To develop sources of income as may from time to time be appropriate; and
- d. To do all such other things as are incidental and ancillary to the attainment of the foregoing purposes and the exercise of the powers of the Society.

At the September 18, 2023 Uptown Business Association board meeting, the membership passed a resolution to request a five-year renewal term for the Uptown Business Improvement Area, based on four program pillars: Street Beautification, Street Activation, Promotion and Marketing and Outreach. **Attachment 1** includes the formal request by the Uptown Business Association for Council to initiate the process along with their mandate and business promotion scheme for renewal. In summary, the request includes the following parameters:

Term: 5 Years

Area: Fifth Avenue to the south, Eighth Avenue to the north, Fifth Street to the east and Eighth Street to the west. The area remains the same as the 2018 established boundaries.

Annual Levy:

| Year | Amount    |
|------|-----------|
| 2024 | \$150,000 |
| 2025 | \$154,000 |
| 2026 | \$158,000 |
| 2027 | \$162,000 |
| 2028 | \$166,000 |

The parameters of the renewal have been included in **Attachment 2**, Uptown Business Improvement Area Bylaw No. 8424, 2023, for Council's consideration.

### Renewal Process

The process of renewal under the initiative plan is reasonably intensive and is summarized by the following steps:

| Activity   | Target Date   |
|--|---------------|
| 1 BIA establishing bylaw delineating area and establishing dollar amount for each year, given 3 readings, not adopted until after the report on sufficiency of petition against.   | Oct. 16, 2023 |
| 2 Mailing of notice to all affected property owners per last revised assessment roll and first notice provided via City Pages email per Public Notice Bylaw of intention to establish BIA for a four year period commencing January 1, 2024. | Oct. 19, 2023 |

| Activity |  | Target Date   |
|----------|--|---------------|
| 3        | Second notice provided via posting to Library notice boards per Public Notice Bylaw. Property owners have 30 days from the date of this notice to respond in the negative (petition against).  | Oct. 20, 2023 |
| 4        | Documentation of responses by property owners (report on sufficiency of petition against) by City Clerk. The petition against must be signed by property owners representing at least 50% of the number of property owners and 50% of the assessed values in the designated areas in order to be successful. | Nov. 20, 2023 |
| 5        | BIA establishing bylaw adopted if petition against is not successful.  | Dec. 11, 2023 |
| 6        | Council bylaw directing staff to prepare BIA Assessment Roll and set time of Assessment Roll Review Panel.   | Spring 2024   |
| 7        | Parcel Tax Roll Review Panel advertised, and detailed notices mailed to all property owners.   | Spring 2024   |
| 8        | Review Panel held to confirm Parcel tax Roll.  | Spring 2024   |
| 9        | Local Service Parcel Tax bylaws prepared and adopted.  | Spring 2024   |
| 10       | Levy calculated and billed with normal property tax notices.   | Spring 2024   |

## **FINANCIAL IMPLICATIONS**

Annual BIA budgets are funded through a local area service property tax on business and light industry properties (BC Assessment Class 5 and Class 6 properties) within the boundaries established by the BIA bylaw. Through that tax, the grant provided by the municipality for the business promotion schemes of the business improvement area is recovered. Since BIAs are funded through a special property levy on commercial properties within the designated BIA boundaries, there are no financial implications to the City of New Westminster.

## **INTERDEPARTMENTAL LIAISON**

This report has been prepared by Office of the CAO and Finance Department staff.

## **OPTIONS**

The following options are presented for Council's consideration:

1. THAT renewal of the Uptown Business Improvement Area by Council initiative, at the request of the Uptown Business Association, be commenced;

THAT Uptown Business Improvement Area Bylaw No. 8424, 2023 be forwarded for Council's consideration of three readings; and

THAT staff be directed to proceed with the notice requirements under the *Community Charter*.

2. That Council provide staff with alternative direction.

Staff recommends Option 1.

### **ATTACHMENTS**

Attachment 1: Uptown Business Association BIA Renewal Letter Sept. 19, 2023

Attachment 2: Uptown Business Improvement Area Bylaw No. 8424, 2023

This report was prepared by:

Carolyn Armanini, Planner, Economic Development

This report was reviewed by:

Blair Fryer, Senior Manager, Communications and Economic Development

Indeep Johal, Manager, Financial Services

Peter DeJong, Corporate Officer

This report was approved by:

Lisa Leblanc, Acting Chief Administrative Officer

## Attachment #1

*Uptown Business Association*

*BIA Renewal Letter - Sept. 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**

A handwritten signature in black ink, appearing to be "Bart Slotman", written over a horizontal line.

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<br>Year<br>2023 | mandate renewal period |                 |                 |                 |                 |
|--------------------------|-------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|
|                          |                         | Year 1<br>2024         | Year 2<br>2025  | Year 3<br>2026  | Year 4<br>2027  | Year 5<br>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<br>2.7% | 158,000<br>2.6% | 162,000<br>2.5% | 166,000<br>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.

Attachment #2

*Uptown Business Improvement Area*

*Bylaw No. 8424, 2023*

CORPORATION OF THE CITY OF NEW WESTMINSTER

BYLAW NO. 8424, 2023

A Bylaw to establish a Business Improvement Area Service

WHEREAS a Council may, by majority vote, grant money to an applicant for the purpose of planning and implementing a Business Promotion Scheme pursuant to Section 215(2) of the *Community Charter*;

AND WHEREAS before a Council grants money for a Business Promotion Scheme, the Council shall pass a bylaw as required by Section 215(5) of the *Community Charter*;

AND WHEREAS the Council has received a request from the Uptown Business Association to establish a Business Improvement Area to enable that Society to undertake certain works and services and to encourage and promote business within that area;

AND WHEREAS the Council may impose a local service parcel tax to be borne by the owners of real property within a Business Improvement Area in accordance with Section 216(1)(b) of the *Community Charter*;

NOW THEREFORE THE CITY COUNCIL of the Corporation of the City of New Westminster ENACTS AS FOLLOWS:

Citation

1. This Bylaw may be cited for all purposes as “Uptown Business Improvement Area Bylaw No. 8424, 2023”.

Definitions

2. In this Bylaw:

“Applicant” means the Uptown Business Association;

“Business Improvement Area” means a business improvement area pursuant to Section 215 (1) of the *Community Charter*;

“City” means the Corporation of the City of New Westminster;

“Council” means the Council of the Corporation of the City of New Westminster;

“Uptown Business Improvement Area” means those lands within the area shown outlined in heavy black on the map in Schedule A and forming part of this bylaw;

“Fiscal Year” means the time period from January 01 to the following December 31.

#### Establishment

3. Council hereby establishes a business improvement area service for the purpose of providing grants under section 215(2) of the *Community Charter*.

#### Designation of Area

4. The Uptown Business Improvement Area is hereby designated as a Business Improvement Area.

#### Grant

5. Following adoption of this Bylaw, the Council may, by majority vote in each year, grant to the applicant amounts not exceeding \$150,000 for 2024, \$154,000 for 2025, \$158,000 for 2026, \$162,000 for 2027, and \$166,000 for 2028 in aggregate an amount not exceeding \$790,000 for the term of this bylaw.

#### Expenditures

6. The money granted pursuant to this Bylaw shall be expended only:
  - a) by the applicant acting in accordance with and subject to the conditions and limitations set out in this Bylaw; and
  - b) for the Business Promotion Scheme set out in Schedule “B” of this Bylaw relative to the Uptown Business Improvement Area.

#### Budget

7. The applicant shall submit a budget for approval by Council on or before October 15 prior to each fiscal year in the form attached to and forming part of this Bylaw as Schedule “C” for the purpose of implementing the Business Promotion Scheme.

#### Accounting

8.
  - a) The applicant shall provide Review Engagement financial statements no later than March 15 accounting for all money granted and approved by Council during the previous fiscal year.
  - b) The City shall have access to the accounts and records of the applicant for the purpose of inspection, verification or audit on the basis of providing the applicant with twenty-four hours written notice of its intentions and requirements.

### Recovery

9. a) All of the money granted to the applicant pursuant to section 5 of this Bylaw shall be recovered by a local service parcel tax under section 216(1)(b) of the *Community Charter* imposed against all land within the Uptown New Westminster Business Improvement Area that are classified as Class 5 [light industry] and Class 6 [business and other].
- b) Monies collected shall be collected on a parcel frontage basis. For properties located on a street corner, only one frontage (the longest) will be counted.

### Indebtedness

10. a) The applicant shall not incur any indebtedness or other obligations beyond each budget year, unless prior written approval is given by the City.
- b) For the term of this Bylaw, the applicant shall continue to maintain its status as a non-profit society in good standing pursuant to the Society Act.

### Insurance

11. The applicant shall take out and maintain insurance and shall provide to the City a copy of its insurance policy insuring the applicant in accordance with the specifications set out in Schedule "D" of this Bylaw.

### Term of Bylaw

12. This Bylaw shall take effect on January 1, 2024 and shall cease to have effect after December 31, 2028.

GIVEN THREE READINGS this \_\_\_\_ day of \_\_\_\_\_ 2023

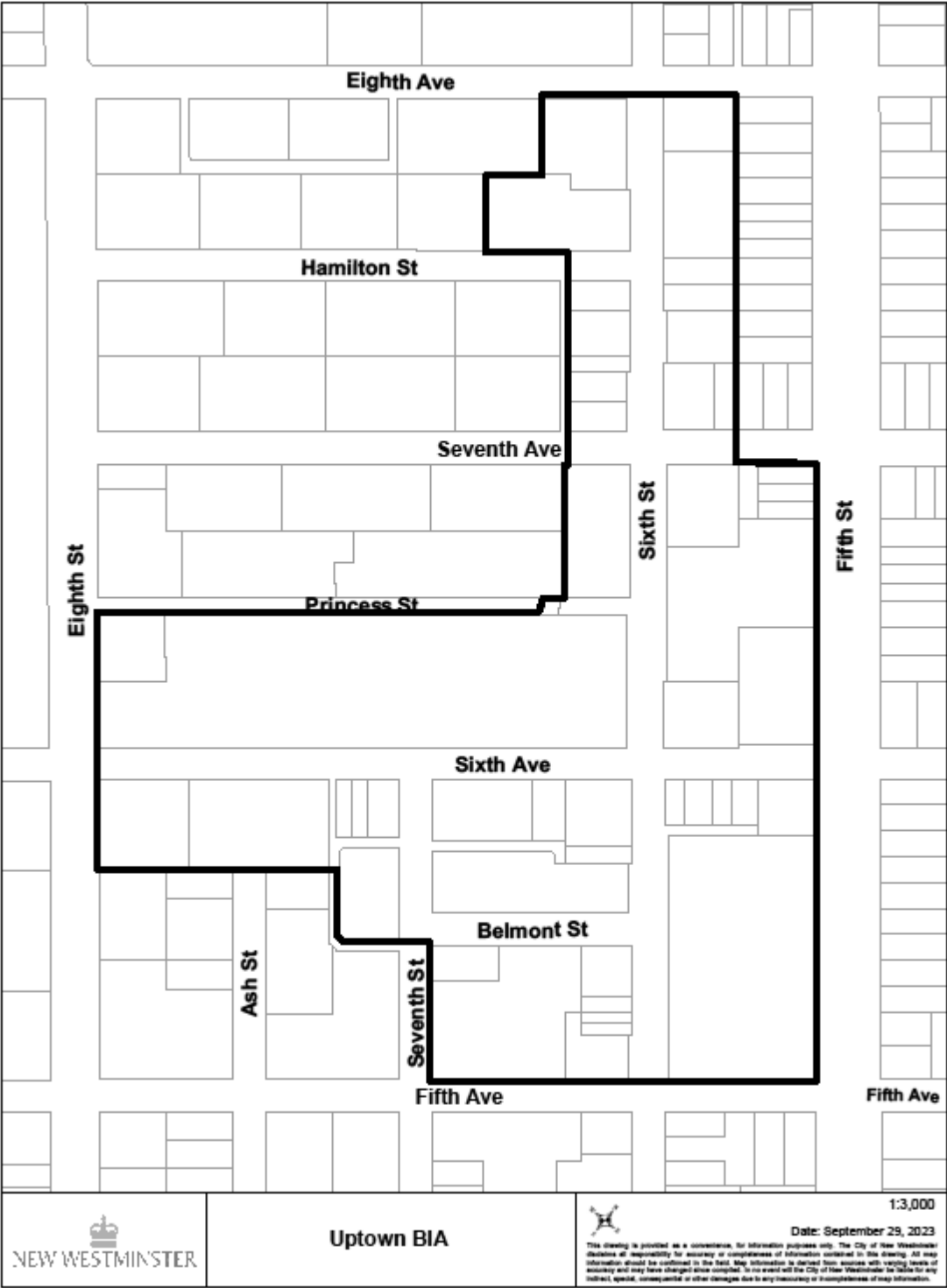
ADOPTED and the Seal of the Corporation of the City of New Westminster affixed this \_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
Mayor Patrick Johnstone

\_\_\_\_\_  
Peter DeJong, Corporate Officer



SCHEDULE "A"



## SCHEDULE "B"

### BUSINESS PROMOTION SCHEME

The Business Promotion Scheme to be undertaken by the Uptown Business Association Society pursuant to the provisions of this Bylaw shall include the following activities:

1. Street Beautification Initiatives consisting of tangible aesthetic improvements to the streetscape. These may include street banners, Christmas lighting, hanging baskets, and various street improvements such as bike racks, banner brackets and street furniture.
2. Street Activation Support for various events/activities in the public realm that feature the Uptown area and attract visitors, such as Uptown Live and Recovery Day, and partnering with community organizations, including the Arts Council, in funding Uptown Unplugged and other events and markets.
3. Promotion & Marketing Various programs to market and promote the Uptown area and the retailers and restaurant businesses located Uptown.
4. Outreach Partnering 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.

SCHEDULE "C"

UPTOWN BUSINESS ASSOCIATION

20\_\_ BUDGET FORMAT OUTLINE

REVENUE

|                            |          |
|----------------------------|----------|
| Balance from Previous Year | \$ _____ |
| Municipal Levies           | \$ _____ |
| Government Grants:         | \$ _____ |
| Federal                    | \$ _____ |
| Provincial                 | \$ _____ |
| Municipal                  | \$ _____ |
| Interest                   | \$ _____ |
| Other (specify)            | \$ _____ |
| TOTAL REVENUE              | \$ _____ |

SCHEDULE "C"

UPTOWN BUSINESS ASSOCIATION

20\_\_ BUDGET FORMAT OUTLINE

EXPENDITURES

1) BUSINESS RECRUITMENT AND BUSINESS DEVELOPMENT:  
(Specify projects)

A \_\_\_\_\_ \$ \_\_\_\_\_

B \_\_\_\_\_ \$ \_\_\_\_\_

C \_\_\_\_\_ \$ \_\_\_\_\_

D \_\_\_\_\_ \$ \_\_\_\_\_

E \_\_\_\_\_ \$ \_\_\_\_\_

2) PROMOTION AND ADVERTISING

A \_\_\_\_\_ \$ \_\_\_\_\_

B \_\_\_\_\_ \$ \_\_\_\_\_

C \_\_\_\_\_ \$ \_\_\_\_\_

D \_\_\_\_\_ \$ \_\_\_\_\_

E \_\_\_\_\_ \$ \_\_\_\_\_

3) BEAUTIFICATION AND SEASONAL ITEMS

A \_\_\_\_\_ \$ \_\_\_\_\_

B \_\_\_\_\_ \$ \_\_\_\_\_

C \_\_\_\_\_ \$ \_\_\_\_\_

D \_\_\_\_\_ \$ \_\_\_\_\_

E \_\_\_\_\_ \$ \_\_\_\_\_

#### 4) ADMINISTRATION AND OVERHEAD

A \_\_\_\_\_ \$ \_\_\_\_\_

B \_\_\_\_\_ \$ \_\_\_\_\_

C \_\_\_\_\_ \$ \_\_\_\_\_

D \_\_\_\_\_ \$ \_\_\_\_\_

E \_\_\_\_\_ \$ \_\_\_\_\_

#### 5) MAINTENANCE

A \_\_\_\_\_ \$ \_\_\_\_\_

B \_\_\_\_\_ \$ \_\_\_\_\_

C \_\_\_\_\_ \$ \_\_\_\_\_

D \_\_\_\_\_ \$ \_\_\_\_\_

E \_\_\_\_\_ \$ \_\_\_\_\_

TOTAL EXPENDITURES \$ \_\_\_\_\_

## SCHEDULE "D"

### INSURANCE SPECIFICATIONS

1. The applicant shall provide and maintain Comprehensive General Liability insurance acceptable to the City and subject to limits of not less than TWO MILLION DOLLARS (\$2,000,000.00) inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof. The insurance shall cover anyone employed directly or indirectly by the applicant as well as any contractor or subcontractors hired by the applicant.
2. The City shall be added as an additional named insured under the Comprehensive General Liability.
3. The applicant shall provide the City with a copy of its Comprehensive General Liability insurance policy prior to the City providing funding under Section 4 of this Bylaw.
4. The applicant's Comprehensive General Liability policy shall contain an endorsement to provide the City with 30 days written notice of change or cancellation.