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Halifax Regional Council
May 25, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Acting Chief Administrative Officer

DATE: May 18, 2004

SUBJECT: Sackville Drive Business Association Business Improvement District

ORIGIN

The Sackville Drive Business Association is requesting Council's approval to establish a Business Improvement District (BID) under the auspices of the Halifax Regional Municipality for the commercial and business **occupancy accounts** in the area.

RECOMMENDATION

It is recommended, based on the 148 votes received with 94 (64%) in favour and 54 (36%) against, that Regional Council:

1. Endorse the Sackville Drive Business Association's proposal to develop a Business Improvement District in the Sackville Drive business community, and
2. Approve levy rates of \$0.14 on the commercial assessment, and \$0.10 on the business occupancy assessment within the Business Improvement District effective in the 2004-05 fiscal year with a minimum of \$50 and a maximum of \$750 per account per fiscal year.

BACKGROUND

Under the Municipal Government Act, the Municipality has authority for business area improvements and promotions. The municipality may provide services in the following areas:

- to beautify and promote a business district,
- to identify and promote a business district as a place for retail and commercial activity,
- to establish or maintain parking facilities and/or to beautify, improve and maintain public property in the area.

To finance such initiatives, the Municipality may levy an area rate applicable to commercial property and business occupancy assessments in the area on those who benefit by the expenditures. The municipality may provide these services directly, contract the service, or provide grants to another body to support the promotion of the business district.

There are currently four Business Improvement Associations which operate within HRM's Capital District. The BIAs are supported by a tax levied on the commercial and business occupancy assessment of those businesses and commercial landowners located within Downtown Dartmouth, Downtown Halifax, Spring Garden Road, and Quinpool Road. The Municipality has by way of a management agreement, established a contract with these associations to provide services related to the beautification, promotions, and marketing for each of their respective districts.

In addition, the Municipality has been assisting communities outside of the Capital District with establishing business improvement districts. The Spryfield community was the first to create a Business Improvement District (BID) outside of the Capital District. The Sackville Drive Business Association, which is registered as a non profit organization, recognizes the benefit of establishing a formal BID in supporting favorable marketing, promotional programs and business opportunities for the community. They see a BID as an opportunity to work more cooperatively with HRM on revitalization issues similar to those BIDs currently in place.

DISCUSSION

The Sackville Drive Business Association is proposing a levy rate of \$0.14 per \$100 of assessed value which would be applied to all commercial accounts, and an area rate of \$0.10 per \$100 of assessed value which would be applied to all business occupancy accounts. The minimum annual charge for any account would be \$50, and the maximum annual charge would be \$750. Based on the January 2004 assessment role, it is expected that approximately \$96,043 would be generated in the 2004-05 fiscal year from these rates within the area of the new BID. The 220 commercial accounts would generate approximately \$77,161, and the 173 business occupancy accounts would raise approximately \$18,882. As is the HRM policy with the other BIDS, 3% of the revenue generated is withheld as a contingency against fluctuations in the business occupancy assessment.

The Association has held several public meetings to provide information on the proposed BID.

A registered letter was sent out to every potential assessed member of the BID on Friday, February 27 asking for responses to be sent to HRM by Wednesday, March 31 at 4:30 PM, giving individuals four weeks to respond. In order for the BID to be approved, 51% of the votes received had to support the development of the BID. Of the 148 votes received, 94 (64%) supported the initiative and 54 (36%) did not support the initiative.

Should Council approve the proposed levy, staff will be preparing a standard service agreement with the Sackville Drive Business Association.

BUDGET IMPLICATIONS

Since funding for the proposed BID would come entirely from levy rates, there is no impact on the 2004-05 Approved Operating Budget.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

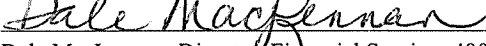
Council could deny the requested area rate. This is not the recommended course of action.

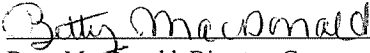
ATTACHMENTS

1. Copy of letter sent to proposed assessed members
2. Map of proposed Sackville BID area

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Marion Currie, Project Coordinator, Capital District, 490-6735
Catherine Sanderson, Manager, Revenue, 490-6470

Report Approved by: 
Dale MacLennan, Director, Financial Services 490-6308


Betty MacDonald, Director, Governance and Strategic Initiatives 490-4769

February 27, 2004

Re: Creation of the Sackville Drive Business Association

To Whom It May Concern

This letter is to provide information to you on the process the Sackville Drive Business Association is following to create a levied business association for Lower Sackville.

In follow-up to previous meetings and correspondence of the Sackville Drive Business Association, the purpose of the Sackville Drive Business Association is to support the needs of the business community for services, infrastructure and activities.

- The overall aim of the Sackville Drive Business Association is to create an organization made up of local businesses and commercial property landowners who will work towards physical improvements, promote commercial vitality, enhance the overall character and environment of Sackville Drive and provide a strong and unified voice when matters of our common interests arise.
- The annual budget for the Sackville Drive Business Association will be raised through a tax levy on businesses and commercial property landowners of Lr. Sackville, in the area defined by the Secondary Planning Strategy in addition to the area of Sackville Drive between Beaverbank Road and Millwood Drive.
- The budget levy rates are proposed by the Sackville Drive Business Association and are subject to approval by both the levied membership and Halifax Regional Council.

The levy rate proposed to support the Sackville Drive Business Association is \$0.10 per \$100 for Business Occupancy and \$0.14 per \$100 for Commercial Assessment. To calculate your individual levy, use the following formula (assessment values can be found on your HRM tax bill)

For Business Occupancy	Multiply 0.10 per \$100 by your Business Occupancy Assessment
For Commercial	Multiply 0.14 per \$100 by your Commercial Assessment

No individual business location or commercial property landowner will pay less than \$50 or more than \$750 per assessment. The Halifax Regional Municipality will include this levy in your annual tax bill and then remit the funds directly to the Sackville Drive Business Association.

Please respond in writing on or before March 31, 2004 at 4:30 PM to the Councillor's Support Office, PO Box 1749 Halifax NS, B3J 3A5. Alternatively, you may fax your response by way of a signed copy of this letter to our attention at (902) 490-4122, or email your response to bidvote@halifax.ca. Fifty percent plus 1 of the returned ballots must support the establishment of the BID in order for the process to continue.

Sackville Drive Business Association will also be holding a social on March 9, 2004 at Auction City Inc. located at 376 Sackville Drive between the hours of 7:00 - 9:00 PM. Refreshments will be served. RSVP to Ruth Baxter at 865-6809.

If you have any general questions related to the levy process, please call the HRM Call Centre at 490-4000.

Yours truly,

Brad Johns

Bob Harvey

Councillor - District 19
Halifax Regional Municipality

Councillor - District 20
Halifax Regional Municipality

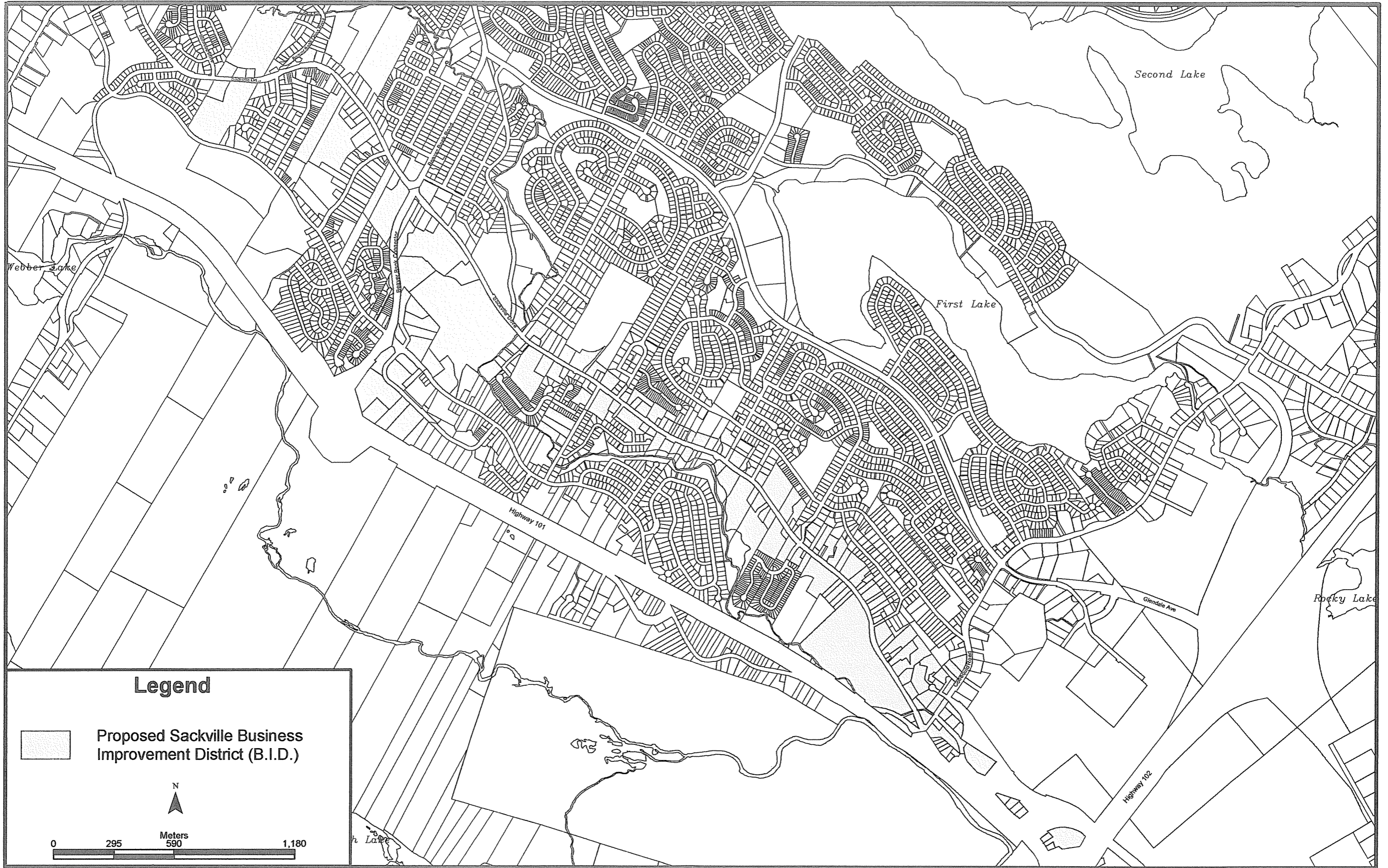
YES,I/ We do support this initiative
NO,I/ We do not support this initiative

Company Name: _____

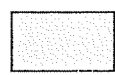
Assessment Number (found on your HRM Tax Bill): _____

Signature: _____

Comments:



Legend



Proposed Sackville Business Improvement District (B.I.D.)

