



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

## Item No. 11.1.11

Halifax Regional Council  
May 13, 2008

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

Dan English, Chief Administrative Officer

Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** April 18, 2008

**SUBJECT:** Proposed Business Improvement District for Main Street, Dartmouth

### ORIGIN

- January 10, 2008 Harbour East Community Council motion to initiate the process to establish a Business Improvement District (BID) for Main Street, Dartmouth, as an outcome of the Main Street Dartmouth Streetscape Project.
- February, 2008 completion of the required BID area rate vote.

### RECOMMENDATION

It is recommended that Regional Council:

1. Endorse the establishment of a Business Improvement District for Main Street, Dartmouth, in accordance with the boundary contained in Attachment 1 of this report;
2. Approve the proposed area rate levy of \$0.1718 per \$100.00 of assessed value for business occupancy and \$0.14 per \$100.00 of assessed value for commercial to be applied within the Business Improvement District effective with the 2008-09 fiscal year with a minimum of \$150 and a maximum of \$5,000 per property; and
3. Direct staff to execute the standard BID management agreement between HRM and the District 6 Main Street, Dartmouth and Area Business Improvement District Commission.

## **BACKGROUND**

In February of 2006, HRM began a streetscape study for Main Street, Dartmouth, to beautify and enhance this commercial corridor. One of the recommendations coming forward from this study was the creation of a Business Improvement District (BID) to support economic growth and revitalization of the area. Building on the public momentum of this project, efforts began over the past several months to move forward with the process to create a BID for the Main Street area. This report provides Council with the results of the recent area rate vote required to establish this organization.

Under the Municipal Government Act, municipalities have responsibility for local 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 six Business Improvement District Commissions which operate within HRM representing the following business areas:

- Downtown Dartmouth,
- Downtown Halifax,
- Spring Garden Road,
- Quinpool Road,
- Sackville Drive, and
- Spryfield.

These organizations are supported by a tax levied on the commercial and business occupancy assessment of those businesses and commercial landowners in their respective districts. 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.

## **DISCUSSION**

The process to establish a BID follows HRM's area rate process, requiring business community support through consultation and a mail-in vote with majority of respondents in favour of the proposed BID area rate.

The District 6 Main Street, Dartmouth and Area Business Improvement Commission gauged community support for their proposal to create a BID through a variety of methods including, canvassing of businesses along the street and hosting a public meeting earlier this year. Further as required, a registered letter was sent on February 05, 2008 from the Councillor's Support Office to every potential assessed member of the BID included in the proposed boundary shown on Attachment 1 of this report. Assessed members had until Thursday, February 21 at 4:30 pm to respond as to whether they supported the initiative or not, giving individuals two weeks to respond (a copy of the letter is contained in Attachment 2).

One ballot was sent to each business within the proposed boundary. While 163 commercial and business occupancy accounts were identified, only 141 ballots were sent out because some businesses had more than one tax account. The response to the mail-out was favourable with 51 of the 141 ballots returned, representing an overall response rate of 39% . Of the 55 responses received, 34 supported the BID levy and 21 did not support the levy. The resulting 61.8 % in favour of the proposed BID, meets with the 50% + 1 of votes that are required for Council to approve the levy.

The District 6 Main St. Dartmouth & Area Business Improvement Commission is proposing a BID levy similar to those in Sackville and Quinpool Road business districts. Should Council approve the levy, an area rate of \$0.14 per \$100 of assessed value would be applied to all commercial accounts, and an area rate of \$0.1718 per \$100 of assessed value would be applied to all business occupancy accounts. The minimum annual charge for any account would be \$150, and the maximum annual charge would be \$5,000.

Based on the January 2008 assessment role, it is expected that \$72,756 would be generated in fiscal 2008-09 from these rates within the area of the new BID. The 55 commercial accounts would generate about \$52,477, and the 108 business occupancy accounts would raise about \$20,279. As is HRM policy with all BIDS, 3% of the revenue generated is withheld as a contingency against fluctuations in the business occupancy assessment. Attached to this report is a copy of the 2008/2009 operating budget for the District 6 Main Street, Dartmouth and Area Business Improvement District Commission (refer to Attachment 3).

Should Council approve the proposed levy, staff will prepare a standard service agreement with the District 6 Main Street, Dartmouth and Area Business Improvement Commission to formalize the terms for the proposed Business Improvement District.

### **BUDGET IMPLICATIONS**

Since funding for the proposed BID would come entirely from area rates, there is no impact on the 2008-09 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 recommended given the demonstrated business support for the BID.

## **ATTACHMENTS**

1. Copy of the geographic map of the proposed BID area
2. Copy of letter to proposed assessed members
3. Copy of the 2008/2009 operating budget for the District 6 Main Street, Dartmouth and Area Business Improvement Commission

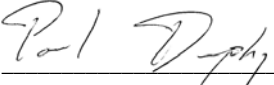
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

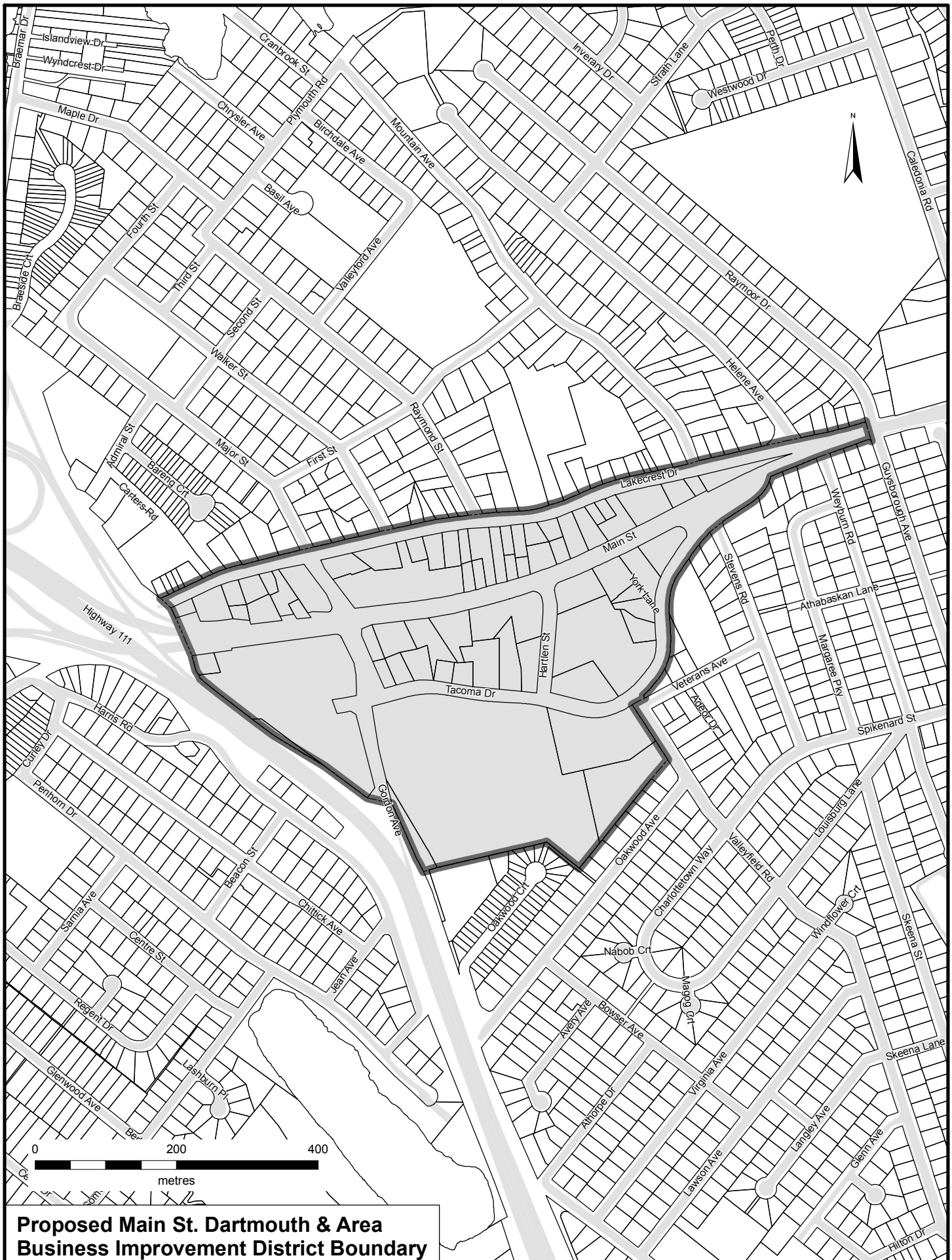
Report Prepared by: Nancy Tissington, Project Coordinator, Heritage & Design, 490-3941

Report Approved by: Jacqueline Hamilton, Supervisor of Heritage & Design, 490-5685

  
Austin French, Manager of Planning Services, 490-6717

Financial Approval by:   
Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by:   
Paul Dunphy, Director of Community Development



**Proposed Main St. Dartmouth & Area  
Business Improvement District Boundary**

HRM does not guarantee the accuracy of any representation on this plan. Effective date does not indicate date of data creation.



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Attachment 2

February 5, 2007

**RE: Creation of the Main Street & Area Business Commission**

To Whom it May Concern;

This letter is the next step in the process the **Main Street & Area Business Commission** is following to create a levied business association for the Main Street Business District in Dartmouth.

In follow up to previous meetings and correspondence of the municipality and the association, the purpose of the Main Street & Area Business Commission is to support the needs of the Community for services, infrastructure, and activities that:

- Enhances the successful operation and growth of their businesses,
- Increases the satisfaction of employees with Main Street area as an employment location,
- Facilitates the ability of customers and clients of the Main Street & Area business community to access their facilities efficiently, and
- Are sensitive to the needs of the adjacent residential communities.

The creation of a Business Improvement District was one of the recommendations of the recent Main Street Streetscape Report with the support of area businesses. The entire Main Street & Area plan documents can be read online at [www.andrewyounger.ca](http://www.andrewyounger.ca)

The annual budget for the Main Street & Area Business Commission will be raised through a tax levy on businesses in the primary study area of the recent Main Street Streetscape project. The commission will be governed by a board elected by businesses and the Commission will be required to hold an Annual General Meeting to elect board members and to deal with business of the association.

The budget levy rates are proposed by the Main Street & Area Business Commission and are subject to approval by both the levied membership and Halifax Regional Council.

The levy rate proposed to support the Main Street & Area Business Commission is **\$0.1718 per \$100 of assessed value** for business occupancy and **\$0.14 per \$100 of assessed value** for commercial. To calculate your individual levy, use the following **formula** (assessment values can be found on your Provincial Assessment Notice):

**For Business Occupancy -** Multiply \$0.001718 by your Business Occupancy Assessment  
**For Commercial -** Multiply \$0.0014 by your Commercial Assessment

No individual business location or commercial property will pay less than \$150 or more than \$5000 per assessment. The Halifax Regional Municipality will include this levy in your annual tax bill and then remit the funds directly to the Main Street & Area Business Commission.

The creation of the Main Street & Area Business Commission must be supported by 50% plus one of businesses responding to this plebiscite for it to be endorsed by Regional Council, and for Regional Council to consider approval of the levy rate.

***Please respond by returning a signed and fully completed copy of this letter (area to fill out is below) on or before Thursday, February 21 at 4:30 PM, to "Main Street BID Vote, c/o Councillor's Support Office, PO Box 1749, Halifax, Nova Scotia B3J 3A5". Alternatively, you may fax your response by way of a signed copy of this letter to the same attention at (902) 490-4122.***

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

Yours truly;



Andrew Younger  
Councillor for District 6, East Dartmouth - The Lakes  
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:

Attachment 3

**2008-09 Proposed Operating Budget  
for  
District 6 Main Street, Dartmouth & Area  
Business Improvement Commission**

**REVENUE**

Business Occupancy (see Note 1)	\$20,279
Commercial (see Note 2)	\$52,477
<b>TOTAL LEVY REVENUE</b>	<b>\$72,756</b>
Summer Student Funds	\$7,000
Councillor Grant	\$2,000
GST Rebate	\$2,500
Event Sponsorship	\$4,000
<b>TOTAL OTHER REVENUE</b>	<b>\$15,500</b>
<b>TOTAL REVENUE</b>	<b>\$88,256</b>

**EXPENSES**

3% Holdback	\$2,183
Start-up Costs	\$2,000
Executive Director Salary & Benefits	\$40,000
Operations	\$5,173
Communications	\$2,000
Website & Brand	\$10,000
Events	\$4,000
Graffiti	\$1,500
Litter Pickup	\$2,400
Partnership Initiatives	\$6,000
Summer Student Salary	\$8,000
Contingency / Reserve Fund Transfer	\$5,000
<b>TOTAL EXPENSES</b>	<b>\$88,256</b>

Note 1: based on \$0.1718 per \$100 (Min \$150 Max \$5000) Assessed Value

Note 2: based on \$0.1400 per \$100 (Min \$150 Max \$5000) Assessed Value