

## REPORT

### ADMINISTRATIVE SERVICES COMMITTEE

MEETING DATE: DECEMBER 5, 2016

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**FROM:** Clerk's Department

**DATE:** November 11, 2016

**SUBJECT:** Downtown Business Improvement Area Proposed Boundary Expansion - By-law 2016-123

**LOCATION:**

**WARD:** 3

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#### RECOMMENDATION:

That By-law 2016-123, a by-law to expand the boundaries of the Downtown Oakville Business Improvement Area and repeal By-law 1988-157 and By-law 1978-60 be passed, to come into effect January 1, 2017.

#### KEY FACTS:

The following are key points for consideration with respect to this report:

- The Downtown Business Improvement Area Board of Management requested that the Downtown Oakville Business Improvement Area (BIA) be expanded to be consistent with the boundary of Downtown Oakville as set out in the Livable Oakville Official Plan, to be effective January 2017.
- Business Improvement Areas are governed by Section 204 to 215 of the Municipal Act, 2001 and Section 209 provides the legislative authority to expand a BIA.
- Council, on June 27<sup>th</sup>, 2016 authorized the Town Clerk to issue notification of Council's intent to pass a by-law to expand the boundaries of the Downtown BIA.
- Notices of intention to pass a by-law to expand the boundaries of the Downtown Oakville BIA were sent by mail to the BIA Board of Management and property owners with a business property tax classification within the current and proposed business improvement on September 7, 2016.
- The Notices of intention to pass a by-law to expand the boundaries of the Downtown Oakville BIA were also delivered by hand to all businesses within the current and proposed business improvement on September 8<sup>th</sup> and 9<sup>th</sup>, 2016.
- Objections to the proposed boundary expansion of the Downtown Oakville BIA were to be submitted not later than November 7, 2016.
- A total of 8 objections were received representing 3.5% of the total tax base.

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- The objections received do not meet the thresholds required by the *Municipal Act, 2001* to stop the expansion.

**BACKGROUND:**

The *Municipal Act, 2001* authorizes a municipality to designate an area as an improvement area and establish a board of management to (a) oversee the improvement, beautification and maintenance of municipally-owned land, buildings and structures in the area beyond that provided at the expense of the municipality and (b) to promote the area as a business or shopping area. Business Improvement Areas (BIA) are considered as local boards of the municipality for all purposes. The town has three BIA's: Downtown Oakville, Kerr Street, and the Bronte Business Improvement Area.

At the Downtown Oakville BIA board meeting of September 16, 2015, the following motion passed unanimously:

"That the proposed boundary of the Downtown Oakville BIA be expanded to be consistent with the Oakville Official Plan for the Downtown Oakville core for the 2017 fiscal year."

The Downtown Oakville BIA Board held public information sessions for the existing membership and those businesses and property owners affected by the proposed boundary expansion to discuss their proposed boundary expansion.

Council, on June 27<sup>th</sup>, 2016 authorized the Town Clerk to issue notification of Council's intent to pass a by-law to expand the boundaries of the Downtown BIA. On September 7, 2016 a total of 185 notices were delivered by mail to property owners of all commercial and industrial property owners (as defined under the assessment act) deemed as rateable properties and subject to a BIA levy within the current and proposed expanded areas. It is the responsibility of those persons receiving notice who have tenants, to give a copy of the notice to each of their tenants. To ensure that all tenants were informed, an additional 354 notices were hand delivered on September 8 and 9, 2016.

In accordance with the legislative requirements of the *Municipal Act, 2001*, the notice included the following:

1. That within 30 days of the date of the notice, landlords must provide a copy to all tenants that pay a portion of the business property tax and provide the Clerk of the municipality a list of every tenant required to pay taxes on the property as well as the share of taxes each tenant and the property owners pay.

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2. That all objections must be received within 60 days of the date of the notice, which expired on November 7, 2016.

The Municipal Act, 2001 stipulates that a municipality shall not pass a By-law to change the boundary of a BIA if, within 60 days of the date of the notice, objections have been received by at least one-third of the total number of people eligible to receive notice, and the objectors must be responsible for at least one-third of the business property taxes.

### **COMMENT/OPTIONS:**

In the case of the Downtown Oakville BIA boundary expansion, a total of 8 objections were received. Three objections were received from within the existing BIA boundary representing 1.71% of the existing tax base and five objections were received from the proposed expanded area representing 12.49% of the expanded area tax base. In total, the 8 objections reflect 3.5% of the total tax base.

Since the objections received do not meet the thresholds required by the *Municipal Act, 2001* to stop the expansion as they do not represent at least one-third of the total number of people eligible to receive notice, and they are not responsible for at least one-third of the business property taxes, .

### **CONSIDERATIONS:**

#### **(A) PUBLIC**

Two information sessions were hosted by the Downtown BIA and attended by Town staff on May 10, 2016. Notice to owners in the BIA were distributed by the Clerk's Office in accordance with legislative requirements and notice was posted in the local newspaper.

#### **(B) FINANCIAL**

Administrative processing time and postage costs have incurred and absorbed by the Clerk's department's budget.

The town is required to levy on behalf of the BIA's and the BIA levies are included in the town's tax levy by-law. Property tax bills for all taxable commercial properties in the Business Improvement Areas include the BIA levy. The new BIA levy will not be billed till the final tax bill in May of 2017.

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**(C) IMPACT ON OTHER DEPARTMENTS & USERS**

The Financial Operations and Economic Development departments have been involved with this process.

The BIA Boards of Management provide for the promotion of the areas as business or shopping areas and for improvement, beautification, and maintenance beyond that provided at the expense of the municipality at large.

**(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS**

This report addresses the corporate strategic goal to:

- provide outstanding service to our residents and businesses
- be accountable in everything we do

**(E) COMMUNITY SUSTAINABILITY**

This report addresses the economic stability of the community.

**APPENDICES:**

Appendix A: By-law 2016-123, a by-law to expand the boundaries of the Downtown Oakville Business Improvement Area and repeal By-law 1988-157 and By-law 1978-60.

Prepared and Submitted by:

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Town Clerk