

BUSINESS IMPROVEMENT AREA BYLAW, 2024

A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to establish a Downtown Victoria Business Improvement Area and Service, to grant money and levy local service tax for that purpose.

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Schedule A – Map of business improvement area

Under its statutory powers, including section 215 of the *Community Charter*, the Council of the Corporation of the City of Victoria, in an open meeting assembled, enacts the following provisions:

Title

- 1 This Bylaw may be cited as the “Business Improvement Area Bylaw, 2024”.

Definitions

- 2 In this Bylaw,

"BIA" means the business area designated as the Downtown Victoria Business Improvement Area under section 3;

"business promotion scheme" means:

- (a) carrying out studies or making reports respecting the BIA,

- (b) the improving, beautifying, or maintaining streets, sidewalks, or municipally owned land, buildings, or structures in the BIA,
- (c) removing graffiti from buildings and other structures in the BIA,
- (d) conserving heritage property in the BIA, and
- (e) encouraging business in the BIA;

“City” means the Corporation of the City of Victoria;

“Collector” means the City officer assigned responsibility as collector of taxes for the City;

“Director” means the City’s Director of Finance;

“Downtown Victoria Business Improvement Area Service” means the local service established under section 4;

“DVBA” means the Downtown Victoria Business Association;

"taxable property" means land and improvements within the BIA that are classified as Class 5 [*light industry*] or 6 [*business and other*] property class, under the *Prescribed Classes of Property Regulation* BC Reg. 438/81, and that are not exempt from paying municipal property taxes under the *Community Charter*, SCB 2003, c. 26.

Designation of business improvement area

- 3** That part of the City that is shown as “Business Improvement Area” on the map in Schedule A is designated as a business improvement area to be known as the Downtown Victoria Business Improvement Area.

Downtown Victoria Business Improvement Area Service

- 4** The Downtown Victoria Business Improvement Area Service is established to provide for the planning and implementation of a business promotion scheme.

Grant of money for business improvement area service

- 5** Between 2025 and 2029, Council may, by resolution, grant up to a total amount of \$9,927,770 to the DVBA in accordance with the following maximum grants for each year indicated:
 - (a) \$1,832,936 for the year 2025;

- (b) \$1,906,253 for the year 2026;
- (c) \$1,982,503 for the year 2027;
- (d) \$2,061,803 for the year 2028; and
- (e) \$2,144,275 for the year 2029.

Local service tax levy

- 6**
- (1) Local service taxes in the amounts that will recover the amounts set out in section 5 must be imposed by bylaw in each of the years indicated in section 5 (a) to (e).
 - (2) The local service taxes under this section must be included in the City's real property tax roll for the years indicated in section 5 and are payable to and collected by the Collector in the same manner as other rates shown on the real property tax roll.
 - (3) In the event the City is unable to collect the total taxes imposed under subsection (1) in any year, as a result of reduction in the assessed value of a taxable property following an assessment appeal, or due to any other eventuality that is beyond the City's control, and that results in a shortfall of tax revenue in relation to a grant to the DVBA, the City may in the following year levy against the taxable properties an increase amount equal to the aforesaid shortfall.

Payment of the grant money

- 7**
- (1) The Director may pay to the DVBA the amount imposed and collected in each year pursuant to section 6.
 - (2) Subject to subsection (3), payments pursuant to subsection (1) shall be made in two instalments on February 15 and July 31 of each year indicated in section 5.
 - (3) The Director may withhold any of the payments under this section if, the DVBA has not complied with the grant conditions in section 10, or Council has not approved the DVBA's budget pursuant to section 9.
 - (4) At the request of the DVBA, made within 10 business days of being notified of the Director's decision to withhold payment under subsection (3), Council may reconsider the Director's decision and:
 - (a) confirm the Director's decision and withhold payment; or

- (b) overturn the Director's decision and authorize payment in whole or in part, subject to any conditions that Council considers appropriate.
- (5) Any money collected pursuant to section 6 and withheld from the DVBA pursuant to this section must be:
- (a) applied to reduce the local service tax levied in the following year; or
 - (b) transferred to a City reserve fund intended for capital improvements within the BIA.

Use of the grant money

- 8** All money granted to the DVBA pursuant to this Bylaw must only be used for a business promotion scheme in accordance with an annual budget approved by Council in accordance with section 9.

Annual budget approval by Council

- 9**
- (1) On or before November 30 in each year, the DVBA must submit to the City its proposed budget for the following year.
 - (2) The proposed DVBA budget must:
 - (a) be based on a fiscal year beginning on January 1;
 - (b) contain information in sufficient detail to describe all anticipated expenses and revenues;
 - (c) clearly indicate the proposed use of all funds received from the City in accordance with this Bylaw, including any unspent funds from the previous year;
 - (d) be approved by the DVBA's board of directors prior to its submission to the City; and
 - (e) be approved by the DVBA membership at the annual general meeting.
 - (3) For clarity, if the DVBA annual general meeting is held after the submission of the proposed budget to the City, subsection (2)(e) is satisfied if the proposed budget is approved by the DVBA membership after its submission to the City.
 - (4) Before January 15 of each year indicated in section 5, Council must consider the proposed DVBA budget and may:

- (a) approve the budget as submitted;
 - (b) request additional information or clarification from the DVBA; or
 - (c) reject the proposed budget if, in Council's opinion, it does not adequately achieve the objectives of the business promotion scheme.
- (5) If Council rejects the proposed budget, the DVBA may, within 30 days, resubmit a new proposed budget that, in addition to meeting the requirements of subsection (2), addresses Council's concerns and Council must promptly consider the revised proposed budget in accordance with subsection (4).

Conditions of the grant

- 10** All the money granted pursuant to the Bylaw is subject to the following conditions:
- (a) the DVBA must have as one of its aims, functions, or purposes the planning and implementation of the business promotion scheme;
 - (b) the money granted under this Bylaw may only be expended by the DVBA;
 - (c) the money granted under this Bylaw may only be expended in accordance with the budget approved pursuant to section 9, unless expressly authorized by Council;
 - (d) the DVBA must strictly comply with the reporting and inspection requirements in section 11;
 - (e) if not required for the DVBA's immediate use, money granted under this Bylaw must be invested only in securities in which trustees are authorized by law to invest;
 - (f) the DVBA must keep separate from any other accounts the account or accounts used for money granted under this Bylaw;
 - (g) the DVBA must maintain a policy of comprehensive general liability insurance in the amount of \$5,000,000 that:
 - (i) names the City as an additional insured,
 - (ii) contains a cross coverage provision, and
 - (iii) contains an endorsement to provide the Director with 30 days notice of change or cancellation;
 - (h) the DVBA must not alter or approve amendments to its constitution or bylaw without providing the Director with:

- (i) at least two months' notice of the DVBA's intention to do that, and
 - (ii) the substance of the proposed alteration or amendment;
- (i) the DVBA constitution and bylaws must provide for the return of the grant money to the City in the circumstances set out in section 14(1);
 - (j) the DVBA must not charge an annual membership fee of more than \$5.00; and
 - (k) the DVBA must not carry out any borrowing, that results in an indebtedness or other obligation as to money granted under this Bylaw, extending beyond the fiscal year in which that money was granted.

Reporting requirements and inspections

- 11**
- (1) Every three months following the approval of the DVBA's budget by Council, the DVBA must submit to the Director the DVBA's current statement of revenues and expenditures and such other financial information that the Director may request.
 - (2) On or before March 31 of every year, the DVBA, at its own expense, must cause its auditor to prepare and deliver to the Director audited financial statements of the DVBA, including:
 - (a) a balance sheet;
 - (b) a statement of revenue and expenditures;
 - (c) a statement of change in financial position;
 - (d) a schedule of change in financial reserves; and
 - (e) such other documents that the Director may request.
 - (3) The Director, or the Director's representative, may inspect, during regular business hours and on reasonable notice, all of the DVBA's financial records, including:
 - (a) records of accounts;
 - (b) receipts;
 - (c) invoices; and
 - (d) any other financial position records that the Director, or the Director's representative, considers to be necessary for the purpose of verifying and

obtaining further particulars of the budget and any financial statements of the DVBA as they relate to the money granted under this Bylaw,

and the DVBA must cooperate with and assist the Director, or the Director's representative, in obtaining access to such records.

- (4) No less than seven days before the date of a general meeting of the DVBA, the DVBA must deliver to the Director a declaration that all persons eligible to be DVBA members were notified of the general meeting.
- (5) Within 30 days after a meeting, the DVBA must deliver to the Director copies of the minutes of every:
 - (a) DVBA general meeting; and
 - (b) DVBA board of directors meeting.

Notice of DVBA meetings

- 12**
- (1) The DVBA must give notice, in accordance with this section, of any general meeting to:
 - (a) the Director;
 - (b) all persons who own taxable property; and
 - (c) all persons who lease or occupy taxable property and from which they carry on a business.
 - (2) Notice under subsection (1) must be given at least:
 - (a) 14 days in advance if delivered by hand or facsimile; or
 - (b) 21 days in advance if delivered by any other means.
 - (3) Notice under subsection (1)(b) may be delivered to the address shown in the most recent property tax roll of the City.
 - (4) Notice under subsection (1)(c) may be delivered to the address as determined by:
 - (a) business directories;
 - (b) visual inspection; or
 - (c) any other information system agreed to by the Director.

City representative at the board of directors meetings

- 13 (1) The Director, or the Director’s representative, may attend all meetings of the DVBA board of directors and shall be given an opportunity to make presentation to the board of directors regarding City’s activities relevant to the DVBA and ask questions about the DVBA’s activities, including the implementation of the business promotion scheme.
- (2) The DVBA must give the Director at least seven days’ notice prior to any meeting of its board of directors, including a copy of the proposed agenda and any materials that will be considered by the board of directors.
- (3) For clarity, the Director, or the Director’s representative, is not a member of the DVBA board of directors and shall not vote at the board meeting.

Special provisions in the event of discontinuation of service

- 14 (1) This section applies in the event:
 - (a) the DVBA is dissolved or becomes insolvent;
 - (b) Council does not approve the DVBA’s proposed budget or the revised budget submitted pursuant to section 9(5);
 - (c) two consecutive payments are withheld pursuant to section 7; or
 - (d) the Downtown Victoria Business Improvement Area Service is not continued beyond the years indicated in section 5.
- (2) Any grant money received by the DVBA under this Bylaw that remains unspent must be returned to the City of Victoria after the payment of any debts lawfully incurred by the DVBA in relation to a business promotion scheme.
- (3) Notwithstanding termination of the Downtown Victoria Business Improvement Area Service or that no new grants are payable to the DVBA, a local service tax levy may be levied for one additional year to recover any shortfall described in section 6(3).

Commencement

15 This Bylaw comes into force on adoption.

READ A FIRST TIME the _____ day of _____ 2024

READ A SECOND TIME the _____ day of _____ 2024

READ A THIRD TIME the

day of

2024

ADOPTED on the

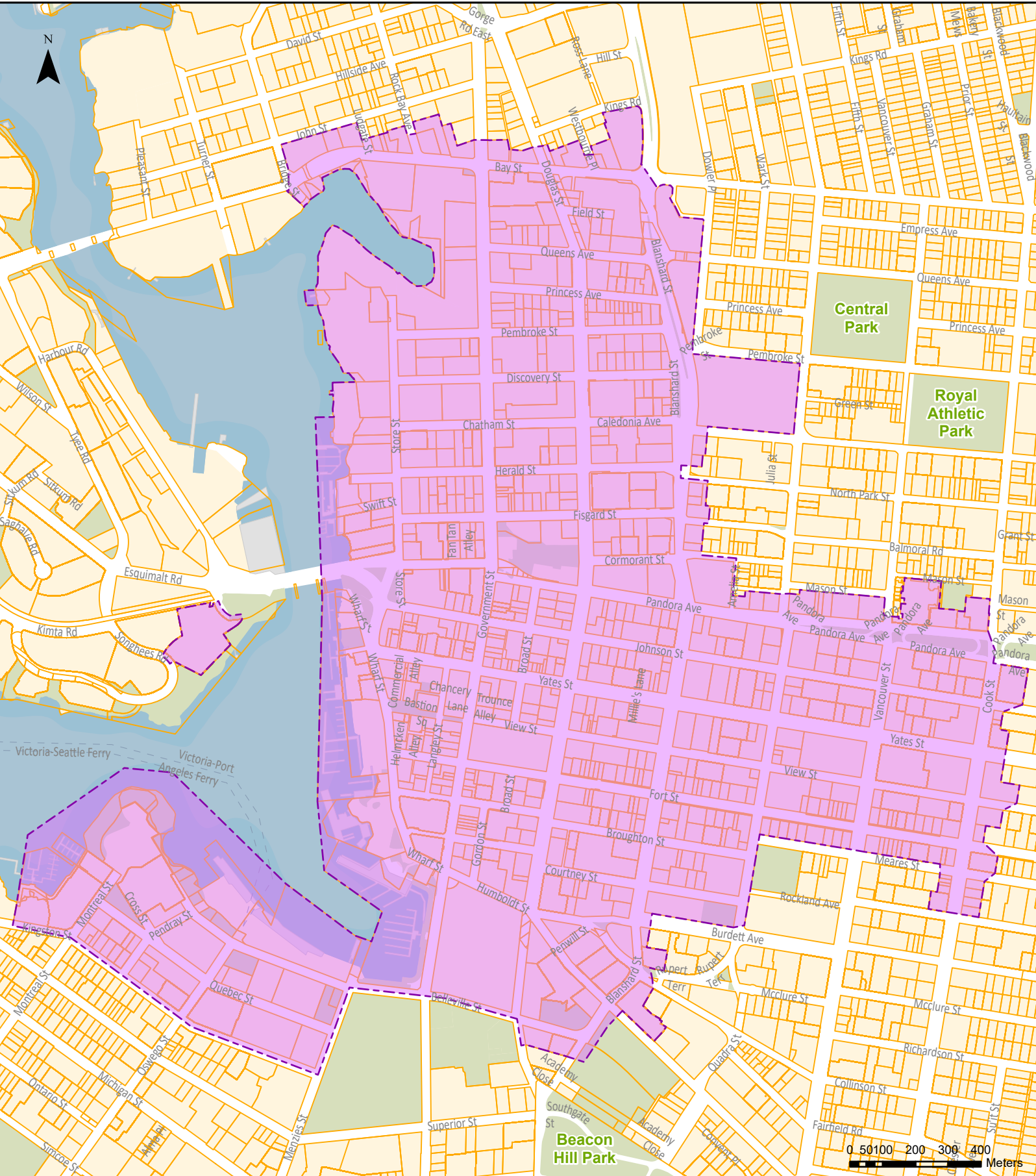
day of

2024

CITY CLERK

MAYOR

Schedule A – Map of Downtown Victoria Business Improvement Area



 Business Improvement Area