





REPORT TO: Finance and Corporate Services Committee

DATE OF MEETING: February 24, 2025

SUBMITTED BY: Cory Bluhm, Executive Director, Economic Development,

519-783-8262

Amanda Fusco, Director of Legislative Services & City Clerk,

519-904-1402

PREPARED BY: Lauren Chlumsky, Economic Development Analyst, 519-783-8263

WARD(S) INVOLVED: Wards 8 and 9

DATE OF REPORT: February 6, 2025

REPORT NO.: DSD-2025-065

SUBJECT: Belmont Business Improvement Area Expansion Update

### **RECOMMENDATION:**

### For information.

## **REPORT HIGHLIGHTS:**

- The purpose of this report is to provide the results of the statutory circulation process that was undertaken based on the request from the Belmont Business Improvement Area (BIA) to expand its' boundaries.
- The key finding of this report is that the tests of Section 210 of the Municipal Act, 2001 (the Act) were not met, and thus an expansion to the BIA boundary is not permitted. The BIA remains in effect within its' existing boundary area.
- There are no financial implications of this report. With no change to the boundary, there would be no additional funds collected from new properties through a BIA levy.
- Community engagement included formal notice in accordance with Section 210 of the Act, information postcards provided to businesses, two public information sessions held on November 21, 2024, and individual meetings with affected property and business owners.
- This report supports the delivery of core services.

### **BACKGROUND:**

A Business Improvement Area (BIA) is a designated geographic area within a municipality where local property owners and businesses join together to oversee beautification, promotion and economic development. A BIA operates as a Board of Management and is established by City Council. Members are subject to an additional levy on top of their municipal property taxes, which is transferred to the Board.

<sup>\*\*\*</sup> This information is available in accessible formats upon request. \*\*\* Please call 519-741-2345 or TTY 1-866-969-9994 for assistance.

The Belmont BIA was established in August 1977 and includes all properties located along Belmont Avenue West between Union Boulevard and Glasgow Street. In September 2024, Council received a request from the Belmont BIA to expand its boundaries through report DSD-2024-372 Belmont BIA Boundary Expansion, which initiated a legislated process to consider the expansion as prescribed by the Municipal Act, 2001 (the Act).

## **REPORT:**

Belmont Village is a vibrant gem nestled between Downtown Kitchener and Uptown Waterloo. One of two BIAs in Kitchener, it is home to independent shops, services, and eateries. As commercial and residential growth continues in the surrounding area, the BIA requested an expansion to its boundaries to enable broader support to more businesses. An expansion to the BIA boundaries requires a legislated process to be undertaken by the municipality, to notify and seek input from affected property owners and businesses. The following offers a description of that legislated process and its application in this request.

## **Municipal Act Powers**

Section 209 of the Act gives authority to a municipal Council to alter the boundaries of an improvement area. Prior to the passing of such a by-law, notice must be sent by prepaid mail to every person who is assessed for relatable property that is in a prescribed business property class within the existing boundaries, as well as in the geographic area that a proposed by-law would add to the improvement area. Property owners who receive notice are required to notify any tenants and to provide the Clerk of the municipality with a tenant list and the share of the taxes that each tenant is required to pay.

A municipality is not permitted to pass a by-law to expand the boundaries of an improvement area if the following conditions are met:

- written objections are received by the Clerk within 60 days;
- the objections have been signed by at least one-third of the total number of persons entitled to notice; and,
- the objectors are responsible for at least one-third of the taxes levied on relatable property in all prescribed business property classes in:
  - a. the improvement area, or
  - b. in the geographic area a proposed by-law would add to the improvement area.

The Clerk determines whether the conditions set out by the Act have been met, and if they are, shall issue a certificate affirming that fact. The determination by the Clerk is final.

# **Belmont BIA Boundary Process**

On September 30, 2024, Council directed staff to give notice of its intent to consider a bylaw to change the boundaries of the Belmont BIA. All prescribed notices were prepared and sent by prepaid mail, and available electronically on the city's website, in accordance with the Act by October 15, 2024, initiating the 60-day notification and objection period.

Recipients were required to give a copy of the notice to each tenant of the property and to provide a completed tenant list form to the Clerk by November 14, 2024. Written objections were required to be submitted no later than December 14, 2024.

Upon completion of the prescribed 60-day notification and objection period, the City Clerk determined that the conditions set out in the Act for objections were met:

- 1. A total of 49 objections were received from property owners and tenants, exceeding the minimum threshold of 46 required to prevent the expansion; and,
- 2. The objectors were responsible for 67% of the share of the taxes in the geographic area the proposed by-law would add to the existing improvement area, exceeding the minimum threshold of 33% required to prevent the expansion.

The decision of the Clerk on the request to expand is included in Attachment A.

As a result of the prescribed conditions being met, Council is not permitted to pass a by-law to expand the boundaries of the BIA. The Belmont BIA remains in effect within its existing boundary area with no change to its membership.

## STRATEGIC PLAN ALIGNMENT:

This report supports the delivery of core services.

## FINANCIAL IMPLICATIONS:

Capital Budget – The recommendation has no impact on the Capital Budget.

Operating Budget – The recommendation has no impact on the Operating Budget.

## **COMMUNITY ENGAGEMENT:**

INFORM – This report has been posted to the City's website with the agenda in advance of the council / committee meeting. Notice of the proposed by-law was sent by prepaid mail to every person who is assessed for rateable property that is in a prescribed business property class. In addition to formal notices, the City distributed postcards to affected businesses in the proposed expanded area providing information about the proposed expansion.

CONSULT – Community engagement included two public information sessions held on November 21, 2024, and individual meetings with affected property and business owners as requested. Those affected by the proposed expansion were generally supportive of the existing BIA and the community stewardship BIAs provide. However, concerns were raised about the financial implications of an expansion given the current economic climate. BIAs are self-funded, and an expansion would have imposed a levy on new members, of which the objectors were not supportive. The conditions set out in the Act give affected property owners and businesses legislated authority to directly impact whether an expansion by-law could be considered by Council.

### PREVIOUS REPORTS/AUTHORITIES:

- DSD-2024-372 Belmont BIA Boundary Expansion
- Municipal Act, 2001

APPROVED BY: Justin Readman, General Manager, Development Services

### ATTACHMENTS:

Attachment A – Decision of Clerk on Request to Expand