

To	General Committee
Subject	Downtown Barrie Business Improvement Area Levy
Date	May 7, 2025
Ward	2
From	C. Smith, Interim Director of Finance
Executive Member Approval	J. Schmidt, General Manager of Community and Corporate Services
CAO Approval	M. Prowse, Chief Administrative Officer
Staff Report #	FIN 009-25

Recommendation(s):

1. That the City of Barrie (City) establish a special charge of 0.4410345% for 2025 to levy an amount of \$755,237 upon commercial and industrial properties in the Downtown Barrie Business Improvement Area.
 2. That the Downtown Barrie Business Improvement Area (BIA) 2025 Operating and Capital budgets be approved, as presented in Staff Report FIN009-25.
 3. That the City Clerk be authorized to prepare the appropriate by-law authorizing this 2025 special charge rate and levy requirement.
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Executive Summary:

Under Section 205(2) of the *Municipal Act, 2001*, the Downtown Barrie Business Improvement Area (BIA) Board of Management shall submit their annual budget to Council by the date and in the form required by the municipality, and is required to seek Council approval of the budget in order that a levy for funds to cover their annual operating and capital costs can be made. Council may approve the budget submission in whole or in part, but may not add expenditures to it.

As per Section 205(3)(b) of the *Municipal Act, 2001*, the BIA shall not

- a) spend any money unless it is included in the budget approved by the municipality or in a reserve fund;
- b) incur any indebtedness extending beyond the current year without the prior approval of the municipality; or

- c) borrow money.

Key Findings:

The BIA Board of Management has passed a motion to approve the 2025 budget (see Appendix “A”). In order to have the City’s final tax bills issued in June and meet legislated timelines, Council will need to approve the BIA budget by Wednesday, May 14th.

The 2025 BIA budget’s proposed expenditures and use of funds (see Appendix “B”) are summarized as follows:

Administration	\$388,797
Marketing and communications	\$61,000
Culture and heritage events	\$155,365
Beautification and cleanliness	\$40,075
Capital commitments	<u>\$110,000</u>
Net levy required	<u>\$755,237</u>

In 2024 the net levy required was \$726,434 (see Appendix “B”).

The total taxable assessment for 2025 for the BIA is \$171,242,176.

The proposed special charge for 2025 is 0.4410345% compared to the 2024 special charge of 0.425211%.

Financial Implications:

There are no direct financial implications to the City related to the levy request as it is only applicable to those commercial and industrial properties within the designated business improvement area boundaries.

Alternatives:

The following alternatives are available for consideration by General Committee:

Alternative #1 – General Committee could choose to approve only a portion of the budget to be included in the levy. This alternative is not recommended as the budget submitted reflects the needs identified by the BIA for the Downtown Barrie Business Improvement Area.

Alternative #2 - General Committee could choose not to approve the budget. This alternative is not recommended as budget approval is required in order to apply the BIA levy on the final tax bills being mailed out in early June. A decision to delay budget approval could result in the City not meeting legislative property tax billing timeline requirements.

Strategic Plan Alignment:

The recommendations included in this Staff Report are not specifically related to the goals identified in the 2022-2026 Strategic Plan.

Additional Background Information and Analysis:

As per Motion 22-G-109 arising from Staff Report CCS004-22, a by-law concerning the BIA governance was approved. Paragraph 41 of the by-law states that the BIA annual budget shall be approved by the Board and provided to Finance Services staff in the required format no later than the third Friday in January each year.

Other Revenues and Expenses and Budget Deficit

In order to ensure compliance with section 205 of the Municipal Act and to assist Council in making informed decisions, Council passed the following motion in 2023:

23-G-099 That for the 2024 budget and beyond, the BIA provide a full budget to the City that includes all expected revenues and expenses for the year.

The BIA Board has not provided complete 2025 budget amounts for other revenues such as grant revenues, special event revenues, and donations, nor the expenses to be incurred relating to the unbudgeted revenues. Unbudgeted government grants and special events revenue totalled \$88,635 in 2024 (under audit) (2023 - \$280,972), and unbudgeted fundraising and other revenues totalled \$106,931 in 2024 (under audit) (2023 - \$179,741).

The BIA ended the 2024 fiscal year with a deficit for budget purposes of \$60,894, funded largely by decreases in cash and outstanding accounts receivable balances (see Appendix “B”).

BIA Capital Commitments

The BIA, through their Contribution agreement with the City, committed to funding \$3,351,775 for the construction of the Meridian Place project. As of December 31, 2024, the BIA has contributed \$1,875,253 towards the project and intends to fundraise an additional \$114,870 over a 1-year period.

The remaining portion of the Meridian Place project commitment, along with any fundraising shortfall remaining at the end of 2031, is to be paid over a twenty-year period which began in 2022. As per the agreement with the City, the BIA has included a payment in the amount of \$75,647 in their budget for 2025.

The BIA, through their Contribution agreement with the City, also committed to funding \$300,000 of the Dunlop Streetscape project with payments over a twenty-year period, which began in 2022. As per the agreement with the City, the BIA has included a payment in the amount of \$15,000 in their budget for 2025.

In addition to the Meridian Place and Dunlop Streetscape payments, the BIA has included in their budget \$5,000 for a pedestrian counter and \$14,353 for their ‘Opportunity Fund’. The BIA’s total capital commitment budget for 2025 equates to \$110,000 (\$75,647 + \$15,000 + \$5,000 + \$14,353).

Financial Statements

The audited financial statements for the BIA for the year ended December 31, 2023, are dated April 25, 2024 (see Appendix “C”). Audited financial statements for the 2024 fiscal year have not yet been finalized.

Consultation and Engagement:

There was no public consultation required in relation to this staff report.

Environmental and Climate Change Impact Matters:

There are no environmental and/or climate change impact matters related to the recommendation.

Appendices:

Appendix A – Downtown Barrie Business Improvement Area (BIA) Board of Management Motion to Approve Budget

Appendix B – Downtown Barrie Business Improvement Area 2025 Budget – see separate attachment

Appendix C – Downtown Barrie BIA Audited Financial Statements Year Ended December 31, 2023 – see separate attachment

Report Authors:

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File #: Not Applicable

Pending #: Not Applicable

APPENDIX “A”

Downtown Barrie Business Improvement Area (BIA) Board of Management Motion to Approve Budget



DOWNTOWN BARRIE BIA 2025 BOARD OF MANAGEMENT – MOTION RECORD SPECIAL MEETING - THURSDAY, JANUARY 16, 2025

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- **BIA Motion 2025_01_16 #1 - 2025 BIA BUDGET APPROVAL**

The Downtown Barrie BIA Board of Management moves a motion to approve the 2025 BIA Budget amount is \$755,236.50, as presented.

Moved by: Chair Steve Ricalis

Seconded by: Secretary-Treasurer Chris Gerrard

Vote: All in favour **APPROVED**

APPENDIX “B”

Downtown Barrie Business Improvement Area 2025 Budget

See separate attachment

APPENDIX “C”

Downtown Barrie BIA Audited Financial Statements
Year Ended December 31, 2023

See separate attachment