

WHAT IS A BIA?

The BIA Concept

The Business Improvement Area (BIA) concept is a mechanism for:

1. the promotion of an area as a business or shopping area;
2. the improvement, beautification and maintenance of municipally owned lands, buildings and structures in the area, beyond that which is provided by the City of Ottawa. In other words, BIA members pay to improve municipal properties.

HOW IS A BIA ESTABLISHED?

To initiate a BIA, the business association or group of business people are advised to contact the Department of Economic Development at City Hall to discuss the idea in more detail. Should the business people decide to proceed, a letter requisitioning designation of their area as a BIA should be sent to the Commissioner of Economic Development at City Hall. At this time, a meeting should be organized in the area to explain the BIA concept to all affected business people. The Department of Economic Development will assist with the meeting. The Economic Affairs Committee and City Council may then approve in principal the designation of the BIA.

Notification and Objections

Every business in the proposed area will be notified in writing that the City of Ottawa intends to designate the area as a BIA. Within two months, each business notified has the right to present a petition or objection to the designation. The objection or petition must be addressed to the City Clerk, who then decides if there are "sufficient" objections or petitions to preclude City Council from approving the BIA.

Two conditions determine sufficiency:

1. Do the petitions represent objections by one-third of all those notified?
2. Is the commercial assessment of the lands held by the objectors equal to or greater than one-third of the total commercial assessment of all businesses in the proposed area?

If these two conditions are met, City Council will not give final approval to the BIA. If these two conditions are not met, City Council may pass a by-law establishing the BIA.

If no objections or petitions are received within thirty days after the City mails the notice, the City Council approval of the BIA by-law is final. If City Council approves the by-law and objections or petitions were received within thirty days, the BIA by-law does not come into effect without the approval of the Ontario Municipal Board (OMB). In this case, the OMB may choose to hold a hearing at a later date, to which objectors and supporters will be invited. The OMB may or may not approve the BIA by-law and it may impose conditions on the BIA as it sees fit.

HOW DOES A BIA OPERATE?

Board of Management

When the BIA by-law has received final approval, City Council may appoint members to the board of management, which is a corporate body. While there is no limit on the number of members from the business community, at least one member must also be a member of City Council. Members from the business community must either be assessed for business tax in the area or be a nominee of a person or corporation assessed for business tax in the area.

The board of management, serving the entire BIA, should involve representatives of the retail, professional, service and financial sectors. These members, together with the City Council representative(s), form the board of

management. The BIA membership can recommend a slate of candidates to City Council for appointment to the board. Each member of the board may hold office for the term of City Council.

BIA Budget

The board of management shall submit to Council its budget estimates for the current year, and shall not expend any moneys not included in the estimates approved by Council. The board shall not borrow money and without prior approval of Council, it may not incur any indebtedness extending beyond the current year. Within the confines of the approved budget, the Board of Management has the authority to determine what does and does not become part of the improvement and promotional program, to set priorities and to apportion funds.

BIA Funding

Money for the annual BIA budget is collected from the businesses in the area. Generally, each business pays the proportion of the budget that its commercial assessment bears to the total commercial assessment of the area. For example, if the commercial assessment of a business is \$1,000, and the total commercial assessment of the area is \$100,000, then the business will contribute 1% of the budget. The legislation permits City Council to set a special BIA charge for any business which, in the opinion of Council derives greater or lesser benefit from the establishment of the BIA. Every business in a BIA must contribute its share to the budget. The money is collected as a tax by the City of Ottawa.