

TO: CITY MANAGER 1994 MARCH 23

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: CORRESPONDENCE REGARDING BYLAW NO. 10,003
HASTINGS STREET BUSINESS IMPROVEMENT AREA

PURPOSE: To inform Council of the response to questions in a letter about the Hastings Street Business Improvement Area appearing on last week's Council agenda.

RECOMMENDATION:

1. **THAT** copies of this report be sent to Toby Lee, 6050 Sumas Street, Burnaby, B.C. V5B 2T4; Stephen Mikicich, Aplin & Martin, 201-12448-82nd Avenue, Surrey, B.C. V3W 3E9; and Ed Wood, President, Heights Merchants Association, 4302 Hastings Street, Burnaby, B.C. V5C 2J9.

REPORT

Appearing on last week's agenda was a letter from Toby Lee inquiring about the workings of the Business Improvement Area (BIA) proposed for Hastings Street. This report responds to the issues raised. Another letter appearing on last week's agenda from Stephen Mikicich, the consultant working with Heights Merchants Association on establishing the BIA, provides additional explanation.

As Council may recall, the purpose of the BIA is to help local business people and property owners to upgrade and promote a local business and shopping district to improve its economic viability. The Hastings BIA is the first in Burnaby.

On 1994 January 24 Council gave three Readings to Bylaw No. 10,003 to create a Business Improvement Area for the Hastings Street Area. Subsequently, a Notice of Intention was published in the Burnaby Now and sent to all commercial property owners and tenants within the proposed boundaries explaining the benefits of the BIA and the levy system. The property owners and lessees then had one month, until 1994 March 22, to petition Council if they did not wish to proceed with the BIA.

For clarification, regarding the fairness of the petition, under Provincial legislation the BIA may be established, through one of two different means: (1) the "Petition" process and (2)

ITEM	5
MANAGER'S REPORT NO.	20
COUNCIL MEETING	94/03/28

the "Council Initiatives". The former is cumbersome and rarely used while the latter, which Burnaby pursued, establishes a BIA under a bylaw. As noted above, after Third Reading of the bylaw, the property owners were sent a notice of intention. This describes the benefits of the BIA and the additional levy that will be imposed. Property owners not in favour of proceeding with the BIA initiative then have one month to petition the Council not to proceed with the BIA. Unless a petition against the BIA by two thirds of the property owners representing 50% of the total property value is received, the BIA would then proceed.

To ensure notification and involvement of all shareholders in this initiative, lessees were also notified. The intent was that unless a petition against the BIA by over half the lessees remained unresolved, it would proceed. In addition, during November and December of 1993, the Heights Merchants Association contacted in writing and/or in person all available property owners and tenants as well as hosting a Public Information meeting to explain the concept of the BIA. Based on information obtained through these meetings, the consultant working with the Association reported that over 62% of property owners and tenants expressed support, about 32% were undecided and only 4-6% were opposed.

Concerning the nature of BIA levy, as stressed in the Notice of Intention, the BIA is to be funded by a levy on the commercial properties. For those properties with a mix of commercial and residential uses, the levy is only charged on the commercial component of the assessment.


For clarification about the BIA budget, this is to be presented and approved at each year's Annual General Meeting (AGM). All budget allocations are made only for the current fiscal year. As a non-profit organization the BIA is bound by the terms of the enabling Legislation to hold an AGM. All property owners and business operators within the BIA boundaries automatically belong to the BIA and are eligible to vote at the AGM, serve as Directors, etc. The purpose of the AGM, the first one of which is intended to be held in late April, is to approve the following year's budget, to elect Directors to the Board and to approve the overall performance of the Directors and the BIA. This must be done before the City of Burnaby will collect the BIA levy and release it to the Board of Management. All property owners and business tenants, within the boundaries of the BIA, as members of the BIA, are eligible to serve on the Board of Management. The appointment of various officers occurs at the first meeting of the Board of Management.

Finally, measuring the success of the BIA is the responsibility of the members. The BIA is intended to help the local business community articulate objectives and develop a shared vision for the business area. This BIA is likely to follow the example of other BIA's which evaluate their performance regularly through mechanisms such as surveys.

CITY MANAGER
CORRESPONDENCE - HASTINGS BIA
1994 MARCH 23 ...PAGE 3

ITEM	5
MANAGER'S REPORT NO.	20
COUNCIL MEETING	94/03/28

This is for the information of Council.



D.G. Stenson, Director
Planning and Building

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cc: Director Finance

