



# Corporate Report

2004

NO: R286

COUNCIL DATE: November 29,

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## REGULAR COUNCIL

TO: Mayor & Council    DATE: November 23, 2004  
FROM: Manager, Economic Development Office        FILE: 6930-20  
SUBJECT: Cloverdale Business Improvement Area - Proposed Renewal

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## RECOMMENDATION

That Council:

1. approve the 'Council Initiative' process as the method of renewal of the Cloverdale Business Improvement Area (BIA), and
2. authorize staff to prepare the required By-law

## BACKGROUND

A Business Improvement Area (BIA) is similar to a Local Improvement Area where funds are collected for specific purposes through a rate levied against properties in the specified area.

In 1995, Council approved the initial By-law creating the Cloverdale Business Improvement Area. In 2000, there was a renewal of the BIA for a further five-year term. The current By-law expires in March 2005. The Cloverdale BIA Association would like to renew their BIA, and have advised that there is continued support for the BIA.

## DISCUSSION

Under Provincial legislation (Community Charter), BIA's may be established through one of two different means:

- i. Council Initiative, or
- ii. Petition

Municipalities have the discretion to select which process they wish to follow, however, the existing BIA is proposing using the Council Initiative process, which is the same process as was used twice before for this BIA. Renewal of the BIA through the proposed method will reflect the wishes of the majority of property owners (and their tenants) and expedite the approval process. The two options are as follows:

- i. Council Initiative - BIA may proceed unless Council receives a sufficient petition against the service within 30 days of property owner notification.
- ii. Petition Process - requires support of 50% of the property owners representing at least 50% of the property values.

In British Columbia, virtually all of the BIA's have been established via the Council Initiative process. This process places the onus on those opposed to the BIA to speak up.

There are inherent administrative difficulties with the petition process. While it is possible to obtain support for a majority of property owners, it may not be possible to reach half of the owners if there is a significant degree of absentee ownership. In addition, apathy, undecidedness and noncommittal responses work against success in the

petition process.

A BIA By-law identifies the organization representing the BIA, defines the geographical boundaries, sets a budget for the expenditure of the funds collected and outlines a time frame for the By-law to be in effect.

In order to meet the legal requirements for establishment of the BIA, Council must introduce and give Three Readings to the By-law, and send out formal notification of the proposed Business Improvement Area to the property owners within the specified area. Property owners not in favour of proceeding with the BIA initiative have 30 days to petition Council not to proceed with the BIA. A sufficient petition against the BIA must be received, otherwise the BIA By-law may proceed to Final Adoption.

After property owner support has been demonstrated and a By-law adopted, an annual general meeting is held where Directors are elected and the first year's budget is approved by the property owners. In this proposed BIA, the first year budget would be \$120,000, with \$5,000 yearly increases similar to the current BIA By-law. The City collects the BIA funds through an annual tax levy and releases the funds to a legally constituted BIA Society only after the requirements outlined in the legislation have been met.

## **SUMMARY**

The current Cloverdale Business Improvement Association has requested that the BIA be renewed for a further five-year period, and indicate that they have experience no negative comments about the operations of the Cloverdale Business Improvement Area.

It is recommended that Council use the 'Council Initiative' process in order to meet the legislative requirements of the proposed BIA, and authorize staff to continue with the appropriate process.

Linda Hepner McMillan  
Manager  
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c.c. General Manager, Finance & Technology

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