



# Corporate Report

NO: R268

COUNCIL DATE: DECEMBER 17, 2007

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## REGULAR COUNCIL

TO: Mayor & Council DATE: December 10, 2007  
FROM: Manager, Economic Development FILE: 6930-20  
SUBJECT: Downtown Surrey Business Improvement Area - Proposed Renewal

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## RECOMMENDATION

That Council:

1. Approve the Council Initiative process as the method for renewal of the proposed expanded Downtown Surrey Business Improvement Area (BIA).
2. Authorize staff to introduce the required Bylaw and undertake actions necessary to proceed with the Council Initiative process.

## 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. For property owners and tenants, a BIA is an effective way of financing programs that would not be available to individual businesses by other means.

In 2003, Council approved the initial Bylaw creating the Whalley Business Improvement Area. The current Bylaw expires on March 31, 2008. The Whalley Business Improvement Association, which has now formally changed its name to the Downtown Surrey Business Improvement Association (DSBIA), is seeking to renew their BIA, with an expanded boundary, for a further five-year period.

## DISCUSSION

Under the Community Charter, BIA's may be established using one of the following means of consultation with property owners:

- **Council Initiative:** in which Council advises property owners that it will enact the Bylaw unless more than half the landowners, representing at least 50% of the assessed value of land and improvements that would be subject to the BIA tax, **register their dissent** within 30 days of notification.

- **Petition of Support:** in which at least half of the property owners, representing at least 50% of the assessed value of land and improvements that would be subject to the BIA tax, must **sign a petition indicating their support.**
- **Assent of Electors:** by way of **referendum**

Municipalities have the discretion to select the process they wish to follow. The DSBI has proposed using the Council Initiative process, which is the method used in the past in approving Business Improvement Area Bylaws in Surrey (Whalley and Cloverdale). This process is both effective in reflecting the wishes of the property owners as well as time efficient. The vast majority of BIA's in our Province have been established using the Council Initiative process.

The BIA Bylaw identifies the organization representing the BIA, defines the geographic area, specifies the funding formula to be used and states the term that the Bylaw will be in effect, (refer to Appendix A).

In order to meet legal requirements, Council must introduce and give the bylaw three readings. After third reading, formal notification of the proposed BIA is sent to the property owners within the specified area. If the Council Initiative process is the method used to consult with property owners, property owners not in favour of proceeding with the BIA initiative have 30 days to petition Council not to proceed. Unless a sufficient petition against the BIA (more than 50%) is received, the BIA Bylaw can proceed to Final Adoption.

After property owner support has been demonstrated and a Bylaw adopted, an annual general meeting is held where Directors are elected, and the first year budget is approved by the property owners. The DSBI has indicated that their first year budget would be \$575,000 with annual increases of \$25,000 over the five-year term of the proposed Bylaw.

The DSBI is also proposing to extend the boundaries of the BIA area (refer to Appendix B). Their rationale for expanding to include the additional properties is that they (DSBI) anticipate future developments in these areas will have commercial components.

The City collects the BIA funds through an annual tax levy and releases the funds to the legally constituted BIA Society only after the requirements outlined in the legislation have been met. Legal Services has reviewed this report and the proposed Bylaw and has no concerns.

## **SUMMARY**

The Downtown Surrey Business Improvement Association has requested that the BIA, with an expanded boundary, be renewed for a further five-year period. They have held a series of information meetings and events and distributed information about the proposed renewal (refer to Appendix C). To date they have not received any expressions of concern regarding the operation of the current Business Improvement Association.

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.

Donna Jones  
Manager, Economic Development

c.c. General Manager, Finance & Technology  
Attachments (3)