



# City of Prince Albert

**RPT 2025-150**

**TITLE:** 2024 Business Improvement District (BID) Levy Surplus Allocation

**DATE:** March 21, 2025

**TO:** City Council

**PUBLIC:** X

**INCAMERA:**

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## **RECOMMENDATION:**

That the surplus revenue generated from the 2024 Business Improvement District (BID) Levy in the amount of \$26,954 in Year 2024 be credited to the Prince Albert Downtown Business Improvement District Operating Reserve.

## **EXECUTIVE SUMMARY:**

The purpose or mandate of the business improvement district is to encourage the development of a vibrant and prosperous downtown business district by improving the area's appearance and image, promoting and marketing the area, and undertaking initiatives and projects that facilitate the ongoing rejuvenation and redevelopment of the area. By Bylaw, Council establishes an annual levy on all property used or intended to be used for business purposes in the Business Improvement District, of a uniform rate that Council considers sufficient to raise the amount required for the purpose of the proposed expenditures included in the approved estimates of the Board, less any revenues received by the Board. The levy is based on the assessment of all land and improvements used or intended to be used for business purposes in the Business Improvement District. For 2024, the Business Improvement District levy surplus is \$26,954. This report is recommending that the surplus generated in 2024 be credited to the Prince Albert Downtown Business Improvement District Operating Reserve to fund future downtown initiatives.

## **BACKGROUND:**

A municipality may pass a special tax bylaw and Subsection 278(1) of the *Cities Act* provides that the use of the revenue raised by a special tax must be used for that specific service or purpose stated in the bylaw to be completed within the taxation year. Subsection 278(2) of the *Cities Act* then states that when there is excess revenue generated from the special tax (i.e. actual expenses are less than the actual revenue from the special tax), the City shall give public notice of the use to which it proposes to put the excess revenue. This requirement in subsection 278(2) will allow for transparency between the City and residents as to what their tax dollars are being used for.

The purpose of the Downtown Business Improvement District (BID) Levy is to authorize a special levy to be paid by the taxable and grant in lieu properties for those businesses defined in the Prince Albert Downtown Business Improvement District area. This uniform rate should be sufficient to raise the amount required in 2024 for the proposed expenditures of the business improvement district.

The Bylaw states that the estimated cost of the service is \$118,000.

**PROPOSED APPROACH AND RATIONALE:**

The 2024 Prince Albert Downtown Business Improvement District Budget was approved as follows:

<b>PADBID</b>	<b>Year 2024</b>
<b>Contracted and General Services</b>	
Executive Director Position	\$57,000
Self-Employed Contractors	\$12,200
Downtown Security	\$80,000
Additional Contractor	\$3,000
Computer	\$500
<b>Total Contracted and General Services</b>	<b>\$152,700</b>
<b>Grants</b>	
Mini Façade Grant	\$10,000
Major Façade Grant	\$10,000
Events - Street Fair/Bike Derby/Parade	\$20,000
<b>Total Grants and Donations</b>	<b>\$40,000</b>
<b>Insurance</b>	<b>\$200</b>
<b>Maintenance Materials and Supplies</b>	
Telephone	\$1,800
Advertising	\$4,500
Rentals - Building	\$15,000
Meeting Incidentals	\$300
Operating Supplies	\$3,500
Specialized Equipment	\$1,000
Memberships and Dues	\$1,000
<b>Total Maintenance Materials Supplies</b>	<b>\$27,100</b>
<b>TOTAL PADBID EXPENDITURES</b>	<b>\$220,000</b>
<b>Funding:</b>	
PADBID Levy - Taxation	\$118,000
City of Prince Albert Grants In Lieu	\$22,000
Downtown Improvement Reserve (Façade Grants)	\$40,000
City Taxation	\$40,000
<b>Total Funding</b>	<b>\$220,000</b>

For 2024, PADBID had requested to increase the BID levy by \$40,000 to fund ½ of the downtown security costs in 2024 as outlined below for a total amount of \$80,000 approved to fund Downtown Security which is broken down with \$40,000 from an increase to the PADBID Levy and \$40,000 funded from City Taxation.

Also, as outlined below, the 2024 Budget included \$40,000 to be funded from the Downtown Improvement Reserve for the following grants:

- \$20,000 for Events – Street Fair/Bike Derby/Monster Mash/Parade
- \$10,000 for Major Façade Grant
- \$10,000 for Mini Façade Grants

#### PADBID Operating Revenue 2024

The revenue generated in Year 2024 by PADBID is outlined below:

PADBID Levy - Special Tax	\$109,017
External Funding & Sponsorship	\$30,720
Grants and Donations (Street Fair)	\$20,000
<b>2024 Total PADBID Operating Revenue</b>	<b>\$159,737</b>

Please note that the revenue generated in 2024 from the PADBID levy is short of the budgeted amount of \$118,000 as there are some taxes in the downtown area that were not paid in 2024.

#### PADBID Operating Expenditures for 2024

The expenditures for Year 2024 is outlined below:

<b>2024 Expenditures</b>	
Contracted - Capstone	\$60,420
Self Employed - Street Fair	\$21,062
Downtown Security	\$62,399
Other General Services	\$8,315
Computer Services	\$129
Grants Approved	\$3,144
Telephone	\$1,798
Advertising	\$3,643
Memberships and Dues	\$149
Subscriptions	\$610
Meeting Supplies	\$200
Operating Supplies	\$19,101
Building Rent	\$13,721
Hired Equipment Rental	\$2,570
Special Equipment Rental	\$649
Insurance	\$16
<b>Total Expenditures</b>	<b>\$197,927</b>

The grants approved in the total amount of \$3,144 are funded from the Downtown Improvement Fund Reserve. **That results in total spending of \$194,783.**

#### **CONSULTATIONS:**

The City of Prince Albert downtown businesses are involved with the planning and activities of the PADBID Board and have an interest in promoting the downtown core. City of Prince Albert residents, City facilities and other businesses benefit from PADBID's initiatives.

#### **COMMUNICATION AND/OR ANNOUNCEMENT PLAN:**

Once approved by Council, Administration will advise PADBID accordingly.

The City's Audit will confirm the final audited numbers relating to PADBID spending.

#### **BUDGET/FINANCIAL IMPLICATIONS:**

The surplus for PADBID ending 2024 is outlined below:

	<u><b>Actual YTD</b></u>
<b><u>2024 Revenue:</u></b>	
PADBID LEVY	\$109,017
Sponsorship	\$14,330
Grant	\$20,000
Sundry Revenue	\$16,390
Downtown Improvement Reserve - Grants	\$3,144
<b>Total Revenue</b>	<b>\$162,881</b>
 Budgeted Revenue	 \$118,000
<b>Revenue OVER Budget</b>	<b>(\$44,881)</b>
 <b>Total 2024 Expenditures</b>	 <b>\$197,927</b>
 2024 Budget Expenditures less Grant Funding - Downtown Improvement Reserve	 \$180,000
<b>Expenditures OVER Budget</b>	<b>\$17,927</b>
 <b>Estimated Surplus ending 2024</b>	 <b>(\$26,954)</b>

The impact to the PADBID Operating Reserve including the surplus and funding for the downtown security and additional contactors is as follows:

<b>AUDITED DECEMBER 31, 2023 BALANCE - SURPLUS</b>	<b>\$85,505.42</b>
<b><u>2024 BUDGETED TRANSACTIONS:</u></b>	
Transfer Surplus to Reserve for Year 2024	\$26,954.00
<b>ENDING BALANCE IN RESERVE AT YEAR END 2024 - SURPLUS</b>	<b>\$112,459.42</b>

The 2025 Budget Deliberations approved the following motion:

*That the 2025 Prince Albert Downtown Business Improvement District be funded in the amount of \$102,000, inclusive of \$40,000 to be funded from the Prince Albert Downtown Business Improvement District Operating Reserve.*

The ending unaudited balance for 2024 of the Reserve will be \$112,459.42 that will fund the \$40,000 budgeted for spending in 2025 for downtown security.

#### **OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no other considerations.

#### **OPTIONS TO RECOMMENDATION:**

There are no options to the recommendation.

#### **STRATEGIC PLAN:**

The creation of an equitable taxation structure promotes community growth and maintains new and existing amenities and infrastructure. The Business Improvement District (BID) Levy is to generate revenue to fund downtown initiatives.

#### **PUBLIC NOTICE:**

Public Notice is required for consideration of this matter, pursuant to Section 4(e) of Public Notice Bylaw No. 24 of 2015. The following notice will be undertaken:

- Published in local newspaper (Prince Albert Daily Herald) circulated in the City: March 28, 2025
- Posted on the bulletin board at City Hall: March 28, 2025
- Posted on the City's website: March 28, 2025

**ATTACHMENTS:**

1. Bylaw No. 6 of 2024 – PADBID Levy.
2. Public Notice – Business Improvement District (BID) Levy 2024.

**Written by:** Melodie Boulet, Finance Manager

**Approved by:** Acting Senior Accounting Manager, Director of Financial Services and City Manager