

# Business Improvement Area Toolkit

7/07/2022

**The Business Improvement Area (BIA) Toolkit provides information regarding BIAs in Lethbridge, Alberta. The toolkit may be useful for anyone working in, affected by, or interested in the functioning of BIAs.**

**Opportunity Lethbridge  
5<sup>th</sup> Floor City Hall**

**Andrew Malcolm,  
Urban Revitalization Manager**

**[Andrew.Malcolm@lethbridge.ca](mailto:Andrew.Malcolm@lethbridge.ca)  
403-330-4235**



## Table of Contents

Introduction.....	2
What is a BIA?.....	2
How BIAs Create Vibrant Commercial Areas.....	3
How BIAs Benefit the Entire Community.....	4
History of BIA's.....	5
BIA Legislation and Processes.....	6
Overview of BIA Legislation.....	6
BIA Percentages.....	6
BIA Establishment.....	6
BIA Boundaries.....	8
Process for Amending the Boundaries of a BIA.....	8
BIA Disestablishment.....	9
BIA Tax/Levy.....	9
BIA Board Governance.....	9
Key Attributes of BIA Governance.....	10
Key People, Roles, and Responsibilities.....	11
Municipal Government and BIAs.....	12
City of Lethbridge and BIAs.....	12
City of Lethbridge and BIA Mutual Objectives.....	12

## Introduction

A Business Improvement Area (BIA) is a specific geographic area of the city in which businesses pool resources and work together, through a formal association, to support vibrancy, economic health, and appeal of key commercial areas.

The City and BIAs share a commitment to build a vibrant economy. Various departments within the City come together to support BIAs in advancing economic development and meeting their operating requirements – the main point of contact is the Opportunity Lethbridge department.



6th Street during the summer months in Downtown Lethbridge

### What is a BIA?

A Business Improvement Area (BIA) is a non-profit corporation, established by city bylaw, whose members are the businesses in a defined geographical area that come together to improve said area. Businesses in the defined area are required to pay an additional tax or levy that enables the business owners to collectively fund activities to promote and improve the economic vitality of

the area that surrounds their business for the purposes set out in the province of Alberta's *Municipal Government Act* (MGA). These purposes are to: improve, beautify property in the area; develop, improve, and maintain public parking; and promote the area as a business or shopping district.

BIAs in other jurisdictions governed by different legislation may go by other names, such as: Business Revitalization Zone (BRZ), Business Improvement District (BID), Community Improvement District (CID), or Special Improvement District (SID).

## How BIAs Create Vibrant Commercial Areas

BIAs are agents helping to lead the transformation of commercial areas into vital places that highlight local assets, spur rejuvenation and serve common needs. BIAs serve as incubators of economic vitality, helping to create, promote and sustain distinctive, evolving public spaces. BIAs are key community partners who work in collaboration to develop healthy, vibrant, and diverse neighborhoods.

The range of activities that a BIA can undertake often respond to the unique opportunities and challenges of their respective areas, and can include:

### **Branding, marketing, and communications**

- Conducting promotional activities like events, festivals, websites, social media, advertising, and unique branding/marketing campaigns.
- Creating business directories

### **Incentives for businesses and partner organizations**

- Providing grants for hosting events
- Area wide customer appreciation programs

### **Market and economic trend analysis**

- Undertaking comparative studies on local economy
- Conducting retail mix and market research

### **Learning and business development for members**

- Hosting workshops
- Hosting member mixers

### **Visitor attraction and outreach**

- Developing destination maps

- Hiring area ambassadors

**Working with other organizations and local institutions**

- Building relationships with social service agencies, Lethbridge Police Services, and community groups/associations.
- Forming district committees to address certain issues

**Member advocacy on private and public projects**

- Participating in and providing feedback
- Connecting with developers of proposed development projects

**Business retention and attraction in collaboration with partner organizations like Economic Development Lethbridge**

- Developing business recruitment strategies
- Outreach to commercial real estate brokers

**Place-making and activation**

- Installing decorative lighting
- Coordinating area-wide-clean-up and maintenance and beautification of assets e.g. sidewalk sweeping, snow removal, graffiti amazement, garbage removal, etc.)

**Supporting business and property owner participation in City programs**

- Providing information on programs and support through related processes

## How BIAs Benefit the Entire Community

While BIAs are focused on improving the conditions within their geographic area, there are also benefits to the entire community.

**Benefits of a BIA for businesses**

- Ability to accomplish more for the area by working together
- Increased vibrancy and shared marketing helps attract more customers and businesses
- Provides for a unified voice working with the City and other orders of government
- Receive support and programs delivered by the BIA and the City.

### Benefits of a BIA for local residents and the community

- More vibrant local commercial area
- Builds community pride and interest in the business area
- Local events and initiatives that make the area more interesting place to visit
- Provides places for residents and visitors to “shop local”

### Benefits of a BIA for the City of Lethbridge

- Promotes a positive perception of the commercial area
- Improvements made in the area help increase the tax base and property values, and support a strong local economy.
- BIAs can help enhance local tourism opportunities and private sector interest, attracting visitors and investment.



Patrons enjoying an outdoor patio in Festival Square



Downtown Clean Sweep Program crewmember

## History of BIA's

The BIA concept is a global phenomenon with Canadian roots. The first BIA was established in Toronto, Ontario. As the very first BIA, Bloor West Village trail blazed the way to the creation of a groundbreaking, formalized method to organize businesses around addressing neighborhood challenges and opportunities on an ongoing basis. The BIA model, in varying forms, has been replicated and innovated upon around the world. Not all BIAs look and feel the same as they each have their own distinct identity. At present, there are over 80 BIAs in Toronto alone.

Closer to home, in June 1983, the Government of Alberta amended the MGA to allow municipalities to enact a bylaw to establish Business Revitalization Zones (BRZs). In 2016, the

legislation in Alberta changed and Business Revitalization Zones (BRZs) across Alberta became known as Business Improvement Areas (BIAs). There are still many BIAs in Alberta that refer to themselves as a BRZ despite the legislation.

Lethbridge currently only has one BRZ/BIA, the Downtown Business Revitalization Zone which was formed in 1987.

The 13<sup>th</sup> Street Business Revitalization renamed the Westminster Village Revitalization Zone is the only other official BIA/BRZ in Lethbridge's history and was in place from 1987 to 1994 before it's businesses voted to disband.

## BIA Legislation and Processes

### Overview of BIA Legislation

BIAs and their respective boards are regulated by sections 50 to 53 of the MGA and the Business Improvement Area Regulation, AR 93/2016 (the BIA Regulation).

On July 1, 2016 the Province of Alberta amended the MGA to replace all references to BRZs with BIAs. The former BRZ Regulation, AR 377/94, was replaced by the BIA Regulation. Under the transitional provisions in the BIA Regulation, a BRZ established under the old legislation is deemed to be a BIA under the new legislation.

### BIA Percentages

Percentage of signatures required as per the BIA Regulation:

- **Establishment:** Signatures representing 25% of taxpayers
- **Petition against Establishment:** Signatures representing 50% of taxpayers
- **Disestablishment:** Signatures representing 25% of taxpayers.

### BIA Establishment

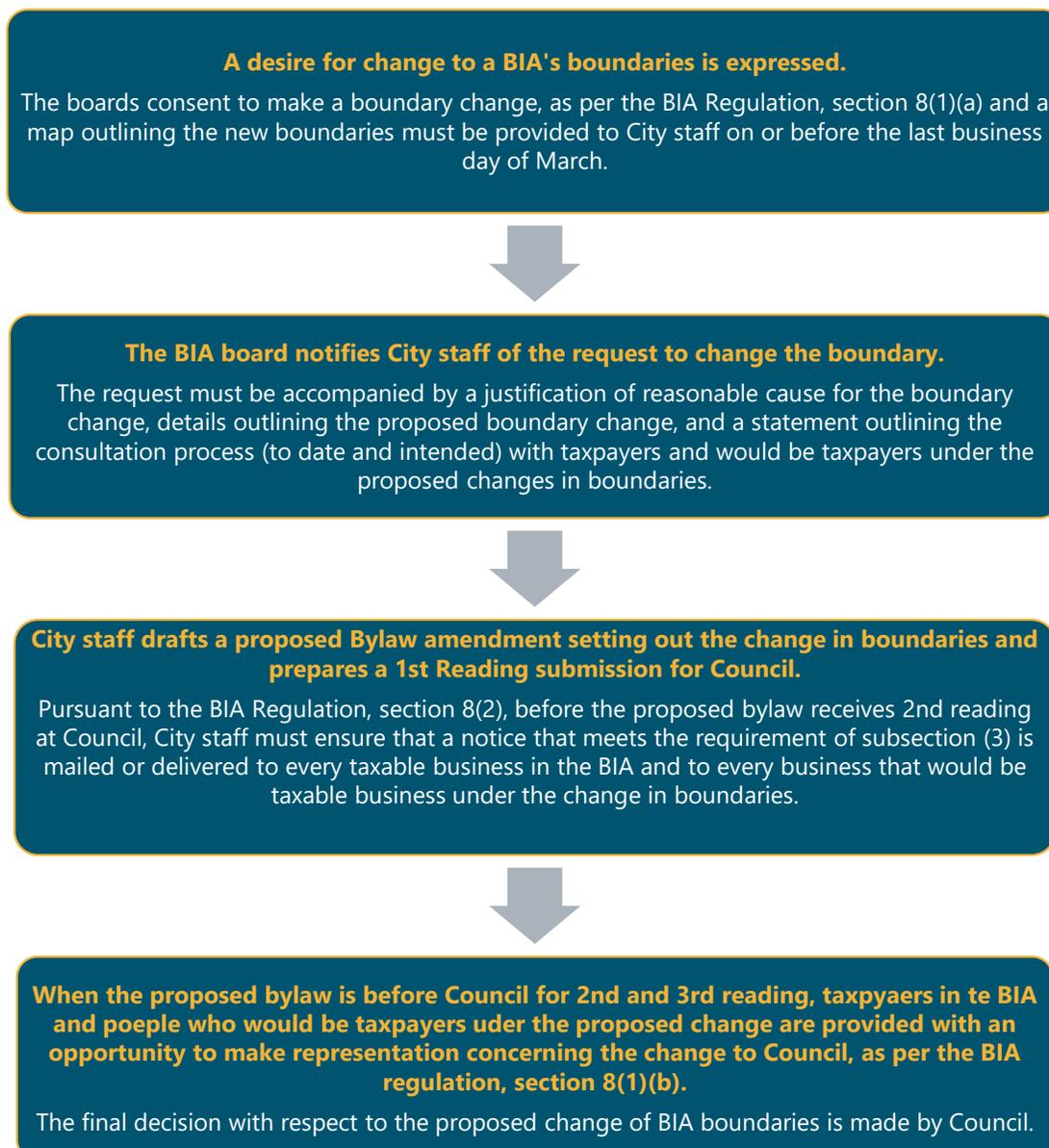
A BIA is established in accordance with the BIA Regulation. Full details can be found in sections 2-6 of the BIA Regulation. The table below outlines the timeframe and activities associated with a request to establish a BIA.

<b>Timeframe</b>	<b>Activity</b>
Year round	<ul style="list-style-type: none"> <li>- Interested businesses community members can contact City of Lethbridge Opportunity Lethbridge department to understand what a BIA is and the establishment process for a BIA</li> <li>- Interested business community members form a committee to establish a BIA called the Establishment Committee.</li> </ul>
Prior to January 15	<ul style="list-style-type: none"> <li>- Establishment Committee informs City of Lethbridge Opportunity Lethbridge department of desire to submit a request to establish a BIA</li> <li>- Establishment Committee provides a written description and map of proposed geographic boundary to City of Lethbridge Opportunity Lethbridge department.</li> </ul>
By the end of February	<ul style="list-style-type: none"> <li>- City of Lethbridge to map proposed area with detailed property information and ensure accuracy with Establishment Committee.</li> <li>- City of Lethbridge to provide relevant data associated with potential taxpayers in the proposed area to the Establishment Committee.</li> <li>- Establishment Committee to conduct public engagement activities and gather signatures for support of the establishment of a BIA.</li> </ul>
Prior to the end of March	<ul style="list-style-type: none"> <li>- Establishing Committee may wish to have their request to establish package be reviewed by City of Lethbridge Opportunity Lethbridge department before submission to City Clerks.</li> </ul>
By last business day in March	<ul style="list-style-type: none"> <li>- Establishing Committee to submit request to establish package and signature pages to City Clerks by the last business day of March. <ul style="list-style-type: none"> <li>o Signature pages must be signed by persons who would be taxpayers if an area was established and representing at least 25 per cent of the businesses if an area was established.</li> </ul> </li> </ul>
By April 30 (or within 30 days of receiving a request)	<ul style="list-style-type: none"> <li>- City of Lethbridge to verify signatures.</li> <li>- After signature verification: <ul style="list-style-type: none"> <li>o If 25 per cent is not met a BIA will not be established</li> <li>o If 25 per cent is met City of Lethbridge will mail out a Notice of Request to all potential tax payers in the proposed zone.</li> </ul> </li> </ul>
By June 30 (or 60 days after the notice of request was issued)	<ul style="list-style-type: none"> <li>- End of wait period for the submission of a petition objecting to the establishment of a BIA in the requested area.</li> <li>- If there is not a valid petition submitted objecting to the establishment of a BIA, then the request can proceed.</li> </ul>
July and August	<ul style="list-style-type: none"> <li>- City of Lethbridge Opportunity Lethbridge department prepare establishing bylaw for City Council</li> </ul>
September/October	<ul style="list-style-type: none"> <li>- Establishing Bylaw to City Council for approval</li> <li>- Interim BIA Board is appointed by Council if approved, in place until the first Annual General Meeting to elect the actual board and approve the annual BIA Budget.</li> </ul>
December	<ul style="list-style-type: none"> <li>- Actual BIA Board is confirmed by City Council</li> </ul>
January	<ul style="list-style-type: none"> <li>- Approval of BIA Budget through the BIA Tax Rate Bylaw</li> <li>- First annual BIA cheque is sent to the BIA by the City of Lethbridge</li> </ul>

## BIA Boundaries

There is no set formula for how to determine a BIA boundary, however the boundaries must be contiguous. One important consideration is understanding the concentration of businesses that creates a critical mass required to generate the revenue to accomplish the goals of the BIA.

### Process for Amending the Boundaries of a BIA



## BIA Disestablishment

A BIA can only be disestablished in accordance with the BIA Regulation. Full details can be found in Sections 22-30 of the BIA Regulation. To begin the disestablishment process, taxpayers in a BIA may petition for a bylaw to disestablish the zone.

Following this, there are a number of required steps including the confirmation of the petitions sufficiency, done by the City of Lethbridge, as well as a first reading of the bylaw to disestablish the BIA. After the bylaw receives first reading, there are further specifications as to a vote by the BIA taxpayers on the disestablishment of the BIA.

The petition to disestablish a BIA cannot be considered sufficient unless it's signed by taxpayers representing at least 25% of the taxable businesses in the BIA.

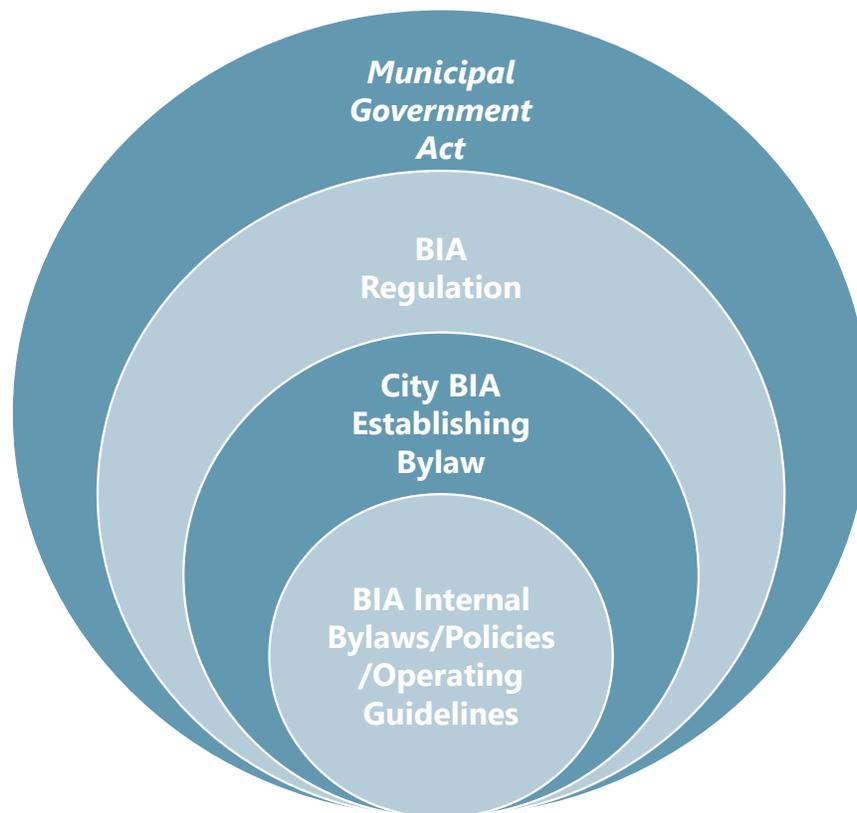
## BIA Tax/Levy

Businesses located in a BIA receive an annual assessment and tax bill. This tax is collected by the City of Lethbridge on behalf of the BIA. The funds collected, less an administrative fee, goes directly to the BIA via cheque. The details of the BIA tax are outlined in Section 4 of the MGA and in City of Lethbridge BIA Tax Rate Bylaw(s).

## BIA Board Governance

Governance can be defined as the way an organization exercises its authority, control and direction. In the context of BIAs, governance is the process of exercising corporate leadership – authority, control, and direction – by the BIA Board (the governing body) on behalf of the taxpayers (its members).

The highest authority of BIA governance comes from the MGA. Flowing from this authority is the BIA Regulation, following that is the City of Lethbridge BIA establishing bylaw, and then the BIA's internal bylaws/policies/operating guidelines. Each subsequent governing piece following the MGA cannot contravene the higher governing authority. For example, the BIA's internal bylaws/policies/operating guidelines cannot contravene the City of Lethbridge BIA Establishing Bylaw, the BIA Regulation nor the MGA. Figure 1 illustrates the interconnectedness between the different BIA governing aspects.



**FIGURE 1: BIA GOVERNANCE**

### Key Attributes of BIA Governance

It is critical that a BIA Board functions and operates within the authority designated by the MGA and the related legislative framework. Key attributes of BIA governance include:

- As independent corporate legal entities, BIA boards are required to ensure their internal BIA bylaws and operations are consistent with BIA legislation.
- The legislation creates a mechanism by which businesses within a designated area can pay a special tax to fund programs to enhance the economic vitality of their area. Therefore, the BIA board members are accountable to the taxpayers/members who provide the funds that the board administers on their behalf and for their benefit.
- BIA boards are also required to comply with certain legislative requirements. These include Council appointment of their board members, Council approval of their proposed budget and the need to abide by the financial restrictions and reporting

obligations as set out in the BIA Regulation. This makes them accountable to Council as well.

## Key People, Roles, and Responsibilities

### BIA Association

- The non-profit organization that works to support a vibrant economy in a BIA and to meet the needs of its members.

### BIA Members/Business Owners

- Each business owner in the BIA's geographic area is a member of the BIA association. Members nominate individuals to the board of directors, review the BIA annual budget, and may volunteer to support BIA activities.
- BIA members may influence the operation of their BIA by:
  - serving on the board of directors
  - working on committees to advance specific goals
  - volunteering to support BIA programs and events
  - attending the Annual General Meeting (AGM) and nominating individuals to the BIA's board of directors and/or reviewing the proposed BIA annual budget before the board sends it to City Council for approval.

### Board of Directors

- The board sets the direction for the BIA and oversees work to support economic development and BIA members. Directors are unpaid volunteers, are nominated by the BIA membership and appointed by City Council. They may or may not be business owners in the area.
- The board has two basic legal responsibilities; 1. fiduciary duty to the organization and 2. duty of care to stakeholders. Beyond this they have fulfill three key roles:
  - **Management** - setting the direction of the BIA by creating a strategic plan to identify and work towards BIA goals, creating a budget and/or financial plan, overseeing finances, presenting annual report and audited financials, hiring an executive director (or equivalent), and representing the BIA to City Council.
  - **Governance** - ensure the BIA association complies with its own governing documents, operating guidelines and all government laws and regulations that apply to a BIA.
  - **Recruitment of new directors** - current directors may be involved in the engagement of prospective directors. Engaging BIA members to serve on the board is an ongoing process.
- The board:
  - makes decisions by voting at board meetings
  - elects a chair who presides over all meetings and provides leadership for the BIA
  - may delegate authority to committees, officers, employees, and others
  - may assign duties to an executive director (or equivalent)

### Executive Director (or equivalent)

- Is hired by the BIA Board of Directors as a paid employee to provide programs and services that advance the board's priorities for the area and that provide value for the BIA members. The ED oversees the daily operations of the association and may represent the BIA to the community and City Council.
- When an ED is hired, the board must clearly assign responsibilities and delegate authorities.

## Municipal Government and BIAs

The City and BIAs are partners in local economic development and placemaking; they can work together in many ways. This section identifies City staff and programs that support BIAs and member businesses.

A BIA is a unique entity. BIAs and their respective boards are regulated by sections 50 to 53 of the current M and the BIA Regulation. The City of Lethbridge undertakes specific functions related to BIAs. These include but may not be limited to creating and/or making changes to City BIA bylaws such as: establishing a BIA, disestablishing a BIA, changing a BIA's name and/or making changes to the boundaries of an existing BIA, establishing and collecting the appropriate tax based on operating budget, and annually approving board appointments.

### City of Lethbridge and BIAs

In order to facilitate the legislatively-mandated processes and ensure a collaborative approach, key members of City staff work closely with BIAs to support vibrant commercial areas, with a focus on good governance and infrastructure coordination.

The Opportunity Lethbridge department is the go-to resource for BIAs, helping with annual requirements, long-term planning, and emerging issues. In addition to supporting these essentials, staff may also partner with or otherwise assist BIAs with special projects where resources allow. Staff also help connect BIAs with other City contacts and services, and work internally with a diversity of colleagues to promote understanding of BIAs and BIA interests.

Opportunity Lethbridge is supported by a diverse internal city team including but not limited to Tax and Assessment, City Clerks, and the Solicitors Office.

### City of Lethbridge and BIA Mutual Objectives

The City and BIA's work together to achieve mutual objectives including the creation of viable, safe, functional, and beautiful commercial districts/areas.

The following are specific activities that offer areas of collaboration between BIAs and the City of Lethbridge (in partnership with partner organizations like Economic Development Lethbridge). Some examples of these collaborative opportunities include:

- Business retention & expansion
- Investment attraction

- Beautification of public property
- Traffic and transportation initiatives
- Parking management
- Graffiti removal
- Garbage collection.
- Signage and wayfinding.
- Land Use.
- Parks and green spaces.
- Activation of public spaces.