

**ADMINISTRATIVE ORDER NUMBER 2019-006-ADM
RESPECTING GRANTS TO BUSINESS IMPROVEMENT DISTRICTS**

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, including sections 70, 71 and 79A, as follows:

Short Title

1. This Administrative Order may be known as the *Business Improvement District Grants Program Administrative Order*.

Interpretation

2. In this Administrative Order,

- (a) “*Charter*” means the *Halifax Regional Municipality Charter*, 2008, C. 39, as amended;
- (b) “*Council*” means the Council of the Municipality;
- (c) “*cumulative levy*” means the total dollar amount collected by the Municipality for the prior fiscal year for all the districts based on the area rates set by Council for those districts, and the levy shall
 - (i) include any changes to the assessed value of the commercial property within the district resulting from a revised assessment, such as a change resulting from an appeal to the Nova Scotia Assessment Appeal Tribunal, or a change to the assessed value by the Property Valuation Service Corporation, and
 - (ii) exclude federal payment in lieu of taxes and provincial grants in lieu of taxes;
- (d) “*district*” means a business improvement district that is listed and has boundaries identified under the *Business Improvement District Administrative Order*;
- (e) “*district levy*” means the actual net dollar amount collected by the Municipality for the prior fiscal year for a particular district based on the area rate set by Council for that district, and the levy shall
 - (i) include any changes in the assessed value of the commercial property within the district resulting from revised assessments, such as a change resulting from an appeal to the Nova Scotia Assessment Appeal Tribunal, or a change to the assessed value by the Property Valuation Service Corporation, and
 - (ii) exclude federal payment in lieu of taxes and provincial grants in lieu of taxes;
- (f) “*Municipality*” means the Halifax Regional Municipality;
- (g) “*registered non-profit organization*” includes:
 - (i) a society incorporated pursuant to the *Societies Act*, R.S. N.S. 1989, c.435 as amended,
 - (ii) a not-for-profit corporation incorporated pursuant to the *Canada Not-for-Profit Corporations Act*, S.C. 2009, c.23, or
 - (iii) a non-profit organization incorporated pursuant to an Act of the Nova Scotia Legislature which is described as a non-profit in the articles of incorporation; and

(j) “program budget” means the budget amount allocated to the grant program for a particular fiscal year for all the districts through the annual municipal budget process.

Purposes

3. The purposes of this Administrative Order are to:

- (a) provide for grants to eligible districts located within the geographic boundary of the Municipality;
- (b) promote and improve the economic vitality and attractiveness of the district; and
- (c) leverage private sector, philanthropic, or government investment, to contribute to the revitalization and growth of the district.

Eligibility

4. Subject to section 5, to be eligible for consideration for a grant pursuant to this Administrative Order, the district shall:

- (a) be a registered non-profit organization;
- (b) be listed as a business improvement district under the *Business Improvement District Administrative Order*;
- (c) have been listed as a business improvement district under the *Business Improvement District Administrative Order* by September 30th of the prior fiscal year of the Municipality, or such later date as may be set by the Chief Administrative Officer, or designate;
- (d) be located within the geographic boundary of the Municipality; and
- (e) apply for a grant under this Administrative Order.

Ineligibility

5. (1) Council may determine that a district is ineligible for consideration of a grant under this Administration Order:

- (a) if the district owes taxes, or any other sums, to the Municipality;
 - (b) if the district is in default of a contractual obligation to the Municipality;
 - (c) if the district is a party to a legal proceeding or claim against the Municipality; or
 - (d) for any other reasons Council considers appropriate.
- (2) In consideration whether a district is ineligible under subsection 1, Council may consider:
- (a) if the district is complying with a payment plan that has been entered into between the district and the Municipality respecting the taxes or other sums owed;
 - (b) if the default of a contractual term has been remedied by the district;
 - (c) if the legal proceeding or claim has been settled and a release signed by all the parties; or
 - (d) any other matter Council considers appropriate.

Grants

6. Grants shall be used to deliver or enhance an existing project or to develop a new project.

7. The five categories of projects are as follows:

- (a) district beautification project;
- (b) enhanced maintenance project;
- (c) business development events project;
- (d) public events hosting project; and
- (e) marketing project.

District Beautification Project

8. A district beautification project shall satisfy at least one of the following:

- (a) the project improves the experience of business clientele and neighbourhood visitors to the district;
- (b) the project attracts investment, development, or clientele; or
- (c) the project improves the street-level image of the district.

Enhanced Maintenance Project

9. An enhanced maintenance project shall satisfy at least one of the following:

- (a) the project promotes the maintenance of property within the district, including improving the state-of-good-repair of it; or
- (b) the project beautifies the district by improving cleanliness and discouraging litter.

Business Development Events Project

10. A business development event project shall satisfy at least one of the following:

- (a) the project promotes networking opportunities in the district; or
- (b) the project promotes the district as a place for retail and commercial activities, including a consumer or trade show, seminar, symposium, public lecture, or conference.

Public Events Hosting Project

11. (1) A public event hosting project shall promote the retail and commercial activities of the district by highlighting the district's restaurants, retailers, artists, cultural organizations, and public spaces.

(2) Examples of public event hosting projects that promote the district include:

- (a) restaurant or gallery tours;
- (b) interpretive tours of historical attractions; or
- (c) farmers' market, block parties, holiday festivals, or street fairs.

Marketing Project

12. Marketing projects shall promote the district, enhance the branding of the district, and increase pedestrian traffic in the district.

Ineligible Funding Amount

13. (1) The awarding of a grant for a project does not constitute approval of any expenditures from that grant.

(2) No portion of the grant shall be expended towards any of the following:

- (a) wages or remuneration of employees of the district;
- (b) bursaries, or honoraria;
- (c) members or officers of the district's Board of Directors, either directly or indirectly;
- (d) operating expenses of the district, including meetings;
- (e) personal gifts, awards, or prizes;
- (f) fundraising events of any kind;
- (g) social events, except public events hosting projects;
- (h) sporting events, or media or political events;
- (i) corporate, institutional or private reunions;
- (j) award or civic ceremonies;
- (k) hospitality for private events, including receptions or banquets;
- (l) debt payment, or cost overruns of the district;
- (m) funding for an expense incurred in a prior fiscal year, including prior losses; or
- (n) pre-paid expenses that have been incurred in the current fiscal year that relate to goods or services to be delivered or provided in the following fiscal year.

Calculation of Grant Value

14. (1) In this section,

- (a) "adjusted program budget" means the program budget less the uniform sum amount;
- (b) "proportional share amount" means the dollar amount calculated by dividing the prior year district levy by the prior year cumulative levy and then multiplying the resulting quotient by the adjusted program budget; and
- (c) "uniform sum amount" means a fixed dollar amount set by Council for each district for the fiscal year.

(2) The amount of each eligible district's grant is calculated by adding together the uniform sum amount and the district's proportional share amount, and may be expressed as follows:

$$\text{Uniform Sum Amount} + \left[\frac{\text{District Levy}}{\text{Cumulative Levy}} \times \text{Adjusted Program Budget} \right] = \text{Amount of District's Grant}$$

Financial Reporting

15. (1) The district shall report all funding it received from the Municipality during the fiscal year as either a separate line item in its annual financial statement, or as a separate schedule in its financial statement.

(2) The annual financial statement or the separate schedule in the financial statement shall

(a) identify the amount of the grants the district received from the Municipality under this Administrative Order, the applicable project category, and any allocation of funds between two or more projects;

(b) distinguish the municipal funding the district received from the area rate from any other revenues of the district; and

(c) distinguish any other municipal funding the district received from sources other than the area rate.

Notification and Payment Schedule

16. Following Council's approval of the program's annual budget, the Municipality will provide written notice to eligible districts notifying each district of the amount of its grant calculated in accordance with section 14.

17. (1) Grants shall be issued in one payment.

(2) There shall be no supplementary or incremental commitment from the Municipality.

(3) A grant that complies with this Administrative Order may be paid by the Municipality to the district.

Public Notice of Grants

18. In accordance with subsection 79C(1) of the *Charter*, the Municipality will disclose to the public the recipients of all grants, including the amount of the grant under this Administrative Order.

Funding Acknowledgement

19. Funding recipients shall publicly acknowledge the grant.

Use of Logo

20. Guidelines regarding government protocols and use of the logo of the Municipality may be obtained from HRM Corporate Communications.

Indemnification, Insolvency and Guarantor Status

21. Before accepting a grant under this Administrative Order, the district shall:

(a) agree to release the Municipality from all claims and losses arising from the project;

(b) agree to indemnify the Municipality against all claims and losses arising from the project;

(c) agree that in the event of bankruptcy, insolvency, or dissolution of the business improvement association or the district, the Municipality is not required to complete payment for the project;

(d) agree that the Municipality will not serve as a guarantor for the project;

- (e) agree to acknowledge the grant publicly;
- (f) agree not to expend any portion of the grant on the items listed in subsection 13(2);
- (g) agree that the Municipality may, at its own expense and with reasonable notice, audit or examine the district's books of accounts and records;
- (h) acknowledge that the provisions of the Part XX of the *Municipal Government Act* respecting freedom of information and the protection of privacy (FOIPOP) apply to the grant;
- (i) acknowledge and agree that information pertaining to a grant may be shared with staff of the Municipality, committees of Council, including members of the public serving on same, and Council;
- (j) acknowledge and agree that information pertaining to a grant may be requested by third parties through a freedom of information request; and
- (k) acknowledge that the Auditor General, and the Municipal Auditor may request material in the course of a random or non-randomized financial audit of the BID grant program or during an internal service review.

Transition

22. A reference to the 2011 BID Contribution Fund Policy shall be read as including a reference to the provisions of this Administrative Order relating to the same subject matter.

Repeal

23. The BID Contribution Fund Policy adopted by Council on October 4, 2011, and all amendments thereto, is repealed.

Effective Date

24. This Administrative Order shall come into force on April 1, 2020.

Done and passed in Council this 28th day of January, 2020.

Mayor

Acting Municipal Clerk

I, Sherryll Murphy, Acting Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on January 28, 2020.

Sherryll Murphy, Acting Municipal Clerk

Notice of Motion
Approval
Effective Date

January 14, 2020
January 28, 2020
April 1, 2020