



2022 | **MAIN STREET
MEANS BUSINESS
ONTARIO ELECTION**

About OBIAA

OBIAA is the network that represents unique and vibrant BIAs across Ontario. The Association supports and advocates on behalf of its members through the building and nurturing of strong relationships and partnerships. OBIAA is a leader in the development and sharing of information, tools, resources and best practices, and is the ONE voice on common issues.

Our Membership

Our members are Business Improvement Areas under the Ontario Municipal Act and are Local Boards of Council. The sections specific to BIAs is Section 204-216 and areas that pertain to Local Boards. The mission of each BIA is a “collective good” – The work is not to make any one business better, but to make the area a better place to do business. BIAs do this through beautifying and maintaining the public realm and promoting the area as a good place to do business.

Our membership consists of BIAs of all sizes – memberships of less than 100 members to those with over 500 members, and BIAs with budgets of less than \$20K to those with budgets of over \$1M.

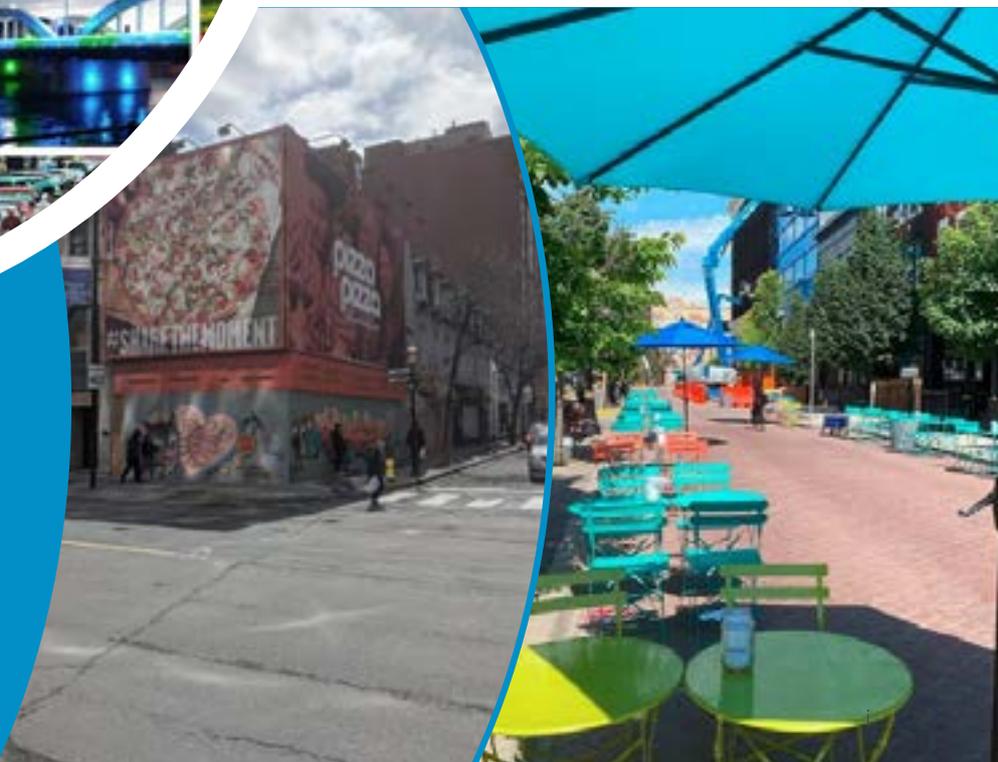
We are committed to keeping membership costs as low as possible while continuing to provide value for your membership dollar through value added items such as the sharing of best practices, facilitating an invaluable information network for members, and providing government advocacy at the Provincial level.

The average budget impact of OBIAA membership for BIAs is approximately .024%



OBIAATM
ONTARIO BUSINESS IMPROVEMENT AREA ASSOCIATION

**Your partner
in revitalizing
main street**



Introduction

As Ontario prepares for the upcoming 2022 Provincial Election, Ontario BIA Association has identified issues that affect main streets across Ontario's 444 municipalities. The OBIAA is the only voice that speaks directly to and about our main streets.



The attached document encapsulates the issues currently affecting our main streets (BIAs) and the recommendations and actions that we have identified. We thank you for your time in reviewing the attached document, as we hope it will help inform and provide your Party's Election Platform to enhance Ontario's main street economy.

Our Business Improvement Areas (BIAs) are part of the Ontario community and economy framework. Many of our BIAs represent the founding villages, towns and cities that make up Ontario. While BIAs have only been a part of the Canadian landscape for the past 50 years, they are responsible for providing their business areas with an almost 100% return on investment of local funds. Our BIAs and OBIAA are, therefore, crucial industry partners. Our BIAs are Public Realm Investors, Area Marketers and Event Facilitators. The businesses within our BIAs are innovators, entrepreneurs and part of the creative community. Our BIAs are often the 'heart' of their community, representing heritage, economy, arts, revitalization and tourism.

The work of BIAs has never been more critical than it is today during this unprecedented time in history, the COVID-19 pandemic. Now we must turn our sights to recovery. Our BIAs represent thousands of small businesses with a critical employment base, integral to driving our economy. Our future recovery must start with our BIAs' small businesses.

The OBIAA welcomes the opportunity to be a key stakeholder concerning Ontario's small businesses, the main street economy, current social issues that affect our main streets, and our shared goal of rebuilding Ontario's economy.

Upon reviewing our issues, we welcome the opportunity to meet with you to discuss further the issues affecting main street and how your party elections platform addresses these issues.

Kay Matthews

Executive Director

Ontario BIA Association

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Municipal Act



Ultimately the best way to resolve many of the issues described below would be to open up for review the sections pertaining to BIAs in the Municipal Act.

Main Street Challenges:

- 1. Definition of BIAs:** The Municipal Act gives BIAs an incomplete definition and BIAs are hampered by this definition. OBIAA believes that a clearer statement of our mission, one that reflects what organizations across the province are actually working on, is appropriate at this time. BIAs have been in Ontario since 1970, and in that time have evolved and developed. It is now recognized that, in addition to promoting business and shopping, they play an important role in:
 - a. Economic Development
 - b. Community and Place-making
 - c. Living Space
 - d. Attracting Tourists
 - e. Employment Hubs
- 2. BIAs as Local Boards:** As it currently stands, the Municipal Act creates some confusion about BIAs as they are incorporated in the Municipal Act and are considered to be Local Boards of Council. This continues to create confusion as, unlike other Boards, BIAs are self-funded, created by a unique process, and usually have staff who are not municipal employees.
- 3. Further Challenges:**
 - a. Disqualification of BIAs from many funding resources
 - b. Understanding of which taxes or publicly administered programs apply
 - c. Memorandums of Understanding (MOU) between Municipalities and BIAs
- 4. Interpretation of the Act:** There are parts of the MA that are confusing, contradictory, vague and inconsistently applied by Municipalities. As an example Section 214 indicates one way that BIAs are dissolved, whereas Section 216 indicates another.
- 5. Definition of BIA:** Suggested changes in the Municipal Act:
 - a. 204. (1) A local municipality may designate an area as an improvement area and may establish a board of management,
 - b. Designation of improvement area (204)
 - c. to oversee the improvement, beautification and maintenance of municipally-owned land, buildings and structures in the area beyond that provided at the expense of the municipality generally; and
 - d. to promote the area as a business or shopping area. 2001, c. 25, s. 204 (1).

Recommendations/ Actions:

The Provincial Government call for the Municipal Act review and/or open up the applicable BIA sections for review creating resources that have the Provincial stamp of approval and mandate; it has the capability of providing leadership and best practices to Municipalities on working with their BIA Local Boards.

Specifically:

- 1. Definition of BIAs -** That definition of a BIA be expanded and amended to include 204. (1) (b) as follows: to promote the area as:
 - a. economic development
 - b. community and place-making
 - c. living space
 - d. attracting tourists
 - e. employment hubs
- 2. BIAs as Local Boards -** A clear statement on the ways in which BIAs differ (diverge) from other local boards.
- 3. Interpretation of the Act -** A clear statement that Section 216 does apply to BIAs, suggested wording change would then be 216. (1) Without limiting sections 9, 10 and 11, those sections authorize a municipality to dissolve or change a local board, including BIAs. 2006, c. 32, Sched. A, s. 90.

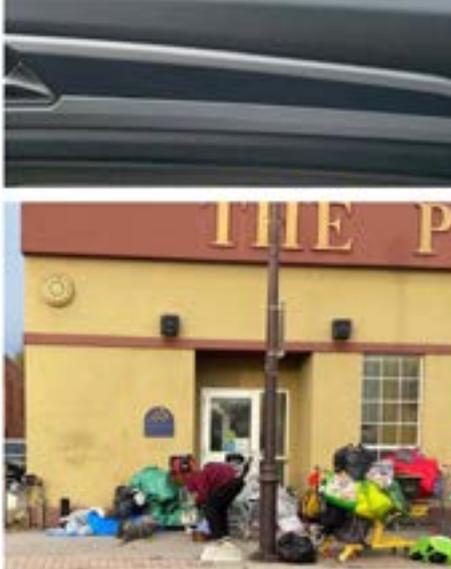
Housing



The lack of a balanced housing stock deteriorates the community ecosystem. The balance of our main streets across Ontario has been shifting over the past decade, and the recent pandemic has brought these issues to a head.

Main Street Challenges:

1. Chronically unhoused
 - a. Shortage of affordable housing
 - b. Limited transitional living with 24-hour supports
 - c. Housing applications are unable to be transferred across areas
2. At risk of homelessness
3. Main Streets often have vacant buildings and properties and absentee landlords that give an air of neglect while stunting economic growth.
4. Lack of small infrastructure (i.e. public washrooms) funding direct to the local BIA, in partnership with the municipality.

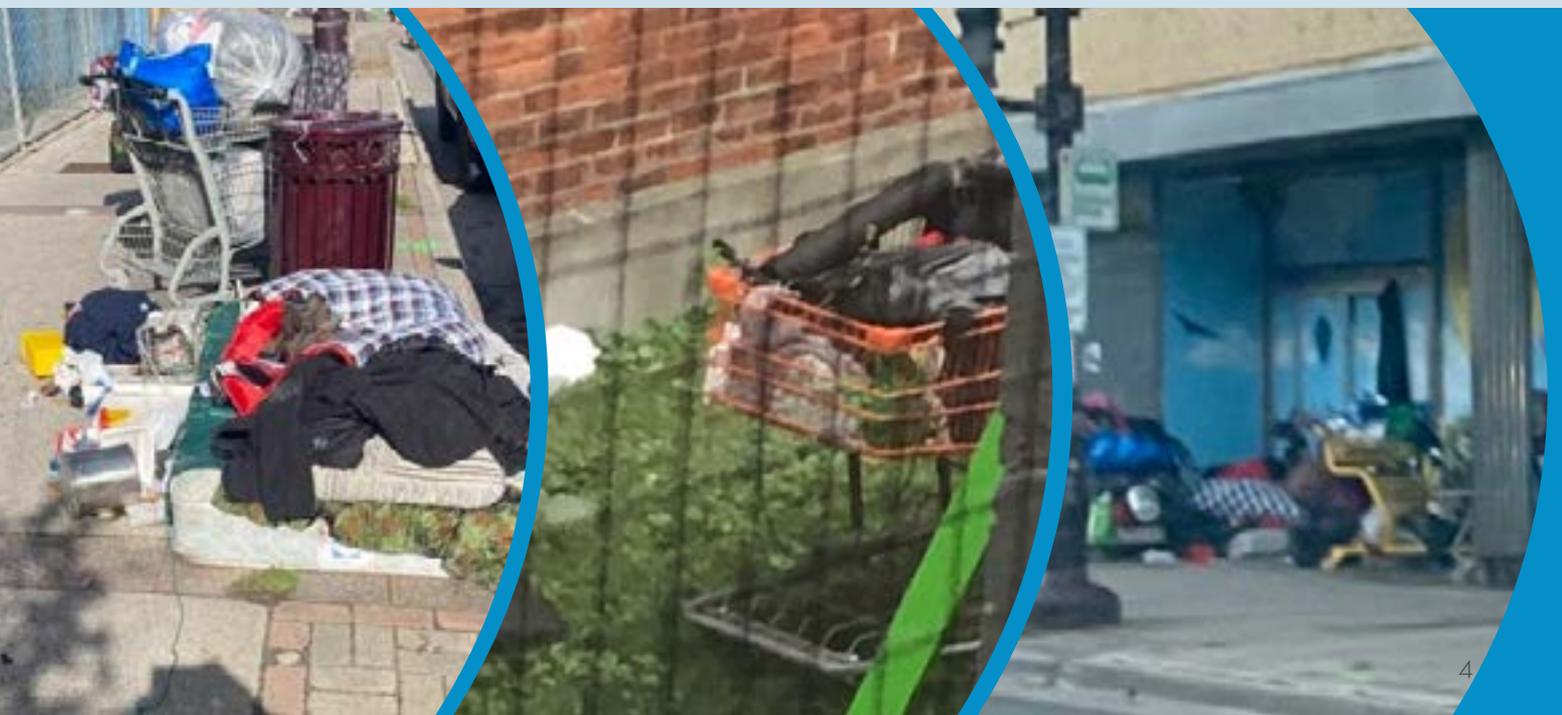


The Economic Effect of Social Issues

Housing (cont.)

Recommendations/Actions:

- 1. Chronically Unhoused:** OBIAA has reviewed the Housing Affordability Task Force Report. Our main street BIAs are severely impacted by the current critical lack of housing and homelessness; our BIAs and OBIAA must be fully enabled to participate in the future process of recommendations as laid out in the Report (#54).
 - a.** We note the Ontario Housing Affordability Taskforce Report is silent on identifying short-term rental units, such as AirBnB. Work with the municipalities to develop tools to regulate and manage the short-term rental inventory/market.
 - b.** 96% of BIAs in the province of Ontario are within existing built-up areas of municipalities, the founding neighbourhoods and communities of “Upper Canada” and subsequently Ontario. They are often heritage in their nature, and that is their unique and authentic strength, it is that strength that attracts tourism and the visitor economy, and this physical character of the neighbourhood needs to continue to be prioritized for preservation in order to grow its local economy (12a of the Ontario Housing Affordability Task Force Report - Feb 2022).
 - c.** Integration of housing applications need to be province-wide and transferable per geography, instead of limiting the applicant’s employment opportunities.
- 2. At Risk of Homelessness:** Proportional distribution and planning of affordable housing need to exist within the entire community to encourage (a) easy access to a variety of jobs, (b) access to transit, and (c) discourages stigmatisation of neighbourhoods.
- 3. Main Street Vacant Properties:** Successful funding programs were available in the past which provided BIAs with matching funds from both the province and the municipality, with a loan to the BIA - a grant-grant-loan, to help support infrastructure improvements for the main streets. Examples include public washrooms, lighting improvements (pedestrian safety) and other items that improved the accessibility of the area, such as bicycle racks, benches, parkettes and patios. A matching funding program needs to be implemented to help our main streets with small infrastructure investments to help mitigate the effects of the housing crisis and provide economic stimulus in the community.
- 4. Lack of Small Infrastructure:** As our BIA areas are often within the existing built-up areas of municipalities, they are key partners in identifying ways to incentivize Community Improvement Programs, matching provincial funds to repurpose vacant or partially vacant buildings as a ratioed affordable and/or market value residential, encouraging the review in development fees. Consider creating options, including additional charges for developments that don’t support intensification (i.e., flat box stores).



Social Issues

Before the onset of COVID-19, our Main Streets dealt with several social issues outside of a BIAs' mandate.

Main Street Challenges:

- 1. Mental Health:** A lack of street support has resulted in business owners, property owners, and BIAs needing to respond to the increasing number of street issues, such as vandalism, garbage, loitering, biohazards, graffiti, and negative community interactions. BIAs and Municipalities are currently the 'front-line' for Social Issues.
- 2. Safety Concerns and Perceptions:**
 - a. Concerns and Perceptions:** Negative community interactions create a real crisis on our "main streets" due to safety concerns.
 - b. Social Service Organizations:** BIAs, often chronically understaffed, have difficulty navigating the multitude of social service organizations and their different mandates and priorities.
- 3. Security and Policing:** Due to our emergency services being overwhelmed, BIAs are going beyond their mandate, creating or funding programs to mitigate current social challenges .
 - a. Security:** Variable levels of policing impact our main streets and many BIAs allocate a portion of their budget to additional security support. As the BIA levy comes from the property owners and business tenants, this budget item is causing BIAs to be cash strapped and unable to support or invest in their members or the public realm.
 - b. Deescalation:** Many of our small businesses are left dealing with issues that they are not equipped to handle and often on the front line of unsafe situations.
 - c. Judicial System and Processes:** The current "catch and release" policy becomes a vicious circle of criminality and policing becomes an ineffective level of visible service.
- 4. Opioid Crisis:** The number of deaths through opioid overdoses is multiplying exponentially with our BIAs at the epicentre. This results in a number of our business members and BIAs taking on additional roles to deal with the crises they experience daily.



The Economic Effect of Social Issues

Social Issues (cont.)

Recommendations/Actions:

- 1. Mental Health:** Appropriate support would include more visible “on the street” and wrap-around support by trained professionals.
- 2. Safety Concerns and Perceptions:**
 - a. Concerns and Perceptions:** Support BIAs with targeted provincial programs to enable BIAs to implement marketing campaigns to change safety perceptions and invest in the public spaces in order to hold events.
 - b. Streamline Social Service Organizations:** Review of social service organizations to eliminate overlapping and contradictory services with focused wrap-around services for main streets.
- 3. Security and Policing:** Our main streets need an integrated approach with ‘on the street’ experts supporting them through de-escalation, biohazard and garbage clean up, increased police presence, and investment in lighting and place-making small infrastructure.
 - a. Security:** Re-investment in community-based policing, while setting province-wide policy, that supports a more fully integrated and proactive approach to main streets.
 - b. De-escalation:** Provide policy statements and more intense and integrated mental health training for police.
 - c. Judicial System and Processes:** Cancel the current “Catch and Release” policy, by investments which will reduce the current backlog and break the cycle of criminality on main streets.
- 4. Opioid Crisis:** Increased funding for additional front-line staff providing resources and training that integrates 24-hr wrap-around services to reduce the burden on BIAs. Expand access to low barrier treatment. Declare an opioid crisis that focuses on proactive solutions such as reducing prescribed opioids.



Consultation:

Many of our main streets (BIAs) are the ‘ground zero’ for social issues due to a flawed and under-supported system on our main streets. “As goes main street, so goes the whole community,” therefore our community cores must be active participants in finding and working with solutions.

OBIAA needs to be a part of the Provincial consultation and integration of community needs regarding the impacts of social issues on main street. As OBIAA is the only organization that addresses and has the needs of our main streets and BIAs as our core mandate, this consultation will help our local BIAs create a community of understanding, bi-lateral knowledge transfer and collaboration. Therefore, we request OBIAA be a part of the Provincial consultation and integration of community needs regarding the impacts of social issues on main streets.

Main Street Small Business

Before the onset of COVID-19, our Main Streets dealt with several social issues outside of a BIA's mandate.

Main Street Challenges:

1. Roadblocks to Main Street Recovery and/or Reset

- a. **Unequal access to Grants for BIAs vs Not For Profits:** BIAs, under the Municipal Act and as "Local Boards of their municipality", are precluded from accessing many grants.
- b. **Loss of Tourism:** Main Street is more than just retail; it is about the community experience. The current pandemic, and its ensuing restrictions has severely hampered the visitor economy.
- c. **Stunted Innovation:** This pandemic has fast tracked the changing face of retail, for both main streets, malls and big boxes as online shopping has been, at times, the only way to get our goods and services.

2. Red Tape Impacts on Small Businesses: Small Business are without the staffing infrastructure to handle HR, Accounting and other support. The owner/operator does it all. Red Tape reduction around the government grants and "supports" is needed to ensure access to all who are eligible.

3. Increased vacancies and chronic disincentives

- a. **Commercial Tenancy:** Much of this can be alleviated by having consistency of rents in order to foster innovation and entrepreneurship. The Commercial Tenancy Act has not had significant oversight in decades. The pandemic has shown how little rights the business tenants have.
- b. **Property Standards:** Vacancies can be detrimental to a main street, as there are often property standards issues and a decrease of the overall value of our main streets, causing loss of vitality to the area.

4. Loss of vitality

- a. **Lack of Succession Planning:** During the pandemic many long-term businesses have chosen to retire rather than lose significant retirement funds. There is not a strong system of partnership and succession planning, causing an increase of vacant properties. There is no cost-effective system to assist or create their exit strategy.
- b. **Lack of Focused Data:** Main Street specific data is imperative, and there is no 'data-specific' lens that quantifies and qualifies the impact of our BIAs.



Main Street Small Business (cont.)

Recommendations/Actions:

1. Roadblocks to Main Street Recovery and/or Reset

- a. **Unequal access to Grants for BIAs vs Not For Profits:** The Municipal Act, which pertains to BIAs, needs a thoughtful review in the future, as previously addressed. BIAs need to be made “eligible” in criteria selection by removing barriers to receiving grants. Funding availability specifically to allow our BIAs to create smaller and more frequent events, create community connectivity, attract new entrepreneurs, fill vacancies and rebuild consumer confidence. Small Infrastructure investments will build on the existing ecosystem, such as a reinvigoration of Community Improvement Plans, with matching provincial funds.
- b. **Loss of Tourism:** BIAs could be key at creating experiential packaging or a seasonal menu of events and activations through BIA specific funding, with identified partners (RTOs, Tourism, Municipal Departments).
- c. **Stunted Innovation:** Creation of policy documents that provide strategic direction to municipalities prioritising the main streets and BIA areas.

2. Red Tape Impacts on Small Businesses: Prioritise reducing, digitising and simplifying Red Tape burdens.

3. Increased vacancies and chronic disincentives

- a. **Commercial Tenancy:** Prioritise the expedient review of the Commercial Tenancy Act to balance the rights of the business tenants to the commercial property owner and to support the implementation of the AODA and the heritage nature of many of our main streets.
- b. **Property Standards:** As above, the review of the Commercial Tenancy Act must provide clarity on property standards for blighted and chronic vacancies. Policy Statements that support and encourage Community Improvement Plans must be updated to include and encourage positive property standards, implementation of the AODA and supporting the nature of the community, while reducing neglect and dereliction.

4. Loss of vitality

- a. **Lack of Succession Planning:** Prioritise creating programs which match new entrepreneurs with retiring businesses. Provide funding to BIAs and Municipal Partners specifically aimed at filling vacancies, creating succession training, planning and matchmaking with entrepreneurs, such as the award winning “Win This Space” program. These programs would include micro-grants direct to new entrepreneurs. OBIAA is well positioned to design, package and implement the program through funding model(s) as invested in by the Province.
- b. **Lack of Focused Data:** Core investment is needed to maintain cost stability and affordability to our BIAs. Data would help us understand the state of Ontario’s main street businesses, identify chronic vacancy areas, businesses that are in crisis (through social issues or other) or those who are looking towards succession planning. This data gathering, we anticipate, would help the Province understand and mitigate the effect of red tape on small businesses, while furthering the understanding of the economic impact of small businesses in Ontario.



Basic Income

Income disparity through COVID is being exasperated, and those who are self-employed or low-income earners have been the hardest hit. The majority of income support programs, while appreciated, did not benefit these categories. Thus, limiting people's income and reducing the amounts they can reinvest in the local economies.



Main Street Challenges:

- 1. Insecurity/Instability of Income:** Closures during pandemic have led to both job insecurities and the challenge of accessing staff willing to work in an unstable environment (i.e., hospitality).
- 2. Inability to Foster Entrepreneurship and Innovation:** Many other employees transitioned away from retail, tourism, health and hospitality positions (where they often held down 2 or more jobs) to securing full-time employment in a more stable environment. These issues have caused an employment crisis for small businesses.
- 3. Limitations to Reinvestment in Local Economy:** Main street businesses are citing loss of employees as one of the reasons for closing their businesses, either temporarily or as is currently happening in the beginning of 2022 permanently. A further reason for closures, related to basic income, is because of a significantly impacted income and increasing debt level.

Recommendations/Actions:

- 1. Insecurity/Instability of Income:** Implementation of Basic Income would create a sustainable revenue source for main streets as a targeted industry. Providing income security which allows employees of small businesses the ongoing stability in "on-again, off-again" employment, caused by the current pandemic conditions would eliminate instability.
- 2. Inability to Foster Entrepreneurship and Innovation:** Implementation of Basic Income would foster entrepreneurship and innovation. Removing the barrier to entry for entrepreneurship and innovation on main street by creating a stable pathway for people of all socio-economic diversities to become entrepreneurs, thereby building a solid recovery, reimagining and growth of Ontario's SMEs and main streets.
- 3. Limitations to Reinvestment in Local Economy:** Implementation of Basic Income would allow for those currently on a lower income to have more security around housing providing main streets with stability for their employees, encouraging reinvestment in the local economy and support the strengthening of the main street. Provincial gains to offset the costs would be realised through increased tax revenues.



Economic Recovery Childcare

Childcare is an essential element in fostering jobs. The current childcare system creates a financial hardship, preventing parents (most often women) from entering the workforce, limiting economic growth for main streets.

Main Street Challenges:

1. A key element to the recovery must include childcare that is:
 - a. Accessible
 - b. Affordable
 - c. With expanded services
 - d. Includes safe and regulated spaces

Recommendations/Actions:

We support the Province in their negotiation with the Canadian Government for an Ontario-wide \$10-a-day child care agreement, without reducing the existing childcare benefits.

Affordable childcare, with enhanced expansion of services and safe/regulated spaces leads to stronger employment options for main streets, enhancing workforce stability





Ontario BIA Association
92 Lakeshore Road East,
Suite 201
Mississauga, ON L5G 4S2



Toll Free: 1-866-807-2227
GTA: 905-271-7222



obiaa.com
kay.matthews@obiaa.com