

The Ontario Municipal Act as it pertains to BIAs



FIRST MUNICIPAL ACT LEGISLATION
CREATED FOR BUSINESS IMPROVEMENT
AREAS (BIAS) IN THE WORLD.
MMAH CREATES OBIAA AS A COMMITTEE.
OBIAA DEVOLVES FROM MMAH IN 1990'S



MUNICIPAL ACT REVISED BIAS
BECOME LOCAL BOARDS OF COUNCIL



THE TIME FOR
CHANGE IS NOW!

MUNICIPAL PROPERTY ASSESSMENT
CORPORATION CREATED (MPAC) AND
COMMERCIAL TENANCY INFORMATION
NO LONGER COLLECTED.



OBIAA SUBMITS RESPONSE TO
MINISTRY OF MUNICIPAL AFFAIRS ON
MUNICIPAL ACT REVIEW.
OBIAA HIGHLIGHTS CHANGES NEEDED
TO MMAH AND RECEIVES NO
RESPONSE.



Introduction

4 CHALLENGES
BIA'S FACE WITH THE
MUNICIPAL ACT



1. UPDATING THE MUNICIPAL ACT

UNLIKE OTHER LOCAL BOARDS
BIAs ARE THE ONLY SELF-FUNDED
LOCAL BOARDS OF COUNCIL



BIAs RAISE THEIR OWN FUNDS
THROUGH A SPECIAL LEVY TO THE
COMMERCIAL PROPERTY OWNERS



WHICH IS USED TO ENHANCE
THE ENTIRE COMMUNITY



Business Improvement Areas (BIAs) play a critical role in the promotion of main street businesses in their respective communities. As part of the government’s ongoing commitment to reduce unnecessary red tape, Ontario will work together with its municipal partners and other stakeholders to explore changes to the *Municipal Act, 2001* and *City of Toronto Act, 2006* that could provide the BIA with greater access to grants and funding resources.

In our 2022 Budget Submission to the Government of Ontario, we stated:

BIA Funds - Provide grants to BIAs that create community connectivity, attract new entrepreneurs, fill vacancies and rebuild consumer confidence*, while re-invigorating our main streets and Ontario’s small business engine. Also, remove barriers that BIAs face which preclude them from accessing grants available to not-for-profit organizations (through the Municipal Act, BIAs have status as “Local Board” and are not considered for many business support programs). We thank your Ministry for recognizing this and making the following statement in the Government of Ontario’s pre-election budget of 2022, the “boxed” statement was referenced as a direct response to our pre-budget recommendation:

A review of the Municipal Act of Ontario as it pertains to BIAs is a key priority for OBIAA and our Board has already begun work towards the Municipal Act refresh. BIAs are Local Boards of Council, however they are also a unique private-public partnership that raises funds, through a special tax levy, for the betterment of the public realm. They are limited in grant funding due to their status as a “corporation of the municipality”. In 2020, OBIAA engaged Professor Ben-Ishai to create a document that outlined the strengths and weaknesses of the Municipal Act. OBIAA is using Professor Ben-Ishai’s report as a cornerstone to recommendations on changes to the Act.

Lack of ability to access grants and funds for BIAs is, however, just one portion of the Municipal Act as it pertains to BIA, a full review of the Municipal Act to tackle the pain-points identified by Municipalities and BIAs alike is necessary. OBIAA is recommending that the Government confirm their intent to review the Municipal Act as it pertains to BIAs and consult and work directly with OBIAA in its efforts to update the Municipal Act. Further, BIAs should also be eligible for small infrastructure funds.

In our final report on the Ontario Grants Program of Digital Main Street (DMS) with OBIAA as the granting partner of the Ontario Government, we noted an investment of **\$57,226,500** over 6 years by the Ontario Government. Over those same 6 years, BIAs across Ontario invested upward of **\$75,000,000 annually** to support their local business community (through a special levy on the municipal tax bills), a total investment over the same 6 years by Ontario's 300+ BIAs is the staggering number of **\$450,000,000**.

(GO) Supporting Ontario’s Business Improvement Areas Business Improvement Areas (BIAs) play a critical role in the promotion of main street businesses in their respective communities. As part of the government’s ongoing commitment to reduce unnecessary red tape, Ontario will work together with its municipal partners and other stakeholders to explore changes to the Municipal Act, 2001 and City of Toronto Act, 2006 that could provide the BIA with greater access to grants and funding resources.



Summary

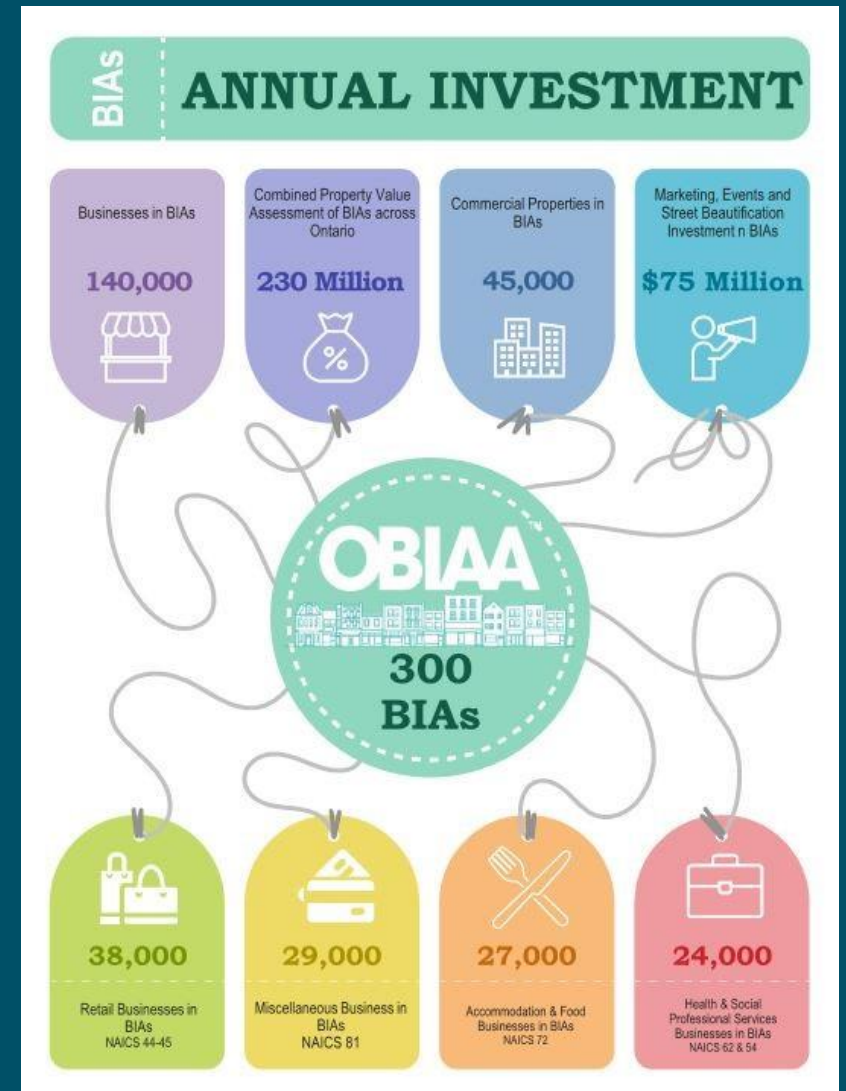
What OBIAA is asking of you, Minister Harris and the Ministry of Red Tape Reduction, is:

To champion the reopening of the Municipal Act, as it pertains to BIAs, in consultation with MMAH and OBIAA to:

- 1) Provide recognition of BIAs, as an economic development tool, as the only Local Board that raises additional funds for the betterment of the community.
- 2) Clarify the status as a “Corporation of the Municipality” which precludes BIAs for applying for additional funding, such as the Ontario Trillium Program, as BIAs do not have a Corporation Number, and further many grants/funding precludes municipalities, and therefore BIAs, from applying.
- 3) Remove the Red Tape that could provide the BIA with greater access to funding and grants by making BIAs eligible for a broader range of funding.

We would like to draw your attention to The Toronto Act which has allowed the City of Toronto to have a separate Chapter (19), which gives BIAs an exceptional status and provides the City of Toronto the agility to respond to the needs of their unique local communities (there are 84 BIAs in Toronto).

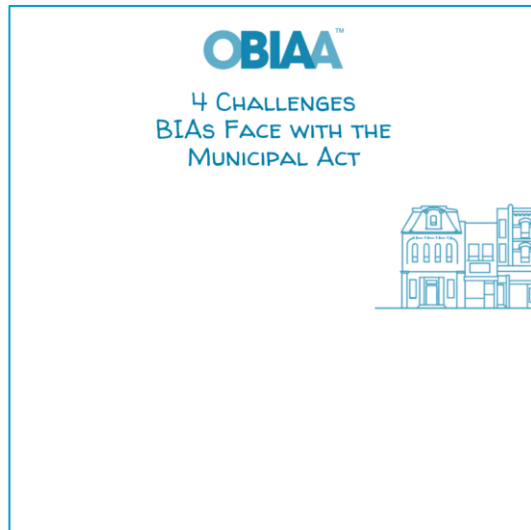
Thank you for meeting with us, we will also be meeting with the Minister of Small Business and will be thanking them for the investment they made in Digital Main Street, the small businesses and Digital Service Squad Grants. This program as administered by OBIAA was recognized for supporting more than 87,000 small businesses over 6 years with minimal red tape*.





ONTARIO BUSINESS IMPROVEMENT AREA ASSOCIATION

4 Challenges BIAs Face with
the Municipal Act –
Short SM Video



“Driving Local Success...Together”

Kay Matthews , Executive Director

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