



REQUEST FOR DECISION

MEETING DATE: April 28, 2025

TITLE: C-1396-25 - 2025 Business Improvement Area Tax Rate Bylaw - Third Reading

DIVISION: Corporate Services

SUMMARY:

Third reading of C-1396-25 - 2025 Business Improvement Area Tax Rate Bylaw is being brought forward for Council's consideration. First and second reading were given on April 14, 2025. This bylaw will approve a tax rate sufficient to raise the funds to cover the City Centre Business Association (CCBA) 2025 budget request. The approved amount to be raised through taxation is first paid to the CCBA and then recovered by the City through the collection of the Business Improvement Area (BIA) tax levies.

PROPOSED MOTION:

THAT third reading be given to C-1396-25 - 2025 Business Improvement Area Tax Rate Bylaw.

BACKGROUND / ANALYSIS:

The 2025 approved CCBA budget includes \$40,000 from the City of Spruce Grove to be raised through BIA taxation.

Since the BIA tax was first established by the City of Spruce Grove in 2018, the approach to determine the tax amount has been set by dividing the approved amount to be raised through taxation by the number of the taxable businesses as recorded on the Assessment Roll. Taxable businesses with annual BIA Levy since 2018 are as follows:

Year	Total BIA Assessment	BIA Businesses	Annual Budget	BIA Levy
2018	\$55,919,240.00	160	\$32,000.00	\$200.00
2019	\$53,521,409.18	160	\$32,000.00	\$200.00

2020	\$55,134,604.65	163	\$32,000.00	\$196.32
2021	\$50,352,000.00	155	\$32,000.00	\$206.45
2022	\$54,264,900.00	155	\$32,000.00	\$206.45
2023	\$60,874,000.00	153	\$32,000.00	\$209.15
2024	\$63,155,300.00	158	\$32,000.00	\$202.53

Administration recommends this approach continue for 2025 as the most equitable approach.

The BIA Assessment Roll contains:

- 208 total roll count; each roll represents individual sites within the BIA;
- 163 taxable business sites;
- 33 vacant / inactive sites; and
- 12 occupied sites which are exempt from taxation.

Using this approach, the BIA tax rate for 2025 will be set at \$245.40 per taxable business site (e.g. \$40,000 / 163 taxable business sites). The provincial BIA Regulation allows for this method to be used by allowing Council to set a minimum and maximum amount to be paid under the BIA Tax Rate Bylaw. In this case, the amount of \$245.40 would be the minimum and maximum amount paid per business under the bylaw.

OPTIONS / ALTERNATIVES:

The provincial BIA Regulation also allows the option to use a uniform rate method throughout the BIA area. This would result in tax levies ranging between \$13.77 and \$1,911.38, calculated by multiplying the business assessment value by the uniform tax rate.

BIA Budget	Total BIA Assessment	Tax Rate
\$40,000	\$65,060,700	0.00061481

This method will result in BIA tax amounts varying per business, whereas the recommended option establishes a flat rate of \$245.40 for all businesses within the BIA to be levied.

CONSULTATION / ENGAGEMENT:

n/a

IMPLEMENTATION / COMMUNICATION:

The City will notify the CCBA of the date that notices will be mailed. Advertising will be done through the Examiner, City website, social media, and reader boards.

IMPACTS:

n/a

FINANCIAL IMPLICATIONS:

\$40,000 will be raised through taxation, paid to the CCBA for the 2025 approved requisition, and recovered by the City through collection of the BIA tax levies.