
City of Kelowna

MEMORANDUM

DATE: March 29, 2006
FILE: 1950-06
TO: City Manager
FROM: Financial Planning Manager
RE: FUNDING REQUEST FOR THE UPTOWN RUTLAND BUSINESS ASSOCIATION

RECOMMENDATION:

THAT Council **not** provide financial support to the Uptown Rutland Business Association for the establishment of a Business Improvement Area in the Rutland Town Centre.

BACKGROUND:

At the regular meeting of March 20, Council received a report from the Uptown Rutland Business Association requesting funding of \$40,000 from the City to continue developing a plan to create the Rutland Business Improvement Area (BIA). In 2005 an initial investment of \$5,000 was made by the City as seed funding for the establishment of a Rutland Business Association. This association has now been incorporated and is gaining support from businesses in Rutland for the development of a BIA. The City supports an organized and formal business group in Rutland and the BIA is an appropriate means of achieving this. (OCP Policy 6.1.22 notes that the City of Kelowna will promote the formation of Business Improvement Associations within the commercial cores of Urban Centres).

The Downtown Kelowna Association was established with an initial \$7,500 Provincial grant and has been self sustaining since then. Providing additional support to the Uptown Rutland Business Association is not being recommended on the basis of equity and fairness relative to the Downtown Kelowna Association and the precedent for any future business improvement area.

An alternative recommendation is provided for Council consideration if funding support is deemed necessary for the development of a Rutland Business Improvement Area:

THAT a one-time grant of \$30,000 be provided to the Uptown Rutland Business Association for the development of a Business Improvement Area,

AND THAT the 2006 Financial Plan be amended to provide funding for the grant from the Town Center Roads Reserve.

The alternative recommendation recognizes that development and promotion of a Business Improvement Area is going to be difficult to achieve using strictly volunteer staff. Additional resources are required to continue the momentum towards their goal of establishing a BIA for the Uptown Rutland gateway area.

The funding of \$30,000 is a reduction from the request made but is based on the premise that an additional \$10,000 in membership fees (beyond the budgeted \$18,000) will mean that over 50% of the 275 businesses in the area support the establishment of a business improvement area. Alternatively, a reduction in expenditures can be made so that the association can remain within their budget. Should Council opt for the alternate recommendation, it is suggested that the City contribution be pro-rated on a monthly basis until the end of the year or until the membership fees collected total \$28,000.

Funds have been placed in the Town Center Roads Reserve for making improvements to the Rutland Town Center and this funding source recognizes that the establishment of a BIA will help to achieve the goal of promoting Rutland as an attractive location to work and live.

Keith Grayston

Approved for inclusion

☐

Paul Macklem, CMA
Director of Financial Services

PM/KG

cc. Manager, Policy, Research & Strategic Planning