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Town of Aurora
Committee of the Whole Report
No. PDS24-140

Subject: Aurora BIA Governance Review & Downtown Collaboration Model

Prepared by: Lisa Hausz, Manager, Economic Development

Department: Planning and Development Services

Date: December 2, 2024

Recommendation

1. That Report No. PDS24-140 be received; and
2. That a by-law be brought forward to a future Council meeting to repeal BIA Designation By-law No. 6128-18 and any amending by-laws, thereby dissolving the Aurora Business Improvement Area; and
 - a. That staff be directed to perform all necessary administrative functions to conclude the business of the Aurora BIA, and assume their assets and liabilities in accordance with section 214 of the Municipal Act, 2001, as amended; and
 - b. That the Aurora Economic Development Corporation be requested to incorporate the functions of the BIA into their economic development services; and
 - c. That staff lead the development and implementation of a business engagement strategy for the Downtown area, and report back to a future meeting of Council.
3. That any cash assets assumed pursuant to section 214 of the Municipal Act, 2001, as amended, be allocated to initiatives in the downtown area; and
4. That upon dissolution of the Aurora BIA By-law Councillors of Ward 1 and Ward 2, currently assigned to the Aurora BIA Board of Directors, be offered an opportunity to join the Aurora Economic Development Corporation's Downtown Action Team.

Executive Summary

With Council's focus and strategic initiatives to revitalize the downtown area, staff were directed by way of a Council Motion on November 28, 2023 to review the Aurora Business Improvement Area (the "BIA") governance model. Further, staff were to report back on alternatives to ensure an effective and collaborative approach to supporting the entire downtown area. On February 20, 2024 staff presented PDS24-021 recommending dissolution of the Aurora BIA in favour of the Aurora Economic Development Board absorbing the role of the Business Improvement association. The report was referred back to staff, intending to allow the Aurora BIA to hold its Annual General Meeting and report back with its strategic plan. The Aurora BIA has not completed its strategic plan, nor implemented its current year work plan as approved by Council. Additionally, the Aurora BIA Board has since lost three Directors.

Therefore, this report seeks Council's direction on an alternative model to the Aurora BIA model as a local board of Council, and recommends that the Aurora Economic Development Corporation assume the BIA role responsibilities into its economic development services program on behalf of the Town.

The Aurora BIA was initially designed and implemented, under the Municipal Act, 2001, as amended (the "Act"), to provide local business-to-business support in the downtown. The efforts to establish the Aurora BIA are noted and the intentions of the volunteer board are to be commended, as it takes a great deal of time and effort to form a business improvement area and there is desire to see the BIA thrive. The volunteer BIA board members are busy entrepreneurs and community leaders, eager to produce value, but collectively struggle in organization, duplication, governance, and individual time to commit to the necessary hands-on work required. While the BIA board recognizes the challenges, they struggle to make decisions or take meaningful action on previous decisions or commitments. As previously noted in PDS24-021, there remains potential risk, demonstrated duplication of efforts and extraordinary use of Town resources.

- In 2016, Council approved a study to determine the feasibility of establishing a Business Improvement Area (BIA) (previous report- CAO16-001).
- The Aurora BIA's performance under the current governance model is not sustainable, and its activities in efforts in support of the Downtown area are a duplication of efforts.

- **Avoidance of duplication of efforts and a streamlined approach are needed to promote and support the entire Downtown Area.**
- **There are alternative models to consider that would better serve as support for Downtown Aurora.**

Background

In 2016, Council approved a study to determine the feasibility of establishing a Business Improvement Area (BIA) (previous report- CA016-001).

In 2016, Council approved a study to determine the feasibility of establishing a Business Improvement Area (BIA) (previous report - CA016-001). The 2016 study intended to outline the steps to establish a BIA, business interest in establishing a BIA and to fulfill the recommendations in the 2013 Aurora Promenade Plan. The Aurora Promenade Plan identified a specific area for business improvement and suggested that the Town investigate the interest and implementation of a BIA. While there was consultation with local businesses, there was not sufficient interest across the entire Promenade that would support the establishment of a Promenade-wide BIA. However, a small group of interested parties worked within a smaller catchment and solicited enough support to establish an Aurora BIA. The mandate for any BIA board in Ontario is outlined in the Act as follows:

- (a) 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
- (b) to promote the area as a business or shopping area.

In September 2018, the Town passed By-Law No. 6128-18 to establish a BIA that includes the businesses along portions of Wellington and Yonge Street. In 2019, the Board of Management (the "Board") began work to establish itself and begin engagement with its members. The Board proposed a three-year budget for the years 2019, 2020 and 2021.

In 2020, COVID hit and being a new organization, the Aurora BIA did not collect tax levies from the members and went dormant for one year. In 2021, the Town assisted the BIA in re-engaging and establishing itself as a resource for the members following COVID. Several initiatives were completed in 2021, and the momentum was intended to carry into 2022. There were successful events completed in 2022, including the launch of the new website, musical entertainment in Machell's Alley, and seasonal events held

by local businesses. In 2023, a new BIA Board was appointed including the support of two Ward Councillors to make up the governing board.

The BIA relies heavily on a few volunteers and Town support to ensure activities are completed. Despite the intentions of the Board, the BIA still lacks member participation, and governance as mandated by the Act.

Analysis

The Aurora BIA's performance under the current governance model is not sustainable, and its activities in efforts in support of the Downtown area are a duplication of efforts.

While the designated BIA boundary is dense with businesses, this area is a small part of the entire downtown, and the BIA representation does not fully reflect the entirety of the potential of the area. The voice of the downtown business community is missed with the BIA's small catchment, low member engagement, inefficient use of budget, and limited deliverables from the Board of Management. The BIA relies heavily on the Town to remain operational.

The BIA has relied heavily upon staff support and participation. The BIA has not proven that it can function as the intended, self-managing, local board of Council designed to promote and beautify the downtown area. The Aurora BIA's performance under the Act governance model is not sustainable, and the past and proposed initiatives are a duplication of efforts, primarily in the area of marketing and promotion. In [PDS24-021's Attachment 2: Aurora BIA Governance Review \(February 2024\)](#) it provides a detailed summary of the Aurora BIA's adherence to the Act and the Aurora BIA By-law, and outlines areas of duplication.

The background and current plans of the BIA assisted in determining the proposed alternative models for downtown support, with several factors considered. Primarily, the proposed models are to avoid duplication of efforts and to create a streamlined approach that is necessary to promote and support the entire Downtown Area.

Avoidance of duplication of efforts and a streamlined approach are needed to promote and support the entire Downtown Area.

The Aurora Promenade is an identified plan to encourage redevelopment, revitalization and intensification. Current support and initiatives are implemented through a variety of groups to encourage revitalization, animation, activation and population in the downtown area. For example, Aurora Town Square is now fully open and operational,

driving an even greater emphasis on leveraging this asset to achieve an even stronger downtown. However, the Aurora BIA is a small geographic section within the boundaries of the Promenade, and its only two objectives are to promote the area and to add to the beautification of the area, which duplicates efforts of other downtown-focused support. Avoidance of duplication and a streamlined approach to business engagement will better support the downtown. Below are a few examples of existing downtown support organizations and initiatives:

Town of Aurora: Nearly every department and division supports the downtown area in some way. These include all divisions of Planning and Development Services (Economic Development, Policy, Planning, Building, and Engineering), to Community Services with Aurora Cultural Centre support, and the numerous events that promote, engage and invite residents and visitors to the downtown. Additionally, Aurora Town Square staff personally visited businesses in the downtown soliciting feedback, informing them of the progress of Town Square, and engaging them in grand opening events. Significant support is also provided through the Town's Operations teams that provide the beautification and maintenance of the town's assets. The Finance department plays an integral role supporting the downtown through ongoing budget support, levy administration, and facilitating grant opportunities. The Corporate Services team also provides support for the downtown initiatives through Legal assistance, Town Clerk consultation and By-law services.

The Town has several strategies and plans, underway or recently completed, in support of the downtown area including: the Official Plan Review with the Promenade Plan update, Streetscape project with traffic study, Active Transportation Master Plan, and Town-wide parking strategy to name a few. Each plan has components that impact the Downtown area and requires a streamlined approach to communication and engagement. The BIA was informed about, and invited to participate in, several of the initiatives. However in their 2024 budget and work plan presented to members in December 2023 and to Council in 2024, the BIA proposed duplicate efforts in the areas of parking, traffic, marketing, and events. The Board had begun implementing its 2024 marketing plan, making some progress in this area. However, minimal action has been taken on the remaining work plan items, with a majority of the tasks falling on just a few members instead of the Board as whole.

Aurora Chamber of Commerce: The Chamber is a partner in grassroots support of the local business community. Their ongoing promotion, innovative business support programs and ongoing frontline assistance plays a key role in helping to revitalize the downtown. The Chamber and its partners, including the Town, promote local business

through the *Explore Aurora* brand. This is a website, ongoing social media campaign, and a magazine that promotes the business to consumer businesses in Aurora, including a dedicated page and directory specific to Downtown Aurora. The Chamber also hosts the annual downtown street fair and other events in direct support of the downtown and local business community. The BIA has contracted a third party to act as coordinator and marketer for the BIA, duplicating promotional efforts of the Chamber. This is an area where the AEDC could play a strong coordination role to streamline marketing and promotional activities.

Aurora Economic Development Corporation (AEDC): The AEDC consists of a 12-member Board of Directors that are the advisors, facilitators and supporters of the Town's Economic Development Strategic Plan. Within the plan, one of the key goals is in support of revitalizing and reinvigorating the Aurora Promenade area, specifically, the downtown core. As such, there have been several initiatives conducted by the AEDC in support of building momentum to the downtown. These include window decorating project during COVID; street parking striping to build awareness; advocacy and connection with property owners in the downtown; event hosting and support of major projects in the downtown; and a video prospectus promoting the future of the downtown. Additionally, with an updated Economic Development Strategic Action Plan (2024-2030), the AEDC's Downtown Action Team is supporting the abovementioned Town initiatives, specifically in the Streetscape project, downtown parking strategies, wayfinding strategy, traffic management, and downtown business engagement.

As mentioned, the BIA duplicates efforts in this regard, or neglects to participate in the importance of supporting revitalization efforts. For example, the BIA was engaged early on in the Aurora Town Square Grand Opening activities. Town staff led the engagement, onboarding and facilitation of BIA and Downtown businesses. The BIA provided support through their 3rd party marketing company, but no direct outreach by the Board to its members in support of the opening, defaulting the tasks to the Town. Additionally, the Board was in support of securing Machell's Alley as a means to attract visitors and animate the area. However, when asked by the Town several times over multiple months to plan for activations, no action was taken, again defaulting to the Town.

In addition to the above organizations, several individual businesses and organizations contribute their own resources in promoting their establishment and their connection to Downtown Aurora. Some of the organizations that contribute to downtown visitor attraction include the newly opened Aurora Town, the Aurora Cultural Centre, Aurora Public Library, the Aurora Farmer's Market and The Armoury, which collectively draw attention and thousands of visitors to the area. Other area entrepreneurs host their own

events and see themselves as promoters of the downtown area as opposed to promoters of the specific boundary of the BIA.

Each of the above organizations already collaborate on events and cross-promotion. The BIA has been included and invited to take advantage of the various events and promotion opportunities, but do not currently have solid plans to host their own events in support of the area.

Budget is a perceived limitation that prevents the BIA from producing events. The BIA Board presented a larger budget that was approved by Council. However, even with funding, there is little support by the BIA Board or members to collectively organize events or even leverage existing events that are held directly in the BIA catchment area (i.e. Chamber Street Festival, Saturday Night Fever on Yonge St., Machell's Alley JAM).

There are alternative models to consider that would better serve as support for Downtown Aurora.

With the combination of the Town's downtown revitalization efforts, and planned strategic initiatives, it is an opportune time to evaluate more efficient and effective models of serving the entire downtown business community.

The Act gives municipalities the flexibility to create, change or dissolve local boards to address local needs. The Act provides several alternative models, in lieu of a traditional designated BIA, that may provide a more comprehensive approach to service delivery in the Downtown. In reviewing alternative models and approaches across Ontario (See Attachment 3: Municipal alternative approaches to traditional BIAs), the two proposed alternative models are below.

Alternative 1: Economic Development Corporation

Under s. 9 (3) of O. Reg. 599/06 filed under the Act, a municipality can establish a corporation to conduct economic development services. These services may include:

- Providing a counselling service to or encouraging the establishment and initial growth of small businesses operating or proposing to operate in the municipality, for example a 'concierge service' for small business in the Downtown.
- Support for residential housing and/or parking facilities within the downtown area.
- Undertake actions provided for under a Community Improvement Plan.
- Support for heritage and culture assets and systems.

- Promotion and marketing of the municipality for any purpose, including the collection and dissemination of information and the development of economic development strategic plans.
- Improvement, beautification and maintenance of municipally owned land, buildings and structures in an area designated by the municipality beyond the standard provided at the expense of the municipality generally, and promotion of any area of the municipality as a business or shopping area. (Note that this provision is the same, and only, responsibility for an established BIA under the Act, within their designated area.)

The Town established the Aurora Economic Development Corporation (AEDC) by way of Letters Patent dated December 18, 2018, to serve all businesses by providing many economic development services as outlined in the Act. The AEDC operates as a separate, 12-member board consisting of business leaders, residents of Aurora and two members of Council. The AEDC leads the development and implementation of the Town's Economic Development Strategic Action Plan that includes a designated Action Team specific to supporting Downtown Aurora.

Therefore, the AEDC is well positioned, and authorized under the Act and its Letters Patent, to absorb the two responsibilities of the BIA relating to improvement, beautification and maintenance of municipally owned lands, and promotion of business and shopping. To facilitate a transfer of BIA responsibilities to the AEDC, Council would need to dissolve the BIA by passing a by-law to repeal the by-law establishing the BIA, and absorb any remaining BIA assets and/or liabilities.

Alternative 2: Economic Development Staff

The Town's Economic Development staff are positioned to facilitate and support downtown economic growth. Currently, staff, in partnership with the Aurora Chamber of Commerce, work to promote the area and provide opportunities for businesses through events and engagement. Additionally, Economic Development staff work closely with other departments in support of downtown projects and improvements, and also provide support to the Aurora Economic Development Corporation.

As with Alternative 1, under the Act, Council can dissolve the Aurora BIA and absorb any remaining assets or liabilities. Services that were to be provided by the BIA, where appropriate, could be absorbed within Town operations to avoid duplication.

For reasons identified in this report and detailed further in PDS24-021, the structure of the BIA is not the best model to support the entire downtown. Should Council direct staff to take action as proposed in the recommendations, the former BIA Board,

members and other downtown stakeholders would be engaged as part of the development of the comprehensive downtown engagement strategy. In this way, utilizing local business leaders across the entire downtown through one of the alternatives will allow for a greater amount of input, beyond the current BIA borders, and truly capture the voice of business in the downtown.

Advisory Committee Review

Discussions with the **Aurora Economic Development Corporation**, in particular the Downtown Action Team resulted in support for reducing duplication and streamlining the promotional and business support efforts in the Downtown. This includes the dissolution of the Aurora BIA, in favour of a different, collaborative and encompassing model of delivering support and promotion of the entire downtown area, as well as participating in the development of a collective Downtown engagement strategy.

Discussions with the **Aurora Chamber of Commerce** resulted in support of reducing duplication and streamlining the support of the downtown area. The Chamber remained impartial on the option to dissolve the BIA, as the Chamber has had representation on the Board of Management during the BIA's first term. However, the Chamber did not seek election/appointment to be on the current Board of Management for the 2023-2027 term. Additionally, the Chamber has voiced concern to the Board of Management over the years regarding the duplication with the Chamber and Town's efforts in promotion of the downtown. The Chamber is in favour of a collective Downtown engagement strategy and would participate in its development.

The **Aurora BIA** Board supported Council's motion to review current governance and determine options of continuing as a BIA or transitioning the responsibilities to the Town. However, the Board committed to Council that the Board would address the issues outlined in PDS24-021 and report back to Council. The Board also committed to investigating other models they felt best reflected their needs and report to the membership and to Council. While the Board has made some efforts to move forward, it has not fully taken action on either commitment.

Legal Considerations

The BIA and its governing Board were established pursuant to provisions outlined in the Act. The mandates, membership, budget process and other aspects of the Board are directed by the Act. At its core, the Board is meant to be a body that is independent of the Town and, pursuant to its statutory mandates, that acts to promote private

commercial enterprises that make up its membership and the beautification of the BIA area only. The Board's role is limited to working within its legislative mandate.

The Town does not have authority to override legislative mandates or requirements that govern the BIA and the Board. If the function or operation of the Board is envisioned to be different than mandated by the Act or to operate as a Town managed entity, a structure other than a BIA should be considered for that purpose.

The Act provides two options for the dissolution of BIAs: (1) unilateral dissolution by the municipality and (2) dissolution at the request of the Board or membership. Unilateral dissolution by the municipality is at the discretion of Council and can be done without notice or consultation with the membership of the BIA. In such scenario, Council may direct staff to bring forward a by-law to a future Council meeting for the purpose of dissolving the BIA, which would entail the repeal of the by-law that established the BIA. The dissolution at the request of the Board or membership would require a request for dissolution from either the Board or signed by members who are responsible for at least one-third of the total taxes levied within the business area. In the case of dissolution, all assets and liabilities of the Board of the BIA would become the Town's.

Financial Implications

The Aurora BIA is meant to be a financially self-sustaining organization through a special tax levy of its membership, collected by the Town on the BIA's behalf. Should the BIA be dissolved, there are specific financial references under the BIA By-law that would need to be considered:

7.12 Upon dissolution of the Board of Management, the assets and liabilities of the Board of Management become the assets of the Town.

The aforementioned provision relating to the assumption of assets and liabilities is based on the same mandate outlined in the Act. Upon completion of the financial audit of the BIA's accounting records, staff will know the total value of the assets and liabilities that would be transferred to the Town should the dissolution of the BIA occur.

BIA assets that would be transferred include, but not limited to:

- Cash accounts
- website and domains
- social media accounts
- generator
- banners (any left undamaged from storms)

Another applicable clause within the BIA By-law that would require consideration in an instance of dissolution would be, which is based upon provisions outlined in the Act:

7.13 If the Board of Management is dissolved and the liabilities exceed the assets assumed by the Town, Council may recover the difference by imposing a charge on all rateable property in the former business improvement area that is in a prescribed business property class.

If Council's direction is to repeal the bylaw and dissolve the BIA, the designated BIA levy would cease as of the date of the repealing bylaw. Consequently, if the Town is to continue the delivery of the previously provided BIA services, there would be no levy in 2025, and any future funding requirements would be brought forward during the regular budget process.

Communications Considerations

Communications will share this report with the public by posting it to the website. Additionally, updated regarding Council's decision will be included in the Council Highlights news release, and posted to the Town's website.

The Communications teams in collaboration with Economic Development staff and the AEDC's Strategic Action Teams and ongoing Aurora Town Square initiatives to promote downtown businesses and events.

Climate Change Considerations

There are no climate change considerations as a result of the recommendations outlined in this report.

Link to Strategic Plan

The Town of Aurora's Strategic Plan identifies several links in support of a streamlined approach in revitalizing the downtown area.

Goal – Economy:

Objective 1: Promotion of Economic Development Opportunities

- Work with the Aurora Economic Development Corporation to examine opportunities for the Town to actively promote downtown revitalization;
- Actively promote and support the plan to revitalize the downtown;

- Continue work closely with the Aurora Chamber of Commerce and the business community to better understand and address local business needs and promote business retention/expansion;

The Economic Development Strategy outlines several objectives in support of the downtown. The updated Economic Development Strategic Action Plan has identified specific actions, and Action Teams, to facilitate ongoing marketing, communication and support of redevelopment in the Downtown. Additionally, the Town partners with the Aurora Chamber of Commerce to deliver marketing and promotion of tourism-related and main street businesses through Explore Aurora. Links to the strategies include:

- Develop a marketing and communications strategy along with programming to attract and direct local residents and visitors to the downtown;
- Develop a communications strategy to better inform and engage residents and businesses in the downtown;
- Work with the Aurora Economic Development Corporation to examine opportunities for the Town to actively promote downtown revitalization;
- Strengthen the Town's value proposition and support programs to spotlight business in Aurora through video, website, brand awareness, social media.

Alternative(s) to the Recommendation

1. That a bylaw be brought forward to a future Council meeting to repeal BIA Designation By-law No. 6128-18 and any amending by-laws, thereby dissolving the Aurora Business Improvement Area; and
 - a. That staff be directed to perform all necessary administrative functions to conclude the business of the Aurora BIA, and assume their assets and liabilities in accordance with section 214 of the Act, as amended; and
 - b. That Economic Development Office incorporate the functions of the BIA into the economic development portfolio; and
 - c. That staff be directed to develop and implement a business engagement strategy for the Downtown area and report back to a future meeting of Council.
2. That Council provide direction.

Conclusions

Council directed staff to review the BIA and report back on alternatives to ensure an effective and collaborative approach to supporting the downtown area. There is a demonstrated duplication of efforts by the BIA in relation to the Town, Aurora Economic Development Corporation, the Aurora Chamber of Commerce and other individual organizations' activities in support of the downtown area. Through Council's motion, the review of the BIA's governance and opportunities for collaboration were explored and presented in February 2024. Council referred the report back to staff to allow for the BIA to hold its Annual General Meeting, create a strategic plan, evaluate alternative models, and report back to Council. This has not taken place, and no further action has been communicated to Council by the BIA.

The Town does not have authority to override legislative mandates or requirements that govern the BIA and the Board. If the function or operation of the Board is envisioned to be different than mandated by the Act, or to operate as a Town-managed entity, a structure other than a BIA should be considered for that purpose.

This report provides alternatives to the current structure and service level provided by the BIA, and how the services can be incorporated and streamlined into existing strategic plans. The recommendation is to dissolve the Aurora BIA and request that the Aurora Economic Development Corporation incorporate the responsibilities of the BIA, as permitted under the Act.

Attachments

None

Previous Reports

PDS24-021 Aurora BIA Governance Review and Downtown Collaboration Model

Pre-submission Review

Agenda Management Team review on November 14, 2024

Approvals

Approved by Marco Ramunno, Director, Planning and Development Services

Approved by Doug Nadorozny, Chief Administrative Officer