

- Regina Downtown Business Improvement District

2014 Budget

March 15, 2014

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Regina, Saskatchewan
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OUR MISSION

Regina Downtown Business Improvement District acts on behalf of our members by engaging in activities of strategic support of policies, programs and initiatives that favourably position Downtown Regina as a unique and desirable neighbourhood (RDNP) for businesses and residents.

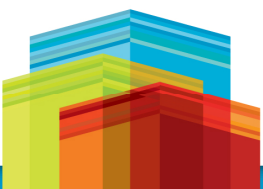
OUR VISION FOR DOWNTOWN

Regina Downtown will support the creation of a complete and sustainable downtown neighbourhood, where entrepreneurship and cultural vitality flourish and a diverse community of people thrive in an active, safe, accessible, inclusive and beautiful public realm.



2014 BUDGET RECOMMENDATIONS

1. That the mill rate be set at 0.7388 for 2014
2. A provision for estimated 2014 assessment appeals in the amount of \$83,000.



EXECUTIVE SUMMARY

BUDGET 2014

The development of the Regina Downtown Business Improvement District (RDBID) 2013 - 2015 Strategic Plan constitutes the basis for all expenditures outlined in the 2014 budget. The Board of Directors is pleased to present to City Council the proposed 2014 budget.

BUDGET SUMMARY

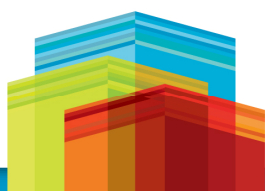
2014

	2012 Actual	2013 Actual	2014 Budget Proposed
REVENUE			
Bid Levy	\$655,336	\$ 827,895	\$849,401
Adjustments (Board of Revision, etc.)	\$ -	\$ -	\$ -
Recovery of Assessment Appeals	\$ -	\$ -	\$ -
Other Funding Sources	\$ 31,418	\$ 29,887	\$ 27,000
Special Projects / Grants / Sponsorship	\$ 40,338	\$ 60,149	\$112,300
Allocation From Unrestricted Fund Balance	\$ 25,867	\$ -	\$ -
Allocation From Contingency Reserve	\$ -	\$ -	\$ -
Allocation From Capital Reserve	\$ 28,257	\$ -	\$ -
Total Revenue	\$781,216	\$917,931	\$988,701
EXPENDITURES			
Organization Management	\$332,604	\$ 463,783	\$402,810
Image and Awareness	\$247,125	\$ -	\$ -
Stakeholder Services	\$107,323	\$ -	\$ -
Role in Development	\$42,568	\$ -	\$ -
Member Engagement and Services	\$ -	\$ 204,060	\$222,300
Place Making	\$ -	\$ 104,048	\$151,500
Business & Residential Attraction/Retention	\$ -	\$ 16,699	\$ 24,000
Transformational Projects	\$ -	\$ -	\$ 55,600
Allocation To Unrestricted Fund Balance	\$ -	\$19,456	\$ 12,373
Allocation To Contingency Reserve	\$ -	\$ -	\$ -
Allocation To Capital Reserve	\$ -	\$ 58,370	\$ 37,118
Provision for Assessment Appeals	\$ 51,596	\$ 51,515	\$ 83,000
Total Expenditures	\$781,216	\$917,931	\$988,701
Surplus (Deficit)	\$0	\$ 0	\$ 0



ACCUMULATED SURPLUS

	2011 Actual	2012 Actual	2013 Actual	2014 Budget Proposed
Accumulated Surplus, Beginning of the Year, as previously reported	\$ 617,450	\$ 605,796	\$ 551,672	\$ 629,498
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -
Accumulated Surplus, Beginning of the Year	\$ 617,450	\$ 605,796	\$ 551,672	\$ 629,498
Accumulated Surplus, Beginning of the Year	\$ 617,450	\$ 605,796	\$ 551,672	\$ 629,498
<i>Unappropriated Surplus</i>	\$ 121,657	\$ 257,003	\$ 231,136	\$ 300,592
<i>Contingency Reserve</i>	\$ 215,000	\$ 215,000	\$ 215,000	\$ 215,000
<i>Capital Reserve</i>	\$ 280,793	\$ 133,793	\$ 105,536	\$ 113,906
Allocation of Annual (Deficit)/Surplus				
<i>Unappropriated Surplus</i>	\$ (11,654)	\$ (54,124)	\$ 77,826	\$ 49,491
<i>Contingency Reserve</i>	\$ -	\$ -	\$ -	\$ -
<i>Capital Reserve</i>	\$ -	\$ -	\$ -	\$ -
Allocations to (from) Reserves				
<i>Unappropriated Surplus</i>	\$ 147,000	\$ 28,257	\$ (8,370)	\$ (37,118)
<i>Contingency Reserve</i>	\$ -	\$ -	\$ -	\$ -
<i>Capital Reserve</i>	\$ (147,000)	\$ (28,257)	\$ 8,370	\$ 37,118
Accumulated Surplus – End of Year	\$ 605,796	\$ 551,672	\$ 629,498	\$ 678,989
<i>Unappropriated Surplus</i>	\$ 257,003	\$ 231,136	\$ 300,592	\$ 312,965
<i>Contingency Reserve</i>	\$ 215,000	\$ 215,000	\$ 215,000	\$ 215,000
<i>Capital Reserve</i>	\$ 133,793	\$ 105,536	\$ 113,906	\$ 151,024



PROPOSED CHANGES TO NET ASSETS

In 2014, the operating budget will fund planned capital expenditures, in the amount of \$44,050.

No change to the Contingency Reserve is proposed for 2014. In accordance with RDBID financial policies and strategic objectives, Regina Downtown capped its Contingency Reserve at \$215,000 in 2007. The purpose of the Contingency Reserve is to cover any substantial and unexpected one-time assessment appeal expenditures and to support six months of operations to wind-down the Business Improvement District in the event of its dissolution.

A planned surplus of \$49,491 is budgeted for 2014. As per RDBID policy, seventy-five percent or \$37,118 of the surplus will be directed to a capital reserve fund for future purchases of capital assets. The remaining 25% or \$12,373 will be allocated to the unappropriated surplus balance.

PROPOSED CHANGES TO NET ASSETS

	2011 Actual	2012 Actual*	2013 Actual*	2014 Budget*
Accumulated Surplus – Closing Balance	605,796	551,672	629,498	678,989
<i>Unappropriated Surplus</i>	<i>257,003</i>	<i>231,136</i>	<i>300,592</i>	<i>312,965</i>
<i>Contingency Reserve</i>	<i>215,000</i>	<i>215,000</i>	<i>215,000</i>	<i>215,000</i>
<i>Capital Reserve</i>	<i>133,793</i>	<i>105,536</i>	<i>113,906</i>	<i>151,024</i>

*Due to accounting practices, tangible capital assets are amortized over 10 years. The 2013 net book value of RDBID's tangible capital assets is \$287,935. The unappropriated surplus balance net of amortization in 2013 is \$12,657. The unappropriated surplus balance net of amortization in 2014 is projected to be \$25,030.



OVERVIEW OF REGINA DOWNTOWN

What is Regina Downtown?

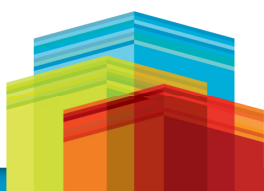
Regina Downtown is a Business Improvement District that has been in operation for over 30 years. It was created in April 1981 as an organizing and financing mechanism used by property owners to work together to promote and enhance Downtown's unique assets, improve conditions for businesses operating in the district, and improve the quality of life for those who use and visit Downtown.

Today, Regina Downtown fulfills its original purpose while continuously improving and enhancing member services. Whether it is through the research and development, such as the streetscape enhancement installations completed in 2008, replacement of holiday decorations in 2011, or through attracting and facilitating new events Downtown such as Casino Regina Concert Series, the Cinema Under the Stars Series and Sask Fashion Week, RDBID strives to make Downtown the best place to live, work, shop and play in Regina.

Regina Downtown encompasses the 41-block area between Osler Street, Angus Street, Victoria Avenue and Saskatchewan Drive.



Regina Downtown
Business Improvement District Map



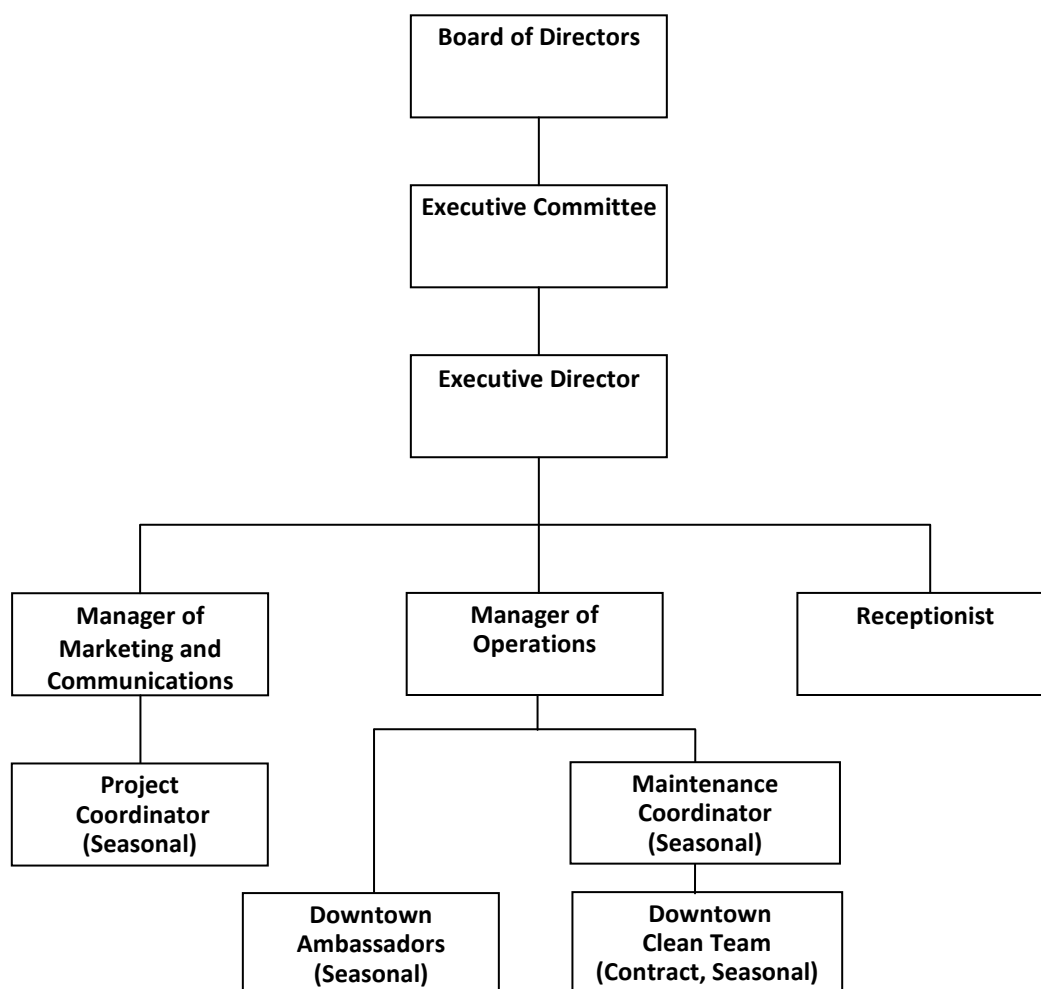
Legislation

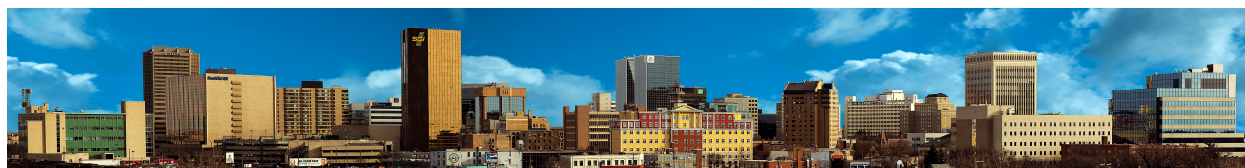
Authorized under Section 25 & 26 of *The Cities Act* and City of Regina *Bylaw No 2007 – 85*, Regina Downtown programs and services are financed by a special assessment collected from commercial property owners located in the defined boundaries of the Downtown District. The assessment is billed and collected by the City of Regina annually and then disbursed to Regina Downtown, where it is used to supplement the services already provided by the City of Regina.

Governance

The Board of Directors consists of thirteen persons (one member of City Council and twelve members who have a vested interest in the district) appointed by resolution of City Council. In addition, one senior City of Regina official and the Executive Director of Regina Downtown hold advisory roles on the Board and are non-voting members.

Organizational Structure





SUMMARY OF STRATEGIC PLAN 2013 - 2015

Overview

Successful completion of the 2010 - 2012 Strategic Plan and the development of the 2013 - 2015 Strategic Plan constitute the basis for all expenditures outlined in the 2013 budget. The 2013-2015 Strategic Plan focuses on strategic actions that raise the profile and support at positive image of Downtown within the greater Regina community. Eleven objectives and four key pillars were identified through the strategic plan process in the fall of 2012. The strategic plan is supported by the RDBID balanced scorecard which identifies initiatives, measures and targets for success over the next three years.

2013 – 2015 Strategic Plan and Balanced Scorecard

Regina Downtown held three strategic planning workshops in November 2012. The goal of these workshops were to identify the future direction of RDBID in light of the recently announced public and private downtown investments, the ongoing implementation of the Regina Downtown Neighbourhood Plan, and to clarify new roles for the organization over the course of the next three years. The specific objectives emerging from the workshops are as follows:

Financial Perspective

- F1. Leverage current financial resources
- F2. Explore new financial resources

Stakeholder and Customer Perspective

- S1. Engaged members
- S2. Proud Regina Citizens speaking highly of their Downtown
- S3. Preferred location for business and residential development, public and private investment and events.

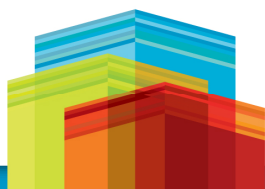
Process Perspective (Our key pillars)

- P1. Member engagement and services
- P2. Place-making
- P3. Business and Residential Retention and Attraction
- P4. Key Role in Transformational Projects

Organizational Capability

- O1. Board of Directors – Champions of Downtown Regina
- O2. Internal Talent – Voice of Downtown Regina

The results from the session were compiled and refined into the 2013 – 2015 strategic plan report and balanced scorecard.

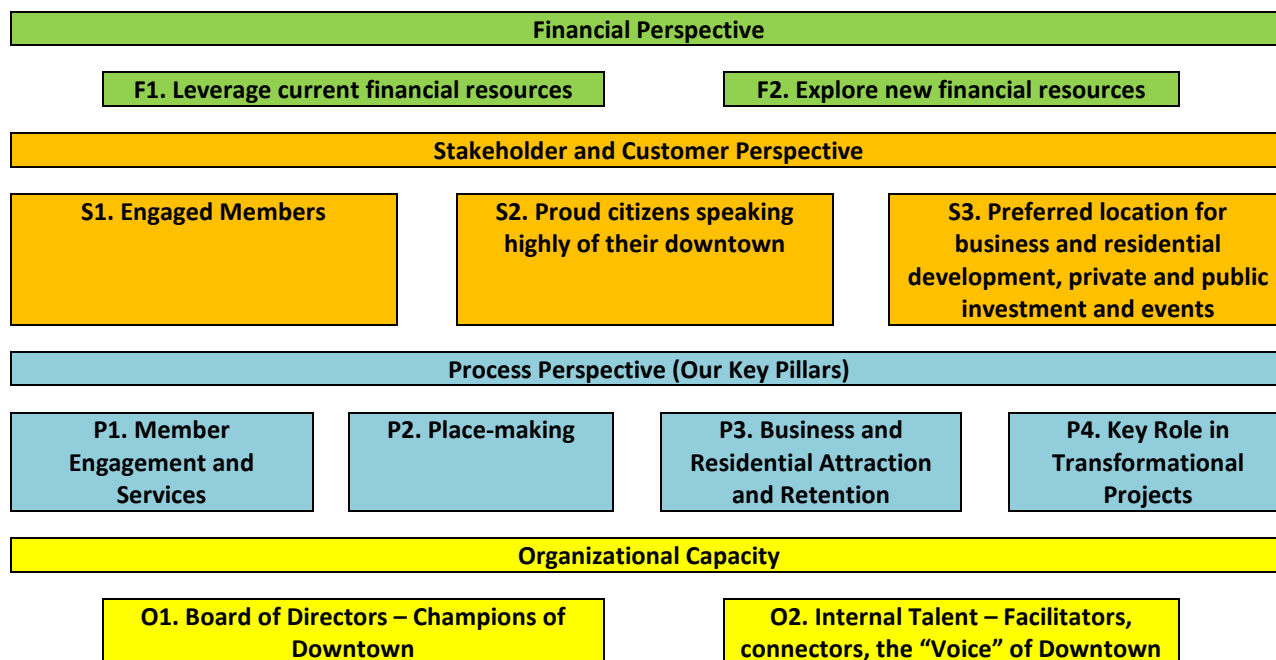


RDBID Strategy Map

The RDBID Strategy Map depicts the integrated relationship of all aspects of the RDBID – the four perspectives and the eleven objectives – working towards the achievement for the Vision while fulfilling the Mission. At the foundation are the Operating Principles and Organizational Capability.

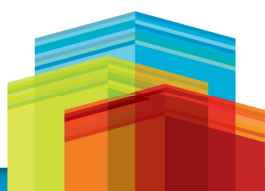
Vision: Regina Downtown will support the creation of a complete and sustainable Downtown neighborhood, where entrepreneurship and cultural vitality flourish, and a diverse community of people thrives in an active, safe, accessible, inclusive and beautiful public realm.

Mission: RDBID acts on behalf of our members by engaging in activities of strategic support of policies, programs and initiatives that favorably position Regina Downtown as a unique and desirable neighborhood (RDNP) for business and residence.



Operating Principles

Strategic and Industry Best Practice
Flexible, responsive, transparent
Collaborate with partners and the RDNP
Leverage financial resources to achieve vision



SUMMARY OF 2014 INITIATIVES

Great momentum has been generated by the implementation of the Regina Downtown Neighbourhood Plan, and renewed interest and investment in Downtown. It is imperative for the BID to strategically align its objectives with broader initiatives undertaken by the City and investments being made by other key stakeholders.

The key pillars of the organization are not intended to be comprehensive in scope. They are designed to complement other initiatives as a means to ensuring the fulfillment of the Vision established in the *Regina Downtown Strategic Plan*. Regina Downtown seeks to build strong partnerships in both the public and private sectors and collaborate with the City of Regina in order to enhance investment in Downtown.

P1 Member Engagement and Services

Goal:

To provide key services for members related to maintaining the look and feel of downtown, marketing and promotions, public safety and business support. To do so, Regina Downtown will focus on providing core member services that have been provided in the past, and greater emphasis will be placed on ensuring that members utilize these services.

Objective:

To ensure Downtown is a place where people feel safe and welcome and to enhance the appearance and identity of Downtown.

2014 Initiatives:

- Facilitate cleaning and maintenance of the pedestrian environment
- Facilitate removal of downtown graffiti
- Conduct regular amenity checks.
- Continue to operate the Info on the Go visitor services program
- Continue to operate the mobile information kiosk



Objective:

To continue to play a key role in marketing and promoting Downtown Regina to the greater community.

2014 Initiatives:

- Continued update and maintenance of RDBID website
- Continued member outreach through the Downtown Dialogue series, member reception and social media efforts
- Produce and distribute Downtown promotional materials including RDBID newsletter, Downtown maps, dining guides, annual report, strategic plan, business recruitment material
- Administer perception surveys for general population and RDBID membership



P2 Place-making

Goal:

To support the flourishing of Downtown Regina through the promotion, facilitation, and development of events and special initiatives in Downtown. The BID will play a strategic role focusing on the support of key initiatives being produced by others through the dissemination of knowledge and information, and acting as a resource.

Objective:

To organize “signature” Regina Downtown events.

2014 Initiatives:

- Continue to produce Cinema Under The Stars and Regina Downtown Summer Concert Series
- Develop a rationale/criteria to assess event involvement with partners, to ensure appropriate allocation of resources and connections to measurable outcomes (i.e. number of attendees, impact on downtown businesses) prior to engaging in partnerships
- Expand and enhance the City Square Program year round through partnerships with local organizations
- Explore opportunities for new events and promotions that support Downtown’s role as the heart of the community



Objective:

To facilitate capital improvements within the Downtown neighbourhood that enhance the public realm

2014 Initiatives:

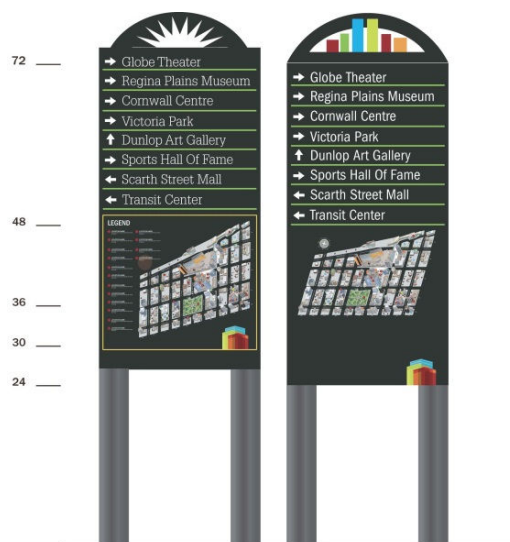
- Implementation of the Downtown Regina signage plan
- Continued administration of the Urban Canvas Mural Program

Objective:

To market Downtown as Regina’s premier events venue, and stimulate the creation of new events in Downtown through collaborations with RROC, the Arts Community, City of Regina, and other key stakeholders (local businesses, Brandt Centre, University of Regina, etc.).

2014 Initiatives:

- Collaborate with key partners to attract and generate new events Downtown
- Promote awareness of the BID as a potential partner and informational resource to those seeking support, coordination services and partnerships for delivering events in Downtown



P3 Business and Residential Attraction & Retention

Goal:

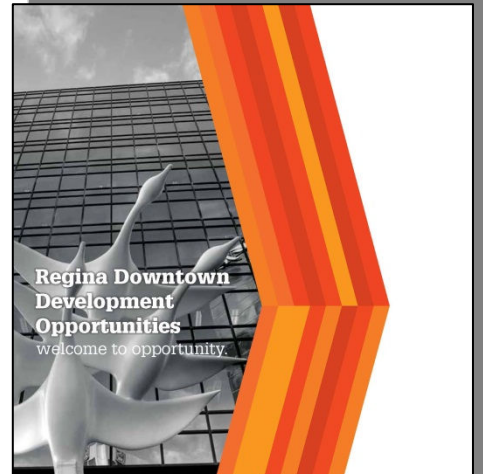
To establish Downtown as a highly desirable, unique neighbourhood within Regina where residents, businesses, niche retail, and entrepreneurship thrive.

Objective:

To build public and private sector perceptions of Downtown as more than just a location for conventional retail and offices.

2014 Initiatives:

- Become the information gathering and distribution centre for Downtown businesses, property owners, and residents
- Support the creation of a mix of uses and amenities necessary to create a complete community Downtown
- Conduct regular pedestrian counts throughout Downtown
- Develop and distribute business recruitment material



Objective:

Facilitate the development of housing projects in Downtown

2014 Initiatives:

- Engage the interest of property owners, non-profit and market housing providers in housing development opportunities Downtown
- Continue distribution of the Downtown Development Opportunities brochure
- Implementation of Downtown Housing Strategy recommendations



P4 Key Role in Transformational Projects

Goal:

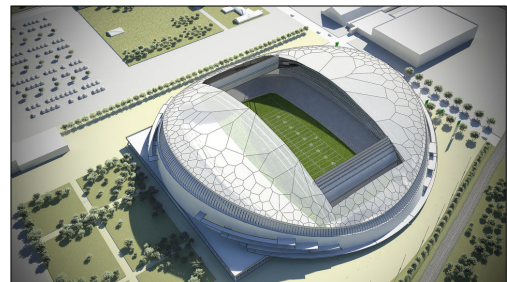
To position Regina Downtown as the Advocate for Downtown Interests and to disseminate its positions in a manner that shapes public dialogue and decision-making, and inspires investment in Downtown.

Objective:

Develop timely consensus on key issues, rooted in concrete research and analysis in relation to current and upcoming projects and larger trends in city-wide planning.

2014 Initiatives:

- Establish a clear process for identifying key advocacy issues and interests
- Ensure timely consensus on response to key issues
- Develop and disseminate official policy positions on a variety of identified issues
- Develop and implement a creative communications and public engagement strategy designed to champion and promote downtown interests, initiatives and policy positions.
- Develop a Downtown Visual Identity Strategy that will inform future public realm investments.
- Invest in independent evaluation of advocacy work to assess impact



2014 BUDGET

Assessment

Regina Downtown's operations are funded primarily through a levy on the taxable assessment of all commercial properties located within the boundaries of the business improvement district. For 2014, it is recommended that a mill rate of 0.7388 is maintained. Total revenue generated from the levy rate is estimated to be \$849,401.

The additional revenue generated is expected to fund several new initiatives in support of the actions identified in the Regina Downtown Neighbourhood Plan, including a pedestrian count, continuation of the signage program and enhanced City Square programming.

Levy revenue has increased over the past three years as a result of new commercial properties joining the district as well as new buildings being developed within the RDBID boundaries. The expansion of BID boundaries to the east and west (Angus and Osler) occurred in 2007 and 2008.

Outstanding assessment appeals that date back to 2006 and property assessment adjustments continue to result in an uncertain revenue base each year. Regina Downtown will continue to carefully manage expenses and set aside allowances annually to cover any potential losses from economic instability or outstanding assessment appeals.

While the outcomes of these appeals and Regina Downtown's resulting obligations are uncertain, a provision representing the potential repayment of a portion of the levies on properties under appeal has been recorded and set aside. Based on information received from the City of Regina, an assessment appeal provision of \$83,000 is recommended in 2014.

Other Funding

In 2014, other funding will come from special membership fees from partner organizations. These partnerships will inject funding support through monetary partnership contributions.

Grants, Sponsorship and Advertising

Revenue generated from sponsorship, grants, and advertising sales over the past few years have provided Regina Downtown with opportunities to expand and enhance existing services with minimal impact to its operating budget.

In 2013, our goal is to secure grants and sponsorship in the amount of \$112,300. This revenue will be used to sustain and enhance a number of special events and projects including the *Holiday Parking Promotion*, the *Casino Regina Summer Stage and Concert Series*, and the *Cinema Under the Stars Series*.

Transfers

As a result of an uncertain revenue base each year, we have carefully managed expenditures and set aside allowances to cover potential losses from outstanding assessment appeals as well as an uncertain economy. Unanticipated recoveries from this allowance over the past few years have contributed, in part, to operating surpluses.

To ensure the future financial stability of Regina Downtown, the Board of Directors implemented a policy in March 2005 to allocate any surpluses to a Contingency Reserve and Capital Reserve. The purpose of the Contingency Reserve is to cover any substantial and unexpected one-time assessment appeal expenditures and to support six months of operations to wind-down the Business Improvement District in the event of its dissolution. The Capital Reserve will be used to invest in our property, equipment and to leverage additional funds to improve infrastructure and streetscape.

In 2007, the Board of Directors approved a cap the Contingency Reserve at \$215,000. Since then, 75% of the surplus



funds have been allocated to the Capital Reserve. No transfers from the Contingency Reserve are anticipated.

In 2014, the planned surplus of \$49,491 will be transferred to the Unappropriated Surplus (25%) and the Capital Reserve (75%). Based on RDBID's Strategic Plan goals and the number of capital projects (both private and public) that will be underway over the next five years, RDBID has adopted a Capital Reserve Savings Plan. As these projects come to fruition in the coming years, the Capital Reserve funding will ensure that RDBID remains an active partner in enhancing the Downtown environment.



2014 BUDGET - Revenue Projections

2014 BUDGET - REVENUE			
	2012	2013	2014
	Actual	Actual	Budget
ASSESSMENT			
Bid Levy	\$655,336	\$827,895	\$849,401
Adjustments (Board of Revision, etc.)	\$0	\$0	\$0
Recovery of Assessment Appeals	\$0	\$0	\$0
Sub-total	\$655,336	\$827,895	\$849,401
OTHER FUNDING			
Special Membership Fees	\$13,543	\$21,069	\$21,000
Office and Equipment Rental	\$2,500	\$0	\$6,000
Other	\$15,375	\$8,818	\$0
Sub-total	\$31,418	\$29,887	\$27,000
SPECIAL PROJECTS			
Holiday Parking Program	\$2,100	\$2,500	\$3,000
FW Hill Mall Stage	\$6,000	\$5,000	\$12,000
Cinema Under the Stars	\$10,000	\$16,000	\$23,000
Anti-Graffiti Program	\$7,000	\$0	\$2,500
Canada Summer Wage Subsidy	\$2,250	\$2,800	\$2,800
SGI Safe Ride – Labour Day Shuttle	\$12,500	\$0	\$0
City Square Programmer	\$0	\$28,000	\$32,000
Other Sponsorships	\$488	\$5,849	\$3,000
Additional Studies	\$0	\$0	\$34,000
Sub-total	\$40,338	\$60,149	\$112,300
REVENUE TOTAL	\$727,092	\$917,931	\$988,701

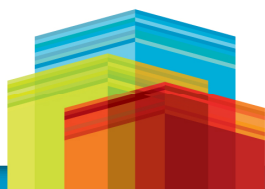


2014 BUDGET - Expense Overview

2014 BUDGET - EXPENSES

	2012	2013	2014
	Actual	Unaudited	Budget
ORGANIZATION MANAGEMENT			
General Operating and Personnel	\$295,707	\$421,296	\$396,760
Investment in Equipment	\$0	\$0	\$6,050
Amortization	\$36,897	\$42,487	\$0
Sub-total	\$332,604	\$463,783	\$402,810
IMAGE AND AWARENESS			
Clean Team	\$52,387	\$0	\$0
Downtown Patrol	\$105,871	\$0	\$0
Advertising and Promotions	\$52,160	\$0	\$0
Investment in Mural Program	\$36,707	\$0	\$0
Sub-total	\$247,125	\$0	\$0
STAKEHOLDER SERVICES			
Special Events	\$65,674	\$0	\$0
Research and Studies	\$34,255	\$0	\$0
Member Communications	\$7,394	\$0	\$0
Sub-total	\$107,323	\$0	\$0
ROLE IN DEVELOPMENT			
Loss on Disposal	2,483	\$0	\$0
Planning and Development	12,579	\$0	\$0
Transportation Programs	19,388	\$0	\$0
Investment in Streetscape Enhancements	8,118	\$0	\$0
Sub-total	\$42,568	\$0	\$0
MEMBER ENGAGEMENT AND SERVICES			
Communications	\$0	\$24,640	\$27,800
Advertising	\$0	\$25,450	\$31,000
Publications	\$0	\$32,996	\$16,000
Downtown Maintenance	\$0	\$50,353	\$77,550
Downtown Ambassador Services	\$0	\$70,621	\$69,950
Sub-total	\$0	\$204,060	\$222,300

PLACE-MAKING



Events and Programming	\$0	\$90,749	\$106,500
Neighbourhood Enhancements	\$0	\$1,886	\$38,000
Special Projects	\$0	\$11,413	\$7,000
Sub-total	\$0	\$104,048	\$151,500

BUSINESS & RESIDENTIAL ATTRACTION & RETENTION

Business Research and Initiatives	\$0	\$9,123	\$21,500
Residential Research and Initiatives	\$0	\$7,576	\$2,500
Sub-total	\$0	\$16,699	\$24,000

TRANSFORMATIONAL PROJECTS

Project Support	\$0	\$0	\$55,600
Sub-total	\$0	\$0	\$55,600

PROVISION FOR ASSESSMENT APPEALS	\$51,596	\$51,515	\$83,000
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EXPENSE TOTAL	\$781,216	\$840,105	\$939,210
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