

# Report to Council



**Date:** November 4, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** Business Improvement Area (BIA) Ambassador Program Funding Model  
**Department:** Revenue Branch and Community Safety Department

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**Recommendation:**

THAT Council receives, for information, the report from the Revenue Branch and Community Safety Department dated November 4, 2024 regarding the establishment of a Business Improvement Area Ambassador Program Funding Model;

AND THAT Council adopts Council Policy No. 393, being BIA Ambassador Program Funding;

AND THAT Bylaw No. 12575 being Amendment No. 1 to Bylaw No. 12575 Kelowna Downtown Business Improvement Area 2024 - 2028, be forwarded for reading consideration.

AND FURTHER THAT Bylaw No. 12714 being Amendment No. 1 to Bylaw No. 12427 Uptown Rutland Business Improvement Area 2023-2027, be forwarded for reading consideration.

**Purpose:**

To adopt a Council Policy that standardizes a funding model to support Business Improvement Areas Ambassador Programs, and to make necessary amendments to related bylaws.

**Council Priority Alignment:**

**Crime & Safety**

**Background:**

*Portion of a Previous Council Resolution*

Resolution	Date
THAT Council directs staff to draft a Council Policy as a framework for a new Business Improvement Area (BIA) grant program.	February 26, 2024

In February 2024, Council approved a one-time grant of \$130,000 to the Uptown Rutland Business Association (URBA) to support the launch of an on-call neighbourhood patrol program modelled after the Downtown Kelowna Association’s (DKA) program.

At that time, it was identified that the City provides financial assistance to the DKA to support its Downtown On-Call (DOC) and Downtown Clean Team (DCT) programs. Currently, there is no formalized process or funding formula to provide local Business Improvement Areas (BIAs) with a clear understanding of what financial assistance is available from the City, in addition to the annual levy.

As a result, City staff were directed to develop a formalized funding model through policy to clarify the level of City financial support for BIA Ambassador programs.

**Discussion:**

Funding for BIAs is established every five years as a local service tax imposed on light industry and business property owners within the boundaries of the BIA, in accordance with the Community Charter. Council has recognized the importance and benefits of a BIA Ambassador Program by providing additional funds to the DKA to enhance its DOC and DCT initiatives.

These initiatives benefit not only BIA members, but the community at large. Ambassador programs have four major impacts on community safety and sense of safety:

1. Reduction in RCMP Calls for Service - Ambassadors offer a front-line response to minor incidents, which decreases the number of calls for service to the RCMP. Data from the DKA indicates that approximately eight per cent of the incidents to which the DOC responded resulted in the need for RCMP, allowing RCMP officers to focus on higher-priority matters.
2. Enhanced Visibility and Safety - Ambassadors maintain a highly visible, uniformed presence in key business and tourist areas. This visibility enhances the sense of safety among businesses, residents, and visitors, while also diminishing opportunities for crime.
3. Maintenance and Cleanliness - By providing essential maintenance and cleaning services to BIA businesses, Ambassadors help create a safe and welcoming environment in our community. This approach aligns with the "broken windows theory," which suggests that maintaining order and a visual sense of pride of property can prevent further crime.
4. Liaison and Education - Ambassadors act as intermediaries between businesses and the public, facilitating collaboration, and offering crime prevention training and education.

The draft Council Policy provides clarity regarding the level of financial support the City would provide to a BIA Ambassador program, starting in 2025. A BIA may receive from the City a grant of either \$100,000 or 25% of the Ambassador program budget, whichever is greater. The \$100,000 base will increase by 5% per year up to 2029. Prior to the 2029 budget, Council may review the Policy and the amounts to see if the rationale for the financial enhancement is still relevant and make any amendments as appropriate.

The Policy provides the option for the City to enter into an Ambassador Program Service Agreement with a BIA, and for the BIA to provide financial and program-related reporting to the City.

**Estimated funding amounts:**

Under this proposed policy, City financial support of the DKA and URBA Ambassador Programs is projected to increase from \$303,778 in 2025 to \$369,244 in 2029 based on a funding formula of the greater of 25 per cent program budget, or, \$100,000 indexed at 5 per cent beginning Jan 1, 2026.

Year	2025	2026	2027	2028	2029
<b>URBA</b>					
URBA Ambassador Program Budget	319,200	335,200	352,000	369,600	388,100
Grant Amount	100,000	105,000	110,250	115,763	121,551
Existing ongoing funding	-	-	-	-	-
URBA Max Funding Amount	<b>100,000</b>	<b>105,000</b>	<b>110,250</b>	<b>115,763</b>	<b>121,551</b>
<b>DKA</b>					
DKA Ambassador Program Budget	815,110	855,866	898,659	943,592	990,772
Grant Amount	203,778	213,967	224,665	235,898	247,693
Existing Ongoing funding	160,000	160,000	160,000	160,000	160,000
DKA Max Additional Funding Amount	<b>43,778</b>	<b>53,967</b>	<b>64,665</b>	<b>75,898</b>	<b>87,693</b>
<b>TOTAL ADDITIONAL ONGOING FUNDING</b>	<b>143,778</b>	<b>158,967</b>	<b>174,915</b>	<b>191,661</b>	<b>209,244</b>

**Conclusion:**

Council's previous direction to create policy for BIA Ambassador Program Funding is addressed in the draft Council Policy 393. The Policy provides a funding model for the 2025-2029 budget years that will enable both the City and participating BIAs to plan and budget for Ambassador Programs for the next five years.

**Internal Circulation:**

Office of the City Clerk  
Infrastructure Operations Department  
Financial Services Department  
Communications Department

**Legal/Statutory Authority:**

Section 25, Community Charter  
Section 215, Community Charter

**Financial/Budgetary Considerations:**

Council will consider the actual amounts provided to a BIA as part of the annual Budget process.

Submitted by: D. Caul

**Approved for inclusion:** S. Leatherdale, General Manager, People & Protective Services

cc:

Office of the City Clerk

Infrastructure Operations Department

Financial Services Department

Communications Department