Hyde Park Business Improvement Association
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"Businesses Working Together to Foster a Vibrant Community"

Understanding the 2026–2027 BIA Levy Increase

The simplest way to look at the change is to calculate the BIA levy as a percentage of the total assessed value of properties within the BIA.

How the BIA levy is calculated

Under the traditional BIA levy calculation, each property contributes to the BIA budget based on its share of the total assessed value within the BIA.

For example, if a property represents 1% of the total relevant assessment within the BIA, it would contribute approximately 1% of the BIA's total levy.

The following math is based on an assumption that the assessed property value within the BIA does not change from 2026 to 2027.

The 2026–2027 change

Based on the 2026 commercial assessed values, the total assessed value within the BIA is approximately **$315.3 million**.

Using the current figures:

	2026	**2027**
Total BIA levy/budget	$741,000	$804,085
Levy as % of total assessed value	0.2350%	0.255%
Increase		**$63,085**
Percentage increase (both dollar value and levy)		**8.5%**

The BIA's levy would therefore increase by:
$804,085 – $741,000 = $63,805 (8.5%)

What does this mean for an individual property?

For a property assessed at $1 million:

Property value x BIA levy % = Levy paid

2026 @ $741,000

$1,000,000 × 0.2350% = **$2,350 BIA levy**

2027 – 8.5% @$804,085

$1,000,000 × 0.2550% = **$2,550 BIA levy**

Difference: $200 per year or $16.66/month (Per Million)

For a property assessed at $1 million, the proposed increase of 8.5% would be approximately an additional $200 per year, or about $16.66 per month, assuming the property's assessment remains unchanged.

The bottom line

If assessed values remain unchanged:

- **The proposed BIA budget increases from $741,000 to $804,085 — an increase of $63,805, or 8.5%.**
- For every $1 million in assessed property value, the corresponding BIA levy would increase from approximately **$2,350 to $2,550**, an increase of **$200 per year**.
- Actual individual property impacts may differ if a property's assessment changes relative to the total assessed value within the BIA.
- BIA Levy Taxes can be claimed as business expenses with Revenue Canada
- Property owners can minimize the impacts of the levy by dividing the levy among the building's commercial tenants in their lease.

BIA LEVY/SUPPLEMENTAL TAX CALCULATION

The $150,000 supplemental tax repayment arose from a reassessment of properties within the BIA boundaries.

Several properties were assessed at higher values (meaning they paid more in property taxes than they should have), including their share of the BIA levy. When MPAC and the City corrected those assessments several years later, the BIA had to repay the portion of the levy associated with those adjustments.

This adjustment did not affect the BIA's original budget requirements.

The assessments were corrected multiple years later, after the levy had already been collected and used to support BIA operations. We were then required to repay approximately $150,000 to the City, creating a financial obligation that we had to manage through subsequent annual budgets.

The repayment has been spread over five years, at approximately $30,000 per year. As a result, a portion of the levy collected in recent years has been required to cover this repayment rather than increasing the funding available for programs, services and other BIA activities.

If the assessments had been correct from the beginning, the levy would have been distributed differently among properties. The BIA would still have needed to collect the amount required to fund its approved budget; the difference would have been how much each property contributed.

The $30,000 annual repayment is a financial obligation that the BIA must meet.

Absorbing this cost without recovering it through the annual budget means using other BIA funds to cover the repayment, leaving less money available for operations, member services, events, marketing and public realm improvements.

In practical terms, this repayment has limited the amount of previous levy increases that could translate into additional operating funds. While the BIA has continued to deliver programs and services, it has also relied on grants and sponsorships to supplement its core funding.

Recovering this cost through the annual budget is about meeting an existing financial obligation while maintaining a sustainable operating budget for the businesses we serve.

The goal is to ensure that the cost of this historical repayment does not continue to erode the funding available to support HPBIA's core operations and the programs and services members rely on.

For Commercial Property Owners

For property owners, the BIA levy is a **municipal tax expense associated with the commercial property**. As with other property-related expenses, it may generally be deductible for income tax purposes when the property is used to earn business or rental income.

Property owners should consult their accountant or tax professional regarding the specific treatment of the BIA levy for their circumstances.

For Business Renters

If you rent your commercial space, the BIA levy is generally paid by the **property owner** as part of the property's municipal tax bill. Depending on the terms of your lease, property taxes and other operating costs may be passed on to the tenant as part of the rent or additional rent.

Please refer to your lease agreement to understand how property taxes and other costs are allocated between you and your landlord.

Again:

- BIA Levy Taxes can be claimed as business expenses with Revenue Canada

- Property owners can minimize the impacts of the levy by dividing the levy among the building's commercial tenants in their lease.

Schedule "A"

Hyde Park Business Improvement Area 2027 Proposed Budget with 2026 Comparators

Revenue Overview

Revenue Detail:	2026 Approved Budget	**2027 Proposed Budget**	Percentage of Total Revenue	Increase/ Decrease over 2026	Percentage Budget Change over 2026
Municipal Special Levy	741,000	804,085	93.7%	63,085	8.5%
Tax Write Offs/Allowance	-2,000	-33,085	-3.9%	-31,085	NA
Net Municipal Special Levy	739,000	771,000	89.9%	32,000	**4.3%**
Draw from Operating / Surplus Fund	40,000	10,000	1.2%	-30,000	(75.0%)
Canada Summer Jobs	17,000	17,000	2.0%	0	N/A
Interest Income	0	0	0.0%	0	N/A
HST Rebate	0	0	0.0%	0	N/A
Miscellaneous Income	80,000	60,000	7.0%	-20,000	(25.0%)
Total Revenue	876,000	858,000	100.0%	-18,000	-2.1%

Expenditure Overview

Expenditure Detail:	2026 Approved Budget	**2027 Proposed Budget**	Percentage of Total Revenue	Increase/ Decrease over 2026	Percentage Budget Change over 2026
Administration					
Wage, Benefits & MERCS	265,000	280,000	32.6%	15,000	5.7%
Student Wages and Benefits	17,000	17,000	2.0%	0	N/A
Insurance	6,000	7,000	0.8%	1,000	16.7%
Bookkeeping, Audit and Professional Fees	7,000	7,000	0.8%	0	N/A
Office Equipment Upgrades	5,000	12,000	1.4%	7,000	140.0%
Office Furniture	0	0	0.0%	0	N/A
Leasehold Improvements	0	0	0.0%	0	N/A
Phone, Internet, Office 365	2,500	3,000	0.3%	500	20.0%
Office Supplies	5,500	5,500	0.6%	0	N/A
Training & Conferences	20,000	15,000	1.7%	-5,000	(25.0%)
Subscriptions & Memberships	3,000	3,000	0.3%	0	N/A
Bank Charges	1,000	1,000	0.1%	0	N/A
Operating	7,000	7,000	0.8%	0	N/A
Employee Heallth Insurance Benefit	2,800	3,560	0.4%	760	27.1%
	0		0.0%	0	N/A
Total Administration	341,800	361,060	42.1%	19,260	5.6%
Rent					
Rent	26,506	27,301	3.2%	795	3.0%
Total Rent	26,506	27,301	3.2%	795	3.0%
Member Services					
Annual General Meeting	2,000	2,000	0.2%	0	N/A
	0	0	0.0%	0	N/A
	0	0	0.0%	0	N/A
Total Member Services	2,000	2,000	0.2%	0	N/A
Business Development					
Communications, Marketing	32,060	32,060	3.7%	0	N/A
Promotional Marketing Materials	4,000	2,500	0.3%	-1,500	(37.5%)
Website Dev., Hostiing, & Maintenance	800	1,500	0.2%	700	87.5%
Brd Meeting & Monthly Bus. Networking Mtgs	2,500	2,500	0.3%	0	N/A
Special Events	10,000	5,000	0.6%	-5,000	(50.0%)
Other Program Initiatives	12,500	10,000	1.2%	-2,500	(20.0%)
PondFest / Outdoor Piano Program	95,000	110,000	12.8%	15,000	15.8%
Breakfast with Santa / Christmas Market	80,000	80,000	9.3%	0	N/A
Traffic Calming Program	1,500	0	0.0%	-1,500	(100.0%)
Hyde Park Dollars Incentive Program	20,000	20,000	2.3%	0	N/A
Scavenger Hunt Hyde Park Dollars Program	10,000	5,000	0.6%	-5,000	(50.0%)
HPBIA Loyalty Card Program	0	0	0.0%	0	N/A
CTV Ad Program	80,749	80,749	9.4%	0	N/A
Community Investment Fund	0	7,000	0.8%	7,000	0.0%
Bus Shelter Advertising Program	10,000	13,600	1.6%	3,600	36.0%
Community Beautification Projects	110,000	92,730	10.8%	-17,270	(15.7%)
	0	0	0.0%	0	N/A
Total Business Development	469,109	462,639	53.9%	-6,470	-1.4%
Other					
Contingency	5,500	5,000	0.6%	-500	(9.1%)
Replenishment of Operating Funds	31,085	0			N/A
Operating Fund Build-Up		0			N/A
	0	0	0.0%	0	N/A
Total Other	36,585	5,000	0.6%	-500	-1.4%
Total Expenditure	876,000	858,000	100.0%	-18,000	(2.1%)
Net Surplus/ Deficit	**0**	**0**			
Draw from / (Contribution to) Operating Fund	**0**	**0**			
Net	0	0			