

DRAFT LEGISLATION 1968

SUPERANNUATION

1. Subsection (3) of Section 22 of Chapter 90 of the Acts of 1966, the Halifax Superannuation Act, is repealed and the following substituted therefor:

(3) Any employee of the Halifax Mental Hospital or the Halifax Civic Hospital who was a member of the Plan on December 31, 1967, may elect to discontinue contributing to the Plan and, notwithstanding subsections (1) and (2) of this Section, if such employee remains in the employ of such Hospital and becomes a member of another Pension Plan approved by the Board of Management of the Halifax Mental Hospital or of the Halifax Civic Hospital, as the case may be, such employee may elect not to withdraw his contributions and shall remain a member of the Plan. In this event such member will be entitled to receive, at his normal retirement date, the amount of pension benefits to his credit as of the date of his ceasing to contribute to the Plan, and to survivors' benefits under Section 23 hereof.

2. Subsection (1) of Section 23 of said Chapter 90 is amended by striking out the word "shall" in the seventh line and substituting therefor the word "may".

3. Section 39 of said Chapter 90 is amended by adding thereto the following subsection:

(3) The cost of actuarial surveys of the Plan shall be paid out of the Superannuation Plan Trust Fund.

- following:
- a) 1968 Current Budget - Board of Management
  - b) Ordinance 122 - Tax Concessions on the Superannuation
  - c) 1968 Legislation
  - d) 1968 Current Budget - City Hall Department

Record

SPECIAL CITY COUNCIL MEETING  
M I N U T E S

Council Chamber,  
City Hall,  
Halifax, N. S.,  
February 13, 1968,  
8:08 p.m.

A Special Meeting of City Council was held on the above date.

After the meeting was called to order, the members of Council attending led by the City Clerk, joined in reciting the Lord's Prayer.

Present were: His Worship the Mayor, Chairman; Alderman Abbott, Moir, Ivany, LeBlanc, Ahern, Doyle, H. W. Butler, Meagher, Sullivan, Matheson, Black and Fitzgerald.

Also present: City Manager, City Clerk, City Solicitor, Committee Clerk, Members of the various Boards and Commissions, and other Staff members.

LETTER OF SYMPATHY

Alderman Ahern advised Council of the passing of Miss Portia White, the Nova Scotia singer who had reached international fame, and who had lived in Halifax for many years.

MOVED by Alderman Ahern, seconded by Alderman Meagher that a letter of Sympathy be sent to Mrs. C. H. Johnston, the mother of Miss White. Motion passed.

The meeting was called specially to consider the following:

- a) 1968 Current Budget - Boards and Commissions
- b) Ordinance 122 - Tax Concessions on New Construction
- c) 1968 Legislation
- d) 1968 Current Budget - City Hall Departments

MOVED by Alderman Moir, seconded by Alderman Ivany that the item "1969 Canada Games Agreement" be added to the Order of Business. Motion passed.

8:12 p.m. Council adjourned to meet as a Committee of the Whole.

11:15 p.m. Council reconvened the following members being present:

His Worship the Mayor, Chairman; Aldermen Abbott, Ivany, LeBlanc, Ahern, Doyle, H. W. Butler, Meagher, Sullivan, Matheson, Fitzgerald and A. M. Butler.

At this time the City Clerk presented the recommendations of the Committee of the Whole to Council as follows:

RESOLUTION OF THANKS TO ALDERMAN LeBLANC

MOVED by Alderman Meagher, seconded by Alderman Ahern that Council record a resolution of thanks to Alderman LeBlanc, as the previous Chairman of the Forum Commission, for his outstanding performance in connection with the operation of the Forum Complex. Motion passed unanimously.

1969 CANADA GAMES AGREEMENT

MOVED by Alderman Matheson, seconded by Alderman A. M. Butler that the basic 1969 Canada Games Agreement be approved, subject to the City of Dartmouth signing both the basic and supplemental agreements. Motion passed.

MOVED by Alderman Fitzgerald, seconded by Alderman Abbott the Council adjourn. Motion passed.

11:20 p.m. Meeting adjourned.

HEADLINES

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**COMMITTEE OF THE WHOLE COUNCIL**  
**M I N U T E S**

Council Chamber,  
City Hall,  
Halifax, N. S.,  
February 13, 1968,  
8:12 p.m.

A meeting of the Committee of the Whole Council was held on the above date.

Present were: His Worship the Mayor, Chairman; Aldermen Abbott, Moir, Ivany, LeBlanc, Ahern, Doyle, H. W. Butler, Meagher, Sullivan, Matheson, Black and Fitzgerald.

Also present: City Manager, City Clerk, City Solicitor, Committee Clerk, members of the various Boards and Commissions, and other Staff members.

At this time, the Committee of the Whole Council met to consider the 1968 Current Budget for the following:

**HALIFAX MEMORIAL LIBRARY - \$434,871. page 169**

Judge Nathan Green advised that there were two minor changes to the budget as follows:

1. To reduce the Electricity Account from \$13,500. to \$12,300 = \$1,200.00

2. To request the following items:

a) Periodicals - increase	\$200.00	
b) Convention expenses -		
increase from \$1,275 to \$1,700	<u>425.00</u>	<u>625.00</u>

Leaving net surplus of - \$ 575.00

Judge Green advised the increase in convention expenses would enable two members of staff and two Board members to attend a convention in the near future. He also advised that it is the present plan to seek a third site for a library, probably in the northwest area. The Bookmobile was a stopgap service.



Judge Green stated they were now supplying "Shut-ins" with a library service which they never had before, also the new trailer was for carrying children's books only.

Alderman Sullivan asked if it would be possible to supply the patients at Basinview Home with this service.

Judge Green replied that it would be possible providing there was enough staff to handle this work, but the library was operating on a staff shortage all the time.

MOVED by Alderman Ivany, seconded by Alderman Abbott that the budget, as submitted, be approved.

Alderman LeBlanc said he thought the service supplied by the Library Board was excellent.

His Worship the Mayor referred to the Budget Supplement #1, page 3 - "Allowance for Increase in Staff Salaries".

Judge Green advised there would be further information from the City Manager on this item before the budget meetings were concluded.

The motion was then put and passed.

BOARD OF SCHOOL COMMISSIONERS - \$7,088,665. page 147

In the absence of the Chairman of the Board of School Commissioners, Alderman Moir advised the increased request is an 11% increase of \$710,000. of which \$600,000. is for salaries. He said the Foundation Programme of the Province is now catching up with the payroll of the City. In 1964 the Foundation Programme was 83.3% of the City's Programme. i.e. the City was 16.2% above the Foundation. In 1968, in spite of the increase in wages, the City is now 4.4% above the Foundation. He said the Foundation Programme for the scale of wages for 1968 would

amount to \$5,944,260. where the actual figure is \$6,215,369.

MOVED by Alderman Moir, seconded by Alderman Ahern  
that the budget, as submitted, be approved.

Alderman Fitzgerald referred to the large increase in  
the Summer School Services item.

Dr. M. Keating replied that these teachers would be  
paid on the Foundation scale, where previously they were paid an  
honorarium for summer school work.

Alderman Fitzgerald said there were approximately  
forty-four schools in the system and for School Office  
Allowance an amount of only \$1,500. was included, and he thought  
this was too low.

Dr. Keating advised there were thirty-one schools,  
forty-two buildings, and the amount allotted of \$1,500 is for  
incidental items. Many of the stationery items are requisitioned  
which the schools receive automatically and this amount is  
intended merely to cover items that cannot be requisitioned.

Alderman Ivany referred to three items as follows:

- |  |   |           |
|--|---|-----------|
| 1) New heating system at Tower Road School                                   | - | \$41,000. |
| 2) New roof at Queen Elizabeth & Morris Street<br>Schools                    | - | 28,000.   |
| 3) Renovations to windows, ceilings and light-<br>ing at St. Joseph's School |   | 34,800.   |

Mr. Driscoll advised that Tower Road School was built  
in 1912, it is a steam heated system, additions have been made  
to the building but the heating system is still the old one of  
1912. He said it was very hard to control the heat, many  
pieces of pipe are having to be replaced, and if it is planned to  
keep this building another 25 years, he felt it would be a good  
investment.

number of With reference to the roof at Queen Elizabeth High School, Mr. Driscoll advised this school was built in 1940 and no major repairs have been carried out. It is leaking badly and the flashing is worn out, and is something that has to be replaced. He said this amount includes minor repairs to roofs at other schools, such as Morris Street.

current Referring to St. Joseph's School, Mr. Driscoll advised this school was built in 1919 and had an addition in 1960. There has been no major repairs internally, it is in a very poor condition with only 30 foot candles or less of lighting, the windows are leaking and continuously draughty, so to consider spending \$34,800 on a building this old that will probably stay with us for another 25 or 30 years, these repairs are necessary. He said the building in general was in good shape.

years. Alderman LeBlanc wondered if it would be better to spend the \$41,000 on Bloomfield School which was built later, rather than on Tower Road School.

Mr. Driscoll replied that Tower Road school building was in good shape and some money will be spent on renovations for Bloomfield School.

felt ever Alderman Abbott said there was a time when Council used to go through the current budget and pick out items and put them in the Capital Budget, but the opposite was being done at the present time. He thought in view of the redevelopment taking place in the City, such as Scotia Square and other new buildings, within a few years the City may be in a better position, and suggested these items be left in the Capital Budget in order to keep the tax rate down, in the hope that the City's financial picture in two to five years will be much improved. He said a



number of schools will be paid for shortly, such as Gorsebrook, St. Agnes, Westmount and St. Stephen's.

His Worship the Mayor said, in his view, the Capital Budget situation was worse than the Current Budget.

He referred to page 2 of the Budget Supplement #1 where there are two School Board items being transferred to Current from Capital. He said the City will be a long time paying for the new Basinview Home, Mental Hospital and possibly a new Civic Hospital and the new schools which are expected to be financed in the future.

Alderman Matheson suggested that perhaps in view of the staggering capital expenditures facing the City, a good hard look should be taken at this policy of amortizing capital expenditures over 20 years, and maybe this should be extended over 30 or 40 years.

Alderman Abbott said he had raised this question many times before but the City was not permitted to do this.

Alderman Matheson advised he realized this was so but perhaps now the City could persuade the Provincial Government to take another look at this matter with annexation pending. He felt everything should go into the Capital Budget that is possible.

8:50 p.m. Alderman A. M. Butler arrives.

His Worship the Mayor stated that this proposal is less advisable in times of high interest rates as it is in lower interest rates.

Alderman Abbott suggested that before the budget is closed, Council might take a serious look at this matter.

The motion was then put and passed.

POINT PLEASANT PARK - \$71,516. page 171

Alderman Abbott said he considered the Commission was doing a wonderful job.

In answer to a question from Alderman Ivany, Mr. Gordon Smith advised that the Works Department had consented to erect an asphalt curb and an earth walkway on the south side of Point Pleasant Drive from Young Avenue to the Canteen.

Alderman Matheson stated, in his opinion, 80% or 90% of the visitors to the Park used the Tower Road entrance, and that some money should be spent at this location to make improvements.

Alderman Ahern asked if the Point Pleasant Park officials could construct a barn to accommodate the Bengal Lancers.

Mr. Smith advised that the Park is owned by the Department of Northern Affairs and no buildings can be constructed without their permission. He further stated that the feeling of the Department is that they do not wish to construct any more buildings than are necessary to carry out the administration of the Park.

Alderman Meagher enquired about the restoration of the Forts.

Mr. Smith advised that it is planned to refurbish Martello Tower. He further advised that Forts Ogilvie and Cambridge are being covered with fill with the hope that it will hold the stonework when restoration starts. Within three years these Forts will be rebuilt.

Alderman Sullivan referred to the possibility that the Yacht Squadron may vacate its premises in the Park and he asked if the Directors were interested in acquiring the site.



Mr. Smith advised the Directors would have first bid on the land.

MOVED by Alderman Ahern, seconded by Alderman LeBlanc that the budget, as submitted, be approved. Motion passed.

EMERGENCY MEASURES ORGANIZATION - \$18,251. less anticipated contribution from the Fed/Prov. Gov. \$15,700. = \$2,551. page 221

MOVED by Alderman Ivany, seconded by Alderman Fitzgerald that the budget, as submitted, be approved. Motion passed.

HALIFAX VISITORS & CONVENTION BUREAU - \$64,321. page 223

MOVED by Alderman A. M. Butler, seconded by Alderman Ahern that the budget, as submitted, be approved. Motion passed.

RECREATION & PLAYGROUND COMMISSION - \$418,197. page 155

MOVED by Alderman H. W. Butler, seconded by Alderman Fitzgerald that the budget, as submitted, be approved.

Alderman A. M. Butler asked why there was such a large increase of \$136,235 requested over the 1967 budget.

Mr. Gordon Price advised that the increase was largely due to the Centennial Swimming Pool.

In answer to a question from Alderman Matheson, Mr. Price advised that the construction work was not within the time limit, but this was due to the windows not being delivered on time. He said that in his opinion the pool should be open for swimming in March.

Alderman Black asked if the revenue expected after a full year's operation of the pool is as shown on the budget sheet.

Mr. Price advised that it was very difficult to obtain a realistic figure of this item but the matter will be re-assessed after one year's operation. He said whatever it turned out to be it is intended to allow as much free swimming time to the



general public as possible.

Mr. Price advised that he had submitted a supplementary budget to the City Manager for "Sports Banquets" but did not see it included in the budget request at this time.

The City Manager advised he would submit this request in a budget supplement.

The motion was then put and passed.

HALIFAX FORUM COMMISSION - \$173,149. page 163

Alderman A. M. Butler referred to the deficit and asked what amount was calculated to refer to the Atlantic Winter Fair.

Mr. Nicholson advised that the Forum carried on their books \$269,000 as chargeable to the Atlantic Winter Fair for renovations, stalling and other equipment costs, of which the Commission is paying approximately \$18,000. to retire this loan.

Alderman A. M. Butler stated that the press reported the Atlantic Winter Fair had a successful year and asked if they were picking up the items mentioned by Mr. Nicholson. He also asked what the rental is estimated at for the five days before the Fair and the ten days the Fair is on.

Mr. Nicholson advised that the Fair is picking up some of these items. He said last year's rental agreement was \$7,000. guarantee plus 50% of the net profit, which returned another \$7,000. He said the same deal was agreed for 1968.

Alderman A. M. Butler said that an enterprise such as the Atlantic Winter Fair could afford to pay its way, was not doing so, and in effect the taxpayers of Halifax are making quite a substantial submerged contribution to the Forum budget.

Alderman Ivany asked why wooden partitions and not metal had been used in the ladies washroom in the Forum.

Mr. Nicholson advised this was due to the shortage of funds when the job was being carried out.

Mr. Titus advised that the Commission planned to go ahead with a complete survey of the building and equipment carried out by experts, and make replacements over an extended period of time. He said one of the first pieces of equipment to be replaced was the compressor as this was most critical and would cost about \$15,000.

Alderman A. M. Butler agreed it was a good idea to carry out this plan over a period of years.

Alderman Fitzgerald referred to the referees room and the male dressing rooms and asked if they could be renovated and cleaned up. He also stated that if  $\frac{1}{2}$  million is needed to up-date the plant then he felt there should be a whole new complex to encompass the Forum, Atlantic Winter Fair, etc. especially with annexation coming in the near future. He also referred to additional parking facilities and suggested the Commission should look forward fifteen or twenty years ahead for various attractions which might come to the City.

Mr. Nicholson advised that the rooms referred to by Alderman Fitzgerald will be updated as this had been started last year. Referring to the  $\frac{1}{2}$  million to be used for renovations, etc. he said the Commission had recently signed a five year contract with Harness Raceway which will bring in an estimated revenue of \$190,000. so that some of these items can be paid for out of earned revenue.

Alderman LeBlanc suggested that when the survey is completed and renovations commence, a progress report from the Forum Commission should be submitted for information to Council.



Committee of the Whole,  
February 13, 1968

MOVED by Alderman Black, seconded by Alderman A. M. Butler that the budget, as submitted be approved.

Alderman Black paid tribute to the Manager and employees of the Forum and said they had done a good job in cleaning up the building.

Alderman A. M. Butler referred to the Atlantic Winter Fair and said that Council is in fact giving them \$40,000. which is a submerged undisclosed item which the public know nothing about. He though they should be charged a proper economic rental and then City Council give them a grant of \$20,000, and it will be known that Council has assisted the Atlantic Winter Fair to that degree.

Alderman Moir said before this was done, the Commission should look at the logic of \$40,000. He referred to the \$2,500 per day rental estimate and thought that if a group approached the Forum Commission for rental of same for 15 - 18 days, surely the same figure would not be charged to them as to someone requesting the Forum for one day. He suggested \$2,500 per day would be excessive in that case.

Alderman A. M. Butler said if a dozen or more groups came asking for 10 or 12 days rental like the Atlantic Winter Fair, then it would be plausible to lower it, but the Atlantic Winter Fair comes in and disturbs so much on a continuous basis only once a year.

Mr. Nicholson advised the Atlantic Winter Fair pays \$750. per day plus all expenses. He explained that \$2,500 per day included the whole complex, use of parking lot, power, etc. He said a commercial enterprise who might put on a trade show would expect to pay \$2,500 and would be glad to if the Forum



had the facilities to offer.

Alderman Matheson pointed out that there were only two revenue items that exceed \$40,000. on the Forum budget and thought it hardly likely that anyone would rent a complex for 15 days at \$2,500. per day. He thought that with the considerable large deficit and the burden that this complex is on the community, emphasis should be placed on making greater use of the Forum for community purposes and this should be encouraged. He hoped there would be more co-operation and liaison between the Recreation Commission, Forum Commission and School Board in this connection. He thought as far as the Atlantic Winter Fair is concerned this was between them and the Forum Commission and if they decide to negotiate a rental on the basis of what is considered to be a fair and realistic market rental, then Council would be able to consider a grant.

Alderman Meagher felt the Forum Commission was doing a good job but he thought the previous Chairman, Alderman LeBlanc, who served the Forum Commission faithfully and diligently over the years and the considerable time he spent on it should be thanked formerly for an outstanding job.

MOVED by Alderman Meagher, seconded by Alderman Ahern that the Committee recommend to Council, a resolution of thanks to Alderman Don LeBlanc, as the previous Chairman of the Forum Commission, for his outstanding performance in connection with the operation of the Forum complex. Motion passed unanimously.

The original motion was then put and passed.

At this time the Committee agreed that discussion on the 1968 Current Budget - City Departments, would not be held during this meeting.

Alderman Ivany suggested that the next budget meeting should commence at 4:00 p.m. or 5:00 p.m. and continue until the budget was completed.

Alderman A. M. Butler disagreed with this suggestion.

Alderman LeBlanc referred to the City's approach to the Provincial Government requesting them to take over the Public Health Department and suggested the budget could not be completed unless a reply was forthcoming before the end of February.

His Worship the Mayor advised that the indication of the Minister was, an answer on government policy in this regard would be forthcoming early next week, so he felt this would not hold Council up too much.

MOVED by Alderman Ivany, seconded by Alderman LeBlanc that a Special Meeting of Council be held at 4:00 p.m. on Wednesday, February 21 for the purpose of completing discussion on the current budget. Motion passed with Alderman Ahern voting against.

ORDINANCE #122 - TAX CONCESSIONS ON NEW CONSTRUCTION

A report was submitted from the City Manager respecting Tax Concessions on New Construction - Ordinance #122 dated February 7, 1968, together with Appendices "A", "B" and "C" of the Ordinance.

The report recommends that:

1. Ordinance No. 122 (Appendix A attached) be given second reading.
2. The proposed change in Section 241 (Appendix C attached), be approved.



APPENDIX "A"

ORDINANCE NUMBER 122

Respecting Tax Concessions for New Commercial and  
Industrial Construction

BE IT ENACTED by the City Council of the City of Halifax, under the provisions of Section 241 of the Halifax City Charter, 1963, as follows:

1. This Ordinance shall be known as Ordinance Number 122, and may be cited as the "Tax Concession Ordinance".
2. In this Ordinance
  - (a) "City" means the City of Halifax;
  - (b) "Council" means the City Council of the City;
  - (c) "new construction" means a building constructed in its entirety, and shall include an addition to a building when such addition has increased the floor area of the existing building by fifty percent or when such addition has increased the assessed value of the property by fifty thousand dollars, but shall not include the alteration of or renovation to a building;
  - (d) "person" means any person and any body corporate, and includes a partnership.
3. The business realty tax in respect of new construction of a commercial or industrial nature in the City shall be determined in accordance with the provisions of Section 5 of this Ordinance, and shall apply to all persons listed in Schedule "A" hereof.
4. The business realty tax in accordance with Section 5 will commence in the year following completion of such new construction.

5. The business realty tax for all persons listed in Schedule "A" of this Ordinance, shall be determined as follows:

- | PROPERTY ASSESSED TO  | LOCATION OF PROPERTY   |
|---|--|
| Halifax Development Limited<br>Durham Leaseholds Limited                            | - on 100% of the assessed value of the land and 75% of the increase in assessed value which is attributable to new construction; |
| Halifax Commercial Development Limited<br>Commercial Development (Maritime) Limited | - on 100% of the assessed value of the land and 80% of the increase in assessed value which is attributable to new construction; |
| Third year  | - on 100% of the assessed value of the land and 85% of the increase in assessed value which is attributable to new construction; |
| Fourth year   | - on 100% of the assessed value of the land and 90% of the increase in assessed value which is attributable to new construction; |
| Fifth year  | - on 100% of the assessed value of land and buildings.   |

6. The provisions of this Ordinance shall not apply to any new construction which is the subject of any other special tax provision in the City.

Notice of Motion to Introduce: October 26, 1967  
First Reading: November 16, 1967  
Committee of the Whole Council: February 13, 1968  
Second Reading: February 15, 1968.  
Approval of the Minister of Municipal Affairs:

Adrian A. M. ...  
give Halifax Development ...  
Apply to other developers  
The City Solicitor revised this Ordinance #122 1/27



SCHEDULE "A"

ORDINANCE NUMBER 122

<u>PROPERTY ASSESSED TO</u>	<u>LOCATION OF PROPERTY</u>
Halifax Developments Limited	Stage II, Scotia Square
Durham Leaseholds Limited	5161-5167 George Street
Halifax Commercial Park Leaseholds Limited	Strawberry Hill Street
Commercial Development (Maritimes) Limited	1649 Hollis Street

2. In this Ordinance

- (a) "City" means the City of Halifax;
- (b) "Council" means the City Council of the City;
- (c) "new construction" means a building constructed in its entirety and completed subsequent to the first day of January, 1963, and shall include an addition to a building when such addition has increased the floor area of the existing building by fifty percent or when such addition has increased the assessed value of the existing building by fifty thousand dollars, but shall not include the alteration of or renovation to a building;
- (d) "person" means any person and any body corporate, and includes a partnership.

3. The business realty tax in respect of new construction of a commercial or industrial nature in the City shall be determined in accordance with the provisions of Section 4 of this Ordinance.

4. The business realty tax in accordance with Section 4 will commence in the year following the completion of such new construction.

5. (1) For the purposes of this Ordinance, prior to 1967, a building will have been completed in the year preceding the first of two successive years of identical assessments.

(2) For the purposes of this Ordinance, in the year 1968 and subsequent years, a building will have been completed when it is completed in the opinion of the City Assessor.

Alderman A. M. Sullivan said that Ordinance 1122 would give Halifax Developments a special concession and would not apply to other developers.

The City Solicitor advised that Ordinance 1122 has

SCHEDULE "B"

ORDINANCE NUMBER 125

Respecting Tax Concessions for New Commercial  
and Industrial Construction

BE IT ENACTED by the City Council of the City of Halifax under the provisions of Section 241 of the Halifax City Charter, 1963, as follows:

1. This Ordinance shall be known as Ordinance Number 125 and may be cited as the "Tax Concession Ordinance".
2. In this Ordinance
  - (a) "City" means the City of Halifax;
  - (b) "Council" means the City Council of the City;
  - (c) "new construction" means a building constructed in its entirety and completed subsequent to the first day of January, 1963, and shall include an addition to a building when such addition has increased the floor area of the existing building by fifty percent or when such addition has increased the assessed value of the existing building by fifty thousand dollars, but shall not include the alteration of or renovation to a building;
  - (d) "person" means any person and any body corporate, and includes a partnership.
3. The business realty tax in respect of new construction of a commercial or industrial nature in the City shall be determined in accordance with the provisions of Section 6 of this Ordinance.
4. The business realty tax in accordance with Section 6 will commence in the year following the completion of such new construction.
5. (1) For the purposes of this Ordinance, prior to 1967, a building will have been completed in the year preceding the first of two successive years of identical assessments.  
  
(2) For the purposes of this Ordinance, in the year 1968 and subsequent years, a building will have been completed when it is completed in the opinion of the City Assessor.



6. The business realty tax for new construction shall be determined as follows:

First year - on 100% of the assessed value of the land and 75% of the increase in assessed value which is attributable to new construction;

Second year - on 100% of the assessed value of the land and 80% of the increase in assessed value which is attributable to new construction;

Third year - on 100% of the assessed value of the land and 85% of the increase in assessed value which is attributable to new construction;

Fourth year - on 100% of the assessed value of the land and 90% of the increase in assessed value which is attributable to new construction;

Fifth year - on 100% of the assessed value of the land and 95% of the increase in assessed value which is attributable to new construction;

Sixth year - on 100% of the assessed value of the land and buildings.

7. The provisions of this Ordinance shall not apply to any new construction which is the subject of any other special tax provisions in the City.

8. Ordinance Number 122, Respecting Tax Concessions for New Commercial and Industrial Construction, as approved by the Minister of Municipal Affairs on the day of A. D., 1968, is hereby repealed.

Notice of Motion to Introduce:

First Reading:

Committee of the Whole Council:

Second Reading:

Approval of the Minister of Municipal Affairs:

APPENDIX "C"

Proposed new Section 241.

241. (1) Notwithstanding the provisions of the Bonus Act, the Council may, by ordinance, provide that

(a) in the case of the construction of new commercial or industrial buildings, or additions to such buildings, the real property tax shall apply to a stated percentage of the assessed value of such building or addition thereto, provided that such percentage shall not be less than seventy-five percent of the assessed value thereof during the first year and shall be increased annually thereafter by stated increases until the full assessed value is reached within a maximum period of six years;

(b) in the case of the construction of new residential buildings a portion of which is commercial in character, or additions to existing residential buildings where such addition is commercial in character, the real property tax on that portion or addition which is commercial in character shall apply to a stated percentage of the assessed value of that portion or addition which is commercial in character, provided that such percentage shall not be less than seventy-five percent of the assessed value thereof during the first year and shall be increased annually thereafter by stated increases until the full assessed value is reached within a maximum period of six years;

(c) the tax shall be applied on the full assessed value of the land;

(d) for the purposes of such ordinance, alterations and renovations to existing buildings shall not be considered to be additions to buildings.

(2) In such ordinance the Council may provide

(i) for the determining of the completion date of such construction;

(ii) that the stated percentage of assessment shall apply to buildings or additions to buildings of a greater size or value than a stated minimum;

(iii) that such ordinance shall apply to buildings or additions to buildings constructed after a specified date;

(iv) for such other terms and conditions as the Council deems advisable.

Alderman A. M. Butler gave Halifax Development a 50% discount exclusively, and not apply to other developers.

The City Solicitor advised that Ordinance #122 lists



Committee of the Whole,  
February 13, 1968

3. That Ordinance No. 125 (Appendix "B" attached), be approved in principle for adoption when necessary to tie in with Section 241 (as amended) if it is proclaimed.

Alderman Abbott stated that the original recommendation of the Committee of the Whole should be adhered to, which was that the tax concessions should apply to commercial and industrial buildings constructed from the ground up and completed in 1968 and ready for full assessment in the year 1969 and thereafter.

He asked if he was correct in thinking that Ordinance #122 will only be in force for a short period, then Ordinance #125 will take over which would give Council the power to date back to prior years.

The City Solicitor stated this was correct, but Ordinance #125 embodies the principles approved by the Committee of the Whole previously.

Alderman A. M. Butler asked if it were now possible to express opposition to the granting of this tax concession since the Committee of the Whole has approved the principle previously.

His Worship the Mayor felt there were two items before the Committee -

1. Ordinance #122, which is to carry on with the principle approved earlier, and
2. The matter of Legislation to be followed by another Ordinance which involves some of the changes suggested by the Committee of the Whole.

Alderman Black expressed the hope that Ordinance #122 would be passed as he felt it would encourage more construction.

Alderman A. M. Butler asked if Ordinance #122 would give Halifax Developments a tax reduction exclusively, and not apply to other developers.

The City Solicitor advised that Ordinance #122 lists

Committee of the Whole,  
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four properties that it would apply to in the first year, and new construction would be considered as it became completed.

A report was submitted from His Worship the Mayor as follows:

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To the Members of City Council.

Dear Aldermen:

Re: Section 241, Halifax City Charter

It has been said repeatedly in recent weeks that the proposal to adopt an ordinance under Section 241 of the City Charter is a proposal to reduce the City's revenue from new commercial properties.

Actually, the purpose of this section of the Charter, and the purpose of the ordinance, is to induce new commercial construction, which will bring in additional revenues and help to increase the total City revenues produced on the same amount of land.

Judge Pottier stated the case and initiated the recommendation in his report to the City of Halifax in 1957.

The case was re-stated in a special report to City Council by Mayor J. E. Lloyd on February 12, 1963.

Commercial properties more than pay their way in taxation and residential properties do not pay their way.

Old commercial properties must be redeveloped in time in order to provide a higher return to the City, but the high business tax rate tends to deter new commercial construction.

As Mayor Lloyd said in his report: The Halifax two-rate system, said Judge Pottier, "is particularly oppressive in the case of new commercial developments, and", he continued, "is one which certainly will have serious effect on the City revenues as it can remove all incentive to improve the older types of business premises or erect new ones."

The aim is to provide an incentive for new construction which applies on a City-wide basis and under which the concession is removed at the end of five years on every new building.

Section 241 was included in the City Charter, to which the Lieutenant Governor's assent was given on March 21, 1963.

In September of 1966, during the civic election campaign, I published a platform on which the judgment of the electorate was invited. Included in that platform was the following statement:



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"The automatic tax incentive for new construction contained in our new City Charter should be put to use."

Last July City Council approved a request to the Province to proclaim Section 241. This action was taken by the Province on November 7, 1967. To give effect to the law we now require the adoption of Ordinance #122.

For some, the issue may be confused by the reference to Scotia Square. This is a separate aspect of the question but should be placed in its proper context.

At the request of Halifax Developments Limited a meeting was held in my office on the morning of June 29, 1967. I invited Alderman Black and Alderman A. M. Butler to join me in the meeting to give broader Council representation. Mr. S. A. Ward and Mr. R. B. Grant were present representing the staff. Halifax Developments Limited was represented by Mr. McCulloch, Mr. Kitz and Mr. Hardman. At that time the various requests, which were placed before the Council by Halifax Developments in writing on October 16, 1967, were presented orally. It was indicated that the timing of action on the application of Section 241 on new construction would be an important factor in the final arrangements for mortgage financing.

Since the proposal to redevelop the site had been accepted by the City interest rates had climbed substantially and mortgage funds had dried up seriously. Reasonable assistance from the City was required.

On the evening of June 29, Alderman Black gave notice of motion to seek the proclamation of Section 241 and this motion was approved unanimously on July 13.

In the light of these facts I consider that we have a responsibility to the taxpayers of Halifax not to reverse positions and bring new risks to the success of the Scotia Square development.

Therefore, I consider it important both as a matter of long-range City policy to induce new construction and to live up to an implied commitment to Halifax Developments Limited, that we act on Ordinance 122 in the form now before us. The questions relating to legislation and an amended ordinance are separate matters which should stand on their own feet.

(Sgd) Allan O'Brien,  
Mayor.

MOVED by Alderman Abbott, seconded by Alderman Black that Ordinance #122 be read and passed a second time.

10:10 p.m. at the request of His Worship the Mayor the Deputy Mayor assumes the Chair.

Alderman Ivany said he was in favour of incentives but in the case of Scotia Square the City has provided the land, whereas in the case of Mr. Medjuck's building, he has supplied the land and the building, and he wondered if this tax concession was fair.

His Worship the Mayor referred to the last point raised by Alderman Ivany, and said the City had bound Halifax Developments to many conditions, one of which is a large amount of parking. In the case of Mr. Medjuck's building, practically nothing in the way of parking was requested, so he felt these two were not strictly comparable items. He said Scotia Square would never be constructed if the three levels of government were not involved.

His Worship the Mayor further stated that the policy originated with Mr. Pottier's recommendation in 1957, was endorsed in a separate report on taxation by Mayor Lloyd in 1964, followed by the adoption of the City Charter, including this provision. The purpose of this provision was not to give away money but to induce new commercial construction to have the long range effect of reducing the tax burden on other taxpayers in the City and it was meant to apply generally to all new construction of commercial premises within the City.

His Worship the Mayor said if the Committee now reversed its position, they would possibly be running risks the City ought not to run, as he thought the policy was good for the City as a whole and it was important to establish some consistency with private developers who are running substantial risks. He thought the Committee should proceed with the second reading of Ordinance 122.



Alderman A. M. Butler felt that there was quite a difference in classification between the Medjuck building and Scotia Square, and should be a special kind of tax reduction.

His Worship the Mayor agreed there was a difference but the need for the policy is great, and possibly Scotia Square may not be the last in that type of development for the City, and would be in the interests of the City to proceed with the law for both types of cases.

The Deputy Mayor asked if Halifax Developments had taken into account in their finances, the tax relief they hoped to derive from the concession.

His Worship the Mayor advised that Halifax Developments had written a confidential letter on October 16, 1967, to the City, and referred to this matter and the parking tax concession policy.

The Deputy Mayor suggested that a letter should be sent from the president of Halifax Developments Limited to His Worship the Mayor on this point.

Alderman Abbott pointed out that in his opinion the tax reduction was not for Scotia Square exclusively, but for all other commercial developments.

Alderman Black said he did not feel a letter from Halifax Developments Limited was necessary.

Alderman Matheson said Council had made a policy decision on this matter in 1963 when the Charter was enacted, as the Legislation is contained in that Charter but it has been slow being implemented. He referred to the Dalhousie Public Affairs report on Taxation recently released which pointed out Halifax

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had the highest business tax rate in Canada, and one that discourages new commercial and industrial development. He felt that if the tax concession resulted in one new building being constructed of the size presently under erection, then this would more than pay any direct loss from allowing this concession. Only time will tell whether this method is the correct one but it seems to be a good method of encouraging new development. He contended the City should try it. He also stated that nothing had been done to merge the two tax rates yet and predicted it would not be carried out again this year.

His Worship the Mayor referred to the letter the Deputy Mayor was requesting respecting Scotia Square, and stated he had received Mr. Hardman's permission to read the following paragraph from a confidential letter of October 16, 1967:

"The Directors of Halifax Developments Limited, however, are prepared to give an undertaking to the City that they will find these funds provided the City is prepared to assist the Scotia Square Development through the following actions:

- 1) The application of Section 241 of the City of Halifax Act to the Scotia Square programme.
- 2) This has been discussed with you on previous occasions and we believe is a necessity, not only from the point of view of Scotia Square but also for other developments which will be undertaken in the City if it is enacted."

His Worship the Mayor said they mention the parking item and quoted "which we are doing largely with other developments in mind we hope to have in the down town area".

Alderman Ivany said he agreed with Alderman A. M. Butler's remarks about the difference there was in providing the land for Scotia Square, and Mr. Medjuck providing both the land and building.



His Worship the Mayor explained that the City put out a call for proposals and it was decided after a competition in which any developer had a right to bid, that the proposal felt to be in the City's interests more than any other, was the one put forward by Halifax Developments Limited, and their proposal included a substantial payment for the land, either in rent, lease or purchase price if the option is exercised.

In answer to a question from Alderman Abbott, His Worship the Mayor said he thought there was no specific reference to Section 241 of the City Charter in their original proposal, although it was part of policy of the City which was to be implemented, and they said that any policy which was to be adopted would apply to them as well as other developers.

Alderman LeBlanc asked what the cost would be for the first year on the basis of Ordinance 122.

The City Assessor replied he was unable to submit a figure at this time as it is not known what commercial properties will be built in 1968.

Alderman LeBlanc asked if he was correct in saying that any action taken at this meeting would have no effect on this year's tax rate.

The City Manager said this was correct.

Alderman LeBlanc said that His Worship the Mayor had presented a clear and logical case, some Aldermen have spoken in favour of this, but stated he had consistently voted against tax concessions in particular with regard to the Lord Nelson Hotel, and he felt that any builder who comes into the City knows what the tax rate is and generally projects five or ten years hence. He felt that he could not vote taxpayers' money

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when it is coming from other developers. He asked what the City had done for the Halifax Shopping Centre who would be contributing towards the tax concessions under discussion. He also said he supported Scotia Square fully, but already the first phase of the City's participation for traffic improvements, exceeds the estimates by \$200,000. He said, "we are going to be paying other ways also, Aldermen, I warn you of this, this is going to increase. The anticipated traffic cost, of which I have never, and I realize there are reasons why, been given the figures of what Harbour Drive is going to cost. Only time will tell whether I am right or wrong, it's going to cost us far more than what we ever anticipated. Can this not be considered as a grant or assistance to Scotia Square"?

Alderman LeBlanc contended it was premature to pass the two amendments.

Alderman H. W. Butler asked if Section 4 of Ordinance 122 could be interpreted to apply to the year 1963.

The City Solicitor said this was not possible, and would not matter if it was, since the City does not have the power to discriminate in that manner, and the tax concessions will only apply to persons named in a schedule.

10:40 p.m. His Worship the Mayor resumes the Chair.

Alderman Ivany said there was a moral and business obligation to encourage business enterprise in the City.

Alderman LeBlanc said the moral obligation the Aldermen had was to assess their moral obligations to other business firms. He also asked if there was any opportunity for a firm to receive a dual concession.

The City Solicitor said this would not be possible



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under the Ordinance proposed.

The motion was then put and passed, Aldermen LeBlanc and Sullivan voting against.

10:45 Alderman Moir retires.

#### 1969 CANADA GAMES AGREEMENT

A memorandum of agreement was submitted respecting participation by the City of Halifax and the City of Dartmouth in the 1969 Canada Games.

Alderman A. M. Butler stated that since he was Secretary-Treasurer of the Canada Games Society he proposed to see that there would be no over-expenditures in the Games.

Alderman Meagher said it should be made clear that the City will not entertain any over-expenditures whatsoever.

Alderman Ivany felt that as the Games will be on television and focus will be trained on the Halifax-Dartmouth area that it might be necessary to over-expend to put on a good show.

10:55 p.m. Alderman Black retires.

Alderman Matheson asked if assurance could be given that there will be no over-expenditures on the Games since Council had a member on the Co-ordinating Committee.

Alderman A. M. Butler assured Council there will be no over-expenditures as everything is going to originate from an order form.

His Worship the Mayor said it was good to have Alderman A. M. Butler on the Committee as he tends to hold the purse strings.

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Alderman Matheson asked if anyone understood the resolution passed by Dartmouth City Council the previous evening respecting the Canada Games Agreement.

His Worship the Mayor explained that it was his understanding, from talking with Mayor Thornhill since the meeting, that they approved the agreement minus the sections respecting the ratios between Halifax and Dartmouth, and they agreed these were to be negotiated between the two cities. He said the City Manager had discussed this with the Clerk-Administrator of Dartmouth, and the City Solicitor had drafted a supplemental agreement from this discussion which was before the Committee at this time.

Alderman A. M. Butler asked if the supplemental agreement was tied in with Dartmouth City Council's thinking.

The City Manager replied he did not believe that Dartmouth had accepted the ratio as outlined in the supplemental agreement, because he felt they did not realize, if the agreement is not signed, that the Federal Government will probably not sign.

Alderman A. M. Butler said he told the Dartmouth representative on the Games Society that if they did not sign, they would probably wash themselves out of the Games entirely.

Alderman LeBlanc stated he understood that the Dartmouth Games Society representative was not present at the Council meeting and they were therefore not fully conversant with all the information pertaining to the Games.

Alderman H. W. Butler said that nothing will get done if certain Council members obstruct the signing of the agreement.

Alderman Matheson said that the Canada Games were sold to the City of Halifax some fifteen months ago and the Society City Staff should get together with the Canada Games Society