



**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT STANDING
COMMITTEE & AUDIT AND FINANCE STANDING COMMITTEE
SPECIAL JOINT MEETING
MINUTES
June 5, 2014**

- PRESENT:**
- Councillor Lorelei Nicoll, Chair, CP&ED
 - Councillor Bill Karsten, Chair, AFSC
 - Councillor Wayne Mason, Vice-Chair, CP&ED
 - Councillor Russell Walker, Vice Chair, AFSC
 - Mayor Mike Savage
 - Deputy Mayor Darren Fisher
 - Councillor Barry Dalrymple
 - Councillor Gloria McCluskey
 - Councillor Jennifer Watts
 - Councillor Linda Mosher
 - Councillor Steve Adams
 - Councillor Tim Outhit
- GUESTS:**
- Councillor David Hendsbee
 - Councillor Matt Whitman
 - Councillor Steve Craig
- STAFF:**
- Mr. Richard Butts, Chief Administrative Officer
 - Mr. Mike Labrecque, Deputy Chief Administrative Officer
 - Mr. Greg Keefe, Chief Financial Officer
 - Mr. Brad Anguish, Director, Community & Recreation Services
 - Mr. John Traves, Municipal Solicitor
 - Ms. Sheilagh Edmonds, Legislative Assistant
 - Mr. Liam MacSween, Legislative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

The agenda, supporting documents, and information items circulated to the Standing Committees are available online:

<http://www.halifax.ca/boardscom/SCcped/140605cpedafscjointspecial-agenda.php>

The meeting was called to order at 9:00 a.m., and recessed at 10:35 a.m. the Standing Committee reconvened in at 10:40 a.m. and adjourned at 12:45 p.m.

1. CALL TO ORDER

Councillor Nicoll, Chair of the Community and Economic Development Standing Committee called the meeting to order at 9:00 a.m. in Council Chambers, 3rd Floor City Hall 1841 Argyle Street, Halifax.

Councillor Nicoll commented that she will be sharing the position of Chair with Councillor Karsten, Chair of the Audit and Finance Standing Committee. She noted that Councillor Karsten will take over the position of Chair for all matters which require the consideration of the Audit and Finance Standing Committee.

Mayor Savage referenced the recent shooting event which took place in Moncton that culminated in the death of three RCMP officers and the injury of two others. He expressed his condolences for the families affected by the tragedy on behalf of the Halifax Regional Municipality. A moment of silence was held.

2. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED by Councillor McCluskey, seconded by Councillor Walker that the agenda be approved as presented.

MOTION PUT AND PASSED.

3. STAFF PRESENTATIONS:

3.1 Strategic Capital Funding Strategy – Presentation

The following documentation was before the Committees:

- *A presentation dated June 5, 2014*

Mr. Richard Butts, Chief Administrative Officer, provided background information with respect to the Strategic Capital Funding Strategy and noted that it is before both Standing Committees for consideration due to the great deal of discussion required on the proposed projects. He commented that the Long Term Arena Strategy and Dartmouth Sportsplex projects are ready to proceed and play a very important role with respect to the Centre Plan. He further advised of the importance of liquidating surplus properties to reduce the cost burden on the municipality and facilitate the funding of strategic capital investments.

In response to a question of clarification from Councillor McCluskey, Mr. Butts commented that all pertinent information respecting the Strategic Capital Funding Policy will be covered in the upcoming presentation by the Chief Financial Officer.

**CP&ED & AFSC Special Joint Meeting Minutes
June 5, 2014**

Mr. Greg Keefe, Chief Financial Officer gave a presentation regarding the Strategic Capital Funding Strategy.

Councillor Hendsbee entered the meeting at 9:21 a.m.

The Chair thanked Mr. Keefe for his presentation and asked for questions of clarification from the Committee members.

Councillor McCluskey requested further information with respect to the figures for real estate values as presented.

Mr. Peter Stickings, Manger of Real Property, noted that the values as presented are drawn from appraisal work that has been concluded through the assessment of the various sites. He noted that the figures are sound and indicative ranges of value for the properties and further advised that staff was conservative in their valuations as market values can change in the future.

Councillor McCluskey noted a previous decision of Council to not proceed with the construction of a stadium in 2012. She inquired as to the rationale on revisiting this matter.

Mr. Keefe commented that at the time of Council's decision in 2012, building a stadium did not make sense as there were no outside partners available to assist with funding.

Councillor Mosher noted her support for the proposal of a performance art centre for HRM. She inquired if there was any consideration given in the most recent commuter study with regard to the implementation of a fast ferry service.

Mr. Keefe noted that most current commuter study is centred mostly on rail. He commented that the study will be population based.

Councillor Mosher inquired if the Bayer's Lake land transactions have been finalized. She further inquired if the Clyde Street and Downtown property transactions have also been finalized.

Mr. Peter Sticking, Manager of Real Property, replied in the affirmative and noted that the transactions as noted by Councillor Mason have all closed.

Councillor Hendsbee inquired as to why the Long Term Arena Strategy and Strategic Capital Strategy did not go directly to a Committee of the Whole session.

Mr. John Traves, Solicitor, noted that the recommendation from the Standing Committees based on their mandates can move a recommendation to Regional Council to hold a Committee of the Whole session.

Councillor Mason requested commentary from the Chief Financial Officer respecting his confidence in the projected value of the land transactions.

**CP&ED & AFSC Special Joint Meeting Minutes
June 5, 2014**

Mr. Keefe noted that the numbers provided are conservative and the costs for the proposed projects are on the high end of valuation. He further noted that the figures do not include from assistance from potential funding partners. He stated that the purpose of the plan is to show members of Council what is possible with respect to capital investments in the long term and to outline the decisions that can be made presently to assist in funding the projects, such as the sale of surplus properties. With respect to the projected values, Mr. Keefe commented that it is very difficult to predict future values of assets but noted his confidence that the projections provided to the committee members are accurate.

Mayor Savage inquired about the existing Trade Centre property and inquired if it will become a surplus property upon the completion of the Nova Centre.

Mr. Keefe replied in the affirmative and noted that HRM will likely assume that property as an asset upon the completion of the Nova Centre.

Mayor Savage further inquired about the impact of one cent increase on the tax rate of an average household. Mr. Keefe replied that the impact of a one cent increase to the tax rate on an average household would equate to \$25 per year.

Councillor McCluskey inquired about the status of the Dartmouth Museum and why it was not included within the Strategic Capital Funding Strategy.

Mr. Keefe commented that the Dartmouth museum was part of the presentation initially as it is a significant capital investment but it was the determination of staff that it was not in the order of magnitude as some of the other projects that have been presented. He commented that funding for the museum has already been set aside will be completed over the normal course of capital projects.

Councillor Watts requested more information on the time framework for the potential projects.

Mr. Keefe commented that the timing for planned projects the rather quick and decisions in this regard will need to be made within the next fiscal year. He commented that the longer it takes to make a decision on the tax surcharge, the less money to fund the potential projects will be accumulated. He added that decisions respecting debt do not need to take place until it is identified that more funding is required to service the debt. He further advised that staff would like to see an agreement in principle that Council would like to proceed with work on these projects so that planning can begin.

Councillor Outhit stated that there are a large number of assumptions associated with the strategy. He remarked that he is not criticising staff for putting forward assumptions but he feels as though Council will be working away at this strategy in the dark without more information. He inquired as to where the priorities and numbers came from.

Mr. Greg Keefe, Chief Financial Officer, stated that he compiled the numbers and priorities for the consideration of Council and to obtain feedback. He noted that the impact from a long term budgeting point of view is not that significant. He noted that the strategy is affordable for the Municipality and explained that Council may change what the priorities will be if they so wish.

Deputy Mayor Fisher inquired if members of council have the ability to vote at a special joint meeting.

Mr. John Traves, Solicitor commented that Council can set the Terms of Reference for Standing Committees as it sees fit. He stated in the case of the present meeting, each committee will act within its mandate to provide a recommendation to Regional Council. He noted that the joint meeting gives the benefit of having both presentations to the separate committees at the same time so that each can make an informed decision as the subject matter is interrelated.

Deputy Mayor Fisher thanked the solicitor and noted that members of Regional Council will be able to vote and comment on these items when they are forwarded to Council or a Committee of the Whole session.

Mr. Richard Butts, Chief Administrative Officer agreed with the solicitor and the Deputy Mayor's assessment and commented that as work respecting the two reports moved forward it was clear that there would be a high level of intersection. He noted that it was the opinion of staff that it would be counter-productive to have both Standing Committees working separately on these matters and that a joint presentation would be beneficial.

Councillor Karsten inquired if there was any consideration placed on the Shearwater/Mount Hope Connector Road in the presentation.

Mr. Keefe commented that it was considered but it was determined that the Mount Hope/Shearwater Connector Road would be a better fit for the Capital Budget.

Councillor Whitman commented that this meeting should be one of the most exciting and anticipated meetings of the year given the subject matter that is being presented. He expressed his opinion that meeting should be taking place in Committee of the Whole as opposed to at the Standing Committee level.

Mayor Savage commented that he believes that it is the responsibility of Council to use the proposed strategy as a road map for potential projects and that it is very important and worthwhile discussion to have. He commented on the usefulness of the strategy to examine the viability of longer term projects.

Further discussion ensued with the committees recessing for a five minute break at 10:35 a.m.

The committees reconvened at 10:40 a.m.

The Chair stated that the Chief Financial Officer stated that he will respond to any Councillors who may have concerns with respect to proposed projects for inclusion on the list of projects to be incorporated in Strategic Capital Funding Strategy Report and presentation to Council.

3.2 Long Term Arena Strategy: Consolidation of Aging Arenas – Presentation

The following documentation was before the Committees:

- *A presentation dated June 5, 2014*

Mr. Brad Anguish, Director of Community and Recreation Services, gave a presentation in relation to the Consolidation of Aging Arenas.

Mr. Anguish concluded his presentation by noting that he would be happy to answer questions of clarification from Committee Members.

The Chair thanked Mr. Anguish for his presentation and requested that questions of clarifications be held until the motion regarding the Long Term Arena Strategy is put on the floor.

4. STANDING COMMITTEES - REPORTS

4.1 Community Planning & Economic Development Standing Committee - Discussion and Recommendation on Long Term Arena Strategy: Consolidation of Aging Arenas Report

The following documentation was before the Committees

- *A staff report dated April 28, 2014*
- *Correspondence from Janet Brush & David Napier dated June 3, 2014*
- *Correspondence from Andrea Crowell dated June 4, 2014*

MOVED by Deputy Mayor Fisher, seconded by Mayor Savage that that the Community Planning & Economic Development Standing Committee recommend that Halifax Regional Council:

- 1. Direct staff to commence planning for the construction of a 4-pad arena at Windsor Park to replace the Halifax Forum, Civic, Devonshire and Shannon Park arenas targeted to open in 2017;**
- 2. Direct staff to negotiate a partnership agreement with Canadian Forces Base Halifax for construction of the Halifax 4-Pad arena and return to Council for approval of the agreement and subsequent construction;**
- 3. Declare Halifax Forum and Civic arenas as surplus to recreation needs upon the completion of a partnership agreement for the Halifax 4-Pad and direct staff to commence master planning of the property;**
- 4. Declare the Devonshire arena building surplus to recreation needs upon completion of the Halifax 4-Pad arena and direct staff to initiate the process to demolish the building and retain the land for future recreation needs;**
- 5. Direct staff to commence planning for the construction of a 4-pad arena in Dartmouth to replace the Gray, Bowles, Lebrun and Centennial arenas targeted to open in 2019;**

- 6. Direct staff to investigate the potential for locating the Dartmouth 4-Pad on Shannon Park Lands and return to Council for final confirmation of the location;**
- 7. Declare Gray, Bowles, Lebrun and Centennial arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad arena and direct staff to review the properties under Administrative Order 50;**
- 8. Direct staff to include the arena projects in the strategic capital projects to be considered by the Audit & Finance Standing Committee for determination of capital priorities and funding strategies; and,**
- 9. Direct staff to continue to explore funding from other levels of government and potential private sector partners.**

Deputy Mayor Fisher commented that he believes that the construction of the four pad arena on Commodore drive in Dartmouth should already be under way. He thanked staff for the hard work in compiling the report and noted the hard was involved in bringing it before the committees. He advised that he has concerns with some of the proposals and will address them after his colleagues have a chance to comment on the report.

Councillor Mason acknowledged Captain Topshee and staff from the Canadian Forces who were in attendance at the meeting and thanked them for their contributions that they have provided with respect to the report. He noted that he has a number of concerns regarding the recommendations in the staff report and will not support the recommendation as it is presented. He commented that he has prepared an amended motion which he may introduce after he has heard more from his colleagues.

Councillor Mason explained that his concerns lie primarily with the proposal to repurpose the Halifax Forum. He commented that he needs more information regarding how much it will cost to renovate the forum, as opposed to closing it entirely. He noted that he accepts the fact that a four-pad arena is the way to proceed to service recreation needs in that area. He further commented that he would support moving along with the four pad arena on the Commodore Drive site in Dartmouth.

Councillor Watts echoed Councillor Mason comments respecting his concern of closing the Halifax Forum and noted that she will not support the recommendation that is currently on the floor. She commented that the Halifax Forum is more than a rink to many of the residents who use it on a daily basis and that there are many other components relative to its existence. She remarked that plenty of work has been undertaken at the Halifax Forum including the conversion to natural gas and upgrades to lighting and energy efficiency. She stated that the forum is located within a very dense area of Halifax and is a vital component for growth.

Councillor Adams inquired how ice time needs are calculated for recreation users and if there is a formula in place. He requested further commentary on Bingo games that are held at the Halifax Forum and if there will be a provision to allow for bingo to continue in a new facility. He also inquired if there has been any consideration given to add additional ice surfaces at

Exhibition Park. He further suggested the use of dome arenas for practical purposes to alleviate the pressure for ice time at some of the larger recreation centres.

Ms. Denise Schofield, Manager of Recreation commented that Ice time allocation formulas are determined by the amount of ice usage per player and are based on age and the type of sport being played. She stated that staff recommends that Bingo continue as part of the new proposal. She commented that Exhibition Park was not considered as part of the Long Term Arena Strategy process as Council's direction was to focus on the peninsula for the strategy.

Councillor McCluskey inquired about the status of the Spryfield Arena within the Long Term Arena Strategy.

Mr. Brad Anguish, Director of Community and Recreation Services noted that the Spryfield Arena will be recapitalized and will remain in operation.

Councillor McCluskey asked why the Dartmouth scenario was not presented in the same manner in terms of risk in the site evaluation report.

Mr. Anguish commented that the risk criteria for the Dartmouth sites are not the same as that of Peninsula Halifax.

Councillor McCluskey commented that she will not be supporting the recommendation as it currently stands.

Councillor Walker commented that he has concern with respect to the process in which the Long Term Arena Strategy was compiled. He commented that the Centennial Arena and Halifax Forum operate under a management agreement with their respective Boards. He commented that it must have come as a shock on the part of Board members to find out that the arenas that they manage are being considered for closure. He commented that the process is flawed in that both organizations were not consulted about the report before it was presented to the Standing Committees.

Councillor Hendsbee stated that he will support the recommendation when it comes to Regional Council. He commented that he would like to see a south-end facility in partnership with the downtown universities. He commented that he believes that Halifax Forum site is underutilized and that there is great deal of development potential at that site. He further inquired about facility plans outside of the peninsula, and how this can be addressed within the Long Term Arena Strategy.

Mr. Anguish stated that other facilities outside of the peninsula and Dartmouth can be included within the Long Term Arena Strategy by a recommendation of Council.

Mayor Savage commented that the committees are fortunate to be having this discussion which is a dividend of a lot of hard work. He commented that there is a significant need on the Dartmouth side of the harbour for ice surfaces. He noted that he does not believe that Shannon Park is the place for this as the plans for that area are not yet clear. He explained that it would be hard to find better partners than the Armed Forces and Universities to undertake the work that

needs to be done with respect to revitalizing the downtown recreation facilities. He noted that more work will need to be conducted on these matters and noted his support for moving forward with the construction of the four pad arena on Commodore Drive in Dartmouth.

Councillor Mosher echoed the Mayor Savage's comments with respect to the four-pad arena on Commodore Drive. She commented that there are broad community uses at the Halifax Forum in addition to ice activities. She commented that the Halifax Forum is a key piece of infrastructure that needs to be revitalized rather than closed.

Councillor Craig thanked staff for report and for the opportunity to speak. He commented that he views the discussion as a good warm up for Council. He asked what would happen if the ice surfaces were removed from the forum and the building was repurposed for community use. He commented that the Long Term Arena Strategy will force Council to make necessary decisions regarding the long term viability of recreation facilities across the municipality.

Councillor Karsten stated that there will be much more debate on this issue and that he feels that the committees are nowhere near making a hard and fast decision on this matter. He noted more information is required on how staff would address the other programming needs of the Halifax Forum aside from ice surfaces.

Mr. Anguish noted that the Halifax Forum is an interesting facility in that 43 % of the revenues are derived from Bingo games while an additional 32% are derived from ice rentals. He commented that from a revenue perspective, the Halifax Forum is a bingo facility first and an arena second. He noted that the forum is licensed to sell alcohol and that this point was brought to the attention of Council as there is a significant debate regarding whether or not the municipality should be involved in that type of business. He noted that staff has assessed all of the other programming currently provided at the Halifax Forum and are confident that the events can be moved elsewhere within the HRM's recreation system as well as the private sector. He noted that staff requires direction on the alcohol and gaming component that is currently being provided at the Halifax Forum and can come back with a staff report on how it can be accommodated.

Councillor Outhit inquired if the Department of National Defence gave consideration to other lands beyond Windsor Park for the construction of a new arena. Mr. Anguish noted that the discussions regarding the partnership centred on the Windsor Park site.

Councillor Dalrymple commented that there is nothing in this report anywhere that he intends to support. He expressed his disappointment in the staff recommendations.

Further discussion ensued with a general consensus among the Committee members to refer this item to future Committee of the Whole Session.

In response to questions of clarification, Mr. John Traves, Solicitor noted that the Community and Economic Development would need to withdraw the motion that is currently on the floor and pass a motion to refer this matter to a future Committee of the Whole session.

MOVED by Deputy Mayor Fisher, seconded by Mayor Savage that the Community Planning and Economic Development Standing Committee withdraw the motion on the floor and refer this matter to a future Committee of the Whole session.

MOTION PUT AND PASSED.

4.2 A & F Standing Committee – Discussion and Recommendation on Strategic Capital Funding Strategy Report (inclusive of Long Term Arena Strategy Funding recommendations)

The following documentation was before the Committees

- *A staff report dated May 26, 2014*
- *Correspondence from Janet Brush & David Napier dated June 3, 2014*
- *Correspondence from Andrea Crowell dated June 4, 2014*

Due to time constraints, the Audit and Finance Standing Committee agreed by consensus to refer this matter to its next meeting to be held on June 18, 2014.

4.3 A & F Standing Committee – Building Canada Fund Infrastructure Projects Report – Discussion and Recommendation

The following documentation was before the committees:

- *A staff report dated May 6, 2014*

Due to time constraints, the Audit and Finance Standing Committee agreed by consensus to refer this matter to its next meeting to be held on June 18, 2014.

5. ADDED ITEMS - NONE

6. ADJOURNMENT

The meeting adjourned at 12:45 p.m.

Liam MacSween
Legislative Assistant

Information Items

- 1. Memorandum from the Director of Community and Recreation Services dated May 2, 2014: re: Gymnasia Analysis – Peninsula Halifax.**