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**1. CALL TO ORDER**

The Chair called the meeting to order at 9:35 a.m. in Council Chambers, Halifax City Hall.

**2. APPROVAL OF MINUTES – January 30, 2013**

**MOVED by Councillor Nicoll, seconded by Councillor McCluskey that the minutes of January 30, 2013 be approved as presented. MOTION PUT AND PASSED.**

**3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS**

**MOVED by Councillor Walker, seconded by Councillor McCluskey that the agenda be approved as presented. MOTION PUT AND PASSED.**

**4. BUSINESS ARISING OUT OF THE MINUTES – NONE**

**5. MOTIONS OF RECONSIDERATION – NONE**

**6. MOTIONS OF RESCISSION – NONE**

**7. CONSIDERATION OF DEFERRED BUSINESS – NONE**

**8. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE**

**9. REPORTS**

**9.1 Staff**

**9.1.1 Third Quarter Update**

The report dated February 5, 2013 was before the committee.

Councillor McCluskey asked staff why Transportation and Public Works is reporting a surplus and if this is affecting infrastructure given the reduction in staff. Ken Reashor, Director, Traffic Authority, advised that work is being performed to departmental standards and they are managing through efficiencies. Mr. Reashor further noted his staff wanted to do more sidewalk repairs, but the season ended and were not able to perform these operations.

Councillor McCluskey further questioned staff on the reduction in staff with particular emphasis on the number of planners, which has been an ongoing issue.

Mr. Reashor advised there are eight vacancies and he is working to hire new staff.

Staff advised that the planning approval process rests with Community and Recreation Services and they are aware that CRS staff are moving forward in this regard. Staff committed to providing Councillor McCluskey with information pertaining to planner vacancies.

Councillor McCluskey asked staff about the decrease in PILT payments and if the tax rate was lower than usual.

Mr. Jerry Blackwood, Manager, Revenue advised the number is different than when the build budget was submitted. It was submitted to Council and staff were directed to lower the commercial rate. This hasn't been reflected in the public budget.

The Mayor and Councillor Karsten further asked staff about the filling of vacancies. Staff advised they are hiring in a timely fashion. They also noted they will soon need to find a replacement for Mr. Austin French.

**MOVED by Councillor Walker, seconded by the Mayor that that the Audit and Finance Standing Committee forward this report to Halifax Regional Council as an information item.**

Councillor McCluskey asked staff about the number of commercial appeals staff are reviewing and to identify them.

Mr. Blackwood advised he does not have this information available, but would be willing to meet with the Councillor to address these concerns.

**MOTION PUT AND PASSED.**

#### **9.1.2 Internal Title Review & Deed Replacement Fees**

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the Audit and Finance Standing Committee forward this report to HRM Regional Council for approval and that;**

- 1) Council approve an internal title review and report fee of \$125.00 for registry of deed title searches;**
- 2) Council approve an internal title review and report fee of \$25.00 for migrated property title searches;**
- 3) Council approve a tax sale deed replacement fee of \$250.00;**

- 4) Council approve the proposed amendment/additions to Administrative Order 18, The Revenue and Collections Policy, Schedule 1; per Appendix A of this report;**

**MOTION PUT AND PASSED.**

**9.1.3 Budget Increase – Project No. CBW00978 – Halifax Central Library**

The report dated January 21, 2013 was before the committee.

Judith Hare, CEO, Halifax Public Libraries, provided background on this document.

Ms. Hare emphasized that staff are not seeking new money from Regional Council, but permission to raise \$1.4 million through fundraising and to use the \$600,000 they have transferred to the reserve in operational efficiencies. They have hired a consultant to assist with fundraising and have raised \$1,069,000 thus far, thanks to a \$1 million gift from the O'Regan family. She emphasized the project will not spend money it doesn't have.

Mr. Keefe, Director of Finance and Information, Communications & Technology/CFO, identified there are risks associated, in that HRM may have to meet commitments made by the Library if they are unable to meet their fundraising targets. He noted this risk is low given the library's fundraising track record.

**MOVED by Councillor Mosher, seconded by Councillor Walker that the Audit and Finance Committee recommend that Halifax Regional Council approve an increase to Project No. CBW00978 – Halifax Central Library, in the amount of \$2,000,000 with funding available from:**

- 1. Reserve withdrawal from Q318 - Central Library Capital Campaign and Development Operating Reserve, in the amount of \$600,000; and**
- 2. Additional fundraising of \$1,400,000, as outlined in the Financial Implications section of this report.**

Councillor Mosher and Councillor Walker noted that this project has been incorrectly presented in the media and that the Library is not asking for more money. They offered their congratulations on fundraising work already done. Councillor Mosher further noted that the consultation effort done for this project is probably HRM's most extensive and that this facility is a regional facility.

The Mayor noted his excitement for the project and reflected on the importance of the Dartmouth library in that community. The Mayor asked for more details on the fundraising efforts. Ms. Hare responded that the additional \$69,000 has come from unsolicited donations. Staff are focusing on major gifts at the moment and are waiting

for new developments with the naming and recognition policy. They will be establishing a public campaign to solicit smaller donations in the future.

The Mayor Thanked the O'Regan family for their contribution. Staff further noted that funds raised return to the reserve and the risk associated with this request is very minimal.

Councillor McCluskey asked for clarification on the risks.

Mr. Keefe responded that the money must be committed now for the RPF and there is a risk associated. In response to further questioning, staff advised that HRM has already given \$23.7 million and the Library is responsible for \$3 million.

Councillor McCluskey reminded that HRM also provided the land. She also noted that any further expenditure by HRM may lead to sacrifices in other areas, such as the ferry and the Dartmouth museum. Councillor McCluskey cannot support any more HRM funding for the library.

Mr. Keefe advised that donations received have gone into the reserve and Ms. Hare noted money from their operations have also gone into the reserve.

Councillor Dalrymple indicated his support for the Library in the past, but echoed Councillor McCluskey's concerns about sacrifices made elsewhere to support efficiencies, such as the cancellation of the book mobile. His district covers a large area and there is no library. He argues that supporting this project may mean delaying service provisions elsewhere.

Ms. Hare noted the Board has recently renovated the Sackville Library and residents in rural areas are able to receive books by mail. Staff are awaiting the arrival of the facilities master plan to address this and notes that the Province has allocated money to studying the issue of rural service. Public consultations will be held on the Eastern Shore regarding this.

Councillor Adams voiced his disapproval of asking staff to justify the existence of the Library downtown.

Councillor Dalrymple noted that his community was consulted two years ago on a library for the area and nothing has since been done.

Councillor Outhit noted his community has also not been considered for funding in some time and agreed with concerns of subsidizing the plans if the funds are not raised. He also acknowledges that this will be a regional facility but would like to see the risk minimized if the funds are not raised.

Mr. Keefe noted all large projects have a contingency reserve and there is also the possibility of the Library assuming 100 per cent of the risk if fundraising does not meet its target.

Councillor Mason, Vice Chair of the Halifax Library Board, noted that this library is a significant commitment to the region. The Library Board is raising rural service with staff and once this library is done other commitments can be made and it's a shame the library was not finished earlier. He has every confidence staff will meet their fundraising goal.

Councillor Craig asked for clarification on the operations efficiencies and notes that this transfer to the reserves is still money coming from the taxpayer. He further asks if HRM is actually guaranteeing the full \$4.8 million.

Mr. Keefe indicated that ultimately this is the case and it's an artificial distinction.

Councillor Craig asked where the money for the fundraising effort has come from and Ms. Hare stated staff are using a provincial grant to support this effort and that a budget is submitted every year for this.

#### **MOTION PUT AND PASSED.**

#### **9.1.4 Transportation and Public Works – Budget Presentation**

Mr. Keefe advised that staff are preparing a comprehensive document for the committee capturing all the decisions made during the budget process.

Mr. Reashor gives background on the business unit and the assets it manages. The expenditure provided to the committee is flat and driven by efficiencies. Regional Council has authorized additional spending to support a state-of-good-repair.

With respect to road and street upgrades, staff have a similar capacity for this as they did last year, with a goal of having 90 per cent tendered by this fall.

Mr. Reashor provides background on some of his priorities, including the LED light conversion, intersection improvements, including left-turn bays in Sackville and one in Dartmouth, as well as crosswalk upgrades for accessibility.

Other priorities include the North Park Corridor, Cunard and Cogswell interchange upgrades, traffic signal installations, and maintaining the state of good repair for roads, parks and sports fields.

Regarding the environment, they are looking to the operationalization of the Urban Forest Master plan. With respect to healthy communities staff are looking at the state-of-good-repair for facilities, particularly those managed by community groups.

Mr. Reashor further advises on street upgrades in the central hubs, such as the replacing of concrete slabs in the business development areas. Even though there will be an emphasis on concrete slabs, asphalt will continue to be used.

The Pedestrian Safety Action Plan is being worked on with communications and police to develop an education and enforcement campaign.

Overall, staff were recording a \$1.2 million surplus, but the last storm will alter this outlook.

Mr. Reashor provided background on efficiencies in his business unit, such as the reduction in sick leave, depot rationalization and vacancies.

Councillor Walker asked about the street light conversion and Mr. Reashor responded that the replacement will take eight years and it will include all of HRM.

Councillor Walker asked staff about street-scaping and what is included in this and Ms. Jan Fraser, Director, Planning and Infrastructure indicated that the library plaza is among these commitments, along with Spring Garden, the Hudson corridor, Main St. and is willing to provide more detail.

Councillor Walker clarifies with respect to sidewalks and snow removal that the additional \$2.3 million will be provided by new residents and will not be incurred by existing residents.

Councillor Karsten noted staff should ensure inventory is in good shape as Nova Scotia Power has many orphaned telephone poles.

Councillor Mosher asked if there is a turnaround time for concrete slab replacement and whether other colours for replacement can be considered to make upgrades more consistent with what's already there. She also asked staff to consider coal patch options from companies out West. Finally, she also commended staff in their work on graffiti management, but noted there may be challenges coming given data she has seen from the police.

Regarding slab replacements, Mr. Reashor points to the reality that 135km of sidewalk needs to be replaced, but staff are lucky to complete 8-10 in a given year. They have a window for completion of these repairs, but the item only received additional funding for this last year. Regarding the coal patch, he noted HRM invested in the asphalt trailer and that hot patches are more stable and last longer. Regarding the colours of concrete



replacement, they have tested different mixtures, but have not been successful up to this point.

To an additional question from Councillor Mosher, Mr. Reashor noted his staff are working with Halifax Water regarding repairs and will explore options to improve quality.

Responding to Councillor McCluskey, Mr. Reashor committed to retrieving information on how much the developer contributed to the new intersection at Gerry Martin and also on the work ahead for Terminal Park.

Councillor McCluskey asked for clarification on what staff meant by downtown with reference to street-scaping and Ms. Fraser responded that there is a \$3 million commitment for three years for the Hudson Corridor, but there is no money for downtown Dartmouth at this time.

Councillor McCluskey asked if there would be any commitments for the Sportsplex and Mr. Mike Labrecque, Deputy CAO, responded there will be more information on this item at the February 20, 2013 Audit and Finance Standing Committee meeting.

Councillor Outhit asked staff to consider focusing for one year solely on repairs, rather than engaging in new projects. This might be a more responsible approach. He is concerned that potholes are becoming an issue again and echoed Councillor Mosher's concerns regarding the use of coal patching by Nova Scotia Power on main roads. He further referenced the need for downtown revitalization through tax incentives and more parking – aesthetic issues were not a major concern.

**MOVED by Councillor Outhit, seconded by Councillor Nicoll that the Audit and Finance Committee direct staff to proceed to prepare the Transportation & Public Works Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided through the committee discussion on Transportation & Public Works for inclusion in the proposed HRM 2013/14 Budget and Business Plan documents.**

Councillor Dalrymple indicated the need for a field inventory, as many are no longer in use. He asked about the Ilsey depot closure and how salt trucks will access priority areas such as magazine hill.

Mr. Reashor responded with respect to the depot closures that they will be sold off and confirmed there will be no drop in service. Trucks are loaded in advance of storms and there are multiple locations for salt pick up. Staff are ensuring there will be access to the Magazine Hill.

Councillor Dalrymple asked staff to make Councillors aware of closures and other significant operational changes in their areas as residents approach them with

questions regarding these decisions. Mr. Reashor committed to doing a better job of communicating with Councillors in the future.

The Mayor offered his thanks to staff for their efforts in street clearing after the last storm. He asked staff about the North Park Corridor improvement and what the cost of the project will be, especially if they proceed with a round-about.

Mr. Reashor responded that the current budget is for design and the project will begin next year, whether it's an intersection or conversion to a round-about. The estimate is \$3 million.

The Mayor asked staff if they include accessibility into the budget process and staff advised it is considered when work is done for intersection improvements and traffic signals. Ramps are inserted when sidewalk replacement is done. With respect to benchmarking against other cities, they don't do this specifically, but they do look at other cities for solutions.

The Mayor indicated he would like to have a discussion on this.

Councillor Nicoll noted the flat expenditure is a major accomplishment. Regarding offsets, she asked if staff are directing the savings to major works. She further asked staff for information on sidewalk and street repairs and referenced an earlier motion she had made calling for a policy on streets.

Mr. Reashor reiterated with respect to repairs, staff held back some money in case the winter was a bad one. He also noted staff cannot do concrete repairs in the winter and the asphalt truck is mainly used for winter pothole repairs, not for sidewalks. In response to her question on Mount Hope, he is championing it and recently provided the Mayor with information on it. On the streets policy, it is currently going through Planning and Infrastructure.

Councillor Craig commended staff on their street safety efforts and asked if they are considering solutions to mitigate the effect of storm water routes. Mr. Reashor advised staff are providing a report to this effect through Planning and Infrastructure. They will be looking to Council for direction.

Councillor Craig further asked staff about the distinction between operating and capital budgets, as well as the allocations for maintenance. Mr. Keefe responded that the capital budget can be considered a project budget and that the surplus is on a cash flow basis. Regarding capitalization, there is a policy on what is capitalized and the reports in the Third Quarter Update provides more detail on this.

Councillor Watts asked staff for a list of intersection inclusions and which projects are being considered for the coming years. Mr. Reashor responded that there is no

standing list and requests come forward for additional features and other work on an ongoing basis.

Councillor Watts asked at the \$2.9 million in the third year is expected to fund and Mr. Reashor noted some are larger projects and may be allocated for the North Park. She further questioned staff on the Urban Forest Master Plan and if money is being put aside and Mr. Reashor advised there was. Councillor Watts indicated the need to operationalize this plan and that we are only maintaining what we have rather than growing. She further spoke to the need for more parking downtown as this is part of broader sustainable infrastructure requirements.

**MOTION PUT AND PASSED.**

**MOVED by Councillor Nicoll, seconded by Councillor McCluskey that the Audit and Finance Standing Committee request staff to provide an information report on the rationale of future plans according to the 3 year window as per the state of good repair for sidewalk concrete repairs.**

**MOTION PUT AND PASSED.**

**9.3 OFFICE OF THE AUDITOR GENERAL**

**9.3.1 Economic Development through Partnerships – A Performance Evaluation**

A report from the Auditor General, Mr. Larry Munroe, dated February, 2013 was before the committee.

Mr. Munroe provided a presentation pertaining to the report.

Councillor Hendsbee entered the room at 12:10 p.m.

Councillor Walker left the meeting at 12:30 p.m.

Mr. Munroe argued for taking another look at HRM's approach to economic development, while considering the roles of the Greater Halifax Partnership and Destination Halifax in particular. He offered the committee a number of options for changing the city's approach.

Councillor Adams left the meeting at 12:40 p.m.

Mr. Munroe indicated that the CAO is supportive of his approach and will work towards implementing recommendations.

The Chair thanked Mr. Munroe for his presentation and for his report.

Councillor Nicoll, the Chair of the Economic Development committee, stated the need for role clarity on Boards and the need for HRM to be bold in its approach to economic development. She asked staff to move forward with these recommendations; keeping young people here with attractive job prospects is the key.

Councillor Mosher stated the need for Council to take ownership over the development agenda. Groups should not be working in isolation and the creation of a Chief Economic Development Officer is a good idea. There needs to be clear objectives and a framework for reporting to Council.

Councillor Outhit supported the report's conclusions and that we need a clearer set of outcomes. He noted HRM has to focus on the policy areas it has control over that will make a difference, such as parking and transit. With cuts to research and development funding there is a need for taking a new approach.

Mr. Munroe reiterated that the report is an option menu and appreciates hearing other ideas.

Councillor McCluskey noted that our departments and initiatives are not working together, but she is confident the CAO will consider this report. She adds, if organizations such as the Great Halifax Partnership are not reporting to Council; it's Council's responsibility to make sure they do.

The Mayor indicated that moving forward means alignment and focus. This kind of report identifies the need for steps that enable growth. Looking initially, having a staff person responsible for economic development does make sense. He noted that the responsibility to ensure growth is happening lies with Council and it's not something that can be outsourced.

The Chair summarizes and asks if an additional discussion on the topic is required, such as a Committee of the Whole.

Councillor Dalrymple indicated HRM has a great deal to offer, but it doesn't sell itself properly. Other cities and countries market themselves well and we are competing with them for tourists and immigrants. He also raises the possibility of having a Committee of the Whole for discussing this.

Councillor Hendsbee stated that HRM's role is to provide the parameters for development to occur through our use of land and maintenance of roads, water and sewers. He echoed earlier comments that HRM has many assets and the city should be looking at more eco-tourism. A big question is how HRM works with other levels of government.

Councillor Adams returned at 1:35 p.m. He asked about how Greater Halifax Partnership pays for its monthly rent and if \$85,000 is the average salary for staff. He has asked before about how outputs are being measured.

Mr. Munroe indicated he cannot give quantifiable feedback. He also noted the Great Halifax Partnership office is an in-kind grant, but staff are considering other locations for their work.

Mr. Munroe thanked Councillors and the committee. He also thanked his staff, Cathie Osborne in particular, for their work on this report.

**10. MOTIONS – NONE**

**11. ADDED ITEMS – NONE**

**12. NOTICES OF MOTION – NONE**

**13. IN CAMERA**

**13.1 Approval of the Minutes, January 30, 2013**

This matter was dealt with In Camera.

**13.2 Appointments – Personnel**

This matter was dealt with In Camera.

**14. NEXT MEETING DATE – February 20, 2013**

**15. ADJOURNMENT**

The meeting was adjourned at 1:51 p.m.

Matt Godwin  
Legislative Assistant

**INFORMATION ITEMS**

1. Upcoming Agenda Items
  - 1.1 Revised Special Events Granting Framework