

**HALIFAX REGIONAL COUNCIL  
COMMITTEE OF THE WHOLE  
MINUTES  
JULY 16, 2002**

**PRESENT:** Mayor Peter Kelly  
Deputy Mayor Robert P. Harvey  
Councillors: Steve Streach  
Gary Hines  
Keith Colwell  
Ron Cooper  
Harry McInroy  
Brian Warshick  
Condo Sarto  
Jim Smith  
John Cunningham  
Jerry Blumenthal  
Dawn Sloane (10.45 p.m.)  
Sue Uteck  
Sheila Fougere  
Russell Walker  
Diana Whalen (10:05 p.m.)  
Linda Mosher  
Stephen D. Adams  
Brad Johns (11:10 p.m.)  
Len Goucher  
Reg Rankin  
Gary Meade

**ABSENT:** Councillors: Bruce Hetherington (regrets)

**STAFF:** Mr. George McLellan, Chief Administrative Officer  
Mr. Wayne Anstey, Municipal Solicitor  
Ms. Jan Gibson, Deputy Municipal Clerk  
Ms. Sandra Shute, Assistant Municipal Clerk

**TABLE OF CONTENTS**

1.	Call to Order .....	3
2.	Approval of the Order of Business and Approval of Additions and Deletions ..	3
3.	Proposed Tax Structure/Service Standards .....	3
4.	Adjournment .....	11

1. **CALL TO ORDER**

The meeting was called to order at 9:40 p.m.

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

**MOVED by Councillor Cunningham, seconded by Councillor Blumenthal to approve the Order of Business as presented. MOTION PUT AND PASSED UNANIMOUSLY.**

3. **PROPOSED TAX STRUCTURE/SERVICE STANDARDS**

- A copy of the Tax Structure Update presentation was before Council.
- A report prepared for George McLellan, Chief Administrative Officer dated July 16, 2002 on the above was before Council.

Councillor Cooper, Chair of the Tax Structure Committee introduced the report and, subsequently, Mr. Bruce Fisher, Manager of Financial Planning, with the aid of Power Point, presented the update to Council. The Presentation included information on the following:

- Current Tax Structure
- Current Service Standards
- Proposed Tax Structure Principles
- Recommendations to Committee of the Whole
- Proposed Tax Structure
- Impact on Tax Rates
- Proposed Fire Minimum Levels of Service
- Proposed Indoor Facility Feasibility and Development Policy
- Project Time Line
- Proposed Community Consultation Locations

Following Mr. Fisher's presentation, Mr. George McLellan, Chief Administrative Officer advised that it was fair to characterize this presentation as an attempt to put this further into the public realm to allow Council to be more aware of the intent and to get some further feedback from Council before it goes to Public Meetings. It was important that Council understand that staff was serious about getting public feedback and the recommendation in front of Council at this meeting does not require a final decision but some conceptual sense that this is an appropriate collection of issues and course of action with which to enter into direct discussions with the public. When Council sees this again, it would hopefully be in a different and better form.

Mayor Kelly then called for comments from individual Councillors.

Councillor Colwell raised the following points:

- He was a member of the Tax Structure Committee but unfortunately missed the last meeting. Some of the information was new to him.
- It appeared there was a move to go to a blended tax rate. He was not in favour.
- It appeared the rural area's tax rate would go up again with very little increase in service.
- His community was ready to riot now over taxes with not near the services received in the core area. Yet the proposal was to decrease the tax rate in the core.
- There was only one meeting in his District - Lake Echo - which does not affect the cultural diversity of his community. There should be more meetings than the proposed ten. He suggested 30-40. There has to be more consultation.
- Crosswalk guards should not be in the general rate. It would be a long time before crosswalk guards are needed in his area.
- There was something wrong with the charges for streetlighting. The core area was paying half of what his District pays. By adding streetlighting to the proposal, the taxes would go up again in his District.
- Regarding recreational facilities, some in his District need capital repairs but limited repairs but taxes would go up more than that.
- He expressed concern with Management agreements for facilities and problems with access to those facilities with Management agreements.
- The proposed changes for Fire Services were being done now in his District yet his District was paying more for Fire Services than the core is.
- The inequity for services received versus the tax dollars paid has not been addressed.
- Discussion needs to take place on assessments.
- It was worth looking at a suburban tax rate for his area if it increases the services provided.
- The objective was for fairness in taxes for services received but he did not see this in the report before Committee of the Whole.

Councillor Meade raised the following points:

- Would it be possible to phase in the commercial rate of 10.6%. In response, Mr. McLellan advised that if you phase in a negative impact somewhere, you would have to phase in a positive impact somewhere else.
- Re cost sharing for sidewalks 50/50, he asked if this could be considered for rural areas as presently it is 100% in rural areas. In response, Mr. Fisher advised the Committee has not had the opportunity to look at this.
- If streetlights were included in the general tax rate, everyone would want one in their front yard.
- He asked for clarification that those who do not receive any transit service will not pay the 30%. In response, Mr. Fisher advised that there are several areas of the Municipality with access to Metro Transit but do not actually pay for it. There is

question, with regard to Route 33, whether people within a certain buffer zone on the other side of District 23 should be paying for the service if they are within walking distance of the stops. Another issue is how to pay for it - should the area be actually paying for the individual line when there is access to the system or a share of the entire system, because of access to the transfer system. The 30% deficit would continue to be paid by the urban core and by those areas which actually have access to Metro Transit.

Councillor Streach raised the following points:

- He asked for clarification that if everything was accepted as proposed, the net result would be about 1 cent increase in the rural areas. In response, Mr. Fisher advised it would be 1.3 cents which was roughly what was dropped last year.
- He hoped that people would not revolt over one penny.
- He referred to the five cent subsidy being dropped and asked for background on this. In response, Mr. Fisher advised that in 1997/98 staff looked at a wide variety of options for setting up urban, rural and suburban structure. It was difficult to see an option where the rural tax rate did not rise significantly at that time. A lot of it had nothing to do with HRM per se but with the old service exchange and changes from the province, that were coming anyway. Council decided to keep the rural tax increase to a minimum and lowered the rural tax rate by five cents. In order to do that, the urban tax rate had to rise.
- He stated that the five cents was an effort to soften the blow and now he agreed it is time to reduce that.
- He agreed with the Fire Services proposal, especially for the smaller departments who are not able to raise funds through area rates to protect the citizens.
- Regarding crosswalks guards, there were none in District 1 and there was only one crosswalk and he could not get a light for that. He requested that staff reconsider.
- He did not have any problem with the proposed schedule of meetings but suggested instead of Musquodoboit Harbour, hold the meeting in Ostrea Lake.
- He asked for clarification of the rationale behind the commercial rate and what led to the decision for a 10% increase. In response, Mr. Fisher provided the information requested and summed up that it was a removal of a subsidy that previously existed.

Councillor Uteck raised the following points:

- She asked when you draw the line on rundown recreation facilities. With regard to the inventory, "good" is 25 years old and it goes to "fair to poor" at the 40 year range. There could be a massive cash infusion required in the next five to six years and she asked how this would affect the overall capital budget and tax rate. In response, Mr. Fisher advised that there is a listing of rural recreation facilities in the

report. If you estimate \$2.00 per sq. ft. to maintain building standards annually, it would mean \$240,000 a year relative to those particular facilities. This would not be an add on of \$240,000 but an extra demand of \$240,000 that has to be dealt with. These are buildings owned by HRM and one of the reasons the buildings have gotten into bad shape is because the only way they can get fixed right now is if an area rate is put on. If the local community is not willing to pay the area rate to fix the building, then HRM's asset goes into decline. If this is put in the general rate, then there is the flexibility to make sure the assets do not decline further.

- She suggested that the capital asset could be over inflated in some instances.
- She asked if the issue of assessments will be addressed with the province at a future date. In response, Ms. Dale McLennan, Director, Financial Services advised there are a number of issues around municipal input to assessment. There will be a discussion paper forthcoming re the Municipality having a better say on how assessments are determined.

Councillor Warshick raised the following points:

- He referred to a request from a community for a new indoor facility. He expressed concern that certain communities who can afford it or have better access to fund raising may be able to put theirs forward before other areas of need. He also commented on how proposed new facilities will conflict with existing facilities and proposed facility standards for HRM.
- He urged the Committee to look at geographical and growth areas and not just population areas.
- Regional Council is beginning to realize that when it comes to recreation facilities, it must look at long term demands and higher quality for longer use and less maintenance.

Councillor Sarto raised the following points:

- He asked if the report would be presented to Community Councils in addition to the Public Meetings. In response, Mr. Fisher advised the Committee debated whether or not to hold the meetings through Community Councils but wanted to reach a broader grouping.
- He suggested two meetings in Dartmouth, one in the North End and one in the South End.

Councillor Rankin raised the following points:

- Average is distortion. To say one cent only would not be the case in Tantallon as it is reality that it will be four or five cents in that area.
- Detail such as whether or not there will be paid firemen was not addressed.
- A Public Meeting should be held in Hammonds Plains as well as Tantallon.

- The residents should know what the proposal is when they come to the Public Meeting. He did not want them to see an average.
- Regarding Transit, the Route 33 area ought to pay for a fair share of the deficit but it would have to be worked out what was a proportionate share.
- He would not support the process if his concerns were not removed. One cent is a minor adjustment but six or seven cents is important. In response, Mr. McLellan advised the average does matter. An overall effect on the residents that Council represents does have status. As the Public Meetings take place in a variety of locations, then the local impacts will become important but, for the purposes of this meeting, it would be staff's assumption that Council, representing the Municipality, would consider the overall impacts.
- Consultation should be delayed until there is detail of what the results will be with consultation with the rural areas. As well, it is not known what the future costs will be for transit or future financing for volunteer fire departments.

Councillor Hines raised the following points:

- He expressed concern over the perception by community groups who have struck agreements for recreational facilities. There is a certain ownership attached by those community groups. Council will have a problem convincing those community groups that it is for the greater good and they will probably come out in better shape in terms of being able to maintain their entities in the communities. In response, Mr. Fisher advised it is a partnership initiative in areas where HRM wants to have a new recreational facility or expand an existing one. Most community groups welcome the possibility of HRM assistance for repairing a building they manage which is HRM owned. There is no proposal to take over operating costs, but look at the capital costs for the facilities, largely through partnership.
- He asked if projected new buildings for fire facilities would be affected. In response, Mr. Fisher advised that staff did not foresee an impact but there would have to be more work on some of the debt that surrounds some of the rural fire departments.

Councillor Walker raised the following points:

- It was now time to meet with the public and get their input. The Committee has done a lot of work over the last two years.
- Council could have further discussion after the Public Meetings.

Councillor Blumenthal raised the following points:

- It was time to hear from the public and then come back.
- He believed that assessments are based on the house you buy and where you live.
- Recreation was lacking in HRM and should be pushed. Not enough money is spent on recreation, not necessarily big facilities, but green space.

- Provincial governments do not give enough money for mandatory funding so it is necessary to supplement it.

Councillor Fougere stated that if Council wants the public consultation to be meaningful, it is important to look at how it is done and it should be done well.

Councillor Smith raised the following points:

- The commercial tax base belongs to the benefit of HRM and commercial is concentrated in certain area. The impacts on adjacent communities has to be considered.
- Regarding the general rating of upgrading asphalt to concrete, it will be interesting to see how the public views these items being general rated.
- He suggested two meetings in Dartmouth and Halifax as long as it generates controversy; otherwise, only one is needed. He agreed with Councillor Fougere regarding advertising the meetings.

Councillor Colwell again spoke with regard to the following matters:

- He asked that the Public Meetings be expanded in his area to include meetings in Lawrencetown, the Prestons, Chezzetcook and Porters Lake.
- He did not think people should be paying for an asphalt curb to go to a concrete curb but it should be available.
- He asked for a breakdown of the area rates for each community. He also asked for a list of the area rates that will not change as a result of the tax structure review.
- He asked that the information be available for each community on what will be the impact on that community.
- He was in favour of the Fire Service being one rate.
- He cautioned that once there is a uniform tax rate, people will expect 24/7 fire service.

Councillor Streach again spoke with regard to the following matters:

- The bottom line for the rural area is a slight increase based on fire services, removal of the five cent subsidy. There was also debt for area rate purchases.
- He agreed that each District will be affected differently and it was important to have the information available at the Public Meetings.

Councillor Rankin again spoke with regard to the following matters:

- His concern was with consultation and how it was going to be conducted. He supported the need for effective communication as to the proposal.
- He reiterated that the average scenarios were not meaningful to his constituents nor were they valid.



Councillor Cunningham expressed disappointment that there was not more clarity in the delineation of the third sub-group - suburban. He referenced the Bedford area. In response, Mr. Fisher advised that 125 properties in Bedford are suburban; the rest are urban.

Deputy Mayor Harvey raised the following points:

- He referred to the Table for recreational facilities and asked where the community centres in the former Halifax/Dartmouth fit in in terms of operating. In response, Mr. Fisher advised that in the former Halifax/Dartmouth, the operating costs for those facilities were placed in the suburban/urban general rate and are now being grandfathered. In the case of new facilities, they are typically governed by a management agreement which specifies there will not be operating costs or the managers will take care of them. In terms of existing ones with deficits, the operating costs will be included in the suburban/urban rate.
- In the case of new community centres, the operating costs would have to be paid through a management agreement with no support from the general rate. He requested that staff keep this in mind.

Councillor Cooper, Chair of the Tax Structure Committee then raised the following points in response to items raised by members of Council:

- Details will be available for each of the communities for the Public Meetings. The residents will not go into these meetings without having the information they need for proper discussion.
- As to the number of meetings, it was based on trying to cover a geographic area so people would not have to travel too far. The Committee was open to adding a few but, if every District wanted four, it would end up with about 90 meetings and the time was not available. The Committee will make sure the areas are covered, however.
- Regional Council has been prepared, over the last few years, to tackle a number of big items and then take the information out to the community for discussion. This style is beneficial.

Councillor Cooper then made the following motion which constituted an endorsement to proceed with the next step of going to talk to the residents of the Municipality:

**MOVED by Councillor Cooper, seconded by Councillor Blumenthal that Committee of the Whole approve the following course of actions:**

1. **Approve the attached tax structure model in principle for the purpose of public consultations. That model includes:**
  - **Placing in the general tax rate the following additional items:**

- **volunteer and core fire departments**
  - **streetlighting**
  - **cost sharing on capital upgrades for existing Recreational Facilities**
  - **cost sharing on the construction and acquisition of new Local and Regional Recreational Facilities**
  - **Capital repairs for existing recreation and community facilities (on a go-forward basis)**
  - **Crosswalk Guards**
  - **the HRM Call Centre**
  - **That Local Improvement Charges on upgrading of existing asphalt curbing to concrete curb and gutter be eliminated**
  - **That all areas of HRM with access to Metro Transit should share equally in the cost of Metro Transit.**
  - **That the \$0.05 transfer from Urban/Suburban to Rural General Tax rates be eliminated.**
2. **That the Proposed Minimum Standards for Mitigating Structural Fire in the HRM Rural Fire Service and the Proposed HRM Parks and Recreation Services Indoor Facility Feasibility and Development Policy be approved so that it becomes clear to residents of HRM what service levels and standards HRM can realistically expect to provide.**
3. **That the Tax Structure Committee report back to Committee of the Whole no later than October 15, 2002 with the results of public consultations including the comments of citizens, business groups and volunteer fire departments and with final recommendations and/or options.**

**MOTION PUT AND PASSED UNANIMOUSLY.**

On a question from Councillor Sarto as to whether or not a list of proposed locations for Public Meetings could be circulated prior to publication, it was agreed that Councillors could send their suggestions to the Committee.

On a question from Councillor Rankin as to whether or not the information will be available prior to the Public Meetings, Mr. McLellan pointed out the Committee was a Council Committee and the review of tax structure issues were at the behest of Council. Staff will be available to provide all the information and guidance as possible. As to the decisions and recommendations, this would be up to Council.

Councillor Rankin then asked that information be available to the public on financing volunteerism.

Councillor Walker stressed that when the Public Meetings are held, the District Councillor is expected to be in attendance to hear public input.

4. **ADJOURNMENT**

The meeting adjourned at 11:30 a.m.

Jan Gibson  
Deputy Municipal Clerk