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Item No. 6

Halifax Regional Council
September 16, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in blue ink, appearing to be "C. Sanderson", written over a horizontal line.

SUBMITTED BY: Catherine Sanderson, Senior Manager Financial Services

DATE: September 11, 2008

SUBJECT: **By-Law B-400 - Fees For False Alarms**

INFORMATION REPORT

ORIGIN

Motion from Councillor McCluskey, requesting a staff report on the feasibility of amending By-Law B-400 Respecting Burglary, Robbery and Fire Alarm Systems, to charge the fee for false alarms to the individual(s) who caused the false alarm, rather than the property owner, where it is possible to identify the person(s) responsible.

BACKGROUND

HRM's Alarm By-law B-400, has been in existence since March 1999. It replaced The City of Halifax Ordinance No. 185, "Alarms Ordinance"; and Town of Bedford Bylaw 22103, "Alarm Systems Bylaw." Responding to false alarm calls poses both tangible and intangible costs to Police and Fire Services. The tangible costs are associated with the actual costs of deploying officers, firefighters and vehicles to the false alarm, while intangible costs are associated with a decreased service level to the public for real Police or Fire responses. The intent of the By-Law is to recover costs associated with deploying Police or Fire Services to the false alarm and to encourage property owners and tenants to be accountable for the alarm system.

Under HRM's By-Law B-400, alarm owners are permitted one free false alarm incident for a consecutive twelve month period. On the occurrence of a second and each subsequent false alarm during any consecutive twelve month period, there shall be a fee charged for each such occurrence as follows:

- (a) For a second false alarm a fee of \$100.00
- (b) For a third false alarm a fee of \$125.00; and
- (c) For a fourth or subsequent false alarm a fee of \$150.00.

All false alarm charges under By-Law B-400, are charged to the real property owner, and form a lien on the real property. Revenues for false alarm charges in 2007/08 were \$350,000.

DISCUSSION

It is Staff's position that it is not feasible to charge the fee for false alarms to the individual(s) who caused the false alarm, rather than the property owner, where it is possible to identify the person(s) responsible. False alarm charges are very difficult to collect even though they form a lien against the real property, they are perceived by the public as a "soft charge" and the public feel that the response by Police or Fire Services for the false alarm should be covered through their tax dollars. Currently, HRM has \$350,000 in false alarm receivables, of which \$250,000 is over one year old.

Reason's for not charging the fee to the individual/tenant are as follows:

- The MGA section 130 gives landlords the power to sue for rent arrears. Section 130 states, *"A landlord who pays any taxes or expenses due from a tenant may sue for and recover them from the tenant or may distrain upon the tenant's property for the amount paid, in the same manner as distraint upon the tenant's property for arrears of rent. 1998, c. 18, s. 130"*
- Both the Residential Tenancies Act and the Commercial Tenancies Act provide landlords with remedies to collect other expenses from the tenant. For example, the landlord could offset the false alarm charge against the tenant's security deposit.

- If a individual or tenant renting or leasing a property caused HRM to issue an unsightly order, the subsequent charge would be issued to the real property owner not the individual/tenant and would constitute a lien on the property.
- One of the Revenue Department's best collection techniques for settling false alarm charges is using the right of offset. Past due false alarm charges can be offset against payments made on real property taxes. If the charge for the false alarm were made against the Tennant/individual instead of the property owner, collection efforts would suffer as there would be no real property payments to use the right of offset against.

In the near future, staff will be bringing to Council recommendations to amend the False Alarm By-Law, such as one fee as opposed to 3 graduated fees and closing the appeal window.

BUDGET IMPLICATIONS

None.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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