



PO Box 1749
Halifax, Nova Scotia
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Item No. 11.1.4
Halifax Regional Council
March 23, 2010
March 30, 2010
April 20, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in cursive script, appearing to read "Dan English".

Dan English, Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: February 10, 2010

SUBJECT: **Proposed By-Law S-429, an Amendment to By-Law S-400 Respecting Charges for Street Improvements**

ORIGIN

This report originates from staff.

RECOMMENDATIONS:

It is recommended that Council:

1. approve the 2009 Local Improvement Charges as outlined on the attached Schedule "A";
2. approve in principle the adoption of By-Law Number S-429, Respecting Charges for Street Improvements as attached, and also give notice of motion to begin the formal adoption process; and,
3. apply the new charges to all completed 2009/10 capital projects where such apply.

BACKGROUND

By-Law Number S-400 deals with the recovery of costs where Council undertakes a project to construct new street paving, new sidewalks, and new concrete curb and gutter. This By-Law provides the authority to impose a levy on property owners as described in By-Law S-400 and the local improvement policy.

DISCUSSION

The approved Council policy for Local Improvement Charges (LIC) for new sidewalk, new concrete curb and gutter, and paving of gravel roads is based on the total construction costs of all such projects divided by the total recoverable frontage. As per the policy, staff reviewed construction costs of new sidewalk, new concrete curb and gutter, and paving of gravel roads from the 2009/10 capital program, and as a result, have determined the charges for 2009 as outlined in attached Schedule A and Bylaw S-429 of this report. The proposed By-Law Number S-429, Respecting Charges for Street Improvements, is an amendment of By-Law Number S-400, The Street Improvement By-Law, and will enable HRM to charge Local Improvement Charges for new street improvement projects. As a note pursuant to Administrative Order 32, a public hearing is not required on the enactment or amendment of a Bylaw unless specifically directed by Council.

It is noted there is a significant increase in paving costs from 2008 to 2009 (refer to attached Schedule A). An increase of approximately 29% was recognized in the Paving of HRM Owned Subdivision Streets program. HRM staff has reviewed this issue with some members of the construction industry to ascertain the reasons for the increase, and further discussions will be held upon completion of a more in-depth review by staff.

BUDGET IMPLICATIONS

Upon Council's approval of Bylaw S-429, the Local Improvement Charges for the applicable 2009/10 capital projects will be levied to the relevant property owners. By ensuring that the charges reflect the actual cost of the projects, the revenue collected will offset the cost of the projects so that there is no net impact on the Approved Operating and Capital Budgets.

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.

ALTERNATIVES

Council may choose not to adopt the new charges for 2009/10; however, staff does not recommend this alternative as the previous rates would not represent the appropriate level of cost recovery.


ATTACHMENTS

1. By-Law Number S-429, Respecting Changes to Street Improvements.
2. Schedule "A".

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.

Report Prepared by: Bruce Colborne, P.Eng., Construction Supervisor, Design & Construction Services , 490-4896

Report Approved by:



David Hubley, P. Eng. Manager, Design & Construction Services, 490-4845

Financial Approval by:



Cathie O'Toole, CGA, Director of Finance, 490-6308

Report Approved by:



Phil Townsend , Director, Infrastructure and Asset Management, 490-4825

SCHEDULE A

Local Improvement Charges - By-Law S-429 2009/10 Completed Projects

LIC Project	50% Construction Cost to Residents	Cost per foot to Residents	Engineering Fee Revenue	Engineering Fees per foot	LIC + Eng Fees
New Sidewalk	\$360,754.79	\$36.73	\$36,075.48	\$3.67	\$40.40
Curb & Gutter	\$106,012.80	\$30.78	\$10,601.28	\$3.08	\$33.86
New Paving	\$1,059,201.60	\$36.96	\$52,960.08	\$1.85	\$38.81

TOTAL RECOVERY **\$1,525,969.19** **\$99,636.84** **\$1,625,606.03**

Local Improvement Charges - By-Law S-427 2008/09 Completed Projects

LIC Project	50% Construction Cost to Residents	Cost per foot to Residents	Engineering Fee Revenue	Engineering Fees per foot	LIC + Eng Fees
New Sidewalk	\$957,775.32	\$34.94	\$95,777.53	\$3.49	\$38.43
Curb & Gutter	\$272,258.53	\$32.24	\$27,225.85	\$3.22	\$35.46
New Paving	\$1,371,363.87	\$26.29	\$68,568.19	\$1.31	\$27.60

TOTAL RECOVERY **\$2,601,397.72** **\$191,571.58** **\$2,792,969.30**

LIC Project	Difference between 2008 and 2009	% Change
New Sidewalk	\$1.97	4.87%
Curb & Gutter	-\$1.61	-4.74%
New Paving	\$11.20	28.87%