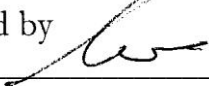




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Halifax, Nova Scotia  
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**Item No. 3**  
**Halifax Regional Council**  
**November 16, 2010**  
**Committee of the Whole**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
Wayne Anstey, Acting Chief Administrative Officer

Original Signed by   
Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** October 29, 2010

**SUBJECT:** **Project 01341 - Cost of Servicing Study and Requests to Initiate Secondary Planning Strategies (Community Plan Amendment Requests)**

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**ORIGIN**

- Requests by property owners for the Municipality to initiate secondary planning strategies in the three areas which are identified by the Regional Plan as Port Wallis, Sandy Lake and Highway 102 West Corridor.
- Recommendations by the Regional Plan Advisory Committee in a report dated August 12, 2010.

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Initiate a process, as outlined in Attachment A of this report, for the Highway 102 West Corridor study area as per the budget implications section of this report;
2. Approve undertaking a watershed study for the Port Wallis study area and advanced project funding in the amount of \$150,000 for Project No. CDV00721-Watershed Environmental Studies in the 2011/12 project budget to undertake this study;
3. Defer undertaking a watershed study for the Sandy Lake Lands at this time; and
4. Defer all three requests to initiate formal secondary planning processes at this time.

## **EXECUTIVE SUMMARY**

The Municipality has received requests to initiate secondary planning processes in three potential future growth areas identified by the Regional Plan as Port Wallis, Sandy Lake and Highway 102 West Corridor, which are illustrated on Maps 2 to 4. Secondary Plans would establish the framework for the future development of new communities serviced with piped sewer and water systems.

Development of each would allow for new communities of similar scale to Bedford South and Bedford West, which will have significant resource implications to the Municipality. If the request to initiate secondary planning for all three areas are approved, the planning processes will require commitment of staff and community resources as well as consulting studies, estimated at \$400,000 to \$500,000 per study area.

More importantly, upon subdivision approvals being granted, the Municipality will assume responsibility for maintaining the service systems (streets, parks, water and wastewater) and provision of municipal services, such as transit, emergency services, solid waste collection, and recreation facilities needed to support the community. In addition, the Municipality will be expected to contribute financing for infrastructure construction through the capital cost contribution program using funds that might otherwise be deployed for other priority capital projects.

One of the principles established by the Regional Plan is to “manage development to make the most effective use of land, energy, infrastructure, public services and facilities...”. At this juncture, staff remains of the position that the commencement of secondary planning processes for any of the three areas is premature. Staff believe that the available land supply in the suburban areas of HRM is more than adequate to meet the demand for housing for the foreseeable future (in excess of 30 years). However, most of the land that is available is located in the western and central regions while the available supply in the eastern region is more constrained.

Introducing new growth areas within the next number of years is not likely to increase assessment or create increased demand for housing, but rather, will simply reallocate development over a larger number of areas. Therefore, the investments that Council has made on infrastructure in Morris-Russell Lake, Bedford South and Bedford West will take longer to recoup.

Opening up new areas of suburban development prematurely may also create an unintended incentive for attracting more growth to our suburban areas, at a time when Council is implementing initiatives to retain and attract more residential development opportunities in the Regional Centre.

Furthermore, the Regional Wastewater Management Functional Plan, currently underway, will provide Halifax Water with a management plan for the wastewater system needed to assess the existing systems and required improvements to comply with new performance guidelines recently adopted by the Canadian Council of Ministers of the Environment. Until this study is more advanced, Halifax Water will not be in a position to advise on the feasibility or design requirements for any of the wastewater systems serving the three subject areas. Money and effort spent on studies and planning processes may be wasted.

For these reasons, staff is recommending a cautious, phased approach to the requests. Comparisons between the RPAC and staff recommendations are summarized as follows:

Study Area	RPAC Recommendation	Staff Recommendation
Port Wallis	Initiate a watershed study and secondary planning immediately	Initiate a watershed study in 2011/12 fiscal year but defer initiating secondary planning
Sandy Lake	Initiate a watershed study immediately but defer initiating secondary planning	Defer initiating a watershed study and secondary planning
Highway 102 West Corridor	Initiate a watershed study immediately and await completion of regional wastewater functional plan. Negotiate boundaries for the Blue Mountain-Birch Cove Lakes Regional Park through an independent facilitator. Defer initiation of secondary planning.	Initiate a watershed study immediately and negotiate boundaries for a regional park through an independent facilitator upon completion of the watershed study and the regional wastewater study. Defer initiation of secondary planning.

RPAC has also recommended that the Municipality explore creative funding solutions to allow all three watershed studies to be initiated this year. Staff have recommended that the studies be funded by the Municipality and that budgetary issues be addressed at the council level.

## **BACKGROUND**

A chronology of events pertaining to these requests are summarized as follows:

- At the February 17, 2009 Council meeting, a study entitled *Cost of Servicing Plan: Regional Greenfield Sites* (CBCL Limited, February 2009) was tabled with an accompanying staff information report. The study examined the costs of servicing the Port Wallis, Sandy Lake and Highway 102 West Corridor lands. The report can be found at <http://www.halifax.ca/regionalplanning/publications/research.html>. Letters of request to initiate planning processes for each of these study areas were attached to the staff report.
- A staff report, dated September 29, 2009, was presented at the October 21, 2009 meeting of the Regional Plan Advisory Committee (RPAC). The report recommended deferral of all three requests to initiate secondary planning processes to the five year review of the Regional Plan in 2016, and to instruct staff to continue efforts to secure a right-of-way over the DND Shearwater lands needed to allow for the extension of Mount Hope Avenue to Caldwell Road.

Submissions in support of each request by representatives of the proponents were attached to the report and RPAC heard presentations from the proponents. RPAC requested that staff prepare a supplementary report to address questions arising from the presentations and to meet with the proponents to determine where there was concurrence and disagreement with the figures presented in the staff report.

- At the request of Chebucto Community Council, a public meeting was held at Keshen Goodman Library on January 8, 2010 to explain the process. The meeting had been requested because of public interest in the Highway 102 West proposal, in relation to a proposed regional park identified by the Regional Plan as the Birch Cove Lakes - Blue Mountain Regional Park.
- A supplementary staff report, dated June 10, 2010, was presented at the June 23, 2010 RPAC meeting. The report included a staff response to the questions raised by RPAC and the proponents, written submissions from each of the proponents, minutes of the public meeting, and revisions to the staff recommendations.

Although staff maintained the recommendation that all three requests to initiate secondary planning be deferred, staff recommended an alternative planning process for the Highway 102 West Corridor lands and that watershed studies be initiated for the Highway 102 West Corridor lands this year and in Port Wallis next year. RPAC heard presentations by representatives of the proponents, as well as members of the public, and at the conclusion staff was requested to address the questions raised.

- A supplementary staff report, dated July 29, 2010, was presented at the August 11, 2010 RPAC meeting. RPAC deliberated and made its recommendations.

This report has been prepared to explain the differences between the staff and RPAC recommendations and the implications.

## **DISCUSSION**

### *Initiation of Watershed Studies*

The Regional Plan requires that watershed studies be undertaken before a Community Visioning exercise is conducted and more detailed community design work is undertaken through secondary planning processes. Among the matters which watershed studies are to address include identifying areas suitable and not suitable for development, and determining the amount of development that can be accommodated while maintaining water quality objectives in the receiving lakes and rivers.

RPAC has recommended that watershed studies be initiated in response to all three requests. Staff has recommended that the Municipality initiate a watershed study for the Highway 102 West Corridor area because a large portion of these lands have been identified by the Regional Plan as a potential regional park (the Blue Mountain - Birch Cove Lakes Park). The information provided by the watershed study would be valuable in determining how much of this area can be developed while maintaining desired water quality standards and which lands might be most important to preserve.

Staff has also recommended that funding be allocated in next year's budget to initiate watershed planning for the Port Wallis area in recognition of the fact that the supply of suburban land in the Eastern Region for new development is somewhat constrained. This is particularly recommended in the event that the development potential originally contemplated by the Morris-Russell Lake Secondary Plan Area may not be realized because of the decision of the Department of National Defence to reacquire portions of the Shearwater Base previously determined to be surplus.

Initiating a watershed study at Sandy Lake lands would be premature at this time as there are ample lands available for development in the vicinity and the wastewater infrastructure needed to service this area will have to be built across Bedford West in order to service the Sandy Lake area. Installation of this infrastructure is not anticipated to occur for ten to fifteen years. Municipal resources available for watershed studies would therefore be better utilized on higher priority areas.

Municipal staff are currently working with Halifax Water to prepare a financial model to pay for the oversizing of wastewater infrastructure through Bedford West, which is needed to service the Sandy Lake lands. A proposal will be presented to Council in a separate report. It should be noted that, regardless of whether Council approval is granted to initiate watershed studies, work realistically can't start until next year because of the need to acquire seasonal base line data.

*Funding Watershed Studies*

RPAC has recommended that creative solutions be explored in regards to funding sources in order to allow initiation of all three watershed studies this fiscal year. Staff have consulted with the Province regarding the potential for recouping study costs through future capital cost contributions, and have been advised that this would not conform with the provisions of the enabling legislation.

During the RPAC deliberations, the Port Wallis proponents offered to extend a loan to HRM to finance the study. HRM Council has already set its debt levels for the year. Regardless, under generally accepted accounting principles, loans are not considered revenue. Under Provincial law, loans cannot be used to finance operating expenditures.

In the past, the Municipality has allowed developers to retain consultants to prepare watershed studies in support of their development proposals. However, community planning on a watershed basis is a fundamental tenet of the Regional Plan and the matters to be addressed are comprehensive and include important subjective matters, such as recommended water quality objectives for key receiving watercourses. To ensure that these matters are assessed independently, staff would therefore recommend that the studies be financed by and undertaken by the Municipality.

*Secondary Plan Initiation*

RPAC has also recommended that secondary planning be initiated for Port Wallis based on the fact that more development options are needed in the Eastern Region. While respecting this rationale, staff feel that any Community Visioning and detailed design work would be premature until there is a better understanding of the level of development which can be supported by the natural environment and the wastewater infrastructure. This information would become available as the wastewater functional plan and watershed study are further advanced.

Staff also believe that a higher priority for HRM in the short term is to work on the Shearwater lands as indicated under a subsequent heading in this report.

*An Alternative Planning Process for the Highway 102 West Corridor Lands*

An alternative planning process, recommended by staff and supported by RPAC, is presented as Attachment A to this report. The key features are summarized as follows:

1. A watershed study and the wastewater functional plan would first be completed. These studies are needed to determine how much development can be supported in this area from the perspective of maintaining desired water quality objectives in key receiving watercourses and from the perspective of the capacity of the downstream wastewater system.

2. A facilitator would then be engaged to assist the parties in negotiating potential boundaries of lands to be retained for parkland and watershed protection. An options report would be prepared for consideration by Birchdale and Regional Council.
3. The Municipality would then reconsider initiating secondary planning for the remaining area in accordance with the criteria of policy S-3 of the Regional Plan.

Given the public interest that has been expressed in protecting this area and acquiring additional lands for regional park, staff recommends that the first step be initiated this year. In accordance with the practice established for other watershed studies being undertaken in support of secondary planning, the study would be funded by the Municipality and overseen by a steering committee comprised of municipal staff (SEMO office, Planning, Halifax Water) and staff from Nova Scotia Environment. Public consultation would be a component of the study.

Funds have been included in Project No. CDV000721 for the watershed study. This will take approximately one year to complete. Staff believe it should be possible to initiate early phases of the parkland boundary facilitation process prior to final completion of the watershed study. Approximately \$25,000 will be needed in the 2011/12 operating budget for cost sharing with the land owners to undertake the facilitation process.

#### *The Shearwater Lands*

When the Morris-Russell Lake Secondary Plan was approved by Council in 2005, a portion of the Shearwater base had been determined surplus to the Department of National Defence (DND) and conveyed to Canada Land Company (CLC). CLC was supportive of extending Mount Hope Avenue over these lands. Council then approved funding for the interchange.

DND subsequently decided that these lands may be needed for future operations and reacquired them from CLC. The Municipality has made a sizeable investment in support of this project, the financial recovery of which is dependent upon infrastructure charges to be paid by future development within the Secondary Plan Area.

Staff is continuing negotiations with DND to acquire a road right-of-way across the Shearwater lands.

In the event that negotiations are successful, Council will be advised and consideration might then be given to initiating a planning process at the west end of Morris Lake and in Eastern Passage to determine if additional undeveloped lands might be brought into the urban service area boundary. This new development area would replace the Shearwater lands lost as a result of the DND decision.

In addition to allowing investments made by the Municipality in the Mount Hope interchange to be recouped through additional capital cost contribution charges, the road connection would

benefit the Cole Harbour and Eastern Passage communities by relieving congestion on Caldwell Road and Portland Street and allow for more efficient transit routing.

A staff report will be submitted to Council once further information becomes available. This will include recommendations on the budget required to complete the necessary studies.

### **BUDGET IMPLICATIONS**

There are sufficient funds in the 2010/11 project account CDV00721-Watershed Environmental Studies to undertake one additional study beyond commitments to complete studies currently underway in support of the community visioning program.

The current five year project plan includes funding for one watershed study per year in the subsequent budget years (2011/12). Acceptance of the second staff recommendation will commit this funding for the Port Wallis watershed study which may result in a delay in completing other watershed studies that Council has previously committed to undertake in the Municipality's approved schedule for community visioning.

#### **Budget Summary: Project No.CDV00721-Watershed Environmental Studies**

Cumulative Unspent Budget	447,043
<b>Add: Advanced Project Funding 2011/12</b>	<b><u>150,000</u></b>
Balance	597,043

### **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

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

### **COMMUNITY ENGAGEMENT**

An information meeting was held on January 8, 2010 at the Keshen Goodman Library. Minutes of the meeting were presented as Attachment I to the supplementary report presented at the June 23<sup>rd</sup> RPAC meeting and submissions received from the public were presented as Attachment J of that report.

The RPAC discussed this matter at numerous meetings, and these meetings were open to the public. On several occasions, the Committee agreed to receive presentations by proponents, non-government organization groups, and members of the public.

## **ALTERNATIVES**

1. Adopt the staff recommendations presented on the front page of this report. This is the staff recommendation.
2. Adopt the RPAC recommendations to:
  - (i) Undertake a Watershed Study for the Highway 102 West Corridor lands and await completion of Halifax Water's Wastewater Functional Plan;
  - (ii) Negotiate boundaries for the Blue Mountain - Birch Cove Lakes Regional Park in relation to the Highway 102 West Corridor Lands through a facilitated process with an independent facilitator;
  - (iii) Defer the review of criteria under Policy S-3 of the Regional Plan to determine whether to initiate a Secondary Planning Process for the Highway 102 West Corridor lands;
  - (iv) Undertake a watershed study for Port Wallis this year and allow Port Wallis to move to the Secondary Planning Process at this time;
  - (v) Undertake a Watershed Study for Sandy Lake this year and defer any Secondary Planning Process request for Sandy Lake development at this time;
  - (vi) Explore creative solutions, in regard to funding sources, to have Watershed Studies initiated this fiscal year.

The first and third RPAC recommendations are consistent with the staff recommendations, and the fourth RPAC recommendation to initiate a watershed study for the Port Wallis area this year only varies slightly from the staff recommendation to defer this study to next year's budget.

There are only sufficient funds available in this year's budget to undertake one additional study. Staff have recommended that the Highway 102 West lands be given priority because the information is expected to be of critical importance in determining the lands which should be maintained as open space for the protection of water quality in downstream lakes. Various submissions received have requested the Municipality to give higher priority to land acquisition in this area (see Attachment K of the June 10, 2010 Supplementary Report).

Should Council wish to initiate more than one watershed this year, either funds would have to be diverted from other approved budgeted items in 2010/11 or funding could be pre-approved from next year's budget effectively reducing another program, or through inclusion in next year's tax rates. This allows staff to initiate the RFP process but would not allow work to commence until the new fiscal year.

With regards to the second recommendation, initiating facilitated negotiations for the boundaries of the Blue Mountain - Birch Cove Lakes Regional Park, staff feel this process should not be initiated until the watershed and regional wastewater studies have been undertaken. Information from these studies will be fundamental to the Municipality in understanding how much development can be accommodated and which lands are most critical to preserve from an environmental perspective.

For the reasons outlined in this report, staff feel that initiating a watershed study for the Sandy Lake area and a secondary planning process for the Port Wallis area are premature at this time and that the Municipality should fund all of these studies. Staff therefore do not support the RPAC recommendations (iv) to (vi).

3. Accept any or all of the requests to initiate secondary planning. For the various reasons outlined in the original staff report and the supplementary reports, staff are of the opinion that these requests are premature and not consistent with one of the guiding principles of the Regional Plan, which is to manage development to make the most effective use of land, energy, infrastructure, public services and facilities.

### **ATTACHMENTS**

- Map 1: Six Growth Areas identified by the Regional Plan
- Map 2: Port Wallis Lands
- Map 3: Sandy Lake Lands
- Map 4: Highway 102 West Corridor Lands

Attachment A: A Proposed Planning Process for the Highway 102 West Corridor Lands

Plan Amendment Requests  
Council Report

- 11 -

November 16, 2010

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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: Paul Morgan, Planner, Regional & Community Planning, 490-4482

Report Approved by: \_\_\_\_\_  
Austin French, Manager of Planning Services, 490-6717

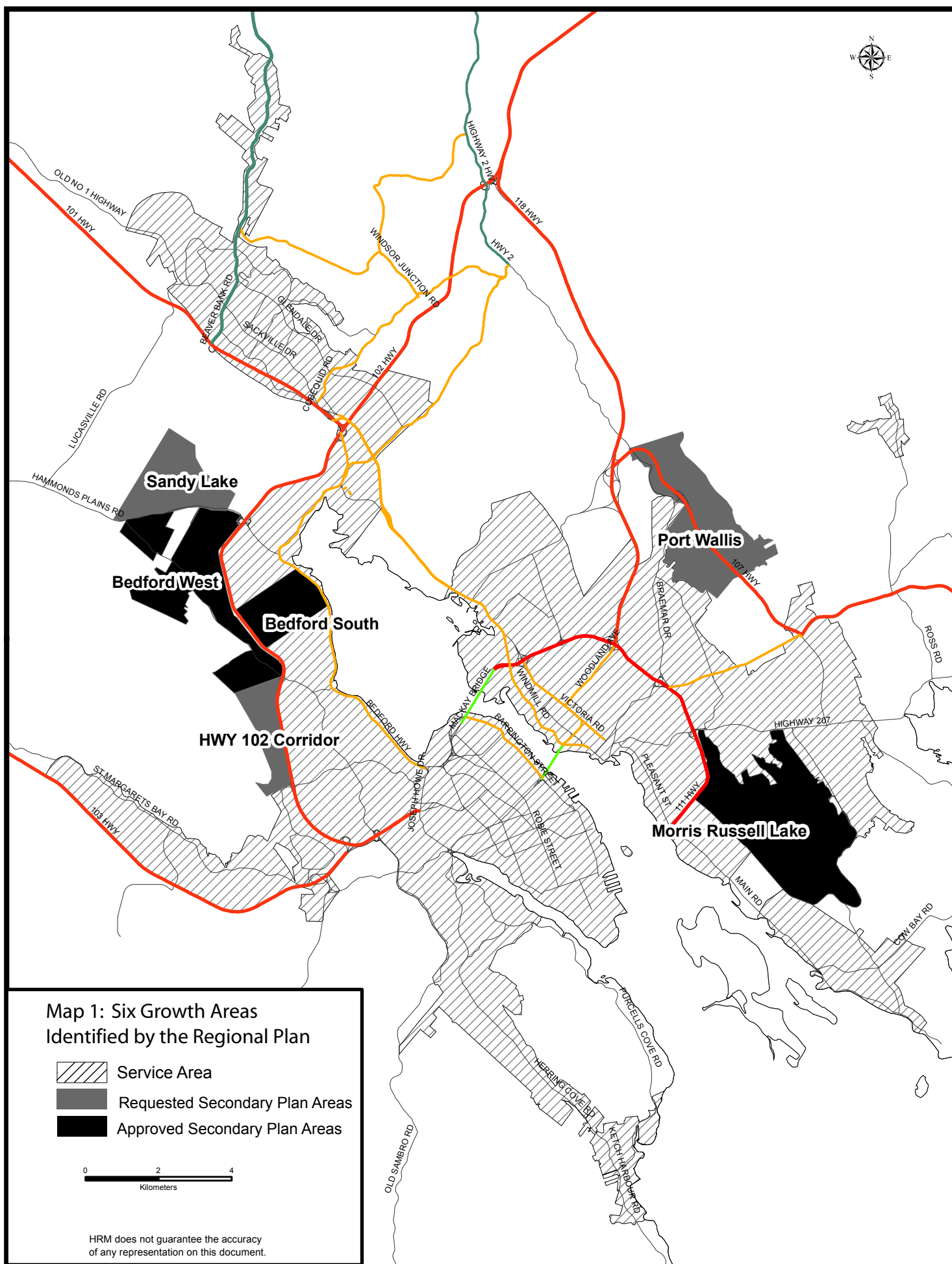
Financial Approval by: \_\_\_\_\_  
Cathie O'Toole, CGA, Director of Finance, 490-6308

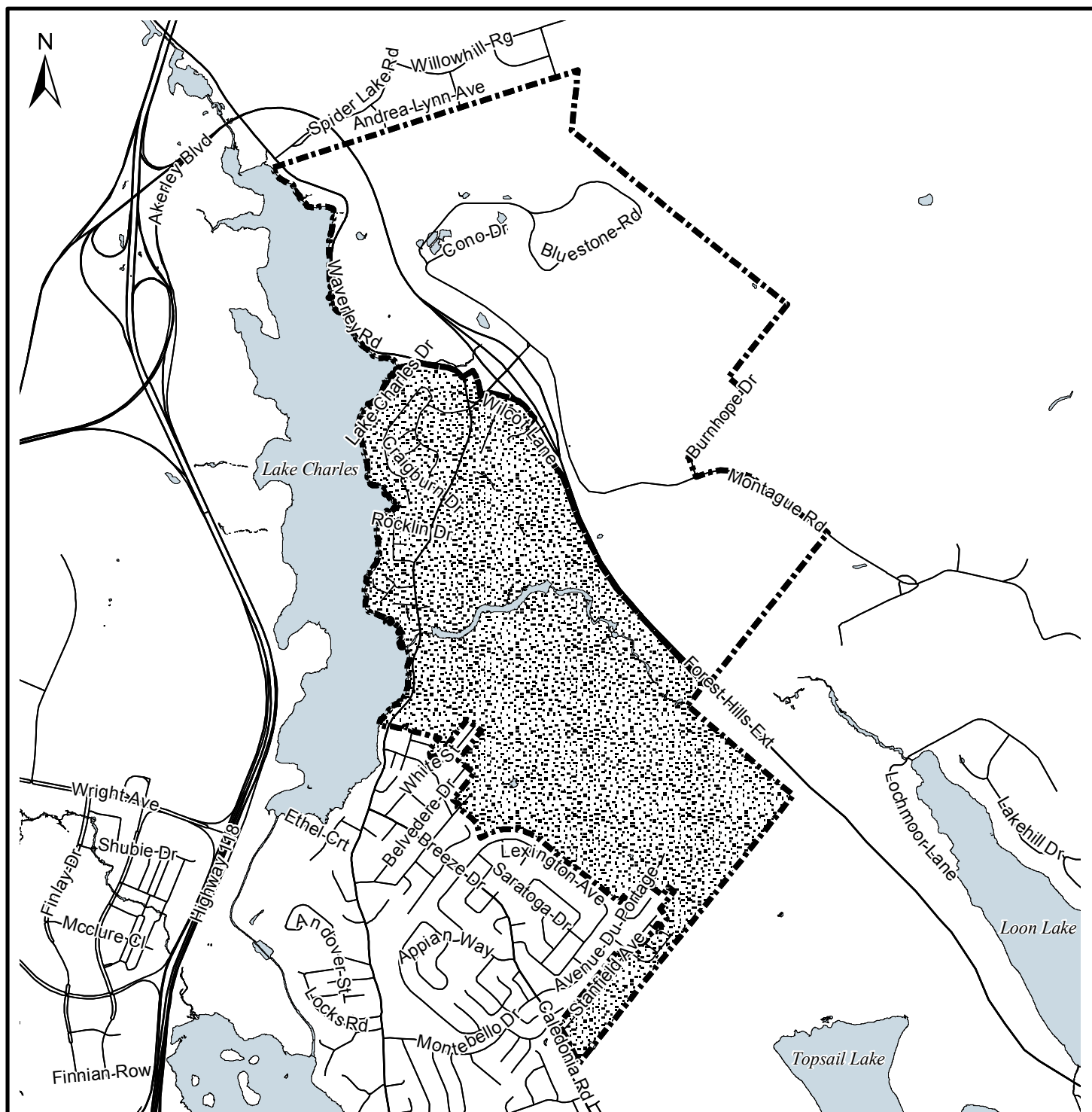
Report Approved by: \_\_\_\_\_  
Paul Dunphy, Director of Community Development

Report Approved by: \_\_\_\_\_  
Philip Townsend, Director of Infrastructure & Asset Management, 490-7166

Report Approved by: \_\_\_\_\_  
Carl Yates, General Manager, Halifax Water, 490-4840

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## Map 2:

### Port Wallis



CBCL Study Area Boundary



CBCL Study Area Boundary (Urban Settlement Designation)

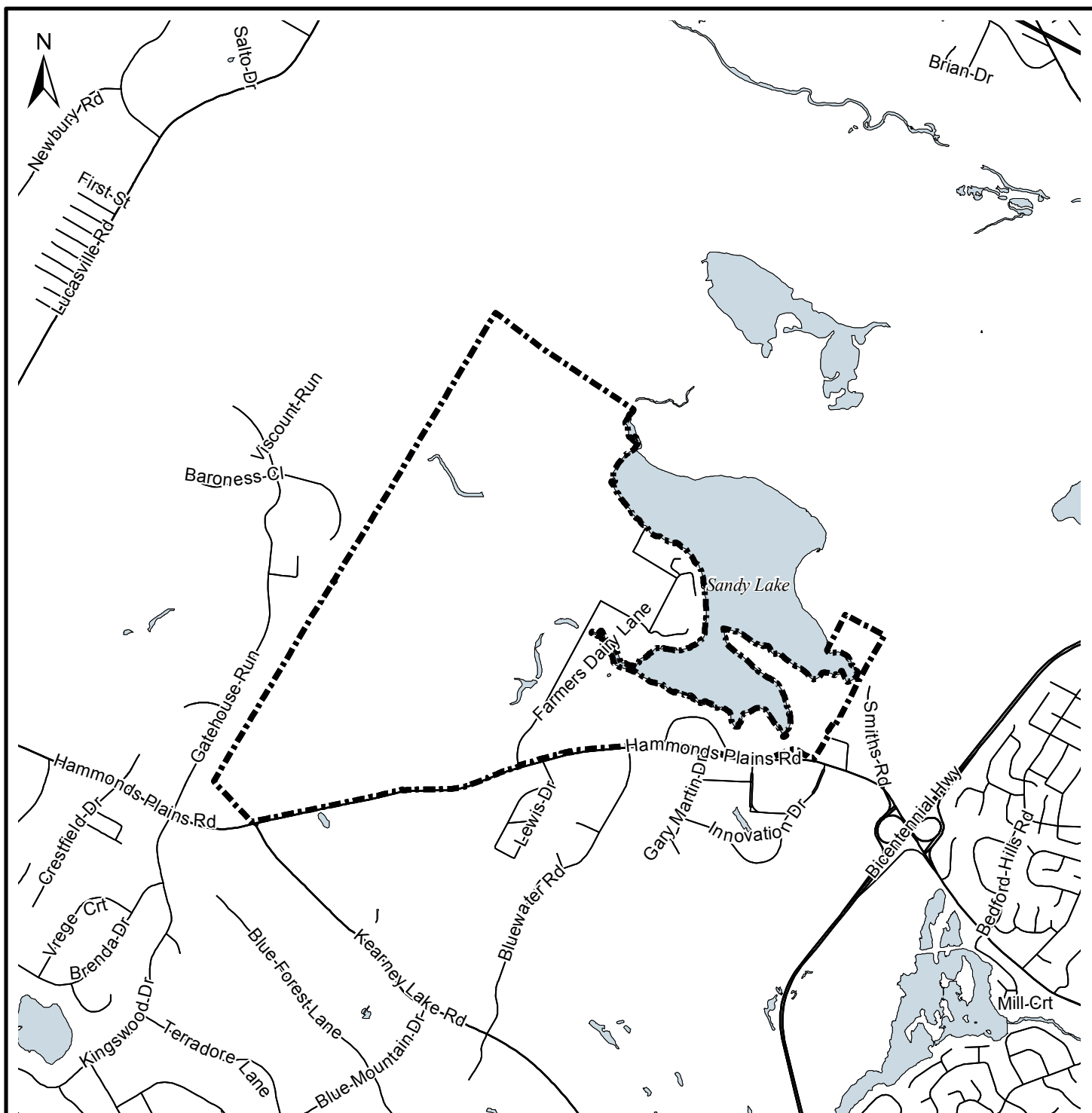
Dartmouth and Cole Harbour Plan Areas

**HALIFAX**  
REGIONAL MUNICIPALITY

COMMUNITY DEVELOPMENT  
REGIONAL AND COMMUNITY PLANNING SERVICES

500 250 0 500  
Meters

HRM does not guarantee the accuracy of  
any representation on this plan.



### Map 3:

Sandy Lake



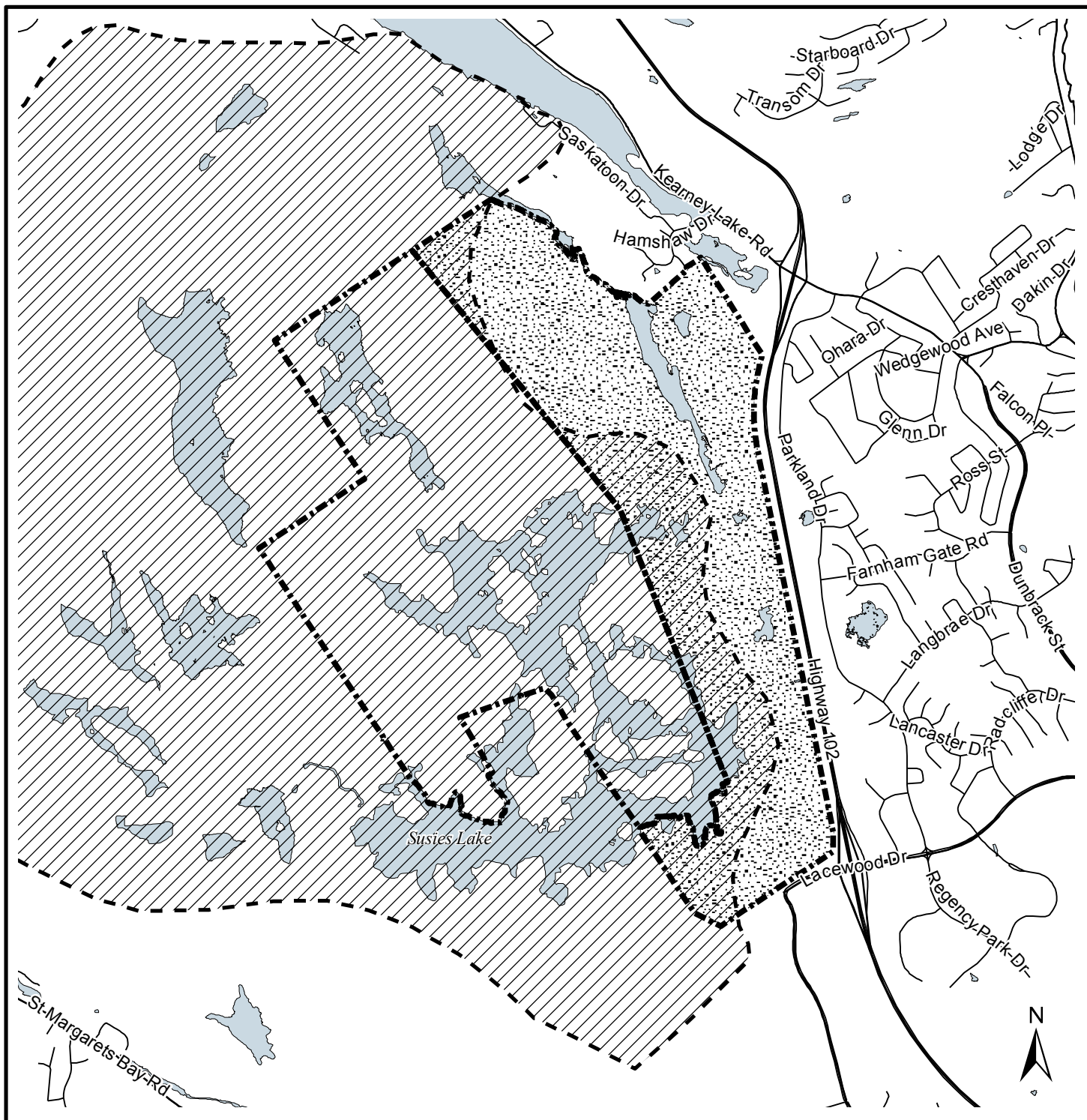
CBCL Study Area Boundary

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COMMUNITY DEVELOPMENT  
REGIONAL AND COMMUNITY PLANNING SERVICES

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Bedford and Beaver Bank/Hammonds Plains/Upper Sackville Plan Areas

HRM does not guarantee the accuracy of any representation on this plan.

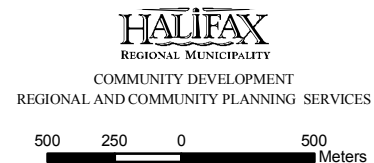


#### Map 4:

Highway 102 West Corridor Adjacent to Blue Mountain - Birch Cove Lakes Park

-  CBCL Study Area Boundary
-  CBCL Study Area Boundary (Urban Settlement Designation)
-  Blue Mountain - Birch Cove Lakes Conceptual Park Boundary

Halifax Mainland Plan Area



HRM does not guarantee the accuracy of any representation on this plan.

## **Attachment A: A Proposed Planning Process for the Highway 102 West Corridor Lands**

### **Step 1: Undertake a watershed study for the Highway 102 West Corridor lands and await completion of Halifax Water's Wastewater Functional Plan**

Policy E-17 of the Regional Plan requires that a watershed or sub-watershed study be carried out as part of comprehensive secondary planning processes. Among the matters to be addressed are:

- recommending water quality objectives for key receiving watercourses in the study area;
- determining the amount of development and maximum inputs that receiving lakes and rivers can assimilate without exceeding the recommended water quality objectives;
- identify appropriate riparian buffers;
- identify areas that are suitable and not suitable for development.

The Wastewater Functional Plan, recently initiated by Halifax Water, will identify capacity constraints within the wastewater system with consideration given to servicing future development areas identified under the Regional Plan. A management plan will also be prepared to address system upgrades needed to comply with the Strategy for the Management of Municipal Wastewater which was recently adopted by the Canada Council of Ministers of Environment.

The Wastewater Functional Plan is needed to determine how much development can be supported in this area by the wastewater system and the associated cost of upgrades under various scenarios. The watershed study will help establish how much and where development could be supported to conform with water quality objectives.

The information from these studies would serve as reference points for the next step.

Expected time frame for completion: Two years.

### **Step 2: Negotiate boundaries for the Blue Mountain - Birch Cove Lakes Regional Park in relation to the Highway 102 West Corridor Lands**

An independent facilitator would be retained to assist the Municipality and Birchdale Property Inc. to negotiate potential park boundaries. As per the Birchdale offer, this would be cost-shared equally between the two parties with the total cost not exceeding \$50,000. The cost of any appraisals needed to support positions would be paid separately by each party.

The facilitator would be requested to confer with outside parties which may have an interest in the outcome including the Province and non-government agencies.

The facilitator would table an options report with the ramification of each for consideration by each party and Council would provide direction as to how it wants to proceed.

Expected time frame for completion: One year.

**Step 3: Review the criteria under Policy S-3 of the Regional Plan to determine whether to initiate a secondary planning process for the Highway 102 West Corridor lands.**

Assuming that a mutually acceptable park boundary can be agreed upon, the Municipality would reconsider the request to initiate a secondary planning process for the remaining lands.

Expected time frame for completion: Six months.