

Item No. 10.1.4
Halifax Regional Council
November 22, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 18, 2011

SUBJECT: **Approval of By-Law S-434, an amendment to By-Law S-400
Respecting Local Improvement Charges, New Paving Projects
Outside Core Area 2010, Joan Elizabeth Way, Mannette Court and
Sandy Point Road**

ORIGIN

This report originates from the Halifax Regional Council meeting on October 4, 2011.

RECOMMENDATION

It is recommended that Halifax Regional Council approve in principle the adoption of By-Law S-434, an amendment to By-Law S-400 (Respecting Charges for Street Improvements), relating to New Paving of Subdivision Streets Outside the Core Area – 2010 for Joan Elizabeth Way, Mannette Court and Sandy Point Road. The Local Improvement Charges are to be recovered via a uniform lot charge of \$4,042.13 to the 44 properties located on the above noted streets (refer to attached plan). The total amount of recovery for these roads is \$177,853.64 (net HST included).

BACKGROUND

On February 9, 2009, Halifax Regional Council approved the Nova Scotia Transportation and Infrastructure Renewal (NSTIR) Aid-to-Municipality Construction Agreement 2009-2012. The Aid-to-Municipality is an agreement between NSTIR and other Nova Scotia municipalities (including HRM) to upgrade provincially owned and maintained gravel roads to asphalt. It is the Province's responsibility, under this program, to create a construction agreement, and to design, tender and manage the construction of the paving work. HRM's role is to identify the streets to be paved, and to facilitate the Local Improvement Charge (LIC) process. The program is cost-shared between the Province and the Municipality, each paying 50% of the total construction costs. However, HRM's portion is recovered in its entirety by levying LIC's to the abutting properties on the relevant streets. Once the streets are completed, HRM creates a By-law each year to set the LIC.

DISCUSSION

At the August 2, 2011 Council meeting, the first reading of By-Law S-432 was approved to set the LIC rate for the 2010 Aid to Municipality Cost Sharing Paving Program. The intent of the By-law was to set the 2010 LIC rate for the streets that were paved in that year. Under this by-law it was proposed that the LIC rate for Joan Elizabeth Way, Mannette Court and Sandy Point Road (which were part of the 2010 Aid program) was to be recovered via a lot charge for each specific street (43 properties in total). At that Council meeting, the District 3 Councillor requested that Joan Elizabeth Way, Mannette Court and Sandy Point Road were to be excluded from By-Law S-432, and that consideration be given to applying a uniform lot charge to all properties on those three streets including four properties that abut the paved section of Sandy Point Road, and a fifth property abutting the north side of Sandy Point Road (48 properties in total). Council approved the deferral of Joan Elizabeth Way, Mannette Court and Sandy Point Road from the By-law. By-Law S-432 was then approved on September 13, 2011 thus setting the LIC rate for all streets paved under the 2011 Aid Program at \$34.07. At the September 16 Council meeting, first reading of By-Law S-433 was approved for the LIC recovery for the paving of Joan Elizabeth Way, Mannette Court and Sandy Point Road at the uniform lot charge of \$3,705.29, and was to apply to the 48 lots. A subsequent Public Hearing was held on October 4, 2011, and at that meeting the motion to approve proposed By-Law S-433 was defeated. As a result of the October 4, 2011 meeting, the four properties abutting the paved section of Sandy Point Road were no longer to be considered as part of the LIC recovery. Although the fifth property does not have frontage onto Sandy Point Road, the District 3 Councillor has requested that it be included in the recovery. Staff was directed to return to Council with a new by-law for Joan Elizabeth Way, Mannette Court and Sandy Point Road with the LIC method of recovery to apply to 44 lots. This results in a revised uniform lot charge of \$4,042.13, for a total recoverable amount of \$177,853.64 (net HST included).

BUDGET IMPLICATIONS

Paving of streets was approved under Project No. CXU00585 - New Paving of Subdivision Streets Outside the Core Area, and Project No. CZU01080 - New Paving of HRM Owned Streets. HRM's share of the total project cost, including net HST, is \$1,587,801.06, of which \$1,373,499.71 is recoverable from LICs. Therefore, the net cost to HRM is \$214,301.35. HRM has reimbursed the

Province for the full \$1,587,801.06 as they were responsible for completing the work. This includes 50% of the cost of paving the provincially owned streets (recoverable through LICs) and 100% of the cost for the paving of the HRM owned streets (50% recoverable through LICs). Details are included in the Budget Summary below.

Budget Summary: CXU00585 - New Paving of Subdivision Streets Outside the Core Area

Net Project Cost *	\$ 1,159,198.36
Less: 50% Recoverable from LIC	<u>(\$ 1,159,198.36)</u>
Net Cost to HRM:	\$ 0.00

CZU01080 - New Paving of HRM Owned Streets

Total Project Cost	\$ 428,602.70**
Less: 50% Recoverable from LIC	<u>(\$ 214,301.35)</u>
Net Cost to HRM:	\$ 214,301.35

* The total gross project cost was \$ 2,318,396.72 with 50% paid directly by NSTIR (did not flow through project account CXU00585). The remaining 50% was paid to NSTIR by HRM from CXU00585 and will be recovered through LICs.

** HRM's estimate for this work was \$428,000. Net of local improvement charges, the total cost to HRM is \$214,301.35 which is budgeted for in the approved 2010/11 Project Account No. CZU01080.

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

The property owners were successfully surveyed for the paving in 2009 at the estimated frontage rate of \$35 per linear foot. On June 30, 2010, letters were sent to the property owners on Joan Elizabeth Way and Mannette Court informing them that the District Councillor had requested that the LIC be recovered via a lot charge. On August 3, 2010, letters were sent to the property owners on Sandy Point Road informing them that the District Councillor had requested that the LIC be recovered via a lot charge (refer to attachments).

The District Councillor requested on August 5 to add an additional property to bring the property count to 44 properties. The property owner was notified of the inclusion of his property via an email from the District Councillor.

The property owners will be notified of the date for the Public Hearing for By-Law S-434.

ALTERNATIVES

1. Council could choose to not approve the recommendations in this report; however this is not recommended by staff.

ATTACHMENTS

Appendix A – Recommended By-Law S-434 and Map

Appendix B – Letters to Residents

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: Ann Reid, LIC Technician, Design & Construction Services 490-6849

Report Approved by: _____
David Hubley, P.Eng., Manager, Design & Construction Services at 490-4845

Financial Approval by: _____
James Cooke, CGA, Director of Finance/CFO, 490-6308

Report Approved by: _____
Ken Reashor, P. Eng., Director Transportation and Public Works

AR/pm

HALIFAX REGIONAL MUNICIPALITY
By-Law Number S-434
Respecting Charges for Street Improvements, New Paving Projects

BE IT ENACTED by the Council of the Halifax Regional Municipality that By-Law Number S-400, the By-Law Respecting Charges for Street Improvements, Section 2 is hereby amended as follows:

1. Section 2 of By-Law S-400 is amended by adding as Subsection (20) the following:

Notwithstanding Subsections (1), (2) and (3) a charge is hereby imposed on those areas listed in Schedule “Q” as is more particularly set out in that Schedule.

SCHEDULE “Q”

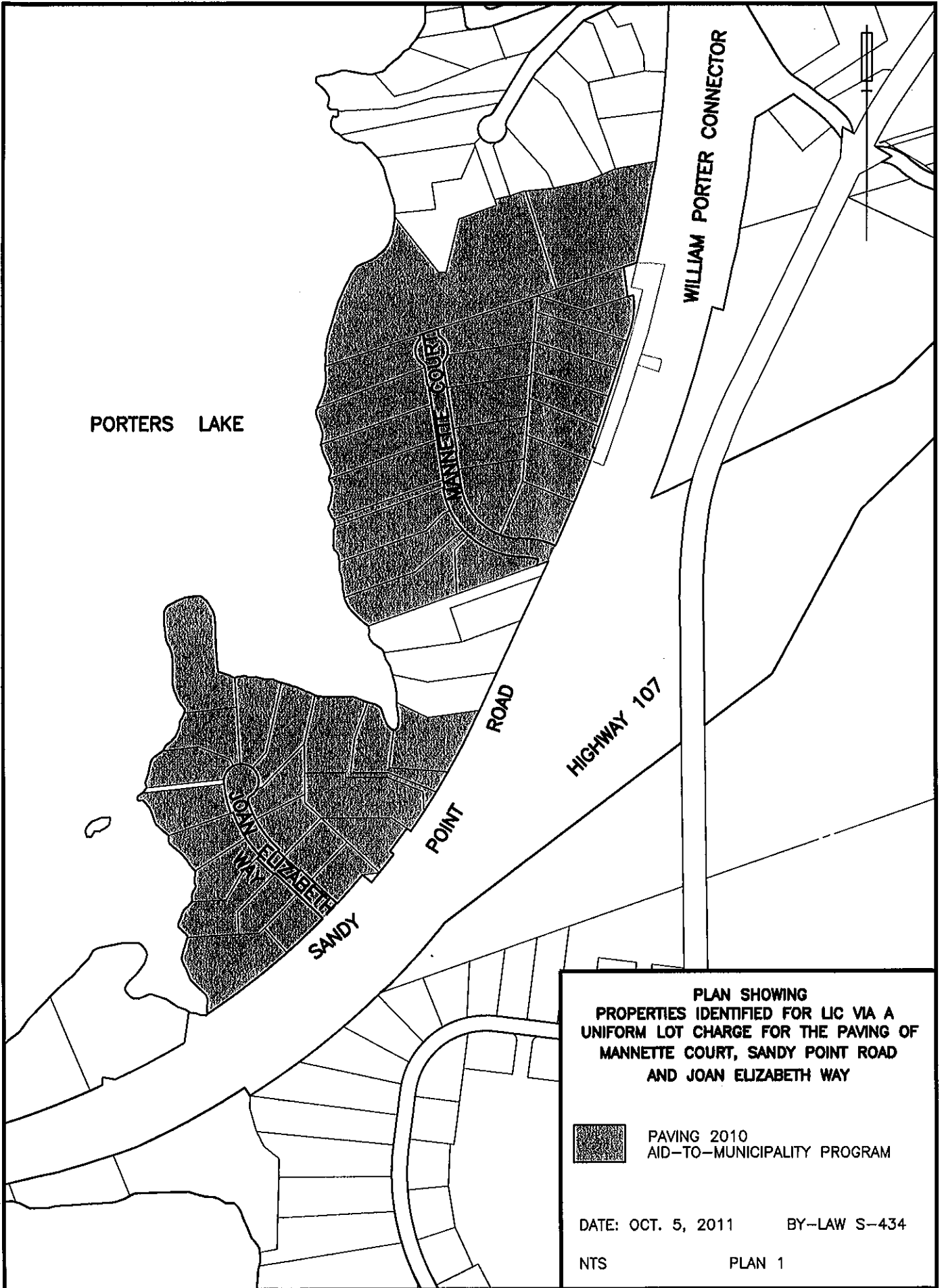
- 1 The Local Improvement Charges for properties fronting or abutting in whole or in part on Joan Elizabeth Way, Mannette Court and Sandy Point Road, identified on “Plan No. 1”, dated October 5, 2011, attached hereto, shall be assessed as a per lot charge, calculated on the basis of \$34.07 per foot times the recoverable frontages on those streets divided by the number of properties subject to the assessment.
2. The Local Improvement Charge shall be assessed to each of the 44 properties at a uniform lot charge of \$4,042.13.
3. The Local Improvement Charges imposed under this Schedule may be paid over a 10 – year period with interest. Notwithstanding Section 4 of By-Law Number S-400, the unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

Done and passed by Council this

Mayor

Municipal Clerk
Cathy Mellett

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted by-law was passed at a meeting of the Halifax Regional Council held on , 2011.



**PLAN SHOWING
 PROPERTIES IDENTIFIED FOR LIC VIA A
 UNIFORM LOT CHARGE FOR THE PAVING OF
 MANNETTE COURT, SANDY POINT ROAD
 AND JOAN ELIZABETH WAY**

 PAVING 2010
 AID-TO-MUNICIPALITY PROGRAM

DATE: OCT. 5, 2011 BY-LAW S-434

NTS PLAN 1



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

February 8, 2010

Dear Sir/Madam:

Re: Paving - Mannette Court, Sandy Point Road, Joan Elizabeth Way - Porters Lake

On March 3, 2009, Halifax Regional Council approved a three-year Construction Agreement 2009-012 between Nova Scotia Department of Transportation and Infrastructure Renewal (NSTIR) and Halifax Regional Municipality (HRM). This agreement is for the paving of “J” Class gravel roads under the Aid to Municipality Program. On January 28, 2010 HRM submitted a list of streets for consideration for the 2010 Aid to Municipality Paving Program. Included in the list are the above noted streets: Mannette Court, Sandy Point Road from civic 1 to civic 31, and Joan Elizabeth Way which were successfully surveyed at the estimated rate of \$35.00 per linear foot. Sandy Point Road from civic 51 to civic 14, Joan Elizabeth Way was not surveyed. Joan Elizabeth Way is owned by HRM, so to ensure that all the streets located within a geographic area are paved at the same time, HRM has requested that NSTIR include Joan Elizabeth Way in their tender. Under the Aid to Municipality cost sharing program, the actual rate will be calculated on one half of the total cost of the paving tender divided by the recoverable frontage.

Pursuant to HRM Local Improvement Policy, Councillor Hendsbee has decided not to survey the property owners on the section of Sandy Point Road, as he has received requests from the residents to have the roads paved as soon as possible. The abutting property owners will be responsible for paying the Local Improvement Charges associated with installation of the new paving. The actual rate will be set once HRM receives the final invoice from NSTIR.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing, until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

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Page 2.

If you have any questions or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,

Original Signed

Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

CW/cf

cc: Councillor David Hendsbee, District 3
Phil Townsend, Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

June 30, 2010

Dear Sir/Madam:

Paving Upgrade of - Joan Elizabeth Way - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

Joan Elizabeth Way was successfully surveyed for paving at the estimated LIC rate of \$35 per foot. Since the frontages range from 30 ft to 197.91 ft which would be a LIC ranging from \$1,050 to \$6,926, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 16 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$3,664 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,

Original Signed

Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

CW/

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

June 30, 2010

Dear Sir/Madam:

Paving Upgrade of - Mannette Court - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

Mannette Court was successfully surveyed for paving at the estimated LIC rate of \$35 per foot. Since the frontages range from 32 ft to 178 feet which would be a LIC ranging from \$1,139 to \$6,260, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 15 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$4,947 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,

Original Signed

Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

CW/pm

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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August 3, 2010

Dear Sir/Madam:

Revised Paving Upgrade of - Sandy Point Road - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

There was an error in the calculation for the lot charges in the letter dated June 30, 2010. There are two gravel sections on Sandy Point Road Civic 1 to Civic 27 and Civic 51 to Civic 14 Joan Elizabeth Way, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 12 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$4,813.55 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

HRM and Councillor Hendsbee have requested on behalf of the residents that the paved section of Sandy Point Road be re-paved. Sandy Point Road is owned by NSTIR; therefore, the re-paving is 100% their cost and responsibility. To date HRM has not received confirmation from NSTIR that the re-paving will be tendered this year.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

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Sandy Point Road
August 3, 2010
Page 2

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,

Original Signed

~~Clary White~~
Supervisor Drafting and Plan Records,
Design & Construction Services

DH/pm

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

June 30, 2010

Dear Sir/Madam:

Paving Upgrade of - Sandy Point Road Civic 1 to 27 - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

Sandy Point Road was successfully surveyed for paving at the estimated LIC rate of \$35 per foot. Since the frontages range from 125 ft to 199.49 ft which would be a LIC ranging from \$4,375 to \$6,982, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 7 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$5,259 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,

Original Signed

Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

CW/pm

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

June 30, 2010

Dear Sir/Madam:

Paving Upgrade of Sandy Point Road - Porter's Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process. Sandy Point Road was on that list, and Councillor Hendsbee has recommended moving forward with the paving pursuant to the HRM Local Improvement Policy.

Councillor Hendsbee has requested that the LIC be recovered via a lot charge assessed to the 5 properties which have frontage abutting Sandy Point Road. The estimated lot charge based on \$35 per foot would be approximately \$4,189 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

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Respectfully,

Original Signed

Clary White
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Design & Construction Services

CW/pm

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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