



**HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE MINUTES
July 29, 2014**

PRESENT:

Mayor Mike Savage
Deputy Mayor Darren Fisher
Councillors: Barry Dalrymple
David Hendsbee
Bill Karsten
Lorelei Nicoll
Gloria McCluskey
Waye Mason
Jennifer Watts
Linda Mosher
Russell Walker
Stephen Adams
Reg Rankin
Matt Whitman
Brad Johns
Steve Craig
Tim Outhit

STAFF:

Mr. Richard Butts, Chief Administrative Officer
Mr. John Traves, Municipal Solicitor
Ms. Cathy Mellett, Municipal Clerk
Ms. Jennifer Weagle, Legislative Assistant
Mr. Quentin Hill, Legislative Assistant

The following does not represent a verbatim record of the proceedings of this meeting.

A video recording of this meeting is available: http://archive.isiglobal.ca/vod/halifax/archive_2014-09-09_live.mp4.html

The agenda, supporting documents, and information items circulated to Council are available online: <http://www.halifax.ca/council/agendasc/140729rc-agenda.php>

The meeting was called to order at 10:08 a.m., and recessed at 12:17 a.m. Committee of the Whole reconvened in at 1:05 p.m. and recessed at 3:12 p.m. Committee of the Whole reconvened at 3:27 p.m. and recessed at 4:25 p.m. Committee of the Whole reconvened at 4:30 p.m. and recessed at 5:24 p.m. Committee of the Whole reconvened at 6:04 p.m. and adjourned at 7:10 p.m.

1. CALL TO ORDER

Mayor Savage called the meeting to order at 10:08 a.m.

2. APPROVAL OF THE MINUTES – None

**3. JOINT COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT & AUDIT AND FINANCE
STANDING COMMITTEES**

3.1 PRESENTATIONS

- i) Strategic Capital Funding Strategy**
- ii) Long Term Arena Strategy – Consolidation of Aging Arenas**

The following information was before Council:

- Staff presentation dated July 29, 2014 “Strategic Capital – Planning and Infrastructure”
- Staff presentation dated July 29, 2014 “Arena Consolidations – Long Term Arena Strategy”
- Staff recommendation report to the Community Planning and Economic Development Standing Committee dated April 28, 2014 “Long Term Arena Strategy – Consolidation of Aging Arenas”
- Staff corrections to the April 28, 2014 staff report.
- Staff recommendation report to the Audit and Finance Standing Committee dated May 26, 2014 “Strategic Capital Funding Strategy”
- Revised motion to the “Strategic Capital Funding Strategy” staff report dated May 26, 2014
- Staff recommendation report to the Audit and Finance Standing Committee dated May 6, 2014 “Building Canada Fund Infrastructure Projects”
- Staff information report dated May 2, 2014 to the Community Planning and Economic Development Standing Committee “Gymnasia Analysis – Peninsula Halifax”
- Extract of the Regional Council minutes of August 14, 2014
- Extract of the Committee of the Whole minutes of August 14, 2012
- Correspondence from Jim Hoskins; Mark Pineo; Doug and Anne King; Sue Wyse; Jane E. MacLellan and Carol Lec Loebenberg 1990 World Figure Skating Championship Legacy Fund; Tim Boyce; Gail Rice; David Brickman; David Williamson; Neil Bishop; Dave Careless; Mark Archibald; Caroline Anderson; Jane Hawes; Anne Sheridan; Shirley McLaughlin; Vicki Grant; Ben Wedge; Sharon MacDonald; Gwen Dawes; Roy Bourgeois; Bill Giffin; Robert Apold; Tina Babineau Sturk; Tom and Marilyn White; Lorna Stevens; Craig Fleming; Ken Donnelly; Peter Koskolos; Ron Burke; Lucy Newton; Sandra Larsen; Ryan Taylor; Ed Kennedy; Irene Clark; Robert Miller; Phil Pacey, Heritage Trust of Nova Scotia; Pete Smith; Helen Langlois; Richard R. (Rick) Grant, President, Celtic Cultural Society of Nova Scotia; Steve Furlong; Al Maxner; Tristan Cleveland; Emily Fougere, Chair, Centennial Rink Commission Board; Brian and Yvonne Mackie; Erin Bleasdale; Sheilagh Fougere; Lynn Wagner; Ross Cantwell; Margaret Campbell; and Valerie Payn, President and CEO, Halifax Chamber of Commerce.

Mr. Greg Keefe, Director of Finance & Information, Communication and Technology/Chief Financial Officer, presented the Strategic Capital Funding Strategy. A copy of Mr. Keefe’s presentation is on file and available online.

Mr. Brad Anguish, Director, Community and Recreation Services, presented the Long Term Arena Strategy – Consolidation of Aging Arenas. A copy of Mr. Anguish’s presentation is on file and available online.

Councillor Hendsbee arrived at 10:38 a.m.

Mayor Savage indicated that the Strategic Capital Funding Strategy and the Long Term Arena Strategy were presented to a joint meeting of the Audit and Finance Standing Committee and the Community Planning and Economic Development Standing Committee on June 5, 2014, and were referred by the Standing Committees to Committee of the Whole for further discussion.

MOVED by Councillor Karsten, seconded by Councillor Mason, that Halifax Regional Council:

- 1. Approve the use of the Capital Reserves Q101 Sale of Assets; Q126 Strategic Growth; Q139 Central Library Repayment Reserve; and Q145 Regional Facility Expansion Reserve to fund the Planned Strategic Projects and the Potential Strategic Projects should they proceed.**
- 2. Dedicate the net proceeds from the sale of Bloomfield, 3rd Queen Street Site, Red Cross Building, Bayne Street and St. Pat's Alexandra to fund the Planned Strategic Projects should they proceed.**
- 3. Dedicate the net proceeds from the potential sale of St. Pat's High, Alderney and Ochterloney lot, Lyle Street and the arenas made surplus by the Long Term Arena Strategy for interim financing of Planned Strategic Projects and funding of Potential Strategic Projects**
- 4. Approve amending the Multi-Year Fiscal Plan to permit up to \$100,000,000 of debt financing above the limits set by that plan for the Potential Projects.**
- 5. Approve adding one cent to the general tax rate as determined by the 15/16 budget. The proceeds are to be placed in the Q126 Strategic Growth reserve to fund Potential Strategic Projects.**
- 6. Approve adding the Library Facilities Plan to the scope of work for the Community Facility Master Plan review so the timing and placement of these potential facilities can be considered in context with other HRM facilities.**
- 7. Direct staff to recommend funding in the 15/16 Capital Budget to:**
 - a. Complete feasibility study, business case and Class C costing for the Police Station Renewal and Fire Services Training Facility.**
 - b. Develop business model and partnerships for a stadium and supporting infrastructure for presentation to the Executive Committee in Fall 2014.**
 - c. Perform a needs assessment, feasibility study and identify potential partners and service delivery model for a Performing Arts Centre.**
- 8. Approve the Planned Strategic Projects referenced in these recommendations as: Halifax Multi-pad; Dartmouth Multi-pad; Dartmouth Sportsplex; Cogswell and the \$50 million, 5 Year Downtown Investment.**
- 9. Approve the Potential Strategic Projects referenced in these recommendations as: the Police Station Renewal; Fire Services Training Facility; Stadium; Library Facilities Plan; Performing Arts Centre or Commuter Rail / Fast Ferry.**

Councillor Karsten suggested that Council consider each recommendation individually. He reminded Council to consider the bottom line during this debate.

Councillor Dalrymple commented that, out of the \$250 million outlined in these strategies and the \$40 million proposed in the Active Transportation Priorities Plan, he sees no benefits to suburban and rural areas, although all municipal tax payers will pay for it. He noted that the staff reports proposes putting the

proceeds of the sale of a number of properties toward the specific projects, although preliminary discussions have indicated opposition to the sale of several of the properties. Councillor Dalrymple indicated that if the properties aren't sold, Council will have to rely more heavily on raising taxes to pay for the projects and he will not agree to raise taxes in rural and suburban districts to pay for the projects. He inquired whether staff have an alternative plan which involves not raising taxes.

Mr. Keefe indicated that Council can either raise taxes, incur debt, or take money away from other areas to move forward with the projects outlined.

Mayor Savage commented that Council will not necessarily be undertaking all the projects proposed, and that the strategies are a road map for discussion by Council.

Councillor Walker noted that recommendations #1 and #2 include the caveat "should they proceed" (to be surplus) and suggested that #3 and #8 should also include "should they proceed".

Mr. John Traves, Municipal Solicitor, clarified that discussion today on recommendations such as #3 will not result in a decision to make facilities surplus. He further clarified that the recommendations would commit that, if a property is determined to be surplus through due process, then there would be the dedication of net proceeds. Mr. Traves recommended that Council defer recommendation #8 until after a decision on the Long Term Arena Strategy because it may result in a change to what is included in the defined term "planned strategic project".

Councillor Outhit commented on the Strategic Capital Funding Strategy, noting that he supports building a four-pad arena in Dartmouth, and declaring surplus the Grey, Bowles and Devonshire arenas. He touched on a number of concerns he has with projects and assumptions put forward in the staff presentations, and indicated that Council requires more information on the proposals for future projects before making a decision to proceed on each individual project.

Mr. Keefe clarified that Council is not being asked to make decisions on specific projects, but to direct staff to bring forward information on projects for Council's consideration. He indicated that the priority recommendations are the first three in order to lock down funding priorities for the capital pressures Council is facing.

MOVED by Councillor Mason, seconded by Councillor Nicoll, that recommendation #8 be deferred until after discussion on the Long Term Arena Strategy.

Councillor McCluskey suggested that the Dartmouth Sportsplex project should be removed from recommendation #8.

Mr. Traves clarified that a motion to defer is on the floor, and takes precedence. He further clarified that a motion to defer cannot be amended, although it could be withdrawn by the mover.

Councillor Watts requested clarification on the status of the approval of the \$50 million 5 year Downtown Investment and Cogswell, noting that she had understood those two initiatives and the Dartmouth Sportsplex project were all approved already by Council.

Mr. Keefe clarified that recommendation #8 relates to planned strategic projects and recommendation #9 relates to potential strategic projects, and that each category is funded differently. He indicated that the Dartmouth Sportsplex project is approved in principle pending funding, the Cogswell project is underway with specific funding decisions to return to Council and the Build Canada Fund item before Council today involves directing staff to move forward with approaching the provincial and federal governments for funding with regard to the \$50 million 5 year Downtown Investment.

Mr. Traves cautioned Council that the recommendations tie together and that if the Dartmouth Sportsplex project was removed from recommendation #8, it would no longer be linked to the funds identified in recommendations #1, 2 and 3.

Responding to an inquiry from Councillor Rankin with regard to capacity within the larger framework, Mr. Keefe discussed the planned vs. potential strategic projects, commenting that the proceeds from the imminent sale of property would go immediately toward the plan, while the proceeds of others considered for sale would go toward the plan at a later date.

Councillor Nicoll pointed out that the purpose of the motion to defer recommendation #8 is to have a dedicated conversation on that item, and would only be deferring the item to later in the day, not to a future Council meeting.

Deputy Mayor Fisher commented that the language within recommendation is vague, including inclusion of "multi-pad" as opposed to "three-pad" or "four-pad", and there is no need to defer the recommendation.

Mr. Traves agreed that the language is broad and the motion to defer could be withdrawn with the agreement of Council.

Councillor Mason withdrew his motion to defer, with the agreement of Council.

MOTION WITHDRAWN.

Councillor Mason, pointing out that not all proposed projects are within the urban core, commenting that many of the proposed projects will benefit suburban residents, including the Dartmouth multi-pad, the police station renewal, the fire services training facility, the library facilities plan, and potential commuter rail. He commented that some of the projects would have provincial and federal partnership opportunities, and Council may not necessarily need to raise the tax rate.

MOVED by Councillor Mason, seconded by Councillor Watts, that recommendation #7(c) be amended to read "Develop a Cultural Spaces plan through consultation with the municipality's Arts Halifax Committee, that includes other stakeholders and public engagement, and that shall include completion of a needs assessment, feasibility studies and identify potential partners and service delivery models that may include new cultural spaces and/or recapitalization of existing facilities."; and that recommendation #9 be amended to reflect this change.

Councillor Mason commented that, based on feedback from the arts community, he believes a 3000 seat performance arts centre, such as the current St. Pat's high auditorium, is not needed. He indicated that a broader discussion needs to be held involving partnerships with existing performance arts facilities, such as Dalhousie and Neptune, and incorporating community led plans underway for an arts and culture facility in the Sackville area, and others, instead of focusing on one location.

Councillor Hendsbee commented that prior to the convention centre being known as the Nova Centre, there were proposals being presented to Council for an arts centre also known as the Nova Centre. He suggested that those proposals be brought forward for consideration.

Councillor Mosher spoke in support of the amendment, noting that when the arts centre was previously discussed by Council, there were other substantial priorities Council were focusing on such as the harbour clean-up, building the Canada Games Centre and new transit facilities.

Councillor Nicoll noted that culture is a component of communities across the municipality. She commented that this amendment could assist staff with developing the heritage and cultural priorities plan.

MOTION PUT AND PASSED.

Councillor Johns commented that this is one of the largest financial commitments he has seen before Council, noting that Council is being asked to permit up to \$100,000,000 of debt financing as well as a one cent increase to the general tax rate. He noted that residents in his district are already paying area

rates for community recreation centres. Councillor Johns asked for clarification on how the municipal alcohol policy enforcement will affect HRM owned facilities. He noted concern that Council is being asked to deviate from the established sale of land policy that has been followed for years. He requested clarification on how much is in the strategic reserve, and what is forecasted over the next few years to go into the reserve, and whether the reserve will be used to fund any of these projects. Councillor Johns noted that he understand that some of these projects will have a municipality wide impact, although residents of his district are in need of infrastructure money for basic things such as sidewalks.

Mr. Keefe clarified that, although staff are not sure which projects will be going forward and at what cost, in order to move forward with some of the projects the municipality will have to incur some debt. He noted that the tax increase could be directed at certain areas of the municipality. Mr. Keefe clarified that a benefit of this strategic approach is to manage the risk so that more than one project is not banking on the proceeds of one sale. He advised that there is \$21,000,000 in the strategic reserve now, with another approximately \$5 million added per year. Mr. Keefe explained that Fire and Emergency Services indicated the need for a fire training facility, and by putting it forward as a potential strategic project, a business case can be explored for the project.

Mr. Anguish clarified that the Municipal Alcohol Policy was adopted by Council, and Council asked staff to undertake consultation about the service and provision of alcohol in HRM facilities, the results of which will be brought back to Council for consideration.

Councillor Mosher wished to point out, for the record, that Council is not tied to any of the proposed projects. She requested that, in the future any items of this magnitude that are regional in nature come directly to Committee of the Whole for discussion instead of standing committees. Councillor Mosher suggested that she would like staff to come back with a rural capital priorities plan. She noted that there are potential synergies for the stadium, such as transit park and ride locations, high speed ferry and commuter rail, and also synergies for high speed ferries and tourism, such as accessing the harbour islands.

Committee of the Whole recessed at 12:17 a.m., and reconvened at 1:05 pm.

Councillor McCluskey agreed that the municipality will have to sell surplus properties to be able to afford to build new ones. She noted that many people use the smaller rinks because they are more affordable, and asked that the municipality try to keep costs down in new facilities so that everyone can enjoy them. Councillor McCluskey noted several issues with using the Shannon Park land for a stadium, including additional cost, ownership of the lands, and flooding problems.

Councillor Hendsbee commented that many of the municipality's arenas are aging beyond the life cycle costs of a building. He noted concern with selectively picking properties for sale and allocating the proceeds of the sales for specific projects, which Council has avoided doing in the past. He noted that sale proceeds from surplus properties should go into the Sale of Land account. Councillor Hendsbee inquired whether smaller communities within the municipality will be able to participate in the small communities fund portion of the Building Canada Fund, noting concern that these projects may be overlooked in favour of urban projects. He suggested that the \$50 million, 5 year Downtown Investment could see the establishment of a Capital Commission, noting that Halifax is one of the few capital cities in Canada without a Capital Commission. Councillor Hendsbee indicated that he looks forward seeing the details of the proposed projects, such as the Library Facilities Plan, noting that the Musquodoboit Valley still does not have a library.

Councillor Whitman commented that it is hard for rural residents to see the benefits of urban projects. He asked for clarification on the average cost per property residentially and commercially for a one cent general tax rate increase.

Mr. Keefe clarified that for an average residential assessment of \$250,000, a one cent increase would equal a \$25 dollars per year increase. He further clarified that the commercial tax increase would be about the same.

Councillor Craig spoke in support of the motion, noting that after these priority projects are completed there will be an opportunity for rural communities. He commented that the intent of the strategy is to set up a strategic reserve to develop and build reserves for future projects and to create an opportunity for the municipality to utilize its own funds, instead of borrowing to fund projects. Councillor Craig commented that over time all parts of the municipality will benefit from this direction.

Councillor Rankin commended staff for meeting the challenge and bringing forward what may be a reachable package of Council's aspirations. He asked for assurance that this strategy will not reduce capacity for other projects already put forward by Council's direction. Councillor Rankin noted that Council direction was to not move forward with a stadium and questioned why it was brought forward as a potential project, noting that he hopes any further analysis on a stadium would be done in house without the cost of any further studies.

Mr. Keefe clarified that the intent of including the stadium in potential projects was to seek direction from Council. He indicated that funding allocated for other projects will not be reallocated to these projects. He further noted that the Library Facilities Plan has not been brought before Council yet.

Councillor Watts thanked staff for bringing together this helpful overview of projects. She also noted concern with allocating sale proceeds for specific projects but is glad to have this strategic planning opportunity. She commented that there is concern on behalf of the community which has been supporting the redevelopment of the Bloomfield property about whether there will be sufficient fund to support the Bloomfield master plan. Councillor Watts commented on the Active Transportation Priorities Plan, noting that it includes a significant plan to build greenways throughout the municipality and an aggressive sidewalk plan. She indicated that there is a gap of about \$20,000,000 to \$25,000,000 of the \$42,000,000 needed for implementation of the Active Transportation Priorities Plan, which she noted is a major free and accessible resource for the region.

MOVED by Councillor Watts, seconded by Councillor Mason, that recommendation #7(b), as follows, be deleted:

7. **Direct staff to recommend funding in the 15/16 Capital Budget to:**
 - (b) **Develop a business model and partnerships for a stadium and supporting infrastructure for presentation to the Executive Committee in Fall 2014.**

Councillor Watts commented that the potential for a stadium has already had significant review, and Council has other projects to focus on. She indicated that she does not think this is the direction the municipality needs to go in at this time, and she would not want to see any more time or resources put into studying the potential for a stadium when staff resources could be freed to focus on other projects.

Councillor Outhit asked for clarification on what type of stadium would be considered, in order to have a better idea of the costs of the potential stadium. He also asked for clarification on what costs would be associated with directing staff to develop a business model and partnership for a stadium, and whether there have been any further discussions with the private sector and other levels of government about a stadium.

Mr. Mike Labrecque, Deputy CAO, indicated that the purpose of recommendation #7(b) is to provide Council an opportunity to determine what happens next with the stadium discussions. He indicated that any exploratory work staff would do on this topic would be building on work that has already been done.

Mr. Keefe clarified that staff would be working with the \$60 million cost identified for the previous stadium proposal, which assumed a three way split between the three levels of government.

Councillor Mosher spoke against the amendment, commenting that she did not support the stadium during the previous proposal, but it was a different type of stadium focused on soccer and concerts. She noted that it is a different time now, with potential interest from the Canadian Football League (CFL) and

the Shannon Park lands being declared surplus. Councillor Mosher suggested that Council does not need another study, but needs to look at the economics of a potential stadium.

Councillor Johns spoke in support of the amendment, noting he has never been contacted by a resident of the district he represents who wants a stadium.

At this time Deputy Mayor Fisher took the Chair, and Mayor Savage joined Council.

Mayor Savage commented that he would like staff to look at whether a stadium is feasible, and options for financing stadiums in Canada, noting that other cities are building stadiums partnering with the private sector. He suggested that it would not make sense to remove the stadium from consideration at this point. Mayor Savage offered that municipalities build things to make a good place to live, not to make money. He indicated that several things have changed since the last time Council considered this matter, including interest from the CFL, and the possibility of land in Shannon Park. Mayor Savage suggested that a stadium could be an enhancement to a city the size of Halifax and to the business community, and asked Council to not support the amendment.

Councillor Karsten spoke against the amendment, noting that Council's job is to make decisions based on sound information and by removing the stadium from consideration Council will not have all of the information. He suggested that while the previous proposal was not the right financial model for the time, things change and it is time to take another look.

Councillor Adams spoke against the amendment, suggesting that Council leave all potential and planned projects in place to use as a framework for exploration.

Councillor Hendsbee spoke against the amendment, suggesting that a business case needs to be brought forward for a stadium for consideration by Council.

Councillor Rankin spoke against the amendment, noting that there may be a different type of structure than previously considered or a new perspective on the operation of a potential stadium.

Councillor McCluskey indicated that she is prepared to wait to make a decision on a potential stadium to look at whether there are different financing options available to the municipality.

MOTION DEFEATED.

MOVED by Councillor McCluskey, seconded by Deputy Mayor Fisher, that the following recommendation be added:

- 10. Approve an increase of \$2.2 million to the 2014-2015 gross capital budget for the Dartmouth Sportsplex Renewal and Refurbishment (Account CB0006) with funding from Regional Facility Expansion Reserve – Q145.**

Councillor McCluskey commented that the Dartmouth Sportsplex has been waiting for some time for capital improvements to the facility.

Mr. Keefe advised that the amendment is consistent with what is earmarked for the upcoming budget.

MOTION PUT AND PASSED.

Councillor Nicoll noted that the municipality benefits from street and road maintenance, although the Road Network Functional Plan is not included in the projects listed.

Mr. Keefe clarified that staff decided against including major road projects, such as Bayers Road and the Shearwater Connector, because these projects will be dealt with through the capital budget.

With regard to recommendation #4 to permit up to \$100,000,000 of debt financing, Councillor Karsten commented that even within the proposed debt strategy, the municipality's debt ratio would still fall below the financial indicator for that category.

MOVED by Councillor Mason, seconded by Councillor Outhit, that the following recommendation be added:

7. **Direct staff to recommend funding in the 15/16 Capital Budget to:**
 - d. **Develop a staff report for a capital investment and property tax relief for the proposed Battle of the Atlantic Place on Lower Water Street as a potential strategic project, subject to Federal and Provincial participation and successful fundraising. The staff report should address alignment between Battle of the Atlantic objectives and outcomes with HRM priorities, including economic development, and should address HRM's ability to respond to the request.**

And that recommendation #9 be amended to reflect this change.

Councillor Karsten spoke in support of the Battle of the Atlantic Place project, although he noted that this is not the time or place for this request to be brought forward.

Mr. Keefe indicated that he did not know enough about the project to say whether it belongs at this discussion, although staff could prepare a report.

Councillor Outhit spoke in support of the amendment, noting that there is an economic and tourism component to this project. He also noted that there is federal and provincial support for the project, and other parties involved need to know whether HRM will be a partner.

Councillor Rankin commented that he understands Councillor Karsten's concerns, and noted that the motion implies that Council would move forward with capital investment and tax relief for this project, and does not include an amount. He suggested that Council should examine the merits of the project via a staff report prior to committing to any involvement.

Councillor Craig spoke against the amendment, noting that it is out of scope of today's discussion. He commented that while he appreciates the merit of the project, it has not been vetted through Committee to be brought to Council.

Mr. Labrecque reminded Council that there have been two requests for this project before Council, each for \$50,000, toward design concepts for the Battle of the Atlantic Place. He suggested that Council let that work run its course and see what type of funding request may come forward.

Councillor Dalrymple noted that the previous requests came through the Grants Committee, and while he fully supports this project, he does not believe it to be within the scope of this discussion.

Councillor Mason indicated that he brought this request forward today because, based on similar initiatives in other Canadian municipalities, it will likely require a large commitment of funds that Council may wish to consider in the context of today's strategic planning discussion.

Councillor Nicoll pointed out that the difference between this project and the others discussed today is that this is not an initiative of the municipality.

MOTION DEFEATED.

At the request of Councillor Outhit, Mr. Keefe confirmed that the order of projects listed in the recommendations are not in order of priority.

Responding to a comment from Councillor Outhit that it may be inaccurate to state that the recommendations before Council will have no impact on annual capital capacity, Mr. Keefe clarified that the figures were drawn up assuming the municipality would not be drawing any additional fund from the capital budget.

Councillor Outhit noted concern that several of the recommendations are to “approve” changes such as permitting up to \$100,000,000 of debt financing, and adding one cent to the general tax rate when Council has not requested staff to bring forward these changes.

Mr. Keefe clarified that the intent is to approve considering these changes during 2015/16 budget process.

Councillor Outhit commented on the municipality’s current debt load, and cautioned against permitting an increase in debt financing without knowing more about final costs of these projects and final sales figures of selling surplus lands.

Councillor Johns requested information on the total amount that is currently being funded through area rates.

Mr. Bruce Fisher, Manager, Financial Policy and Planning, estimated the total to be approximately \$10-12 million.

Councillor Johns inquired who is responsible for cost overages during construction.

Mr. Keefe indicated that would be determined on a project by project basis. He noted that there are no projects being proposed for funding through area rates today.

A vote was taken on each motion individually:

MOVED by Councillor Karsten, seconded by Councillor Mason, that Halifax Regional Council:

- 1. Approve the use of the Capital Reserves Q101 Sale of Assets; Q126 Strategic Growth; Q139 Central Library Repayment Reserve; and Q145 Regional Facility Expansion Reserve to fund the Planned Strategic Projects and the Potential Strategic Projects should they proceed. MOTION PUT AND PASSED.**
- 2. Dedicate the net proceeds from the sale of Bloomfield, 3rd Queen Street Site, Red Cross Building, Bayne Street and St. Pat’s Alexandra to fund the Planned Strategic Projects should they proceed. MOTION PUT AND PASSED.**
- 3 Dedicate the net proceeds from the potential sale of St. Pat’s High, Alderney and Ochterloney lot, Lyle Street and the arenas made surplus by the Long Term Arena Strategy for interim financing of Planned Strategic Projects and funding of Potential Strategic Projects. MOTION PUT AND PASSED.**
- 4. Approve amending the Multi-Year Fiscal Plan to permit up to \$100,000,000 of debt financing above the limits set by that plan for the Potential Projects. MOTION PUT AND PASSED.**
- 5. Approve adding one cent to the general tax rate as determined by the 15/16 budget. The proceeds are to be placed in the Q126 Strategic Growth reserve to fund Potential Strategic Projects. MOTION PUT AND PASSED.**
- 6. Approve adding the Library Facilities Plan to the scope of work for the Community Facility Master Plan review so the timing and placement of these potential facilities can be considered in context with other HRM facilities. MOTION PUT AND PASSED.**

7. **Direct staff to recommend funding in the 15/16 Capital Budget to:**
 - a. **Complete feasibility study, business case and Class C costing for the Police Station Renewal and Fire Services Training Facility. MOTION PUT AND PASSED.**
 - b. **Develop business model and partnerships for a stadium and supporting Infrastructure for presentation to the Executive Committee in fall 2014. MOTION PUT AND PASSED.**
 - c. **Develop a Cultural Spaces plan through a consultation, through the municipality's Arts Halifax committee, that includes other stakeholders and public engagement, and that shall include completion of a needs assessment, feasibility studies and identify potential partners and service delivery models that may include new cultural spaces and/or recapitalization of existing facilities. MOTION PUT AND PASSED.**
8. **Approve the Planned Strategic Projects referenced in these recommendations as: Halifax Multi-pad; Dartmouth Multi-pad; Dartmouth Sportsplex; Cogswell and the \$50 million- 5 Year Downtown Investment. MOTION PUT AND PASSED.**

Councillor Outhit pointed out that recommendation #9 should read "...Cultural Spaces Plan *and* Commuter Rail/Fast Ferry", not "...Cultural Spaces Plan *or* Commuter Rail/Fast Ferry".

9. **Approve the Potential Strategic Projects referenced in these recommendations as: the Police Station Renewal; Fire Services Training Facility; Stadium; Library Facilities Plan; capital initiatives to be approved by Council as an outcome of a Cultural Spaces Plan and Commuter Rail / Fast Ferry. MOTION PUT AND PASSED.**
10. **Approve an increase of \$2.2 million to the 2014-2015 gross capital budget for the Dartmouth Sportsplex Renewal and Refurbishment (Account CB0006) with funding from Regional Facility Expansion Reserve – Q145. MOTION PUT AND PASSED.**

Committee of the Whole proceeded to discussion on the Long Term Arena Strategy – Consolidation of Aging Arenas item at this time.

MOVED by Councillor Karsten, seconded by Councillor McCluskey, that Halifax Regional Council:

1. **Direct staff to commence planning for the construction of a 4-pad arena at Windsor Park to replace the Halifax Forum, Civic, Devonshire and Shannon Park arenas targeted to open in 2017;**
2. **Direct staff to negotiate a partnership agreement with Canadian Forces Base Halifax for construction of the Halifax 4-Pad arena and return to Council for approval of the agreement and subsequent construction;**
3. **Declare Halifax Forum and Civic arenas as surplus to recreation needs upon the completion of a partnership agreement for the Halifax 4-Pad and direct staff to commence master planning of the property;**
4. **Declare the Devonshire arena building surplus to recreation needs upon completion of the Halifax 4-Pad arena and direct staff to initiate the process to demolish the building and retain the land for future recreation needs;**
5. **Direct staff to commence planning for the construction of a 4-pad arena in Dartmouth to replace the Gray, Bowles, Lebrun and Centennial arenas targeted to open in 2019;**

6. **Direct staff to investigate the potential for locating the Dartmouth 4-Pad on Shannon Park lands and return to Council for final confirmation of the location;**
7. **Declare Gray, Bowles, Lebrun and Centennial arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad arena and direct staff to review the properties under Administrative Order 50;**
8. **Direct staff to include the arena projects in the strategic capital projects to be considered by the Audit and Finance Standing Committee for determination of capital priorities and funding strategies; and,**
9. **Direct staff to continue to explore funding from other levels of government and potential private sector partners.**

Councillor Karsten pointed out that the staff recommendation needs to be put on the floor to be debated before any amendments can be made to the motion.

Councillor Mason indicated that he will not be supporting the motion, as he supports the alternative of retaining the Halifax Forum. He commented that the Forum is a different kind of facility than a multi-pad arena, noting that it is also an entertainment and community facility in addition to the ice surfaces. He encouraged Council to defeat the motion on the floor so that an alternative motion can be brought forward.

Deputy Mayor Fisher spoke against the motion on the floor. He indicated that Council gave direction to staff to bring forward a report on consolidating the smaller community rinks into multi-pad arenas, which is the report before Council today. He reminded Council that it can't build new facilities and keep the old ones too.

Councillor Watts spoke against the motion, indicating that the DND proposal and the Halifax Forum proposal are proposing very different facilities. She commented on the community support of the Halifax Forum from people throughout the municipality, pointing to a petition received with over 1800 names in support of retaining the Halifax Forum. Councillor Watts spoke of continuing the community excellence of the Halifax Forum, including the importance of getting the extra ice pad, continuing energy retrofits, enhancing community space for many programs, the addition of a gym, having adequate dressing rooms for sports teams, and the excellent transportation connections including transit, cycling, and parking at the facility. She commented on significant development planned for the area, noting that the Forum will make the area that much more attractive and further enhance the ability of the north end to grow. Councillor Watts pointed out that the three guiding principles of the Community Facility Master Plan from 2008 were to build smart, build appropriate, and build only when necessary. She indicated that the community already has a functioning facility, and priorities must be given to upgrading facilities.

Councillor Walker spoke against the motion, noting that when the four-pad was built in Bedford, the understanding was that the next multi-pad was for Dartmouth. He has been hearing strong opinions from residents in favour of retaining the Halifax Forum arena. Councillor Walker pointed out that the Centennial Arena was a community rink, build by and paid for by the former County of Halifax, and put under management agreement at the time of amalgamation. He commented that he liked the proposal brought forward by Dalhousie and St. Mary's and thought it had merit, although it was not brought forward with this report.

Councillor Mosher spoke against the motion, and commented on the historical importance of the heritage building that houses the Halifax Forum. She noted that the Forum hosts many events such as concerts, trade shows, bingo, hockey, community meetings, prize fights, and has a sense of community vibrancy and spirit. Councillor Mosher commented that the business case for the economic revitalization of the forum is very strong, and the proposed upgrades to the Forum will enhance the community space for future users through improved ice surfaces, crime prevention through environmental design (CPTED)

upgrades, and accessibility improvements. She commented on the affordability of ice rentals in a multi-use facility, indicating that the ice costs at the four-pad are 40% higher. Councillor Mosher commented that the neighbouring residents of the Forum consider it a community hub. She suggested that the value of the Forum land is overstated in the report, and commented on the element of risk associated with the DND proposal, given that HRM does not own the land.

Committee of the Whole proceeded to vote on the motion before them.

MOTION DEFEATED.

MOVED by Councillor Mason, seconded by Councillor Watts:

- 1. Direct staff to commence planning for the renovation of the Halifax Forum in a multi-year planned strategic project based on the Forum Community Association submission and developed to ensure best design, plan, and possible on site partnerships for the forum site including possible mixed use opportunities, targeted for completion in 2019;**
- 2. Direct staff to commence planning for a renovation of Centennial Arena as a planned strategic project, targeted to for completion in 2017;**
- 3. Declare the Devonshire arena building surplus to recreation needs upon completion of the Halifax Forum 3-Pad complex and direct staff to initiate the process to demolish the building and retain the land for future recreation needs;**
- 4. Direct staff to commence planning for the construction of a 4-pad arena in Dartmouth at Commodore Drive as a planned strategic project to replace the Gray, Bowles, and Lebrun arenas targeted to for completion in 2017;**
- 5. Declare Gray, Bowles, and Lebrun arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad arena and direct staff to review the properties under Administrative Order 50;**
- 6. Direct staff to include the arena projects in the strategic capital projects that were considered by Regional Council for determination of capital priorities and funding strategies; and**
- 7. Direct staff to continue to explore funding from other levels of government and potential private sector partners.**

Committee of the Whole recessed at 3:12 p.m., and reconvened at 3:27 p.m.

The Committee agreed to defer to a future Council meeting the following items:

- Audit and Finance Standing Committee - Building Canada Fund Infrastructure Projects; and
- Community Planning and Economic Development Standing Committee - Gymnasia Analysis – Peninsula Halifax (Information Report)

At the request of Councillor Dalrymple, Mr. Keefe advised that the Halifax and Dartmouth multi-pad arenas can be built without raising rural and suburban taxes. He noted that between the sale of the surplus lands and the reserve, there will be enough to fund these projects.

Councillor Rankin cautioned against directing staff to follow the commission's proposal for the Halifax Forum before it has been fully examined. He indicated there are not sufficient funds for the projects that staff brought forward, and funding is reliant on potential contributions from the private sector and other levels of government. He noted concern that other projects may suffer if a funding shortfall is realized.

Mr. Labrecque clarified that if Council were to approve recommendation #1 to direct staff to commence planning for the renovation of the Halifax Forum, staff would bring back a plan to Council for how it would be implemented, which could then be incorporated into the budget process.

Councillor Mason spoke in favour of the motion, reminding Council that the recommendations are to provide clear direction to staff to commence planning these projects, and staff will come back to Council with more details.

Councillor Mason suggested an amendment that all other arenas be re-capitalized as per the Long Term Arena Strategy passed by Council on August 14, 2012.

Mr. Anguish indicated that staff do not feel this would be necessary as it was already approved by Council.

MOVED by Councillor Mason, seconded by Councillor Watts, that recommendation #2, as follows, be deleted:

- 2. Direct staff to commence planning for a renovation of Centennial Arena as a planned strategic project, targeted to for completion in 2017.**

Councillor Walker indicated he would support the motion as long as it is were not linked to the Dartmouth four-pad.

Mr. Anguish clarified that deleting recommendation #2 would be following the recapitalization plan as outlined in the approved Long Term Arena Strategy presented in August of 2012. The rinks that would continue along the path of recapitalization would be the Spry, Centennial, and Musquodoboit arenas.

Responding to an inquiry from Councillor McCluskey, Mr. Anguish clarified that in terms of inventory, staff are trying to keep the inventory at 25 arenas.

Responding to an inquiry from Mayor Savage, Ms. Denise Schofield, Manager, Recreation and Culture, clarified that the recapitalization costs of the Centennial Arena would be approximately \$2.1 million.

MOTION PUT AND PASSED.

Deputy Mayor Fisher suggested that the Devonshire arena is in poor condition and will not last until 2019.

MOVED by Deputy Mayor Fisher, seconded by Councillor Karsten, that recommendation #3 be amended as follows:

- 3. Declare the Devonshire arena building surplus to recreation needs upon completion of the *Dartmouth 4-Pad* complex and direct staff to initiate the process to demolish the building and retain the land for future recreation needs.**

MOTION PUT AND PASSED.

Deputy Mayor Fisher noted that Committee of the Whole already dealt with recommendation #6 this morning.

MOVED by Deputy Mayor Fisher, seconded by Councillor Mason, that recommendation #6, as follows, be deleted:

- 6. Direct staff to include the arena projects in the strategic capital projects that were considered by Regional Council for determination of capital priorities and funding strategies.**

MOTION PUT AND PASSED.

Deputy Mayor Fisher commented on offsetting costs by partnering with the private sector and tying together public and private properties.

Councillor Karsten commented that Council has not received a response with regard to their request that staff explore where programming and events currently held at the Forum could be relocated. He noted conflicting direction to staff contained in recommendation #1, directing them "to commence planning for the renovation of the Halifax Forum in a multi-year project based on the Forum Community Association submission", and at the same time also directing them "to ensure best design, plan, and possible on-site partnerships for the forum site including possible mixed use opportunities." He inquired as to the author of the Forum Community Association submission.

Mr. Labrecque indicated that staff would confirm the requirements of the project from Council, review the submission from the Association and come back to Council.

Responding to a question from Councillor McCluskey, Councillor Watts clarified that the inclusion of a gymnasium in the Forum proposal is to fill a need for gym space available to groups on the peninsula. She indicated that the closure of the Bloomfield Centre and St. Pats High have further contributed to the problem.

At the request of Councillor McCluskey, Mr. Anguish clarified that the annual operating cost for each arena added to the inventory is about \$650,000.

Deputy Mayor Fisher took the Chair at this time, and Mayor Savage left the meeting.

MOVED by Councillor Craig, seconded by Councillor Karsten, that motion #1 be amended, as follows:

1. **Direct staff to commence planning for the renovation of the Halifax Forum in as a multi-year planned strategic project based on:**
 - a) **the Forum Community Association submission and developed to ensure best design, plan, and possible on site partnerships for the forum site including possible mixed use opportunities, targeted for completion in 2019; and**
 - b) **include analysis for the Forum Complex redevelopment without the Forum and Civic Arena ice surfaces, and includes the construction of a 4-pad arena at Windsor Park to replace the Halifax Forum ice surface, Civic ice surface, and the Devonshire and Shannon Park arenas targeted to open in 2019;**
 - c) **bring analysis back to Regional Council for consideration.**

Councillor Craig commented on the historical and community importance of the Halifax Forum. He noted his own experience with chairing a multi-district facility, indicating that it is not an easy task. Councillor Craig quoted from the submission by the Halifax Forum Association that "The redevelopment facility is seen as a centre requiring no operating subsidy or grant from HRM." He noted that in the audited statements from 2005 to 2013 there is an operating grant of \$102,800, a capital grant of \$335,000, and \$416,510 from universal capital funding. Councillor Craig further noted that in 2006 the Association was given \$1.75 million for the Forum Bingo Hall which the group was going to pay through payments of \$87,500 plus interest over 20 years.

Mayor Savage returned to the meeting at this time and returned to the Chair.

The meeting recessed from 4:25 p.m. to 4:30 p.m.

At the request of members, Mr. Traves clarified that a notice to amend must be relevant to the question, and cannot propose a direct negative to the question, and based on that test the amendment on the floor is debatable.

At the request of Councillor Watts, Ms. Schofield clarified that Regional Council approved an operating grant for the Forum a few years ago relating to the CUPE contract costs. She further clarified that the debenture is on the municipality's books because it is a municipal facility, and the facility has been making their payments on a regular basis.

Councillor Outhit spoke in support of the amendment, commenting that it could be an opportunity to welcome a funding partner, save a portion of the Forum and the Centennial arena, and get four new ice pads.

Councillor Karsten spoke in favour of the amendment and encouraged Council to give staff direction to tie this proposal into the analysis for consideration.

Councillor Hendsbee spoke in favour of the amendment, noting that it is a clever approach to repurposing the site. He suggested that the Forum site does not have to have an ice surface, noting its many other uses. He noted the small area that houses the Forum complex and indicated that it is already a congested area.

Councillor Whitman spoke in favour of the amendment, noting that it is a financially based proposal, and that there is not a lot of risk involved with directing staff to take a look at this.

Councillor Mason spoke against the motion, suggesting that a forum without an ice surface would become an underutilized facility.

Councillor Walker cautioned Council about sending staff in a different direction without having an opportunity for due consideration.

Councillor Craig commented that the intent for the amendment is to keep the Forum complex, through expanding the possibilities for the community in a fiscally responsible way, without focusing on the ice surface.

Councillor Mosher spoke against the motion, noting that the Forum is a multi-purpose facility, one third of which is the arena. She indicated that the site needs to be redeveloped with the arenas remaining as part of the complex.

Councillor Rankin commented on the benefits of a four-pad facility compared to a three-pad facility, noting that over the long term a four-pad is more efficient and is better able to meet the demands of the regional centre. He spoke in support of the amendment, indicating that it could be an opportunity to accommodate both proposals by moving forward with a four-pad and maintaining the Forum property.

In response to an inquiry from Councillor Watts, Mr. Anguish clarified that with regard to the DND proposal, the municipality and DND would partner throughout the facility. DND's ice demands would largely be in the daytime and the municipality's demands would largely be during the evening.

Responding to questions from Councillor Outhit, Mr. Anguish indicated that DND currently use their own ice surfaces at Shannon Park and Shearwater arenas. He clarified that after Shannon Park closes, DND will consolidate their needs at the Shearwater arena, leaving little time for public use of the arena. Mr. Anguish further clarified at the request of Councillor Outhit that the net capital cost of the DND four-pad would be approx. \$18.1 million and the net capital cost of the Forum three-pad would be approx. \$39.3 million. Mr. Anguish also clarified that, due to the strong projected performance through bingo and concessions, the Forum three-pad net operating surplus would be approx. \$14 million, and the net operating surplus for the DND four-pad would be approx. \$9.2 million.

Mr. Anguish advised at the request of Councillor Johns, that there are several ice surfaces not owned by the municipality which are included in the inventory of 25 ice surfaces discussed earlier, including Shannon Park, Shearwater, Sackville, the Rocky Lake Dome and Saint Mary's University.

MOTION DEFEATED.

Committee of the Whole recessed at 5:24 p.m. and reconvened at 6:04 p.m.

Councillor McCluskey stated that she was troubled by replacing the Gray Memorial Arena and the Bowles Arena. She felt that residents in the areas of the Bowles and Gray Memorial might not be able to get to a centralized rink as many walk to those arenas. She suggested that the proposed four-pad arena be changed to a three-pad and keep either the Gray Memorial or the Bowles Arena.

MOVED by Councillor McCluskey, seconded by Councillor Rankin to direct staff to change the proposed four-pad arena to a three-pad arena in order to keep either the Bowles Arena or the Gray Memorial Arena in operation; whichever arena is in the best condition.

Mr. Anguish advised that a 3-pad scenario in comparison of a 4-pad scenario would cost \$7 million over a 25 year period. In addition, keeping one of the other arenas would cost an additional \$650,000 each year in operating expenses.

Councillor McCluskey replied that while it might cost additional money to keep an arena open, there would be a facility for residents to get too. She added it needed to be a consideration as the Municipality looked at promoting healthier communities.

MOTION DEFEATED.

Councillor Adams wanted to know if there would be any long term or short term effects to the Spryfield, Musquodoboit and Centennial for ongoing repairs and upgrades. He asked that proper communication be given to all users of the Forum and the bingo hall after whatever decision Council makes. He requested that staff consider any opportunities to utilize Exhibition Park to convert it into an arena.

Councillor Nicoll stated that she did not feel the data was properly shared with Council.. She requested that better data be provided to Council regarding community requirements and broken down by geographic area.

Councillor Rankin requested that the staff report include where the extra funding would come from to cover the new order of costs coming out of the new requests for facilities. He also questioned when Council might expect that information.

Mr. Greg Keefe, Director of Finance advised that staff will have the details in the proposed capital budget in November or December. He noted that there is enough money in the budget, through sale of land and contributions to reserves, to do the option currently before Council. He noted that the difference between the staff option and the option being considered by Council is that under staffs' option there would be \$43 million remaining and only \$19 million would be available for the potential projects.

Councillor Outhit advised he supported saving the Forum because of the additional functions it was used for. He stated he was fine for the LeBrun Centre to be closed once the other four-pads were built around the city. He wanted the facility to be repurposed and wanted to know if it could be used for other needs in the Bedford area such as a library, pool etc. While he was fine with the rink closing, he reiterated that he wanted confirmation that the overall centre would not be closed.

Mr. Anguish stated that staff would use the proceeds of closing the LeBrun arena to offset the costs of running the whole centre. Council had given staff direction to complete the Community Facilities Master Plan Update which would allow staff to assess what the needs are in the community and additional information on the LeBrun Arena..He indicated that, if the costs seem to creep higher than presented to Council staff would bring that cost increase back to Council and request direction.

Councillor Hendsbee stated that he did not see any reference to Shannon Park in the motion. He remarked that Halifax Transit be incorporated into access to the site of the new four-pad facility.

Mr. Anguish stated that Shannon Park was a decision that would be taken down the road. If Shannon Park were to close, then staff would come back to Council and adjust the plan to ensure the municipality did not fall below an inventory of twenty five arenas.

Ms. Schofield advised that when the arena analysis was undertaken, transportation linkages were considered. She added that they would take the comments and feedback away and discuss with Halifax Transit.

Councillor Karsten reiterated comments on ensuring that there was adequate transit going to and from the new arena. He commented that he had heard from residents that too often only the bottom line is considered when approving projects. He added that while the Municipality can afford some of these projects, the Ivany Report has come out and clearly stated that governments need to find new methods of funding and doing business differently.

Councillor McCluskey wanted to know if the Shannon rink were to close what rink would possibly be considered to keep open.

Mr. Anguish advised that as an interim measure one of the rinks would be kept open. He stated that if Shannon rink were to close, staff would come back to Council and look for direction.

Mayor Savage commented that the discussion on the arena strategy was a good one. He stated that there were good reasons to keep the Halifax Forum open. He stated that while there may be a financial gain by closing it, other considerations such as what types of communities do we want to build and live in. He added that while the line should be held on taxes there is also a need to invest in our communities. He concluded by stating he was pleased with the Committee of the Whole discussion and the opportunity to enhance communities while protecting the municipalities finances and felt that the motion before Council was a positive step forward.

Councillor Hendsbee indicated that the Dartmouth Curling Club expressed interest in using the Bowles Arena. He asked if it could be sold to the club and if it would be sold at fair market or less than market value. He requested staff comment on if other variables such as community growth or other communities and private ice providers were to come forward with possible ice surface plans how and when staff would reevaluate the strategy. Councillor Hendsbee thanked the members of the long term arena strategy committee and the staff involved for all the work involved in the input for the strategy.

Mr. Anguish advised that the target of maintaining twenty five arenas would always be under evaluation.

The motion, as amended, was now before the Committee, as follows:

MOVED by Councillor Mason, seconded by Deputy Mayor Fisher that Halifax Regional Council:

- 1. Direct staff to commence planning for the renovation of the Halifax Forum in as a multi-year planned strategic project based on the Forum Community Association submission and developed to ensure best design, plan, and possible on site partnerships for the forum site including possible mixed use opportunities, targeted for completion in 2019.**
- 2. Declare the Devonshire arena building surplus to recreation needs upon completion of the Dartmouth 4-pad complex and direct staff to initiate the process to demolish the building and retain the land for future recreation needs.**
- 3. Direct staff to commence planning for the construction of a 4-pad arena in Dartmouth at Commodore Drive as a planned strategic project to replace the Gray, Bowles, Lebrun arenas targeted for completion in 2017**

4. **Declare Gray, Bowles, and Lebrun arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad arena and direct staff to review the properties under Administrative Order 50.**
5. **Direct staff to continue to explore funding from other levels of government and potential private sector partners.**

MOTION PUT AND PASSED.

The Mayor reminded Council that the other items on the Committee of the Whole agenda would be deferred to a future meeting of Council.

5. ADJOURNMENT

The meeting was adjourned at 7:10 p.m.

Cathy J. Mellett
Municipal Clerk