HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE MINUTES January 24, 2006

PRESENT: Mayor Peter Kelly

Deputy Mayor Russell Walker Councillors: David Hendsbee

> Harry McInroy Gloria McCluskey Andrew Younger Bill Karsten

Bill Karsten Becky Kent Jim Smith Mary Wile

Patrick Murphy Dawn M. Sloane Sheila Fougere Debbie Hum Linda Mosher Stephen D. Adams

Brad Johns

Robert P. Harvey Len Goucher Reg Rankin Gary G. Meade

REGRETS: Councillor Steve Streatch

Councillor Krista Snow Councillor Sue Uteck

ALSO PRESENT: Mr. Dan English, Chief Administrative Officer

Ms. Mary Ellen Donovan, Municipal Solicitor

Ms. Jan Gibson, Municipal Clerk

Ms. Sheilagh Edmonds, Legislative Assistant Ms. Julia Horncastle, Legislative Assistant

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1. CALL TO ORDER

The meeting was called to order at 10:37 a.m.

Councillor Hendsbee suggested the agenda items be amended to allow the discussions on taxation and fiscal framework to be held in the afternoon when that portion of the meeting is slated to be televised.

MOVED by Councillor Hendsbee, seconded by Councillor McCluskey that the order of the agenda be amended so that the agenda items of Taxation and Fiscal Framework be discussed in the afternoon session.

In response to a question from the Mayor, Mr. Brad Anguish, Director of Environmental Management Services advised that his Bylaw staff were not in attendance at this time as the item was slated for the afternoon session.

MOTION DEFEATED.

2. APPROVAL OF THE MINUTES - NONE

3. COUNCIL FOCUS AREA - TAXATION

This matter was deferred from the January 17, 2006 meeting of Committee of the Whole.

A document entitled, Taxation Background and Discussion Paper, dated January 17, 2006 was submitted.

Mr. Bruce Fisher, Manager, Financial Planning addressed Council in regard to the Focus Area of Taxation, reviewing the areas of concern which arose out of Council's workshops. Mr. Fisher outlined the current initiatives with regard to Revenue Strategy, Commercial Taxation and Competitiveness, Business Occupancy Tax, Local Improvement Charges, Capital Cost Contribution, Tax Burden, and Heritage Rebates.

Mr. Fisher advised staff is seeking confirmation to move forward on the revenue strategy, including confirmation of working with the Province on these issues. Further, staff was seeking confirmation to proceed with the tax consultation sessions in the spring of 2006; to continue with commercial tax benchmarking and analysis, and to continue on its approach on the Business Occupancy Tax elimination

A discussion ensued with Mr. Fisher responding to questions. The following comments and questions were put forward by Council:

It is important to engage in a dialogue with the public and to find out what they are willing to pay in taxes, and what they expect to receive in return.

MOVED by Councillor Fougere, seconded by Councillor Goucher that Regional Council endorse the following direction:

- 1. Working with the Province of Nova Scotia, proceed with taxation consultations in the Spring of 2006, returning to Council in the Fall of 2006 in advance of the 2007-2008 budget deliberations.
- Consider any broad revisions to tax boundaries as part of the overall review of the tax system. Technical changes to tax boundaries (as required) for 2006-2007 could be considered in the 2006-2007 budget.
- 3. Continue with commercial taxation competitiveness analysis and benchmarking and return to Council in the Fall of 2006 with the results and any recommendations.
- 4. Recommend an approach to the elimination of the BOT, starting with 2006-2007budget.
- 5. Examine LICs and CCC as part of the Revenue Strategy and make any appropriate recommendations to Council in the Fall of 2006.
- 6. Incorporate tax burden information into the 2006-2007 budget debate and future Council deliberations.

Council continued its discussion with the following points noted:

Concern was expressed about the impact that eliminating the Business Occupancy Tax and replacing it with the Commercial Tax will have on those individuals who have commercial buildings with vacant space.

At 11:08 a.m. Councillor Adams entered the meeting.

C Taxpayers are not so much focussed on the tax rate as they are on the final number at the bottom of their tax bill.

At 11:12 a.m. Councillor Mosher entered the meeting.

- There is a need to consider how vacant buildings will be treated; i.e. how they will be taxed when they have been vacant and boarded up for years,,
- The tax structure should show the actual services provided for a particular area; should put snow removal on urban tax base and show this on the tax bills,
- C Municipally-owned, volunteer operated facilities are having difficulty in maintaining

- operation this winter suggestion that HRM start contributing half the cost of items like power, and insurance,
- The proposal to phase out the Business Occupancy Tax over seven years is too long,
- Staff should ensure that the taxpayers are aware of the lift the Province gets from HRM's taxpayers (e.g. This year the Province will get a nine million dollar lift),
- C The present assessment system, which is based on market value does not take into account a person's ability to pay the taxes on that assessment,

Councillor Adams noted that, previously, he has asked staff to give consideration to the elimination of the use of assessments and, instead, replace it with a base tax. He questioned if this was addressed in the submitted report. In response, Mr. Fisher advised that staff were aware of Councillor Adams suggestion to freeze the tax bill and take the additional funds required and spread it evenly over all properties and dwellings. He added that this report has a different focus and, therefore, does not offer any new suggestions in regard to a new tax system; however, the Councillor's suggestion is still under consideration by staff.

- Council needs to examine all departments and cut nonessential services; as an example, Council should look at whether the Municipality should be paying for high school gyms,
- The present tax system is advantageous for the Province need a mechanism to stabilize the tax rate; should focus on the cost to provide a service this year vs. last year,
- The Municipality is too dependent on property tax for revenue need to work with Provincial and Federal governments to get an increase in the share of revenues,
- C HRM needs to show leadership and look at what will benefit all the Municipalities in the Province instead of only HRM,

Councillor McCluskey requested a report on why HRM has not challenged the fact that P3 Schools, which are profit making schools, do not pay taxes to the Municipality. As well, she asked that the report address why the jail in Dartmouth is assessed as a nonprofit institution.

- Concern was expressed regarding the area rate tax discussions it was noted that no matter how desperate a service is needed in a particular area, people will tend to vote "no" just so they will not have to pay more taxes,
- Need a re-evaluation of the area rate policies,
- Need a re-evaluation of the different tax categories (suburban, rural and urban); a tax structure that truly reflects the services in the area,

Councillor Mosher noted that last year she and Councillor Snow had asked for a report, pertaining to their respective districts, which looked at changing some of the classifications of Suburban, Rural, and Urban. She asked that staff include this in any

report they are bringing back. Councillor Mosher had further suggested Council support the eliminating LIC's for specific road classifications such as highways, collector roads, and arterial roads as well as support a legislative change to look at Councillor Adams suggestion on taxing, or putting a cap on assessments. Referencing the temporary tax credit, she suggested a report come back recommending a full 100% over 10%. She also asked that when staff are sending out tax bills, they note on the bill, for the public's information, entitled "A Question of Balance and Assessment of the State of Local Government in Nova Scotia", prepared for the UNSM.

Councillor McCluskey listed infrastructure charges and questioned how much HRM is presently charging for: new or expanded water systems; new or expanded wastewater systems; new or expanded stormwater systems; new or expanded streets; upgrading intersections; new traffic signs and signals; and new transit bus bays. Councillor McCluskey requested that staff provide a report confirming that whatever the Municipal Government Act enables the Municipality to charge for under the Capital Cost Contributions, that it is doing so.

MOTION PUT AND PASSED.

RECESS

At 12:20 p.m. Council recessed.

The meeting reconvened at 1:30 p.m. with the following members of Council present: Mayor Kelly, Deputy Mayor Walker and Councillors Hendsbee, McInroy, McCluskey, Younger, Karsten, Kent, Smith, Wile, Murphy, Sloane, Fougere, Hum, Mosher, Johns, Harvey, Goucher, Rankin and Meade.

4. COUNCIL FOCUS AREAS - STATUS UPDATE

Later in the meeting, a motion was passed to defer this item.

5. FISCAL FRAMEWORK

Later in the meeting, a motion was passed to defer this item.

6. BY LAW N-300, RESPECTING NUISANCES

Mr. Brad Anguish, Director, Environmental Management Services, outlined the presentation for Council. He noted the By-law was harmonizing legislation from former municipalities, assessing redundant legislation and taking new Council input and blending it with those two activities. In essence one By-law has been created that sets the groundwork to repeal thirteen By-laws.

Supt. Mike Bell, Halifax Regional Police, outlined the report noting:

- Appendix "C" covers all old By-laws,
- Appendix "D" provides legislation to give the police authority to arrest or detain a person in possession of a pellet gun, paint ball gun, etc.,
- Paint ball businesses was taken out of the By-law,
- Part 6 of the By-law provides the police the authority to arrest a person without a warrant in the case of aggressive solicitation,
- Appendix "F" provides legislation to address littering complaints,
- The shopping cart portion deals with the responsibility by the cart owner to ensure they are not taken off property and subsequently abandoned,
- The smoke portion deals with inconvenience to persons in the vicinity of an outdoor wood burning device.

MOVED by Councillor Younger, seconded by Councillor Smith, that Regional Council approve in principle:

- 1. By-Law N-300, respecting Nuisances (attached as Appendix A to the December 28, 2005 staff report);
- 2. An amendment to Administrative Order 15, Respecting License, Permit and Processing Fees (attached as Appendix B to the December 26, 2005 staff report);
- 3. Authorize staff to arrange for the formal adoption of the By-law and Administrative Order.

Following the placement of the motion on the floor Council brought forward the following issues and items to be addressed prior to the adoption of the By-Law:

- Whether the word "smoke" applies to barbecues,
- What are the exemptions regarding smoke such as barbecues, wood furnaces, etc.
- There needs to be a provision in the Administrative Order for smoke exclusions in ceratin rural and suburban areas,
- The By-Law should only apply in those areas where it is wanted and adapted to fit situations as one By-Law does not fit all,
- Was the issue of limiting the purchase of firecrackers by youth taken into consideration.
- What can be done from an enforcement perspective to address habitual and ongoing complaints with regard to the littering By-Law,
- How can the By-Law address the issue of noise from mufflers,

Councillor Goucher left the meeting at 2:18 p.m.

• Staff look closely at any device that would put smoke into the atmosphere and perhaps examine an exemption for wood stoves and barbecues and focus on

- outdoor wood burning devices,
- What education process is in place to allow an enforcement officer to comprehend and understand these By-laws,
- Is it the responsibility of the homeowner to pick up litter in front of a property between the curb and sidewalk,
- Are illegal signs covered under this By-Law,
- Who will be tracking the notifications for shopping cart retrieval and how will the carts be impounded,
- A By-Law on the sale of fire crackers should be introduced stating no person can ignited a fire cracker within the HRM boundaries,
- Can the By-Law state that every store that uses a shopping cart must have mechanisms in place so that the carts cannot go outside the boundaries of the store.
- Beach pits and open campfires need to be examined as part of the By-Law,
- There is a problem with street hockey and portable hockey nets as well as basketball stands being left on the streets,
- Concern with street hockey becoming illegal in HRM.

Without a vote being taken on the motion on the floor, the following motion was placed.

MOVED by Councillor Younger, seconded by Councillor Hendsbee, that the exemptions from smoke portion of the By-Law include:

- 1. Properties over one acre or more in size
- 2. Residences in rural tax areas
- 3. Barbecues and in door wood burning devices which are used in accordance with the manufacturers recommendations
- Condos and apartment buildings having wood burning devices be examined,

Without a vote being taken on either the motion or amendment the following amendment was made.

MOVED by Councillor Rankin, seconded by Councillor Johns, that #2 of the amendment be amended to include suburban areas.

- Examine wording to exclude barbecues when they are used in the manner in which they are intended to be used,
- Tar kettles used in roofing repairs should be included in the exclusion part of the By-Law,

Mr. Anstey, Acting Chief Administrative Officer, suggested Council vote on Part 1 - Nuisance on Streets and Part 2 - Shopping Carts and refer Part 3 - Nuisance from Smoke back to staff.

- The use of commercial wood stoves and appliances should be examined and also the wording "persistent inconvenience" should be examined as a definition in the By-Law,
- What impact will this have on the lumber industry specifically the industries within the boundaries of the Municipality,
- The word "unreasonably" be eliminated as it relates to disturbance of neighbours,.

RECESS

Council recessed at 3:45 p.m. and reconvened at 4:11 p.m.

At this time Council passed the following motions on the two remaining agenda items.

4. COUNCIL FOCUS AREAS - STATUS UPDATE

MOVED by Councillor Rankin, seconded by Councillor Sloane, that item #4, Council Focus Area - Status Update, be deferred to Tuesday, February 7, 2006. MOTION PUT AND PASSED.

5. FISCAL FRAMEWORK

MOVED by Deputy Mayor Walker, seconded by Councillor Rankin, that item #5, Fiscal Framework be deferred to Tuesday, January 31, 2006 at 1:30 p.m. MOTION PUT AND PASSED.

MOVED by Councillor McCluskey, seconded by Councillor Hendsbee, that the words "playing and game or sport" be removed from Section 3(2)(b) as it refers to cul de sac and dead end streets.

It was agreed that this item be referred to staff to be discussed with other items.

- How does police currently address sports and games on streets,
- Would there be liability issues if a child is hit by a vehicle while playing on a street.

The motion before Council now reads:

MOVED by Councillor Younger, seconded by Councillor Smith, that Regional Council:

- Approve in principle Part 1 Nuisance on Streets and Part 2 Shopping Carts of By-Law N-300, respecting Nuisances (attached as Appendix A to the December 28, 2005 staff report);
- 2. Refer Part 3 Nuisances from Smoke back to staff for a report back to Council addressing items raised during the meeting.

MOTION PUT AND PASSED UNANIMOUSLY.

7. <u>ADJOURNMENT</u>

The meeting was adjourned at 4:25 p.m.

Jan Gibson Municipal Clerk