HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE MINUTES

April 21, 2009

REVISED

PRESENT: Mayor Peter Kelly

Deputy Mayor David Hendsbee Councillors: Steve Streatch

Barry Dalrymple

Lorelei Nicoll Gloria McCluskey

Bill Karsten

Jackie Barkhouse

Jim Smith Mary Wile

Jerry Blumenthal Dawn Sloane Sue Uteck Jennifer Watts Russell Walker Debbie Hum Linda Mosher

Stephen D. Adams

Brad Johns Robert Harvey Tim Outhit Reg Rankin Peter Lund

REGRETS: Councillor Andrew Younger

STAFF: Mr. Wayne Anstey, Chief Administrative Officer

Ms. Mary Ellen Donovan, Municipal Solicitor Ms. Julia Horncastle, Acting Municipal Clerk Ms. Barbara Coleman, Legislative Assistant

Ms. Chris Newson, Legislative Assistant

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1. CALL TO ORDER

The meeting was called to order at 9:30 a.m.

2. APPROVAL OF THE MINUTES - March 31, 2009

MOVED by Councillor Blumenthal, seconded by Councillor Nicoll, that the minutes of March 31, 2009, be approved. MOTION PUT AND PASSED

3. TRANSPORTATION & MUNICIPAL TAX STRUCTURE - MULTI-DWELLING UNIT CLARIFICATION

- C An extract of the April 14, 2009 Regional Council draft minutes was before Council.
- A revised Options for Transit Taxation Chart was before Council.
- A copy of the Supplementary Information PowerPoint presentation on Transportation and Municipal Taxation Structure dated April 21, 2009 was before Council.
- A copy of the April 14, 2009 PowerPoint presentation on Transportation and Municipal Taxation Structure was before Council.

The following motion was deferred from the April 14, 2009 Regional Council session and was now before Committee of the Whole for consideration:

MOVED BY Councillor Adams, seconded by Deputy Mayor Hendsbee that Halifax Regional Council approve Transit Tax Structure based on Option 9 - One Area Rate and one General Tax Rate with multi-units at 50% of single family dwelling units, with the general tax portion to be phased in over three (3) years.

Mayor Kelly advised Council that there were issues over what the term multi-unit would encompass as well as issues with several other key factors. He asked staff to give further clarification.

Mr. Bruce Fisher, Manager, Fiscal & Tax Policy, gave a brief overview noting the following points:

- C Density is the key factor, the denser the area the more cost efficient it is to run a transit system.
- Multi-unit properties are more cost effective and will allow for more frequent service
- C The Regional Plan requested a type of taxation to encourage multi-unit developments.
- Option 9 looked at multi-unit developments such as apartments and condominiums, homes with basement apartments or trailers on land-leased land.
- The proposed tax rates would not be finalized until the budget is finalized.

Option 9 was amended to Option 9a to change multi-unit condominiums at 100%.

Mr. Fisher advised that the next steps would be to take direction from Council over the course of the budget being approved.

Ms. Cathie O'Toole advised that Option 9 was defeated at Council and Option 9a was put on the floor and deferred pending further clarification from staff.

Mr. Wayne Anstey, DCAO, clarified that the only difference between Option 9 and Option 9a is that Option 9 excludes condominiums. The motion that is on the floor is Option 9a.

Mr. Fisher also clarified that trailers in a land-leased park would also be included in this option.

Councillors Mosher and Wile entered the meeting at 9:54 a.m.

In response to Councillor Walker, Mr. Fisher advised that the numbers are based on the 2009 assessment roll and no matter which option HRM goes with there will be pressure in the tax rates.

Ms. O'Toole responded that these numbers are reflective of next year's operating and capital budgets. She advised that the remaining four years of the transit budget would come back for budget deliberations each and every year. She further suggested that if transit is a high priority for Council then perhaps projects that are of a lesser priority should be shelved for now and their budget be turned to transit.

Councillor McCluskey entered the room 10:00 a.m.

Discussion ensued with the following highlights noted:

- Condominiums can vary in price range going from low to high the same as a single family home.
- Catchment area is spread over all of HRM with the exception of District 1.
- C There are ups and downs in all districts depending where they live.

Ms. O'Toole advised that the recently approved fiscal framework and the budget will be balanced.

Councillor Adams requested that the mover consider that mobile homes stay as they are at 36% as an amendment.

Councillor Sloane entered the room at 10:10 a.m.

MOVED By Councillor Adams, seconded by Councillor Uteck that the motion be amended to leave mobile homes stay as they are at 25% of a single residential unit.

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Deputy Mayor Hendsbee entered at 10:18 a.m.

Discussion ensued on the amendment with the following comments noted:

- C Affordable housing needs to be taken into consideration.
- Mobile home owners are eligible to apply for low income rebates where condominium and apartment owners are not.
- Taxes on mobile homes are so low that they may have an increase but would not have to pay it due to this rebate.

MOTION DEFEATED

Discussion continued on the main motion with the following comments noted:

- C Perhaps the need to put this decision off for a year should be contemplated.
- C Should be looking at the process as opposed to looking at the numbers.
- Council directed the piece meal approach; the Tax Reform Committee would have preferred to bring a complete package for Council's approval.
- C Assessment is used across Canada so why should HRM be any different; breaking it down by service is too complicated.
- People who are parking on the streets in the downtown core should be charged for parking.
- Other services such as water and sewer should have been used as a tax test balloon for Tax Reform.

Councillor Walker requested that it be noted in the minutes that at no time did he say that he was against the expansion of transit.

In response to Council's concern that taxes would be doubling, Mr. Fisher clarified that transit is only a portion of the tax bill and people living farther away than the one kilometre would be paying less.

In response to the Mayor's question on the time frame of the conclusion of the Tax Reform report to Council, Mr. Fisher advised that he was hoping for spring of this year.

Concerns and questions were addressed by staff with the following highlights noted:

- No additional tax revenues were necessary to support transit this year.
- This is not about collecting more money but the actual tax structure to enable HRM to collect tax dollars from the rural or suburban areas for the requests for service that are coming forward.
- The ferry reserve is to be used for the replacement of existing ferries not the

- Harbour Link Ferry system.
- The low income threshold is \$29,000.00 and anyone making under that amount would be eligible for a rebate;

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The decision of this item will affect the Expanded Rural Transit Options.

The Mayor clarified the motion on the floor as follows:

MOVED BY Councillor Adams, seconded by Deputy Mayor Hendsbee that Halifax Regional Council approve Transit Tax Structure based on Option 9 - One Area Rate and one General Tax Rate with multi-units at 50% of single family dwelling units, with the general tax portion to be phased in over three (3) years.

MOTION DEFEATED

MOVED By Councillor Walker, seconded by Councillor Adams, that Halifax Regional Council approve Transit Tax Structure based on Option 6 - One Area Rate and one General Tax Rate using assessment.

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

MOVED By Councillor Walker, seconded by Councillor Adams, that Halifax Regional Council approve Transit Tax Structure based on Option 2 - General Tax Rate using assessment.

Councillor Barkhouse entered the meeting at 11:16 a.m.

In response to Councillor Rankin, staff responded that there is no area rate setback, everyone will pay taxes with the exception of the resource area.

In response to Councillor Sloane's comments regarding paying for parking on the street, Staff responded that they would check on that.

MOTION PUT AND PASSED

The meeting recessed at 11:49 a.m.

The meeting reconvened at 2:07 p.m. with the following Councillors present: Streatch, Dalrymple, Deputy Mayor Hendsbee, Nicoll, McCluskey, Karsten, Barkhouse, Smith, Wile, Blumenthal, Sloane, Uteck, Watts, Walker, Adams, Johns, Harvey, Outhit, Rankin, Lund and Mayor Kelly.

MOVED BY Councillor Rankin, seconded by Councillor Walker that the motion in

regard to the Transportation and Municipal Tax Structure - Multi-dwelling Unit be deferred to April 28, 2009 and not go forward to Regional Council at this time pending clarification from staff. MOTION PUT AND PASSED.

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Councillor Mosher entered the meeting at 2:10 p.m.

4. EXPANDED RURAL TRANSIT OPTIONS

- A copy of the PowerPoint presentation dated April 14, 2009 was before the Committee of the Whole.
- A copy of the Staff Report dated April 7, 2009 was before the Committee of the Whole.

Mr. Mike Labrecque, Director, Transportation and Public Works, presented the report.

In response to Deputy Mayor Hendsbee's concerns, Mr. Labrecque explained that if the urban tax boundary were erased, the existing Porter's Lake community transit service would become part of the new tax scheme. He advised that staff would provide more information in regard to currently funded community transit services including the proposed extension to the existing Porter's Lake service. Mr. Edward Robar, Manager, Planning and Product Development, Transportation and Public Works, added that if the tax adjustment did not go forward, adjustments would be made to the community transit service as per usual.

Deputy Mayor Hendsbee requested that staff confer with the Provincial Department of Transportation and Infrastructure Renewal in regard to placing designated bus stops along Highway # 7.

Councillor Streatch requested that any bus service provided to his area be a multi-purpose service with the ability to accommodate Access-A-Bus clients so as not to duplicate service. He noted that designated bus stops along Highway # 7 would be preferred. For many residents in his district, transit service would be a life changing event enabling them to travel to the city for appointments as well as work.

Mr. Robar advised that more detailed information in regard to the ridership numbers indicating what areas riders came from would soon be available as the data was currently being analysed.

MOVED BY Councillor Adams, seconded by Councillor Walker that Halifax Regional Council direct staff to:

1. Proceed with introducing the Sambro Loop Rural Transit route in 2009/10 on

a "pilot" basis using the MetroX vehicles and expansion funding provided by the fare increase.

- 2. Defer any requests for the additions of any new Rural Transit Services not currently in the 5-Year Approach to Transit Enhancements until a plan is in place to pay for the expanded services.
- 3. Develop Rural Transit Service Standards, and return to Council in September 2009 as part of the updated Operational Plan, with an outline approach and a financial plan to introduce Rural Transit Services, including recommendations to help Council determine under what conditions rural service should be expanded, and in what order of priority, recommendations regarding operational issues, service design and required changes to the 5 year capital plan, as well as the necessary adjustments required to the current approved 5 Year Approach to Transit Enhancements.

Councillor Dalrymple advised that, although he was supportive of the pilot project, he was concerned that the ridership may be very low and that buses may be taken from the proposed rural express routes to accommodate the project. He suggested that smaller buses be used to service the pilot project area. He explained that he would support the pilot project on condition that the rural express route for the Highway 102 corridor not be delayed.

Councillor Uteck noted that she was not pleased with Option 2 as most of her residents would pay more than they would under Option 9.

Councillor Johns explained that the motion currently before Council was contrary to the March 3, 2009 motion of Council that approved a number of rural transit service routes for inclusion in the 2009/10 budget. Mayor Kelly clarified that the intent of the earlier motion was for the issue to be discussed in the context of the overall budget approval process.

Ms. Cathie O'Toole, Director, Finance, confirmed for Councillor Johns that there were no funds designated for the Harbour Link in the 2009/10 budget as Council had deferred that item to provide priority to the Metro Transit Satellite Garage at Ragged Lake.

Councillor Karsten expressed concern with committing to a one year pilot project for an area with a small population base as the service would be highly subsidized. He explained that he would be more supportive if the project were more financially feasible.

Councillor Barkhouse commented that it was difficult to make a decision when information such as the projected recovery for operating the route was not available. She also questioned the status of the previously proposed pilot project intended for Cow Bay and

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suggested that a more thorough pilot project would include a community from each side of the harbour.

Councillor Walker noted that a previous motion of Council requested that the rural service be costed with conventional service data using a 40' bus, however; the intent was now to utilize a MetroX bus which would be smaller and therefore less costly. He requested a complete list of all transit routes and the area rates, including amounts paid, currently in effect.

Mr. Robar responded to Councillor Lund that route enhancements had been accommodated through the recent \$0.25 fare rate increase approved by Council which would take effect on July 1, 2009. He explained that a portion of that revenue would have to be deferred to cover the pilot project, if the project were approved, which would necessitate the elimination of an item(s) from the list.

Deputy Mayor Hendsbee noted that the community of Sambro was willing to pay an area rate for transit service and that the community should contribute toward the service as Porter's Lake did in order to obtain their transit service.

Due to time constraints and without a vote being taken on the motion on the floor, the matter was deferred to April 28, 2009.

5. CAPITAL PROJECTS RANKING

Deferred due to time constraints.

6. ADJOURNMENT

The meeting was adjourned at 3:35 p.m.

Ms. Julia Horncastle Acting Municipal Clerk