

HALIFAX REGIONAL MUNICIPALITY

HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE
MINUTES

November 17, 2009

PRESENT: Mayor Peter Kelly
Deputy Mayor Brad Johns
Councillors: Steve Streach
Barry Dalrymple
David Hendsbee
Lorelei Nicoll
Gloria McCluskey
Darren Fisher
Bill Karsten
Jackie Barkhouse
Jim Smith
Mary Wile
Jerry Blumenthal
Dawn Sloane
Sue Uteck
Jennifer Watts
Russell Walker
Debbie Hum
Linda Mosher
Stephen Adams
Robert Harvey
Tim Outhit
Peter Lund
Reg Rankin

REGRETS: Councillors: None

STAFF: Mr. Dan English, Chief Administrative Officer
Ms. Mary Ellen Donovan, Municipal Solicitor
Ms. Cathy Mellett, Acting Municipal Clerk
Ms. Christen MacDonald, Acting Municipal Clerk
Ms. Shawnee Gregory, Legislative Assistant
Ms. Krista Tidgwell, Legislative Assistant

TABLE OF CONTENTS

1.	CALL TO ORDER	3
2.	APPROVAL OF THE MINUTES.	3
3.	REQUEST FOR PROPOSAL 09-070 - LEASED OFFICE ACCOMMODATIONS (Deferred November 10, 2009).	3
4.	HRM REVISED DEBT SERVICING PLAN (Continuation from October 20, 2009).	4
5.	FOUR PAD ARENA FINANCING (Staff Presentation - To Be Circulated)..	5
6.	COMMITTEES OF COUNCIL REFORM (Deferred November 10, 2009).	7
7.	ADJOURNMENT.	12

1. CALL TO ORDER

The Mayor called the meeting to order a 9:39 a.m.

2. APPROVAL OF THE MINUTES - NONE

3. REQUEST FOR PROPOSAL 09-070 - LEASED OFFICE ACCOMMODATIONS

- A report dated October 7, 2009 was before Council.
- A presentation was before Council.

Mr. Peter Stickings, Manager of Real Property, provided the presentation on Request For Proposal 09-070 - Leased Office Accommodations. He noted that a new set of slides which had been recalibrated around the museum discussion on November 10, 2009 had been circulated in the agenda package. Highlights were as follows:

- The HRM lease in Duke Tower will end in February of 2011 and Crombie REIT, the property owner, has submitted a favourable renewal option;
- HRM owns Alderney Gate and upcoming space will become available on the 5th floor when the current Provincial offices leave that space in March of 2010;
- There may be other additional opportunities for office accommodations on the Dartmouth Waterfront. The Dartmouth Ferry Terminal, for example, would be an acceptable alternative;
- Crombie REIT has advised that they will fully renovate the 3rd floor of Duke Tower if HRM renews their lease;
- Crombie REIT would also make renovations in order for the HRM Customer Service Centre to have direct street frontage on Duke Street upon renewal;
- Crombie REIT is offering a lease renewal rate of \$12.00 a square foot which is lower than what HRM was paying in 1995 when the Duke Tower lease began;
- There is an opportunity to resolve the less than efficient use of the main floor of Alderney Gate.

A discussion ensued with staff responding to questions.

Regarding the former Halifax County building that was currently for sale, Mr. Stickings advised that it had been put forward under a private offering and the bidding had closed on October 30, 2009, however, the details of that process had not been made public yet.

Mr. Stickings indicated that, given the current rent structure and space available in the Halifax market, renting was a more attractive option than buying or building new space; noting that \$4,500,000 was the net cost of renting from Crombie REIT and the cost of a new building would be approximately \$13,000,000.

Mayor Kelly noted that staff should go beyond the ten years in calculating the net present value to know how these options would impact tax payers. Mr. Stickings indicated that he could do that as the net present value cost was one indicator.

MOVED BY Councillor Rankin, seconded by Councillor Karsten, that Halifax Regional Council award RFP 09-070 Leased Office Accommodation to the recommended proponent, Crombie REIT, and authorize staff to enter into detailed space design and lease contract based on the unit values outline in the report with funding as per the Budget Implications section of the report dated October 7, 2009.

Councillor Wile entered the meeting at 10:07 a.m.

A discussion on the motion ensued with staff responding to questions.

Councillor Karsten advised, for the record, that any reference to the former Dartmouth City Hall in the report dated October 7, 2009, should now be exempt from the conversation.

Councillor Sloane entered the meeting at 10:11 a.m.

Mr. Stickings advised that the renovations at Duke Tower would be done in stages and if any staff had to be moved Crombie did have a fully furnished swing space available in the building. He noted that, from a project manager perspective, these were well resourced and thought out renovations.

MOTION PUT AND PASSED.

The meeting recessed at 10:30 a.m.

The meeting reconvened at 10:52 a.m.

4. HRM REVISED DEBT SERVICING PLAN

- An extract of the Committee of the Whole minutes dated October 20, 2009 was before Council.
- A report dated March 19, 2009 was before Council.

Mr. Bruce Fisher, Manager of Fiscal and Tax Policy, provided an additional presentation on the HRM Revised Debt Servicing Plan. Highlights were as follows:

- The objective is to grow the Capital Budget and the strategy which was implemented in 1997 was not tailored for growth;
- Staff would like to get to the point where HRM will only be using debt for extra

- matters in order to obtain a level of sustainability for critical items;
- The designed strategy is relative to growth; not specific projects;

Councillor Hendsbee entered the meeting at 11:02 a.m.

Mr. Fisher advised that using the gas tax up front to fund projects with strong business cases could be useful, however, the gas tax was not enshrined in legislation and the provincial agreement was not clear as to whether or not HRM could use the tax up front and pay it back later. He also advised caution as the five year plan already accounted for five years worth of gas tax.

MOVED BY Councillor Walker, seconded by Councillor McCluskey, that Halifax Regional Council approve the revisions to the Debt Servicing Plan as part of the existing Multi-Year Financial Strategy, as outlined in the discussion section of the report dated March 19, 2009.

Councillor Mosher entered the meeting at 11:15 a.m.

A discussion on the motion ensued with staff responding to questions. The following points were noted:

- The funds moving from the Operating Budget to the Capital Budget will increase by \$10,000,000 from \$32,000,000 to \$42,000,000 over the next five years;
- Economic stimulus funds create approximately \$4,000,000 in capacity which will aid in funding the four pad arena;
- Both the four pad arena and the proposed central library had been estimated, at Council's request, at a worst case scenario of 100% debt funding and staff was now able to come back with strategies for avoiding that scenario;
- HRM's gross Capital Budget will be approximately \$762,000,000 over the next five years with a significant portion of that going toward transit related projects;
- There will be increases in the amount of debt HRM can issue;
- Gas tax is part of the overall capital process;
- Regarding funding for the central library, Build Canada has opened a file for the project.

MOTION PUT AND PASSED.

The meeting recessed at 11:50 a.m.
The meeting reconvened at 1:37 p.m.

5. FOUR PAD ARENA FINANCING

- A presentation dated November 17, 2009 was before Council.

Mr. Paul Fleming, Manager, Budget and Financial Analysis, delivered a presentation to Council.

Councillor Mosher entered the meeting at 1:38 p.m.

Councillor Hum entered the meeting at 1:40 p.m.

MOVED BY Councillor Outhit, seconded by Councillor Harvey, that Halifax Regional Council direct staff to include the proposed funding formula for the Four Pad Arena project, as outlined in the November 17, 2009 staff presentation, in the 2010/2011 budget process.

In response to a question from Councillor McCluskey, Cathy O'Toole, Director, Finance, Chief Administrative Officer, advised that the four pad business model did project operating revenues that would commence in the second year of operation. There are no operating revenues projected in the first year. The facility will not be open at the beginning of the fiscal year, it is scheduled to open September 2011. The facility will take in revenue from the point it opens but will not be in full operation until the first full fiscal year.

Ms. O'Toole advised that in order to fit the four pad into next year's budget, some of the projects would be shifted to the following years. She noted that this would change the timing for those projects but would not change the projects that are currently in the five year plan.

Ms. O'Toole briefly outlined the sources of funding for the four pad arena, including debt financing, pay as you go capital and capital budget infrastructure.

In response to a question from Councillor Uteck, Ms. O'Toole advised that staff would be coming back to Council with a list of projects approved by Council along with the impact. She noted that there may be changes between now and the time when the budget is tabled. Ms. O'Toole noted that through the capital budget process, staff would also solicit requests from Council to receive their input prior to developing the budget. Any changes would be reflected in the 5 year capital plan.

Councillor Karsten requested an update from staff in regard to the status of potential corporate sponsorship in terms of a name for the building and other sponsorship opportunities. Ms. O'Toole advised that the option for corporate sponsorship was still being worked on.

Councillor Blumenthal exited at 1:52 p.m.

In response to a concern raised by Councillor Hendsbee, Ms. O'Toole advised that staff as well as the School Board and Province are aware of the new Porters Lake school being

built.

In response to a question raised by Councillor Karsten, Mr. Hammond advised that staff would have a draft of where they believe the funding should be allocated but ultimately the budget would be set based on Council's direction to staff. Staff would then come back to Council with the new five year capital plan.

Ms. O'Toole advised that HRM will be required to split the \$8.5 million funding for the four pad arena into next year's budget to fully fund it. She noted that staff is phasing around projects over two (2) to five (5) years in the capital plan. Staff have been directed to start working on the budget based on a 70% capacity projected for years two (2) to five (5) as staff are eager to see the work underway. Ms. O'Toole noted that it is easier for staff to increase the budget at a later point, rather than decrease them. Staff will not be providing direction on the final 30% of capital budget envelopes until after the infrastructure Council focus areas have been completed.

Councillor Blumenthal entered at 1:57 p.m.

MOTION PUT AND PASSED.

6. COMMITTEES OF COUNCIL REFORM (Deferred November 10, 2009)

This item was deferred from the October 6, 2009 and November 10, 2009 Committee of the Whole.

- A presentation dated November 10, 2009 was before Council.
- A report dated November 5, 2009 was before Council.

Ms. Cathy Mellett, Acting Clerk/Manager, Municipal Clerks Office, provided a brief history to Council on the matter and delivered the presentation. Some of the highlights were:

- Council put forward three (3) governance priorities under the Governances/Communication Council focus areas:
 - Committees of Council Reform
 - District Boundary Review
 - Role of Community Council
- In 1994 there was no political consensus in the City of Halifax regarding committees of Council and standing committees.
- Committee of the Whole (COW) was implemented as a temporary measure until a recommendation on Committees of Council could be brought forward.
- In June 1997 Committee of Council was struck to analyse what approach should be taken to Committees of Council and they recommended an Ad Hoc committee structure, which is a combination of Councillors and citizens. A consensus was not

- reached.
- January 2006 HRM Regional Council asked HRM Membership Selection Committee to consider what consolidations or changes could be made to the Committee of Council structure.
 - Currently there are thirty-seven (37) active and forty-three (43) inactive HRM Committees involving 158 residents.
 - Discussions regarding Committees of Council Reform is not about the value of community but rather the best governance and advice Council can receive and the best methods to implement this.
 - Many residents provide input to Council through public hearings, community consultation plans, etc.
 - Most municipalities across the county are struggling with how to implement an effective Committee of Council government structure. Many have moved to a standing committee structure or are in the process of doing so.
 - Brampton, Ontario has a similar structure to the one HRM has now.
 - Councillor interviews were conducted in the summer and fall of 2008.
 - July 6, 2008 staff presented a number of options to the Membership Selection Committee. These ranged from consolidating a number of committees to a main committee structure, which would be comprised of both Councillors and members of the public to provide advice directly to Council. Also, the option of a standing committee structure, which would be members of Council sitting on a committee addressing the concerns and issues that Council felt were important.
 - Membership Selection Committee accepted, in principle, a move to standing committees. There are still a number of outstanding questions:
 - How would Councillors be appointed?
 - How many Councillors will sit on the committees?
 - What would be their powers and authorities?
 - Committees of Council would have six (6) or seven (7) Councillors on each Committee.
 - Membership Selection Committee is open to how Councillors are selected to sit on standing committees.
 - Mayor will be ex officio on all standing committees as currently provided for in Administrative Order Number One.
 - Citizens input would be strengthened by moving to a standing committee structure because the independent Standing Committees could determine what they need from citizens, either as advisory committees, stakeholder committees or other participation processes.

Ms. Mellett advised Council of the proposed structure. The highlights were as followed:

- Regional Council still retains all decision making powers and authorities.
- Committees of Council would report to Committee of the Whole.
- The six (6) Standing Committees proposed are: Executive Committee, Expanded Appeals Committee and Four Theme Committees: Finance and Audit, Environment

Sustainability, Planning and Transportation and Community and Economic Development.

- Standing Committees would be made up of Councillors.
- Standing Committees would determine what committees, advice and process they need to address questions they think should be brought to Council under those headings.

Councillor Uteck exited at 2:20 p.m.

Cathy Mellett advised that the Charter does not allow for delegated authority. She noted that there were no additional costs to the structure.

Following discussion from Council it was **MOVED BY Councillor Stretch, seconded by Councillor Smith, that Halifax Regional Council confirm the direction adopted by the Membership Selection Committee and:**

- 1. Adopt in Principle the six (6) Standing Committees of Council, as recommended by the Membership Selection Committee; and**
- 2. Direct staff to prepare the detailed Terms of Reference and implementation plan for the six (6) Standing Committees and related subcommittees, ensuring compliance with the Municipal Government Act (MGA), HRM Charter, and any applicable legislation.**

Councillor Walker raised concern that this matter should come into effect next November so that the Community Councils could elect the Chair they wish to sit on the standing committee.

Councillor Walker advised that the HRM Grants Committee had requested and received a presentation. The Grants Committee had great concern that items would be vetoed or misconstrued by the Standing Committees prior to reaching Council.

In response to a question from Councillor Walker, Ms. Mellett advised that staff was looking for direction from Council as to how they wished to proceed on the matter.

Councillor Walker suggested that staff should be presenting to each Committee for their input. Mayor Kelly responded that the Committee of the Whole (COW) would be making a recommendation to Regional Council.

In response to a concern raised from Councillor Blumenthal, Ms. Mellett advised that the Standing Committees would be able to determine the best way to receive citizen input.

Councillor Streach commented that the status quo is ineffective and dated. It is a time to

enhance and complement the Charter and this proposal allows for a higher level of discussion and increases the involvement of Councillors.

Councillor Sloane entered the meeting at 2:38 p.m.

Councillor Wile advised that the Advisory Committee for Persons with Disabilities (ACPD) has a specific purpose. She noted the ACPD is involved with many other committees and expressed concern in regard to standing committees not fully understanding the citizen need if there was only one or two citizens providing input.

Councillor Wile requested that staff provide an additional option to bring before Council.

Councillor Harvey requested that staff provide a status update on inactive Committees. He expressed concern that Council could end up with forty (40) advisory committees.

Councillor Karsten raised a concern that some Community Councils have representation from six (6) different areas. He noted that the bigger Community Councils would not be well represented with only one Councillor sitting on some Standing Committees. He suggested that there should be two (2) Councillors from larger Community Councils, such as Harbour East Community Council, appointed to Standing Committee.

Deputy Mayor Johns noted that both the Special Events Advisory Committee and the HRM Grants Committee have a very large volunteer base and raised concern in regard to losing those volunteers' input from the two Committees. Deputy Mayor Johns also suggested staggering the Councillor appointments to the standing committees so that both Councillors do not come off at the same time.

Councillor Hum requested staff provide an example of Ottawa's governance structure relative to advisory and sub-committees.

The meeting recessed at 3:09 p.m.

The meeting reconvened at 3:30 p.m. with Deputy Mayor Johns in the Chair.

Ms. Mellett clarified that the establishment of the sub committees' Terms of Reference is in the hands of the Standing Committees under the recommended model.

Councillor Mosher expressed concern that there was no formal transportation committee. She also expressed concern in regard to Councillors ending up on committees they may not have an interest in and how Councillors would be appointed. Councillor Mosher further asked how Council was going to get community involvement.

Councillor Hendsbee exited at 3:35 p.m.

MOVED BY Councillor Mosher, seconded by Councillor Karsten, that Halifax

Regional Council refer the matter back to the Membership Selection Committee for a supplementary report to address the concerns raised by Council.

Councillor Sloane expressed the importance of making sure Council is still engaging the community. She suggested that this proposal be phased in over a period of time, with Council having an opportunity to review the operation of the Committees under the six (6) themes to get the best outcome.

Councillor Hendsbee entered at 3:38 p.m.

Councillor Watts suggested if a matter is vetoed by the Standing Committee prior to going before Council that Council should be made aware of it.

Mayor Peter Kelly assumed the Chair at 3:44 p.m.

In response to a question from Councillor Walker, Ms. Mellett advised that the table of committees under discussion was provided as Appendix B of the report. She noted the police commission is not incorporated into the recommendation on Standing Committees. Mayor Kelly confirmed that the police commission would be governed by the Police Act.

Councillor Dalrymple suggested that the HRM Grants Committee and the Special Events Advisory Committee still report to Regional Council.

In response to a question from Councillor McCluskey, Ms. Mellett advised that the Standing Committees would not have the final decision making authority. Regional Council would have that authority.

Councillor Smith requested staff provide further information to Council as to how the committees would be amalgamated and under what authority will the standing committee create sub committees.

In response to a question from Councillor Sloane, staff advised they would look into whether Community Councils could/would be given more decision making authority.

Councillor Lund requested a supplementary report come back to Council in regard to what Council should be doing now. He advised that Council could look at combining committees and moving ahead with localized advisory committees prior to setting up the standing committees. He advised that these options should be included in the supplementary report. Councillor Lund asked what staff's intention was in regard to the watershed advisory groups. He noted that they are supposed to be going under the Environment and Sustainability Committee but there was no mention of this on the list provided to Council.

Kurt Pyle, Acting Supervisor, Planning Applications advised that staff is looking at combining all of the watershed resources into one group that would report to Council on policy issues relative to regulation and water protection issues.

Councillor Hendsbee raised concern with respect to the new expanded Appeals Committee and why they are only dealing with non ticket related issues. He advised that the SOT evaluation process needs to be evaluated. He noted the importance of Council to have an appeal process to deal with some cases before they go through a costly judicial court process. He further noted that liens could be levied and licences could be suspended or revoked. Mayor Kelly noted that this matter would be referred to the Legal Department to determine what is possible and not possible.

In response to concern raised by Councillor Nicoll, Cathy Mellet advised that the Youth Advisory Committee is an inactive Committee but staff could discuss this Committee with Councillor Nicoll further should she wish to do so.

Councillor Sloane requested staff forward Council an email of all the existing non active committees to date. Mayor Kelly advised this would be coming to Council.

Mayor Kelly called for the vote on the amended motion as followed:

MOVED BY Councillor Mosher, seconded by Councillor Karsten, that Halifax Regional Council refer the matter back to the Membership Selection Committee for a supplementary report to address the concerns raised by Council. MOTION PUT AND PASSED.

7. ADJOURNMENT

The meeting adjourned at 4:20 p.m.

Cathy Mellet
Acting Municipal Clerk