

HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE
MINUTES
MARCH 24, 1997

PRESENT: Mayor Walter Fitzgerald
Deputy Mayor Jack Greenough
Councillors Bill Dooks
Gordon R. Snow
David Hendsbee
Harry McInroy
Condo Sarto
Bruce Hetherington
John Cunningham
Graham L. Downey
Larry Uteck
Howard Epstein
Russell Walker
Bill Stone
Ron Hanson
Stephen Adams
Barry Barnet
Robert Harvey
Peter Kelly
Reg Rankin
Jack Mitchell

REGRETS: Councillors: Clint Schofield
Ron Cooper
Jerry Blumenthal

STAFF MEMBERS: Mr. Ken Meech, Chief Administrative Officer
Mr. Ron Singer, Director of Finance
Mr. Bruce Fisher, Budget Co-Ordinator
Ms. Jane Nauss, Acting Municipal Clerk

TABLE OF CONTENTS

1. Tax Structure 3

Mayor Fitzgerald called the meeting to order at 3:00 p.m.

1. **APPROVAL OF MINUTES** - February 11,1997

MOVED by Councillors Snow and Cunningham to adopt the Committee of the Whole minutes of February 11, 1997. MOTION PUT AND PASSED UNANIMOUSLY.

2. **TAX STRUCTURE**

2.1 **Tax Structure - Transit Suburban Boundary and Other Options**

! Copies of overheads entitled "Tax Structure Reform - March 24, 1997" were distributed to Council. A map outlining the Urban Boundary, Metro Transit and HRM districts was also distributed to Council.

Mr. Ron Singer, Director of Finance, addressed Council and through the use of overheads, reviewed the following:

BACKGROUND INFORMATION

- December 10/96 - Report
- January 14/97 - Revised Report & Recommendations
- January 20/97 - COW adopted Option 2C (Urban / Rural)
- February 25/97 - Further Options Requested

APPROVED MOTION - JANUARY 20/97

- Dual Rate Structure - Base Rate \$1.00 (5 cent equalization)
- Urban Rate \$1.36 (Fire, Transit, Hydrants, Major Facilities, Streetlighting, Sidewalks)
- Rural Pays Base Rate and Area Rates (Fire, Crosswalk Guards, Streetlighting, Sidewalks)
- DOT / HRM Core Boundary
- Supplementary School Funding divided equally for Halifax and Dartmouth
- Commercial Weighting Factor - 2.47
- Phase in Impact over 3 years

IMPACT ON TAX RATES - 1997- 98

- Tax Structure (rates will change due to redistribution)
- Reassessment (Reassessment - changes impact)

- taxes paid)
1997/98 Budget (HST, Solid Waste, etc.)

REVIEW OF TRANSIT LINE - Urban Boundary, Metro Transit, HRM Districts

PERCENT CHANGE IN REASSESSMENT

- Examples of Changes in Reassessment to various communities in the Region

VARIANCES BETWEEN:

- Modified Option 2C and Suburban Transit Boundary - 1996/97 Assessment, and;
- Modified Option 2C and Suburban Transit Boundary - 1997/98 - Reassessment.

A lengthy discussion ensued on the information provided and options available. Mr. Ken Meech, Chief Administrative Officer, encouraged Council to take a position on one of the proposals before Council. Further, Council needs to determine if public input on a tax structure will be considered.

Councillor Dooks stated a peaceful rally of residents from rural areas will be taking place tomorrow. Rural residents wish to re-work the tax proposal and want to make staff and Council aware of their concerns.

A discussion ensued on a three tier tax structure.

Concern was raised by Councillor Hendsbee on a boundary line. Further, he suggested a tax rate structure that could evolve over time into a single tax rate.

It was also suggested a dual tax rate be implemented utilizing the fire boundary line.

Mayor Fitzgerald suggested that staff calculate the services of both urban and rural and remove the services that are not benefited by residents in each of the areas.

**MOVED by Councillors Dooks and Hetherington to recess for five minutes.
MOTION PUT AND PASSED UNANIMOUSLY.**

The meeting resumed at 7:20 p.m.

MOVED by Councillors Uteck and Walker to adopt a single tax base rate from which to add upon.

Councillor Blumenthal suggested the Motion be amended to read "recommend one rate."

Councillor Uteck responded that his Motion, as stated, was fair as it pertained to the distribution of services across the Region.

Councillor Hendsbee expressed concern with community facilities being paid for through the general rate.

Councillor Rankin stated a base rate should be established, with services received paid for on top of the base rate. Further, he suggested this matter go to staff for a report to determine a form of methodology to have a system in place wherein credits for services can be added.

Councillor Epstein left the meeting at this point in time.

Mr. Ron Singer stated that staff are suggesting at this point in time, a base rate of \$1.05. Further, staff required Council's direction as to which services to remove from the general rate and thereby determine a new general rate. For an example, the cost of facilities are now being shown in the general rate - staff could switch these and include same in the urban rate.

No vote was taken on the Motion on the floor.

Another Motion was put on the floor.

MOVED by Deputy Mayor Greenough and Councillor Stone to refer this matter back to staff for the purpose of assessing a single rate option, as well as for further assessment of the dual rate structure, with a view to stripping out the costs of those services not provided to the rural area; further, to determine a form of methodology to have a system in place wherein credits for services can be added.

Councillor Walker stated he would like the list and a time frame for Council to respond back to staff on those services which should not be included in the base rate with all information to be brought back to Council.

MOTION PUT AND PASSED.

MOVED by Councillors Cunningham and Walker to adjourn at 8:30 p.m. MOTION PUT AND PASSED UNANIMOUSLY.

Jane Nauss
ACTING MUNICIPAL CLERK