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**Halifax Regional Council**  
**May 03, 2005**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
Peter Stickings, Acting Director, Real Property & Asset Management

  
Bob Nauss, Acting Director, Recreation Tourism and Culture

**DATE:** April 22, 2005

**SUBJECT:** Recreation Reserve

## **INFORMATION REPORT**

### **ORIGIN**

At the June 29, 2004, Committee of the Whole session Councillor Sloane requested that “staff research the possibility of creating a recreational reserve in which a percentage of land sales or a small percentage on developments instead of the green spaces be put toward recreational facilities”.

### **BACKGROUND**

#### ***Sale of Land (SOL) Reserve Q101***

In accordance with section 99 of the MGA, the Sale of Land (SOL) Reserve Q101 is funded by proceeds from the sale of all HRM capital assets, other than:

- sale of Business/Industrial Parks land, or
- sale of land that was originally conveyed to HRM for parks, playgrounds or other similar public purposes under section 273 of the MGA.

As per the MGA funds from the Sale of Land Reserve may only be used for:

- Capital expenditures for which the municipality may borrow, or
- Repayment of the principal portion of capital debt.

These provisions restrict the use of funds, in that they may not be used to cover operating expenses, and can only be used to cover capital expenses that are eligible for debt-funding under the MGA.

The Council-approved business case for the Sale of Land Reserve has, therefore, established the reserve's primary use for:

- acquisition of land,
- development of buildings and facilities, and
- similar fixed assets.

The pressures on HRM to provide recreational facilities has been recognized and the Sale of Land Reserve has been used to fund various elements of recreational facilities, such as the Mainland Common, the District 2 Recreation Center, and the All Weather Field to be built in Dartmouth.

### ***Parkland Reserve Q107***

The HRM Subdivision Bylaw includes provisions allowing developers to provide HRM with cash in lieu of parkland dedication., subject to approval of a development application by HRM Planning & Development. These fund flows to the Parkland Reserve for strategic open space initiatives, as approved by Council through the Business Planning process.

## **DISCUSSION**

With respect to the issue of contributions by private developers, the amount charged for permit fees has to relate to the cost of providing the development approval / inspection service and cannot simply be a hidden tax which will be used for other purposes. The Municipal Government Act currently does not allow the Municipality to institute a "new" fee on top of the open space dedication fee. Therefore, it would not be possible to fund a recreation facility reserve through either means.

## **BUDGET IMPLICATIONS**

None.

## **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**


None

**ATTACHMENTS**

None

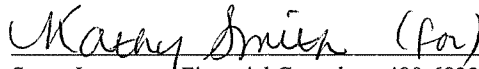
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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