



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.2

Halifax Regional Council
January 15, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in cursive script, appearing to read "Dan English".

SUBMITTED BY:

Dan English, Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: January 10, 2007

SUBJECT: **Proposed By-Law S-424, an Amendment to By-Law S-400, Respecting Local Improvement Charges, New Paving O'Connell Drive - Porters Lake**

ORIGIN

HRM Council meeting of December 4, 2007.

RECOMMENDATION

It is recommended that Council approve, in principle, and begin the formal process for adoption of By-Law S-424, Respecting Charges for new paving of the HRM portion of O'Connell Drive, Porters Lake.

BACKGROUND

On October 31, 2006, HRM and the Nova Scotia Department of Transportation and Infrastructure Renewal (NSTIR) entered into a construction agreement (No. 2006-022) to pave the HRM portion of O'Connell Drive. The final cost to HRM for this project was \$178,705.25 (including net HST), and is subject to Local Improvement Charges (LIC's).

DISCUSSION

This particular project was approved by Council on October 24, 2006 as an LIC project under Construction Agreement 2006-022 with NSTIR.

On December 4, 2007, HRM Council approved a funding split to be recovered from HRM (50%), local improvement charges (LIC) (25%), and an area rate (25%). Under this option, 25% of the funding would stem from an LIC on properties abutting the HRM owned portion of O'Connell Drive, and Councillor Hendsbee has requested these 22 properties be assessed a lot charge of \$2030.74. In accordance with By-Law S-400, the LIC's can be amortized over ten years and the amount to be recovered includes principle plus interest charges at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council. The remaining 25% is to be reclaimed from an area rate that is to be imposed on all residents living on the Provincial owned portion of O'Connell Drive, Exeter Drive, Bali Terrace, Nevan Road and Old Fairbanks Road as outlined on Plan 1 (see attached), dated November 21, 2007. Councillor Hendsbee has requested the 43 properties receiving the area rate be assessed as a flat rate. An area rate is more correctly referred to as a uniform charge under section 75(4) of the *Municipal Government Act* when, as is the case here, the rate is uniform for all properties rather than being based on the assessed value of individual properties. This rate shall not exceed \$160.00 annually, and the principle plus interest must be fully paid over a ten year period. Properties on the HRM owned portion of O'Connell Drive would not pay the area rate as they would already be paying the LIC amount. HRM would provide its 50% cost sharing from the 2008/09 advanced Capital Budget.

By-Law S-424 attached as Appendix 'A' to this report, if adopted, will implement the funding arrangement outlined above.

BUDGET IMPLICATIONS

The staff recommendation has no implications on the approved 2007/08 Budget; however, it does pre-commit \$89,352.63 as part of the 2008/09 Capital Budget account CZU01080, New Paving Inside the Core.

*The total cost for the HRM portion of this street was \$178,705.25

Cost Breakdown:	25% Recoverable from LIC's	\$ 44,676.31
	25% Recoverable from Area Rate	\$ 44,676.31
	Net Cost 50% HRM	<u>\$ 89,352.63</u>
		\$178,705.25

Budget Summary

Capital Account CZU01080 New Paving Inside the Core

Cumulative Unspent Balance	\$800,000
Plus: 25% Recovery from LIC's	\$ 44,676
<u>Plus: 25% Recovery from Area Rate</u>	<u>\$ 44,676</u>
Uncommitted Balance	\$889,352

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

There are no recommended alternatives.

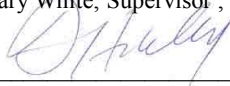
ATTACHMENTS

By-Law S-424
Map

A copy of this report can be obtained online at [http:// www.halifax.ca/council/agendasc/cagenda.html](http://www.halifax.ca/council/agendasc/cagenda.html) then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Clary White, Supervisor , Design & Construction Services at 490-4865

Business Unit Review:


David Hubley, P.Eng., Manager, Design & Construction Services at 490-4845

Report Approved by:


Catherine Sanderson, Sr. Manager, Financial Services, 490-1562

Report Approved by:


Cathie O'Toole, Director, Infrastructure & Asset Management, 490-4825

HALIFAX REGIONAL MUNICIPALITY
By-law Number S-424
Respecting Charges for Street Improvements and New Paving Projects

BE IT ENACTED by the Council of the Halifax Regional Municipality that By-Law Number S-400, the By-Law Respecting Charges for Street Improvements, Section 2 is hereby amended as follows:

1. Section 2 of By-Law S-400 is amended by adding as Subsection (14) the following:

“Notwithstanding Subsection (1), a Local Improvement Charge is hereby imposed on those areas listed in Schedule “K””
2. Section 2 of By-Law S-400 is amended by adding as Subsection (15) the following:

“Notwithstanding Subsection (1), a uniform charge is hereby imposed on those areas listed in Schedule “L””
3. Schedules “K” and “L” are hereby added immediately following Schedule “J”.

SCHEDULE “K”

1. The Local Improvement Charges for properties fronting or abutting in whole or in part, for paving of the HRM portion of O’Connell Drive, Porters Lake area identified on the "Plan Showing O’Connell Drive, Plan No 1, Dated November 21, 2007 attached hereto, shall be a lot charge of \$2,030.74 per lot.
2. The Local Improvement Charges imposed under this Schedule may be paid over a 10-year period with interest. Notwithstanding Section 4 of By-Law Number S-400, the unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

SCHEDULE “L”

1. The Uniform Charge for properties fronting or abutting in whole or in part on the Provincial owned section of O’Connell Drive, Exeter Drive, Fairbanks Road, Nevan Road and Bali Terrace, Porters Lake area identified on the "Plan Showing O’Connell Drive, Plan No 1, Dated November 21, 2007 attached hereto, shall be a charge of no more than \$160.00 annually for no more than 10 years."
2. The Uniform Charge imposed under this Schedule must be paid over a 10-year period with interest. Notwithstanding Section 4 of By-Law Number S-400, the unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

Done and passed by Council

Mayor

Municipal Clerk

Notice of Motion:

First Reading:

Notice of Public Hearing Publication:

Second Reading:

Approval of Service Nova Scotia and Municipal Relations:
Effective Date:

**PLAN SHOWING
O'CONNELL DRIVE, PORTERS LAKE
PAVING OF HRM PORTION**

 PROPERTIES IDENTIFIED FOR LOCAL
IMPROVEMENT CHARGES AS PER
SCHEDULE "K" OF BY-LAW S-424

 PROPERTIES IDENTIFIED FOR LOCAL
IMPROVEMENT CHARGES AS PER
SCHEDULE "L" OF BY-LAW S-424

DATE: NOVEMBER 21, 2007

NTS

PLAN 1

