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Item No. 2

Halifax Regional Council
April 29, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Paul Dunphy, Director, Community Development

DATE: April 15, 2008

SUBJECT: **Regional Capital Cost Charges for Solid Waste Facilities -
Brownfield Redevelopment**

INFORMATION REPORT

ORIGIN

March 18, 2008 motion of Regional Council requesting a report on the options to address the benefits of density development and brownfield redevelopment in the administration of capital cost contributions.

BACKGROUND

Following a staff presentation regarding a proposed by-law to introduce capital cost charges for regional solid waste facilities Councillor Fougere requested information concerning the impacts of capital cost charges on redevelopment opportunities for brownfield sites. Such sites are typically vacant or underutilised industrial properties which frequently require environmental remediation. Often these sites are located in urbanized areas of the municipality, where services already exist and the potential for increased density may be acceptable. Because these sites are likely more costly to redevelop than 'clean' sites or outlying greenfield sites, it was felt that imposing capital cost charges may act as a deterrent to their viable re-use, and that HRM should investigate methods by which incentives rather than disincentives could be put in place in order to encourage brownfield redevelopment opportunities.

DISCUSSION

The subject of brownfield site redevelopment is discussed in the Regional Municipal Planning Strategy. It directs that HRM undertake the preparation of an Opportunity Sites Functional Plan, (Policy S-39) to assist in the community visioning exercises and preparation of secondary planning strategies and to facilitate the development or redevelopment of opportunity sites within the Regional Centre and other locations. This functional plan is to include, among other matters, financial incentive programs for site redevelopment and a brownfield redevelopment program.

In addition, the Regional Plan's Financial Functional Plan (Policy EC-22) directs that HRM consider that any tax system reforms include appropriate levels of taxation to encourage efficient forms of development and incentives for brownfield redevelopment, and that it discourage inefficient patterns of development.

Thus, while the proposed capital cost charge for regional solid waste facilities does not currently include special consideration for brownfield redevelopment sites, the Tax Reform Initiative and / or the Opportunity Sites Functional Plan are to include such considerations. The latter, in particular, is intended to develop a comprehensive package of redevelopment options and incentives for brownfield sites that may address capital cost charges directly or off-set such charges through other development benefits. Staff suggest this is the appropriate avenue to deal with the financial implications and opportunities for brownfield redevelopment.

BUDGET IMPLICATIONS

No budget implications. The proposed capital cost charge for regional solid waste facilities does not currently include special consideration for brownfield redevelopment sites.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

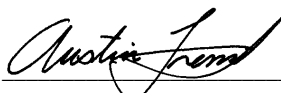
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

None.

A copy of this report can be obtained online at <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.

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