



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 7

Halifax Regional Council
February 17, 2009

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in cursive script, appearing to read "P. Townsend".

Phillip Townsend, Assistant Director of Infrastructure & Asset Management

A handwritten signature in cursive script, appearing to read "Paul Dunphy".

Paul Dunphy, Director of Community Development

DATE: February 4, 2009

SUBJECT: Cost of Servicing Study

INFORMATION REPORT

ORIGIN

- Staff initiation of a consulting study (RFP #07-419: Cost of Servicing Study) November, 2007
- Motion of Regional Council, September 16, 2008 requesting staff to release the Cost of Servicing Study as soon as possible.

BACKGROUND

The Cost of Servicing Study:

CBCL Limited has recently completed a study for the Municipality which examines the cost of servicing three potential areas for urban development identified under the Regional Planning Strategy: Port Wallis Lands (Dartmouth), Sandy Lake Lands (Bedford) and 102 Hwy. Corridor Lands (Halifax). The report is presented as Attachment A. The report can also be found at <http://www.halifax.ca/regionalplanning/publications/research.html>.

The Regional Planning Strategy:

The Regional Planning Strategy identifies six potential sites for new urban growth that may be appropriate for development over the timeframe of the Regional Plan (20 to 25 years):

- Bedford South
- Morris- Russell Lake
- Bedford West
- Port Wallis
- Sandy Lake; and
- Highway 102 Corridor lands (Birch Cove/Suzie Lakes area)

Secondary Planning Strategies to guide future development have been approved by Regional Council for the first three areas. The Regional Plan requires that secondary planning processes be undertaken for the remaining three areas in advance of any development taking place.

Specifically, Policy S-3 of the Regional Plan states the following where requests are made to initiate secondary planning processes:

Policy S-3 Further to the principles of this Plan stated in section 1.4, HRM shall consider requests to allow for the initiation of a secondary planning process to consider development of the six sites for new growth provided that any such proposal serves to:

- (a) protect the fiscal health of HRM and its capacity to meet additional financial commitments; and*
- (b) address any deficiencies in municipal service systems which would be needed to service the proposed area and the estimated cost of upgrades needed to provide a satisfactory service level.*

Secondary Planning Initiation Requests:

Requests to initiate planning processes in each of the three subject study areas have been received. The requests are presented in Attachments B, C and D. One of the property owners has also

requested that the Regional Plan be amended so as to delete all references concerning the potential public acquisition of certain private holdings for the purpose of adding lands to the Blue Mountain - Birch Cove Lakes Park (see second correspondence under Attachment B).

Each initiation request was subsequently followed by correspondence to put the requests on hold pending release of the Cost of Servicing Study (see Attachments B, C and D).

DISCUSSION

The Cost of Servicing Study has been undertaken to assist in determining municipal service system deficiencies and estimate the required capital and life cycle cost of upgrades for each study area. The following steps will now be taken to address the outstanding requests to initiate secondary planning processes:

- Staff will consider the cost implications with regard to the Municipality's fiscal health and capacity to meet additional financial commitments. Matters such as establishing expenditure priorities, cost recovery on investments, sustainable program delivery and the Municipality's ability to respond to changing economic conditions will be evaluated.
- Staff will work with the study consultant to gather supplementary information regarding the relative implications of each study area on soft service provision such as parks, recreation facilities, libraries, non-municipal utilities, transit service and parking demand.
- A report will be presented to Council in approximately two months (during Capital Budget deliberations) with recommendations regarding the requests to initiate secondary planning processes for each study area. Consideration will be given primarily to the capital and life cycle cost analysis and the fiscal health report in addressing the criteria of policy S-3. However, consideration will also be given to soft service provision and the implications on the Municipality's operating budget.

The Province of Nova Scotia has not endorsed the findings of this study. Municipal and Provincial staff have not agreed on the timing of expansions and upgrades to the Provincially owned 100-series highway network. Discussions with the Province are continuing, and the outcome of these discussions may increase development costs presented in the CBCL study. Further information will be provided in the recommendations report.

As requested under the study terms of reference, CBCL will also be submitting a Capital Cost Contribution analysis for undeveloped lands that will benefit from the Middle Sackville Interchange and the Beaver Bank By-pass. This information will be presented in a separate report as it has no bearing on the recommendations for these three study areas.

BUDGET IMPLICATIONS

There are no budget implications arising from this report. A separate report considering the findings of the CBCL report and their impact on HRM's fiscal health will be tabled with Council at a later date.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

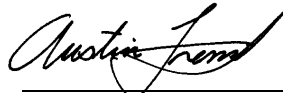
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

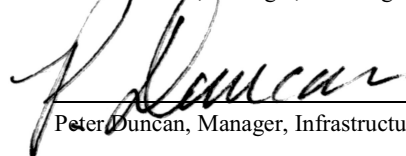
- A CBCL Ltd. *Cost of Servicing Plan*. Prepared for Halifax Regional Municipality. February 2009.
- B Correspondence from Birchdale Projects Inc. re: Request to Commence Secondary Planning Process - Highway 102 West Corridor Area
- C Correspondence from Armco Capital Inc. re: Request to Commence Secondary Planning Process - Sandy Lake
- D Correspondence from Terrain Group Inc. re: Request to Commence Secondary Planning Process - Port Wallis

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.

Report Prepared by : Paul Morgan, Planner, Regional and Community Planning, 490-4482



Report Approved by: Austin French, Manager, Planning Services, 490-6717



Report Approved by: Peter Duncan, Manager, Infrastructure Planning Office, 490-5474



Attachment B

Birchdale Projects Inc.

165 Hammonds Plains Road
Bedford, Nova Scotia
Canada B4A 4C7
tel 902 832 2519
fax 902 832 2922

October 2, 2008

Halifax Regional Municipality
Planning Applications
West End Mall
PO Box 1749
Halifax, Nova Scotia
B3J 3A5

RE: Application To Commence Secondary Planning Process – Private Lands In Highway 102 West Corridor Area

The four major private property owners in the Susies and Quarry Lakes area of Halifax (Highway 102 West Corridor Area) have formed Birchdale Projects Inc. This entity represents Gateway Materials, the Sisters of Charity, Armco Capital and the Annapolis Group in the master planning, regulatory approval and infrastructure cost sharing for the serviced development of their land holdings. These holdings are designated for future urban development under the Halifax Regional Municipal Planning Strategy (MPS).

In accordance with Policies S-3 and IM-18 of the Regional MPS, we are submitting this application for HRM to consider our request to commence the initiation of the secondary planning process for all PIDs listed on the attached application. Policy S-3 of the Regional MPS states that the responsibility rests with the applicant (Birchdale Projects) to demonstrate that our application serves to protect the fiscal health of HRM and address any deficiencies in municipal services that would be needed to service the proposed area. Our lands have been the subject of extensive development and servicing-related studies by HRM and we have built upon the findings of this work in our engineering, land use, financial, fiscal, transportation and other assessments. We will be shortly submitting our detailed reports in support of this application.

All correspondence should be directed to the undersigned at the above address.

Chris Lowe, MBA
President
Birchdale Projects Inc.
902-219-1234
clowe@birchdaleproject.ca.





Birchdale Projects Inc.

165 Hammonds Plains Road
Bedford, Nova Scotia
Canada B4A 4C7
tel 902 832 2519
fax 902 832 2922

October 2, 2008

Halifax Regional Municipality
Planning Applications
West End Mall
PO Box 1749
Halifax, Nova Scotia
B3J 3A5

RE: Application To Amend The Halifax Regional Municipal Planning Strategy – Private Lands In The Birch Cove Lakes Area

The four major private property owners in the Susies and Quarry Lakes area of Halifax (also referred to as the Birch Cove Lakes Area) have formed Birchdale Projects Inc. This entity represents Gateway Materials, the Sisters of Charity, Armco Capital and the Annapolis Group in the master planning, regulatory approval and infrastructure cost sharing for the serviced development of their land holdings. These holdings are designated for future urban development under the Halifax Regional Municipal Planning Strategy (MPS).

The purpose of this letter and attached application is to notify HRM that the private property owners in the Birch Cove Lakes Area have no interest in having our lands acquired for public use for the Blue Mountain - Birch Cove Lakes Park. We intend to develop our lands in accordance with the urban settlement/reserve policies of the Regional MPS. Section 2.1.3, Regional Parks, of the Regional MPS states that *"it is the intention (of HRM) that, over time, the necessary private lands within the park be acquired for public use."* Policy E-4 further states that the Regional Park Zone for the Blue Mountain - Birch Cove Lakes Park *"shall only apply to the publically owned lands."* A conceptual geographic area for the Blue Mountain – Birch Cove Lakes Park is shown on Map 13 of the Regional MPS and this area is predominately on private lands owned by the Birchdale partners.

The purpose of this application is to amend Section 2.1.3, Regional Parks, and delete Policy E-4 and Map 13 of the Regional MPS to remove all references to park related uses on the private lands of the Birchdale partners in the Birch Cove Lakes Area.

All correspondence should be directed to the undersigned at the above address.

Chris Lowe, MBA
President
Birchdale Projects Inc.
902-219-1234
clowe@birchdaleproject.ca





Birchdale Projects Inc.

165 Hammonds Plains Road
Bedford, Nova Scotia
Canada B4A 4C7
tel 902 832 2519
fax 902 832 2922

December 18, 2008

Kelly Denty
Supervisor - Planning Applications
Halifax Regional Municipality
PO Box 1749
Halifax, Nova Scotia
B3J 3A5

Dear Kelly:

RE: Application To Commence Secondary Planning Of Private Lands In The Birch Cove Lakes Area

As you are aware, on October 2, 2008 Birchdale Projects Inc. submitted an application to commence the secondary planning process for all of our holdings located in the Birch Cove Lakes area. In preparing this application, the Birchdale partners undertook a detailed review of any potential issues that could emerge during the application and development agreement process. HRM also issued a Cost of Servicing Analysis Study (Request For Proposals 07-419) in October 2007. CBCL was retained to identify cost thresholds for the servicing of our holdings. It is our understanding that the CBCL draft report is complete.

The Birchdale partners would like to remove any ambiguity related to the servicing costs and responsibilities for the master planning of our holdings. We request that the processing of our application for the secondary planning of our lands in the Birch Cove Lakes area be put on hold pending the imminent release of the draft CBCL Cost of Servicing Analysis Study to Regional Council and the stakeholders.

If you have any questions, please feel free to contact me.

Yours Truly

Chris Lowe, MBA
President
Birchdale Projects Inc.

Distribution:

Greg Walsh, CA, MBA, Director of Finance, Sisters of Charity - Halifax
Rob MacPherson, P.Eng., President, Armco Capital Inc.
Scott Stevens, P.Eng., President, Gateway Materials Ltd.



Attachment C



Project No. 727

October 7, 2008

Halifax Regional Municipality
Central Region Office
636 Sackville Drive
Sackville, NS B4C 2S3

Attention: Andrew Bone

RE: Sandy Lake Planning Application Form

As per the attached Planning Application Form, we wish to initiate an amendment to the current Town of Bedford MPS (Secondary Planning Strategy as defined by the Regional Plan) to amend the designation plan to be consistent with the Regional Plan and enable policy for the lands located in the area known as Sandy Lake to proceed as serviced development through a Development Agreement process. Amendments will also include subsequent changes to the existing zoning under the Land Use Bylaw.

The amendments would create policies and designation of the land use that would align with the current policies under the Regional MPS which designates the area as US (Urban Settlement). This designation indicates this area, among others, as the area where central wastewater and water distribution is intended to be provided to facilitate an urban form of development over the next twenty-five years. Effectively, the Regional Plan recognizes this area as accommodating future growth for Halifax Region. Armco Capital Inc. is aware of the demand for additional housing and other forms of mixed use development and would like to continue in working towards creating a functional plan that will benefit the wider community of HRM. Following an initiation meeting with HRM, we will be submitting our detailed studies in accordance with Policy S3.

Yours truly,

ARMCO CAPITAL INC.

A handwritten signature in cursive script that reads "Chris for".

Andrew Giles, P. Eng.
Vice President, Development

December 18, 2008

Thea Langille
Supervisor – Planning Applications
Central Region Office – Acadia Centre
636 Sackville Drive, Sackville, NS B4C 2S3



BY FAX: 869-4254
BY EMAIL: langilt@halifax.ca

Dear Thea:

RE: Application to Amend Secondary Planning Strategies – Sandy Lake Area

As you are aware Armco Capital Inc. submitted an application on October 7, 2008 to amend the current Town of Bedford MPS (Secondary Planning Strategy as defined by the Regional Plan) to amend the designation plan to be consistent with the Regional Plan and enable policy for the lands located in the area known as Sandy Lake to proceed as serviced development through a Development Agreement process. Amendments will also include subsequent changes to the existing zoning under the Land Use Bylaw.

Armco Capital Inc. in conjunction with our consultant have done considerable analysis on the project in regards to costs to service our land. HRM has also awarded a Cost of Servicing Analysis Study to CBCL to identify cost thresholds for servicing Sandy Lake and other Master Plan areas identified in the Regional Plan. We understand this report is now complete.

We are requesting that our application for an amendment to the secondary plan be placed on hold for Sandy Lake pending the release of the draft CBCL Cost of Servicing Analysis Study to Regional Council.

Please contact me at 423-4000 if you have any questions.

Regards,

A handwritten signature in black ink, appearing to read "Andrew Giles".

Andrew Giles, P.Eng., NSLS
Vice President Development
Armco Capital Inc.
gilesa@armcocap.com

cc: Austin French HRM
Kelly Denty HRM
Nick Pryce Terrain

Attachment D



Terrain Job No. B07057

December 5, 2008

Halifax Regional Municipality
Community Development – Regional and Community Planning
P.O. Box 1749
Halifax, NS B3J 3A5

Attention: Roger Wells

RE: Port Wallis Plan Amendments Application

On behalf of our clients, Armco Capital Inc, W. Eric Whebby Ltd & Frank Whebby Ltd, Unia Developments Ltd, Conrad Bros Ltd, please accept this letter as a formal request to amend the Dartmouth, Cole Harbour / Westphal and Shubenacadie Lakes Municipal Planning Strategies, as required, to reflect the intent of the HRM Regional Municipal Planning Strategy. The above noted landowners own approximately 1,009 acres within the Port Wallis Master Plan area, making them the primary landowners in the area.

The Regional Plan designates the Port Wallis area as Urban Settlement. Portions of the lands fall within the following Municipal Planning Strategies:

1. Dartmouth
2. Cole Harbour / Westphal
3. Shubenacadie Lakes

The Dartmouth MPS designates portions of the area as Residential and Reserve. The Cole Harbour / Westphal MPS designates portions of the area as Urban Residential and Rural Residential. The Shubenacadie Lakes MPS designates the remaining portions of the area as Residential.

Amendment Rationale

The proposed plan amendments would align the policies of the Dartmouth, Cole Harbour / Westphal, and Shubenacadie Lakes MPS documents to the policies and intent of the Regional Plan. This alignment is necessary to move forward with developing a comprehensive mixed-use transit-oriented centre for Port Wallis.

The landowners intend to develop a wide range of residential, commercial, institutional, and industrial opportunities for the Port Wallis community. 'Mixed-use' areas are intended to provide multi-unit residential intermixed with commercial and office uses. Surrounding the mixed-use nodes are areas of medium (townhouse and semi-detached) and low (single family units) density developments. This range of housing type and other land uses is ideal in creating a

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fax 902.835.1645

www.terraingroup.com

new sustainable mix-used community providing opportunities for a variety of incomes and lifestyle choices.

These amendments would enable the lands known as Port Wallis to begin a Development Agreement process for establishing serviced development. As outlined in Halifax Regional Municipality's Regional Plan (p.37), the Port Wallis area is identified as one of six potential areas for new urban growth subject to completing a Master Planning process for each area. Policy S-3 of the RMPS enables HRM and Regional Council to consider requests to allow for the initiation of a secondary planning process to consider development of the Port Wallis site for new growth. These areas are intended to receive central sewer and water services to facilitate future urban development throughout the next 25 years. The proposed amendments will also require concurrent amendments to the Dartmouth, Cole Harbour / Westphal, and Shubenacadie Lakes Land Use By-Laws.

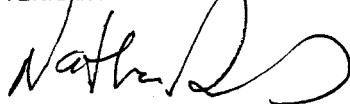
It is our understanding that the high level Service Capacity Study on the Master Plan areas is nearing completion (Information Report – Regional Council, October 7, 2008). We await the results of the study, which will provide servicing costs and system capacity information.

We look forward to working with the community and HRM on this matter.

Should you have any comments or questions, please contact the undersigned.

Best Regards,

TERRAIN GROUP INC.

A handwritten signature in black ink, appearing to read "Nathan Rogers", written over a light grey rectangular background.

Nathan Rogers, MPLAN
Planner

- c. Councillor Andrew Younger
Mr. Andrew Giles, P.Eng
Mr. and Mrs. Unia
Mr. Wayne Whebby
Mr Kim Conrad

December 18, 2008



Roger Wells
Supervisor – Regional & Community Planning
Eastern Region Office – Alderney Gate
40 Alderney Drive, 2nd Floor
Dartmouth, NS B2Y 2N5

BY EMAIL: wells@halifax.ca

Dear Roger:

Request to Hold: Application to Amend Municipal Planning Strategies – Port Wallis Area

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As you are aware Terrain Group Inc. submitted an application on December 5, 2008 behalf of our clients, Armco Capital Inc, W. Eric Whebby Ltd & Frank Whebby Ltd, Unia Developments Ltd, Conrad Bros Ltd, to amend the Dartmouth, Cole Harbour / Westphal and Shubenacadie Lakes Municipal Planning Strategies, to reflect the intent of the HRM Regional Municipal Planning Strategy. These amendments would enable the lands known as Port Wallis to begin a Development Agreement process for establishing serviced development.

On behalf of the landowners, we have done considerable analysis on the project in regards to costs to service our land. HRM has also awarded a Cost of Servicing Analysis Study to CBCL to identify cost thresholds for servicing all Master Plan Areas identified in the Regional Plan. We understand this report is now complete.

We are requesting that our application to amend the Municipal Planning Strategies be placed on hold for Port Wallis pending the release of the draft Cost of Servicing Analysis Study to Regional Council.

Should you require any additional information, please feel free to contact me at your convenience.

Regards,

TERRAIN GROUP INC.

Greg Zwicker, MCIP, LPP

cc: Andrew Giles, Armco Capital
Mark Unia, Unia Developments Ltd.
Kim Conrad, Conrad Bros Ltd.
Wayne Whebby, W. Eric Whebby Ltd & Frank Whebby Ltd.
Kurt Pyle, HRM (Central)
Austin French, HRM (Eastern)

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