



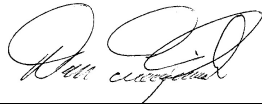
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**Item No. 9.3**

**Halifax Regional Council  
June 2, 2009**

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

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
\_\_\_\_\_  
Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** May 20, 2009

**SUBJECT:** **Case 01148 - Amendments to Bedford West Secondary Planning Strategy and Regional Subdivision By-Law regarding Wastewater Servicing and Capital Cost Contribution Charges**

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## **SUPPLEMENTARY REPORT**

### **ORIGIN**

On May 12, 2009 Regional Council gave first reading to the amendments to the Regional Subdivision By-law and the Municipal Planning Strategies for Bedford; Halifax; and Beaver Bank, Hammonds Plains and Upper Sackville as presented in Attachment A of the staff report dated April 20, 2009; and requested a Supplementary Report to address questions raised by Council be provided prior to the public hearing.

### **RECOMMENDATIONS**

It is recommended that Regional Council approve the amendments presented in Attachment A of the staff report dated April 20, 2009 - Case 01148 - Amendments to Bedford West Secondary Planning Strategy and Regional Subdivision By-Law regarding Wastewater Servicing and Capital Cost Contribution Charges.

**EXECUTIVE SUMMARY**

With the adoption of the Bedford West Secondary Planning Strategy, a policy commitment was made to permit extension of sewer and water services to these lands provided that a CCC is approved which conforms with the Municipality's approved CCC policy. HRM has the fiscal capacity to undertake the infrastructure investments necessary to enable the Bedford West Secondary Planning Strategy.

Council's approval of a CCC for Bedford West is not contingent upon a review of the merits of any alternative development proposals identified by the Regional Plan.

The Regional Plan is based on making the most effective use of land, public services and facilities in the public interest. There is no notion of equitable access to infrastructure and serviced land among developers, and no authority is given under the Municipality's Charter to make policies or regulations on the basis of property ownership.

The broader issue of fiscal health impacts relates to initiating additional secondary planning processes. Fiscal health needs to be defined and measured for HRM and this is the subject of a separate Recommendation Report on the June 2, 2009 Council Agenda entitled Fiscal Health. This report makes a recommendation to Council regarding the definition to be used for Fiscal Health on a go forward basis, as well as some key indicators which HRM Finance staff will incorporate with quarterly reporting to Council.

In addition to HRM's fiscal capacity, Halifax Water is a water and wastewater utility regulated by the Nova Scotia Utility and Review Board (NSURB).

Two other CCC charge areas have previously been approved by HRM. The Bedford South Charge has collected \$1,067,701 to date, which is \$237,192 less than what was projected in 2003, on total recoveries of \$4,735,585. The Portland Hills/Morris Russell Lake Charge has collected \$366,204 to date, which is \$103,588 more in developer contributions than projected in 2006, on total recoveries of \$7,596,717.

Halifax Water is preserving capacity at the Mill Cove Facility for the current service boundary, and will direct the flows from sub-area 12 in Bedford West to the Halifax Wastewater Treatment Facility where there is better flushing in the Harbour and future expansion is less costly.

## **BACKGROUND**

Prior to formally adopting CCC's for Bedford West, Regional Council requested a Supplementary Report to address issues relating to:

- The Regional Plan and the sustainability of developing in Bedford West;
- the fiscal capacity of HRM to invest in infrastructure;
- the remaining wastewater capacity of the Mill Cove Wastewater Treatment Facility (WWTF); and,
- the status of CCC collections and disbursements in other Charge Areas that have previously been adopted.

## **DISCUSSION**

### **The Regional Plan and the Sustainability of Developing in Bedford West**

The growth management strategy of the Regional Plan relies on secondary planning strategies. The significant aspects of the Regional Plan pertaining to Bedford West are summarized as follows:

- Two of the guiding principles of the Regional Plan are to “provide a framework which leads to predictable, fair, cost-effective decision making” and “manage development to make the most effective use of land, public services and facilities and considers healthy lifestyles”.
- From 2001 to 2026, the Municipality's population is projected to grow by 52,000 under a low growth scenario, 125,000 under a high growth scenario and 84,000 under the more likely medium growth scenario.
- A balanced approach is to be taken to growth with approximately 25 percent of new housing targeted to occur within the Regional Centre (Peninsula Halifax and Downtown Dartmouth), 50 percent within the suburban areas and 25 percent within rural areas.
- The plan supports the growth of a series of mixed use transit oriented centres in strategic centres with more detailed planning undertaken at the community or local level through secondary planning processes. The cost of new infrastructure and the associated infrastructure charges to be applied under the Regional Subdivision By-law are to be determined through the secondary planning process<sup>1</sup>.
- To help facilitate planned growth the plan supports using capital cost contributions to recover growth related infrastructure costs. Costs are allocated to developers and subdividers deriving servicing benefits from the new infrastructure.

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<sup>1</sup> Policy SU-1, Chapter 7

- Three secondary plan areas were approved by Regional Council prior to the adoption of the Regional Plan. The three secondary plan areas - Bedford South, Morris - Russell Lake and Bedford West - are acknowledged in the Regional Plan and their status is addressed. All are within the suburban portion of an “Urban Service Settlement” designation where central sewer and water services are intended to be provided over the next 25 years (by 2026).
- A policy specifically states that where secondary planning strategies have been adopted for Bedford West and Morris - Russell Lake, the Subdivision By-law is to be amended by extending the Urban Service Area over these lands provided that an infrastructure charge is established<sup>2</sup>.
- Three other potential areas for urban growth are also identified by the Regional Plan. These are Port Wallis, Sandy Lake and Highway 102 west corridor adjacent to Blue Mountain - Birch Cove Lakes Park. The plan requires that secondary planning processes be completed before services may be extended to these areas.
- A policy states that the Municipality may entertain requests to initiate secondary planning strategies to any of these sites provided that such proposal serves to (a) protect the fiscal health of the Municipality and its capacity to meet additional financial commitments; and (b) addresses any deficiencies in municipal service systems which would be needed to service the proposed areas and the estimated cost of upgrades needed to provide a satisfactory service level<sup>3</sup>.

The Cost of Servicing Plan (CBCL, February 2009) was prepared for the Municipality to assist in addressing the questions raised in this last bullet. A staff report with recommendations whether to initiate secondary planning strategies can be brought forward at the first meeting in August if Council approves the definition of fiscal health contained in the staff report entitled ‘Fiscal Health’ dated May 28, 2009.

There are several important considerations stemming from the Regional Plan within the context of the deliberations over the current application for Bedford West which are summarized as follows:

- Council’s approval of a CCC for Bedford West is not contingent upon a review of the merits of any alternative development proposals identified by the Regional Plan. With the adoption of the Bedford West Secondary Planning Strategy, a policy commitment was made to extend the UrbanService Area to include these lands provided that a CCC is adopted by both Halifax Water for water and wastewater infrastructure, and by HRM for transportation infrastructure which conforms with the Municipality’s approved CCC policy.
- The Regional Plan does not attempt to manage or distribute municipal services based upon property ownership. There is no notion of equitable access to infrastructure and serviced land

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<sup>2</sup> Policy SU-7, Chapter 7.

<sup>3</sup>Policy S-3 under Chapter 3.



and no authority is given under the Municipality's Charter to make policies or regulations on the basis of property ownership. The Regional Plan contemplates decisions regarding extension of services are to be based on making the most effective use of land, public services and facilities

Several secondary plans have been approved to date, and the status and population capacity of each is summarized as follows:

1. Bedford South/Wentworth:

- A master plan study was authorized by Regional Council in 1998 which culminated in the adoption of a secondary planning strategy in 2002. The master plan area is located between the Bedford and Bicentennial Highways, immediately to the east of Bedford West encompassing approximately 623 acres. At full build out a population of 8,000 to 10,000 persons is expected.
- Infrastructure charges (capital cost contribution) were subsequently adopted under the Regional Subdivision By-law and a series of development agreements have been approved by North West and Chebucto Community Councils.
- The Secondary Plan specified a maximum number of dwelling units which could be approved under a development agreement prior to the extension of Larry Uteck Blvd. to the new interchange at the Bicentennial Highway. This limit has now been reached and any further approvals are contingent upon the Municipality's approval of the Bedford West CCC and cost-sharing proposal with the Provincial and Federal Governments.

2. Morris-Russell Lake:

- A master plan study was initiated in 1998 which led to the adoption of a secondary planning strategy in 2005. The plan area has an area of over 1,000 acres with an expected build out population of 10,000 to 15,000 persons. Future redevelopment of surplus lands at the DND Shearwater base was expected to provide an additional 600 acres for development.
- Infrastructure charges were adopted under the Regional Subdivision By-law and a cost-sharing agreement entered into with the Province for the new interchange for Mount Hope Avenue at the Circumferential Highway.
- Harbour East Community Council approved a development agreement for "Russell Lake West" for over 266 acres of land between the Circumferential Hwy. and Russell Lake. In addition to a commercial district, a population of over 1,200 persons is projected within a mix of housing types. An extension of the Portland Hills sub-division was also approved as an amendment to the original agreement.
- In accordance with policy restrictions adopted under this secondary plan, further development is largely contingent upon extension of Mount Hope Avenue from the new interchange to Caldwell Road. With the recent announcement of DND to re-acquire the 600 acres from Canada Land Company, the ability to undertake this road extension remains uncertain.

3. Bedford West:

- In 2002, Regional Council directed staff to initiate a master planning study for lands in the vicinity of Hammonds Plains and Kearney Lake Roads on the west side of the Bicentennial Hwy. The study area boundaries, study terms of reference and a public participation program were approved in 2003.
- The Bedford West Secondary Planning Strategy was adopted by Regional Council on June 20 2006 - one week before the Regional Plan was approved. Bedford West encompasses approximately 1,800 acres with an expected build out population of 30,000 to 35,000 persons.
- An amendment to the Bedford Land Use By-law was approved by North West Community Council and an extension of the Urban Service Area boundary was approved by Regional Council under the Regional Subdivision By-law to accommodate the Research in Motion project within the Bedford West Business Campus. An interim CCC was approved concurrently. An extension of the service area boundary and CCC was subsequently approved by Regional Council over the entire Business Campus to allow a senior care facility to proceed, as well as any future employment opportunities.
- Regional Council approved a site for a four pad arena near the entrance to the Business Campus at the Hammonds Plains Road.
- North West Community Council has approved two development agreement applications for residential neighbourhoods pursuant to policy provisions made in the Secondary Planning Strategy. However, subdivision and permit approvals are contingent upon the adoption of CCC and extension of the Urban Service Area boundary under the Regional Subdivision By-law.

**The Fiscal Capacity of HRM to Invest in Infrastructure**

There are really two issues that need to be addressed. The first issue, is a broader issue of how Fiscal Health should be defined and measured for HRM. It is difficult to discuss Fiscal Health until a definition of Fiscal Health, and key reporting indicators are approved by HRM Council. The second issue is the relevance of Fiscal Capacity/Health to the Bedford West Secondary Planning Strategy and Regional Subdivision By-law

At the present time, the best independent and objective evidence of HRM's fiscal capacity are the Standard and Poors rating, and the municipal indicators as calculated and reported by Service Nova Scotia Municipal Relations. The data presented below, as well as the budget implications section of the May 12, 2009 Report to Council Case 01148 - Amendments to Bedford West Secondary Planning Strategy and Regional Subdivision By-Law regarding Wastewater Servicing and Capital Cost Contribution Charges, do demonstrate that HRM has the fiscal capacity to undertake the infrastructure investments necessary to enable the Bedford West Secondary Planning Strategy.

<b>SNSMR Municipal Indicators</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Taxes as a % of Total Revenue	75.0%	77.0%	78.0%	78.0%	81.0%	76.0%
Liquidity Ratio	101.0%	100.0%	100.0%	97.0%	97.0%	96.0%
Debt Service Ratio	11.0%	10.8%	10.1%	9.8%	14.4%	8.7%
Debt Outstanding/Uniform Assessment	1.5%	1.4%	1.3%	1.8%	1.7%	1.5%
Standard & Poors Rating	A		<i>A Stable</i>			<i>A Positive</i>

More information on municipal indicators can be found at [www.gov.ns.ca/snsmr/muns/indicators](http://www.gov.ns.ca/snsmr/muns/indicators).  
The 2008 indicators are not yet available.

Reliance upon property taxes - HRM's dependence upon property taxes is evidenced by taxes as a percentage of total revenues. Over the past six years, there has been little change in the reliance upon property taxes.

Liquidity - is a measure of a municipality's ability to meet its current obligations, calculated by dividing short term operating assets by short term operating liabilities. Liquidity has declined slightly over the past six years, partially due to increasing utilization of local improvement charges and capital cost contributions, where the municipality bears the front end cost of capital projects, then gradually recovers the costs through an LIC or CCC. HRM's liquidity ratio is still quite strong.

Debt Service Ratio - represents the current operating expenditures incurred for debt services, therefore not available for other use. This ratio is calculated by dividing total long term debt by total own source revenue. HRM's debt service ratio has been improving since the implementation of the Multi-Year Financial Strategy in 1998, and is well below the debt servicing ratio limit prescribed by Service Nova Scotia Municipal Relations of 15%. Additional information about HRM's existing debt policy and some proposed changes can be found in the March 24, 2009 Report to Council "HRM's Debt Servicing Plan."

Debt Outstanding/Uniform Assessment - is a measure meant to indicate the level of total outstanding long term debt, as a percentage of the municipality's ability to pay. This is calculated by dividing long term commitments by uniform assessment. This measure is relatively stable for HRM.

The Standard and Poors Rating is the best independent current evidence of HRM's fiscal capacity, as it is calculated based on a very thorough assessment of the municipality's financial position, as well as local economic activity, inter-governmental dependencies, and best practices. HRM's Standard and Poors rating has steadily improved.

HRM does not have infinite fiscal capacity however, and it is important to bear in mind that there are always choices to be made with respect to balancing competing priorities to meet service needs and demands from residential and commercial tax payers, while trying to be mindful of tax burden. Additionally, it is difficult to predict what the impact of the current economic downturn will be for the municipality, and how negatively it will affect the growth and development that has been occurring within HRM. That having been said there is nothing inherent in the approval of a CCC for Bedford West that eliminates the possibility of future CCCs in other development areas if it is a Council priority.

In addition to HRM's fiscal capacity, Halifax Water is a water and wastewater utility regulated by the Nova Scotia Utility and Review Board (NSURB). All capital expenditures are subject to approval by the NSURB.

With respect to funding for new infrastructure to support new development, Halifax Water administers a Capital Cost Contribution (CCC) program to facilitate the equitable allocation of master infrastructure costs to the benefiting developers. A key component of the CCC program is an Implementation Plan that details the timing of capital outlays by Halifax Water and capital contributions by developers.

The NSURB desires to approve CCC programs that do not put undue financial risk on the rate base customers. Thus Halifax Water may be limited in the amount of upfront investment within a development area, and developers may be required to carry a reasonable portion of the initial investment. Within the concept of realistic Implementation Plans it is still practical for Halifax Water to maintain multiple active CCC programs within HRM.

#### **The Remaining Wastewater Capacity of the Mill Cove Wastewater Treatment Facility**

The Mill Cove Wastewater Treatment Facility is operating at a Secondary Treatment level and was last upgraded in 1996, to improve process and increase capacity. Halifax Water is presently working on upgrading the process and replacing aging infrastructure but are not expanding the capacity at this time.

Halifax Water is going to commence the Regional Wastewater Functional Plan this year that will review the capacity at each of the treatment facilities and anticipated growth within the sewersheds, based on Regional Planning Forecasts. This plan will assist Halifax Water in determining when the next expansion is required to address capacity needs.

There have been consistent increases in the wastewater flows at the Mill Cove Facility, which appear to be higher than forecasted through the Regional Plan for this sewershed and there are still undeveloped lands within current service boundary. As indicated in a report to regional Council dated May 17, 2008 (Attachment B), the assimilative capacity in the Bedford Basin will limit the amount of wastewater that can ultimately be discharged from the Mill Cove Wastewater Treatment Facility.

In managing the regional wastewater system, Halifax Water is preserving capacity at the Mill Cove Facility for connections within the existing service boundary. Wastewater from sub-area 12 in Bedford West will be directed to the Halifax Wastewater Treatment Facility where there is better flushing in the Harbour and future expansion is less costly.

**Status of CCC collections and disbursements in other Charge Areas**

The CCC represents the developers' share of infrastructure that benefits both existing residents and new development. Following is a summary of recoveries and disbursements of CCC's in other approved charge areas.

	Recoveries	Expenditures	Net Cash
<b><i>Bedford South</i></b>			
Actuals to Date	\$1,067,701	\$920,727	\$146,974
Projected to Date*	\$1,338,746	\$954,580	\$384,166
Full Development	\$4,734,585	\$4,734,585	\$0
<b><i>Portland Hills &amp; Remainder of Morris/Russell Lake (excludes Russell Lake West)**</i></b>			
Actuals to Date	\$366,204	\$4,416,783	-\$4,050,579
Projected to Date*	\$262,616	\$4,530,098	-\$4,267,482
Full Development	\$7,595,717	\$7,595,717	\$0
<b><i>Proposed Bedford West CCC</i></b>			
Full Development	\$15,049,525	\$15,049,525	\$0

\* - "Projected to Date" means the amount of recoveries and/or expenditures that were projected when the CCC was adopted by Council.

\*\* - Russell Lake West does not follow the traditional CCC pattern with charges collected at the time of subdivision approval. The developer's contribution has been made in infrastructure.

Council has previously agreed to reimburse the developer \$399,844 for infrastructure contributions which exceed the developer's cost responsibility. A portion of this amount will be recovered from other developers within the Morris/Russell Lake master plan area.

### **BUDGET IMPLICATIONS**

There are no further budget implications arising from this supplementary report. The budget implications of approving a CCC for Bedford West are outlined in the May 12, 2009 report entitled, "Bedford West Capital Cost Contributions (Case 01148)," included with this report as Attachment A.

### **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**

1. Council could approve the amendments presented as Attachment A to this report and adjust the capital cost contribution reserves for Bedford West as presented in this report. This is the course of action recommended by staff.
2. Council could decline to approve the amendments to the Bedford West wastewater servicing schematics. If this course of action is taken, the design and cost of the wastewater sewer and the associated CCC charge will be affected.
3. Council could decline to approve the CCC charge for transportation improvements recommended as amendments to the Regional Subdivision By-law in Attachment A. If this option is chosen, the recommended extensions to the Urban Service Area should also not be approved until a CCC charge is in place.

In addition, not approving the CCC in a timely fashion will place funding for the Larry Uteck interchange at risk, which also impacts development in Bedford South. Bedford South has approved development agreements in place, pending approval of the interchange. These developments would be on hold indefinitely until alternate funding of the interchange is determined.

### **ATTACHMENTS**

- Attachment A: Council Report dated April 20, 2009 - Case 01148 - Amendments to Bedford West Secondary Planning Strategy and Regional Subdivision By-Law regarding Wastewater Servicing and Capital Cost Contribution Charges
- Attachment B: Council Report dated May 17, 2008 - Case 01148 - Amendments to the Bedford West Secondary Planning Strategy and Regional Subdivision By-law

**Case 01148 - Amendments to the Bedford West Secondary Planning Strategy and Regional Subdivision By-law**  
**Council Report** **- 11 -** **June 2, 2009**

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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: Peter Duncan, Manager, Infrastructure Planning, 490-5449



Report Approved by: Sharon Bond, Acting Director, Community Development, 490-4800



Report Approved by: Phillip Townsend, Acting Director, Infrastructure & Asset Management, 490-7166



Report Approved by: Cathie O'Toole, CGA - Director of Finance/CFO 490-6308



Financial Approval by: Catherine Sanderson, Senior Manager, Financial Services, 490-1562



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**Halifax Regional Council**  
**May 12, 2009**

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

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
\_\_\_\_\_  
Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** April 20, 2009

**SUBJECT:** **Case 01148 - Amendments to Bedford West Secondary Planning Strategy and Regional Subdivision By-Law regarding Wastewater Servicing and Capital Cost Contribution Charges**

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### **ORIGIN**

At the June 17, 2008 Regional Council meeting a motion was passed to initiate the process to consider amendments to the wastewater servicing policy under the Bedford West Secondary Planning Strategy and implement capital cost contribution for Bedford West under the Regional Subdivision By-law.

### **RECOMMENDATIONS**

It is recommended that Regional Council:

1. Give first reading to the amendments to the Regional Subdivision By-law and the Municipal Planning Strategies for Bedford; Halifax; and Beaver Bank, Hammonds Plains and Upper Sackville presented as Attachment A;
2. Schedule a public hearing;
3. Approve the amendments presented in Attachment A.



## **EXECUTIVE SUMMARY**

Bedford West is designated by the Regional Plan for a mixed use transit oriented community with lands allocated for residential growth and supporting services, high quality public spaces, as well as employment centres. The Bedford West Secondary Planning Strategy was approved by Regional Council in 2006. The Strategy provides detailed direction for land use allocation, environmental protection, municipal service provision and phasing.

Development approvals in Bedford West are also contingent upon adoption of capital cost contribution (CCC) or “infrastructure” charges under the Regional Subdivision By-law. These charges are collected by the Municipality to pay for the developers’ share of new infrastructure needed to service this community.

Transportation related CCC for Bedford West, proposed in Attachment A to this report, have been determined in accordance with a CCC policy document adopted by Council in 2002. This document identifies guiding principles and policies which are used to apportion costs and guide the Municipality’s role and financial commitment. The infrastructure elements are an interchange, collector roads, widening Hammonds Plains and Kearney Lake road as well traffic signal and intersection improvements. A CCC for sewer and water infrastructure will also be adopted under a separate approval process by the NS Utility & Review Board.

An amendment to the Bedford West wastewater servicing policies has also been proposed. A portion of this community will be serviced by the Halifax Wastewater System rather than the Mill Cove Wastewater System. This amendment is intended to provide a more cost-effective and environmentally friendly servicing solution with greater system flexibility in satisfying future commitments.

The total cost of infrastructure over the life of this development is \$196.9 million. Developers will pay \$170.4 million and HRM \$12.7 million. HRM’s share pays for infrastructure used by residents who live outside the development but who will use infrastructure elements such as the proposed interchange.

The Capital Cost Contributions proposed for the Bedford West Charge Area are \$5,486. per acre for areas that are primarily residential, \$9,956. per acre for areas that are mixed use including the business campus, and \$29,969. per acre for areas that are primarily commercial.

## **BACKGROUND**

### *The Regional Plan:*

Bedford West is one of three designated urban growth areas where a detailed area plan or “secondary planning strategy” has been approved by Regional Council. Each growth area is to be serviced with central sewer and water services and developed as a mixed use transit oriented centres with lands

allocated for residential growth and supporting services, high quality public spaces, as well as an employment centre. To achieve this objective, a comprehensive planning process was undertaken for each area with Council's adoption of a "secondary planning strategy" as a condition for proceeding with development approvals.

The Bedford West Secondary Planning Strategy was approved by Regional Council in 2006 in accordance with this directive (the boundaries of Bedford West and its 12 sub-areas are illustrated on Map BW-1 of Attachment A). This new community encompasses approximately 2,000 acres of land on the west side of the Bicentennial Highway in vicinity of Kearney Lake and Hammonds Plains Roads. The Strategy provides direction for land use allocation, environmental protection, municipal service provision and phasing.

Upon adoption of the Secondary Planning Strategy, the Regional Plan states that the Regional Subdivision By-law is to be amended to include the Bedford West lands in the Urban Service Area where central sewer and water services are to be extended provided that an infrastructure or capital cost contribution (CCC) is established. This charge, also approved as an amendment to the Regional Subdivision By-law, is used to pay the developers' share of new infrastructure needed to service this development. Capital cost contributions are collected from developers when property subdivides, and have been used previously by HRM in the Bedford South and Morris -Russell Lake master plan areas. The capital cost contribution program replaces cost sharing programs that were previously funded through the general rate.

The amendments addressed in this report are summarized as follows:

*1. Secondary Plan Amendment to Wastewater Servicing Policy:*

The Secondary Plan includes a servicing schematic for the wastewater sewer system. The proposed amendment would direct wastewater flow from one sub-area (Sub-area 12) to the treatment facility in Halifax instead of the facility at Mill Cove. A trunk wastewater sewer system currently proposed to be located within the Kearney Lake Road right-of-way would be relocated further to the east.

*2. Subdivision By-law Amendment - Adoption of a Transportation CCC:*

A transportation Capital Cost Contribution (CCC) would be established under the Regional Subdivision By-law for the entire Bedford West Secondary Plan Area which would replace an interim CCC previously approved for the Bedford West Business Campus July 31, 2007. Capital Cost Contribution for sewer and water will be implemented by Halifax Water under a separate approval process by the NS Utility and Review Board.

CBCL Limited assisted the Municipality and Halifax Water in estimating the cost of required infrastructure improvements (Bedford West Capital Cost Contributions BASELINE STUDY, CBCL Ltd., 2008). Additionally, the CBCL Baseline Study allocates the costs between developers and HRM in accordance with the Municipality's Capital Cost Contribution Policy.

*Extension of the Urban Service Area Boundary:*

The Subdivision By-law would also be amended by extending the Urban Service Area boundary over the entire Bedford West Secondary Plan Area.

*Reserve Accounts:*

Staff are also proposing Reserve Accounts be amended to meet the Municipality's share of transportation infrastructure.

*Public Consultations:*

A public information meeting was held on January 21, 2009. The minutes are presented as Attachment B. Staff subsequently met with interested property owners to review a draft CCC. Submissions received in response are presented as Attachment C. The final CCC proposed in Attachment A incorporated some of the changes requested by property owners.

**DISCUSSION**

*Wastewater Servicing Amendments:*

The Halifax Wastewater Treatment Facility is capable of accommodating wastewater from Bedford West, and staff are recommending wastewater from Sub-area 12 be directed to the Halifax wastewater treatment plant for the following reasons:

- A detailed examination determined that it is expected to be less costly. It was originally thought that wastewater from this sub-area could be conveyed by gravity to an existing pumping station on the north side of the Hammonds Plains Road which then sends wastewater through a force main and gravity sewer to the Mill Cove treatment plant. However a new pumping station and force main would have to be constructed as there is insufficient capacity in the existing system.
- More capacity would be available at the Mill Cove treatment plant to service other developments contemplated within its existing sewer boundary. Areas designated by the Regional Plan for further consideration of serviced development include the Bedford Waterfront, Sunnyside Mall area, Lower and Middle Sackville and potentially the Sandy Lake area.
- More wastewater would be transferred away from the Bedford Basin where the assimilative capacity is limited by low flushing rates.

The wastewater forcemain is proposed to be relocated further from the Kearney Lake right-of-way for the following reasons:

- Halifax Water has expressed concern that the blasting required for the trench poses risk to damaging the trunk water main within the right-of-way which conveys water from the Pockwock reservoir into the metro area. The new location is intended to reduce this risk.
- This proposal would allow wastewater from Bedford South to be diverted to this main which could eliminate a pumping station in Bedford South and preserve capacity in the Bedford Highway sewer main. Sub-areas 9 and 10 of Bedford West could commence development earlier than would otherwise occur under the current servicing policies which would allow the Municipality to recover CCC's earlier.

Both amendments are incorporated into the revised wastewater servicing schematic for Bedford West (Schedule BW-4) presented in Attachment A.

*The Subdivision By-law Amendments:*

1. Extension of the Urban Service Area Boundary

Council has previously approved two requests to extend the Urban Service Area over the Bedford West Business Campus to allow for subdivision and development with water and wastewater services. These lands were capable of utilizing the existing sewer and water systems. An interim CCC charge was concurrently adopted under the Subdivision By-law.

Concurrent with the adoption of a transportation CCC, the Urban Service Area boundary would be extended over the entire Bedford West Secondary Plan Area. However, for those sub-areas to be serviced by the Halifax wastewater system (sub-areas 2, and 4 to 11), the proposed regulations would not allow subdivision approvals to be granted until such time as the NS Utility and Review Board has approved a CCC for sewer and water.

2. The Capital Cost Contribution Charge:

The Capital Cost Contribution (CCC) is used to fund new and oversized infrastructure such as collector roads and interchanges that are needed in the master plan area. In order to determine the amount of a CCC, a study is first carried out that determines what new and/or oversized infrastructure is needed and estimates the capital costs. An implementation plan is then developed in conjunction with stakeholders to determine when the infrastructure is needed, and a CCC is collected prior to subdivision approval to collect the developers' share of the capital costs.

Many of the proposed infrastructure elements will benefit citizens in existing nearby communities. It is for this reason that HRM pays a share of the infrastructure costs.

The total cost of the infrastructure over the life time of this development will be \$ 196.9 million.

- Of this amount, developers will pay approximately \$170.4 million (\$151.7 million for local roads and \$18.7 million for oversized roads and a share of the new interchange.) These costs

include engineering, contingencies, and escalation factors that consider the year in which the infrastructure will be built.

- HRM's share is \$12.7M. **This is for infrastructure that people who live outside of the master plan development will use.** In other words this is the infrastructure demand which is not being created by new development within the master plan development area.
- Federal and Provincial governments, and utilities will cost share \$13.8M on the Larry Uteck Interchange.
- The average Capital Cost Contribution from developers, including interest costs, is approximately \$10,159 per acre for oversized roads and other transportation infrastructure.

### Infrastructure Components and Apportioned Costs

The CCC policy provides a mechanism by which the costs associated with new and oversized infrastructure can be recovered from developers and other stakeholders (including HRM) who benefit from the infrastructure. In broad terms, the transportation related infrastructure needed to support development in Bedford West includes the following components:

- A share of the interchange that was proposed to service Bedford South;
- collector roads within the development;
- widening sections of both the Hammonds Plains Road and Kearney Lake Road; and
- new traffic signals and intersection improvements.

The following table outlines the sharing of costs of this infrastructure between HRM and the developers.

Infrastructure	Total Cost	Cost Sharing	Bedford South	Bedford West	HRM
Interchange and Connector Roads	\$24,491,413	\$13,769,999	\$2,985,565	\$3,542,112	\$4,193,736
Widen Hammonds Plains Road	\$4,743,733			\$1,996,640	\$2,747,092
Widen Kearney Lake Road	\$9,098,522			\$5,459,113	\$3,639,410
Oversized Collector Roads	\$4,534,907			\$3,165,904	\$1,369,004
New Signals	\$707,012			\$383,270	\$323,742
Other Road Infrastructure	\$1,555,772			\$1,151,884	\$403,888
<b>Total</b>	<b>\$45,131,359</b>	<b>\$13,769,999</b>	<b>\$2,985,565</b>	<b>\$15,698,923</b>	<b>\$12,676,872</b>

### **Infrastructure Charge Calculation**

The average Capital Cost Contribution for this area has been calculated to be \$ 10,159 per acre (see Attachment "A"). The calculation of this charge incorporates the cost of the required infrastructure, financial risks to HRM, timing of contributions, phasing of development, costs of financing, and any other considerations that may have financial impacts.

The costs include \$1,371,548. financing costs at 5.65% interest for cash flow funding provided by HRM over the life of the development.

The charge for each single family home, each unit in a semi-detached or townhouse, or apartment building will be approximately \$ 915., assuming 6 units per acre.

### **Legislative Adoption Process**

Development in Bedford West relies on HRM adopting a CCC for transportation related infrastructure, and also relies on Halifax Water adopting a CCC for water and wastewater related infrastructure. This is a separate process and is subject to approval by the NS Utility and Review Board.

Negotiations are underway between stakeholders and Halifax Water regarding the implementation plan.

### **Assessment of Risks**

The Capital Cost Contribution is the basis for recovery of costs as development progresses. While the positive impacts of this have been noted, there are certain risks. Primary risk factors that were evaluated for this Charge Area are addressed by the CCC policy and are described below.

#### **1. Capital Cost Estimates/Cost Escalation**

Capital costs set out in the Baseline Study,(Bedford West Capital Cost Contributions BASELINE STUDY, CBCL Ltd., 2008), are presented in 2008 dollars. Construction costs are upward trending and there is little reason to believe this will change, even in the current economic climate. Mitigation of cost escalation risk occurs in two ways:

1) *Shared construction responsibility.* The risk of escalating construction costs rests with the party responsible for construction of a particular asset. HRM and the Developers are responsible for building different items required for the Master Plan area. HRM faces little cost escalation risk for the Hammonds Plains Road widening and the Larry Uteck Interchange as costs are known and the work is ongoing or scheduled to begin this fiscal year.

HRM will have cost escalation risk on the widening of Kearney Lake Road, which is tentatively scheduled 8-10 years into the future. Fortunately, this widening will not be required until a significant amount of development occurs and CCC's will be collected in advance of construction. Traffic lights and left turning lanes will be required throughout the development but are minor in scope.

The Kearney Lake Connector, which will be constructed later in the development, as well as oversized collector roads will be built by the developer.

2) *Inflation indexing.* Non-residential construction and engineering indices were examined for trends over the past 25 years and in detail over the past 5 years. A cost escalation factor of 4.14%/year has been applied to all of the infrastructure in the model and will be adjusted if required.

## 2. Development Timing

This risk arises from development occurring on a schedule other than the projected one. For example, if development is slower than expected, CCC revenue will be delayed. Some developers in Bedford West have submitted detailed concept plans and obtained approved development agreements while others are not that far along in their planning processes. While the detailed concept plans can be used to control the sequence of development, the pace of development may change. A variety of strategies have been employed to mitigate risks around development timing:

A. Escalation of Capital Cost Charges - This is a departure from the models used in Bedford South and Morris/Russell Lake where the amount of the charge is consistent from year to year over the entire build-out period. This approach provided administrative ease but did not address inflationary impacts.

For example - a \$5,000/acre charge in 2003 is more onerous to pay than the same charge in 2009 due to inflation, and provides a competitive advantage to those who develop their land later. The Bedford West model is indexed annually in accordance with Halifax CPI, and this was supported by stakeholders.

B. Financing charges built into the model - It is recognized that cash flows into HRM from the receipt of CCCs will not match the outflows required for construction. Cash flows are projected and where the cumulative cash flow is negative, interest costs are incurred. Where positive, interest is earned on the balances. Net interest costs are built into the per acre charge paid by developers.

C. Regular review of timing of development - The Infrastructure Planning Office has been tasked with monitoring and review of CCCs. If development timing or infrastructure construction costs or timing differ significantly from what was projected, the Infrastructure Planning Office will return to Council with mitigation strategies.

- D. Delaying municipal investment beyond immediate commitments until Development Agreements are in place - The existence of a Development Agreement, along with detailed community concept plan, brings a higher expectation that CCC revenue will be collected. Development agreements have been approved by community council for sub areas 2, 3 and 4.

### **Bedford South**

The Larry Uteck Interchange is a significant piece of infrastructure that was identified as a requirement under the Bedford South Implementation Plan. It is also required to address traffic concerns on the Bedford Highway, which is currently at capacity. When the CCC was approved for Bedford South, it was anticipated that the interchange would be developed in 2009, and a limit of 2,000 new units was established that could be approved before the interchange. This limit was based on the remaining capacity of the Bedford highway at the time.

Development in Bedford South has been steadily proceeding and has now reached the point where no further development on some parcels can occur until the interchange is approved.

### **Sandy Lake**

A Cost of Servicing Study has recently been completed (CBCL Ltd., 2009) which looked at the cost of providing infrastructure to other green field sites that have been identified for serviced growth in the next 20 -25 years. One of these areas is on the north side of Hammonds Plains Road, commonly referred to as the “Sandy Lake Lands”. CBCL have recommended that these lands be serviced by oversizing the wastewater system in Bedford West.

Halifax Water is currently developing a CCC for water and wastewater for the Bedford West Plan Area. The CCC, which is subject to approval of the NS Utility and Review Board, may have an implementation plan that requires Halifax Water to make some initial investment in the core infrastructure for Bedford West. As such, it is anticipated that Halifax Water would not have capacity to further invest in Sandy Lake Lands’ costs at this time. Alternatively, HRM or the developers would need to invest in the oversizing, until development is commenced in Sandy Lake.

The cost to preserve capacity in the wastewater system for Sandy Lake is estimated to range between \$1,500,000. - \$3,700,000, depending on the outcome of the Bedford West CCC process for water and wastewater. Council will need to deal with this when the Bedford West CCC process is concluded by Halifax Water.

## **BUDGET IMPLICATIONS**

### **Previous Budget Approvals**

In 2007/08 and the 2008/09 Capital Budget, Council approved funds to carry out Phase 1 of the Hammonds Plains Road widening. This widening, from the intersection of Highway 102 to



Innovation Drive, was required per the Purchase and Sale Agreement on the RIM property. This phase was completed last Fall.

With the Advance Capital Budget for 2009/10, Council approved \$2 million to proceed with Phase 2 of the Hammonds Plains Road widening. This work is now underway.

The Larry Uteck Interchange was brought forward in the 2008/09 budget and further allocations are included in the proposed 5-year Capital Plan in 2009/10 and 2010/11. It was initially assumed that HRM would build the interchange and receive provincial cost-sharing. Through negotiations, it has been agreed that the Province will build the interchange and HRM, as well as the Federal government, will cost share.

### **Future Infrastructure & Budget Requirements**

This report recommends establishing a CCC for transportation over the entire Master Plan area. Until Halifax Water receives approval from the Nova Scotia Utility and Review Board, which is expected within 3-6 months, development will only be permitted to proceed in sub-areas 1 and 3 where an interim charge exists. (Refer to Attachment "F")

Development has begun in the Business Campus section of sub-area 3. HRM can expect to collect approximately \$3.3 million in CCC revenue from sub-areas 1 and 3. This is enough to cover the developers' share for the Hammonds Plains Road widening. There will be a \$2.5 million shortfall in revenues for the developers' share of the interchange though until Halifax Water approves a CCC over the entire Bedford West Plan area, which will allow HRM to collect CCC's beyond areas 1 and 3 as well. Staff will bring forth a strategy to address this shortfall.

The Bedford West Master Plan area will require further investment by HRM for infrastructure such as collector roads, road widening, traffic signals, and intersection improvements. The following table illustrates net budget requirements by approximate year. Approval of this report does not represent approval of all the projects outlined below. Projects planned for 2010 and beyond will be brought forward for Council approval in the applicable budget years.

<b>Year</b>	<b>Project</b>	<b>Gross Budget</b>	<b>Grants</b>	<b>Bedford West CCC</b>	<b>Bedford South CCC</b>	<b>HRM's Share</b>
<b>Previous Budget Approvals</b>						
	HPR Phase 1	2,626,862		1,725,061		901,801
	HPR Phase 2	3,091,286		1,236,514		1,854,772
	Larry Uteck Interchange and Connector	24,491,413	13,769,999	3,542,112	2,985,565	4,193,737
	Traffic Signals at HPR	295,136		279,036		16,100
<b>Future Requirements</b>						
2010/11*	KLR Connector	4,148,497		2,779,493		1,369,004
2012/13	Intersection Improvements and Signals - KLR at LU	946,718		634,301		312,417
2015/16	Widen KLR - Phase 1	2,309,319		1,300,061		1,009,258
2016/17	Widen KLR - Phase 2	2,226,709		1,336,025		890,684
2017/18	Widen KLR - Phase 3	2,318,818		1,391,291		927,527
2018/19	Widen KLR - Phase 4	2,414,737		1,448,842		965,895
2020/21	Traffic Signals - KLR at Bluewater	261,864		26,186		235,678
	<b>Total</b>	<b>45,131,359</b>	<b>13,769,999</b>	<b>15,698,923</b>	<b>2,985,565</b>	<b>12,676,872</b>

Further details on these projects may be seen in Attachment E - Bedford West CCC Phase Costs-Transportation

HRM's Share	\$12,676,872
Less: Approved Reserve Q133 business case	\$ 3,855,000
Less: Approved debt in the 5-year plan	<u>\$ 3,675,000</u>
Balance to be funded by contributions to reserve Q133	\$ 5,146,872

Contributions of \$450,000 per year to Q133 - Bedford South Interchange Reserve are planned until 2011/12, when the reserve will be fully funded per its original approved business case. It is expected that these annual contributions will need to continue until 2023 to fund the remainder of HRM's share of the infrastructure identified in the Bedford West Master Plan. By comparison, the development is expected to be built-out by 2027. If a CCC is adopted, staff will return in the coming weeks with a formal business case for amending the reserve Q133.

\*The Kearney Lake Connector Road is planned for the 2010/11 construction season but is not included in the 5-year Capital Plan. It has been flagged as an issue to be prioritized in budget planning next year. Flexibility around timing of this investment depends on the pace of development and will be assessed over the coming year.

### **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**

1. Council could approve the amendments presented as Attachment A to this report and adjust the capital cost contribution reserves for Bedford West as presented in this report. This is the course of action recommended by staff.
2. Council could decline to approve the amendments to the Bedford West wastewater servicing schematics. If this course of action is taken, the design and cost of the wastewater sewer and the associated CCC charge will be affected.
3. Council could decline to approve the CCC charge for transportation improvements recommended as amendments to the Regional Subdivision By-law in Attachment A. If this option is chosen, the recommended extensions to the Urban Service Area should also not be approved until a CCC charge is in place.


In addition, not approving the CCC in a timely fashion will place funding for the Larry Uteck interchange at risk, which also impacts development in Bedford South. Bedford South has approved development agreements in place, pending approval of the interchange. These developments would be on hold indefinitely until alternate funding of the interchange is determined.

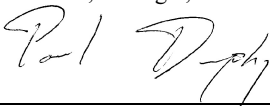
**ATTACHMENTS**

- A Proposed Amendments to the Regional Subdivision By-law and the Municipal Planning Strategies for Bedford; Halifax; and Beaver Bank, Hammonds Plains and Upper Sackville.
- B Minutes of the public information meeting held on January 21, 2009
- C Submissions Received and Staff Reply
- D Bedford West CCC Calculation
- E Bedford West CCC Phase Costs - Transportation
- F Letter from Halifax Water


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: Peter Duncan, Manager, Infrastructure Planning, 490-5449  
Paul Morgan, Planner, Community & Regional Planning, 490-4482

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

Report Approved by:   
Paul Dunphy, Director, Community Development, 490-4933

Report Approved by:   
Phillip Townsend, Acting Director, Infrastructure & Asset Management, 490-4825

Report Approved by:   
Cathie O'Toole, Director, Finance 490-6308

# REVISED

## **Attachment "A": A By-law to Amend the Regional Subdivision By-law and the Municipal Planning Strategies for Bedford; Halifax; and Beaver Bank**

### **A Regional Subdivision By-law Amendments:**

The Regional Subdivision By-law is hereby amended by:

1. replacing Schedule N with the following:

#### **SCHEDULE "N" - Bedford West Charge Area**

- 1. The area known as the Bedford West charge area is designated as a charge area in which an infrastructure charge is to be levied.**
- 2. The Bedford West charge area includes lands bounded by Hammonds Plans Road to the north, Highway 102 to the east, and Kearney Lake Road to the south and west, and includes approximately 131 acres south of Kearney Lake, more particularly illustrated on map BW-1.**
- 3. The infrastructure charge within the Bedford West Charge Area is levied to recover capital costs associated with new streets and street intersections and traffic signs and signals required to service the Bedford West charge area.**
- 4. (1) The infrastructure charge for the Bedford West charge area shall be \$ 5,486. per acre for sub-areas 1, 4, 5, 11 and residential development in sub-area 9.**  
**(2) The infrastructure charge for the Bedford West charge area shall be \$ 9,956. per acre for sub-areas 2, 3, 7, 8, 10, and 12.**  
**(3) The infrastructure charge for the Bedford West charge area shall be \$ 29,969. per acre for sub-area 6 and commercial development in sub-area 9.**
- 5. The Capital Cost Charges prescribed in this by-law shall be indexed without amendment to this by-law on April 1, 2010, and in each subsequent year on April 1, in accordance with the indexing set out in the Consumer Price Index for Halifax as published by Statistics Canada for the immediate preceding month, as it relates to the same month in the immediate preceding year.**

**The fees indexed in this manner shall be reduced to the nearest dollar where they contain a fraction of a dollar less than \$0.5 and shall be increased to the nearest dollar where they contain a fraction of a dollar equal to or greater than \$0.5.**

- 6. For the purposes of section 4 "Sub-area" means the sub-areas illustrated on Map BW-1 and the charge per sub-area shall be applied to all lands within the external boundaries of the sub-area including any proposed public streets or highways, walkways and parkland dedications, watercourses, open space areas or**

**environmental reserves.**

**7. No subdivision approvals shall be granted until infrastructure charges for sewer and water services have been approved and are in effect.**

2. Revising the title of Schedule “N” in the Table of Contents and Section 20.
3. Including the lands illustrated on Map 1 to the “Urban Service Area” under Schedule B: Service Requirement Map.

**B. Municipal Planning Strategy Amendments:**

The Municipal Planning Strategies for Bedford; Halifax and Beaver Bank, Hammonds Plains and Upper Sackville are amended by replacing Schedule BW-4 of the Bedford West Secondary Planning Strategy with Schedule BW-4 attached here to.

I HEREBY CERTIFY that the amendments to the Regional Subdivision By-law as set out above, was passed by a majority vote of the Council of Halifax Regional Municipality at a meeting held on the \_\_\_\_ day of \_\_\_\_, 2007.

GIVEN under the hands of the Municipal Clerk and under the Corporate Seal of the Halifax Regional Municipality this \_\_\_\_ day of \_\_\_\_, 2007.

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Jan Gibson  
Municipal Clerk

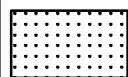


Map BW-1  
Development Sub-Areas Bedford West

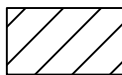
**HALIFAX**  
REGIONAL MUNICIPALITY  
Planning Services



Map 1  
Areas to be added to the Urban Service Area



**Areas to be added to the  
Urban Service Area**



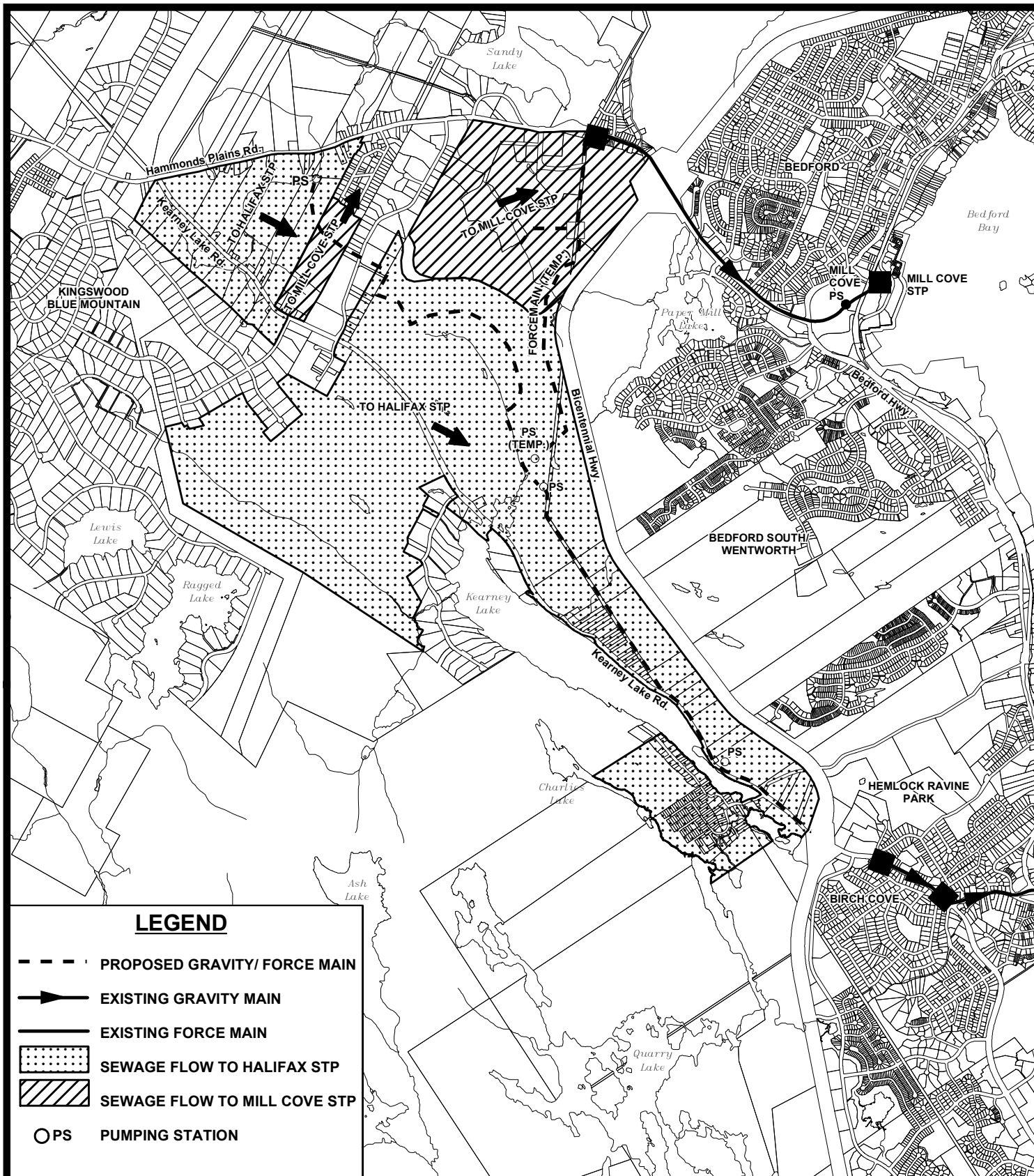
**Existing Urban Service Area**

**HALIFAX**  
REGIONAL MUNICIPALITY  
Planning Services

May 6, 2009

HRM does not guarantee the accuracy of any base map information on this map.





## Schedule BW-4 Sanitary Sewer Servicing Bedford West

**HALIFAX**  
REGIONAL MUNICIPALITY  
Planning Services

## **Attachment B**

**HALIFAX REGIONAL MUNICIPALITY  
PUBLIC MEETING  
CASE NO. 01148 - Bedford West, CCC**

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**7:00 p.m.  
Wednesday, January 21, 2009  
Basinview Drive Community Elementary School**

**STAFF IN**

**ATTENDANCE:** Paul Morgan, Planner, HRM Regional Planning  
Thea Langille, Supervisor, HRM Planning Services  
Peter Duncan, Manager, HRM Infrastructure Planning  
Paul Burgess, Program Engineer, HRM Regional Transportation  
Holly Power-Garrett, Financial Consultant, HRM  
Holly Kent, Planning Technician, HRM Planning Services  
Cara McFarlane, Planning Controller, HRM Planning Services

**ALSO IN**

**ATTENDANCE:** Councillor Tim Outhit, District 21  
Councillor Debbie Hum, District 16  
Councillor Peter Lund, District 23  
Jamie Hannam, Chief Engineer, Halifax Regional Water  
Commission  
Kenda MacKenzie, Development Engineer, Halifax Regional Water  
Commission

**PUBLIC IN**

**ATTENDANCE:** Approximately 18

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The meeting commenced at approximately 7:08 p.m.

- **Opening Remarks/Introductions/Purpose of Meeting**

Paul Morgan introduced himself as the Planner taking the application through the planning process; Councillor Tim Outhit, District 21; Councillor Debbie Hum, District 16; Councillor Peter Lund, District 23; Thea Langille, Supervisor, HRM Planning Services; Peter Duncan, Manager, HRM Infrastructure Planning; Paul Burgess, Program Engineer, HRM Regional Transportation; Holly Power-Garrett, HRM Financial Consultant; Jamie Hannam and Kenda MacKenzie, Halifax Regional Water Commission; Holly Kent and Cara McFarlane, HRM Planning Services.

- **Overview of Planning Process**

Mr. Morgan reviewed the planning process for this application.

- **Presentation of Proposal**

**Presentation: Paul Morgan**

A context map of the Bedford West Master Plan Area was shown. Bedford West covers approximately 1200 acres of land and extends into three different plan areas (Bedford, Halifax and Hammonds Plains).

The proposal is to amend the Bedford West policies to redirect wastewater from Sub-Area 12 from the Mill Cove sewer treatment plant in Bedford to the new Halifax Peninsula plant and to relocate the trunk sewer system. The long term cost would be cheaper and environmentally better as more wastewater would be directed to the outer harbour which has better flushing capacity than the Bedford Basin.

The proposed site of the pumping station at Kearney Lake Run was shown. Instead of running along Kearney Lake Road the trunk sewer will go up the middle of the property. This will allow some treatment of Bedford South on the other side of the Bi-Hi and reduce the need for an additional pumping station there. It will also allow for some areas in Bedford West to open up earlier and recover some costs quicker.

The introduction of the transportation improvement charges and including the residential portion of Sub-Areas 1 and 3 within the Bedford West within the Urban Service Area Boundary would require an amendment to the Regional Subdivision By-law. If these sub-areas are included in the boundary, this would allow eligibility for central water and sewer services and the developers could proceed with development in these areas.

Mr. Morgan explained capital cost contribution. These charges are collected for water, sewers and transportation at the time a subdivision is approved. HRM is responsible for transportation charges while Halifax Regional Water Commission (HRWC) is responsible for water and sewer.

**Presentation on transportation infrastructure: Paul Burgess**

Mr. Burgess went over some projects that will accommodate growth:

- The widening of Hammonds Plains Road to four lanes, traffic signals, sidewalks and bike lanes was completed this year. This coming year, further widening of Hammonds Plains Road from Innovation Drive to Gary Martin Drive (a new street proposed between Bens and Bluewater Road) will continue.
- The Larry Uteck interchange halfway between Kearney Lake and Hammonds Plains Roads is being tendered by the Department of Transportation and HRM is a funding partner. There will be some traffic signals at the intersection of the Kearney Connector (a connection from Kearney Lake Road to the interchange) and the interchange. This could occur three to five years down the road maybe sooner.
- A left turning lane is required to provide adequate capacity out of Lewis Drive.
- A portion of Kearney Lake Road (from Kearney Connector to Bluewater Road) will be widened from two to four lanes and either bike lanes or trails created.

The total cost being \$33,393,000 with HRM contributing \$15,781,000 and the developers \$17,611,800. The capital cost contribution charge will be \$9,000 to \$10,000 per acre. The capital cost contribution charge would be paid at the time of subdivision approval of the development.

**Presentation on water and wastewater capital cost contribution: Jamie Hannam**

Mr. Hannam explained HRWC's approval process. A servicing plan is developed, a cost of the master infrastructure is finalized, a charge is established, an implementation plan is created, seek approval by Halifax Water Board and finally an approval by Nova Scotia Utility and Review Board (NSUARB).

The core water infrastructure will begin with oversizing the Bedford South reservoir to additionally provide for Bedford West. There will be a main (500 mm in diameter) along Bedford South towards Kearney Run to Bedford West as the primary feed. The balance will flow through a 400 mm main throughout the development.

Interconnections will be made throughout the area (shown on screen) with the existing system. The net cost to developers is \$7,400,000 with a development charge of \$4,200 per acre. The charge proportioned is based on permitted densities.

The wastewater plan is to redirect the trunk wastewater system to flow from Kearney Run along Kearney Lake Road to the existing wastewater system on Kearney Lake Road. A large piece of this has to be put in before the core development can occur in the middle of Bedford West. The net cost to developers is \$8,700,000 with a development charge of \$5,000 per acre. The charge proportioned is based on permitted densities.

An interim rate for Sub-Areas 1 and 3 is pending approval from NSUARB. Approval will allow some initial development and collection of capital cost contribution allowing slight expansion. Consultation with stakeholders would occur in February, finalize implementation plan and present to HWB in March, and finally present to NSUARB. NSUARB may take a few months to review the proposal before setting a public hearing date.

- **Questions/Comments**

Peter Douglas, Dartmouth, asked about the widening of Kearney Lake Road to which Mr. Burgess said that it is more of a long term plan. The connector road to Kearney Lake Road has to be built once the interchange is complete and as development proceeds then HRM will look at widening Kearney Lake Road in sections. It would make sense to extend the widening all the way to Hammonds Plains Road but the cost would be huge. Traffic studies show that the traffic on Kearney Lake Road decreases as it reaches Hammonds Plains Road; therefore, the two lanes at that end will be able to handle the flow.

One resident mentioned that there is a floodplain at the foot of Bluewater Road. How will this issue be solved after widening Hammonds Plains Road? Mr. Burgess mentioned that they are aware of the floodplain and at some point in time the idea would be to physically raise the road in that area. The widening of Hammonds Plains Road will stop short of Bluewater Road. There are three lanes now and there is no proposal to widen the road at that area.

One resident has heard that the steep hill on Hammonds Plains Road will be reduced. Mr. Burgess mentioned that the hill between Bluewater Road and Bens is a hazard from a traffic point of view. They are proposing to lower that hill by about 18 feet. The resident asked about the timing for this. Mr. Burgess hopes for approval by Regional Council this year. Staff has been given permission to design and have it go out for tender, but not for construction.

Frank Robinson, Bedford, asked if the cost of the interchange is about \$16 million. Mr. Burgess explained that one component is the actual cost of the interchange, \$12 million, that the Province is covering. There is some cost sharing from the Federal government, HRM, and developers and there are some other components as well (land acquisition, engineering design, etc.). Mr. Robinson asked if the Bedford South developers would contribute as well to which Mr. Morgan said they would along with Bedford West developers.

One resident asked if the pumping station will be increased in size. He mentioned that at the ramp to Bayers Lake the drain cover actually comes off in heavy rains. The problem will only be increased unless something is done about it. Mr. Hannam explained the infrastructure master plan. As development proceeds, oversizing some of the pumps will be considered. Some of the problem at Bayers Lake will improve as a result of the link out of Bedford West.

One resident asked if existing homes in Sub-Area 12 will receive water and sewer. Ms. MacKenzie said it would depend on the development pattern in Sub-Area 12. Shown tonight are the oversized sewer and water main pipes. As development occurs, more local pipes on local streets will branch off of the main ones. There are currently no detailed plans. Mr. Hannam mentioned that this proposal does not necessarily imply the obligation to service existing homes in the area. Mr. Morgan said that before Sub-Area 12 is developed, HRM and the property owners need to come up with a more detailed plan for the area. This infrastructure master plan may allow the capability to connect to the services in the future, although the property owners of the undeveloped land cannot be forced to cover the costs. Mr. Hannam suggested this could be done under a local improvement charge.

One resident asked about the stability of wells and septic systems during blasting. Will the owner be responsible for any damages? The water table will be disturbed during blasting. Mr. Morgan mentioned that HRM has a blasting by-law in place that requires a pre-blast survey. Mr. Hannam said depending on the situation and complexity of the problem, within some reason the developer and contractor could be held responsible.

MaryAnn McGrath, Halifax, asked what distance is required for blasting. Mr. Duncan explained that the blasting by-law was amended about four years ago to vary the distance depending on the size of the area to be blasted. Ms. McGrath mentioned that there is a lot of rock where the main is proposed which will cause vibration of the blasts to carry substantially. This will certainly cause some disturbance and damage. Mr. Duncan said the by-law sets the threshold and is very safe. One resident mentioned that it is too late after the fact.

Mr. Douglas asked if there would be land expropriation involved with the four lane widening. Mr. Burgess said they won't have to acquire any land on the Hammonds Plains Road as there is enough right of way. He understands the same hold true for Kearney Lake Road.

Councillor Hum, District 16, asked if there will be an opportunity for property owners in Sub-Areas 10 and 11 to hook into the laterals for servicing. Mr. Morgan mentioned that the property owners could hook up into the main but this will be looked at when a more detailed plan is prepared for that area. Ms. MacKenzie mentioned that the residents can petition and initiate a local improvement charge to hook into the services. Councillor Hum asked if the property owners of Hamshaw and Saskatoon area would have the same opportunity. Ms MacKenzie believes the same would apply. Councillor Hum asked if Sub-Areas 10 and 11 would be subject to the capital cost contribution to which Mr. Hannam replied yes.

One resident asked about interest rates. Tax payers are investing in this project. How is the risk factor being included in the interest rates? Ms. Power-Garrett explained that the interest rates reflect the small risk premium but are available for long term borrowing. Recuperation investments occur over time. Development investments are scheduled for five year reviews and are recalculated if necessary.

- **Closing Comments**

Mr. Morgan thanked everyone to attending the meeting and expressing their comments and concerns.

- **Adjournment**

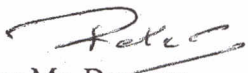
The meeting adjourned at approximately 8:06 p.m.

April 1, 2009



WEST BEDFORD HOLDINGS LIMITED  
CLAYTON PROFESSIONAL CENTRE  
255 LACEWOOD DRIVE, SUITE 100 C  
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Mr. Peter Duncan  
Manager, Infrastructure Planning  
Halifax Regional Municipality  
P.O. Box 1749, Halifax NS B3J 3A5

  
Dear Mr. Duncan:

**RE: Comments, Proposed Capital Cost Charge (Transportation) Bedford West**

Further to your recent presentation to stakeholders from the Bedford West master plan area, we wish to make the following observations and suggestions that we hope will be reflected in the final Capital Cost Charge. Since your overview was directed solely towards transportation infrastructure, we reserve the right to make further comments upon receiving a similar presentation on sanitary and water services from Halifax Regional Water Commission.

*Trip Generation:*

Sub-area 6 is designated "Community Commercial" under the master plan. Consequently, trip generation should be based on community commercial activity rather than highway commercial activity. The majority of visitors to the site will live in the nearby communities of Kingswood, Blue Mountain, West Bedford and Hammonds Plains. This is considered to be "drive by" traffic. We do not anticipate many people leaving the new 102 interchange to frequent this sub-area. Please ensure that the proper trip generation assumptions have been assigned to the sub-area.

*Density (Commercial Sites):*

As you know, sections of Sub-areas 2, 6, 7, and 8 are set aside for the new Highway 113. The Province has recently acquired the land; however, the timing of the new road is uncertain.

Lands abutting Kearney Lake Road within the Highway 113 corridor are designated "Community Commercial". It is our understanding that the density assigned to the highway corridor was transferred to our abutting lands for the purposes of calculating future trip generations. This is an incorrect assumption and needs to be removed from the trip generation formula.



It is physical impossible to reallocate density from these areas to our commercially designated lands on either side of the interchange. Commercial density and the resulting entitlements are controlled by a variety of factors including but not limited to parking, setbacks, lot coverage, etc. We see no possibility of developing any additional floor space of the remaining lands as a consequent of the sale of the highway corridor to the Province.

Please confirm that the density assigned to the commercial areas of the Highway 113 corridor has been removed from our landholdings. On a related matter, we note that you have assigned too much commercial acreage to Sub-area 2. The approved development agreement for this sub-area entitles us to 12 acres of community commercial activity as opposed to 16 acres identified in the draft CCC.

*Density Assumptions (Sub-area 7 and 8):*

Trip generation numbers appear to suggest that residential densities that might otherwise be assigned to the Highway 113 corridor have been transferred to our abutting landholdings. We thank you for the favorable gesture, but wish to advise that the abutting lands in Sub-areas 7 and 8 are not capable of accommodating the extra density. These lands have challenging grades – large portions of which are designated Park and Open Space.

We have already made provisions to reallocate a small amount of residential units to Sub-area 3 and 4. Density assigned to the interchange lands will not be absorbed into the remaining acreage of Sub-areas 7 and 8. The same holds true for Sub-area 2, where the existing Development Agreement clearly indicates that the permitted maximum density has not been achieved.

As far as we are concerned the theoretical density assigned to the Highway 113 corridor can stay with the corridor. We do not believe this will have a significant impact on the CCC or the physical design of future transportation infrastructure. However, it may have a bearing on the size of future water and sewer systems.

*Background Traffic:*

We would be interested in knowing what percentage of HRM's "background" traffic volumes has been assigned to future development outside the master plan areas of Bedford South and Bedford West. HRM continues to approve new residential developments along or near Hammonds Plains Road and Lucasville Road yet there is no mechanism in place to recover monies in support of new infrastructure improvements. These developments generate traffic. As such, they are cost-causers like every property within the Master Plan areas. If HRM is concerned about lowering their risk, the Municipality should move to implement a CCC on these outlying areas in conjunction with the Bedford West CCC. In many ways, this is similar to the CCC adopted region wide in support of the sewage treatment plants.



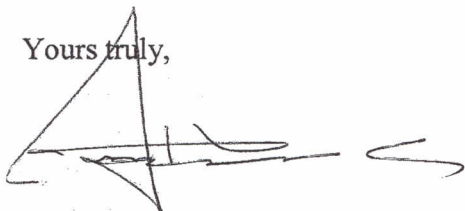
*Financing:* Our financial people would appreciate an opportunity to meet with Holley for the purposes of better understanding some of the assumptions reflected in the detailed spread sheets. We will be requesting a meeting in the very near future once we have a better understanding of the final approach to trip generation.

Next Steps:

The time has come to present a CCC to Regional Council. The new interchange is ready for tender; widening of the Hammonds Plains Road is proceeding; and new developments are ready to proceed in Sub-areas 1, 2, and 3. We are supportive of an interim rate that could be applied to the master Plan area until such time as the cost of the new interchange is confirmed.

Peter, we trust these observations are helpful and look forward to the draft CCC being presented to Regional Council. Please advise if you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Michael Hanusiak', written over a horizontal line.

J. Michael Hanusiak  
Project Manager



Ref No. D09027

April 17, 2009

Mr. Paul Burgess, P. Eng.  
Transport Project Engineer, Regional Transportation  
Halifax Regional Municipality  
Eastern Region Office – Alderney Gate, 6<sup>th</sup> Floor  
40 Alderney Drive  
Dartmouth, Nova Scotia B2Y 2N5

THE SCIENCE OF

PRACTICAL

SOLUTIONS

Dear Mr. Burgess:

Re: **Bedford West Transportation Capital Cost Contribution Charges**

Further to our meeting on April 14, 2009, we have reviewed the proposed Transportation Capital Cost Contribution ranges for varied uses (Residential and/or Commercial).

It is our understanding that other existing charge areas, such as Bedford South and Russell Lake West do not have a varied charge structure (based on land use) for transportation or sewer and water infrastructure.

It is Armco's position that an average rate be applied for the entire area. This is consistent with practices for recent charge areas in HRM.

Please review and advise if you have any questions.

Yours truly,

TERRAIN GROUP INC.

Andrew S. Forsythe, P.Eng.  
Manager, Engineering - Dartmouth

hjh

cc. Mr. Rob MacPherson, Armco Capital Inc.

Serving Clients from our offices in Dartmouth, Moncton, Saint John and Edmonton.

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>>> "Frank Robinson" <[f.robinson@stevensgroup.ca](mailto:f.robinson@stevensgroup.ca)> 2:29 PM 06/04/09 >>>  
Paul,

As discussed, please forward your power point presentation for my review. I just want to review the pretty pictures!

I know the turn around on comments is short so I would like to provide you with some general thoughts regarding area 12. As you may or may not know there is a review under way by HRM regarding the future development of the HPR in the vicinity of Kingswood and HPR just outside the BW boundaries. I attended a workshop on Thursday, March 12 and it appeared there was a real movement towards having commercial development that would support the local community. Until the 113 highway becomes a reality, it is my opinion this area (Kingswood/HPR and Kearney Lake Road/HPR) will have to fill the void for both "community and highway commercial" type development. Your evaluation identifying a component for highway commercial seems very reasonable.

I am encouraged by the approach you and your colleagues have taken regarding the planning and implementation of this vast development area. It is refreshing to see HRM take an integrated approach to these very complicated issues. Seamless development planning regardless of past "imaginary" boundaries will allow for a comprehensive community to take shape in the vicinity of area 12.

Thanks again.

Cheers,

Frank P. Robinson, P. Eng.

Pender Developments Limited

>>>

Hello Paul:

As a follow-up to my inquiry during the April 6th Stakeholder meeting regarding the Land Use designation for the RIM Lands and relative to the attached letter, can you please confirm that the RIM property (contained in Area 3 of the Bedford West Master Plan) will remain a Residential/Community Commercial designation with the adjustment factor of 0.87 being applied to the final per acre rate. This rate is currently estimated to be in the order of \$10,500 per acre. We (and I'm sure other stakeholders) are hopeful that this rate will be reduced somewhat once the final Bedford West CCC numbers are presented to HRM council for final approval.

Thank-you,

Michael Laycock, C.E.T.  
Asst. General Manager

Annapolis Group Incorporated  
165 Hammonds Plains Road  
Bedford, Nova Scotia  
B4A 4C7

Ph: 832-2520  
Fax: 832-2922  
Cell: 497-1476



May 4, 2009

Dear Property Owner:

**Re: Bedford West Master Plan Area  
Transportation Capital Cost Contribution Charge**

This letter is a follow up to the meeting that was held on April 6, 2009 at the HRM Alderney Gate office. I would like to thank you for your comments. After reviewing the information received, HRM staff are recommending the following changes:

1. There will be no difference between Highway Commercial and Community Commercial. The commercial transportation capital cost contribution charge (CCC) will be based on 347 trips per acre.
2. Area 12 will be grouped in with areas 2,3,7,8,and 10.

*When highway and community commercial are treated the same, the traffic generated in area 12 is similar to that generated in areas 2,3,7, 8 and 10. Staff recognize that there are multiple parcels of land and there may be a need to re-distribute the CCC in sub-area 12 after a detailed community concept plan is developed.*

3. The commercial component to Area 9 will be grouped in with area 6.

*The commercial component of area 9 accounts for approximately one half of the area, and should be treated separately.*

4. The residential component to Area 9 will be grouped in with areas 1,4,5, and 11.
5. Trip generation for commercial areas will not include lands within Highway 113 and Highway 102 right-of-ways.

*The right of way for the highway has been conveyed to the Province, and commercial development within the right-of-way can not practically be re-allocated over other areas.*

---

INFRASTRUCTURE AND ASSET MANAGEMENT , Infrastructure Planning Office

Tel: (902) 490-5578  
E-mail: [burgesp@halifax.ca](mailto:burgesp@halifax.ca)

Fax: (902) 490-5474  
Website: [www.halifax.ca](http://www.halifax.ca)

6. For areas 2,7,8, and 12, residential density calculations will be based on the gross area of the sub-area including commercial and institutional land uses. This is consistent with plan policy.

*As above, the right of way for the highway has been conveyed to the Province. However, residential development densities within the right-of-way can be re-allocated over other areas.*

For the Bedford West master plan area, HRM staff will be recommending to HRM Council the following adjustment factors and charges:

Bedford West Master Plan Area Proposed Transportation Capital Cost Contribution Charges			
Land Use Classification	Sub-Areas	CCC Adjustment Factor	CCC Charge per acre
Residential	1,4,5,9 res ,11	0.54	\$5,486
Residential/Commercial Mix	2,3,7,8,10,12	0.98	\$9,956
Commercial	6, 9com	2.95	\$29,969

There has also been a request for an "interim" rate until the cost of the interchange is confirmed. Council will be asked to approve a CCC rate based on the detailed construction cost estimate so that the cost sharing agreement can be signed with the Province, and land can be purchased. If there is a significant gap (surplus or deficit) in funding after the tender has closed, then Council will by necessity re-visit the rate.

Once again, I would like to thank you for your feedback. Staff plan to present this information to HRM Council on May 12th. Should you have any questions, please do not hesitate to contact me.

Yours truly,



Paul V. Burgess, M.Eng., P.Eng.  
Program Engineer

- cc Peter Duncan, P.Eng., Manager, Infrastructure Planning Office  
Paul Morgan, Senior Planner  
Holly Power Garrett, Asset Management Program Coordinator

## Attachment "D": Bedford West CCC Calculation

### Bedford West CCC Capital Cost Contribution Calculation

	<b>HRM Transportation</b>
Total Cost of Oversized Infrastructure	<u>31,361,360</u>
Interest During Construction (avg 1 yr construction)	<u>722,150</u>
Total Cost of Infrastructure Installed	32,083,510
• Recovered by HRM/New Residents	
Portion Benefiting HRM	<u>15,662,437*</u>
Subtotal	16,421,073
Interest/Inflation Adjustment	<u>-1,371,548</u>
Net Cost to Developers	15,049,525
Gross Area of Land (acres)	1481.4
<b>Development Charge per Acre - 2009</b>	<b>10,159</b>
Total Population Based on Average Density	
Average Density / Trip Generation	105.7

\* Includes contribution from Bedford South

# Attachment "E" - Bedford West CCC Phase Costs - Transportation

## Bedford West CCC Phase Costs ~ Transportation

Year	Project	Cost Transport.	10.00% Engineering	15.00% Contingency	3.04% Net HST	Total Transport.	Esc. Factor	Escalated Transport.	Cost Sharing	Net Escalated Transport.	HRM %	Esc. HRM Share	Charge Area %	Charge Area Share	4.60% Interest during const. (all CCC)	Total CCC
2008	Widen HPR to 4 lanes - Hwy 102 to Innovation	1,282,920	128,292	192,438	48,797	1,652,447	1.0000	1,652,447		1,652,447	54.00%	892,321	46.00%	760,126	34,966	795,091
2008	Traffic Signals - HPR at RIM entrance (electrical only)	73,600	7,360	11,040	2,799	94,799	1.0000	94,799		94,799	10.00%	9,480	90.00%	85,319	3,925	89,244
2008	Innovation Drive oversized	300,000	30,000	45,000	11,411	386,411	1.0000	386,411		386,411	0.00%	0	100.00%	386,411	17,775	404,186
2008	Allowance for Engineering Studies	150,000	15,000	22,500	5,705	193,205	1.0000	193,205		193,205	0.00%	0	100.00%	193,205	8,987	202,093
2008	CCC Implementation Team	300,000				300,000	1.0000	300,000		300,000	0.00%	0	100.00%	300,000	13,800	313,800
2008		2,106,520	180,652	270,978	68,712	2,626,862		2,626,862		2,626,862		901,801		1,725,061	79,353	1,804,414
2009	Widen HPR to 4 lanes - Innovation to Gary Martin	2,400,000	240,000	360,000	91,286	3,091,286	1.0000	3,091,286		3,091,286	60.00%	1,854,771	40.00%	1,236,514	56,880	1,293,394
2009	Larry Uteck Interchange	18,500,000	1,500,000	1,000,000	13,716	21,013,716	1.0000	21,013,716	-13,769,999	7,243,717	59.70%	4,324,499	40.30%	2,919,218	134,284	3,053,502
2009	Larry Uteck Connector Rd & Roundabout	1,500,000	150,000	225,000	57,054	1,932,054	1.0000	1,932,054		1,932,054	100.00%	1,932,054	0.00%	0	0	0
2009	Land Acquisition - Larry Uteck Interchange	1,500,000			45,643	1,545,643	1.0000	1,545,643		1,545,643	59.70%	922,749	40.30%	622,894	28,653	651,547
2009	Traffic Signals - HPR at new Bedford West entrance	125,000	12,500	18,750	4,754	161,004	1.0000	161,004		161,004	10.00%	16,100	90.00%	144,904	6,666	151,570
2009	Left hand turn @ Lewis Dr/Hammonds Plains Rd	100,000	10,000	15,000	3,804	128,804	1.0414	134,132		134,132	0.00%	0	100.00%	134,132	6,170	140,302
2009		24,125,000	1,912,500	1,618,750	216,256	27,872,506		27,877,834	-13,769,999	14,107,835		9,050,173		5,057,662	232,652	5,290,314
2010	Kearney Lake Connector (Hwy 102 to Kearney Lake Rd)	2,970,000	297,000	445,500	112,966	3,825,466	1.0844	4,148,497		4,148,497	33.00%	1,369,004	67.00%	2,779,493	127,857	2,907,349
2010		2,970,000	297,000	445,500	112,966	3,825,466		4,148,497	0	4,148,497		1,369,004		2,779,493	127,857	2,907,349
2012	Traffic Signals - KLR at Connector to Larry Uteck	125,000	12,500	18,750	4,754	161,004	1.1760	189,344		189,344	33.00%	62,483	67.00%	126,860	5,836	132,696
2012	Intersection Realignment - KLR at Kearney Connector)	500,000	50,000	75,000	19,018	644,018	1.1760	757,375		757,375	33.00%	249,934	67.00%	507,441	23,342	530,783
2012		625,000	62,500	93,750	23,772	805,022		946,718		946,718		312,417		634,301	29,178	663,479
2015	Widen KLR to 4 lanes - Phase 1	1,250,000	125,000	187,500	47,545	1,610,045	1.3281	2,138,259		2,138,259	40.00%	855,304	60.00%	1,282,955	59,016	1,341,971
2015	Double left turning lanes - KLR at HPR	100,000	10,000	15,000	3,804	128,804	1.3281	171,061		171,061	90.00%	153,955	10.00%	17,106	787	17,893
2015		1,350,000	135,000	202,500	51,348	1,738,848		2,309,319		2,309,319		1,009,258		1,300,061	59,803	1,359,864
2016	Widen KLR to 4 lanes - Phase 2	1,250,000	125,000	187,500	47,545	1,610,045	1.3830	2,226,709		2,226,709	40.00%	890,684	60.00%	1,336,025	61,457	1,397,483
2016		1,250,000	125,000	187,500	47,545	1,610,045		2,226,709		2,226,709		890,684		1,336,025	61,457	1,397,483
2017	Widen KLR to 4 lanes - Phase 3	1,250,000	125,000	187,500	47,545	1,610,045	1.4402	2,318,818		2,318,818	40.00%	927,527	60.00%	1,391,291	63,999	1,455,290
2017		1,250,000	125,000	187,500	47,545	1,610,045		2,318,818		2,318,818		927,527		1,391,291	63,999	1,455,290
2018	Widen KLR to 4 lanes - Phase 4	1,250,000	125,000	187,500	47,545	1,610,045	1.4998	2,414,737		2,414,737	40.00%	985,895	60.00%	1,448,842	66,647	1,515,489
2018		1,250,000	125,000	187,500	47,545	1,610,045		2,414,737		2,414,737		985,895		1,448,842	66,647	1,515,489
2020	Traffic Signals - KLR at Bluewater Rd	125,000	12,500	18,750	4,754	161,004	1.6264	261,864		261,864	90.00%	235,678	10.00%	26,186	1,205	27,391
2020		125,000	12,500	18,750	4,754	161,004		261,864		261,864		235,678		26,186	1,205	27,391
Total		35,051,520	2,975,152	3,212,728	620,444	41,859,844		45,131,359	-13,769,999	31,361,360		15,662,437		15,698,923	722,150	16,421,073





Halifax Regional Water Commission

450 Cowie Hill Road, P.O. Box 8388 RPO CSC, Halifax, Nova Scotia B3K 5M1 phone 902 490-4820 fax 902 490-4808

May 6, 2009

Peter Duncan, P.Eng.  
Manager Infrastructure Management  
HRM Infrastructure & Asset Management  
PO Box 1749  
Halifax, NS B3J 3A5

Dear Mr. Duncan:

**Re: Status of Bedford West CCC Implementation for Water and Sanitary Infrastructure**

In January 2009, the Nova Scotia Utility and Review Board (NSUARB) granted approval for an extension to the interim CCC rate in Bedford West to include Area 1 and the remainder of Area 3. When seeking this approval Halifax Water indicated to the NSUARB that we would return with the final rate upon completion of our stakeholder consultation and development of an implementation plan.

Currently we are finalizing the proposed charge to seek final comments from the stakeholders. We anticipate that this process will take approximately 3 months. During this time we will continue to complete our implementation plan.

We anticipate presenting a report to the NSUARB within a month of completing the stakeholder consultation process. The timing of the associated public hearing and the review by the NSUARB is dependant on their scheduling.

Do not hesitate to contact the undersigned with any questions or comments.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Hannam'.

Jamie Hannam, P.Eng.  
Director Engineering and IS


cc. Kenda MacKenzie, Development Engineer, Halifax Water



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**June 17, 2008**

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

**SUBMITTED BY:**   
Wayne Anstey, Acting Chief Administrative Officer

**DATE:** May 17, 2008

**SUBJECT:** **Case 01148 - Amendments to the Bedford West Secondary Planning Strategy and Regional Subdivision By-law**

---

### **SUPPLEMENTARY REPORT**

#### **ORIGIN**

On May 13, 2008 Regional Council deferred a recommendation to initiate the process to:

- a) consider amendments to the Bedford West Secondary Planning Strategy sanitary sewer servicing policies; and
- b) consider amendments to the Regional Subdivision Bylaw regarding adoption of capital cost contribution charges.

Additional information was requested regarding the impacts of diverting approximately 235 acres from the Mill Cove Wastewater Treatment Plant to the Halifax Wastewater Treatment Plant.

#### **RECOMMENDATION**

It is recommended that Council:

1. Initiate the process to consider amendments to the Bedford West Secondary Planning Strategy sanitary sewer servicing policies and to consider amendments to the Regional Subdivision Bylaw regarding adoption of capital cost contribution charges; and
2. Adopt the public participation program outlined in Attachment C.

## **EXECUTIVE SUMMARY**

Bedford West has an approved master plan and development is subject to an amendment of the service boundary and the approval of a Capital Cost Contribution (CCC) from developers. The approved plan directs approximately 1,200 acres of undeveloped land toward the Halifax Wastewater Treatment Plant (WWTP) and approximately 500 acres towards Mill Cove.

Staff have identified another option for providing wastewater services that directs an additional 235 acres towards the Halifax WWTP, that requires an amendment to the approved master plan.

On May 13, 2008 Regional Council deferred a recommendation to consider amendments to the approved master plan, and requested additional information on the impacts of the new wastewater plan.

The capital cost of the new wastewater plan is approximately \$2.0M less than what was previously being studied. It is in the public interest to support the least cost servicing option for the following reasons:

- Most of the cost of providing infrastructure will be paid for by the developer, and recovered from lot sales which directly impacts housing affordability.
- The CCC reserve is funded by developers, but administered by Halifax Water and the state of the reserve will influence water and wastewater rates.
- Life cycle cost savings are substantially more, and infrastructure that will be owned, operated and eventually replaced is funded from water and wastewater rates.
- There is less remaining capacity at Mill Cove WWTP, it is more costly to expand Mill Cove, and an expansion will be required sooner at Mill Cove than at Halifax WWTP. Consequently, wastewater that can be directed to Halifax WWTP will delay the more costly upgrade at Mill Cove.

A recent study was carried out on the Bedford Basin which suggests that treated wastewater should be directed towards the outer harbour where the opportunity exists because of the higher flushing capacity of the outer harbour.

In addition to Bedford West, there are other areas that may be considered for development over the life of the Regional Plan subject to the cost of providing municipal services, and subject to available capacity in water, wastewater and street systems. With regards to wastewater treatment capacity, it is expected that there will be remaining capacity beyond 25 years for approximately 16,900 persons at the Halifax WWTP, and for approximately 14,700 persons at the Mill Cove WWTP.

## **BACKGROUND**

Council requested additional information relating to the impact of adding an additional 235 acres of undeveloped land to the Halifax Wastewater Treatment Plant (WWTP) relative to:

- a) other undeveloped lands that are designated both Urban Settlement and Urban Reserve to be directed to the Mill Cove and Halifax WWTP's, and
- b) the earlier decision to direct flow from Beechville/Lakeside/Timberlea (BLT) to the Halifax WWTP.

The original secondary plan for Bedford West was approved in 2006 and was initiated by Annapolis Group. Under this Plan, approximately 1,200 acres are approved to flow towards Halifax, and approximately 500 acres are approved to flow towards Mill Cove. Since that time *the majority of the* land within the plan area has been sold to West Bedford Holdings, and a more cost effective servicing plan has been developed.

The original report to Council recommended initiating an amendment to the Bedford West Secondary Planning Strategy to recognize the revised servicing plan. The amendments are in support of an infrastructure and funding plan to establish a Capital Cost Contribution (CCC) from developers in Bedford West, and such a plan is required before development can proceed.

The process to establish a CCC is being carried out jointly with the Halifax Regional Water Commission (Halifax Water). The CCC for water and wastewater must be adopted by Halifax Water and requires approval by the Nova Scotia Utility and Review Board .

The CCC for collector roads as well as amendments to the service boundary must be approved by HRM.

## **DISCUSSION**

This report is structured in two parts to address Council's questions. The first part reviews the planning designations of serviced and serviceable lands that would flow to the Halifax and Mill Cove WWTP's. The second part provides the technical details of allocating wastewater treatment capacity.

### **Planning Designations**

The Regional Plan created a designation known as "Urban Settlement" that encompasses both developed and undeveloped lands where urban forms of development should occur on piped water and sewer services. It was anticipated that approximately 75% of the population growth would occur within this designation; 50% in "suburban" growth centres and 25% in the Regional Centre on infill development or "opportunity" sites (Refer to Attachment "A").

The following six undeveloped areas were designated Urban Settlement, and identified as areas for new mixed use, transit friendly urban growth:

1. Bedford South
2. Morris-Russell Lake
3. Bedford West
4. Port Wallis
5. Sandy Lake and
6. Highway 102 west corridor adjacent to Blue Mountain - Birch Cove Lakes Park (Suzie Lake).

Master Plans and Secondary Planning Strategies must be completed in these areas prior to developing.

Of these areas Bedford South, Morris-Russell Lake, and Bedford West have secondary planning strategies completed and are in various stages of development as described below.

- 1) Bedford South: In 2003 Council approved a master plan and a CCC over the entire plan area, and the area is currently under development.
- 2) Morris/Russell Lake and Bedford West: In 2004 Council directed staff to continue developing master plans in these areas (see Attachment “B”). Morris/Russell Lake has a CCC established over portions of the plan area, and these areas are also currently being developed. Bedford West has an approved secondary plan, and development is subject to an amendment of the service boundary and the approval of a CCC.

Master Plans and Secondary Planning Strategies have not begun in the other areas that have been designated Urban Settlement. In 2004 Council deferred development of a master plan for Port Wallis, and discontinued work on a master plan for the land assembly in Timberlea known as “Governor’s Lake North”. (see Attachment “B”)

On a go-forward basis, the Regional Plan requires that proposals to begin master plans must consider the cost of providing municipal services and in particular HRM’s capacity to meet additional financial commitments. A study is currently underway that is determining the costs of providing municipal services.

The Regional Plan also created a designation known as “Urban Reserve” for lands abutting the Urban Settlement Designation which could be considered for services beyond the next 25 years, to ensure the Municipality has a long-term supply of serviceable lands. “Governor’s Lake North” in Timberlea is designated Urban Reserve. The other areas designated as Urban Reserve are lands bounded by Highway 7, Ross Road, Highway 207 and Broom Road (Cole Harbour/Westphal), land surrounding Anderson Lake (Dartmouth/Bedford), land surrounding Ragged Lake (Halifax), land surrounding Kidston Lake (Spryfield/Herring Cove), Purcell's Cove area “back lands”, and private lands in the Blue Mountain - Birch Cove Lakes Regional Park area

### **Capacity Allocations**

In May, 2007 Council adopted a Regional CCC for Wastewater Treatment, and the provisions of the by-law are now a regulation of Halifax Water. This charge is collected from new development and is placed in a reserve fund to help pay for regional WWTP's upgrades.

Council decided to collect a uniform charge that does not vary depending on the location of the development. A uniform charge makes it easier to direct wastewater flows between facilities as needed, to take advantage of remaining capacity in the Regional Wastewater Treatment system. Examples that were cited at the time included directing Mumford Road/Armdale to the Herring Cove Plant; directing parts of Shearwater/Woodside to either the Dartmouth or Shearwater Plant; and directing parts of Bedford West to either Mill Cove or Halifax.

The current Bedford West secondary plan allows for 1200 acres to flow to Halifax and 500 acres to flow to Mill Cove. Staff estimate that the capital cost of the revised plan is approximately \$2.0M less than what was previously being studied. Life cycle cost savings are substantially more. Although the majority of the capital costs will be paid for by the developer under the CCC program, the least cost servicing solution is in the public interest for the following reasons:

- Housing affordability - to the extent that the developers costs are recovered from lot sales, the consumer will ultimately bear the cost of providing infrastructure needed by the development; and,
- Water and wastewater rates - it is important to support servicing plans that minimize the amount of infrastructure that will be owned, operated and eventually replaced. In addition, the CCC reserve is funded by developers, but administered by the Water Commission and the state of the reserve will influence wastewater rates.

Council has previously approved a plan to divert a portion of the Lakeside/Beechville/Timberlea system to Halifax. The exact timing of the project will depend on the rate of growth in Timberlea, but Halifax Water anticipate the project will be required in approximately 7 years. This is an example of a flexible, regional wastewater treatment system and a portion of the project will be funded by the Regional CCC. Details of the capacity that Council has allocated to Timberlea are included in the "Table 1" below.

Analysis has been completed on all regional WWTP's in relation to their remaining capacity and the ability to accommodate growth. Allocations have also been considered for existing areas that may require connection in the future to either the Mill Cove or Halifax WWTP's.

Table 1 illustrates the capacity at both Halifax and Mill Cove WWTP's and the forecasted demands over the next 25 years in their respective sewer sheds.

### **Table 1 - Wastewater Treatment Plant Capacity Overview to 2030**

	<b>Halifax WWTP (Equivalent Persons)</b>	<b>Mill Cove WWTP (Equivalent Persons)</b>
Design	139,000	57,100
Current Flows	108,000	44,000
<b>Current Remaining Capacity</b>	<b>31,000</b>	<b>13,100</b>
Less Transferred WWTP's <sup>1</sup>	10,500	4,400
Less Regional Planning Forecasts <sup>2</sup>	18,000	6,400
<b>Forecasted Remaining Capacity</b>	<b>2,500</b>	<b>2,300</b>
Bedford West Forecast	9,600	6,800
<b>Remaining Capacity/(excess allocation)</b>	<b>(7,100)</b>	<b>(4,500)</b>
<b>Proposed Upgrade</b>	<b>24,000</b>	<b>19,200</b>
<b>Overall Remaining Capacity</b>	<b>16,900</b>	<b>14,700</b>

The upgrade for the Halifax plant is estimated at \$5 million. Combined with Remaining capacity, the Halifax WWTP is capable of serving 55,000 additional people.

The Mill Cove upgrade is estimated at \$15 million. Combined with remaining capacity, the Mill Cove WWTP is capable of serving 32,300 additional people.

There is less remaining capacity at Mill Cove and an expansion will be required sooner than at Halifax. Consequently, wastewater that can be directed to Halifax will delay a more costly upgrade at Mill Cove.

“Overall Remaining Capacity” represents another 25 years of growth if managed properly. Council,

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<sup>1</sup>“Transferred WWTP’s” refers to the portion of the Lakeside/Beechville/Timberlea which will be directed to the Halifax WWTP. As well, small WWTP’s such as Lively, Springfield Lake and Uplands Park either will be directed or are planned to be directed to Mill Cove.

<sup>2</sup>“Regional Planning Forecasts” are population growth forecasts in the growth centres that were identified under the Regional Plan, and based on the median growth forecast given in “Employment, Population and Housing Projections Halifax Regional Municipality (Revised)”, May 12, 2004, Clayton Research Assoc. Ltd. and Cantwell & Co.

in consultation with Halifax Water, will decide where and when development can occur and the next step is to conduct a Cost of Servicing Study. The study has been awarded to CBCL Engineering and is currently underway.

In direct response to the question raised by Council, the undeveloped areas of Suzie Lake and Governor's Lake North can ultimately accomodate 31,700 people at full build out<sup>3</sup>, broken down as follows:

Suzie Lake	20,900 people
Governor's Lake North	10,800 people.
Total	31,700 people

These populations include lands that are designated both Urban Settlement as well as Urban Reserve.

It is not practical to build the regional wastewater system to accommodate the full build-out of all land that is tributary to a regional treatment plant. Rather the system is over-sized to accommodate growth that is anticipated within the design life of the system under various development scenarios.

The total growth and transferred flows that are anticipated for all areas that are tributary to the Halifax WWTP, including Bedford West (and Area 12) is 38,100 people over the next 25 years, and there is capacity for 55,000 people. In this context, directing area 12 to the Halifax WWTP will have a negligible impact on Council's ability to make future decisions related to areas such as Suzie Lake and Governors Lake North.

In addition, a recent assimilative capacity study<sup>4</sup> was carried out on the Bedford Basin which concluded that the inner Harbour/Bedford Basin will likely reach its assimilative capacity in the next 50 years. The study also concluded that enhanced levels of treatment and locating future outfalls further seaward will be required in order to continue to meet the original objectives of the Halifax Harbour Task Force. This suggests that wastewater should be directed towards plants located in the outer harbour where the opportunity exists.

Wastewater may also be directed from the Halifax plant to Herring Cove if the need arises in the future.

## **BUDGET IMPLICATIONS**

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<sup>3</sup>Grenfeld Areas Servicing Analysis, CBCL Ltd, July 2004.

<sup>4</sup>Bedford Basin Assimilative Capacity, Coastal Ocean Associates, July, 2007



The Municipality will assume financial commitments for transportation related expenditures made in accordance with the capital cost contribution policy and Halifax Water will assume financial commitments made for water and wastewater infrastructure. No expenditures for stormwater services are contemplated in the Bedford West CCC.

Adoption of CCC charges is subject to developing a financial model that is acceptable to both Council and Halifax Water. Details will be made available in a report to Council after concluding the public participation program.

### **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**

1. Council could agree to not initiate the amendments to the Bedford MPS as recommended in the original report. This is not recommended for the reasons outlined in this Supplemental Report.

### **ATTACHMENTS**

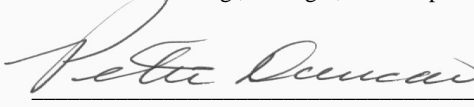
Attachment A - Map of Regional Wastewater Boundaries


Attachment B - Report to Regional Council, dated November 9, 2004, entitled "Master Plans and Greenfield Studies"


Attachment C - Proposed Public Participation Program

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.

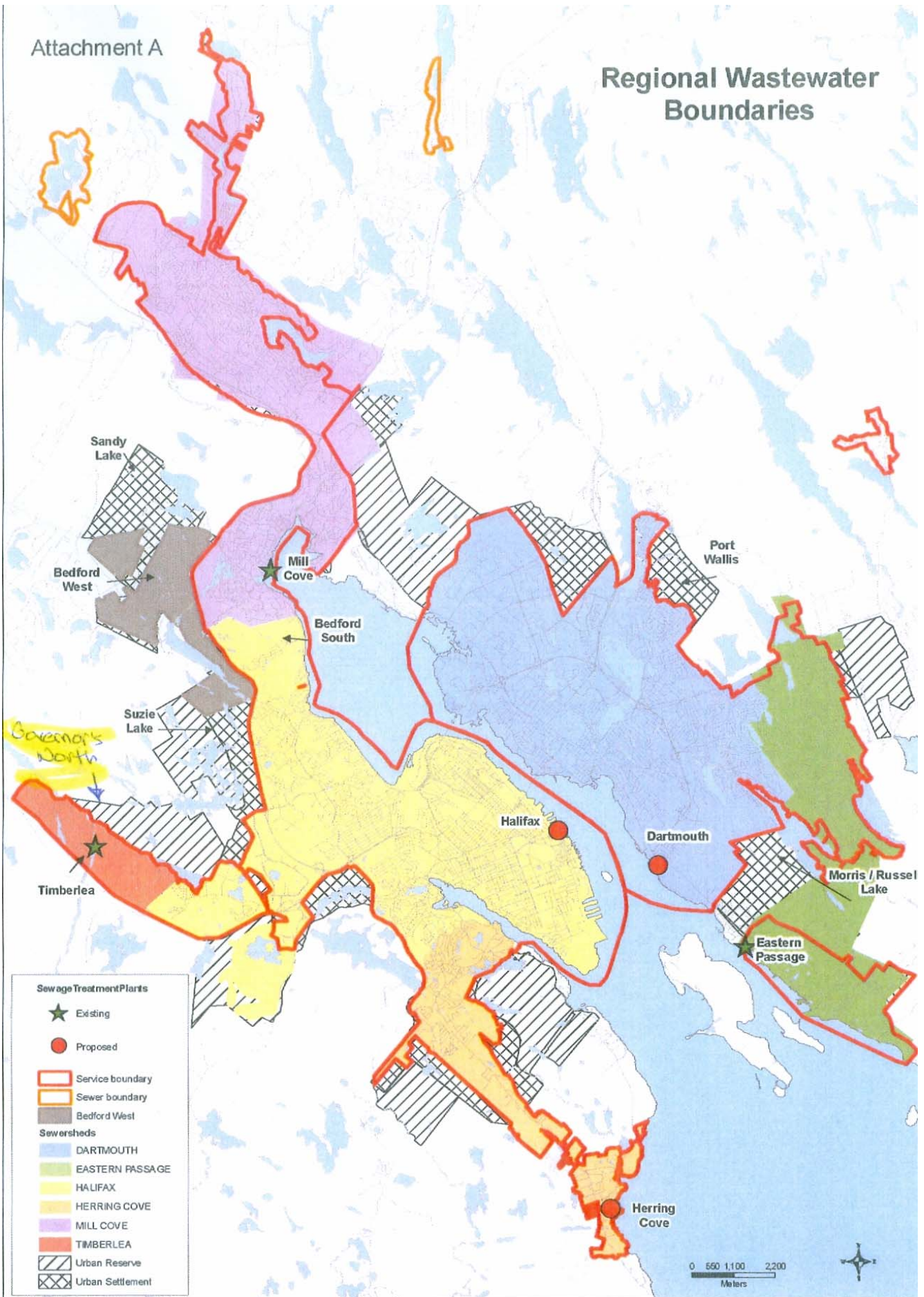
Report Prepared by: Kenda MacKenzie, P.Eng., Development Engineer 490-1753  
Peter Duncan, P.Eng., Manager, CCC Implementation Project, 490-5449

Report Approved by:   
Peter Duncan, Manager CCC Implementation Project 490-5449

Financial Approval by:   
Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by:   
Cathie O'Toole, Director Infrastructure & Asset Management 490-4825

# Regional Wastewater Boundaries





PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada


8.1

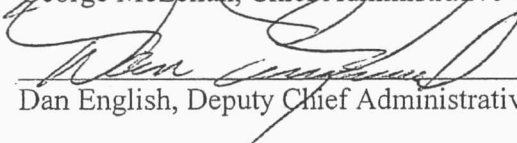
Regional Council  
Committee of the Whole  
October 19, 2004

*November 9, 2004*

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

**SUBMITTED BY:**

  
George McLellan, Chief Administrative Officer

  
Dan English, Deputy Chief Administrative Officer

**DATE:** October 4, 2004

**SUBJECT:** Master Plans and Greenfield Studies

**ORIGIN**

- December 1, 1998 motion of Regional Council to initiate four master plan studies (Morris/Russell Lake, Port Wallace, Wentworth/Bedford South and Governor Lake North);
- July 2, 2002 motion of Regional Council to initiate a master plan study for Bedford West;
- Information Report to Regional Council, dated 29 June, 2004 regarding the status of the master plan studies.

**RECOMMENDATIONS:**

It is recommended that Council accept the staff presentation of this report and defer consideration of the Recommendations until the next regular Regional Council meeting (October 26, 2004).

1. Direct staff to continue to negotiate policy and regulatory amendments needed to allow for the development of the Morris-Russell Lake and Bedford West master plans;
2. Defer further work on the Port Wallace master plan pending extension of sewer and water services, by the private sector, to the nearby Dartmouth East lands; and
3. Discontinue further work on the Governor Lake North study.



*Executive Summary*

*Council authorized five master plan studies around the metro area. The studies were initiated to determine the feasibility of developing new areas for development serviced with central sewer and water. Emphasis was placed on determining what infrastructure would be needed to maintain satisfactory service levels for new residents and existing residents in the surrounding communities, along with the associated fiscal impacts to the Municipality. If costs were reasonable, staff was to negotiate cost sharing with the proponents and the overall community design elements to achieve "smart growth" principles. One study has been completed to date in the Bedford South/Wentworth area and development has commenced. Four studies remain outstanding.*

*A "greenfield" servicing study has been prepared under the auspices of the Regional Planning Program. This study examined development opportunities and constraints and the cost of extending services to ten greenfield sites around the metro area. The outstanding four master plan study areas were encompassed within these ten greenfield sites.*

*Based on the information gathered, staff feel that the Municipality is now in a position to make decisions as to whether to continue evaluating the outstanding master plan areas. Decisions on these master plan studies will allow staff resources to be focussed on those areas which have the greatest potential. The significant findings in support of the staff recommendations are summarized as follows:*

- The ten greenfield sites are more than sufficient to satisfy suburban growth needs over a twenty-five year period. Even under a high growth scenario for the region, these lands represent a supply of 4.5 to 5.5 times the region's needs.*
- The scale of development within each greenfield area is of such magnitude that approval of one implies that others cannot be developed due to capacity constraints - particularly for sewage treatment. The potential for infill development within the Municipality's established service boundaries may also be restricted if too much capacity is allocated to new greenfield sites.*
- The Morris-Russell Lake and Bedford West master plan study areas provide strong opportunities for new community developments that can be integrated with regional services at relatively low financial investment and risk to the Municipality.*
- The viability of developing the Port Wallace master plan area does not appear promising due to the cost of extending sewer and water services to this area. However, there is a possibility these services will be extended to nearby land on the west side of Micmac Lake by the developer of "Countryview Estates", which is an as-of-right development. If this occurred, the economics of developing the Port Wallace area may be more favourable.*
- The Governor Lake North master plan area requires substantial improvements to the transportation network and a major extension to the sanitary sewer system. The scale of these improvements presents a substantial financial risk to the Municipality even with a capital cost charge levied against the development.*

*There is a limit to how many master plan infrastructure investments the Municipality can participate in before there is an undue impact upon capital budget capacity for other important projects. Contributing Municipal infrastructure investment to all of the master plan sites also increases the Municipality's financial risk since not all of this land is required in order to meet the region's growth projections.*

*Council's decision to continue or discontinue any of the master plans studies cannot be appealed to the Nova Scotia Utility and Review Board since they require amendments to HRM's municipal planning strategies. Such decisions are at Council's discretion. In addition, a public hearing is not required in order to discontinue a master plan. A public hearing however is required prior to ultimately approving a master plan.*

## **BACKGROUND**

### **Master Plan and Greenfield Studies**

- Prior to initiating the Regional Planning process, Regional Council initiated master plan studies to determine the feasibility of developing serviced communities on four greenfield sites around the urban core (i.e. Wentworth/Bedford South, Morris-Russell Lake, Port Wallace, and Governor Lake North).
- Regional Council later added a fifth master plan study in the Bedford West area.
- After initiating the Regional Planning process, Regional Council commissioned a Greenfield Servicing Study of ten areas. These areas included the five master plan areas.
- The Greenfield Servicing Study has a fundamental bearing on the master plan studies. Both processes attempt to determine the feasibility of servicing new areas for development. The specific and comparative information contained in the Greenfield Servicing Study therefore has direct relevance to decision making on the master plan areas.
- The potential scale of development within each study area is of such a magnitude that approval of one implies that other sites may not be developed due to service capacity constraints, particularly for sanitary sewage treatment.
- There is a limit to how many infrastructure investments the Municipality can participate in and these investment decisions need to be very strategic in order to avoid having an undue impact upon the Municipality's capital budget capacity for other important projects. Spreading the Municipality's investment to more development sites than are required to meet future growth increases the Municipality's financial risk and limits capital budget capacity.
- Development approvals within the master plan areas may also limit the Municipality's capacity for infill development within established urban service boundaries.
- The key issue to be addressed for each study area is whether to undertake policy and regulatory amendments concurrently with the regional planning program or to postpone further action until the regional plan has been completed.

### **Status of Wentworth/Bedford South Master Plan**

- The Wentworth/Bedford South master plan study has been completed and Council has amended the two relevant municipal planning strategies for this area. Development has begun on the site and homes in the first phase are occupied.

Status of Morris-Russell Lake Master Plan

- The Morris-Russell Lake master plan study is nearly complete. Regional Council amended three municipal planning strategies to allow for serviced development in the area pending confirmation of funding for a new interchange on the Circumferential Highway (Highway 111). Federal and Provincial funding through the Canada-Nova Scotia Infrastructure program has been confirmed and the Municipality has also approved funding in its capital budget. Staff are currently working with a public participation committee to finalize design guidelines for development of the site. These will be presented to Regional Council for approval.

Status of Port Wallace, Governor Lake North and Bedford West Master Plans

- Over the summer, staff met with the property owners within each of these master plan study areas to try to review the findings of the various servicing studies undertaken to date, particularly the Greenfield Servicing Study. The purpose of these meetings was to determine if there were any discrepancies in infrastructure needs, associated costs and the application of capital cost charges. This process has been completed. As noted in the following discussion, there has not been agreement with all developers on the staff assessment.
- An executive summary of the Regional Greenfield Servicing Study, prepared by CBCL Ltd., is presented as attachment II<sup>1</sup>. Written submissions in response to the study were received from the proponents of the Governor Lake North and Port Wallace study areas which are reproduced as attachments III and IV.

**DISCUSSION:**

The key issues arising from the Greenfield Servicing Study and master plan studies which have led to the recommendations contained in this report are summarized as follows:

***Is development in all of the greenfield study areas required to satisfy the region's projected growth?***

Development of all of the greenfield study areas is not required in order to accommodate the region's projected growth. Between 2001 and 2026, the region's population is forecasted to grow by 52,000 persons under a low growth scenario and 125,000 under a high growth scenario<sup>2</sup>. Under the high growth scenario, it is estimated that 50,000 to 60,000 people would be accommodated within greenfield sites. The remainder would locate within established service boundaries or developments with on-site sewer and water services.

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<sup>1</sup> The full report can be found in PDF format on the HRM website at [www.halifax.ca/regionalplanning/publications/Research.html](http://www.halifax.ca/regionalplanning/publications/Research.html)

<sup>2</sup> *Employment, Population and Housing Projections; Halifax Regional Municipality.* Prepared by Clayton Research Associates Ltd. in partnership with Cantwell & Company Consulting. August 2004.

The Greenfield Servicing Study estimates that full build out of all ten greenfield sites under a typical suburban density of 18 persons per acre could accommodate approximately 273,000 people, which represents a supply of 4.5 to 5.5 times expected needs under a high growth scenario for the next twenty years.

*Can the Municipality service all of the greenfield study areas?*

A recent review of the Region's proposed and existing regional sewage treatment facilities has estimated that, if all future expansions contemplated are constructed, the sewage flow from the equivalent of an additional 261,200 persons could be accommodated. Even if relatively generous sewage generation from businesses and industries are assumed, future capacity should be more than sufficient to accommodate growth over a twenty-five year planning period.

When deciding which greenfield/master plan areas can be serviced, the most significant issue is not the Region's total sewage plant capacity, but rather the proper assignment of population growth to each plant. For example, if all the greenfield/master plan areas within the catchment areas of the Halifax and Dartmouth sewage treatment plants were developed, the capacity of each plant would be exceeded by a substantial amount.

Taking the capacity of the Halifax and Dartmouth sewage treatment plants into consideration, the following conclusions were reached<sup>3</sup>:

- The Bedford West, Birch Cove Lakes - Governor Lake and Ragged Lake greenfield areas can accommodate a combined population of 75,000 people. These greenfields are all within the Halifax treatment plant's catchment area and their combined population represents almost 1.4 times the plant's ultimate capacity after expansion.
- If only the Bedford West and Governor Lake North master plan areas are taken into consideration, they could have a combined population of 35,000. This represents over 64% of the ultimate available treatment capacity for the Halifax plant. However, at least 65% of the plant's capacity has to be reserved for potential infilling and greenfield development within Halifax' established service boundary.
- Similarly, the three greenfield sites within the Dartmouth sewage treatment plant's catchment area (Shearwater - Eastern Passage, Dartmouth East - Port Wallace and Dartmouth North - Anderson Lake) would exceed the plant's ultimate capacity by 28%.

The Municipality cannot service all the greenfield areas which potentially flow to the Halifax and Dartmouth sewage treatment plants while also servicing the lands already within the service boundaries for these plants. Decisions about how to allocate sewage treatment plant capacity will therefore have to be made. The anticipated population under current municipal servicing policies and regulations and potential future demands on the Halifax and Dartmouth treatment plants are summarized on attachments V and VI respectively.

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<sup>3</sup>The Halifax and Dartmouth facilities are estimated to have available capacities of 55,000 and 64,000 persons after second planned expansions.

*Which study areas have the most potential for future development?*

The greenfield study addressed this question by placing each of the ten sites in one of three categories: not recommended as having development potential; sites with some constraints to development; and sites with minimal constraints. The findings and supporting rationale are summarized on pages X to XII of the executive summary, attachment II.

Staff also undertook an opportunities and risk analysis for each master plan study area and evaluated each against the seven regional planning principles which have been adopted by Regional Council. A summary of these analyses is found in attachments VII and VIII.

The rationale for the staff recommendations are summarized as follows:

*1. Continue negotiations for development of the Morris-Russell Lake and Bedford West master plan study areas.*

Both these areas offer the opportunity to accommodate new suburban communities at relatively low financial risk to the Municipality. Bedford West requires no significant municipal expenditures for infrastructure improvements to allow development to commence and, upon completion, would have a low cost per developable acre. The Greenfield Servicing Study estimated that this area would have the lowest cost per developable acre of the ten greenfield sites studied (the cost estimates for servicing each of the ten greenfield sites are found in Tables 7 to 9, pages at the end of attachment II to this report).

Bedford West is also expected to benefit from the new interchange which was approved in conjunction with the Wentworth/Bedford South master plan study. Under the Municipality's capital cost contribution policy, Bedford West would therefore contribute to the cost of the interchange and the Municipality's committed share would decline.

The Morris-Russell Lake area requires a new interchange on the Circumferential Hwy. with a connection to Baker Drive for development to commence. Subject to a positive environmental assessment, senior levels of government have committed 2.5 million dollars of financial support for the interchange under the Canada/Nova Scotia infrastructure program. Clayton Developments has committed to financing the road connection to Baker Drive. The interchange will also provide access to the Woodside Industrial Park by an extension of Mount Hope Avenue which may enhance the opportunities for attracting new businesses.

Upon completion of the interchange, considerable development can proceed with minimal municipal expenditures for infrastructure. Over the long term, Mount Hope Ave. is proposed to extend eastward from the interchange and across the Shearwater lands to the Caldwell Road. This project is expected to draw traffic from Eastern Passage and the Cole Harbour communities which would relieve congestion on Portland Street (the interchange and connector roads are illustrated on the conceptual land use and transportation plan, presented as attachment IX to this report).

The interchange and road improvements proposed for the Morris-Russell Lake area will allow for new transit routes which would link the surrounding community to the Woodside Ferry Terminal. With new ridership from this community and the new community college proposed at Woodside,



improved ferry service may be justified, resulting in further ridership and better utilization of an under utilized resource.

Similarly, the Bedford West study area is well situated to take advantage of a regional transit system proposed for the surrounding community whether it be a high speed ferry service between the Bedford waterfront area and downtown Halifax, rail transit along the Bedford basin or high speed bus service on the Bicentennial Hwy. An internal collector road system proposed within Bedford West would be supportive of any of these proposals. The conceptual transportation plan for Bedford West is presented as attachment X.

While it is recommended that both of these areas be approved for serviced development, the final boundaries of each area still have to be confirmed. To allow for flexibility, phasing plans will also be developed.

*2. Defer further work on the Port Wallace study area.*

The Greenfield Servicing Study suggests there is considerable financial investment associated with developing this area due to deficiencies in the sanitary sewer system. The Port Wallace area is currently serviced by a trunk system that extends southward along the Waverley Rd. toward the harbour and includes several pumping stations and force mains. Despite recent upgrades, this system has no reserve capacity for new development.

The Greenfield Servicing Study concluded that servicing this area would require an extension to the North Dartmouth trunk sewer northward along the western shoreline of Lake Micmac toward Lake Charles. Sewage from the Port Wallace area would then be pumped into this sewer through a new main at the southern tip of Lake Charles. Schematics are illustrated on attachment XI.

Staff had concluded that the \$15 million cost of extending services posed too much financial risk to the Municipality, especially since the expenditure would be required before any development could occur. In addition, further upgrades are needed in the downstream trunk sanitary sewer system running through the older areas of Dartmouth.

A recent as-of-right proposal to develop land in the Dartmouth East area between Hwy. 118 and Burnside Business Campus might improve the economics of developing the Port Wallace area. When land for Hwy. 118 was acquired by the Province in the 1970s, the Province committed to provide "reasonable access" to one of the abutting property owners. The current owner of this property, North American Properties Ltd. has requested that the Province fulfill this commitment by building an interchange. A variety of as-of-right retail uses are proposed for the area.

If North American proceeds with this project, the cost of servicing the Port Wallace area would decline significantly since North American would pay to extend services to their property. Most significantly for master planning, this includes the Dartmouth North Trunk Sewer. At this time it is recommended that the Port Wallace study area be deferred until construction of services to the North American Properties site (i.e. Dartmouth East).

With regard to the submission received (attachment IV), staff met with Tom Swanson, Wayne Whebbby, a major property owner in the Port Wallace area, and a representative of CBCL to discuss the discrepancies in cost estimates. While agreeing that some cost savings suggested may

be possible, staff remain of the opinion that they are not likely to be of the magnitude suggested by Mr. Swanson.

*3. Discontinue Work on the Governor Lake North Master Plan Study.*

Staff and the developer of the Governor Lake North lands have examined several development scenarios and infrastructure solutions. While the site design of this master plan community is reasonable and it has good proximity to a regional employment centre at Bayers Lake, there are unfortunately also significant sanitary sewage and transportation issues associated with development of this site. Staff and the developer have been unable to agree on the extent and significance of these capacity issues; the design of the appropriate infrastructure solutions; or apportionment of costs between the Municipality and developer for these infrastructure solutions.

Sanitary Sewer Services:

*Alternative one:*

Originally, a development designed for 11,800 people over 655 acres was proposed with sanitary sewage discharged to the Nine Mile River treatment plant in Timberlea (Parkdale Developments owns 523 acres, Kimberly Lloyd owns 100 acres and John Lordly owns 32 acres). The plant currently serves under 9,000 people its current capacity is estimated to be 10,000.

When the master plan study for this area commenced, the plant was assumed to have an ultimate capacity of 30,000 persons, if two upgrades were undertaken. However, an assimilative capacity study undertaken on the Nine Mile River, concluded that, under current provincial guidelines, it is unlikely that approvals would be granted for treatment of more than 20,000 people and possibly less<sup>4</sup>. It is estimated that the population growth within the plant's existing approved service boundary will exceed 20,000 people at full build-out. Therefore, the Nine Mile River service boundary cannot be expanded to accommodate Governor Lake without removing development rights from properties already inside the current service boundary. The plant limitation may require that the existing boundary be reduced in size through the regional planning process.

*Alternative two:*

The developer subsequently proposed to discharge the sewage to the proposed Halifax treatment system by pumping to the collection system in Bayers Lake Business Campus. They also proposed to redirect flows from a portion of the existing Timberlea service boundary to the Halifax treatment system via a pumping station and forcemain. The developer argued that this proposal could result in considerable cost savings to the Municipality by eliminating the need for the last planned upgrade to the Nine Mile River treatment plant. In total, flows from 20,800 persons would be redirected to the Halifax system (11,800 from the study area and 9,000 from the existing service boundary for Timberlea).

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<sup>4</sup> Dillon Consulting Ltd. in association with Loucks Oceanography Ltd. *Nine Mile River Assimilation Study*. February 2003. prepared for Halifax Regional Municipality.  
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As discussed earlier in this report, the Halifax treatment plant cannot accommodate all of the greenfield/master plan lands within its catchment area and retain capacity for development already within the service boundary. The Bedford West development also proposes to direct sewage flows for 25,000 people to the Halifax treatment plant. The combined developments would consume about 83% of the Halifax plant's ultimate capacity<sup>5</sup>. As mentioned earlier, it is estimated that 65% of the plant's ultimate capacity has to be reserved to accommodate growth within the established service boundary (attachment V).

*Alternative three:*

The developer subsequently requested that a development of 8,000 persons be permitted to discharge from its lands to the Halifax system. They also requested that the development be allowed to discharge to the Nine Mile River treatment plant and switch to the Halifax system once treatment capacity is reached.

Staff does not support any additional discharge to the Nine Mile River treatment facility. The 20,000 population limit referenced in the assimilative capacity study is somewhat speculative as the provincial guidelines for dilution under dry weather conditions would not be met with this population. In fact it is possible that retracting the existing service boundary for the community will have to be reconsidered.

The question is therefore whether capacity should be allocated at the Halifax treatment facility for this development and the implications this would have for development elsewhere and Municipal infrastructure investment.

Transportation Planning:

*Transportation Study #1:*

The most significant obstacle to developing this site pertains to maintaining an adequate level of traffic service to the surrounding communities. The communities of Timberlea, Lakeside and Beechville have two primary routes of travel to the metro area - the St. Margaret's Bay Road (Hwy. 3) and Hwy. 103. The first traffic study analysed impacts at the end of a ten year planning period when 20% of the area was expected to be developed and at the end of twenty-five years when the development was assumed fully built out<sup>6</sup>.

The study assumed that the Municipality would expand the Timberlea Village Parkway to four lanes and would construct a new collector road from the new interchange serving the regional solid waste facility and the entrance to the Lakeside Business Campus (this road is commonly referenced as "the East Collector" in traffic studies). Included among the study findings were the following:

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<sup>5</sup> The Halifax treatment plant will initially be constructed to allow for an additional 31,000 people and a future expansion is estimated to allow for a further 24,000 population increase.

<sup>6</sup>Dephi Systems Inc. *Governor's Run Traffic Impact Study*. May 2001.

- At the end of the 10 years, although Hwy. 103 had significant capacity remaining, the St. Margaret's Bay Road was reaching capacity at a number of locations, including the section between Timberlea Village Parkway and Lakeside Park Drive. More traffic would be diverted to Timberlea Village Parkway as a consequence.
- At the end of 25 years, Hwy. 103 would still have adequate capacity. Capacity constraints on the St. Margaret's Bay Road however will be unmanageable without considerable improvements to the transportation system, particularly to accommodate the peak hour traffic in the evening.
- Even with the twinning of the Timberlea Village Parkway and the construction of the East Collector, widening of the St. Margaret's Bay Road to four lanes east of Lakeside Park Drive and west of the Timberlea Village Parkway was recommended. The consultant still concluded that the St. Margaret's Bay Road would operate at capacity in the future.

Staff were not satisfied that the recommended improvements were adequate. The Municipal Planning Strategy for this community is explicit in not supporting widening of the St. Margaret's Bay Road, east of the Lakeside Business Park. At a public meeting, residents clearly expressed an opinion that traffic from this development should be diverted away from the St. Margaret's Bay Road. Staff also feel that enhanced transit services to the community would be difficult under this scenario where the primary bus route would continue to be the St. Margaret's Bay Road.

*Transportation Study #2:*

The Municipality and the Province subsequently sponsored a comprehensive transportation study for the Governor Lake North area that included the potential impact of development of other lands including expansion of the Bayers Lake Business Park and development of the Ragged Lake lands on the south side of Hwy. 103<sup>7</sup>. Schematics of the recommended improvements and associated implementation costs are shown on attachment XII.

Long term expenditures of over \$35 million were estimated for transportation improvements to this area. Among the components was a new underpass at the Bicentennial Hwy. which would provide a road connection from Regency Park Drive in Clayton Park to Bayers Lake Park and the Governor Lake North study area. Substantial improvements to the exit 2 interchange at Hwy. 103 and the St. Margaret's Bay Road were also identified.

The study consultants were then retained by the Municipality to prepare an estimate of the costs attributable to the Governor Lake North study area in accordance with the Municipality's capital cost contribution policy. The developer did not concur with the apportioning of costs and, in particular, arguing that the Bicentennial Hwy. underpass and Hwy. 103/Exit 2 interchange improvements were regional projects that served a large area and therefore should not be funded by developer contributions.

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<sup>7</sup>SGE Acres. *Governor Lake Area Transportation Study*. Prepared for Nova Scotia Department of Transportation and Public Works and Halifax Regional Municipality.

Staff views both the Highway 103 interchange and Washmill Court underpass projects as critical elements of connecting new development to the regional roadway network. Although staff concedes that the value of the Highway 103 interchange project is more closely tied to the possible development of the Ragged Lake Business Park, the need for the Washmill Court underpass is attributable to the Governor Lake development and expansion of the Bayers Lake Business Park. In this regard, Real Property Asset Management has advised that a strategic plan for the Bayers Lake Business Park expansion will be prepared in conjunction with the regional planning program but, until this work is completed, it has not determined whether further expansions to the park will be proposed.

*Transportation Study #3:*

SGE Acres was then retained by the Municipality to address two questions. First, could the proposed transportation plan, without the Hwy.103/Exit 2 interchange improvements but with the Washmill Court underpass improvements, adequately service the Governor Lake North study area and future expansion of Bayers Lake Business Campus. Secondly, if so, how should the costs be apportioned. The assessment is reproduced as attachment XIII. A staff assessment of the division of costs between the Municipality and the Governor's Lake North master plan area under this scenario is presented as attachment XIV.

Staff is not prepared to recommend that negotiations be continued based on this revised transportation plan for the following reasons:

- The consultant concluded that "this "minimum improvement approach" was never requested in the original study and for this reason we feel that the improvements noted below tend to become more "band-aid" solutions and do not support good long term regional planning" attachment XIII, pg. 2);
- The Municipality would still assume an unacceptably high financial risk of at least \$6.9 million of the estimated \$12.8 million "minimal" transportation improvements and possibly a further \$28.9 million for the Hwy. 103/Exit 2 interchange improvements and widening of St. Margarets Bay Road from the Armdale Rotary to Lakeside (refer to attachment XIV); and
- Development of this area would consume capacity at the Halifax Sewage Treatment Plant which could otherwise be made available to other greenfield sites which can be developed at a substantially lower cost.

**BUDGET IMPLICATIONS**

None associated with this report.

**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

1. This matter could be deferred to a future Committee of the Whole session to allow the affected property owners to make presentations and to allow decisions to be made by the new Council. If one property owner is invited to speak, other owners should also be allowed to speak since decisions regarding each site have impacts upon the others.

Staff does not object to this option, however a deferral has not been recommended since it prolongs the period of uncertainty for each project. In addition, staff does not wish to ask developers to undertake further studies and incur additional expenses while the possibility exists that Council may not authorize the continuation of the projects.

2. The Municipality could defer further consideration of all outstanding master plan studies until the growth management strategy of the regional plan is adopted by Council. The advantage of this approach is that it affords Council an opportunity to comprehensively evaluate all growth alternatives before deciding where to proceed.

Staff does not feel a deferral of the Morris-Russell Lake and Bedford West studies is warranted. There has been sufficient analyses to conclude that these lands offer the region's best potential for new community developments. Continuing negotiations on these two master plan areas allows additional serviced land to be brought to market in a timely manner, thereby furthering an objective of maintaining an affordable housing supply in the metro area.

3. Staff could be instructed to continue all four remaining master planning studies and, upon completion, submit the required policy and capital cost charges to Council regardless of the status of the regional planning program.

Staff does not support this option because it is clear that development of the Governor Lake North area will require expensive infrastructure upgrades. In addition, alternative areas are available in the region which can satisfy the Municipality's growth over the next twenty-five years at lower cost and less Municipal investment.

4. Staff and the Regional Planning Committee could be requested to consider the Governor Lake North master planning study within the context of the regional growth management strategy, while simultaneously allowing Bedford West to proceed. If Council's goal is to ensure that there is sufficient land available for the region's future growth, this option is not warranted for the reasons specified above.

This option also exposes the Municipality to additional uncertainty and risks in trying to design and fund adequate trunk sewers and manage allocation of the Halifax sewage treatment plant's finite capacity.

5. A decision regarding the Governor Lake North study area could be deferred until Real Property and Asset Management completes a study of the region's business parks. If the study concludes that a major expansion of Bayers Lake Business Park is justified and that the Washmill Court underpass is needed to support it, the business case for the Governor Lake North area might improve. The first draft of the business park study is expected to be received in the near future.

6. Staff could be directed to evaluate the impacts of the Governor Lake North master plan area under a lower population scenario. Staff does not support this option since significant time and effort has been spent already on several design options and numerous studies which to date have determined that this area has high infrastructure development costs. A pumping station and forcemain would have to be constructed to direct sewage to the Halifax treatment system and various improvements to the St. Margaret's Bay Road would still be needed. Further work on this area unreasonably perpetuates expectations that a satisfactory resolution can be reached.

### ATTACHMENTS

- I Information Report from Director of Planning & Development Services, dated 29 June 2004, regarding master plan studies with attachments I to III.
- II CBCL Limited in Association with Marshall Macklin Monaghan. *Greenfield Areas Servicing Analysis: Executive Summary*. July 2004. Prepared for Halifax Regional Municipality.
- III Correspondence pertaining to Governor Lake North
  1. fax transmittal from Maurice Lloyd to Paul Morgan dated 3 August 2004 regarding the Governor Lake North Master Planning Study.
  2. fax transmittal from Maurice Lloyd to Paul Morgan dated 2 September 2004 regarding the Greenfield Study.
- IV Correspondence from Tom Swanson of Summit Rock Developments Ltd. to Paul Morgan, Planner, Halifax Regional Municipality, dated 20 September 2004, re: Greenfield Areas Servicing Study, Requested Corrections to Projected Infrastructure Charges in the Dartmouth East/Port Wallace Area
- V Potential Future Demands on the Halifax Sewage Treatment Plant
- VI Potential Future Demands on the Dartmouth Sewage Treatment Plant
- VII Opportunities and Risk Analysis
- VIII Evaluation of Regional Planning Principles by Master Plan Study Area
- IX Conceptual Land Use and Transportation Plan for the Morris/Russell Lake Master Plan Area.
- X Transportation Plan for Bedford West
- XI East Dartmouth/Port Wallace Study Area - Proposed Servicing Upgrades
- XII Proposed Transportation Improvements and Implementation Costs from the SGE Acres Study.

XIII Technical Memorandum from Robert McLure, SGE Acre Limited re: Governor's Lake  
Alternative Assessment, dated April 27, 2004.

XIV Attachment XIV: Cost of Transportation Improvements Based on SGE Acres Assessment

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.

Report Prepared by: Paul Morgan, Planner, tel: 490-4482

Report Approved by: \_\_\_\_\_  
Paul Dunphy, Director of Planning & Development Services



**Proposed Public Participation Program**

7. Staff to schedule a public information meeting.
8. All property owners within the Bedford West Secondary Plan Area to receive written notification of the meeting. Notification will also be placed in the newspaper and on the Community Development web site. Members of the North West Planning Advisory Committee and the three affected community councils would also receive written notification.
9. A written summary of the proposed plan amendments and infrastructure charges to be prepared by staff and distributed at the meeting. The meeting to be chaired by staff. A staff presentation to be made followed by an opportunity for public comment and questions.
10. Staff to be available to discuss individual concerns or questions following the meeting.
11. If deemed necessary, a follow up meeting to be scheduled.
12. Staff to report to Regional Council with proposed amendments to the Regional Subdivision By-law and the Bedford West Secondary Planning Strategy.
13. Council to schedule a public hearing to consider amendments to the Bedford West Secondary Planning Strategy and the Regional Subdivision By-law, including proposed capital cost contribution charges for transportation services requirements.