

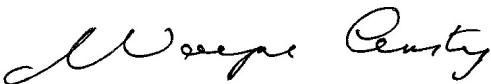



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 8.1

Halifax Regional Council
July 7, 2009

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Wayne Anstey, Acting Chief Administrative Officer


Cathie O'Toole, Acting Deputy Chief Administrative Officer - Corporate Services and Strategy

DATE: June 30, 2009

SUBJECT: 2009-10 Budgets and Business Plans for Area-Rated Services

SUPPLEMENTARY REPORT

ORIGIN

Council approved the 2009-10 Budgets and Business Plans for Area-Rated Services on June 30, 2009, with the exception of the area rate for sidewalk snowplowing which was deferred pending additional information.

RECOMMENDATION

It is recommended that Halifax Regional Council approve the Resolution for Approval of the Operating and Capital Budget and the Area Rate for Sidewalk Snowplowing for 2009-2010 (Appendix A).

BACKGROUND

Prior to municipal amalgamation, sidewalk snowplowing existed in the former City of Dartmouth, Town of Bedford, and urban sections of the former Halifax County. The former City of Halifax did not provide this service to its residents, nor were residents charged for this service. Instead, property owners in Halifax were responsible for the removal of snow from the sidewalks abutting their properties. Following amalgamation, a common area rate was applied to all areas within the Urban boundary with the exception of the former City of Halifax. With the exception of sidewalks abutting HRM owned properties, the cost of plowing sidewalks was entirely covered by the area rate. The service boundaries for sidewalk snowplowing remained unchanged until the 2002-03 fiscal year.

Effective with the 2002-03 fiscal year, an area rate for this service was created for old District 15 as it existed prior to the new District boundaries coming into effect in November 2004. The following fiscal year, the service was expanded further to include old District 16, including the Linear Park, but excluding Bayers Lake Business Park. Around that time old District 2 was excluded from the sidewalk plowing area rates even though parts of the District, such as Fall River, had sidewalks.

Following the District boundary changes, Council approved extending the service to sections of new Districts 15 and 17 effective with the 2005-06 fiscal year. Maps of these sections are attached to this report as Maps 1, 2, and 3. At the same time, Council also extended the service to include sidewalks adjacent to intersections throughout all other sections of the former City of Halifax. The cost of plowing sidewalks adjacent to intersections for the entire service area was moved to the general tax rate.

On February 21, 2006, Council approved the following additional changes to the sidewalk snow removal program:

1. Plowing of sidewalks along all arterials and transit routes within the Municipality be funded through the Urban General Tax rate;
2. An enhanced Seniors and Disabled individuals' sidewalk snow removal program funded through the Urban General Tax rate;
3. Continue the service in the areas which receive residential sidewalk snow removal and fund through a single area rate; and
4. That the sidewalk snow removal program be set for a period of not less than five years so staff can make the necessary operational and service level improvements to ensure program effectiveness.

DISCUSSION

Area Rate for Sidewalk Snowplowing

On June 30, 2009, Council requested a map of the catchment area for the sidewalk snowplowing area rate. The first attached Map included with this report shows the current catchment area as it evolved according to the Background section of this report.

It should be noted that, with the exception of plowing, the cost of maintaining sidewalks is included in the Urban General Tax Rate. Therefore, were it not for the exclusion of some sidewalks in the

former City of Halifax, it is likely that the entire cost of sidewalk snowplowing would be included in the Urban General Tax Rate. The current area rate is necessary in order to ensure that the cost of sidewalk snowplowing is funded from the entire Urban area with the exception of some areas of the former City of Halifax which do not receive the service.

Staff have made one minor adjustment to the existing map, otherwise it remains as it has in past years. A newer section of Kingwoods Sub-division was paying for sidewalk snowplowing because it fell inside the Urban tax boundary, whereas the older section which is closer to the sub-division entrances on Hammonds Plains Road were not paying the area rate because it fell inside the Suburban tax boundary. This anomaly was addressed by excluding all of Kingswood from the area rate.

The Sidewalk Plowing rate has been a source of controversy over the last several years. There are properties that are not adjacent to sidewalks and that pay for sidewalks (through the Urban Tax Rate) and/or area rates for sidewalk plowing. Conversely, there are properties adjacent to sidewalks that don't pay. Prior to the 2010-2011 budget Council can expect options and recommendations for changing the taxation of sidewalks.

Area Rate for Local Transit

Subsequent to approval of most of the 2009-10 area rates by Council on June 30, additional clarification was received with respect to the extension of Transit Service to the Sambro area. The Resolution tabled on June 30 assumed that the Service would be extended along the west side of the Sambro Loop through Williamswood, Harrietsfield and Sambro to the Fire Station located at 160 West Pennant Road before doubling back. However, the route was extended further to the Church located at 1103 Ketch Harbour Road. As a result, it is necessary to extend the catchment area for the Local Transit Area Rate.

The Resolution tabled in June 30 excluded an operating deficit of \$144,149 from the existing Community Transit routes. Staff have adjusted the 2009-2010 operating budget to include this deficit. Neither of the two adjustments to the Resolution will affect the area rates for Regional Transportation and Local Transit, which will remain at \$0.045 and \$0.088 respectively as approved by Council on May 26.

BUDGET IMPLICATIONS

The area tax rate as recommended is sufficient to support the current level of service for sidewalk snowplowing, budgeted at \$2,441,400 for 2009-10, as well as the prior year deficit of \$235,000.

The area rates for Regional Transportation and Local Transit as approved by Council on May 26 are sufficient to cover the additional costs outlined in the Discussion section of 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

Council may choose to implement further changes to the area rate for sidewalk snowplowing. This is not recommended as there is limited time to map out major changes to the rate and have included in the 2009-10 tax bill. For the 2010-11 fiscal year, Council can expect to receive options and recommendations for changing the taxation of sidewalks.

ATTACHMENTS

Appendix A: Resolution for Approval of the Operating & Capital Budget and Tax Rates for Fiscal 2009/2010

Map Current Catchment Area for Sidewalk Snowplowing Area Rate
Map 1: Properties in District 15 included in Catchment Area effective 2005-06
Map 2: Properties in District 17 included in Catchment Area effective 2005-06
Map 3: Properties on Glenora Avenue included in Catchment Area effective 2005-06

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: Gordon Roussel, Financial Consultant 490-6468



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

Appendix A

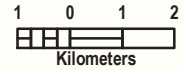
HALIFAX REGIONAL MUNICIPALITY

2009/2010 Operating & Capital Budget

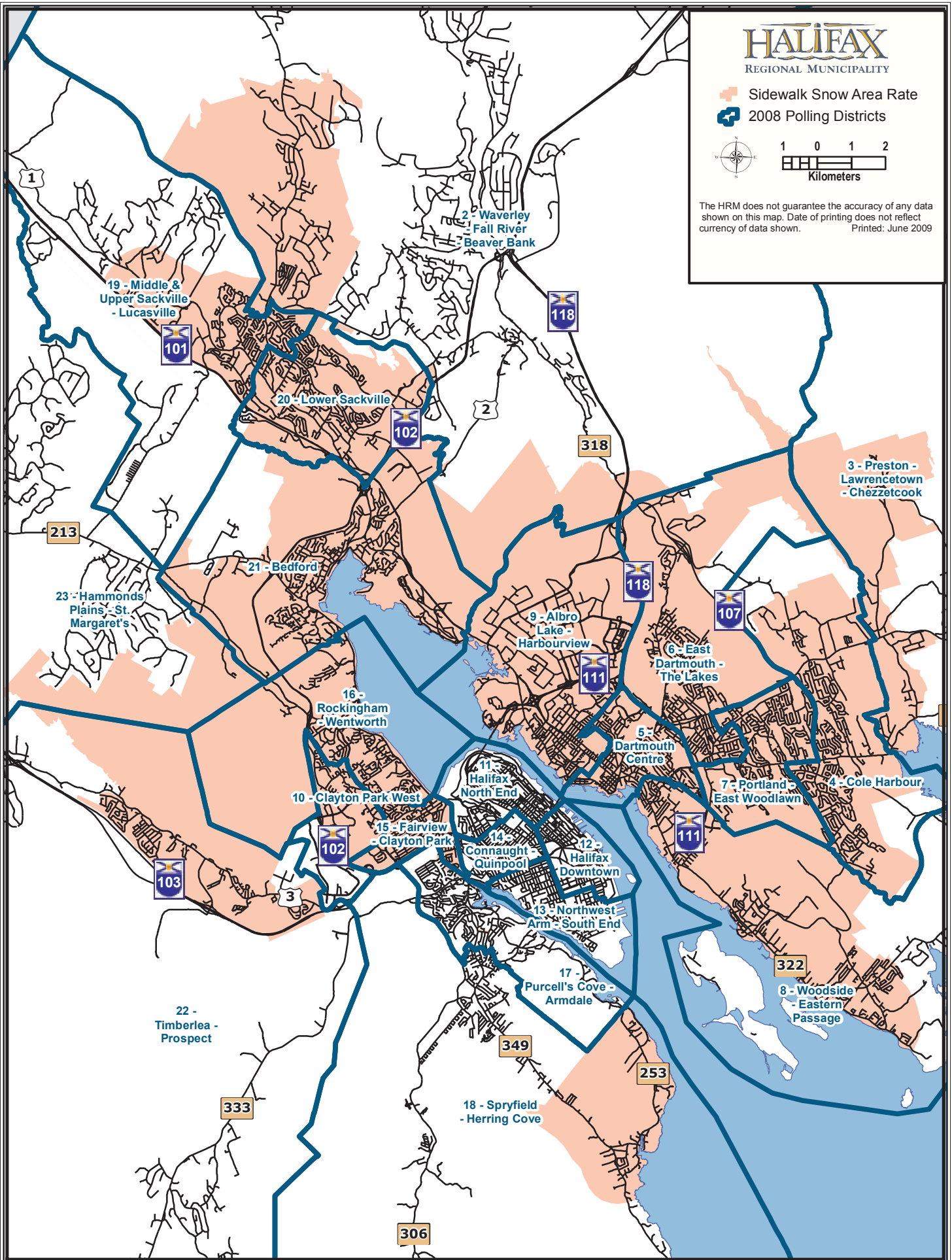
RESOLUTION for Approval of Operating & Capital Budget and Tax Rates for Fiscal 2009/2010

It is hereby resolved that:

- a) the Operating Budget in the amount of **\$703,619,605** gross expenditures (which includes **\$570,338,705** in municipal expenditures), **\$578,755,839** non-departmental revenues, and **\$124,863,766** departmental revenues be approved;
- b) The Area rate for Sidewalk Snowplowing shall be set at \$0.017 per \$100 of taxable assessment on the Residential, Resource, Commercial and Business Occupancy assessment as per the attached map (Map 1).



The HRM does not guarantee the accuracy of any data shown on this map. Date of printing does not reflect currency of data shown. Printed: June 2009



[illegible]

Properties in **District 17** to be covered under Proposed Sidewalk Snowplowing
Glen Eagle Way (all) and Joseph Howe Drive from the Armdale Rotary to the Bicentennial Highway,
Arlington Ave- Civic 2, 4, 6, 8
Springvale Ave civic #2 to civic #22 on the south side and from civic #3 to civic #13 on the north side



Properties in **District 17** to be covered under Proposed Sidewalk Snowplowing
Glenora Ave - All

