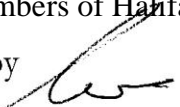


**Item No. 10.1.5**  
**Halifax Regional Council**  
**January 18, 2011**

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

Original Signed by 

**SUBMITTED BY:**

Wayne Anstey, Acting Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** January 4, 2011

**SUBJECT:** **Discontinuance of Area Rate for Waverley Sidewalks**

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**ORIGIN**

Vote held at the annual general meeting of the Waverley Ratepayer's Association on November 29, 2010.

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Discontinue the Area Rate for Waverley Sidewalks effective with the 2011-12 fiscal year, and
2. Direct Staff to consult with the community with respect to the allocation of the \$67,665.16 balance collected to-date from this area rate, and return to Council with a recommendation based on the consultation held. In accordance with the intent of the area rate, preference will be given to those ideas which address pedestrian safety in the community.

## **BACKGROUND**

This area rate predates municipal amalgamation in 1996 and was intended as a community contribution towards the construction of sidewalks which now exist in the community of Waverley and have been fully paid for. The area rate is \$0.004 per \$100 of taxable residential and resource assessment. In fiscal 2010-11, \$5,563 was collected from this area rate. There is also an annual contribution from the general tax rate which approximates the amount that would have been collected had the area rate also been applied to the commercial and business occupancy assessment in the community. In fiscal 2010-11, the amount of this transfer was \$1,200. Including the current fiscal year, there is now a surplus balance of \$67,665 set aside from this area rate.

In April 2010, Councillor Dalrymple and staff began meeting with executive members of the Waverley Ratepayer's Association to discuss the possibility of constructing new sidewalks in their community to address safety concerns. Locations for sidewalks were identified by both staff and the Association, and estimates for the cost of construction were determined by staff of Design and Construction Services. Estimates for four locations identified ranged from \$915,000 to over \$5.9 million based on an approximate cost of \$1,500 per meter. These estimates did not include the cost of property acquisition and did not take into consideration the retaining walls and grading which would be necessary because of the prevalence of steep, rocky grades along Hwy 318.

Even if amortized over 20 years, area rates of between \$0.08 and \$0.54 per \$100 would have been required on all taxable assessment in order to fund the cost of constructing one of the four sidewalks. Based on an average residential and resource assessment in the community of \$163,600, this equates to an average annual cost per property of between \$131 and \$883. The Waverley Ratepayer's Association concluded that the magnitude of the cost was more than what property owners in the community would be willing to accept.

At its Annual General Meeting held on November 29, 2010, the Association tabled a motion to discontinue the collection of the area rate for sidewalk construction. Based on a show of hands, the motion appeared to pass unanimously or close too unanimously. A review of the sign-in sheet showed that there were 47 attendees at the meeting representing 42 properties, or about 5% of the 848 property accounts in the community.

## **DISCUSSION**

It is readily apparent that the high cost of sidewalk construction is unaffordable for a community with an assessment base the size of Waverley's. Therefore, there is little point in continuing an area rate for this purpose which collects only \$6,800 annually including a contribution from the general tax rate. However, there is still the matter of what to do with the \$67,665.16 collected from this area rate which has been set aside for the purpose of constructing new sidewalks in the community. Staff will continue meeting with the Waverley Ratepayer's Association and members of the community to develop ideas for the use of these funds for the benefit of the community. Since the intent of sidewalks is to address pedestrian safety, which continues to be an issue in the community, preference will be given to those ideas which address this issue.

## **BUDGET IMPLICATIONS**

In addition to the area rate collected, an annual amount of \$1,200 was contributed from the general tax rate to the cost centre for this area rate. This contribution approximated the amount that would have been collected had this area rate, which is charged only to residential and resource assessment, also been charged to commercial and business occupancy assessment. If the area rate is discontinued, the transfer from the general tax rate will no longer be required.

## **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

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

## **COMMUNITY ENGAGEMENT**

The Councillor and staff met with the executive members of the Waverley Ratepayer's Association on several occasions to discuss the possibility of constructing new sidewalks in their community. A meeting open to the community was held by the Association on November 29, 2010 to present the findings of those discussions and to vote on the future of the area rate. Further meetings will be held with the Association and the community in general to discuss how best to allocate the area rate funds collected to-date for the benefit of the residents of Waverley.

## **ALTERNATIVES**

Council could choose to continue or change the amount of the area rate. However, this is not recommended because the area rate would have to be increased to a level that would be unaffordable to property owners in order to provide the funding necessary to construct new sidewalks.

## **ATTACHMENTS**

None

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.htm> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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