



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.3.1
Halifax Regional Council
July 5, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Councillor Stephen Adams, Chair, Western Region Community Council

DATE: June 28, 2011

SUBJECT: Uniform Charge for Ketch Harbour Area Residents Association

ORIGIN

The June 27, 2011 meeting of the Western Region Community Council.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Approve an annual uniform charge of \$66.67 be applied against each of the residential properties with dwellings within the mapped area depicted in Appendix A of the June 10, 2011 report effective with the 2011-12 fiscal year for the purpose of funding the activities of the Ketch Harbour Area Residents Association.

BACKGROUND

See the June 10, 2011 staff report attached as Attachment 1.

DISCUSSION

The Western Region Community Council considered the June 10, 2011 staff report at their June 27, 2011 meeting and agreed to forward the matter to Halifax Regional Council..

BUDGET IMPLICATIONS

None associated with this report. See the June 10, 2011 staff report for further detail.

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 Western Region Community Council dealt with this matter at a regular meeting open to the public. The report was linked to the Western Region Community Council's June 27, 2011 agenda and was available to the public.

ALTERNATIVES

- 1 Halifax Regional Council may choose not to approve an annual uniform charge of \$66.67 applied against each of the residential properties with dwellings within the mapped area depicted in Appendix A of the June 10, 2011 staff report effective with the 2011-12 fiscal year for the purpose of funding the activities of the Ketch Harbour Area Residents Association. This is not the recommended action.

ATTACHMENTS

1. Staff report dated June 10, 2011.

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: [Chris Newson, Legislative Assistant, 490-6732]



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Western Region Community Council
June 27, 2011

TO: Chair and Members of Western Region Community Council

Original signed

SUBMITTED BY:

Bruce Fisher, Acting Director, Finance

DATE: June 10, 2011

SUBJECT: Uniform Charge for Ketch Harbour Area Residents Association

ORIGIN

Interim Area Rate Guidelines were adopted by Council in January 2000 to create a process to assist communities establish new area rates or uniform charges, and to ensure that all taxpayers have an opportunity to participate in setting a rate. The Guidelines are also intended to ensure that rates are set only for valid municipal purposes and not for services already covered by the general rate.

The purpose of this report is to determine if the Interim Area Rate Guidelines have been satisfied thus far with regard to a proposed new uniform charge for the Ketch Harbour Area Residents Association.

RECOMMENDATION

It is recommended that Western Region Community Council recommend to Regional Council that:

An annual uniform charge of \$66.67 be approved to be applied against each of the residential properties with dwellings within the mapped area depicted in Appendix A of this report effective with the 2011-12 fiscal year for the purpose of funding the activities of the Ketch Harbour Area Residents Association.

BACKGROUND

Ketch Harbour is located in District 18. The Ketch Harbour Area Residents Association (KHARA) has been registered with the Registry of Joint Stock Companies since October 12, 2000. The primary goal of the KHARA is to enhance recreation opportunities and wellness of residents. Approximately ten years ago, the Federal Department of Fisheries and Oceans moved to divest their ownership of a community wharf located in the Harbour. Title was transferred to KHARA and it has been actively managed by the Association since 2003. The Association intends to use the uniform charge to maintain the wharf and other fixtures and equipment associated with it for recreational use, as well as fund community events and a newsletter. Commercial interests are not permitted to use the wharf.

It is proposed that the uniform charge of \$66.67 per property would commence in 2011-12. The uniform charge is intended to be on-going as the Association is responsible for maintaining the wharf for the foreseeable future.

DISCUSSION

The current status of this uniform charge in terms of the Interim Area Rate Guidelines is as follows:

1. *Area rates can only be used for the provision of services within the municipal mandate; services traditionally provided by the municipality.*

Section 79(1)(ah) of the Charter states that "Council may expend money required by the municipality for playgrounds, trails, bicycle paths, swimming pools, ice arenas and other recreational facilities." The Halifax Regional Municipality and its predecessor municipal units have traditionally funded, either entirely or partially through partnerships, the construction and ongoing operating costs of recreation facilities. The Ketch Harbour wharf is utilized only for recreational purposes for the residents of the community.

2. *Area rates are not to be used to provide different levels of a municipal service within urban and suburban areas where said service is covered by the general tax rate.*

The community to which the uniform charge would be applied is entirely within the rural area of HRM, therefore the service is not covered under the rural general tax rate.

3. *In order for a proposed new area rate to move to the process as outlined in #4 below, it must have the support of the area's Councillor(s).*

The catchment area for this uniform charge falls entirely within District 18. The Councillor for the District, Steve Adams, requested staff conduct a vote of all community households in June 2011 to determine if there was support from a majority of the community for the uniform charge. The results of the vote are indicated below. Having determined that sufficient support existed, he has requested a staff report in compliance with Step 5 of the Interim Area Rate Guidelines for consideration at the next meeting of the Western Region Community Council.

- Proposals for new area rates must be advertised publicly, clearly identifying affected areas, the purpose for the rate, rate information and the duration the rate is expected to be charged. A public meeting will be held and those attending the meeting will be informed of the rationale for the rate and consulted on its appropriateness.*

An information package including a ballot was mailed to the owners of the 150 taxable residential properties with dwellings identified within the proposed catchment area. A map of the proposed catchment area is provided in Appendix A of this report, and a copy of the information package is provided in Appendix B. The information package included details of the purpose and amount of the uniform charge, and the date, time and location of a public information meeting which was held on June 6, 2011. The results of the ballot are shown below.

Tabulation of Ballots

Total in Favour of Uniform Charge:	48
Total Against Uniform Charge:	21
Total Ballots Distributed:	150
Total Ballots Returned:	69
% Respondents voting For:	69.6 %
% Respondents voting Against:	30.4 %
Response Rate:	46.0 %

- With the concurrence of the Councillor, the request is forwarded to the Community Council for review and a recommendation to Halifax Regional Council. Where a Community Council does not exist, the request will go directly to Halifax Regional Council.*

The purpose of this report is to provide the Western Region Community Council with the necessary information required to consider making a recommendation to Halifax Regional Council for initiating this uniform charge within the proposed catchment area. The implications to the Municipality are identified under the Budget Implications section which follows.

- Any proposed new area rates recommended by a Community Council (or, in the absence of a Community Council, the Councillor for the area) will be submitted to Halifax Regional Council through a staff report with a recommendation from the Chief Administrative Officer. The staff report will identify the implications to the Municipality along with the results of any public meeting.*

7. *Halifax Regional Council is responsible for approving all area rates.*

Completion of steps 6 and 7 are contingent on the Western Region Community Council approving the Recommendation contained in this report.

BUDGET IMPLICATIONS

The uniform charge would take effect in the 2011/12 fiscal year. As all funding is from the uniform charge (i.e. no transfers from the general tax rate), there would be no impact on the HRM General Operating Budget. There is also no impact on the Capital or Reserve Budgets.

The uniform charge of \$66.67 per property applied to the 150 residential properties with dwellings in Ketch Harbour would provide \$10,000 in revenue annually. Any future change to the uniform charge would require Regional Council's approval.

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

Community Council could decide not to implement the uniform charge.

ATTACHMENTS

Appendix A: Map of Catchment Area for Proposed Uniform Charge for the Ketch Harbour Area Residents Association

Appendix B: Copy of Ballot and Information Package mailed to Property Owners including the Association's Business Plan and Budget.

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and 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, Finance 490-6468

Original Signed

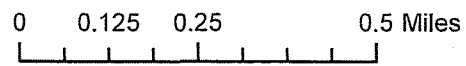
Report Approved by: Paul Fleming, Manager, Budget & Financial Analysis 490-7203

KETCH HARBOUR
MAY 9, 2011



Legend

- Street Centreline
- KETCH HARBOUR MAY 9_2011
- Electoral District 2008



Appendix B



AREA TAX RATE BALLOT

May 27, 2011

FIRST NAME / LAST NAME
FIRST NAME2 / LAST NAME2
MAILING ADDRESS
CITY / PROVINCE / POSTAL CODE

Assessment # AAN
CIVICNUM / STREET / ST_TYPE / CITY / LOT_TYPE / LOT#

Dear Property Owner:

The Ketch Harbour Area Residents Association (KHARA) was incorporated under the Societies Act with the Registry of Joint Stock Companies in October 2000. The Association is a not-for-profit, volunteer-led group of local citizens, who are engaged in neighbourhood improvement programs, recreation development, and social activities for all residents of Ketch Harbour to enjoy.

Please find enclosed in this mailing the following:

1. Letter from the KHARA to residents providing details of the goals/plans of the Association
2. Proposed Annual Budget of the Association for April 1, 2011 to March 31, 2012

In accordance with the Halifax Regional Municipality's procedure for implementing area rates, the property owners in the community must be consulted with regard to whether they wish to pay the \$66.67 annual fee to contribute to the projects and activities proposed by the KHARA. Each residential property with a dwelling is provided with one ballot and one vote. If a simple majority (50% + 1) of ballots returned vote in favour of the area rate, it will be applied to all residential properties with dwellings within the mapped area shown on the reverse side of this letter commencing in 2011.

For more information, please plan to attend the meeting scheduled for **Monday, June 6 at 7:00 pm at St. Peter's Parish Hall, 1103 Ketch Harbour Road**. Representatives of HRM will be in attendance along with members of the Association's Executive to help answer your questions.

As the owner of the property identified above, you are entitled to one vote. Please complete the ballot below and either drop it off at the meeting, fax it to 490-5622, or return it in the enclosed self-addressed envelope.

If you lose your ballot, or have any questions specific to the balloting process, please contact Gordon Roussel at 490-6468. For questions regarding the activities of the Association, please contact Dan Welch (H: 868-1310, C: 456-2337) or John Himmelman (H: 868-1166, C: 292-6147).

Please note that all Ballots must be received by Friday, June 10, 2011 (Sorry, but we cannot make any exceptions). If you are mailing your ballot in, please allow adequate time for delivery.

- YES**, I am in favour of paying an area rate of \$66.67 per year to fund the activities of the Ketch Harbour Area Residents Association.
- NO**, I am not in favour of paying an area rate of \$66.67 per year to fund the activities of the Ketch Harbour Area Residents Association.

Assessment # AAN

NOTE: Only one vote per assessment number will be counted. Ballots with written-in, typed-in, or altered assessment numbers will not be accepted.

Ketch Harbour Area Residents Association (KHARA)

Area Rate Proposal

Area Rate Proposal

The Ketch Harbour Area Residents Association (KHARA) is requesting the implementation of an Area Rate in order to generate funds to support the annual operating costs of our outdoor recreation program and related community events. Our target is to generate \$10,000 per year from a catchment area of approximately 150 households.

Background

KHARA has a successful history of community projects that have enhanced the recreation opportunities and wellness of our residents. The projects include partnering with the Province and HRM in the development of community parkland in 2007, creating the Harbour Mates Dory Club, hosting an outdoor film festival and upgrading and managing the community wharf. Our Canada Day Parade and Picnic and the community Christmas party have been annual events for twenty years. Members of KHARA produce *The Ketch Harbour Light* newsmagazine that includes articles on the history of our community. KHARA was also a partner in the establishment of the Harbours United Soccer League (KSP) that runs a low cost soccer program throughout the summer for children aged 5 to 12.

Our success has been in leveraging financial support from government and private funding sources with a tremendous amount of dedicated community volunteer labour.

The Challenge

KHARA's single greatest challenge is finding financial support for annual operating costs. These costs include liability insurance and property and equipment maintenance, but do not include any labour costs. KHARA is completely volunteer-based.

Volunteers fundraise at our community events but we have not been successful at fundraising at a level that supports our annual costs. The community gives generously to the elementary school, St. Peter's Roman Catholic Church, St. James United Church and many other charitable causes. However, it is primarily individual giving. Ketch Harbour does not have a prominent business sector to support our volunteer work.

It is also very difficult to find public or private funding sources to support annual operating costs. We have been successful in securing project based support (4Cs Foundation, Chebucto Community Health Board, Service Canada, NS Health Promotion and Protection, HRM) but it is extremely difficult to obtain funding to cover insurance and maintenance costs.

Annual Operating Expenses

KHARA proposes to invest approximately \$10,000 per year in maintaining and upgrading the recreation opportunities in our community. A budget is included with this proposal with examples of the type of annual expenses that would be supported by an Area Rate. The following provides some general information on the expenses:

- **General & Administration**

Liability insurance for our organization currently costs \$2,400 per year and we expect it to increase less than 10% year over year. The balance of the General & Administration expenses are for bank fees, Society registration, and memberships in organizations such as Recreation Nova Scotia.

- **Community Events**

Community Events in Ketch Harbour are supported through fundraising efforts such as BBQ sales. We typically draw 200 people to both our Canada Day Parade and Dory Race Day, and 100 people to our Community Christmas Party.

In the late summer we hold our Dory Race Day which is a culmination of a summer of rowing. The Ketch Harbour Dory Mates Club is open to all members of the community over the age of fourteen. Tuesday night during the summer is “pick-up” rowing night where experienced rowers take out new members. The dories are also available for use throughout the week on a sign-out basis.

- **Recreation Property and Equipment Maintenance**

Ten years ago the Department of Fisheries and Oceans moved to divest their ownership of the community wharf. Title was transferred to KHARA and it has been actively managed by the community since 2003. Prior to the time of title transfer, major repairs were needed to restore the damage caused by Hurricane Juan and years of general neglect.

The Ketch Harbour wharf is an important part of the community’s recreation infrastructure. Since the community took ownership of the wharf, the property has been upgraded to include a concrete slipway for boat launching, four floating docks with a swim ladder, moorings for local and visiting boats, a storage shed and a bench. During the summer months, the wharf area is in constant use by swimmers, walkers, recreational fishers, sightseers, and boaters. We take pride in the fact that the wharf attracts neighbours of all ages and physical fitness.

The site improvements and maintenance have been achieved through volunteer labour, fundraising and partnerships with the Province, Halifax Regional Municipality and a number of charitable foundations.

KHARA has carefully considered the options for the long term sustainability of the wharf property as a community recreation area. During the winter of 2010-11 the wharf and the surrounding property suffered extensive damage from two major storm surges. We need to be proactive in protecting and maintaining the property. Revenue from an Area Rate will allow KHARA to ensure that the community has a safe, accessible and fun recreation resource. We have volunteers who have the skills and the time to maintain and upgrade the property and the equipment on an on-going basis but we do need the financial backing of the community.

Conclusion

An Area Rate will give the community a strong base on which to manage and improve the recreation opportunities in Ketch Harbour and continue to build capacity for a healthy community. KHARA will steward the management of these funds with fiscal prudence and will ensure there is transparency for the community through regular reporting and review.

**Ketch Harbour Area Residents Association
Projected Statement of Income**

For the year ending March 31,

2012

Revenue

Proposed Area Rate		\$ 10,000
Mooring/Dock Rentals		750
Community Events Fundraising		450
Total Revenue		<u>\$ 11,200</u>

Expense

General & Administration

Liability insurance	\$ 2,400	
Bank fees	70	
Memberships/admin. Fees	500	
Total General & Administration		<u>2,970</u>

Community Events

Canada Day Parade and Picnic	300	
Dory Race Day	300	
Community Christmas Party	150	
Tuesday Nights Rowing	100	
<i>Ketch Harbour Light</i> newsmagazine	250	
Total Community Events		<u>1,100</u>

Recreation Property and Equipment Maintenance

Dory & equipment maintenance (paint, thulpins)	800	
Slipway maintenance (gravel approach & cement)	1,230	
Wharf maintenance & structural repair	2,400	
Floating docks hardware replacement	300	
Floating dock replacement/maintenance	1,500	
Storage shed maintenance (paint, locks, shingles)	300	
Moorings (swivels, bridles, cleaning)	250	
Signage, lighting, garbage, cleaning equipment	350	
Total Recreation Property & Equipment Maintenance		<u>7,130</u>

Total expense \$ 11,200

Net surplus (deficiency) \$ -