



Item No. 10.1.6
Halifax Regional Council
August 16, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed by 

For: Mike Labrecque, Deputy Chief Administrative Officer, Operations

DATE: August 4, 2011

SUBJECT: **Approval of By-Law S-433, An amendment to By-Law S-400**
Respecting Local Improvement Charges, New Paving Projects
Outside Core Area 2010, Joan Elizabeth Way, Mannette Court and
Sandy Point Road

ORIGIN

This report originates from the motion at Halifax Regional Council on August 2, 2011:

Motion:

“To bring forward a separate By-law in regard to Joan Elizabeth Way, Mannette Court and Sandy Point Road for first reading and to set a date for a public hearing”

RECOMMENDATION

It is recommended that Halifax Regional Council approve, in principle, the adoption of By-Law S-433, an amendment to By-Law S-400, Respecting Charges for Street Improvements, relating to New Paving of Subdivision Streets Outside the Core Area – 2010, that the LIC's for Joan Elizabeth Way, Mannette Court and Sandy Point Road remain as per lot charge as per Appendix “A” of this report. The total amount of recovery for these roads is \$177,853.64 (net HST Included).

BACKGROUND

On February 9, 2009, Halifax Regional Council approved the Nova Scotia Transportation and Infrastructure Renewal (NSTIR) Aid-to-Municipality Construction Agreement 2009-2012. The Aid-to-Municipality Program is an agreement between NSTIR and other Nova Scotia municipalities (including HRM) to upgrade provincially owned and maintained gravel roads to asphalt. With respect to roads located within the HRM boundaries (outside the core area), it is the Province's responsibility, under this program, to create a construction agreement and to design, tender and construct the work. HRM's role is to identify the streets to be paved and to facilitate the Local Improvement Charge (LIC) process. The program is cost-shared between the Province and the Municipality, each paying 50% of the total construction costs. HRM's portion is recovered in its entirety by levying LIC's to the abutting properties on the relevant streets. Therefore, there is no net cost to HRM with respect to provincially owned streets.

It is also noted that in a Council report dated August 17, 2010, HRM staff requested four streets that are owned by HRM be included in the Aid-to-Municipality Program tender in order to be more cost effective and to minimize disruption to the local residents. The paving projects are approved under Project No. CXU00585 - New Paving of Subdivision Streets outside the Core Area in the HRM Project Budget, and for the HRM owned streets under Project No. CZU01080.

DISCUSSION

The paving of Joan Elizabeth Way, Mannette Court and Sandy Point Road was tendered by Nova Scotia Transportation and Infrastructure Renewal (NSTIR) and completed in the fall of 2010. There was a section of Sandy Point Road that was paved as part of the old highway. Due to the poor condition of this section, it was felt that this would be a perfect time to have that repaved. HRM, in a letter date January 28, 2010, requested that this section of Sandy Point Road be repaved. HRM received confirmation of this request when HRM obtained the invoice from NSTIR in April 2011 for all the paving projects completed in the 2010 program. The invoice confirmed that NSTIR paid \$47,018.59 which was 100% of the cost for the repaving of Sandy Point Road.

The actual cost to be recovered from the LIC's is \$1,159,198.36 (net HST included) for provincially owned streets, plus \$214,301.35 (net HST included) for the HRM owned streets, for a total of \$1,373,499.71 (net HST included). The total recoverable frontage is 40,308.64 feet. Therefore, the proposed LIC frontage rate of \$34.07 per foot will provide the funding necessary to recover 50% of the total project cost.

BUDGET IMPLICATIONS

Paving of streets was approved under Project No. CXU00585 - New Paving of Subdivision Streets Outside the Core Area, and Project No. CZU01080 - New Paving of HRM Owned Streets. HRM's share of the total project cost, including net HST, is \$1,587,801.06, of which \$1,373,499.71 is recoverable from LICs. Therefore, the net cost to HRM is \$214,301.35. HRM has reimbursed the Province for the full \$1,587,801.06 as they were responsible for completing the work. This includes 50% of the cost of paving the provincially owned streets (entirely recoverable through LICs) and 100% of the cost for the paving of the HRM owned streets (50% recoverable through LICs). Details are included in the Budget Summary below.

Budget Summary: CXU00585 - New Paving of Subdivision Streets Outside the Core Area

| | |
|--------------------------------|--------------------------|
| Net Project Cost * | \$ 1,159,198.36 |
| Less: 50% Recoverable from LIC | <u>(\$ 1,159,198.36)</u> |
| Net Cost to HRM: | \$ 0.00 |

CZU01080 - New Paving of HRM Owned Streets

| | |
|--------------------------------|------------------------|
| Total Project Cost | \$ 428,602.70** |
| Less: 50% Recoverable from LIC | <u>(\$ 214,301.35)</u> |
| Net Cost to HRM: | \$ 214,301.35 |

* The total gross project cost was \$ 2,318,396.72 with 50% paid directly by NSTIR (did not flow through project account CXU00585). The remaining 50% was paid to NSTIR by HRM from CXU00585 and will be recovered through LICs.

** HRM's estimate for this work was \$428,000. Net of local improvement charges, the total cost to HRM is \$214,301.35 which is budgeted for in the approved 2010/11 Project Account No. CZU01080.

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

On July 5, 2011 Regional Council deferred consideration of these streets pending a public information meeting.

The public meeting was held on Tuesday, July 19, 2011, at the Porters Lake Community Centre for the residents on Joan Elizabeth Way, Mannette Court and Sandy Point Road. The notification of the information meeting was mailed to the 47 property owners on July 11. Eleven (11) of the 47 property owners attended the meeting. Included in the 47 properties are four properties abutting the repaved section of Sandy Point Road. These properties were not included in the original calculation of \$34.07 per foot frontage used to calculate the LIC rate in proposed By-Law S-432. At that meeting the local Councillor noted his intent to amend By-Law S-400 to set a uniform lot charge for the 47 properties at \$3,784.12. A request came from a number of the residents to have a public hearing regarding this change in the LIC approval.

The local Councillor requested on August 5, to add an additional property to bring the property count to 48 and a revised lot charge of \$3,705.29. The property owner was notified of the inclusion of his property via an email from the local Councillor.

All property owners will be notified when Council sets the date for the Public Hearing for By-Law S-433.

The property owners were successfully surveyed for the paving in 2009 at the estimated frontage rate of \$35 per linear foot. On June 30, 2010, letters were sent to the property owners on Joan

Elizabeth Way and Mannette Court informing them that the Councillor has requested that the LIC be recovered via a lot charge. On August 3, 2010, letters were sent to the property owners on Sandy Point Rd. informing them that the Councillor has requested that the LIC be recovered via a lot charge individual to each street. (SEE ATTACHED LETTERS)

ALTERNATIVES

Council could choose to approve the recommendations in this report and to set the LIC method for these streets as per By-Law S-433, as set out in Appendix "A" of this report

Council could choose to approve the LIC rate to be applied to all 48 properties at the uniform lot charge of \$3,705.29 as proposed by the local Councillor as set out in Appendix "B" of this report.

ATTACHMENTS

Appendix A – Proposed By-Law S-433 and map
Appendix B – Alternative By-Law S-433 and map
Appendix C – Letters to Residents

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: Ann Reid, LIC Technician, Design & Construction Services at 490-6849

Report Approved by: _____
Bruce Colborne, P.Eng., A/Manager, Design & Construction Services at 490-4845

Financial Review: _____
Bruce Fisher, MPA, CMAA, A/Director of Finance at 490-6308 .

Report Approved by: _____
Phillip Townsend, Director, Infrastructure and Asset Management at 490-7166

AR/pm

Appendix A – Proposed By-Law S-433

HALIFAX REGIONAL MUNICIPALITY By-Law Number S-433 Respecting Charges for Street Improvements, New Paving Projects

BE IT ENACTED by the Council of the Halifax Regional Municipality that By-Law Number S-400, the By-Law Respecting Charges for Street Improvements, Section 2 is hereby amended as follows:

1. Section 2 of By-Law S-400 is amended by adding as Subsection (20) the following:

Notwithstanding Subsections (1), (2) and (3) a charge is hereby imposed on those areas listed in Schedule “Q” as is more particularly set out in that Schedule.

SCHEDULE “Q”

- 1 The Local Improvement Charges for properties fronting or abutting in whole or in part streets listed in the table below, as depicted on Plan No. A-1 dated August 4, 2011, attached hereto, shall be assessed a lot charge calculated as \$34.07 per foot times the recoverable frontages on the street divided by the number of properties.

| Street Name | Lot Charge | Plan No |
|--------------------|------------|---------|
| Mannette Court | \$4,457.61 | A-1 |
| Sandy Point Road | \$4,582.02 | A-1 |
| Joan Elizabeth Way | \$3,500.33 | A-1 |

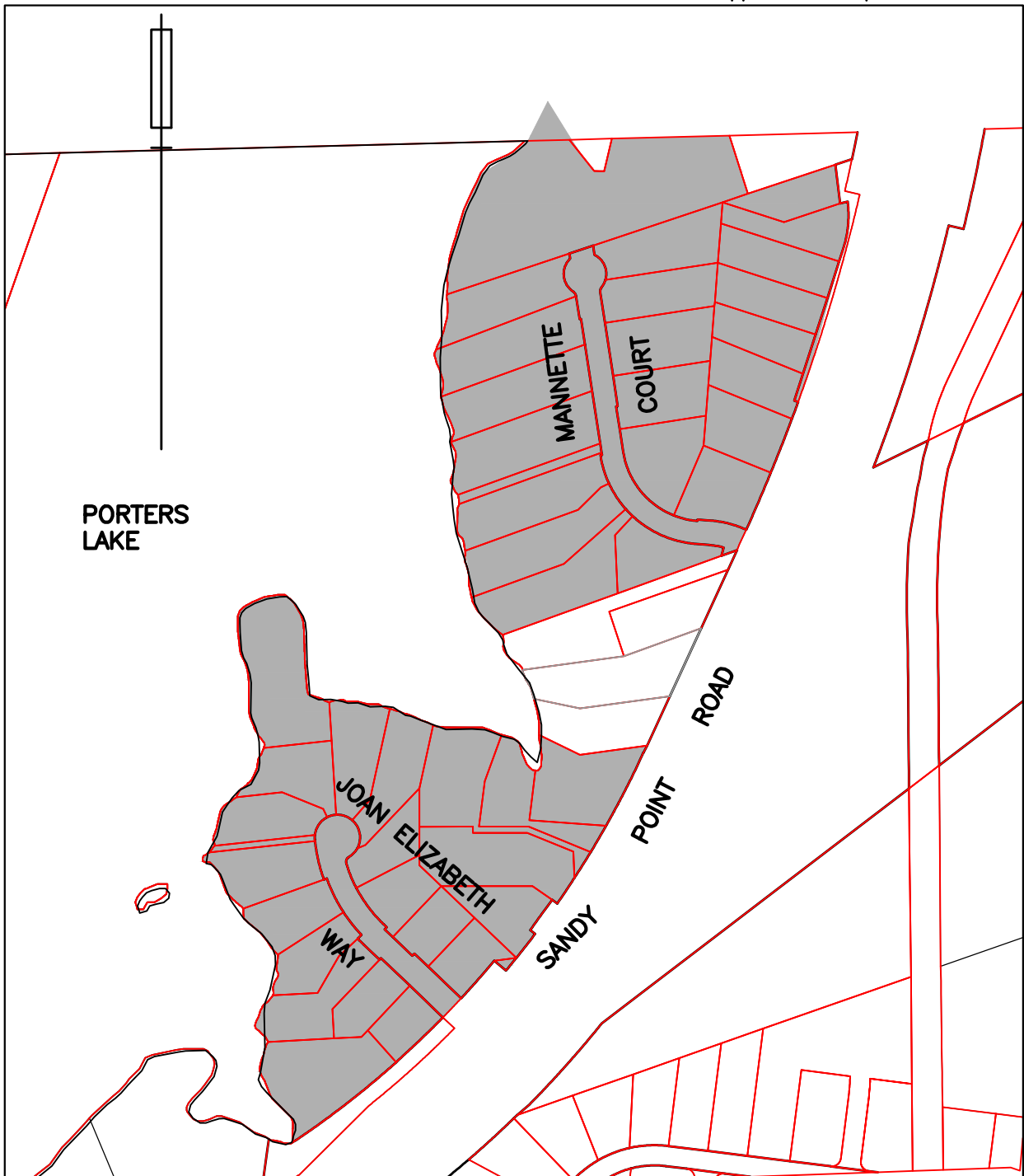
2. The Local Improvement Charges imposed under this Schedule may be paid over a 10 – year period with interest. Notwithstanding Section 4 of By-Law Number S-400, the unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

Done and passed by Council this

Mayor

Municipal Clerk
Cathy Mellett

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted by-law was passed at a meeting of the Halifax Regional Council held on , 2011.



PLAN SHOWING PROPERTIES
IDENTIFIED FOR LIC VIA A LOT
CHARGE FOR THE PAVING OF
MANNETTE CT., SANDY POINT RD.
AND JOAN ELIZABETH WAY

PAVING 2010
 AID-TO-MUNICIPALITY PROGRAM
 DATE: AUGUST 4, 2011 BY-LAW S-433
 NTS PLAN A-1

Appendix B – Alternative By-Law S-433

HALIFAX REGIONAL MUNICIPALITY
By-Law Number S-433
Respecting Charges for Street Improvements, New Paving Projects

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SCHEDULE “Q ”

- 1 The Local Improvement Charges for properties fronting or abutting in whole or in part streets listed in the table below should be assessed a lot charge, Plan No. 6 , dated July 11, 2011," attached hereto, shall be \$34.07 per foot times the recoverable frontages on the street divided by the number of properties to calculate the lot charge.
2. The Local Improvement Charge be assessed to each of the 48 properties at a per lot charge of \$3,705.29.
3. The Local Improvement Charges imposed under this Schedule may be paid over a 10 – year period with interest. Notwithstanding Section 4 of By-Law Number S-400, the unpaid balance is subject to an interest rate based on the maximum of the prime rate as set by the Royal Bank of Canada plus 2% at time of notification.

Done and passed by Council this

Mayor

Municipal Clerk
Cathy Mellett

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted by-law was passed at a meeting of the Halifax Regional Council held on , 2011.



PLAN SHOWING PROPERTIES
IDENTIFIED FOR LIC VIA A LOT
CHARGE FOR THE PAVING OF
MANNETTE CT., SANDY POINT RD.
AND JOAN ELIZABETH WAY

PAVING 2010
AID-TO-MUNICIPALITY PROGRAM
DATE: AUGUST 4, 2011 BY-LAW S-433
NTS PLAN 6

June 30, 2010

Dear Sir/Madam:

Paving Upgrade of - Joan Elizabeth Way - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

Joan Elizabeth Way was successfully surveyed for paving at the estimated LIC rate of \$35 per foot. Since the frontages range from 30 ft to 197.91 ft which would be a LIC ranging from \$1,050 to \$6,926, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 16 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$3,664 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,



Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

CW/

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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June 30, 2010

Dear Sir/Madam:

Paving Upgrade of - Mannette Court - Porters Lake, District 3

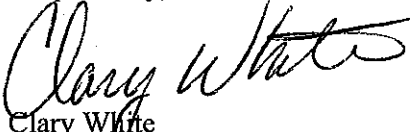
Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

Mannette Court was successfully surveyed for paving at the estimated LIC rate of \$35 per foot. Since the frontages range from 32 ft to 178 feet which would be a LIC ranging from \$1,139 to \$6,260, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 15 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$4,947 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

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Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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August 3, 2010

Dear Sir/Madam:

Revised Paving Upgrade of - Sandy Point Road - Porters Lake, District 3

Halifax Regional Municipality (HRM) received a letter from the Minister of Transportation and Infrastructure Renewal on June 9, 2010, confirming that all the streets submitted by HRM for paving in the 2010 Aid to Municipality Cost Sharing Program have been approved. Under this program, the Province designs, tenders and facilitates the construction of this work. HRM's responsibility is to select the streets for consideration and to recover local improvement charges (LIC). The Province covers 50% of the construction costs and HRM recovers the remaining 50% from the residents through the LIC process.

There was an error in the calculation for the lot charges in the letter dated June 30, 2010. There are two gravel sections on Sandy Point Road Civic 1 to Civic 27 and Civic 51 to Civic 14 Joan Elizabeth Way, Councillor Hendsbee feels that the only fair way to assess the LIC is via a lot charge. Therefore, he has requested that the LIC be recovered via a lot charge assessed to the 12 properties which have direct access to the street. The estimated lot charge based on \$35 per foot would be approximately \$4,813.55 and is payable over ten years. The actual rate will be set once HRM receives the final invoice from NSTIR in April of 2011. The paving will take place this fall, work to be completed by October 31, 2010.

HRM and Councillor Hendsbee have requested on behalf of the residents that the paved section of Sandy Point Road be re-paved. Sandy Point Road is owned by NSTIR; therefore, the re-paving is 100% their cost and responsibility. To date HRM has not received confirmation from NSTIR that the re-paving will be tendered this year.

The Local Improvement Charge amount payable may, at the option of the owner of the property, be paid in equal annual installments for a period not exceeding ten years. Installments are due on the anniversary date of the original billing until the full debt is paid. This billing may also be paid in full at any time, without interest penalty, if the abutter so desires. The unpaid balance is subject to an interest charge at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is approved by Halifax Regional Council.

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Sandy Point Road
August 3, 2010
Page 2

If you have any question or concerns pertaining to this matter, please do not hesitate to call Ann Reid at 490-6849 or e-mail: reida@halifax.ca.

Respectfully,



Clary White
Supervisor Drafting and Plan Records,
Design & Construction Services

DH/pm

cc: Councillor David Hendsbee, District 3
Phil Townsend Director Infrastructure & Asset Management
David Hubley, P. Eng., Manager Design & Construction Services

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