



Item No. 10.1.3
Halifax Regional Council
May 29, 2012

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labecque, Deputy Chief Administrative Officer

DATE: May 1, 2012

SUBJECT: Road Maintenance Fee for St. Margaret's Community Association

ORIGIN

On January 16, 2007, Regional Council approved the Private Road Maintenance Costs Recovery Policy. The purpose of this Policy is to provide owners of property accessed by private roads with the use of area rates or uniform charges to collect the funds required to maintain private roads. The St. Margaret's Community Association has applied for such an area rate/ uniform charge under this Policy.

RECOMMENDATION

It is recommended that:

1. An annual uniform charge of \$450.00 per property be approved to be applied to all properties with residential dwellings which are accessed from the private roads within the St. Margaret's Village sub-division as depicted in the map shown in Appendix A of this report effective with the 2012-13 fiscal year for the purpose of funding the road maintenance activities of the St. Margaret's Community Association;
2. Approve amending Administrative Order 45, Respecting Private Road Maintenance, by adding Schedule 6, respecting a Uniform Charge for the St. Margaret's Community Association, attached hereto as Appendix B; and
3. Subject to the approval of Schedule 6 of Administrative Order 45, authorize the Mayor to sign on behalf of HRM, a Management and Operating Agreement between HRM and the Association.

BACKGROUND

St. Margaret's Village sub-division is located just off St. Margaret's Bay Road in the community of Upper Tantallon in District 23. All of the private roads in this sub-division are owned by St. Margaret's Village Contracting Inc or other developers, and maintained by the St. Margaret's Community Association as specified in the Protective Covenants. The Association funds road maintenance expenses through an annual fee collected from the owners of each of the 96 properties with residential dwellings accessed from the private roads in the sub-division. In the past, the Association has had some difficulty collecting the fee from a few of the property owners. As a result, the Association applied to HRM through the Private Road Maintenance Costs Recovery Policy for a uniform charge to ensure timely collection from all property owners.

DISCUSSION

The Private Road Maintenance Costs Recovery Policy outlines the conditions which must be satisfied before a uniform charge for private road maintenance can be implemented. Those conditions and the manner in which they were satisfied with respect to the St. Margaret's Community Association are outlined below.

1. A private road eligible for improvement or maintenance financing under this policy shall include any road that is not public and that provides perpetual direct or indirect access to a public road or highway for at least two properties each of which contains a principal residence.

Staff have verified that the roads located within this sub-division are privately owned (refer to #2 below), provide direct access to St. Margaret's Bay Road (refer to map in Appendix A), and have more than two properties containing principal residences.

2. The legal owner(s) of the property on which the private road is situated must consent in writing to the maintenance of the road.

Staff verified that the road parcels registered as PID#s 41055476, 41083783, 41083817, 41083825, 41219882, 41090713, 41090721, and 41090739 are owned by St. Margaret's Village Contracting Inc. Staff also verified that road parcel PID# 40738528 is owned by SMI Investments Inc, and that road parcel PID#s 41016973, 41289752, and 41289760 are owned by 2364662 Nova Scotia Ltd.

The Protective Covenants for St. Margaret's Village state under paragraph 12 that "Once it is formed, the Owner agrees to be a member of the St. Margaret's Village Phase Residents Association which shall be responsible for maintaining and plowing the private roads that serve St. Margaret's Village." Therefore it was the intent of the developers that an association of the property owners take over responsibility for maintaining the private roads.

3. An application for private road maintenance financing assistance under this policy shall be commenced by presenting a petition to the HRM Council. The presented petition shall be

signed by property owners comprising at least two-thirds (66.7%) of both the principal residences and the road frontage on that portion of the private road for which the application is made.

In March 2012, the St. Margaret's Community Association served a petition to staff on behalf of the owners of properties with residential dwellings in the sub-division requesting HRM collect their annual road maintenance fees via their property tax billings. Staff reviewed the petition and determined that the signatories represented at least two-thirds of both the principal residences and the road frontage within the St. Margaret's Village sub-division.

4. Notice of the meeting shall also be made not less than fourteen (14) days prior to the date of the meeting to all property owners that will be affected by the area rate through prepaid mail to their tax assessment addresses. The notice of the public meeting shall set out the date and time and place of the meeting, the name(s) of the applicant, describe the area to be subject to the application and the nature of the road maintenance proposed, the requested method of area flat rate determination (in conformity with this policy), the road maintenance plan and amount of the area flat rate to be requested in the application, and advise that rate payers will be entitled to vote and the method of voting. The mail notice shall contain regular postage pre-stamped self return envelopes, proxy forms and ballots approved to form by the HRM staff co-ordinator.

The meeting notice and ballot mailed out to all affected property owners is included as Appendix C to this report. The meeting notice was developed by staff and included all the information required above as per the Private Road Maintenance Costs Recovery Policy. Postage pre-stamped self return envelopes were included in the mail-out.

5. The meeting shall be conducted by the applicant under the supervision of the HRM staff co-ordinator. The applicant shall make a presentation to the meeting setting out the reasons and proposed purposes for the use of the area rate fund and the amount of the flat rate.

A meeting of the affected property owners was held on Friday, March 30, 2012 at the St. Margaret's Centre, 12 Westwood Blvd, Upper Tantallon. The HRM staff coordinator was present at the meeting to supervise the proceedings and to answer any questions with respect to the Private Road Maintenance Costs Recovery Policy. A short presentation was made by the President of the Association explaining the amount and use of the uniform charge after which attendees had an opportunity to ask questions.

6. The support for the proposed area flat rate shall be the owners of at least two-thirds (66.7%) of the affected properties.

76 of the 96 property owners (79%) voted in favour of establishing an annual uniform charge of \$450.00 to fund the road maintenance activities of the St. Margaret's Community Association.

7. The application for the establishment of an area flat rate shall define the proposed area to which the flat rate is to apply with sufficient clarity to allow for proper implementation of the flat rate for billing purposes.

The uniform charge would be applied to all properties with residential dwellings requiring access from the private roads within St. Margaret's Village sub-division as depicted in the map shown in Appendix A of this report.

8. *An application shall include a budget in support of the proposed area flat rate.*

The budget in support of the proposed area flat rate is included on the second page of Appendix C of this report. Staff have reviewed the budget and determined that it is sufficient to justify the amount of the area flat rate.

9. *The Applicant shall form, under the Societies Act, an incorporated association of the owners of the subject properties.*

Staff has verified with the Registry of Joint Stock Companies that the St. Margaret's Community Association, Registry ID 3255011, is currently in good standing (i.e. not lapsed).

10. *The administration fee shall be a set up charge of \$200.00 for each area rate.*

The administration fee will be collected if Council approves the implementation of the uniform charge.

BUDGET IMPLICATIONS

If approved, the uniform charge would take effect in the 2012/13 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 at any time in the future.

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 Community Engagement process is outlined in detail in the Discussion section of this report. It included the mailing of information and a ballot to each property owner, and the holding of a public meeting to provide additional information and address questions and concerns raised by property owners.

ENVIRONMENTAL IMPLICATIONS

The Association was maintaining the roads prior to making application under the Private Road Maintenance Costs Recovery Policy. There is no change resulting from the Recommendations in this report other than the manner in which the road maintenance fees are collected from the property owners.

ALTERNATIVES

Council could either (1) change the amount of the uniform charge or (2) deny approval of the uniform charge altogether. Neither alternative is recommended because (1) the amount of the uniform charge is based on a budget approved by the Association's membership and verified by staff, and (2) 79% of the affected property owners voted in favour of paying the uniform charge.

ATTACHMENTS

- Appendix A: Map of Catchment Area for Proposed Uniform charge
- Appendix B: Draft of Administrative Order 45 Schedule 6
- Appendix C: Copy of Meeting Notice and Ballot mailed to Property Owners, including proposed budget

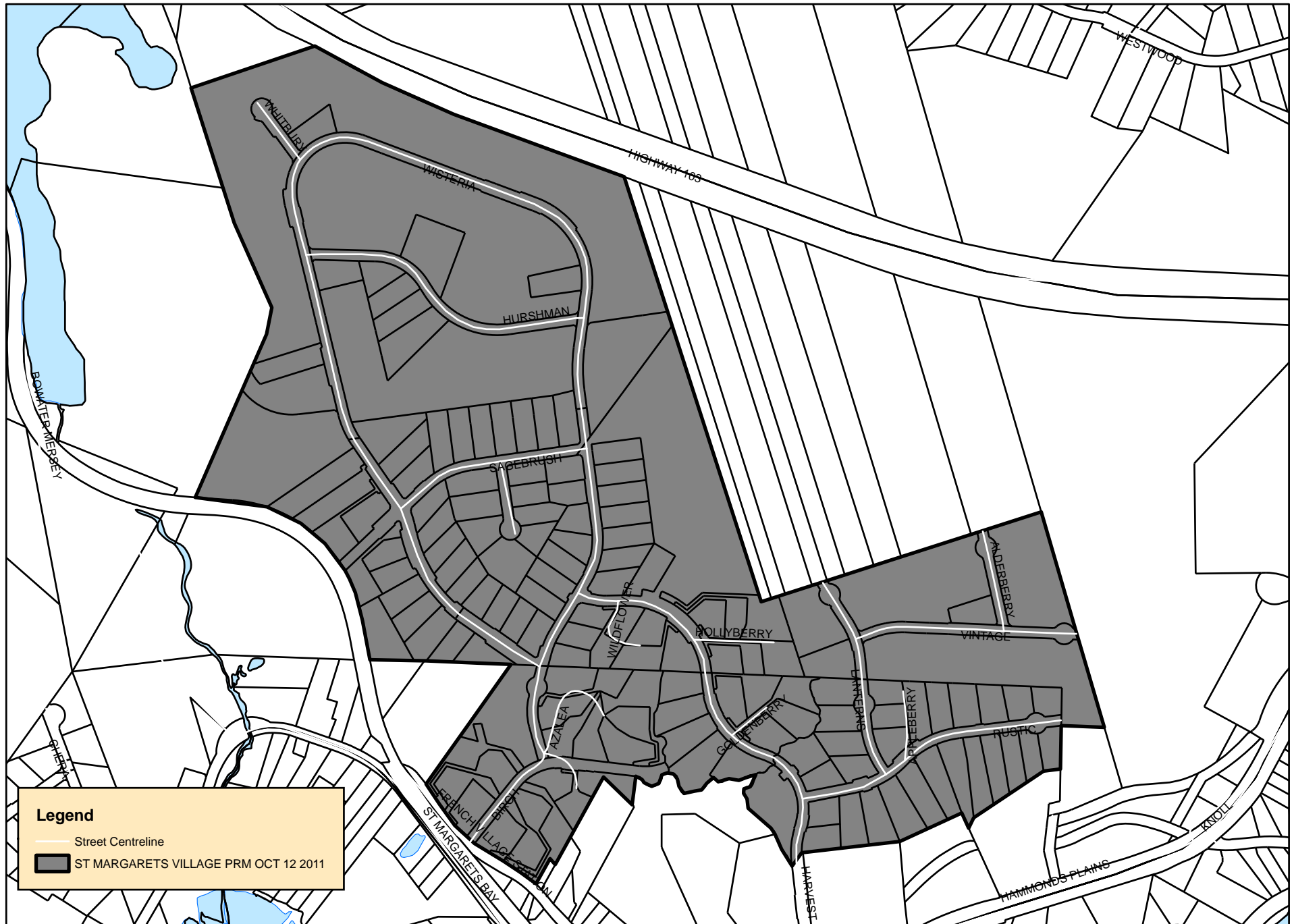
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Gordon Roussel, Senior Financial Consultant, 490-6468

Report Approved by: _____
Bruce Fisher, Manager, Financial Policy & Planning, 490-4493

Financial Approval by: _____
Greg Keefe, A/Director of Finance & Information Technology/CFO, 490-6308

PRIVATE ROAD MAINTENANCE FOR ST. MARGARET'S VILLAGE



Appendix B

Halifax Regional Municipality ADMINISTRATIVE ORDER NUMBER 45 Respecting Private Road Maintenance

1. Area Rate Charges pursuant to By-Law Number P-1100 Respecting Charges for Private Road Maintenance are hereby imposed in those areas described in the attached Schedules as is more particularly set out in the Schedules.

Schedule 6

An Area Rate Charge for properties with residential dwellings fronting or abutting in whole or in part on any of the private roads located in the St. Margaret's Village sub-division, in the community of Upper Tantallon as identified on the map dated October 12, 2011 attached hereto, shall be a flat area rate of no more than \$450.00 annually.

The Charges collected under this By-Law shall be used by the St. Margaret's Community Association for the maintenance of the private roads located in the St. Margaret's Village sub-division, including culverts, retaining walls, sidewalks, curbs and gutters that are associated with the roads. Road maintenance includes all work required to maintain the road in a serviceable condition year round and may include snow removal, grading, ditch and culvert and bridge repair and brush clearing.

BALLOT FOR PRIVATE ROAD MAINTENANCE TAX

March , 2012

FIRST NAME LAST NAME

MAILING ADDRESS

CITY PROV PC

Assessment # AAN#

CIVIC# STREET ST_TYPE LOT_TYPE LOT

Dear Property Owner:

The Halifax Regional Municipality has been petitioned by the owners of property abutting the private road on which you own the above referenced property. The petition concerns the possible implementation of an area property tax rate to fund the maintenance of the private roads located within the St. Margaret's Village subdivision. Since those signing the petition represent at least 66.7% of the dwelling properties abutting the private roads in this subdivision, a formal vote of all dwelling property owners must be held in accordance with the Municipality's Private Road Maintenance Costs Recovery Policy.

A ballot is provided at the bottom of this page. The purpose of this ballot is to determine whether owners of at least 66.7% of the dwelling properties abutting the private roads in St. Margaret's Village wish to implement a per property charge of \$450.00 annually to maintain their road. If the 66.7% minimum is attained, then all owners of dwelling properties abutting these private roads would be required to pay the charge starting in 2012. With the exception of 2012, the annual charge would be divided equally between the two property tax billings mailed to property owners each year. For 2012 only, the entire charge would appear on the second billing. The charges collected would be turned over to the St. Margaret's Community Association which is responsible for maintaining the private road. The annual per property charge is calculated as follows:

$$\frac{\text{Estimated Cost of Services in the First Year}}{\text{Number of Dwellings abutting Private Roads}} = \frac{\$ 43,200}{96} = \$ 450.00 \text{ per property}$$

For duplexes, one charge applies to both units. Enclosed with this letter is a budget which outlines how the total estimated cost of services was determined. As required by the Private Road Maintenance Costs Recovery Policy, a meeting of the owners of property abutting the private roads will be held to provide additional information and to give property owners an opportunity to ask questions or raise concerns. The meeting will be held:

Friday, March 30, 2012 @ 7:00 pm
St. Margaret's Centre, 12 Westwood Blvd.
Upper Tantallon

Completed ballots may be dropped off at the meeting, faxed to 490-5622, or mailed in the enclosed self-addressed envelope. You may also scan and email the completed ballot to vanderm@halifax.ca. If you have any questions regarding the process, please contact Marlies van der Horst at 490-4446.

Please note that all ballots must be received by April 10, 2012. If you are mailing in your ballot please allow adequate time for delivery. Results of the ballot will be communicated by the St. Margaret's Community Association.

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- ☐ **YES**, I am in favour of implementing the area rate for private road maintenance and paying an annual area rate of \$450.00 on my property tax bill.
- ☐ **NO**, I am not in favour of implementing the area rate for private road maintenance.

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.

Estimated Budget for 2012/2013 Winter Season

St. Margaret's Community Association

Revenue	\$43,200.00
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Expenses:

Snow removal	\$23,000.00
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Grading	\$2,000.00
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Ditch clearing	\$3,000.00
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Rock installation/Gravel	\$2,500.00
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Director's insurance	\$1,200.00
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Annual dues - paid	\$60.00
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Asphalt repair	\$6,000.00
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Miscellaneous	\$240.00
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HRM admin fee	\$200.00
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Contingency	\$5,000.00
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Subtotal	\$43,200.00
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