

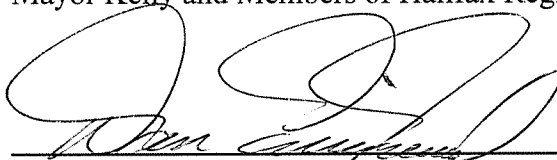


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**Halifax Regional Council
Committee of the Whole
October 25, 2005**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Acting Chief Administrative Officer



Wayne Anstey, Acting Deputy Chief Administrative Officer

DATE: October 20, 2005

SUBJECT: MRIF Criteria

ORIGIN

Halifax Regional Council, at a Committee of the Whole October 11, 2005, requested staff to recommend a definition of rural for the purposes of defining criteria for the identification of projects under the Municipal Rural Infrastructure Fund.

RECOMMENDATION

It is recommended that

1. 80% of MRIF funding be allocated to rural projects and 20% elsewhere.
2. Council adopt the definitions for rural as used in the proposed Regional Plan for rural and rural commutershed, as show in the map in Attachment A.

BACKGROUND

The Municipal Rural Infrastructure Fund is a program established by the Federal government in which the Federal and Provincial governments contribute an amount of funds to partner with municipal governments for the provision of infrastructure. While the Province of Nova Scotia has not yet signed its agreement with the Federal government, an agreement is expected soon, and the Halifax Regional Municipality wants to be ready to present its requested infrastructure projects under the program. The final decision on which projects are funded rests with the Federal and Provincial governments, however municipal priorities are a strong consideration. MRIF is application based, HRM will apply to the federal/provincial program to fund specific projects.

DISCUSSION

In an earlier report to Council, staff described three major funding programs becoming available to the municipality to assist in the provision of infrastructure.

1. Gas Tax: This program provides \$60 million to HRM over five years. HRM is required to maintain capital spending over \$58 million, and while it is not application based, HRM is required to show expenditures on projects in areas such as public transit, water, wastewater, solid waste, community energy and active transportation. Excluded are salaries, overhead, feasibility and planning studies, land, leasing equipment, etc. Projects must contribute to the program objectives – clean air, water, reduced greenhouse gas emissions.
2. Transit: This program was announced by the Federal Government in the spring of 2005 and details are not yet available. Public transit funds will flow to municipalities in a way similar to gas tax funds. Within each province and territory, the Government will negotiate an intra-jurisdictional formula based on ridership. Allocation to the provinces and territories of the transit funding totalling up to \$800 million over two years results in approximately \$23,464,303 for Nova Scotia. There is no formal implementation plan to date.
3. Municipal Rural Infrastructure Program (MRIF): this program is a Federal/Provincial program, where municipalities are expected to contribute 1/3 of the cost. The program is primarily intended for rural communities in the country, although, nationally, it allows 20% to be directed to urban centers. HRM is defined as urban under this program, despite its rural components. As such, the most it can expect to receive from the Nova Scotia MRIF is \$14.8 million over 5 years – the specific agreement is expected to be signed in the very near future.

For MRIF, the Federal government has identified the following outcomes:

- Improved and increased stock of core public infrastructure in areas such as water, wastewater, cultural and recreation;
- Improved quality of life and economic opportunities for smaller communities and First Nations;

- Government of Canada objectives on the environment, sustainable development, climate change, water quality, urban life, and innovation will guide project eligibility so that Canadians obtain maximum benefits from infrastructure funding.

Project selection for the MRIF will be guided by joint federal-provincial/territorial Management Committees. A role for municipal associations will be defined during the negotiations with the provinces and territories.

In total across Canada, a minimum of 60 percent of funding under the MRIF, with a minimum of 40 percent per jurisdiction, will target "green infrastructure" that provide a better quality of life and benefit through sustainable development. These include water, wastewater, solid waste, municipal energy improvements, and public transit. The new fund will also invest in cultural, tourism and recreational infrastructure, local roads and broadband connectivity.

For specific funding programs, it is important that HRM carefully consider the best match between a potential project and the program(s) available. Broadly considering all potential funding sources, when making decisions on specific projects to include in a specific program will help ensure HRM is able to fully maximise access to existing and potential funding opportunities. All projects must be **completed** within **five** years.

It appears quite likely that given the range of infrastructure needs across the municipality the majority of the gas tax funds will be on projects in the urban core. Similarly, most of the transit money will benefit the urban core. Council may wish to focus the MRIF project on more rural areas of the municipality, to ensure they get to share the benefits of the various funding sources.

Should Council agree to focussing MRIF predominantly on rural, staff recommend Council adopt the definitions of rural used in the Regional Map for rural and rural commutershed. Focussing funding in these areas, particularly if it were to support the goals and objectives of the Regional Plan, would demonstrate a clear commitment from Council to these areas. Staff considered the definition of rural under the tax structure, and these boundaries reflect services delivered rather than the nature of the area, as opposed to the Regional Plan which set boundaries according to growth and service intentions.

Other considerations Council may wish to consider are:

- specific types of infrastructure e.g. water and sewer
- small projects, e.g. under \$1 million
- quality of life initiatives, e.g. active transportation, recreation, economic development

Once Council provides direction on the specific criteria for MRIF, staff will identify projects that meet these specific criteria and then apply the recently approved infrastructure ranking criteria and return to Council with a recommended list of projects.

BUDGET IMPLICATIONS

No budget implications associated with the adoption of the criteria.

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 could choose to define rural differently.
- Council could choose not to define a geographic criteria for the program.
- Council could choose other criteria.

ATTACHMENTS

Attachment A: Map showing Rural and Rural Commutershed Designations.

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: _____

Report Approved by:  _____

Betty MacDonald/Director Governance and Strategic Initiatives/490-4769

Generalized Future Land Use

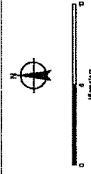
Legend

Primary Designations

- Urban Settlement
- Urban Reserve
- Harbour
- Rural Commuter
- Rural Resource
- Open Space and Natural Resources
- Agricultural

Secondary Designations

- Capital District
- Industrial Park



Date: April 28th, 2005

This figure is a schematic representation and although care has been taken to ensure the best possible quality, ITRM does not guarantee the accuracy of this document.

Note: This map demonstrates a vision to be implemented over the life of the Regional Plan, through various initiatives subject to financial ability and community interest.

Large scale versions of this document may be available at www.illawarra.org.au/plan.htm

