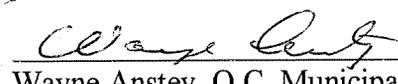

Halifax Regional Council
March 26, 2002

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



George McLellan, Chief Administrative Officer



Wayne Anstey, Q.C. Municipal Solicitor

DATE: March 18, 2002

SUBJECT: Harbour Solutions Financing Act

ORIGIN:

On November 20, 2001, Halifax Regional Council approved the following motion:

“That Halifax Regional Council authorize the Mayor to write to the Minister of Service Nova Scotia and Municipal Relations, and the Minister of Finance, requesting that the necessary legislative changes be made which would enable the Halifax Regional Municipality to issue debentures.”

RECOMMENDATION

It is recommended that Halifax Regional Council direct staff to arrange for the introduction of the draft Bill attached as Appendix “A” to this report before the Nova Scotia Legislation in the Spring sitting.

BACKGROUND/DISCUSSION

As a result of the Mayor's letter to the Ministers, the Provincial Government has indicated that it is prepared to entertain a request for an amendment to appropriate legislation permitting the HRM to issue its own debentures for this particular project. The draft bill attached as Appendix "A" to this report has been submitted to the Province and they have agreed with the form. They have also indicated that because of the timing of the legislation, it should be brought forward as a Private Members Bill.

BUDGET IMPLICATIONS

The Bill, if adopted by the Legislature will give the HRM greater flexibility to seeking financing options for the project.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

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

ALTERNATIVES

The recommendation complies with the request of Council.

ATTACHMENTS

Appendix "A" - Draft Bill.

Additional copies of this report and information on its status can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.
Report prepared by and Approved by Wayne Anstey, Q.C.

Appendix "A"

An Act To Provide For Financing Of The Halifax Harbour Solutions Project by Halifax Regional Municipality

Be it enacted by the Governor and Assembly as follows:

1. This Act may be cited as the *Halifax Regional Municipality Harbour Solution Financing Act*.
2. Notwithstanding subsection 91(2) of the *Municipal Government Act* and subsection 16(1) of the *Municipal Finance Corporation Act*, the Halifax Regional Municipality may borrow money by the issue and sale of debentures to persons other than the Municipal Finance Corporation, the Government of Canada, the Province, or another municipality, or to any department, agency or fund thereof, for the sole purpose of financing the Halifax Harbour Solutions Project.