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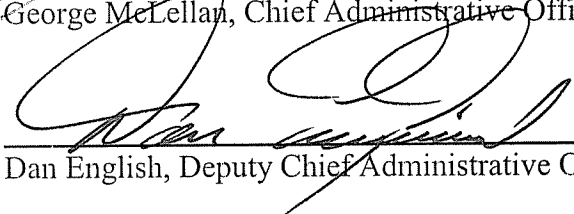
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Halifax Regional Council
September 23, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: September 10, 2003

SUBJECT: Local Improvement Charge By-law L-113

ORIGIN

December 17, 2002 - Regional Council authorized staff to initiate the process to adopt a local improvement charge to fund deficiencies at the Highway 111/Micmac Boulevard interchange.

RECOMMENDATION

It is recommended that :

1. Halifax Regional Council give First Reading of By-Law Number L-113, attached to this report, respecting Charges for Road Improvements to be recovered from the owners of properties subject to a Local Improvement Charge; and
2. Schedule the public hearing for October 21, 2003.

BACKGROUND

Capacity deficiencies at the Highway 111/Micmac Boulevard interchange have been identified as the largest issue impeding further development of the parcels served by this interchange. Two primary improvements to the Highway 111/Micmac Boulevard interchange will be implemented to address these deficiencies.

DISCUSSION

Scope of Project

The projected costs and phasing of the Highway 111/Micmac Boulevard interchange improvements are as follows:

- **Phase 1: 2002/03:** *Design* of the southbound ramp improvements and the widening of the Micmac Boulevard from the McCulloch intersection to the main driveway into Mac Mac Mall. Estimated cost \$75,000. (Complete)
- **Phase 2: 2003/04:**
 - (1) *Construction* of the southbound ramp modifications and the widening of Micmac Boulevard from the Highway 111 interchange to the main driveway into Mic Mac Mall opposite Brookdale Crescent. Estimated cost \$500,000;
 - (2) *Design* of the northbound on/off ramp improvements and design of the Micmac Boulevard widening beneath the Highway 111 interchange and the McCulloch intersection. Estimated cost \$150,000.
- **Phase 3: 2004/05:** *Construction* of the modifications to the northbound on/off ramps and the completion of the widening of Micmac Boulevard. Estimated cost \$1,850,000.

The total cost of these design and construction improvements is estimated to be **\$2,575,000.**

Cost Sharing

HRM will only fund a portion of this work (approximately 35 per cent). The remainder is to be funded by the Provincial government and private sector landowners in the area who will generate additional traffic and will directly benefit from the infrastructure improvements. A Local Improvement Charge will be levied to assist in financing the infrastructure improvements. Properties effected by the Local Improvement Charge are:

1. Mic Mac Mall
2. Former YMCA
3. Can Euro Investments
4. Aliant MTT

The interchange is part of the provincial highway system. The Provincial Department of Transportation and Public Works has agreed to a cost sharing agreement with HRM to fund one-third of the project.

The private sector share of the cost will be based on trip generation and apportioned based on future development. A potential 300,000 square foot GLA (gross leaseable area) expansion to Mic Mac Mall accounts for 75% percent of the incremental traffic growth expected, while the YMCA, Can Euro Investments Ltd, and MTT sites are expected to account for approximately 7%, 14% and 4% respectively, of incremental traffic growth.

Local Improvement Charge

Contributions from the private sector will be levied using a local improvement charge by-law (Attachment "A"). By-law L-113 will require the owners of the Aliant-MTT, Can Euro Investments Ltd., and former YMCA properties to contribute to the infrastructure project based on an estimate of the number of residential units that could be developed on each parcel and the traffic that could be generated by these units. Based on the initial estimate of project costs, a contribution of approximately \$400 per unit will be payable to HRM. Contributions from the private sector will be payable on substantial completion of the infrastructure project. This will allow sufficient time for the property owners affected by these improvements to work with staff and plan for the future development and use of their properties.

Adjustments

The tender has been awarded through the interim tender award process (\$579,613 net HST included). It is acknowledged that actual project costs could vary from the tendered value. The adjustments will be based on the fixed percentages contained in the by-law.

Within five years of substantial project completion:

- should the number of residential units on the Aliant-MTT, Can Euro Investments, or former YMCA properties be less than that contemplated in the original formula, an adjustment shall be made to these property owners;
- should no development occur on these properties within five years from substantial project completion, the adjustment period shall expire, and
- there shall be no refund to the owners of Mic Mac Mall as expansion of the Mall may occur as-of-right and an increase in customers is expected even without an expansion.

BUDGET IMPLICATIONS

The capital amounts identified for Phase I and II were approved in the 2003/04 Capital Budget. Any future adjustment required due to a reduction in the number of units will have to be budgeted in the year so affected.

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

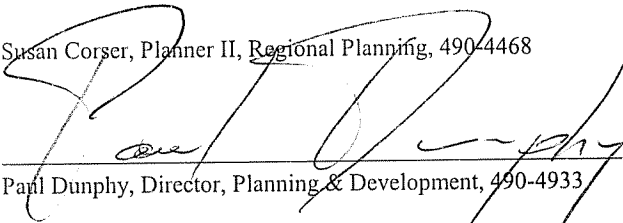
It is staff's recommendation that Regional Council approve By-law L-113. Without the local improvement by-law, HRM's ability to recover cost sharing funds from private sector interests will be placed at risk.

ATTACHMENTS

Attachment "A" By-Law Number L-113

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: Susan Corser, Planner II, Regional Planning, 490-4468

Report Approved by: 
Paul Dunphy, Director, Planning & Development, 490-4933

Attachment "A"

HALIFAX REGIONAL MUNICIPALITY

BY-LAW NUMBER L-113
RESPECTING CHARGES FOR LOCAL IMPROVEMENT PROJECTS

Be It Enacted by the Council for the Halifax Regional Municipality that By-Law L-100, the Local Improvement By-Law, be amended as follows:

4. Schedule "A" of By-Law L-100 is amended by adding the following:
- (a) The Highway 111/Micmac Boulevard Improvements Project is a plan to address some of the traffic capacity deficiencies of the Highway 111/Micmac Boulevard interchange and improve further commercial/residential expansion and build-out opportunities for other parcels located within the boundaries identified on a plan entitled "Map A - Properties Subject to Local Improvement Charge, By-Law L-113, dated October 23, 2002" as attached.
 - (b) The project will be constructed in phases over time.
 - (c) The Project will be funded by local improvement charges, provincial cost sharing and the Halifax Regional Municipality.
 - (d) The local improvement charges will be imposed at the following fixed percentages:

<u>Property Description</u>	<u>PID#</u>	<u>Fixed Percentages</u>
Ivanhoe Cambridge (<i>Mic Mac Mall</i>) property:	PID#00100446	64.82%
	PID#40173684	5.28%
	PID#40173692	5.28%
United Gulf Developments Ltd. (<i>former YMCA</i>) property:	PID# 00209361	6.81%
Can Euro Investments property:	PID#40661589	14.10%
ASC Commercial Leasing Ltd. (<i>former Aliant MTT</i>) property:	PID#40173668	3.71%

applied to gross project costs less provincial and Halifax Regional Municipality cost sharing with the Mic Mac Mall property share receiving a credit of \$40,000.

- (e) Payment of local improvement charges shall commence at substantial project

completion.

- (f) The local improvement charge will be adjusted at the completion of the project and will be calculated on the basis of the total cost of the project at the adjustment date less any provincial and Halifax Regional Municipality cost sharing.
- (g) Notwithstanding clause (d) within five years of substantial completion of the project, an adjustment shall be made to the property owners of PID# 00209361, PID#40661589, and/or PID#40173668 should the actual number of residential units constructed be less than the number of units contemplated for the purpose of calculating the original percentage. Should no development occur on PID#'s 00209361, 40661589, or 40173668 within five years from substantial project completion, the adjustment period shall expire and amounts as stipulated in the by-law shall remain enforceable.

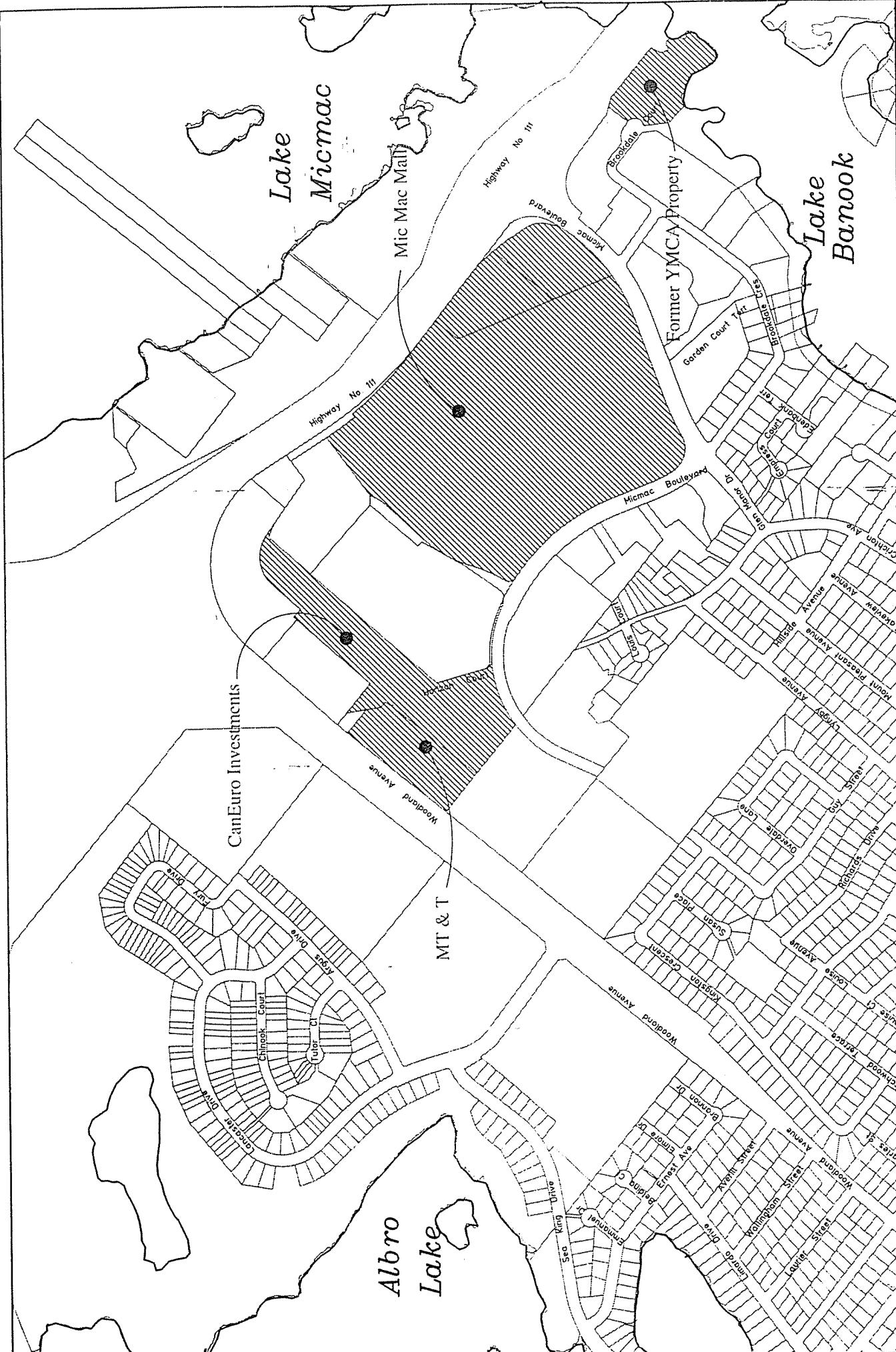
Done and passed by Council this day of , 2003.

MAYOR

DEPUTY MUNICIPAL CLERK

I, Jan Gibson, Deputy Municipal Clerk for the Halifax Regional Municipality, hereby certify that the above noted by-law was passed at a meeting of the Halifax Regional Council held on , 2003.

Jan Gibson, Deputy Municipal Clerk



Properties Subject to Local Improvement Charge (By-law L-113)



Map A