

# HALIFAX REGIONAL MUNICIPALITY

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## HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE COUNCIL JUNE 27, 2006

### **PRESENT:**

Mayor Peter Kelly  
Deputy Mayor Russell Walker  
Councillors: Steve Stretch  
Krista Snow  
David Hendsbee  
Harry McInroy  
Gloria McCluskey  
Andrew Younger  
Bill Karsten  
Becky Kent  
Jim Smith  
Mary Wile  
Patrick Murphy  
Dawn Sloane  
Sue Uteck  
Sheila Fougere  
Debbie Hum  
Linda Mosher  
Stephen Adams  
Brad Johns  
Robert P. Harvey  
Reg Rankin  
Gary Meade

### **REGRETS:**

Len Goucher

### **STAFF:**

Mr. Dan English, Chief Administrative Officer  
Mr. Randolph Kinghorne, Acting Municipal Solicitor  
Ms. Jan Gibson, Municipal Clerk  
Ms. Sherrill Murphy, Legislative Assistant  
Ms. Sheilagh Edmonds, Legislative Assistant

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**1. CALL TO ORDER**

The meeting was called to order at 9:35 a.m.

**2. APPROVAL OF THE MINUTES**

**MOVED by Councillor Harvey, seconded by Councillor Hum that the minutes of the May 30, 2006 meeting of Committee of the Whole Council, as distributed, be approved. MOTION PUT AND PASSED UNANIMOUSLY.**

**3. HALIFAX REGIONAL SCHOOL BOARD SUPPLEMENTARY FUNDING PRESENTATION**

- A document entitled Halifax Regional School Board, Draft Supplementary Fund Budget Overview, 2006-2007 was before Council.

Mr. Gary O'Hara, Chair, Halifax Regional School Board, addressed Council noting the following:

- Halifax Regional School Board approved a conditional status quo budget on June 21, 2006,
- The purpose of approving a conditional budget is to facilitate the staffing process as under the collective agreement, all permanent teachers must have their September assignments in June
- 98% of the supplementary funds are spent on school based staff
- The budget is tentative and it was always intended that it would be re-visited once HRM's decision relative to supplementary funding was known and the Province's budget has been approved
- The Board is requesting that HRM approve a status quo supplementary funding allocation subject to a complete review and debate of the Joint Working Group recommendations in September

Mr. O'Hara, Ms. Carol Olsen, Superintendent and Mr. Richard Morris, Director, Financial Services, responded to questions from members of Council.

Mr. Morris advised that as a result of the Hogg Report, HRSB would receive \$3 million more in funding.

Councillors Sloane and Mosher joined the meeting at 9:42 a.m.

Mr. Morris further clarified that the information provided to Council outlined the impact of two scenarios, a status quo budget and a 10% reduction in the budget.

Councillors McCluskey and Wile joined the meeting at 10:00 a.m.

In response to a question from Councillor Adams, Mr. Morris indicated that the Board was requesting that HRM postpone the implementation of the 10% reduction in supplementary funding pending Regional Council considering the Joint Working Group proposal. Mr. Morris indicated that the proposal provides equity to all students of HRM. Concluding his remarks, Mr. Morris indicated that the School Board does not want to undertake the exercise of cutting staff and then having to re-introduce teachers if the proposal is accepted.

The Chief Administrative Officer (CAO) clarified that HRM's budget reflects a 10% reduction of supplementary funding. He indicated, however, that should Council wish to make a change to that, they could do so in September if the recommendations of the Joint Working Group are considered appropriate. The CAO noted that the 2006/07 budget summation includes area rates, including the School Board area rate.

Referring to the CAO's comment that the 10% School Board reduction was reflected in HRM's budget, Councillor Fougere suggested that Council's motion spoke to intent rather than action. Councillor Fougere indicated that she did not believe that Council should be debating this matter, noting that it was a matter for the public and their elected School Board. She reiterated that clarity around the criteria for the use of the funds is required.

Councillor Streach joined the meeting at 10:20 a.m.

Councillor Karsten referred to the CRA Supplementary Funding poll which was undertaken by the School Board which indicated public support for supplementary funding and requested that Councillors be provided a copy either through the Mayor or the Municipal Clerk.

**MOVED by Councillor Harvey, seconded by Councillor Murphy that Committee of the Whole Council recommend that Halifax Regional Council reinstate the 10% supplementary funding.**

In response to a question from Councillor McInroy, Mr. Kinghorne, Solicitor noted that the Municipal Solicitor has ruled that since the motion only declared the intention of Council to reduce the funding by 10% rather than actually reducing the funding, there is no need to rescind the original motion.

A discussion ensued with Councillors noting the following:

- The status quo relative to Supplementary Funding should be maintained
- The purpose of supplementary funding is to enhance education
- HRM Council should not be debating this matter, it is a matter for the School Board
- Concern regarding the lack of action on the part of the School Board in dealing with this issue at the Provincial level

In response to a question from Councillor Uteck, Ms. Cathie O'Toole, Acting Director, Finance indicated that the area rate for Arts and Music is included in the overall budget , is not subject to the 10% reduction. The Supplementary Education Funding rate is subject to the 10% reduction. She indicated that if Council decides to make a change in either of these rates, the numbers can be re-calculated and the appropriate resolution prepared.

During continued debate, Councillors made the following points:

- Education is a Provincial mandate and HRM should not be involved in providing education
- HRM citizens pay directly and indirectly for a number provincially mandated services including recreation, libraries and education
- Citizens of HRM value education and our citizens have asked us to provide supplementary funding
- Council supports supplementary funding, however, it is difficult for Council to say to residents that it cannot meet the needs relative to mandatory municipal programs (i.e. fire, library, etc.), yet fund a provincial mandatory program

Ms. Olsen indicated that she would be willing to attend the September or October meeting of the UNSM Board of Directors to discuss a strategy to ensure that education becomes fully funded by the Province and that HRM's enhanced programs become mandatory throughout the Province. Councillor Mosher agreed to meet with Ms. Olsen prior to that meeting to discuss the matter.

Councillor Snow, noting that although education is very important, she did not agree that the School Board should be given taxation authority.

A further discussion ensued with Councillors commenting as follows:

- HRM receives less funding per student than any other municipality in Nova Scotia
- Regional Council is attempting to send a message that the issue of supplementary funding must be resolved

Councillor Kent joined the meeting at 11:30 .am.

The Chair clarified that **the motion was to reinstate the 10% supplementary education funding.**

In response to concerns regarding the dollar amount of funding which the Board requires to maintain the arts and music programs, Mr. Morris clarified that the Board has guaranteed that it will maintain the current Music and Arts program if HRM provides a status quo budget.

Mr. English, in response to Councillor Walker, confirmed that the Arts and Music area rate was not increased for the current year. He further clarified that if the 10% is reinstated, the amount allocated to the School Board will be no more than it was last year.

Councillor Streach expressed concern regarding a lack of equity in that the area rate in the former County and Bedford is not used for art and music.

Ms. Olsen clarified that if the recommendation(s) of the Joint Working Group are approved by Council, the School Board will be able to seek legislation which will create equity right across the system.

Councillor Mosher asked what plans the School Board had for the \$3 million surplus it has declared.

Ms. Olsen indicated that the surplus occurred because of savings due to the mild weather over the winter. She noted that it was one time money and could not be used to fund staff. The monies will be used to upgrade facilities, grounds, and furniture and equipment.

Following a further questioning of School Board staff, the meeting recessed at 12:10 p.m.

Council reconvened at 1:33 p.m. with the same members present.

Ms. Olsen responded to further questions.

Councillor Harvey referred to the last page of the overview that was submitted and advised that the same dollar amount is proposed this year for the former County and Bedford as last year. He noted that the page is somewhat misleading in that it states a 10% reduction option however this is not really an option for the former County and Bedford.

The Chair clarified the motion read as follows:

**That Halifax Regional Council reinstate the 10% supplementary funding.**

**THE MOTION WAS PUT AND PASSED.**

Councillor Uteck requested that staff provide clarification that with the reinstatement of the 10% supplementary, \$805,000 of the \$1.5 million will be applied to the shortfall in the arts and music program.

The Chair advised that the Superintendent of the School Board has indicated this will be done.

#### **4. CAPITAL COST CONTRIBUTION**

Mr. Paul Dunphy, Director of Planning and Development addressed Council and advised that the presentation was an interim update on the study commissioned to review capital cost contribution charges for the Municipality. He added that the purpose of presentation was ensure Council has a good understanding of the issues and, therefore, this would be a review of the information collected to date in regard to best practices and common practices elsewhere in the country.

Mr. Dunphy introduced Ms. Enid Slack, advising that she was a business professor at the University of Toronto; Mr. Harry Kitchen, Professor of Economics at University of Trent; and Mr. Chris Lowe, the Project Manager, and the Chief Planner with SGE Acres. Mr. Dunphy then turned the presentation over to Mr. Lowe, Ms. Slack, and Mr. Kitchen.

The presentation reviewed the definition and rationale for infrastructure charges; HRM's current approach to capital cost contribution charges; the approach that other Provinces take in regard to similar charges; and the issues surrounding capital cost contribution charges. Highlights of the presentation are as follows:

- C British Columbia, Ontario, and Alberta have the longest history of growth related charges.
- C Ontario has separate legislation regarding development charges.
- C Ontario divides its services covered by development charges into three categories; charges that are covered 100 percent by development charges; charges that are covered 90 % by development charges and 10% is paid by local government revenues; and services that are considered softer services and that are not required by growth or that there are other revenue services that could be used to pay for them.
- C Development charges in British Columbia date back to the 1950's and 1960's, and Vancouver has a special charter that allows it to charge development cost levies for day care facilities & affordable replacement housing.

- C Alberta has a narrower list of charges compared with Ontario and British Columbia. It has two types of charges—one is for redevelopment and the other is for new or expanded facilities regarding water supply, sewer treatment, storm sewer drainage, roads, and for land associate with each of these items.
- C The overall question in applying such charges is, 'whether charges should be uniform across the municipality or variable?' Across the country the practice has mainly been a blending of the two.

Councillor Younger joined the meeting at 1:50 p.m.

Mr. Dunphy responded to questions.

In response to a concern about the Province working with HRM on Capital Cost Contribution, Mr. Dunphy advised that senior staff of Service Nova Scotia sat on the Steering Committee and have an understanding of the process, the options, and national scope of what is in place elsewhere.

Further to this the Chief Administrative Officer advised that when the Capital Cost Charges Best Practice Guide was developed in 2002, the Province was a partner in the original development of Capital Cost Charges and, therefore, he expected they would be involved in this second review.

## **5. 2006 / 2007 CAPITAL & OPERATING BUDGET SUMMATION**

### **5.1 Budget and Business Plan Questions from Committee of the Whole**

- C An information report dated June 27, 2006 was submitted.

The Chief Administrative Officer responded to questions from members of Council in regard to the submitted information report.

Councillor Becky Kent joined the meeting at 2:06 p.m.

**MOVED by Councillor Hendsbee, seconded by Councillor Snow that for the months of July and August, HRM re-establish the Saturday Service for community based Transit for Lake Echo/Porters Lake, via the designated Transit Rate for the area.**

Councillor Hendsbee pointed out for clarification that the report contains a reference to the *East Musquodoboit Industrial Park* and he advised that the correct name is the *East Chezzetcook Musquodoboit Harbour Industrial Parks*.

Councillor Hendsbee made reference to the response staff provided in regard to the ditch and drainage issues along Ross Road and advised that it did not answer his question.

The Chief Administrative Officer concurred and advised that the appropriate information would be sent to Councillor Hendsbee.

Councillor Hendsbee referred to Appendix B of the report and asked that further information be provided to him on the assessment appeals in his district.

**MOVED by Councillor Hendsbee, seconded by Councillor Snow that Regional Council approve amending Appendix C of the June 27, 2006 Information Report to increase the following construction fees to \$.30/sq. ft:**

- **All floors extending below but not beyond 5.5 ft. of the mean finished grade surrounding the building**
  - **Finished/Unfinished Basement**
  - **Attached/Detached Garages**
- C and, that the Grade Alteration fee be increased to \$100.00.**

**MOTION PUT AND PASSED.**

Councillor McCluskey referred to Appendix B of the report and asked how many commercial properties were appealed.

In response, Ms. Cathie O'Toole, Acting Director of Finance, indicated that staff did not have that information at hand, and that if Councillor McCluskey wished, Finance staff would be pleased to meet with her and review the information.

**MOVED by Councillor Meade, seconded by Councillor Rankin that noon hour transit service to the Hammonds Plains area be provided, and funded by area rate. MOTION PUT AND PASSED.**

In response to a question by Councillor Hum on the status of the off-leash dog park in Mainland North, Ms. Carol Macomber, Acting Director of Community, Culture & Economic Development explained that staff has researched the matter and determined that the Councillors at the time decided they did not want the off-leash park and redirected these funds. Ms. Macomber indicated that staff will look into this matter further.

Councillor Hum advised that the Councillors had not indicated they did not want the park, adding that Councillor Wile had received some concerns from the residents of Glenborne that they did not want one in their area and staff were to look at the options for that issue.

## **5.2 Parking Lot Items**

- C A staff report dated June 27, 2006 was submitted.
- C Councillor Meade submitted a document outlining the history of rural fire area rates from 1997-98 to 2002-03.

**MOVED by Councillor Streach, seconded by Councillor Karsten that Regional Council:**

- 1. Approve the strategy presented in the Discussion section of the June 27, 2006 staff report.**
- 2. Approve the changes to the Operating, Reserve, and Capital budgets, as outlined in the Budget section of the June 27, 2006 report.**
- 3. Support the development of an HRM Building Recapitalization Program for 2007/08 and consider it as a Council Focus Area in development of the 2007/08 budget.**

In response to a question regarding the expenditures outlined in the report, the Chief Administrative Officer advised that Transportation and Public Works will be taking the lead on this matter and will be preparing a report of any projects that will be funded by the \$510,000. The report will come back to Council and it will be evident whether there are noncompliance issues with fire or safety codes.

In response to a point raised by Councillor Rankin, the Chief Administrative Officer referred to page 4 of the report and advised that the \$75,000 Phase 1 Design of ice rink for Prospect is an error. This item is actually the Community Recreation Centre which Council has already approved on the MRIF list. He added that staff are obtaining more information and will report back to Council next week.

Councillor Hendsbee noted that since much of Council's budget discussion related to the state of maintenance of municipal assets, he did not believe this issue should be further delayed. Councillor Hendsbee indicated that he was prepared to defer the motion in favour of Alternative 1 in the staff report.

**MOVED by Councillor Hendsbee, seconded by Councillor McCluskey that the motion be deferred.**

A discussion ensued and the Municipal Solicitor ruled the motion to defer out of order as it was a hostile motion.

Council agreed to suspend the Rules of Order to consult and receive legal clarification from the Municipal Solicitor.

Council recessed at 2:35 p.m. and reconvened at 2:41 p.m. with the same members present.

The Municipal Solicitor advised that if Councillor Hendsbee wished to incorporate Alternative 1 of the staff report into the motion, it could be done as a friendly amendment.

The Chief Administrative Office added that the affect the amendment would have on the motion is that it would increase the budget by \$1.5 million.

**MOVED by Councillor Hendsbee, seconded by Councillor Snow that the motion be amended to include Alternative 1 of the staff report.**

In response to a question, the Chief Administrative Office advised that the amendment would mean that the proposed tax decrease would be 4.6% instead of 5.1%

**THE AMENDMENT TO THE MOTION WAS PUT AND DEFEATED.**

Councillor Fougere referred to page 4 and noted a correction in the first item in the table. Instead of "*wire mats*", it should read ". . . and purchase of *wiring and rubber mats*."

**The Chair called for the question on the main motion, and Council requested that each item be voted on separately as follows:**

**MOVED by Councillor Streach, seconded by Councillor Karsten that Regional Council approve the strategy presented in the Discussion section of the June 27, 2006 staff report. MOTION PUT AND PASSED.**

**MOVED by Councillor Streach, seconded by Councillor Karsten that Regional Council approve the changes to the Operating, Reserve, and Capital budgets, as outlined in the Budget section of the June 27, 2006 report. MOTION PUT AND PASSED.**

**MOVED by Councillor Streach, seconded by Councillor Karsten that Regional Council Support the development of an HRM Building Recapitalization Program for 2007/08 and consider it as a Council Focus Area in development of the 2007/08 budget. MOTION PUT AND PASSED.**

## **6. ADJOURNMENT**

The meeting adjourned at 3:04 p.m.

Jan Gibson  
Municipal Clerk