

HRM Response to Chamber of Commerce Annual Update to the Municipal Government

Introduction:

HRM IS PLEASED TO RESPOND TO the Chamber's annual update. As partners in the implementation of the Economic Strategy, the views of the Chamber of Commerce are of great interest to HRM and assist in ongoing monitoring of the Strategy's success. HRM and the Chamber share many of the same priorities outlined in the Chamber's 2008 Update to Municipal

Government. We are pleased to note that work is already underway in each area and our progress is outlined below. HRM is developing and implementing Memorandums of Understanding with a number of key community partners to realize these priorities, notably Metro Universities, Capital Health, Halifax International Airport Authority, Halifax Port Authority, Nova Scotia

Community College and DND. Ensuring we have the amenities to attract and retain a skilled labour force is one of HRM's key goals and the main theme behind our Economic Strategy. Our combined commitment to these areas will enable HRM to become one of the most vibrant, attractive and livable cities on the continent.

Metro Transit:

HRM HAS RECENTLY ADOPTED a Five-Year Plan for Transit in conjunction with its 2008/09 Capital Budget (www.halifax.ca/council/agendasc/documents/08040cow4.pdf). This Plan will see a new satellite transit maintenance garage built by 2010. This is key to allow for the expansion of the fleet and introduction of more core and expanded transit services to meet increasing demand from the existing ridership as well as to address the growth of the region. In addition, the Five Year Plan will allow for a focus on improving transit in rural areas, expanded MetroLink service for Clayton Park and Spryfield, transit corridor upgrades to improve trip times, new downtown shuttle service, improved safety and security measures for passengers and employees, up-graded farebox technology, terminal upgrades for Lacewood Terminal, Bridge Terminal and Burnside, as well as the possible expansion of the ferry service to include Bedford and surrounding communities. The development and implementation of all these services will be advanced strategically as certain projects are contingent on the completion of others. All capital projects will still be subject to additional Operating Budget approvals of Regional Council.



Council recently awarded a contract to update the Transit Strategy, (www.halifax.ca/Council/agendasc/documents/08021ca1115.pdf) which was adopted in 2002 and guided planning and operations until 2008. The update will build on the 2002 plan and establish operational direction for Metro Transit for the next five years. The overall goal of the update is to ensure Metro Transit is a customer-responsive and efficient medium-sized transit system, while continuing to operate in a fiscally responsible manner.

In addition to the plans referenced above, the HRM Regional Plan incorporates transit into a twenty-five year future development plan to have communities built so as to enable compatibility with public transit and other sustainable transportation initiatives. Communication with the Bridge Commission is also ongoing to ensure future projects address the needs of Metro Transit and the overall HRM Regional Plan.

Federal funding announced in March 2008 has made some of the Five Year Plan for Transit possible. However provincial funding for public transit still lags significantly behind other provinces. HRM agrees with the Chamber's position that the Province should invest a percentage of funding that would bring it to a comparable level with other provinces and territories. Metro Transit is the largest transit system in the province - in fact, in the

Atlantic Region - and supports the Atlantic region's largest city. Yet it has had to rely almost solely in the past on farebox revenues to put back into operating, with support from no other levels of government. At 52%, it has one of the highest revenue/cost ratios of any transit system in North America.



Gateway:

REGIONAL COUNCIL APPROVED HRM's Atlantic Gateway position paper and the municipal role in January 2008. (www.halifax.ca/business_parks/documents/AtlanticGateway-Final5.pdf). Since that time significant progress has been made by HRM and Gateway partners, particularly around the marketing strategy, logistics and business parks planning. Accomplishments include:

- Approval-in-principle by Regional Council in May, 2008, of a concept to develop a Distripark, near Burnside as a means of providing a centralized distribution point for container trucks requiring access to and from the peninsula port terminals utilizing a rail shuttle service as



an alternative to accessing the port via the local street network.

- Identification of the Distripark as a priority project by the Halifax Gateway Council and a decision to undertake a more detailed analysis of cost implications and service benefits.

- Agreement by Regional Council in May, 2008 for HRM staff to participate with the Province of Nova Scotia to study the feasibility of converting the CN Rail corridor through the Halifax peninsula into an integrated, multi-use corridor as another option for improving container truck access onto and off Halifax peninsula.

- Branding of the "Atlantic Gateway - Halifax Logistics Park" in Burnside in June, with two companies – Consolidated FastFrate and Armour Transport, featured as anchor tenants.

- Approval in principle by Regional Council of the Business Parks Functional Plan as a means of guiding HRM's industrial park program to support Economic Strategy objectives, along with an implementation plan that includes a process to amend Municipal Planning Strategy and Land Use By-law documents.

- Development and implementation of a gateway marketing strategy to increase awareness throughout the region, including new signage promoting the Gateway erected at prominent spots in Burnside Park.

- Establishment of a Memorandum of Understanding (MOU) with the Halifax International Airport Authority. MOUs with the Halifax Port Authority and the Nova Scotia Community College have also been finalized.

- Increased focus on increasing the skilled labour pool through initiatives with Metro Universities and the NSCC.

- HRM is working closely with the Province, GHP, Port Authority and Airport Authority, through the Halifax Gateway Council. A common vision and action plan to advance the Atlantic Gateway is being developed.

A report is being drafted that outlines progress in the priority areas set out in HRM's position paper. It is intended to proceed to Council in January as a Year one update.



People Factor:

HRM IS LOOKING at ways to increase public participation and gauge community satisfaction. It has committed to working with Fusion Halifax to develop the region as a "Young Professional's Destination Location" and is partnered with Fusion's PEOPLE FACTOR ACTION TEAM on an employment survey for Young Professionals.

HRM launched its "Good Neighbours Great Neighbourhoods" social marketing campaign in May 2008 which aims to increase civic pride, improve the local environment, and encourage residents to participate in community life. In addition, a framework has been approved for increasing participation and public engagement and a method for measuring community satisfaction developed.

HRM has made progress in a number of areas that contribute to a city's livability:

- It has made broadband internet available across the entire municipality to increase citizen access to information and communication.
- Council recently adopted a Public Art Policy which will facilitate public art throughout the municipality and enliven and enrich public spaces.
- HRM is a leader in sustainable waste management practices. The Harbour Solutions Project is a major milestone in improving water quality in the Halifax area.
- With financial assistance from the Provincial and Federal governments, HRM is expanding its sport and recreation facilities by constructing a premier sports facility at Mainland Common for the upcoming 2011 Canada Winter Games.
- Public safety continues to be a key priority. The Mayor's Roundtable on Violence report was released in

April and its recommendations went to Council in September. HRM is working closely with the provincial departments of Justice and Community Services on ways to build safe and strong communities.

HRMbyDesign and the Charter:

THE PASSAGE OF HRMbyDESIGN legislation during the fall session of the Legislature is a major success for HRM. The Plan will bring clarity and predictability to downtown development, improve the quality of design, increase efficiency in the appeals process, and strengthen protection for heritage. Its overall urban design vision and program for downtown Halifax has received widespread public support and will allow Regional Plan implementation to continue. Some of the benefits HRMbyDesign will bring about include:

- Fostering a positive development climate by creating clarity and predictability in the development approval process so that quality development can occur more efficiently and with fewer appeals.
- Improving heritage protection and heritage assistance.
- Implementing new design standards to improve the beauty of future architecture, public spaces and streetscapes.
- Encouraging investment in amenities such as public art and open spaces.
- Bringing more people to live and work in the Regional Centre, by directing a mix of quality residential and commercial development to areas that can both accommodate it and will benefit from it.



By passing the HRMbyDesign legislation the Province and Municipality can now work together to take action and initiate change in downtown Halifax.



The support of our community partners like the Chamber of Commerce in promoting the plan to both the Province and the community at large has been invaluable.

Similarly, HRM's new Charter is a major step forward for the Municipality. By allowing the Municipality to create its own administrative amendments on matters that affect only HRM, the Charter will give the municipality greater control over its affairs, respond to issues in a timely way, and improve the efficient governance of the Municipality.



Tax Reform:

(www.halifax.ca/taxreform/index.html)

THE TAX REFORM COMMITTEE (TRC) held 13 open houses for public consultation throughout HRM in the spring of 2008. The TRC and staff are reviewing public feedback on tax reform options and undertaking a public opinion survey to confirm the findings and solicit further public input. The project will continue its dialogue with business stakeholders, including the Halifax Chamber of Commerce, as the draft tax model is reviewed.

The TRC is reviewing the results of its consultations and survey. It is finalizing its report and recommendations and expects to report to Regional Council in early 2009. In addition, Council requested a staff report on the taxation of transit which was presented in December 2008.

HRM is pleased to work with the Chamber each year on its Scorecard. It is a valuable tool to review progress being made on the Economic Strategy. HRM would like to work further with the Chamber to streamline property tax benchmark data used to inform the Scorecard. Currently HRM and the Chamber use different cities to arrive at average tax rates for comparison. HRM would like to see a survey that uses cities with economies & sizes similar to its own. Financial services staff are open to discussions with the Chamber on how best to accomplish this.

Fiscal Responsibility:

IN JUNE 2008, HRM received a rating upgrade from Standard & Poor's from A to A+ with Outlook Positive, which means it is likely to increase again within two years if factors remain relatively stable. Standard & Poor's report noted "the city's debt burden remains moderate with respect to peers and should decline in the next few years." It should be noted that HRM's rating is the same as the Province of Nova Scotia's, and it is rare for a municipality's rating to exceed that of its province due to the significant influence a province has over municipal finances. It should also be noted that HRM has not traditionally received the same level of financial support from federal and provincial governments that other Canadian municipalities enjoy.

The Multi-Year Financial Strategy (MYFS) adopted in 1999 has completely changed the financial direction and overall financial health of the municipality. The debt trend has reversed from rapid increase to steady decline, commercial assessment recovered from its decline and has consistently grown, and nearly 80% of the annual capital budget is funded from operating revenues with only 20% from debt – almost a total reversal from 1998. The MYFS and Capital Debt Policy have allowed HRM to reach a point of improved financial flexibility that allows the municipality to set a specific plan for the future. During this same timeframe though, HRM's population increased by 7% and number of dwelling units grew by



more than 16%, creating increased demand for services. Its infrastructure deficit also increased and the overall asset condition is poor. Based on the above factors, it was decided that it would be in the best interest of

HRM's overall financial well-being to this year take on extra debt on a one-time basis only. HRM remains committed to the MYFS goals of improving financial flexibility, sustainability and reducing overall financial vulnerability.

Work has begun on a review of the Multi-Year Financial Strategy. The debt policy will be a key component of the review. A draft Terms of Reference is underway. While the full review will extend into 2009-2010, the review of the debt policy is a priority for the upcoming budget.

