

# BILL NO. 177

(as introduced)



*2nd Session, 62nd General Assembly  
Nova Scotia  
65 Elizabeth II, 2016*

Government Bill

## **Municipal Government Act (amended) and Halifax Regional Municipality Charter (amended)**

The Honourable Zach Churchill  
Minister of Municipal Affairs

[First Reading](#): May 5, 2016

[\(Explanatory Note\)](#)

Second Reading: May 12, 2016

[Third Reading](#): May 19, 2016 (WITH COMMITTEE AMENDMENTS) ([LINK TO BILL AS PASSED](#))



### **Explanatory Note**

[This Bill](#) amends the Municipal Government Act and the Halifax Regional Municipal Charter to

(a) authorize municipal councils to make a by-law providing for the phasing-in, over a period of up to 10 years, of an increase to the taxable assessed value of certain commercial or contaminated properties located in a commercial development district established by the by-law and further providing for the cancellation, reduction or refund of taxes paid as a result of the phasing-in; and

(b) allow a municipal planning strategy to include statements of policy respecting the eligibility criteria for the establishment of a commercial development district.



## **An Act to Amend Chapter 18 of the Acts of 1998, the Municipal Government Act, and Chapter 39 of the Acts of 2008, the Halifax Regional Municipality Charter**

Be it enacted by the Governor and Assembly as follows:

**1** Chapter 18 of the Acts of 1998, the Municipal Government Act, is amended by adding immediately after Section 71B the following Sections:

71C (1) In this Section,

(a) "commercial development district" means a district, established by a by-law made pursuant to subsection (2), that comprises one or more eligible properties;

(b) "eligible commercial property" means a commercial property, except the forest property owned by a person who owns fifty thousand acres or more of forest property in the Province;

(c) "eligible contaminated property" means a property or part thereof that

(i) was an eligible commercial property,

(ii) is designated as a contaminated site pursuant to subsection 87(1) of the Environment Act, and

(iii) is the subject of an agreement entered into pursuant to clause 89(1)(b) of the Environment Act;

(d) "eligible property" means an eligible commercial property or eligible contaminated property.

(2) Notwithstanding subsection 57(2) but subject to Section 71D, where a council considers it necessary or advisable, the council may, by by-law, provide for

(a) the phasing-in of an increase in the taxable assessed value of an eligible property located in a commercial development district over a period not exceeding ten years; and

(b) the cancellation, reduction or refund of taxes paid as a result of the phasing-in of the increase.

(3) Subject to subsection (4), a by-law made pursuant to subsection (2) must establish, in accordance with a

municipal planning strategy, one or more commercial development districts.

(4) A commercial development district may only be established in an area that is serviced by wastewater facilities and a water system.

(5) Subject to subsection (6), a by-law made pursuant to subsection (2) may

(a) prescribe the taxable assessed value of an eligible property within a commercial development district;

(b) where the taxes paid in the current year in respect of an eligible property exceed the taxes payable in respect of the eligible property under the by-law, authorize the refund of the amount by which the taxes paid exceed the taxes payable under the by-law;

(c) prescribe a base year for the purpose of a formula authorized by clause (d); and

(d) prescribe a formula to be applied to any increase in the taxable assessed value in a year above the taxable assessed value in the base year for the purpose of calculating the taxes payable.

(6) A formula prescribed by clause (5)(d) must not result in the calculation of the total increase in taxes payable during the phase-in period being less than fifty per cent of the total increase in taxes that would be payable during the same period in the absence of the application of the formula.

(7) Notwithstanding subsection 57(2), where a by-law is made pursuant to subsection (2), the owner of an eligible property to which the by-law applies shall pay taxes with respect to the eligible property in accordance with the by-law instead of the taxes otherwise payable pursuant to this Act.

(8) Taxes payable in respect of an eligible property under a by-law made pursuant to subsection (2) are a first lien upon the eligible property.

(9) Nothing in this Section authorizes the application of a commercial tax rate to an eligible property other than the commercial tax rate set by the council pursuant to subsection 73(1) for the area of the municipality determined to be an urban area receiving an urban level of services.

71D (1) Where a council makes a by-law pursuant to subsection 71C(2), the clerk shall submit a certified copy of the by-law to the Minister.

(2) The Minister shall review the by-law and determine whether the by-law appears to affect a provincial interest or conflict with the law.

(3) Where the Minister determines that the by-law appears to affect a provincial interest, the Minister shall

(a) approve the by-law;

(b) approve the by-law with such amendments as the Minister considers necessary or advisable; or

(c) refuse to approve the by-law.

(4) Where the Minister determines that the by-law appears to conflict with the law, the Minister shall

(a) approve the by-law with such amendments as the Minister considers necessary or advisable to resolve the apparent conflict with the law; or

(b) refuse to approve the by-law.

(5) The by-law is of no force and effect until the Minister

- (a) determines that the by-law does not appear to affect a provincial interest or conflict with the law; or
  - (b) approves the by-law, with or without amendments,
- and provides written notice to the clerk of the Minister's determination or approval.

71E A by-law made pursuant to subsection 71C(2) must be reviewed by the municipality within four years of its coming into force and every four years thereafter.

2 Clause 214(1)(o) of Chapter 18, as amended by Chapter 9 of the Acts of 2003, is further amended by

- (a) striking out the semicolon after subclause (viii) and substituting a comma; and
- (b) adding immediately after subclause (viii) the following subclause:

(ix) the eligibility criteria for the establishment of a commercial development district including, without limiting the generality of the foregoing, the percentage increase in the taxable assessed value of the eligible properties, as defined in subsection 71C(1), within the proposed commercial development district and the period over which the increase in the taxable assessed value of the properties occurs;

3 Chapter 39 of the Acts of 2008, the Halifax Regional Municipality Charter, is amended by adding immediately after Section 92B the following Sections:

92C (1) In this Section,

(a) "commercial development district" means a district, established by a by-law made pursuant to subsection (2), that comprises one or more eligible properties;

(b) "eligible commercial property" means a commercial property, except the forest property owned by a person who owns fifty thousand acres or more of forest property in the Province;

(c) "eligible contaminated property" means a property or part thereof that

(i) was an eligible commercial property,

(ii) is designated as a contaminated site pursuant to subsection 87(1) of the Environment Act, and

(iii) is the subject of an agreement entered into pursuant to clause 89(1)(b) of the Environment Act;

(d) "eligible property" means an eligible commercial property or eligible contaminated property.

(2) Notwithstanding subsection 71(2) but subject to Section 92D, where the Council considers it necessary or advisable, the Council may, by by-law, provide for

(a) the phasing-in of an increase in the taxable assessed value of an eligible property located in a commercial development district over a period not exceeding ten years; and

(b) the cancellation, reduction or refund of taxes paid as a result of the phasing-in of the increase.

(3) Subject to subsection (4), a by-law made pursuant to subsection (2) must establish, in accordance with a municipal planning strategy, one or more commercial development districts.

(4) A commercial development district may only be established in an area that is serviced by wastewater facilities and a water system.

(5) Subject to subsection (6), a by-law made pursuant to subsection (2) may

(a) prescribe the taxable assessed value of an eligible property within a commercial development district;

(b) where the taxes paid in the current year in respect of an eligible property exceed the taxes payable in respect of the eligible property under the by-law, authorize the refund of the amount by which the taxes paid exceed the taxes payable under the by-law;

(c) prescribe a base year for the purpose of a formula authorized by clause (d); and

(d) prescribe a formula to be applied to any increase in the taxable assessed value in a year above the taxable assessed value in the base year for the purpose of calculating the taxes payable.

(6) A formula prescribed by clause (5)(d) must not result in the calculation of the total increase in taxes payable during the phase-in period being less than fifty per cent of the total increase in taxes that would be payable during the same period in the absence of the application of the formula.

(7) Notwithstanding subsection 71(2), where a by-law is made pursuant to subsection (2), the owner of an eligible property to which the by-law applies shall pay taxes with respect to the eligible property in accordance with the by-law instead of the taxes otherwise payable pursuant to this Act.

(8) Taxes payable in respect of an eligible property under a by-law made pursuant to subsection (2) are a first lien upon the eligible property.

(9) Nothing in this Section authorizes the application of a commercial tax rate to an eligible property other than the commercial tax rate set by the Council pursuant to Section 94 for the area of the Municipality determined to be an urban area receiving an urban level of services.

92D (1) Where the Council makes a by-law pursuant to subsection 92C(2), the clerk shall submit a certified copy of the by-law to the Minister.

(2) The Minister shall review the by-law and determine whether the by-law appears to affect a provincial interest or conflict with the law.

(3) Where the Minister determines that the by-law appears to affect a provincial interest, the Minister shall

(a) approve the by-law;

(b) approve the by-law with such amendments as the Minister considers necessary or advisable; or

(c) refuse to approve the by-law.

(4) Where the Minister determines that the by-law appears to conflict with the law, the Minister shall

(a) approve the by-law with such amendments as the Minister considers necessary or advisable to resolve the apparent conflict with the law; or

(b) refuse to approve the by-law.

(5) The by-law is of no force and effect until the Minister

(a) determines that the by-law does not appear to affect a provincial interest or conflict with the law; or

(b) approves the by-law, with or without amendments,

and provides written notice to the clerk of the Minister's determination or approval.

92E A by-law made pursuant to subsection 92C(2) must be reviewed by the Municipality within four years of its coming into force and every four years thereafter.

4 Clause 229(1)(o) of Chapter 39 is amended by

(a) striking out the semicolon after subclause (viii) and substituting a comma; and

(b) adding immediately after subclause (viii) the following subclause:

(ix) the eligibility criteria for the establishment of a commercial development district including, without limiting the generality of the foregoing, the percentage increase in the taxable assessed value of the eligible properties, as defined in subsection 92C(1), within the proposed commercial development district and the period over which the increase in the taxable assessed value of the properties occurs;

