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**Regional Plan Advisory Committee  
October 21, 2009**

**TO:** Chair and Members of Regional Plan Advisory Committee

**SUBMITTED BY:** \_\_\_\_\_  
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**DATE:** September 29, 2009

**SUBJECT:** **Project 01341 - Cost of Servicing Study and Requests to Initiate  
Secondary Planning Strategies (Community Plan Amendment Requests)**

**ORIGIN**

- October 2007 RFP for Cost of Servicing Analysis: Regional Greenfield sites
- Motion of Regional Council, September 16, 2008 requesting staff to release the Cost of Servicing Study as soon as possible.
- Staff Information Report re: Cost of Servicing Study presented at the February 17, 2009 Regional Council meeting.
- May 28, 2009 Report re: Fiscal Health presented at the June 2, 2009 Regional Council meeting.
- Requests to initiate secondary planning strategies in three areas identified by the Regional Planning Strategy as Port Wallis, Sandy Lake and Highway 102 West Corridor adjacent to Blue Mountain - Birch Cove Lakes Park.

**RECOMMENDATIONS:**

It is recommended Regional Plan Advisory Committee recommend that Halifax Regional Council:

1. Defer consideration of these requests to the five year review of the Regional Plan in 2016; and
2. Instruct staff to continue efforts to secure a right-of-way over the DND Shearwater lands needed to allow for extension of Mount Hope Avenue to Caldwell Road.

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and Transportation Plan	

## EXECUTIVE SUMMARY

It is unreasonable for the Municipality to fund and maintain more infrastructure than is required to accommodate growth. Even under a high growth scenario, the current supply of suburban lands available for development will satisfy municipal requirements for several decades.

- Under the most likely baseline growth scenario, the Municipality's estimated population growth from 2006 to 2026 in the urban, suburban and rural areas combined will be 65,000.
- It is estimated that as of September 30, 2009, there is sufficient suburban land available for development to serve a population of 77,000 to 108,000.
- The Regional Planning Strategy indicates that even when allocating 50% of the region's growth to the suburbs, only enough land for 32,500 people is required.

Introducing new growth areas will not create additional demands for development or increase the rate of assessment growth but will simply reallocate development and assessment growth over a larger number of areas. Consequently, recouping the investments made on infrastructure previously approved for Morris-Russel Lake, Bedford South and Bedford West would take longer and the financing costs would increase.

Expending municipal resources to plan for additional supply at this time would not be consistent with the Regional Planning principle to manage development to make the most effective uses of land energy, infrastructure, public services and facilities. In the near term, there would be opportunity costs in terms of previously approved planning programs that would have to be deferred.

Over the intermediate and longer term, the fiscal capacity of the Municipality and Halifax Water to undertake financial initiatives would be adversely affected. Premature investments in additional infrastructure would require deferral of competing higher priority capital projects as both entities have limited debt capacity to finance new projects. In the case of the Municipality, for example, Council has identified numerous desirable but as yet unfunded projects such as a new library, additional arenas and recreational facilities and landfill cells.

In addition, the Regional Plan warns of a substantial infrastructure gap between maintenance costs and available funds and seeks to prevent this gap from growing "through proper planning and directed settlement, decreasing the demand for new assets and reducing the costs to operate, maintain and eventually replace these assets".

Municipal servicing costs would also be expected to increase as would the time required to make certain services, such as transit provision, financially viable. Additional operating and maintenance costs will be required, estimated at between \$1 to 3 million per year, depending on

the development option chosen, without a corresponding increase in net tax revenue.

Each of the three proposed projects are also expected to require expensive upgrades to the Provincial road network to prevent the level of service on the surrounding Municipal road network from deteriorating to an unacceptable level.

Halifax Water is also facing potential financial liabilities due to current and pending changes to regulatory standards for wastewater management. In response, a wastewater functional plan, as called for under the Regional Plan, will be prepared to determine system upgrades required to satisfy performance standards, as well as priorities for implementation. This plan is expected to be completed in time for the five year review in 2011.

The Regional Plan provides guidance on the matters which are to be considered when requests are made to initiate secondary planning processes at these locations. Each of these sites has been identified as future growth areas and, at some point, initiating planning will be appropriate. However, at this time, the current inventory of suburban lands available for development is sufficient and planning for further development is premature. There is no obligation for Regional Council to accept any of these requests and there is no appeal to the Utility and Review Board in the event the requests are denied.

Property ownership should not be considered when deciding where municipal services are to be extended as property ownership can change over time. Primary consideration should be given to the Regional Planning principle to manage development to make the most effective uses of land energy, infrastructure, public services and facilities.

Council approved the Morris-Russell Lake Secondary Planning Strategy in 2005 on the understanding that Mount Hope Avenue could be extended from a new interchange on the Circumferential Highway to Caldwell Road over former lands of the Department of National Defence (DND) Shearwater base. This connection was supported by the new property owner, Canada Land Company (CLC), and was needed to allow build out of a substantial portion of the Secondary Plan Area.

Council made a sizeable investment in the interchange and other infrastructure on the understanding that this road connection could be made. DND subsequently decided that the lands may not be surplus and reacquired them from CLC. A recommendation has therefore been included that staff pursue negotiations with DND over acquiring a road right-of-way across these lands.

## **BACKGROUND**

### **The Requests:**

Each of the proponents was given the opportunity to provide justifications for their requests. The submissions received are presented in Attachment A :Port Wallis; Attachment B: Sandy Lake; and Attachment C: Highway 102 West Corridor.

### **The Regional Plan:**

Policy S-3 of the Regional Plan establishes the following basic decision criteria for responding to these requests:

*Further to the principles of this Plan stated in section 1.4, HRM shall consider requests to allow for the initiation of a secondary planning process to consider development of the six sites for new growth provided that any such proposal serves to:*

- (a) protect the fiscal health of HRM and its capacity to meet additional financial commitments; and*
- (b) address any deficiencies in municipal service systems which would be needed to service the proposed area and the estimated cost of upgrades needed to provide a satisfactory service level.*

There are a number of other sections of the Regional Plan which have bearing on these requests. Excerpts are presented in Attachment D.

### **Background Studies:**

Two consulting studies were prepared to help assess these requests. *The Cost of Servicing Plan: Regional Planning Greenfield Sites* (CBCL Ltd., February 2009) was commissioned to evaluate the costs of providing municipal services to the three subject sites. The study estimated both capital and life cycle costs at various points in times under varying development scenarios. The study did not include any costs estimates of upgrades that may be required to the provincial highway network.

For the Port Wallis study area, the CBCL study also evaluated the costs of servicing another 865 acres of quarry lands to the north of lands designated for serviced development by the Regional Plan (see Map 2). These latter lands were included because they are within the sewershed of the Dartmouth North trunk sewer.

The study also evaluated approximately 580 acres of land designated Urban Reserve in the

Highway 102 West Corridor area which the Municipality will consider for serviced development some time beyond 2006 (Map 4).

*Employment, Population and Housing Projections for Halifax Regional Municipality: An Update* (Altus Group, July 2009) was also prepared to update projections made by Clayton Research during the preparation of the Regional Plan in 2004 (Clayton Research was acquired by Altus Group). The projections extend to the year 2026.

A copy of the CBCL, Clayton Research and Altus studies can be found at:

<http://www.halifax.ca/regionalplanning/publications/research.html>

## **DISCUSSION**

The policy criterion can be addressed by responding to the following questions:

**Is there a need for the Municipality to initiate planning for these additional growth areas at this time?**

To address this question, the Municipality's projected population growth was compared to the available capacity of serviced land. Table 1 summarizes the Municipality's projected population growth from 2006 to 2026 under three growth scenarios from the 2004 Clayton and 2009 updated Altus Study. In the final column, 50% of the estimated population growth, based on the updated Altus study is assigned to the suburbs, as called for by the Regional Plan.

**Table 1: HRM Projected Population Growth from 2006 to 2026**

<b>Scenario</b>	<b>Clayton Study (Regional Plan)</b>	<b>Altus Study (Revised)</b>	<b>Fifty Percent Suburban (Revised)</b>
Low Growth	42,480	37,005	18,503
Base Line	66,685	65,280	32,640
High Growth	98,365	95,035	47,518

The Altus study concluded that, although the population projections made in 2007 were slightly high, the most likely scenario was the base line with a population increase of 65,280 from 2006 to 2026. The study noted that the Municipality's population growth is largely dependent on projected immigration which is ultimately influenced by local employment opportunities.

Table 2 provides an estimate of the population each of the new sites could potentially accommodate on an assumed density of 18 persons per acres with 75% of the total site area being

dedicated to residential development. The areas for the Port Wallis and Highway 102 West Corridor sites only include the portions designated “Urban Settlement” by the Regional Plan.

**Table 2: Projected Build Out Populations**

	<b>Area (Acres)</b>	<b>Population</b>
Port Wallis	783	26,100
Sandy Lake	892	12,000
Hwy. 102 West Corridor	588	7,900
Total		46,000

Table 3, on the following page, provides an inventory of suburban lands available for development as of September 30, 2009 with an estimated population range that each could service. Suburban lands are defined as all lands within the Urban Service Area of the Subdivision By-law within which the Municipality is committed to allowing development serviced with central water and wastewater systems but excluding lands designated “Regional Centre” by the Regional Planning Strategy (Peninsula Halifax and Dartmouth within the boundaries of the Circumferential Highway).

In addition to known developments which had received some level of planning approval, the inventory included vacant lands exceeding 3 acres in size, excluding wetlands. Smaller vacant parcels which probably offer some additional capacity were not included and no consideration has been given to other potential suburban development site.

For example, the Community Liaison Group for the Middle Sackville community visioning exercise has recommended that the Municipality “explore the potential for water and sewer servicing options for both existing and future development which may include new technologies”. It identified substantial land holdings in the vicinity of McCabe Lake which may be suitable as a master planned community.

The Municipality clearly has made sufficient land available for suburban serviced development to allow for reasonable growth for the foreseeable future. It is estimated an additional population of 77,000 to 108,000 could be accommodated within the suburbs. The three approved Secondary Plan Areas at Morris- Russell Lake, Wentworth/Bedford South and Bedford West alone could accommodate 39,600 to 55,000 persons.

Under the baseline scenario, the population growth for the entire Municipality for the 2006 - 2026 time period is projected at 65,000. If 50% or 32,500 persons are to be directed to the suburbs, the current supply will be sufficient well past the 2026 time frame of the Regional Plan.

**Table 3: Projected Build out Capacities - Serviceable Suburban Areas - September 30, 2009**

**Western Region**

Development	Area (acres)	Projected Capacity Range	
		Low	High
Wentworth Secondary Plan Area	290	2,800	3,700
Bedford West Secondary Plan Area	220	4,000	4,300
Birch Cove (Bedford Basin)	20	1,000	1,500
Briarwood	50	660	935
Governors Brook	351	2,600	2,900
Herring Cove Village	27	209	296
Lovett Lake	55	885	1,106
Maritime Broadcasting - Tremont Drive	59	1,186	1,779
Motherhouse	75	1,500	2,250
Mount Royal	50	998	1,497
PID40550774 - Schedule K	20	390	585
Rockcliffe Village	35	700	1,050
Schedule K Lands (Mainland Halifax)	53	1,060	1,590
Westgate Golf Course Community, Timberlea	500	7,000	9,000
Vacant	767	8,747	12,985
<b>Subtotals:</b>	<b>2,572</b>	<b>33,735</b>	<b>45,473</b>

**Central Region**

Development	Area (acres)	Projected Capacity Range	
		Low	High
Bedford South Secondary Plan Area	335	2,450	3,550
Bedford Waterfront (Bedford Basin)	139	3,000	5,000
Bedford West Secondary Plan Area	1,580	28,000	30,700
Vacant	479	6,228	7,912
<b>Subtotals:</b>	<b>2,533</b>	<b>39,678</b>	<b>47,162</b>



**Eastern Region**

Development	Area (acres)	Projected Capacity Range	
		Low	High
Morris-Russell Lake Secondary Plan Area	1,100	600	11,000
PID 00403014 - Cole Harbour Road	16	120	170
PID 00401182 - Sailors Trail	11	132	187
PID 41184417 - Himmelman Drive	3	29	41
Vacant	242	3,143	4,352
<b>Subtotals:</b>	<b>1,373</b>	<b>4,024</b>	<b>15,750</b>

	Area (acres)	Low Range	High Range
<b>Totals:</b>	6,477	77,436	108,385

**How does this affect the Regional Growth Objectives?**

In support of the Halifax By Design planning process, a study entitled the *Market Survey of Downtown Halifax: Demand, Capacity and Baseline Indicators* (Turner Drake & Partners, 2008). The study concluded that even under a high growth scenario, there was sufficient development capacity on Peninsula Halifax under the proposed development regulations to meet projected commercial, residential and institutional demands past the year 2033.

The Regional Plan seeks to distribute 25% of the 2001-2006 population growth to the Regional Centres. The Halifax Design planning and regulatory documents were undertaken and approved in part to support this objective. Making additional lands available for development in the suburbs would compete with both Peninsula Halifax and Downtown Dartmouth, making the balanced approach sought by the Regional Plan more challenging.

The Regional Plan seeks to support a competitive housing market by maintaining a 15 year supply of serviced lands. Staff have therefore that these requests be reconsidered at the time of the second five year review of the Regional Plan in 2016.

Property ownership should not be considered when deciding where municipal services are to be extended as property ownership can change over time. Primary consideration should be given to the Regional Planning principle to manage development to make the most effective uses of land energy, infrastructure, public services and facilities

**What new infrastructure and services will be required to service these developments, how much will they cost?**

Staff have updated the CBCL Cost of Servicing Analysis to reflect more recent tender costs, and as well have added allowances for connection to the Provincial Highway system, and in the case of Port Wallis have added land acquisition costs for the widening of Braemar Drive.

Table 4 summarizes the incremental capital costs associated each of the three options proposed. Table 5 provides an estimate of the Municipality's share of these costs. Further details can be found in Attachments E to H.

**Table 4: Estimated Total Capital Costs**

	Transportation	Water	Sanitary Services	Connection to Provincial Highway System	Total Capital costs
Port Wallis - Area B	24,252,500	600,000	4,139,000	8,750,000	37,741,500
Sandy Lake	34,062,500	3,255,000	3,587,400	25,000,000	65,904,900
Highway 102 - Area A	20,300,000	2,960,000	14,44,250	25,000,000	49,704,250

**Table 5: Estimated Incremental HRM share (less developer cost)**

	Transportation	Connection to Provincial Highway System	Total HRM Capital costs
Port Wallis - Area B	11,105,500	6,125,000	17,230,500
Sandy Lake	2,885,000	18,125,000	21,010,000
Highway 102 - Area A	4,746,250	21,875,000	26,621,250

The cost estimates for connection to the provincial highway system in Table 5 are based on recent costs for similar work and are segregated as no assumptions can be made regarding cost sharing from either Federal or Provincial sources. In the event that cost sharing is not forthcoming, the Municipality would have to assume the total cost or allow the service level to the surrounding streets deteriorate to unacceptable levels. This outcome is contrary to the goal of the Regional Plan which strives to maintain congestion at current levels over the life of the Plan.

The CBCL Study also concluded that a substantial portion of the infrastructure for these areas was needed either in advance of development or shortly after development begins. Staff have estimates of transportation costs for each area within the first five years are presented in Table 6 (further details can be found in Attachments F, G and H). The estimates do not include any costs for connection to the Provincial highway system.

**Table 6: Estimated Transportation Infrastructure Costs Within the First Five Years**

	Total Cost	Charge Area Cost	Cost to HRM
Port Wallis - Area B	5,827,500	2,625,750	3,201,750
Sandy Lake	15,375,000	3,586,250	7,535,125
Highway 102 - Area A	14,187,500	6,514,375	6,138,500

**What are the implications to the Municipality’s Fiscal Health and its capacity to meet additional financial commitments?**

Each of these three requests brings the strong possibility of the Municipality having to assume additional debt financing to pay for infrastructure. The Municipality already has very significant challenges in the coming years to meet the demands for capital. The current five year plan allocates 80% to recapitalization projects, and this amount is the minimum amount required to maintain the condition of the assets. This amount is based on historical levels of funding, and the amount needed for recapitalization is expected to grow as the asset management program continues to study the condition of municipal assets.

Conversely, only 20% of the capital plan is dedicated to new projects including development related to investment in the master plan areas.

Council also has a list of capital priorities that are not included in the current five year capital plan, but HRM has limited borrowing capacity. The following list summarizes the capital challenges that HRM will have in the coming years:

- There is a funding shortfall over the next five years for new landfill cells, road over sizing commitment in Bedford West, breathing apparatus for Fire Services, and a trunk mobile radio system, estimated at **\$44 million**;
- Council has identified additional needs in roads and street upgrades, sidewalks, streetscaping, active transportation, ICT, and the purchase of an EMO command trailer that are not funded, estimated at **\$64 million**;
- there are several large projects on the horizon that are in various stages of development

and are not funded such as removal of the Cogswell St. Interchange, the Harbour link ferry, indoor twin turf facility, fire training facility, rural hall consolidations, Halifax forum expansion, implementing the arena strategy, Dartmouth Sportsplex Field House, and various turf projects and renovations, estimated at **\$175 million**.

In addition, the central library is not fully funded in the capital budget plan nor are various projects identified under the Indoor Facilities Master Plan. Council also has a substantial number of outstanding requests for water service extensions which have not been approved for funding.

Opening up new growth centres will not induce additional growth but simply spread it out over a larger number of growth areas. Therefore, investments which have been made in infrastructure needed to service Bedford West, Bedford South, and Morris/Russell Lake will take significantly longer to recover if development occurs in one or more of these areas at the present time. For example, if the rate of development in Bedford West is half of what was originally anticipated when the CCC was adopted, it is estimated that recovery of development related costs will be behind approximately \$4 million by 2015. The slower cost recovery exposes Council to increase risk of escalating construction costs, increasing interest rates and changing economic conditions in general.

The Municipality's operating and maintenance costs are estimated to increase by at least \$1 to \$3 million per year, depending on the option chosen, without an increase in assessment or tax revenue as the total expected development will not increase but will be spread over a larger number of sites. In the short term this will be further exacerbated as multiple developments become partly occupied while needing services. The increase in capital costs and in the longer term in operating costs increase the pressures on capital and operating budgets.

In order for requests to be considered, the Regional Plan directs that consideration be given to protecting the Municipality's fiscal health and its capacity to meet additional financial commitments. Council defined Fiscal Health at its June 16<sup>th</sup> Council meeting and accepted a series of prioritized indicators that could be used in looking at fiscal health. These included indicators of debt, sustainability, vulnerability and flexibility. Approval of any of the three proposed development areas could lead to a deterioration in the municipalities fiscal health. More critically, the Municipality's capacity to meet additional financial commitments may be seriously affected.

### **What are the implications for our current planning programs?**

Last year, Regional Council approved a multi year program for community visioning<sup>1</sup>. Seventeen communities were identified and prioritized. Penhorn Mall, Spryfield and Middle

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<sup>1</sup>The visioning program was approved at the March 4, 2008 Regional Council meeting (item 8.2)

Sackville were given highest priority and are currently being undertaken. Woodside, Upper Tantallon and Porters Lake are scheduled for the next year, followed by North Preston/East Preston, Enfield and Sheet Harbour. The Regional Plan would require that community visioning precede secondary planning for any of these requests.

Initiating additional secondary planning processes would require either that certain projects under the current program be deferred unless additional resources are made available.

The Regional Plan also directs that watershed or sub-watershed studies be prepared as part of the secondary planning processes. The secondary planning program has identified sixteen growth centres where watershed studies would be required. Three studies have been completed to date (Hubbards, Musquodoboit Harbour, and Shubenacadie Lakes) and consulting services have been requested for three others (Upper Tantallon, Lake Echo and Porters Lake).

Initiating any additional secondary planning processes would require either deferrals of planned studies or additional resources.

### **What are the implications for Halifax Water?**

Halifax Water has an approved Capital Cost Contribution (CCC) policy, which is designed to facilitate new development activity by equitably allocating the cost of master water and wastewater infrastructure across the benefiting developers. The individual CCC programs are approved by the Halifax Water Board and the NS Utility and Review Board (NSURB).

The NSURB approval requires the development of a reasonable implementation plan that does not put undue financial risk on the Utility and its rate payers. Thus while Halifax Water's CCC programs may provide some level of initial Utility investment, this requires the approval of the Halifax Water Board and the NSURB.

In addition to investments in the CCC programs for new development, Halifax Water has significant obligations for capital investments for the renewal and upgrade of its existing infrastructure to ensure the required level of service to their customers is maintained and they remain in compliance with existing and new regulations.

These combined interests provide a level of limitation on the amount of investment Halifax Water can make across multiple new development areas as they work within a defined rate structure and debt capacity.

To assist in determining future wastewater system upgrade requirements, associated expenditures and an implementation strategy, Halifax Water has initiated a Regional Wastewater Functional

Plan as called for by the Regional Plan<sup>2</sup>. This study is anticipated to take two years to complete with the study findings available for the 2011 Regional Plan five year review.

The Functional Plan will also review the wastewater requirements for designated growth areas by the Regional Plan (including the three sites subject to this request), as well as potential new wastewater treatment facilities.

From the perspective of Halifax Water, deferral of these requests until the Regional Wastewater Functional Plan is completed is preferable. At this time, it will have a better appreciation of the capital expenditures needed for system maintenance and performance upgrades. This information will be input for capital budget planning, including debt financing which can be allocated for capital maintenance and growth. The planning of wastewater systems for the requested areas while this Functional Plan is being prepared would also be premature and a potential waste of resources.

### **Conclusion**

There is an ample supply of land to satisfy the Municipality's development needs for the foreseeable future and ensure a competitive market. Planning for new communities at this time is not needed and any decision to do so would create expectations from the applicants that development would be allowed to proceed.

The financial commitments required for infrastructure could be better used on higher priority projects within the Municipality's fiscal capacity. Staff resources of the Municipality and Halifax Water would be better utilized on other projects and planning programs.

It is therefore recommended that these requests be deferred to the second five year review of the Regional Plan in 2016 and that staff continue discussions with DND regarding the extension Mount Hope Avenue needed to allow full build out of the Morris - Russell Lake Secondary Plan Area.

### **Morris-Russell Lake**

The Morris-Russell Lake Secondary Planning Strategy includes a land use and transportation plan which features an extension of Mount Hope Avenue from a new interchange on the Circumferential Highway to Caldwell Road (see Attachment I). This is an important component in preventing future development from overwhelming traffic on Caldwell Road and Portland Street. Municipal policy does not allow a considerable proportion of the secondary plan area to be developed until this connection is made.

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<sup>2</sup> Section 7.5.1 of the Regional Plan

When the Secondary Plan was approved by Council in 2005, a portion of the Shearwater base had been determined as surplus to the Department of National Defence (DND) and conveyed to Canada Land Company (CLC). CLC was supportive of extending Mount Hope Avenue over these lands. Council then approved funding for the interchange.

DND subsequently decided that these lands may be needed for future operations and reacquired them from CLC. The Municipality has made a sizeable investment in support of this project of which recovery is dependent upon infrastructure charges to be paid by future development within the Secondary Plan Area.

Staff remain convinced that the rationale for selecting this area for future growth remain valid. Better utilization can be made of existing infrastructure, such as the Woodside ferry service, and the proposed transportation extensions will allow for improved traffic circulation and transit routing.

A recommendation has therefore been included that staff pursue negotiations with DND to acquire a road right-of-way across the Shearwater lands. In the event that negotiations are not successful, Council will be advised and consideration might then be given to initiating a planning process for the Port Wallis site. In the event that build out of the Morris - Russell Lake Secondary Plan Area is not possible, the estimated service capacity of suburban lands available in the Eastern Region is reduced significantly (see Table 3, pg.8).

### **BUDGET IMPLICATIONS**

There are no budgetary implications if Council accepts the staff recommendation to defer these requests. However, if Council directs staff to initiate one or more, there will be implications for next year's budget and in future years.

Costs for preparing various studies (watershed, transportation, water and wastewater and for estimating capital cost contributions) required to prepare a secondary planning strategy at approximately \$200,000 to \$250,000 for each study area. The expenditures for each study area would be made over a four to six year period. A portion of these costs could be recovered through capital cost contribution charges at the time of subdivision approvals but only if Council approves the required secondary planning strategies. Unless other planning programs are deferred, additional staff resources would also be needed.

Expanding the amount of available land supply means tremendous new pressure on the capital budget. In addition, many municipal services will be spread out over a wider geographic area but without additional tax revenues to cover the costs.

While the developer and others are making significant contributions to the cost of new assets, the Municipality not only makes a sizeable contribution but is responsible to maintain and operate the assets. This would include snow plowing, repairing and maintaining the streets, providing

additional transit service, the cost of streetlights etc.

The Municipality would also be responsible for the eventual replacement or upgrading of those assets. There will likely be added pressure on other HRM services. Ongoing annual operating costs will range from \$1 million to \$3 million a year (\$17 to 51 million from now to 2026).

Within HRM there is available residential and commercial land far in excess of the projected long-term population growth. As a result, any residential property tax revenues from these additional areas will most likely be relocated from other parts of HRM to the new subdivisions. Additional property tax revenues that would otherwise not occur are quite minor.

### **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**

1. Council may choose not to initiate the secondary planning processes requested at this time. Staff recommends that these requests be reconsidered during the five year review of the Regional Plan in 2016. By this time, Halifax Water will have completed the Waste Water Management Functional Plan and a financial plan review which will allow it to better assess servicing requirements and associated costs as well as its capacity to assume additional debt. The Municipality can reassess the need for additional serviced lands within its suburbs, as well as planning priorities.
2. Council may choose to accept one or more of the requests to initiate secondary planning strategies. From the staff perspective, the Port Wallis area would be the preferred choice as the available supply of serviced suburban land on the eastern (Dartmouth) side of the harbour may be come restricted in the foreseeable future in the event that build out of the Morris - Russell Lake Secondary Plan Area is not possible (see Table 2).

Staff would recommend that this option not be pursued until such time as a determination has been made whether DND would be prepared to permit an extension of Mount Hope Avenue across the Shearwater base lands to Caldwell Road. Staff are pursuing this possibility with Department of National Defence and will report back to Council.

In the event that Council decides to initiate one or more of these requests, a staff report will be prepared explaining the staff resource implications, potential changes in priorities to previously approved planning programs and a proposed public participation program.



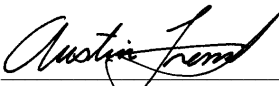
**ATTACHMENTS**


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- Map 2: Port Wallis
- Map 3: Sandy Lake
- Map 4: Highway 102 West Corridor Adjacent to Blue Mountain - Birch Cove Lakes Park

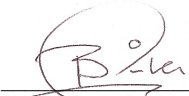
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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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