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Item No. 13.1.4
North West Community Council
May 08, 2017

TO: Chair and Members of North West Community Council

Original Signed

SUBMITTED BY:

Amanda Whitewood, Director of Finance and Asset Management/CFO

DATE:

May 4, 2017

SUBJECT:

Area Rate Fee for Three Brooks Homeowner's Association

ORIGIN

On January 2000, Regional Council adopted the Interim Area Rate Guidelines.

On April 9, 2013, Regional Council approved an annual charge of \$20 to each residential property within the mapped area depicted in Appendix A of the staff report dated March 11, 2013 effective with the 2013-14 fiscal year for the purpose of funding the recreational activities of the Three Brooks Homeowner's Association.

On January 17, 2017, staff received notification from the Three Brooks Homeowners Association that they wish to increase the Area Rate Fee from \$20 to \$60 for all the residential properties within the Three Brooks sub-division in the community of Hubley.

LEGISLATIVE AUTHORITY

- Halifax Regional Municipality Charter, (HRM Charter) subsection 96 (1) "The Council may spend money in an area, or for the benefit of an area, for any purpose for which the Municipality may expend funds or borrow."
- HRM Charter, subsection 96 (4) "The Council may, in lieu of levying an area rate, levy a uniform charge on each
 - (a) taxable property assessment
 - (b) dwelling unit,
in the area."

RECOMMENDATION

It is recommended that North West Community Council recommend to Regional Council that:

The annual uniform charge to be levied on each of the taxable residential property assessment within the mapped area depicted in Appendix A of this report is increased from \$20 to \$60 effective for the 2017-18 fiscal year for the purpose of funding the recreational activities of the Three Brooks Homeowner's Association.

BACKGROUND

Three Brooks sub-division is located just off of St. Margaret's Bay Road in the community of Hubley in District 13. The Three Brooks Homeowner's Association (TBHOA) was incorporated under the Societies Act with the Registry of Joint Stock Companies in September 1993. The Association is a not-for-profit, volunteer-led group of local citizens, who are engaged in neighbourhood improvement programs, recreation development, and social activities for all residents of Three Brooks to enjoy.

It was proposed that the uniform charge of \$20.00 per residential property would commence in 2013-14 and be on-going.

DISCUSSION

On January 17, 2017, staff received notification from Three Brooks Homeowners Association that they wish to increase the Area Rate Fee from \$20 to \$60 for all the residential properties within the Three Brooks sub-division in the community of Hubley.

The current status of this proposed uniform charge in terms of the Interim Area Rate Guidelines is as follows:

- 1. Area rates can only be used for the provision of services within the municipal mandate; services traditionally provided by the municipality.*

Clause 79(1) (ah) of the HRM Charter states that "...Council may expend money required by the Municipality for... (ah) playgrounds, trails... bicycle paths, swimming pools, ice arenas and other recreational facilities." The Halifax Regional Municipality and its predecessor municipal units have traditionally funded, either entirely or partially through partnerships, the construction and ongoing operating costs of recreation facilities. The TBHOA intends to continue to use the uniform charge funds for trail maintenance, social activities, playground upkeep, and beach security.

- 5. With the concurrence of the Councillor, the request is forwarded to the Community Council for review and a recommendation to Halifax Regional Council. Where a Community Council does not exist, the request will go directly to Halifax Regional Council.*

The purpose of this report is to provide the North West Community Council with the necessary information required to consider making a recommendation to Halifax Regional Council for increasing this uniform charge within the proposed catchment area. The implications to the Municipality are identified under the Financial Implications section which follows.

- 7. Halifax Regional Council is responsible for approving all area rates.*

Completion of step 7 is contingent on the North West Community Council approving the Recommendation contained in this report.

FINANCIAL IMPLICATIONS

The increased uniform charge would take effect in the 2017-18 fiscal year. As all funding is from the uniform charge (i.e. no transfers from the general tax rate), there would be no impact on the HRM General Operating Budget. There is also no impact on the Capital or Reserve Budgets.

The uniform charge of \$60 per property applied to the 177 residential properties in the catchment area would provide \$10,620 in revenue annually. A copy of the 2017-18 Operating Budget for the Association is included with the Appendix B of this report. Any future change to the uniform charge would require Regional Council's approval.

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this Report. The risks considered rate is Low.

COMMUNITY ENGAGEMENT

A public meeting was held on Monday, March 13, 2017 at 6:30 p.m. In advance of the meeting, a letter was mailed, to all property owners impacted by the increase detailing what their current rate is and the proposed revised rate, the meeting time and place of a public meeting, and a description of the voting process and ballot (Appendix B).

The purpose of the ballot was to determine whether enough property owners representing a majority (50% + 1) of the properties voting were in favour of amending the rates from \$20 to \$60 starting in 2017-2018. There was one vote per property, with a ballot to be submitted to staff at the meeting, or via email, fax or mail by March 20, 2017.

The public meeting of the affected property owners was held at the Atlantic Superstore Community Room, 5178 St. Margaret's Bay Road, Tantallon. HRM staff were present at the meeting to supervise the proceedings, and answer any questions with respect to the area rate. A short presentation was made by the Chairman of the Association to explain the rationale used to develop the revised budget and fee schedule, after which attendees had an opportunity to ask questions.

HRM staff tabulated all the ballots received, and provided the Chairman with the results via email on March 21, 2017 in time to announce at the AGM held on March 22, 2017. The results of the ballot are shown below.

Balloting Results

Total in favour of increased Uniform Charge:	62
Total against increase of Uniform Charge:	31
Total ballots returned	93
Total ballots distributed:	177
% Respondents voting For:	66.7%
% Respondents voting Against	33.3%
Response Rate:	53%

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

ALTERNATIVES

North West Community Council could decide not to recommend an increase of the uniform charge to Regional Council, or could request changes to the amount or catchment area, or could request additional information prior to approval.

ATTACHMENTS

Appendix A: Map of Catchment Area for Proposed Uniform Charge
Appendix B: Copy of Ballot and Information Package mailed to Property Owners

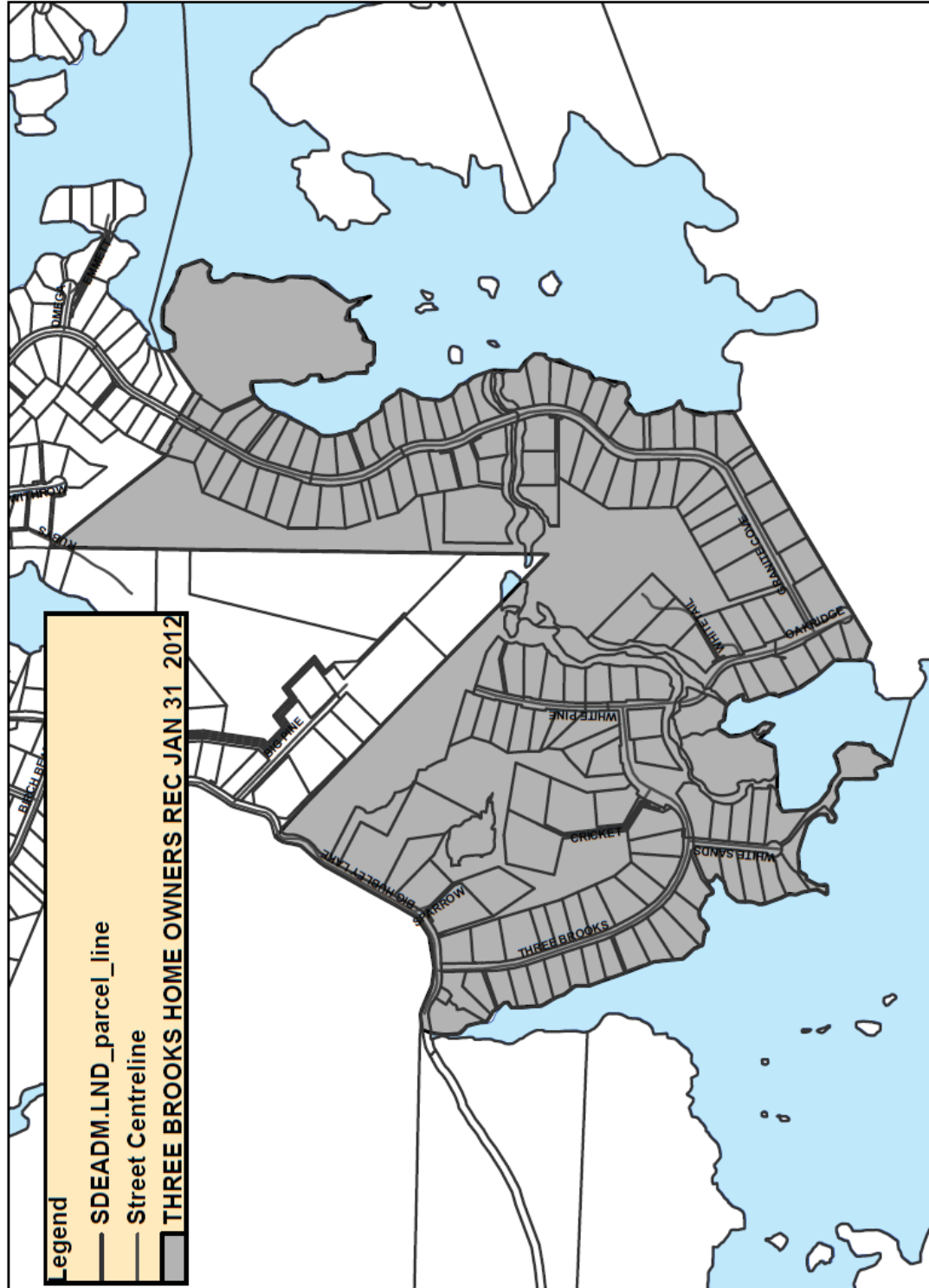
A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Barbara Wilson, Senior Financial Consultant 902.490.4280

APPENDIX A



THREE BROOKS HOMEOWNER'S REC SEPTEMBER 14, 2012



APPENDIX B

BALLOT FOR AREA RATE TAX

01 March 2017

OWNER1
OWNER2
MAILINGADDRESS
CITYPROV PC

Assessment # AAN#
LEGAL DESCRIPTION

Dear Property Owner:

The Halifax Regional Municipality has been notified by the Three Brooks Homeowners Association (TBHOA) about a proposed change to their Area Rate Fee. You are being notified as the owner of the above referenced property as it would be affected by this proposed change. The fee is collected on the property tax bills for all properties within the Three Brooks sub-division in the community of Hubley.

The Association is proposing an increase to the per property charge by \$40 annually. Therefore, the per property charge would increase from \$20 to \$60. On the reverse side of this letter is a budget from which the proposed annual per property charge was determined.

In accordance with the Municipality's procedure for area rates, any changes to the amount of the flat rate shall require majority approval (50% +1), of all property owners that vote. Each residential property is provided with one ballot and one vote. A ballot is provided at the bottom of this letter.

A meeting will be held to provide additional information and to give property owners an opportunity to ask questions or raise concerns. The meeting will be held on:

Monday March 13, 2017 @ 6:30 p.m.
Atlantic Superstore Community Room,
2nd Level, 5178 St. Margaret's Bay Road

Completed ballots may be dropped off at the meeting, faxed to 902-490-5622, or mailed in the enclosed self-addressed envelope. You may also scan and email the completed ballot to wilsonba@halifax.ca. If you have any questions regarding the process, please contact Barb Wilson at 902-490-4280. For questions regarding area rate services and the amount of the proposed increase, please contact Heather Peckitt at [REDACTED] or Laura Johnston at [REDACTED].

Also, if your property is abutting the private roads within the Three Brooks sub-division, you will also be receiving a second ballot in regards to a proposed budget change with the Private Road Maintenance Fee.

Please note that all ballots must be received by March 20, 2017. If you are mailing in your ballot please allow adequate time for delivery. Results of the ballot will be communicated by the Three Brooks Homeowners Association at their AGM on March 22, 2017.

2017-18 Proposed Area Rate Budget

<u>COMMON</u>		2017-18	NOTES
Revenue			
	(177 lots @ \$60)	\$ 10,600	
Expenses			
	Accounting	100	
	Misc/Bank Fees	100	
	Office	100	
	Playground	2,500	Major Structural Upgrades to existing equipment
	Beach	2,000	Security quotes have steadily increased
	Recreation/Paths	2,800	Structural upgrades to occur
	Contingency	1,500	
	Social	1,500	
		\$ 10,600	
<u>COMMON</u>		\$ -	* Budget for a breakeven.

BALLOT FOR AREA RATE TAX

YES, I am in favour of implementing the revised fee schedule from \$20 to \$60 for the area rate and paying the annual area tax rate for my property.

NO, I am not in favour of revising the current fee schedule and area tax rates.

Assessment # AAN#

NOTE: Only one vote per assessment number will be counted. Ballots with written-in, typed-in, or altered assessment numbers will not be accepted.