

HALIFAX

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Item No. 14.1.5
Halifax Regional Council
May 23, 2017

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Bruce Zvaniga, A/Chief Administrative Officer

DATE: March 30, 2017

SUBJECT: **Road Maintenance Fee for Three Brooks Homeowner's Association**

ORIGIN

On June 16, 2009, Regional Council approved amending Administrative Order 45 by adding Schedule 2 to permit the implementation of private road maintenance fees of \$580 to be collected on the tax billings of all properties abutting the private roads within the Three Brooks sub-division in the community of Hubley.

On June 16, 2015, Regional Council approved amending Schedule 2 of Administrative Order 45 to include six properties located on White Pine Ridge to the existing fee schedule.

On Sept 8, 2016, staff received notification from Three Brooks Homeowners Association that they wish to increase the private road maintenance fee from \$580 to \$750 for all properties abutting the private roads within the Three Brooks sub-division in the community of Hubley, including those on White Pine Ridge added on June 16, 2015.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, clause 104 (1) (g) as follows:

(1) "The Council may make by-laws imposing, fixing and providing methods of enforcing payment of charges for

(g) laying out, opening, constructing, repairing, improving and maintaining private roads, curbs, sidewalks, gutters, bridges, culverts and retaining walls that are associated with private roads, where the cost is incurred

(i) by the Municipality, or

(ii) under an agreement between the Municipality and a person,"

By-Law P-1100, *Private Road Maintenance By-Law*, subsection 2(6)

(6) Area Rates or Uniform Charges imposed pursuant to the provisions of this by-law may be adjusted by Council upon application from the Property Owner's Association.

Administrative Order 45, Respecting Charges for Private Road Maintenance.

Recommendation on next page

RECOMMENDATION

It is recommended that Halifax Regional Council adopt the amendments to Schedule 2 of Administrative Order 45, *Respecting Charges for Private Road Maintenance*, by replacing the charge of no more than \$580.00 annually with a charge of no more than \$750 annually, as indicated in Appendix B.

BACKGROUND

On January 16, 2007, Regional Council approved the Private Road Maintenance Costs Recovery Policy. The purpose of this Policy is to provide owners of property accessed by private roads with the use of area rates or uniform charges to collect the funds required to maintain private roads.

On June 16, 2009, Regional Council approved amending Administrative Order 45 by adding Schedule 2 to permit the implementation of private road maintenance fees of \$580 to be collected on the tax billings of all properties abutting the private roads within the Three Brooks sub-division in the community of Hubley.

Three Brooks sub-division is located just off of St. Margaret's Bay Road in the community of Hubley in District 13. All of the private roads in this sub-division are owned by Three Brooks Development Corporation Ltd and maintained by the Three Brooks Homeowner's Association. The Association funds road maintenance expenses through an annual fee collected from the owners of each of the 100 properties abutting the private roads in the sub-division.

On June 16, 2015, Regional Council approved amending Schedule 2 of Administrative Order 45 to include six properties located on White Pine Ridge to the existing fee schedule.

In accordance with the Private Road Maintenance By-law, Council may adjust the area rates or uniform charges imposed upon application from the Property Owner's Association.

DISCUSSION

On Sept 8, 2016, staff received an email notification from Three Brooks Homeowners Association that they wish to increase the private road maintenance fee from \$580 to \$750 for all properties abutting the private roads within the Three Brooks sub-division in the community of Hubley, including those on White Pine Ridge added on June 16, 2015.

The Private Road Maintenance Costs Recovery Policy outlines under Section 11, the conditions which must be satisfied for the approval of a Property Owner's Association Budget and all proposed rate adjustments.

1. *...Any changes to the amount of the flat rate shall require majority approval at a special meeting of the Property's Owner's Association called for the purpose of determining the rate increase issue.*
2. *Notice of the special meeting shall conform to the standards set out above for the application meeting.*

(Section 6 – Meeting of Property Owners)

...Notice of the meeting shall also be made not less than fourteen (14) days prior to the date of the meeting to all property owners that will be affected by the area rate through prepaid mail to their tax assessment addresses. The notice of the public meeting shall set out the date and time and place of the meeting, the name(s) of the applicant, describe the area to be subject to the application and the nature of the road maintenance proposed, the requested method of area flat

rate determination (in conformity with this policy), the road maintenance plan and amount of the area flat rate to be requested in the application, and advise that rate payers will be entitled to vote and the method of voting.

The meeting notice was developed by staff and included all the information required above as per the Private Road Maintenance Costs Recovery Policy. 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 and a description of the voting process and ballot (Appendix D).

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 charge from \$580 to \$750 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 special meeting of the affected property owners was held on Monday, March 13, 2017 at 6:30 p.m. 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 Private Road Maintenance Costs Recovery Policy. 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 final vote was 63% of those that voted were in favour of the amended fees and increased budget. The vote count was 32 in favour and 19 opposed.

FINANCIAL IMPLICATIONS

The revised uniform charges would take effect in the 2017-18 fiscal year. As all funding is from the uniform charges (i.e. no transfers from the general tax rate), there would be no impact on the HRM General Operating Budget at any time in the future. The Association would receive an additional \$17,000 in funding annually as a result of these changes, for a total of \$75,000. A copy of the Association's budget is included on page 2 of Appendix B.

RISK CONSIDERATION

There are no material risks associated with the recommendations in this Report.

COMMUNITY ENGAGEMENT

As explained in the Discussion section of this report, information and a ballot was mailed to every property owner in advance of the vote, and a special meeting was held on March 13, 2017 for all property owners impacted by the fee adjustment and budget increase.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with the Recommendation in this report.

ALTERNATIVES

Council could decide not to approve the requested changes to Schedule 2 of Administrative Order 45. This is not recommended because a majority of the property owners, who voted, voted in favour of the

changes.

ATTACHMENTS

- Appendix A: Proposed Changes to Schedule 2 of Administrative Order 45
- Appendix B: Amending Administrative Order
- Appendix C: Incorporating Proposed Changes
- Appendix D: Notification Letter and Ballot

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

Report Prepared by: Barb Wilson, Senior Financial Consultant, 902.490.4280

**Appendix A
(Showing Proposed Changes)**

Schedule 2

An Area Rate for properties fronting or abutting in whole or in part on the private streets located within the Three Brooks Sub-division, Hubley as identified on the map dated May 6, 2015 attached hereto, shall be a flat area rate of no more than \$750.00 annually.

The Charges collected under this By-Law shall be used by the Three Brooks Homeowner's Association for the maintenance of the private roads located within Three Brooks Sub-division, including culverts, retaining walls, sidewalks, curbs and gutters that are associated with the roads. Road maintenance includes all work required to maintain the road in a serviceable condition year round and may include snow removal, grading, ditch and culvert and bridge repair and brush clearing.

**Appendix B
(Amending Administrative Order 45)**

**Halifax Regional Municipality
ADMINISTRATIVE ORDER NUMBER 45
Respecting Private Road Maintenance**

BE IT ENACTED by the Council of the Halifax Regional Municipality that Administrative Order 45, Respecting Charges for Private Road Maintenance, is further amended as follows:

1. Schedule 2 is amended by:
 - (a) striking out the symbol, number and period "\$580.00" after the words "shall be a flat area rate of no more than", and before the word "annually"; and
 - (b) adding the symbol, number and period "\$750.00" after the words "shall be a flat area rate of no more than", and before the word "annually".

Done and passed in Council this day of 2017.

Mayor

Municipal Clerk

**Appendix C
(Incorporating proposed changes)**

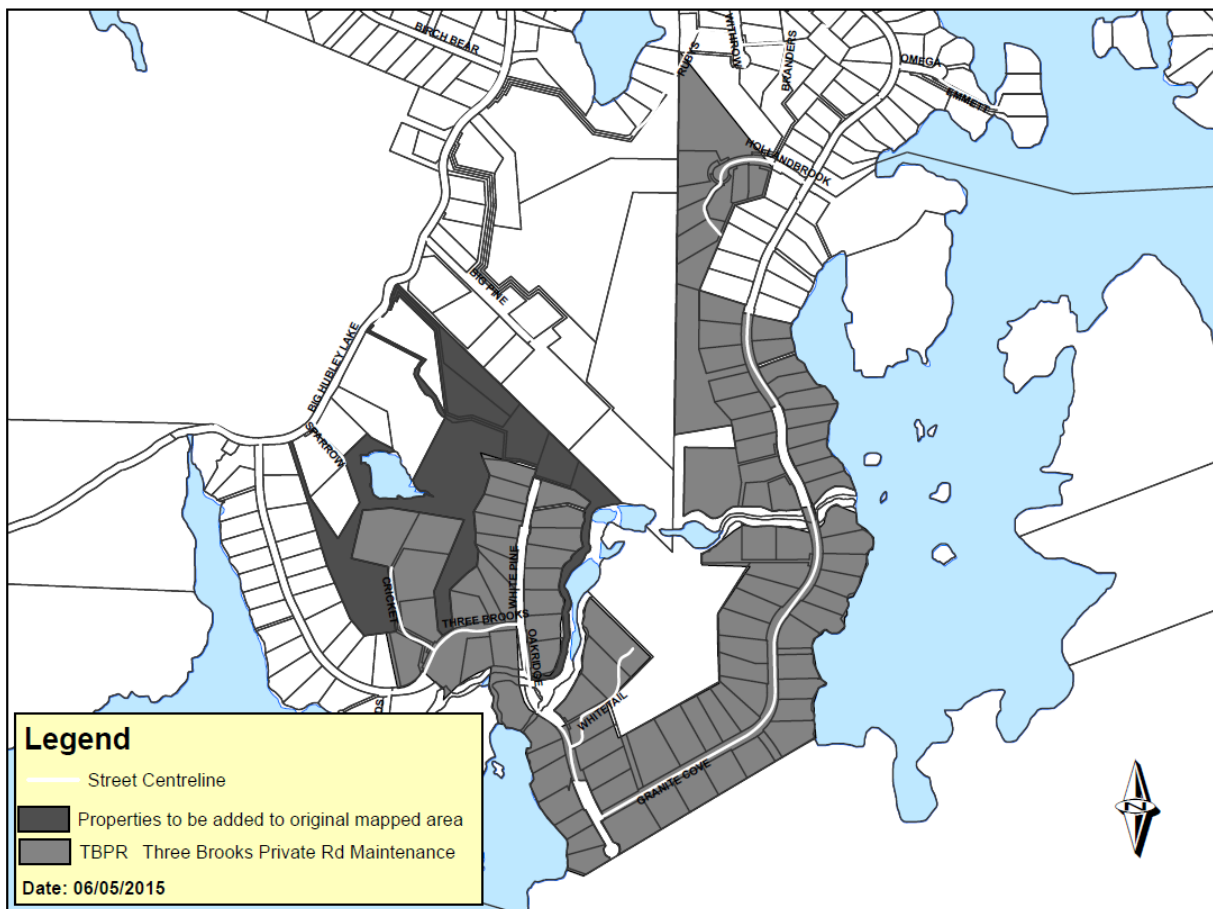
**Halifax Regional Municipality
ADMINISTRATIVE ORDER NUMBER 45
Respecting Private Road Maintenance**

Schedule 2

A Charge for properties fronting or abutting in whole or in part on the private streets located within the Three Brooks Sub-division, Hubley as identified on the map dated May 6, 2015 attached hereto, shall be a uniform charge per taxable property assessment of no more than \$750.00 annually.

The Charges collected under this By-Law shall be used by the Three Brooks Homeowner's Association for the maintenance of the private roads located within Three Brooks Sub-division, including culverts, retaining walls, sidewalks, curbs and gutters that are associated with the roads. Road maintenance includes all work required to maintain the road in a serviceable condition year round and may include snow removal, grading, ditch and culvert and bridge repair and brush clearing.

THREE BROOKS PRIVATE RD MAINTENANCE



APPENDIX D

BALLOT FOR PRIVATE ROAD MAINTENANCE 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 private road maintenance fee schedule. 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 abutting the private roads within the Three Brooks sub-division in the community of Hubley.

The Association is proposing an increase to the per property charge by \$170 annually. Therefore, the per property charge would increase from \$580 to \$750. 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 Private Road Maintenance Costs Recovery Policy, 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 road maintenance services and the amount of the proposed increase, please contact Heather Peckitt at 902-xxx-xxxx or Laura Johnston at xxx-xxxx.

You will also be receiving a second letter in regards to the Three Brooks Homeowners Association Area Rate, containing a separate ballot on the 2017 Area Rate budget.

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 Road Maintenance Budget

<u>Private Roads</u>		2017-18	
Revenue			
	(100 lots @ \$750)	\$ 75,000	
Expenses			
	Accounting	400	
	Dust Control	5,000	
	Grading	8,500	
	Gravel/Rock	10,000	
	Management Fee (Winter)	1,200	
	Plowing	13,000	
	Sanding	14,000	
	Ditching / Soft Spot repair	7,500	
	Contingency	-	
	Guardrails (Culvert, S-Turn)	14,000	To add to remaining road funds from previous year, \$35,000 budget
	Brush Cutting	1,400	
		\$ 75,000	
<u>Private</u>		\$ -	* Budget for a breakeven.

BALLOT FOR PRIVATE ROAD MAINTENANCE TAX

- YES**, I am in favour of implementing the revised fee schedule for private road maintenance from \$580 to \$750 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 for private road maintenance.

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.