

HALIFAX

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Item No. 5
Budget Committee
January 17, 2018

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: January 9, 2018

SUBJECT: Proposed 2018/19 Multi-year Planning & Development
Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on November 14, 2017, staff is required to present the 2018/19 draft Business Unit Budget and Business Plans to the Budget Committee for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that Budget Committee direct staff to proceed to prepare the 2018/19 Multi-year Planning & Development Budget and Business Plan, as proposed in the accompanying presentation and consistent with the preliminary fiscal direction.

BACKGROUND

As part of the design of the 2018/19 Budget and Business Plan development process, the Budget Committee is reviewing each Business Unit's budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the December 5, 2017 Committee of the Whole meetings, Regional Council considered and confirmed their Council Priority Outcomes and on December 13, 2017 provided fiscal direction for the 2018/19 multi-year budget, directing staff to: "develop the 2018/19 Multi-year Budget and Business Plans in support of the fiscal direction and approved priorities."

DISCUSSION

Staff has prepared the proposed 2018/19 Budget consistent with the preliminary fiscal direction received from Council on December 13, 2017 and aligned with Council Priorities as approved on December 5, 2017.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2018/19 Multi-year Budget and Business Plan documents to be presented to Council, as per the process and schedule in the November 14, 2017 staff report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2018/19 Multi-year budget. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

RISK CONSIDERATION

None are specifically associated with this report.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Budget Committee can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

- Planning & Development 2018/19 Multi-year Budget and Business Plan Presentation
 - Planning & Development 2018/19 Capital Project Package
-

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Nicole Fraughton, Coordinator, Planning and Development, 902.490.4405

Financial Approval by: Original Signed
Jerry Blackwood, Acting Director of Finance and Asset Management/CFO, 902.490.6308

Report Approved by: Original Signed
Kelly Denty, Acting Director Planning and Development, 902.490.4800

HALIFAX

Planning & Development

**2018/19 Multi-Year
Budget & Business Plan**
Committee of the Whole

January 17, 2018

Planning & Development

By 2019, Planning & Development will be shaping Halifax's communities with clarity and focus.

- 2014 - Planning & Development Renewal Project initiated
- Four-year (2015 – 2019) Strategic Plan to:
 - transform the department in delivering as a civic leader and partner
 - provide a higher level of service and citizen engagement
 - build a dynamic, professional work environment



Service Areas

Regional Planning

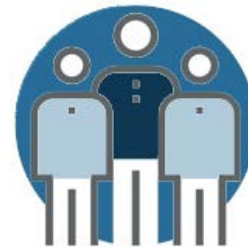
Formulation of long range objectives and policies related to future land use, growth and development. These recommendations have far reaching implications for the organization, as they regulate use of land and proactively define the regional settlement pattern and influence the long-term environmental, social and economic resiliency of the community.

Infrastructure Planning

Formulation and implementation of policies, standards, by-laws and programs related to the ongoing management of infrastructure, growth and development including the Integrated Mobility Plan.



Our Community



Our Citizens & Clients

Service Areas

Current Planning

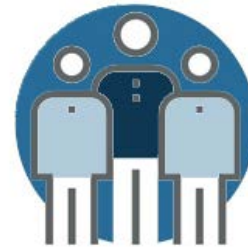
Administration and implementation of policies, by-laws and regulations related to land use and property development, including planning applications, rural planning, subdivision approvals, development approvals and the civic addressing program.

Buildings & Compliance

Implementation and administration of policies, by-laws and regulations to ensure the quality delivery of services related to building construction and licensing, and adherence to by-laws including construction approvals and inspection, license issuance and regulation, and by-law compliance and enforcement.



Our Community



Our Citizens & Clients

Volume of Work



157 Planning Applications



4,603 Permits with construction value of \$1.008 billion



289 Subdivision Applications
1,235 New Civic Addresses



27,000 service requests for by-law enforcement, animal services and license support services



14,500 inspections for bylaw enforcement



24,400 licenses



140,000 parking tickets, generating \$3.5 million in revenue

27 Heritage Applications
58 Heritage Incentives applications, value of \$622,000



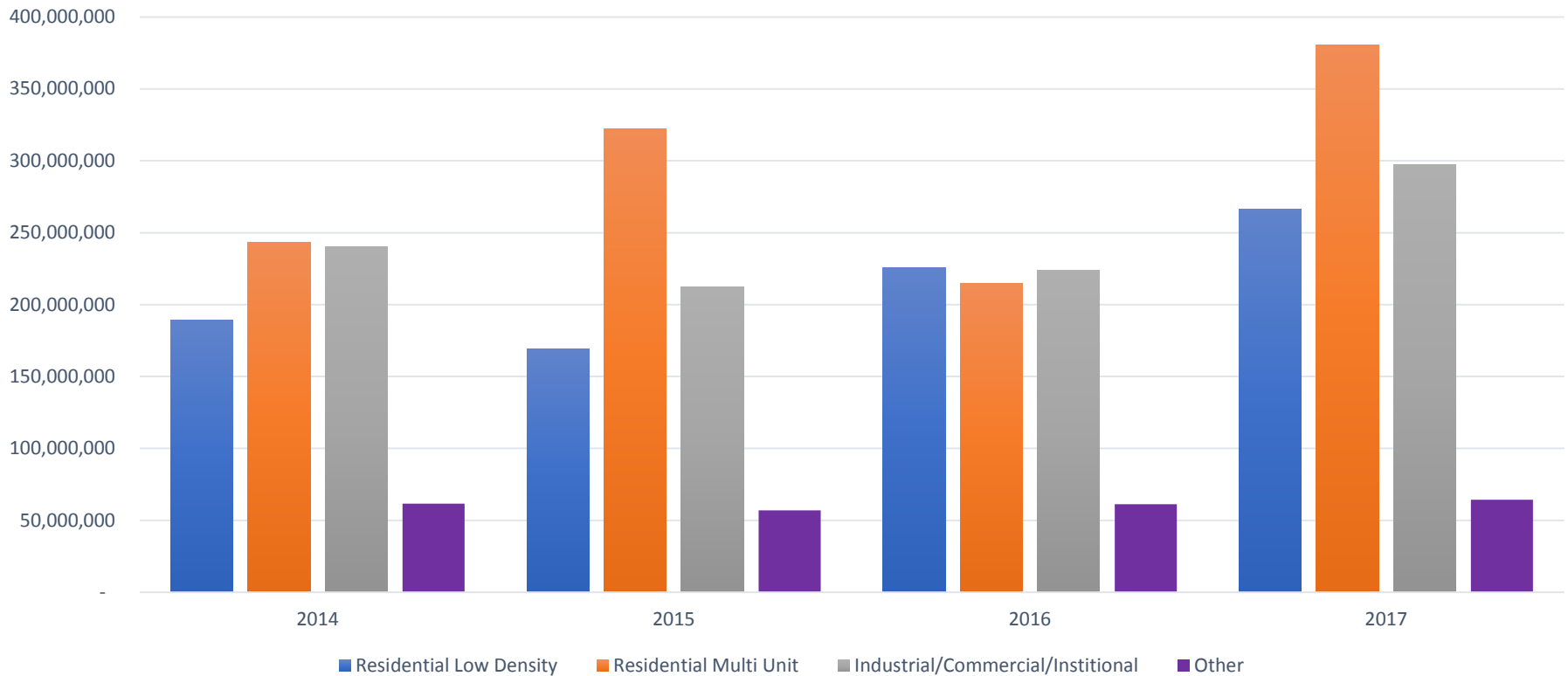
73+ Consultations engaging 5,659+ individuals and online engagement of +742 participants



Key Performance Indicators

Service Delivery - Service to our People

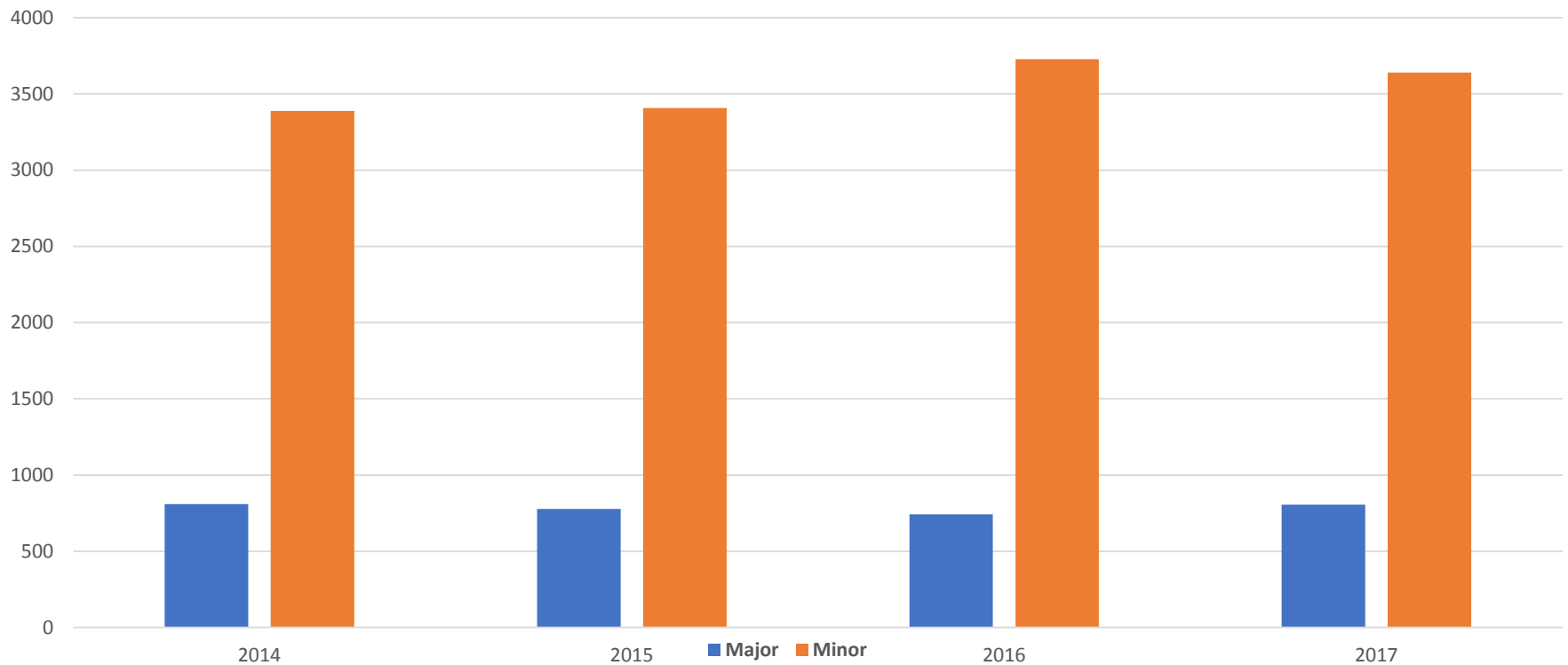
Declared Construction Value by Type and Year



Key Performance Indicators

Service Delivery - Service to our People

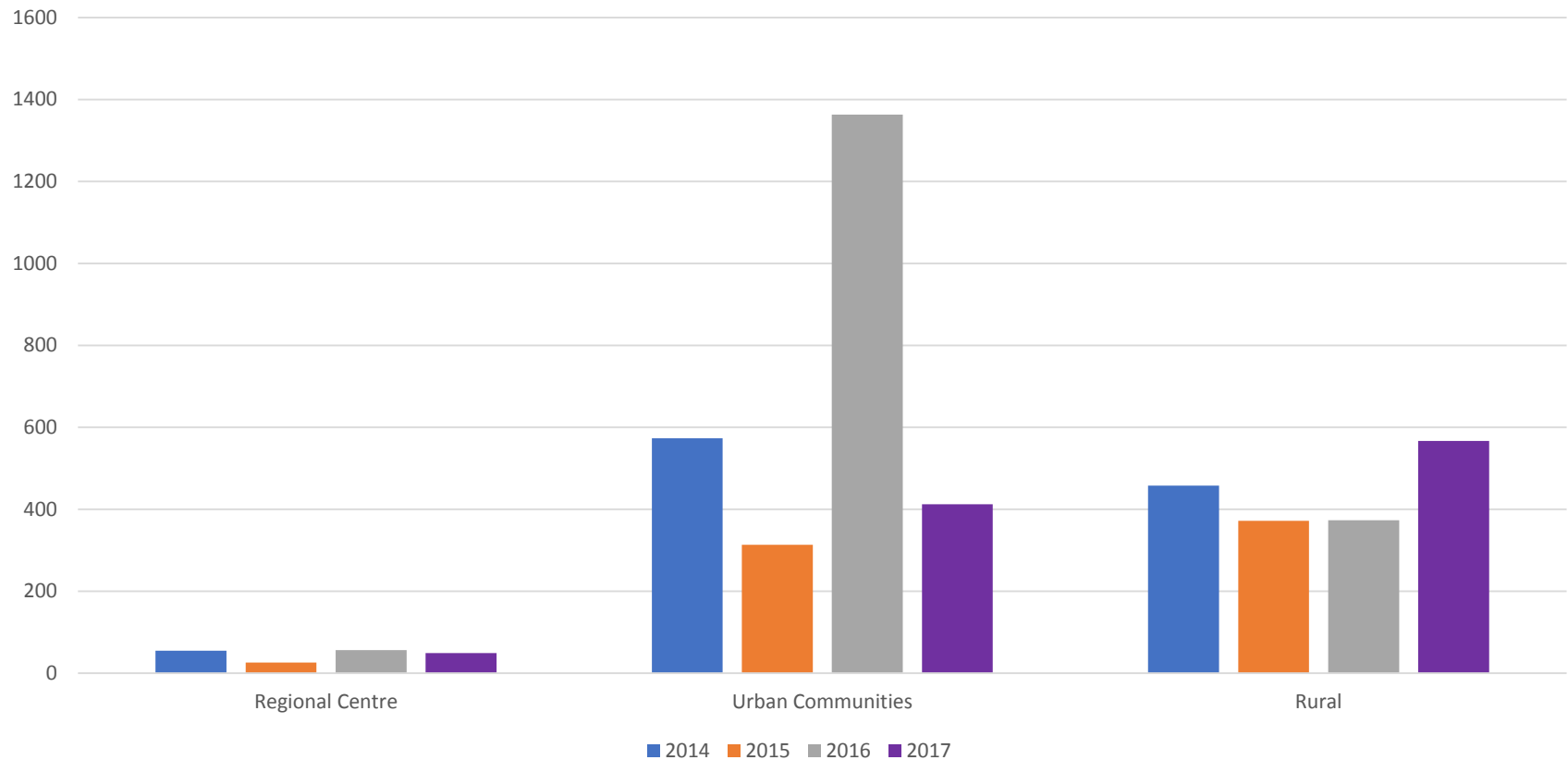
Total Number of Major and Minor Permits



Key Performance Indicators

Service Delivery - Service to our People

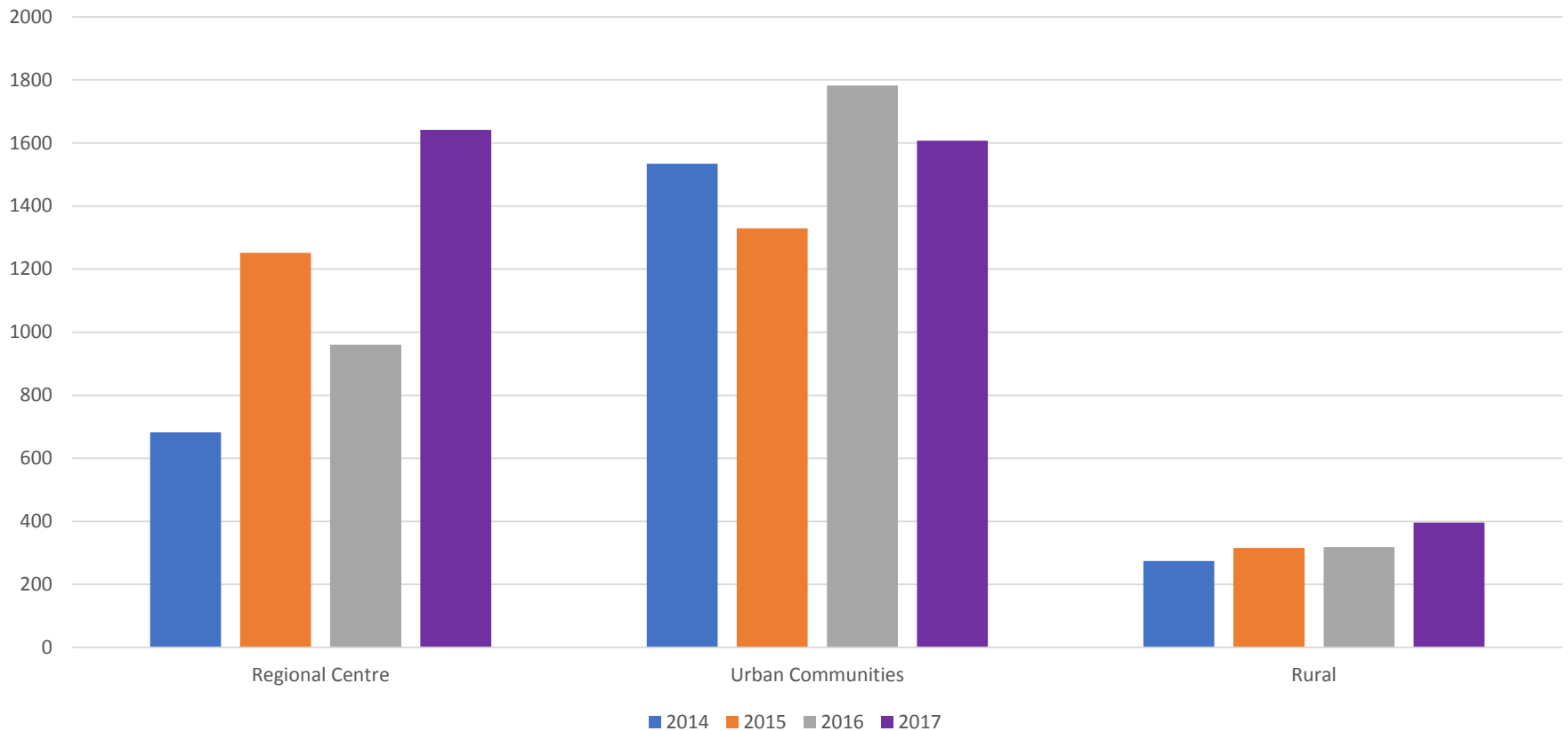
Number of Lots Approved by Year and Region



Key Performance Indicators

Economic Development - Promote and Maximize Growth

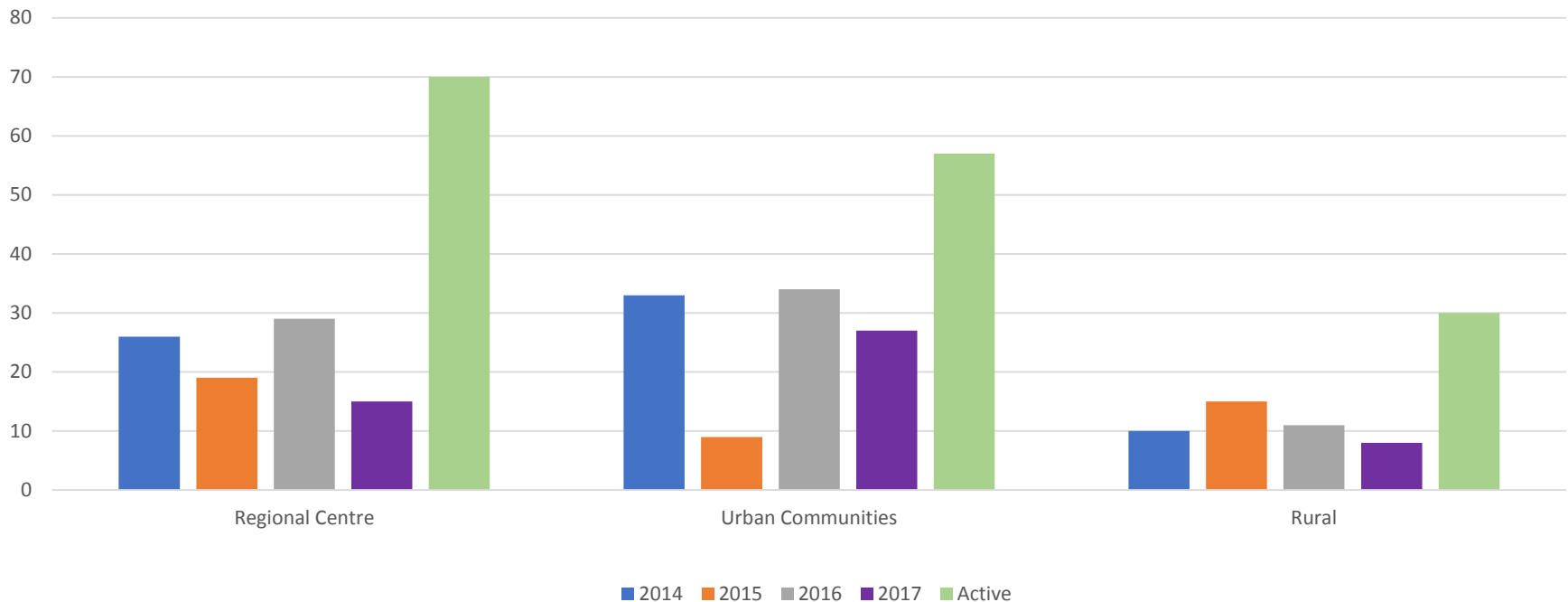
Number of New Housing Units by Permit



Key Performance Indicators

Service Delivery - Service to our People

Planning Applications by Year (Decided and Pending)



Current & Planned Initiative Updates

Service Delivery - Service to our Business

Planning & Development Strategic Plan – year 3 of 4

18 actions in total:

- ✓ Use Strategic Plan to inform Business Planning from 2015-2019
- ✓ Create dedicated teams responsible for delivery of priority projects
 - Ensure delivery of the Centre Plan
 - Replace Permitting & Licensing System
 - Develop a Technology Roadmap
- ✓ Create a socio-economic research team
 - Simplify Land Use Bylaw framework
 - Streamline Secondary Planning program
 - Review Planning Applications Process
 - Rationalize Fee Structure
- ✓ Develop messaging for strategic planning framework
- Modernize public consultation and engagement
- ✓ Create more flexibility in planning job descriptions
- ✓ Strengthen succession planning through participation on priority projects
 - Develop department and division level training plans
- ✓ Develop internal communications framework and annual department activities
- Undertake regular 360° leadership reviews
- ✓ Establish a program for health & safety and employee wellness

Current & Planned Initiative Updates

Service Delivery - Service to our Business

Planning & Development Strategic Plan – year 3 of 4

5 key priority projects:

- **Delivery of Centre Plan**
 - package “A” draft to CDAC Feb 2018
- **Simplify Land Use Bylaw Framework**
 - Centre Plan first project, to CPED early 2018 with work plan
- **Review Planning Applications Process**
 - some administrative & governance improvements complete
- **Rationalize Fee Structure**
 - jurisdictional scan complete, stakeholder consultations early 2018
- **Replace Permitting & Licensing System**
 - vendor in place, system design through 2018

Current & Planned Initiative Updates

Service Delivery - Service to our Business

Key Project Deliverables for 2018/2019

Jan Feb March April May June July August Sept Oct Nov Dec

Centre Plan - Pkg "A"

Permitting and Licensing Release 1 Implementation

LUB Simplification Framework

Fee Rationalization

Integrated Mobility Plan Implementation

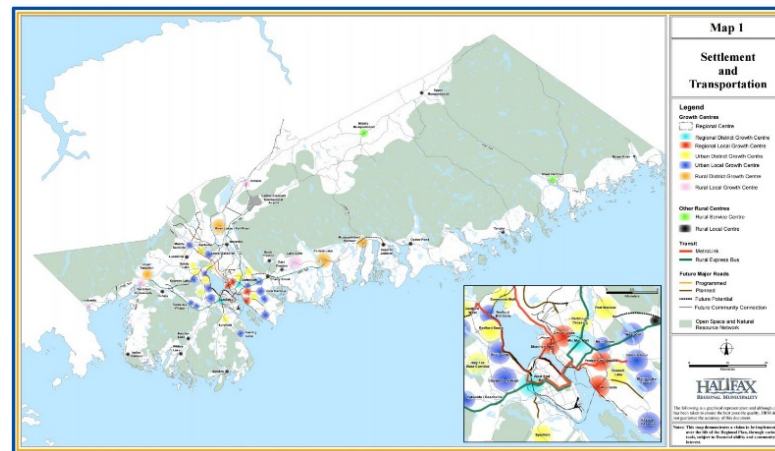
Green Network Plan

Current & Planned Initiative Updates

Economic Development - Promote and Maximize Growth

Regional Plan Implementation

- Complete a scoping document for 10-year Regional Plan Review by analyzing recommendations from key studies.
- Complete Phase 1 of the Culture and Heritage Priorities Plan, the cultural inventory
- Initiate work on secondary planning in the Suburban core



Current & Planned Initiative Updates

Economic Development - Focus on the Regional Centre

Centre Plan

Draft Policy:

- Draft 'Package A' Regional Centre Planning Documents will be provided to CDAC and released to the public in late-February 2018

Engagement:

- Engagement Plan for 'Package A' was presented to the CDAC at their December 2017 meeting
- Staff will be receiving public feedback on the draft documents through the end of April 2018

Next Steps

- Release Draft 'Package A' Regional Centre Planning Documents



Current & Planned Initiative Updates

Transportation

Begin to Implement Integrated Mobility Plan

- Transportation Demand Management, communications strategy, multi-modal level of service standards, performance measurement, data collection
- Bedford Highway corridor study, transit priority corridors, AAA bicycle network
- Implementation framework – Program, Build, Operate, Measure



Current & Planned Initiative Updates

Healthy, Liveable Communities - Recreation and Leisure



Green Network Plan (HGNP)

Update: The HGNP is in its final phase of development.

Next Steps:

- Consultations with key stakeholders
- Internal interviews
- Final Plan recommendation to CPED and Regional Council in the spring, 2018.

Current & Planned Initiative Updates

Healthy, Liveable Communities - Energy and Environment

Environmental Risk Management

- Develop new Community Energy and Climate Action Plans in 18/19 and 19/20
- Water resource/ stormwater management initiatives
- Managing environmental contamination risks for HRM assets
- Solar City – in year 2 of a 3 year program

Current & Planned Initiative Updates

Social Development – Social Infrastructure

Housing and Homelessness Partnership

- Affordable housing work and implementation plan created
 - currently under internal review and expected at Regional Council in early 2018
 - includes a review and assessment of funding for supporting affordable housing project
- specialized work underway to remove regulatory barriers to affordable housing, for seniors/shared housing and secondary suites

Accessible Community

Accessible Taxi

- improved accessible service is goal
 - work is in progress under ongoing study for Taxi and Limousine for Hire Industry services
- expected completion of study February 2018
- industry best practices being reviewed to identify a model for HRM to integrate with existing transit services

Current & Planned Initiative Updates

Governance and Engagement – Fiscal Responsibility

Fee Rationalization

- Council approved principles in August of 2016
- Fees are currently at a 2-3% cost recovery
- Stakeholder consultations will take place early spring
- Recommendation report to council early fall
- Infrastructure charges study to be completed May 2018



Operating Budget Overview*

Expenditures	2016 Budget	2017 Budget	2017 Projected	2018 Budget Approved in Principle	2018 Budget Proposed
* Compensation and Benefits	14,799,900	15,949,100	15,621,457	16,196,900	17,014,100
* Office	226,400	348,300	373,540	223,000	223,000
* External Services	2,859,900	2,311,800	3,236,812	2,419,000	1,648,500
* Supplies	31,300	30,300	28,155	31,500	31,500
* Materials	100	100	100	100	100
* Building Costs	47,000	35,000	33,000	30,000	30,000
* Equipment & Communications	115,900	156,600	154,250	55,000	98,000
* Vehicle Expense	8,700	32,200	31,893	32,700	32,700
* Other Goods & Services	976,500	974,400	754,190	951,300	951,300
* Interdepartmental	400	400	5,011	400	400
* Debt Service	0	0	0	0	0
* Other Fiscal	(836,200)	290,000	(177,364)	320,000	320,000
** Total	18,229,900	20,128,200	20,061,044	20,259,900	20,349,600
Revenues					
* Fee Revenues	(12,791,000)	(14,296,000)	(12,884,000)	(15,527,100)	(12,472,100)
* Other Revenue	(195,000)	(185,000)	(369,500)	(185,000)	(185,000)
** Total	(12,986,000)	(14,481,000)	(13,253,500)	(15,712,100)	(12,657,100)
Net Surplus/Deficit	5,243,900	5,647,200	6,807,544	4,547,800	7,692,500

* Restated for April 2017 reorganization

Service Area Budget Overview*

Business Unit Net Expenses	16/17 Budget	17/18 Budget	17/18 Projected	18/19 Approved in Principle	18/19 Proposed Budget
Administration	2,155,500	2,199,800	2,087,690	2,226,100	2,227,700
Buildings & Compliance	-4,598,000	-5,978,100	-4,525,066	-6,840,200	-3,169,800
Regional Planning	3,645,200	4,736,900	4,443,736	4,776,400	4,760,100
Infrastructure Planning	1,905,100	2,090,900	2,219,673	2,096,400	1,377,800
Current Planning	2,136,100	2,597,700	2,581,511	2,289,100	2,496,700
Business Unit Total	5,243,900	5,647,200	6,807,544	4,547,800	7,692,500

* Restated for April 2017 reorganization

Staff Counts *

Service Area	16/17 Approved	17/18 Approved	18/19 Approved in Principle	18/19 Proposed
Directors Office and Business Services	31	30	30	25
Buildings & Compliance	78	78	78	87
Regional Planning	36	37	37	41
Infrastructure Planning	19	19	19	19
Current Planning	38	38	38	38
Business Unit Total	202	202	202	210

* Restated for April 2017 reorganization

Business Unit Capital Budget

Business Unit Total Capital Investment	Additional Business Unit OCC for 2018/19*
\$200,000	0

Business Unit Key Capital Projects

Capital Project Name	Outcome Supported	BU 18/19 Capital Cost	IMP?
Road Corridor Land Acquisition	Transportation Interconnected and Strategic Growth	\$100,000	Yes
Shearwater Connector	Transportation Interconnected and Strategic Growth	\$100,000	Yes

IMP – Supports the Integrated Mobility Plan

* Includes Operating Cost of Capital (OCC) from past Capital Projects that are just now becoming operational
For full project list and additional project detail, see report attachment [2018/19 Capital Project Package](#)

Summary of Proposed Budget Adjustments

Proposed Adjustments	Impact on Service Delivery	Projected 18/19 \$ Impact	Amount
18/19 Approved in Principle*			\$4,547,800
Parking Fine increases not yet approved	No impact on service delivery	\$2,000,000	\$2,000,000
Fee Review increases not yet realized	No impact on service delivery	\$1,135,200	\$1,135,200
Encroachment Fee increases expected	No impact on service delivery	-\$100,000	-\$100,000
Compensation changes, annual, existing staff	No impact on service delivery	\$151,700	\$151,700
Compensation changes, 9 new Compliance Officers	Improved service delivery	\$635,300	\$635,300
Contract savings, parking enforcement in-house	Improved service delivery	-\$770,500	-\$770,500
Transfer from TPW, winter parking enforcement	Improved service delivery	\$15,000	\$15,000
Transfer to CCS, annual maintenance, 4 new vehicles	Improved service delivery	-\$12,000	-\$12,000
Transfer to TPW, parking rental revenue (ReOrg)	No impact on service delivery	\$40,000	\$40,000
New System Administrator, PLC Solution (OCC)	Improved service delivery	\$50,000	\$50,000
		Total Proposed Changes	\$3,144,700
		Proposed 18/19 Budget	\$7,692,500

* Restated for April 2017 reorganization. Includes approved in principle 2-year changes from 17/18 budget discussions

Pressures and Risks

Pressures

- Contaminated Sites Officer and Site Remediation - \$200,000
- Increased Financial Incentives for Heritage Properties – CPED request
- Lake Banook pollution control study - \$150,000
- Rural Transit - \$60,000

Risks

- Cannabis Legalization
- Fee Rationalization

Planning and Development Summary

Key Deliverables for 2018/19

- Maintain operational work volumes
- Key project work:
 - Centre Plan
 - IMP Implementation
 - LUB Simplification
 - Regional Plan Review Scoping
 - Green Network Plan
 - Affordable Housing
 - New Permitting & Licensing System
 - Fee Rationalization
 - Taxi & Vehicles for Hire Review
 - Energy & Environment initiatives
 - Affordable Housing Workplan



2018/2019 Capital Budget Form

Project Name:	Downtown Streetscapes - Argyle/Grafton
Project Number:	CD000002
Budget Category:	Traffic Improvements
Project Type:	Service Improvements
Discrete/Bundled:	Bundled
Project Manager:	Jacob Ritchie

Project Summary:

On April 26, 2016, Council approved business cases and funding for two major streetscaping projects - the Argyle and Grafton Shared Streetscape and the Spring Garden Road Streetscaping. The Argyle and Grafton project was built in 2017. A public art component remains to be installed,

Total Capital Budget Request: (5 Years) \$ -

Supports Outcome Area: Economic Development (Council Priority)

Project Status: Design

Approximate accuracy of budget estimate +-25%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	-	-	-	-	-
Funding Source:					
Reserve Q606 - Strategic Capital Reserve	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	-	-	-	-

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	-	-	-	-	-
Funding Source:					
Reserve Q606 - Strategic Capital Reserve	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	-	-	-	-

Detailed Work Plan:

	2018/19	2019/20
Public Art	65,000	-
Contingency to address issues that may arise	100,000	-
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Total Estimated Work Plan	165,000	-
Less Projected Carry Forward from Previous Years	165,000	N/A
Gross Budget Request	-	-

2018/2019 Capital Budget Form

Project Name:	Downtown Streetscapes - Future Projects
Project Number:	CD000001
Budget Category:	Traffic Improvements
Project Type:	Service Improvements
Discrete/Bundled:	Bundled
Project Manager:	Jacob Ritchie

Project Summary:

On April 26, 2016, Council approved business cases and funding for two major streetscaping projects - the Argyle and Grafton Shared Streetscape and the Spring Garden Road Streetscaping. The Argyle & Grafton project was built in 2017 under account CD000002

To advance the Spring Garden Road project, a pilot project and public engagement will be carried out in 2018. After a functional design review is undertaken, a consultant will be engaged to undertake detailed design of the section generally between Queen Street and South Park Street.

Total Capital Budget Request: (5 Years) \$	9,000,000
Supports Outcome Area:	Economic Development (Council Priority)
Project Status:	Conceptual
Approximate accuracy of budget estimate	+-50%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	-	-	9,000,000	-	-
Funding Source:					
Reserve Q606 - Strategic Capital Reserve	-	-	9,000,000	-	-
	-	-	-	-	-
Total Funding:	-	-	9,000,000	-	-
Net Budget:	-	-	-	-	-

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	-	-	-	-	-
Funding Source:					
Reserve Q606 - Strategic Capital Reserve	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	-	-	-	-

Detailed Work Plan:

	2018/19	2019/20
Pilot project and public engagement	125,000	-
Functional design	25,000	-
Detailed design	350,000	-
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Total Estimated Work Plan	500,000	-
Less Projected Carry Forward from Previous Years	500,000	N/A
Gross Budget Request	-	-

