



**HALIFAX REGIONAL COUNCIL  
SPECIAL COMMITTEE OF THE WHOLE  
MINUTES  
June 25, 2019**

PRESENT: Mayor Mike Savage  
Deputy Mayor Tony Mancini  
Councillors: Steve Streach  
David Hendsbee  
Bill Karsten  
Lorelei Nicoll  
Sam Austin  
Waye Mason  
Lindell Smith  
Shawn Cleary  
Russell Walker  
Stephen Adams  
Richard Zurawski  
Matt Whitman  
Lisa Blackburn  
Steve Craig

REGRETS Councillor Tim Outhit

STAFF: Jacques Dubé, Chief Administrative Officer  
John Traves, Municipal Solicitor  
Sherryl Murphy, Deputy Municipal Clerk  
Judith Ng'ethe, Legislative Assistant

*The following does not represent a verbatim record of the proceedings of this meeting.*

*The agenda, reports, supporting documents, information items circulated, and video (if available) are online at [halifax.ca](http://halifax.ca).*

*The meeting was called to order at 1:03 p.m., and recessed at 2:22 p.m. Committee of the Whole reconvened at 2:42 p.m. and adjourned at 2:45 p.m.*

**1. CALL TO ORDER**

Mayor Savage called the meeting to order at 1:03 p.m.

**2. APPROVAL OF THE MINUTES – NONE**

**3. CALL FOR DECLARATION OF CONFLICT OF INTERESTS - NONE**

**4. Commercial and Small Business Taxation**

The following was before the Committee of the Whole:

- A staff recommendation report dated May 1, 2019
- A staff presentation dated June 25, 2019
- Correspondence from Paul MacKinnon

Bruce Fisher, Manager of Financial Policy and Planning, delivered a presentation on commercial and small business taxation.

MOVED by Councillor Blackburn, seconded by Councillor Whitman

**THAT Committee of the Whole recommend that Halifax Regional Council direct the Chief Administrative Officer to:**

**1. Develop and return to Regional Council for its consideration a by-law to phase-in commercial tax bills that:**

- a. uses a three-year rolling assessment average,**
- b. is targeted towards properties with assessment growth more than 5 percent above the HRM average,**
- c. is implemented starting in fiscal year 2021-22, and**
- d. has a renewal requirement for it to extend beyond 2023-24;**

**2. Work with the business community on implementation of a three-year rolling average; and**

**3. Return to Regional Council with a program review before the end of 2023-24.**

During discussion Committee of the Whole questioned staff on a number of aspects of staff's proposal including:

- Additional administrative costs and who would bear them.
- The definition of small business being used.
- The five zone model outlined in Option D in the presentation and the approach used in creating the model.
- The possibility of having zones with multiple rates in the assessment.
- How rural areas would be affected.
- How to make up for the loss on resources when averaging over three (3) years.

Staff responded to questions from Members, noting:

- The challenge was not to define a small business. The challenge was that the property tax system taxed only the owner and not the business that occupied the property. The recommendations tried to address this challenge.
- There was insufficient data available to identify leased business space. There was no business occupancy tax in place.
- Council direction was required on which businesses to incentivize.

Following discussion by the Committee, Council Austin suggested approving a motion to obtain more information on using the five zone model of Option D and combining it with tiered rates based on assessment.

The Committee recessed at 2:22 p.m. and reconvened at 2:42 p.m.  
The following amended motion was proposed:

MOVED by Councillor Austin, seconded by Councillor Nicoll

**THAT Committee of the Whole recommend that Halifax Regional Council direct the CAO to prepare a supplementary staff report exploring a tiered commercial tax regime based on assessed values using the five zones described in Attachment D of the staff report dated May 1, 2019.**

**MOTION TO AMEND PUT AND PASSED.**

The following motion was now before the Committee of the Whole:

**THAT Committee of the Whole recommend that Halifax Regional Council direct the Chief Administrative Officer to:**

**1. Develop and return to Regional Council for its consideration a by-law to phase-in commercial tax bills that:**

- a. uses a three-year rolling assessment average,**
- b. is targeted towards properties with assessment growth more than 5 percent above the HRM average,**
- c. is implemented starting in fiscal year 2021-22, and**
- d. has a renewal requirement for it to extend beyond 2023-24;**

**2. Work with the business community on implementation of a three-year rolling average;**  
**3. Return to Regional Council with a program review before the end of 2023-24; and**  
**4. Direct the CAO to prepare a supplementary staff report exploring a tiered commercial tax regime based on assessed values using the five zones described in Attachment D of the staff report dated May 1, 2019.**

**AMENDED MOTION PUT AND PASSED.**

**5. ADJOURNMENT**

The meeting was adjourned at 2:45 p.m.

Kevin Arjoon  
Municipal Clerk