

HALIFAX

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Item No. 15.1.9
Halifax Regional Council
September 17, 2019

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: August 16, 2019

SUBJECT: 2019 – 2020 Area Rate Amendment – Dartmouth Main BID

ORIGIN

Regional Council approved the 2019-20 Budgets and Business Plans for Area-rated Services on August 13, 2019.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, excerpts below.

Section 35 (1), The Chief Administrative Officer shall
(b) ensure that an annual budget is prepared and presented to the Council.

Section 79A (Power to expend money)

(1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality

Section 96 (Area Rates and Uniform Charges)

(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.

(2) The Council may recover annually from the area the amount required or as much of that sum as the Council considers advisable to collect in any one fiscal year by an area rate of so much on the dollar on the assessed value of the taxable property or occupancy assessments in the area.

(3) The Council may provide:

(a) a subsidy for an area rate from the general rate in the amount or proportion approved by the Council;

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- (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 Halifax Regional Council amend the area tax rate for the Dartmouth Main Business Improvement District from 0.185 to 0.195.

BACKGROUND

In addition to setting the general rates of taxation, the Charter enables Council to set area rates. Council sets the geographic boundaries of the area where the area rate will apply. An area rate is then set at a certain dollar amount that is then applied to the assessed value of the taxable property in the area.

For the 2019-20, the Budgets and Business Plans for Area-Rated Services Report was approved by Regional Council on 13 August 2019. Included in this Report were the annual rates for the Business Improvement Districts (BIDs). In this case, the applicable area rate amount was set at 0.185.

DISCUSSION

When staff were inputting the approved tax rates from the 2019-20 Budgets and Business Plans for Area-Rated Services report, it was discovered that there was an error in the area rate presented to Council for the Dartmouth Main Business Improvement District (BID).

The area rate requested by the Executive of the Dartmouth Main BID was 0.195, an increase of .015 from the 2018-19 rate of 0.18, which will provide them with a budget of \$128,100 for 2019-20. This budget was reflected correctly in the Appendices B, C and E of the 13 August 2019 report; however, the actual rate was incorrectly typed in Appendix B as 0.185 instead of 0.195. Appendix B is the attachment that lists the actual amount of the area rates Council set.

If the BID rate is not corrected, the Dartmouth Main BID would collect approximately \$6,400 less than expected which would result in underfunding for the approved 2019-20 Business Plan.

FINANCIAL IMPLICATIONS

The area tax rates as recommended are sufficient to support the current services contained within the budgets of the respective area rated services. There is no net impact to the operating budget due to the approval of these area rates.

RISK CONSIDERATION

As with all property taxes, HRM may impose a lien on properties for which area rate taxes are past due. Therefore, the risk of not being able to collect these taxes is minimized.

COMMUNITY ENGAGEMENT

Not required

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

ALTERNATIVES

Council may choose to not approve the amendment, however, since this was an error and not the direction from the Dartmouth Main Business Improvement District; this is not recommended.

ATTACHMENTS

None

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.

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