

TO: Mayor Savage and Members of Halifax Regional Council

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

DATE: April 29, 2020

SUBJECT: **Allocation of Grants and Withdrawals from Reserves During COVID-19
Administrative Order**

ORIGIN

This report originates from staff.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, clause 20(1)(c), and subsection 59(3):

20 (1) The Council may make policies
(c) providing for committees and conferring powers and duties upon them, except the power to expend funds;

59 (3) In addition to matters specified in this Act or another Act of the Legislature, the Council may adopt policies on any matter that the Council considers conducive to the effective management of the Municipality.

Administrative Order One, the *Procedures of the Council Administrative Order*, subsection 4(2):

4 (2) Notwithstanding subsection (1), any one or more of the rules of procedures contained herein except for sections 5 and 41 and subsections 12(5) and 59(3) may be suspended by Council, Committee of the Whole, Community Council or a Standing Committee by the affirmative vote of two-thirds (2/3rds) of the Members present and voting.

Administrative Order 2014-020-GOV, *Respecting Marketing Levy Special Event Reserve Grants*, Schedule 1, mandate and subsection 4.1, as follows:

The HRM Special Events Advisory Committee shall review, evaluate and make recommendations to Regional Council regarding the annual Marketing Levy Special Events Reserve (MLSER) with staff support from Parks and Recreation.

4. DUTIES

4.1 Advise Regional Council on all matters related to the allocation of the MLSER;

HRM Grants Committee, Terms of Reference, mandate and subsection 4.1, as follows:

The HRM Grants Committee shall review, evaluate and make recommendations to Regional Council regarding annual cash grants, rent subsidies, property tax exemptions, less than market value property sales and leases to registered non-profit organizations and charities managed by a duly appointed Grants Committee.

4. DUTIES

- 4.1 Advise Regional Council on all matters related to the allocation of grants, as defined by Regional Council;

Administrative Order 2014-015 ADM, the *Financial Reserves Administrative Order*, section 5:

5. The Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserves.

RECOMMENDATION

It is recommended that Halifax Regional Council adopt Administrative Order 2020-009-ADM, the *Allocation of Grants and Withdrawals from Reserves During COVID-19 Administrative Order*, as set out in Attachment 1 of this report.

BACKGROUND

In an order dated March 22, 2020, the Minister of Municipal Affairs and Housing ordered all municipalities in the Province to discontinuance meetings in person. The order only allows meetings to be held virtually by video or telephone but still authorizes municipalities to continue making operational decisions, especially those required for service delivery. This order will remain in place for the duration of the Provincial State of Emergency unless it is terminated by the Minister earlier. As of the date of this report, the ministerial order remains in effect and continues to impact the way in which all meetings of Council and its Standing Committees are held.

Despite the challenges that have arisen due to the COVID-19, Council has confirmed its commitment to deliver municipal services to the public by continuing to hold Council meetings. To enable meetings, Council has suspended some of the normal of rules of procedures under Administrative Order One. To assist taxpayers, on April 14, 2020, Council extended the due date for property taxes until June 1st, 2020 and lowered the interest rate for overdue taxes to 10% per annum.

Council is now considering additional assistance by streamlining the approval process for municipal grants and withdrawals from reserves. On April 28, 2020 notice of motion was given to adopt a new Administrative Order as follows:

TAKE NOTICE at the next meeting of Halifax Regional Council to be held on May 12, 2020, I intend to move a new Administrative Order Administrative Order 2020-009-ADM, *Respecting Recommendations for the Allocation of Grants and Withdrawals from Reserves During COVID-19*, the purpose of which is to shorten the approval time to allocate grants and withdraw from Reserves by temporarily suspending the need for Council to receive a recommendation from

1. the HRM Grants Committee or HRM Special Events Advisory Committee before awarding a grant; and
2. the Audit and Finance Standing Committee on impacts to the Reserves.

Before making decisions, Council often receives a recommendation from one or more Standing Committees, the HRM Grant Committee, and the HRM Special Events Advisory Committee. The purpose

of the notice of motion is to shorten the approval time for certain Council decisions. In response to this purpose, staff have drafted an Administrative Order that will streamline the approval process for Council decisions on grants and withdrawals from the reserves. Staff have also made a change to recommendation reports by adding a recommendation for Council's consideration that would suspend the need for review by a Standing Committee before Council makes a decision on the subject matter of the report.

DISCUSSION

This report discusses two items: (1) recommendations suspending the rules of procedures respecting Standing Committees, and (2) the draft Administrative Order.

Recommendation Suspending the Rules of Procedures Respecting Standing Committees

Council has created the following Standing Committees:

- the Appeals Committee,
- the Audit and Finance Standing Committee,
- the Community and Economic Development Standing Committee,
- the Committee of the Whole on Budget (commonly called Budget Committee),
- the Environment and Sustainability Standing Committee,
- the Executive Standing Committee, and
- the Transportation Standing Committee.

With the exception of the Appeals Standing Committee, these Standing Committees are created under Administrative Order One. The Appeals Committee is created under By-law A-100, the *Appeals Committee Bylaw*.

Under Administrative Order One, the Terms of Reference for each Standing Committee are set out as a separate Schedules. These Schedules assign each Standing Committee their duties and responsibilities. Since the Schedules are part of Administrative Order One, Council has the option to suspend the Standing Committee's duties and responsibilities and proceed to decide on a matter without receiving a recommendation from it. The exceptions are the Appeals Committee, and a Standing Committee that has been assigned duties and responsibilities by a by-law or policy of Council other than Administrative Order One. As those duties and responsibilities are not part of Administrative Order One, they can't be suspended by a motion passed under it.

Given the ministerial order requiring virtual meetings due to COVID-19, staff have introduced a temporary practise to add a recommendation to each recommendation report which will suspend the terms of reference for the applicable Standing Committee(s) under Administrative Order One for the particular matter. This recommendation will allow Council to make a decision without waiting for a recommendation from the applicable Standing Committee(s). The exceptions are the Appeals Committee for the reasons set out above, and Committee of the Whole on Budget (Budget Committee) as the budget deliberations of Council are ongoing.

The recommendation in the report will look similar to the following:

THAT Halifax Regional Council suspend the rules of procedure under [applicable Schedule(s)-pick from list below] of Administrative Order One, the *Procedures of the Council Administrative Order*.

The Schedule(s) are:

- Schedule 2, the Audit and Finance Standing Committee Terms of Reference;

- Schedule 3, the Community Planning and Economic Development Standing Committee Terms of Reference;
- Schedule 5, the Environment and Sustainability Standing Committee Terms of Reference;
- Schedule 6, the Executive Standing Committee Terms of Reference; or
- Schedule 7, the Transportation Standing Committee Terms of Reference.

Staff will continue to add this recommendation unless Council directs otherwise, or the ministerial order expires and Council resumes in person meetings.

New Administrative Order

The *Financial Reserves Administrative Order* requires the Audit and Finance Standing Committee to review and make recommendations on all impacts to the reserves. The terms of reference for the HRM Grants Committee and the Special Events Advisory Committee require them to make recommendations to Council for the allocation of grants. As these requirements are not part of Administrative Order One, they cannot be suspended by a two-third vote like most of Council's Standing Committees. Instead, Council needs to suspend these requirements by Administrative Order. Staff have drafted this Administrative Order and it is attached as Attachment 1 for Council's consideration.

As drafted, the suspension would be temporary. It would last until the earlier of the end of the fiscal year, or the date Council decides it ends.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

RISK CONSIDERATION

There are no significant risks to the Municipality associated with the recommendations in this Report. Council will continue to make the decisions respecting awarding grants and approving withdrawals from the reserves. The risks considered rate Low.

COMMUNITY ENGAGEMENT

None.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

ALTERNATIVES

1. Council could refuse to adopt the Administrative Order. If this occurs, recommendations will continue to come from the Audit and Finance Standing Committee respecting the impacts to reserves, and the HRM Grant Committee or the HRM Special Events Advisory Committee respecting the allocation of grants.
2. Council could amend the Administrative Order to extend the timeframe it is effective. If Council selects this option, the motion would be amended to read as follows

That Halifax Regional Council adopt Administrative Order 2020-009-ADM, the *Allocation of Grants and Withdrawals from Reserves During COVID-19 Administrative Order*, as set out in Attachment 1 of this report, with the following amendment:

Section 4 is amended to read as follows:

This Administrative Order terminates on the earlier of

- (a) the date and time determined by Council, by resolution; or
- (b) at 11:59 pm on [insert date].

ATTACHMENT

1. Proposed Administrative Order 2020-009-ADM, the *Allocation of Grants and Withdrawals from Reserves During COVID-19 Administrative Order*.
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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: Derk Slaunwhite, Sr Solicitor, 902.490.1800

Report Approved by: Original Signed
John Traves, Q.C., Director of Legal & Legislative Services 902.490.4219

Financial Approval by: Original Signed
Jane Fraser, Director of Finance, Asset Management and ICT/CFO, 902.490.4630

**ATTACHMENT 1
(Proposed Administrative Order)**

**ADMINISTRATIVE ORDER NUMBER 2020-009-ADM
RESPECTING RECOMMENDATIONS FOR THE
ALLOCATION OF GRANTS AND WITHDRAWALS FROM RESERVES
DURING COVID-19**

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Allocation of Grants and Withdrawals from Reserves During COVID-19 Administrative Order*.

Interpretation

2. In this Administrative Order,

(a) “grant” includes rent subsidies, property tax exemptions, less than market value property sales and leases, annual cash grants, and allocations from the Marketing Levy Special Event Reserve and Community and Events Reserve;

(b) “policy” means a resolution of the Council that is required, pursuant to the *Halifax Regional Municipality Charter*, to be recorded in the by-law records of the Municipality and includes an Administrative Order and the Terms of Reference for the HRM Grants Committee; and

(c) “reserve” means a reserve as defined by clause 3(c) of the *Financial Reserves Administrative Order*.

Application

3. Notwithstanding any other policy of Council, a

(a) grant may be allocated or awarded by Council without the HRM Grants Committee or HRM Special Events Advisory Committee reviewing, evaluating, or recommending the grant;

(b) grant may be allocated or awarded by Chief Administrative Officer without a peer jury reviewing, evaluating, or recommending the grant; and

(c) withdrawal from a reserve may be authorized by Council without the Audit and Finance Standing Committee reviewing and making a recommending on the impact to the Reserve.

Termination Date

4. This Administrative Order terminates on the earlier of

(a) the date and time determined by Council, by resolution; or

(b) at 11:59 pm on March 31st, 2021.

Done and passed this day of , 2020.

Mayor

Municipal Clerk

I, _____, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on [month], [day], 2020.