

TO: Mayor Savage and Members of Halifax Regional Council

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

DATE: July 9, 2020

SUBJECT: Hammonds Plains Area Rate - Recommendations for Surplus

ORIGIN

On June 19, 2018 Regional Council directed staff to

Discontinue the Hammonds Plains Common Area Rate levied on each of the taxable residential and resource property assessments and direct staff to return with recommendations on the existing surplus

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter (Halifax Charter), section 96.

Area rates and uniform charges

96 (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.

(1A) For greater certainty, an expenditure under subsection (1) may include a contribution to a hospital to which the *Hospitals Act* applies.

(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;

(b) in the resolution setting the area rate, that the area rate applies only to the assessed value of one or more of the taxable commercial, residential or resource property and occupancy assessments in the area.

(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.

(5) Charges pursuant to subsection (4) are first liens on the real property and may be collected in the same manner as taxes.

(6) The Council may expend money within an area for any lawful purpose and may raise all, or part of it, by a general rate on the whole Municipality.

(7) The area rate referred to in this Section may be different on commercial property and business occupancy assessments than on residential and resource property. 2008, c. 39, s. 96; 2019, c. 19, s. 17.

Administrative Order Number 2019-005-ADM the Community Area Rates Administrative Order.

Use of Surplus upon Wind-up, section 36.

36. Notwithstanding section 33, if the rate applicable to the community organization rate is not renewed by Council and the organization has a surplus at the end of its last fiscal year, the organization may recommend Council use the surplus funds:

- (a) to contribute to a municipal service or capital project in the area;
- (b) to be used for future maintenance of any public asset it has been used to construct; or
- (c) any other expenditure that benefits the area for which the funds were collected.

RECOMMENDATION

It is recommended that Halifax Regional Council direct the surplus of the Hammonds Plains Area Rate to be held by the Municipality for use in or for the benefit of the Hammonds Plains area, as identified on the Map of the Hammonds Plains Common Rate attached as Attachment A to this report.

BACKGROUND

At the time that Halifax Regional Municipality was formed in 1996 there was an area rate for the Hammonds Plains area known as the Hammonds Plains Common Rate. This rate raised funds for recreational and community use within a portion of the Hammonds Plains Area. The boundary for the rate was set as the boundary for the former Hammonds Plains district in the Halifax County Municipality.

Since 1996 most of the recreational and community services that are provided have become less dependent on area rates funds and instead have shifted to the general tax rate. In 2018, Regional Council reviewed its area rate policies and, as part of that process, directed that the Hammonds Plains Common Rate be discontinued, and the funds returned to the community.

DISCUSSION

Staff have reviewed the options for the surplus that remains with the Hammonds Plains Common Rate. The Halifax Charter provides no legal authority to provide a tax credit to residents of the area for amounts paid in past years. Regional Council's current *Community Area Rate Administrative Order* specifies the manner in which a surplus can be disposed of. Namely, the surplus may be used

- (a) to contribute to a municipal service or capital project in the area;
- (b) for future maintenance of any public asset it has been used to construct; or
- (c) any other expenditure that benefits the area for which the funds were collected.

At the current time, staff are unable to identify any specific use(s) within the Hammonds Plains area that are appropriate for these funds. It is therefore recommending that the funds continue to be held by Halifax Regional Municipality until such time as a specific use can be identified either by staff or the community. Regional Council would be required to approve that use.

FINANCIAL IMPLICATIONS

At the current time, the surplus is \$277,106. There is one commitment against this surplus of \$150,000 for capital improvements to the Hammonds Plains Community Centre. This leaves an uncommitted balance of \$127,106.

There are no financial implications to the recommendation in this report. Funds will be held until Regional Council directs as to how they shall be disbursed.

RISK CONSIDERATION

There are no risks associated with this recommendation.

COMMUNITY ENGAGEMENT

There has been no community engagement in the preparation of this recommendation.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

ALTERNATIVES

None.

ATTACHMENTS

Attachment A - Map of the Hammonds Plains Common Rate

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

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Attachment A – Map of the Hammonds Plains Common Rate

