

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE:

July 20, 2020

SUBJECT:

Administrative Order 2019-005-ADM Community Area Rates

ORIGIN

On April 28, 2020, Regional Council PUT and PASSED the following motion:

THAT Halifax Regional Council request a staff report to amend Administrative Order, 2019-005-ADM, the Community Area Rates Administrative Order, by adding section 33A after section 33 and before section 34 as follows:

Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, for the 2020-2021 fiscal year, grants may be provided by the community organization for Musquodoboit Harbour without a contribution agreement or approval of Council if:

- (a) the cumulative amounts of the grants do not exceed \$5,000; and
- (b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, excerpts below.

Section 7A (Purposes of the municipality)

The purposes of the municipality are to

...

- (b) provide services, facilities and other things that, in the opinion of the Council, are necessary or desirable for all or part of the Municipality;

Section 59 (Policies)

(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.

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 of the assessed value of the taxable property or 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.

RECOMMENDATION

It is recommended that Halifax Regional Council adopt the amendment to Administrative Order Number 2019-005-ADM, the *Community Area Rates Administrative Order*, as set out in Attachment 2 of this report.

BACKGROUND

On July 30, 2019, Council approved the *Community Area Rates Administrative Order* (AO). This AO provides a comprehensive set of guidelines and procedures for the administration of community area rates. There are a number of area rates established by various community groups in the Municipality. These groups have followed a process to establish the rate, which the Municipality collects on their behalf and remits to them to administer per the agreed upon guidelines, which are outlined in a contribution agreement.

DISCUSSION

The COVID-19 pandemic has created unprecedented hardship for individuals and the non-profit and charitable organizations that provide support to them. The proposed amendment to the AO is intended to provide a mechanism for the community associations administering area rates to provide relief to registered non-profits or charities within the community who may be experiencing a higher demand for their services in a time where they are also facing decreased donations and resources.

This amendment will allow these associations to deploy funds to impacted organizations helping individuals in their community. Although the original motion was limited to the Musquodoboit Harbour community organization, staff recognize other community organizations may also wish to have this flexibility to directly assist registered organizations within their own communities. Accordingly, the amendment has been drafted more generally so it applies to all community organizations under the AO rather than solely to the Musquodoboit Harbour community organization.

The restrictions in Council's original motion remain unchanged. These two restrictions are as follows:

- the cumulative amounts of the grants cannot exceed \$5,000; and

- the recipient of each grant must be either a non-profit organization, or a registered Canadian charitable organization.

FINANCIAL IMPLICATIONS

There are no direct financial implications. The community associations have previously established area rates, which the Municipality has collected and disbursed to those associations.

RISK CONSIDERATION

The risk is considered low. The funds may only be disbursed to a registered non-profit or charity and the cumulative amount any association can advance is not to exceed \$5,000. The flexibility to streamline the process to by-pass the requirement for a contribution agreement and Council approval is limited to the 2020-2021 fiscal year.

COMMUNITY ENGAGEMENT

N/A

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications resulting from the recommendation in this report.

ALTERNATIVES

1. Council may choose not to adopt the amendment.
2. Council may choose to restrict the motion to only the Musquodoboit Harbour community association. If Council selects this option, the motion needs to be amended to read:

That Halifax Regional Council adopt the amendment to Administrative Order Number 2019-005-ADM, the *Community Area Rates Administrative Order*, as set out in Attachment 2 of this report, with the following amendment:

Section 1 of Attachment 2 is amended by adding the words “for Musquodoboit Harbour” so it reads:

Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, for the 2020-2021 fiscal year, grants may be provided by the community organization **for Musquodoboit Harbour** without a contribution agreement or approval of Council if:

- (a) the cumulative amounts of the grants do not exceed \$5,000; and
 - (b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.
3. Council may choose to extend the timeframe the amendment is effective until the end of fiscal 2022. If Council selects this option, the motion needs to be amended to read:

That Halifax Regional Council adopt the amendment to Administrative Order Number 2019-005-ADM, the *Community Area Rates Administrative Order*, as set out in Attachment 2 of this report, with the following amendment:

Section 1 of Attachment 2 is amended by deleting the words and numbers “for the 2020-2021 fiscal year” and replacing them with the words and numbers “until the end of the 2021-2022” so it reads:

33A. Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, until the end of the 2021-2022 fiscal year, grants may be provided by the community organization without a contribution agreement or approval of Council if:

- (a) the cumulative amounts of the grants do not exceed \$5,000; and
- (b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.

ATTACHMENTS

Attachment 1 – Showing proposed changes to the *Community Area Rates Administrative Order*
Attachment 2 – Amending Administrative Order

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

Report Prepared by: Renée Towns, Manager of Revenue, Treasurer

ATTACHMENT 1

(Showing Proposed Changes)

ADMINISTRATIVE ORDER NUMBER 2019-005-ADM RESPECTING THE ESTABLISHMENT AND USE OF COMMUNITY AREA RATES IN THE HALIFAX REGIONAL MUNICIPALITY

Purpose

3. The purpose of this Administrative Order is to establish criteria for the creation of rates that support local community recreation activities or sidewalks and are requested by a community, and to establish a framework for the use of the monies raised by the rate.

Approved Uses of Rate Funds

32. A rate administered under this Administrative Order shall be spent for the benefit of the area for which it is collected.

33. (1) Subject to section 32, rate funds may be used for:

- (a) community events;
- (b) community accessories, including signage, picnic tables, benches, and garbage cans;
- (c) community beautification and clean-up;
- (d) maintenance of recreation infrastructure, including local recreational infrastructure on municipal lands where the maintenance is procured directly by the Municipality;
- (e) recreation and leisure costs, including programming and equipment;
- (f) establishment and maintenance of seasonal recreation infrastructure such as outdoor skating rinks;
- (g) operation of small, local community centres;
- (h) grants where there is a contribution agreement in place between the community organization and a non-profit organization to provide for items (a) through (g), provided that such an agreement is approved by Council, unless:
 - (i) the amount of the grant to the non-profit organization is two thousand dollars or less; and
 - (ii) the cumulative grants that have been provided to the non-profit organization in the current fiscal year is four thousand dollars or less,in which case no contribution agreement is required;
- (i) subject to subsection (2), construction or enhancement of
 - (i) local recreational infrastructure on municipal land including parks, trails, sport fields, play lawns, playgrounds, landscaping, paths and trails, and related accessories; or,
 - (ii) sidewalks outside of the Urban Area as established by Council; and

(j) administrative costs associated with items (a) to (i).

(2) Funds used for those items listed in subsection (1)(i) may only be used if the following conditions have been met:

(a) a needs assessment completed or approved by the appropriate business unit supports the proposed infrastructure;

(b) the proposed siting for such infrastructure is suitable;

(c) there is a maintenance plan, including identification of any annual funding;

(d) the proposed infrastructure is procured directly by the Municipality;

(e) Council has approved the project in the Municipality's capital budget; and

(f) the expenditure conforms to the Municipality's procedures for capital budget expenditures.

Covid-19

33A. Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, for the 2020-2021 fiscal year, grants may be provided by the community organization without a contribution agreement or approval of Council if:

(a) the cumulative amounts of the grants do not exceed \$5,000; and

(b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.

Prohibited Uses of Rate Funds

34. Rate funds shall not be used for the following:

(a) the purchase of real property;

(b) infrastructure and activities that are generally not open or of benefit to the public;

(c) regional infrastructure, including community centres and other facilities that are designed to attract individuals from outside the area rate's catchment area;

(d) construction of indoor recreation facilities, including ice rinks and gymnasias;

(e) political activity; and

(f) grants to individuals and businesses.

ATTACHMENT 2

(Amending Administrative Order)

**ADMINISTRATIVE ORDER NUMBER 2019-005-ADM
RESPECTING THE ESTABLISHMENT AND USE OF COMMUNITY AREA RATES IN
THE HALIFAX REGIONAL MUNICIPALITY**

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, that Administrative Order 2019-005-ADM, the *Community Area Rates Administrative Order*, is amended as follows:

1. Section 33A is added after section 33 and before section 34, as follows:

Covid-19

33A. Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, for the 2020-2021 fiscal year, grants may be provided by the community organization without a contribution agreement or approval of Council if:

- (a) the cumulative amounts of the grants do not exceed \$5,000; and
- (b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.

Done and passed in Council this day of September 202 .

Mayor

Acting Municipal Clerk