



Item No. 11.1.8

**Halifax Regional Council
June 10, 2014**

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: March 24, 2014

SUBJECT: Road Maintenance Fee for Black's Subdivision Ratepayers Association

ORIGIN

On January 16, 2007, Regional Council approved the Private Road Maintenance Costs Recovery Policy. The purpose of this Policy is to provide owners of property accessed by private roads with the use of area rates or uniform charges to collect the funds required to maintain private roads. The Black's Subdivision Ratepayers Association has applied for such an area rate/ uniform charge under this Policy.

LEGISLATIVE AUTHORITY

Charter section 104(1)(g) which states "The Council may make by-laws imposing, fixing and providing methods of enforcing payment of charges for laying out, opening, constructing, repairing, improving and maintaining private roads, curbs, sidewalks, gutters, bridges, culverts and retaining walls that are associated with private roads, where the cost is incurred (i) by the Municipality, or (ii) under an agreement between the Municipality and a person." Also, By-Law P-1100 "Respecting Charges for Private Road Maintenance", and Administrative Order 45, "Respecting Private Road Maintenance".

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Approve an annual uniform charge of no more than \$150.00 per property, to be applied against properties abutting Seafarers Lane and Pioneer Hill in Black's Subdivision, as depicted in the map shown in Appendix A of this report, effective with the 2014-15 fiscal year for the purpose of funding the road maintenance activities of the Black's Subdivision Ratepayers Association;
2. Approve amending Administrative Order 45, Respecting Private Road Maintenance, by adding Schedule 10, respecting a Uniform Charge for the Black's Subdivision Ratepayers Association, attached hereto as Appendix B; and
3. Subject to the approval of Schedule 10 of Administrative Order 45, authorize the Mayor to sign on behalf of HRM, an Agreement between HRM and the Association in the form approved by Regional Council on February 11, 2014.

BACKGROUND

Seafarers Lane and Pioneer Hill are private roads located in Black's Subdivision in the community of White's Lake in District 11. The Association funds road maintenance expenses through an annual fee collected from the owners of 27 properties abutting the roads. In the past, the Association has had some difficulty collecting the fee from some of the property owners. As a result, the Association applied to HRM through the Private Road Maintenance Costs Recovery Policy for a uniform charge to ensure timely collection from all property owners.

DISCUSSION

The Private Road Maintenance Costs Recovery Policy outlines the conditions which must be satisfied before an area rate or uniform charge for private road maintenance can be implemented. Those conditions and the manner in which they were satisfied with respect to Seafarers Lane and Pioneer Hill are outlined below.

1. *A private road eligible for improvement or maintenance financing under this policy shall include any road that is not public and that provides perpetual direct or indirect access to a public road or highway for at least two properties each of which contains a principal residence.*

Staff have verified that Seafarers Lane and Pioneer Hill are privately owned (refer to #2 below), provide access to the public road system, and has more than two properties containing principal residences.

2. *The legal owner(s) of the property on which the private road is situated must consent in writing to the maintenance of the road.*

Staff has been unable to locate the owners of the road parcel. However, Legal Services has advised that there is implicit consent as easements were given and it is our understanding that the road has been maintained by the lot owners without any complaint or interference of the road owners.

3. *An application for private road maintenance financing assistance under this policy shall be commenced by presenting a petition to the HRM Council. The presented petition shall be signed by property owners comprising at least two-thirds (66.7%) of both the principal residences and the road frontage on that portion of the private road for which the application is made.*

In June 2013, staff received a petition from the owners of property abutting Seafarers Lane and Pioneer Hill, requesting HRM collect their annual road maintenance dues via their property tax billings. Staff reviewed the petition and determined that the signatories represented at least two-thirds of the properties which would be charged the fee under the Policy.

4. *Notice of the meeting shall also be made not less than fourteen (14) days prior to the date of the meeting to all property owners that will be affected by the area rate through prepaid mail to their tax assessment addresses. The notice of the public meeting shall set out the date and time and place of the meeting, the name(s) of the applicant, describe the area to be subject to the application and the nature of the road maintenance proposed, the requested method of area flat rate determination (in conformity with this policy), the road maintenance plan and amount of the area flat rate to be requested in the application, and advise that rate payers will be entitled to vote and the method of voting. The mail notice shall contain regular postage pre-stamped self return envelopes, proxy forms and ballots approved to form by the HRM staff coordinator.*

The meeting notice and ballot mailed out to all affected property owners is included as Appendix C to this report. The meeting notice was developed by staff and included all the information required above as per the Private Road Maintenance Cost Recovery Policy. Self-addressed return envelopes were included in the mail-out, and a fax number was also provided.

5. *The meeting shall be conducted by the applicant under the supervision of the HRM staff coordinator. The applicant shall make a presentation to the meeting setting out the reasons and proposed purposes for the use of the area rate fund and the amount of the flat rate.*

A meeting of the affected property owners was held on Wednesday, March 12, 2014 at 19 Seafarers Lane in White's Lake. The HRM staff coordinator was present at the meeting to supervise the proceedings and to answer any questions with respect to the Private Road Maintenance Costs Recovery Policy. The President of the Association explained the amount and use of the uniform charge after which attendees had an opportunity to ask questions.

6. *The support for the proposed area flat rate shall be the owners of at least two-thirds (66.7%) of the affected properties.*

The owners of 21 of the 27 properties (78%) voted in favour of establishing an annual uniform charge of no more than \$150.00 each to fund the road maintenance activities of the Black's Subdivision Ratepayers Association.

7. *The application for the establishment of an area flat rate shall define the proposed area to which the flat rate is to apply with sufficient clarity to allow for proper implementation of the flat rate for billing purposes.*

The uniform charge would be applied to 27 properties abutting Seafarers Lane and Pioneer Hill, as depicted in the map shown in Appendix A of this report.

8. *An application shall include a budget in support of the proposed area flat rate.*

The budget in support of the proposed area flat rate (uniform charge) is included on the second page of Appendix C of this report. Staff have reviewed the budget and determined that it is sufficient to justify the amount of the area flat rate.

9. *The Applicant shall form, under the Societies Act, an incorporated association of the owners of the subject properties.*

Staff have verified with the Registry of Joint Stock Companies that the Black's Subdivision Ratepayers Association, Registry ID 2295826, is currently in good standing (i.e. not lapsed).

10. *The administration fee shall be a set up charge of \$200.00 for each area rate.*

The administration fee will be collected if Council approves the implementation of the uniform charge.

FINANCIAL IMPLICATIONS

If approved, the uniform charge would take effect in the 2014-15 fiscal year. As all funding is from the

uniform charge (i.e. no transfers from the general tax rate), there would be no impact on the HRM General Operating Budget at any time in the future.

The uniform charges are based on the 2014-15 operating budget of \$3,825. 24 of the 27 properties would be charged \$150 annually, while the other 3 properties would be charged \$75 annually. These 3 properties are charged a lower amount because two of them are used on a seasonal basis, while the third property is the only one located on Pioneer Hill which is much closer to the entrance onto the public road system. Details of the budget are provided in Appendix C of this report.

COMMUNITY ENGAGEMENT

The Community Engagement process is outlined in detail in the Discussion section of this report. All property owners were mailed a formal ballot which included information regarding the purpose and amount of the uniform charge, and the date, time and location of a public information meeting. The purpose of the meeting was to provide additional information and address questions and concerns raised by property owners.

ENVIRONMENTAL IMPLICATIONS

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

ALTERNATIVES

Council could deny approval of the uniform charge. This alternative is not recommended because owners of more than 66.7% of the affected properties voted in favour of paying the uniform charge which is the minimum required under the Private Road Maintenance Costs Recovery Policy.

ATTACHMENTS

- Appendix A: Map of Catchment Area for Proposed Uniform charge
- Appendix B: Draft of Administrative Order 45 Schedule 10
- Appendix C: Copy of Meeting Notice and Ballot mailed to Property Owners, including proposed budget

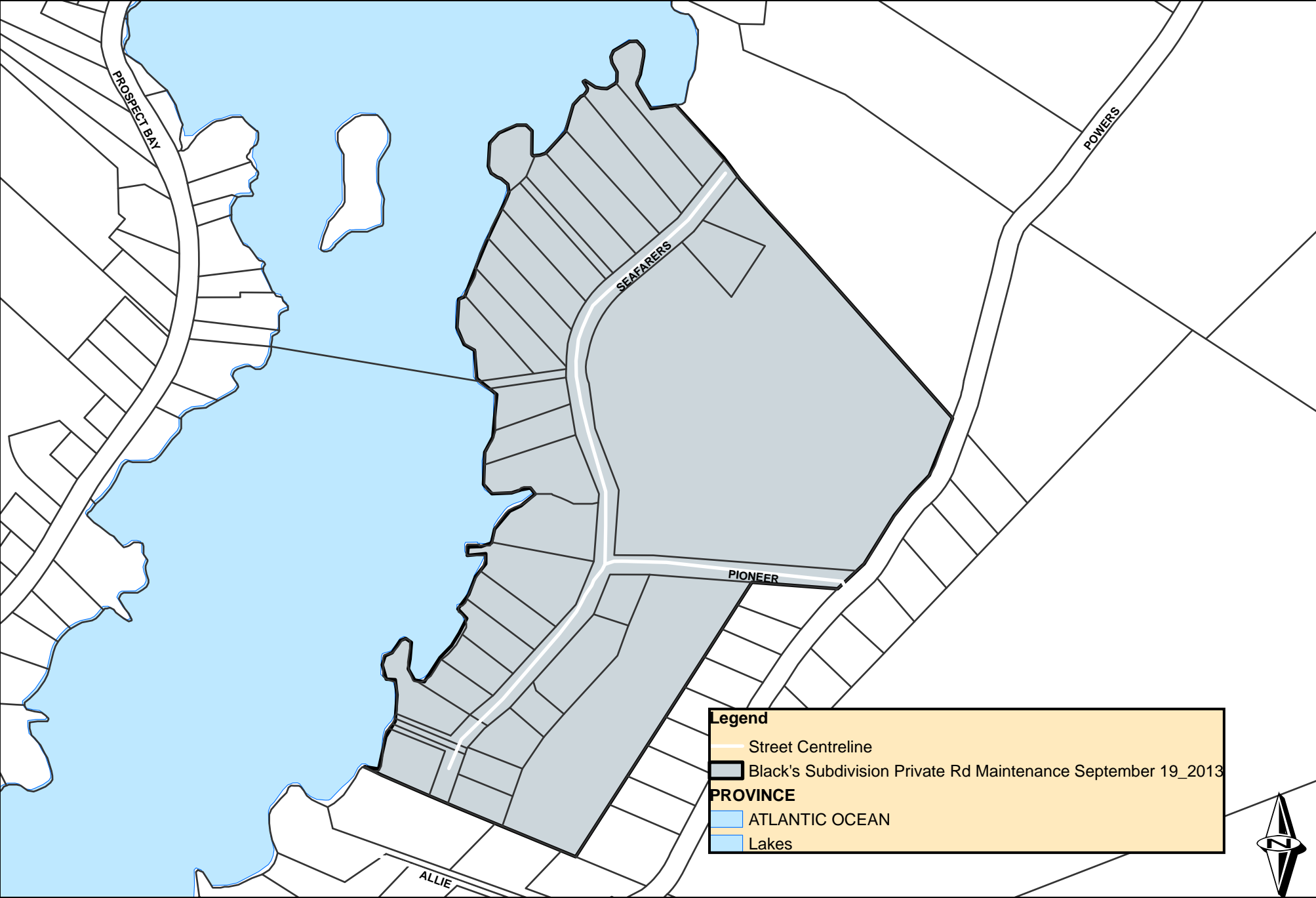
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Gordon Roussel, Sr. Financial Consultant, 490-2500

Report Approved by: _____
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Financial Approval by: _____
Greg Keefe, Director of Finance & Information, Communications & Technology/CFO, 490-6308

BLACK'S SUBDIVISION PRIVATE ROAD MAINTENANCE



Appendix B

Halifax Regional Municipality ADMINISTRATIVE ORDER NUMBER 45 Respecting Private Road Maintenance

1. Area Rate Charges pursuant to By-Law Number P-1100 Respecting Charges for Private Road Maintenance are hereby imposed in those areas described in the attached Schedules as is more particularly set out in the Schedules.

Schedule 10

- (a) An Area Rate Charge for properties fronting or abutting in whole or in part on Seafarers Lane or Pioneer Hill, private roads located in Black's Subdivision in the community of White's Lake as identified on the map dated September 19, 2013 attached hereto, shall be a flat area rate of no more than \$150.00 annually.
- (b) The Charges collected under this By-Law shall be used by the Black's Subdivision Ratepayers Association for the maintenance of Seafarers Lane and Pioneer Hill, including culverts, retaining walls, sidewalks, curbs and gutters that are associated with the roads. Road maintenance includes all work required to maintain the road in a serviceable condition year round and may include snow removal, grading, ditch and culvert and bridge repair and brush clearing.

Appendix C



BALLOT FOR PRIVATE ROAD MAINTENANCE TAX

Month Day, Year

FIRSTNAME LASTNAME
FIRSTNAME2 LASTNAME2
MAILINGADDRESS
CITY, PROV PC

Assessment # AAN#
CIVIC# STREET ST_TYPE, CITY LOTTYPE LOT#

Dear Property Owner:

The Halifax Regional Municipality has been petitioned by the owners of property abutting the private road on which you own the above referenced property. The petition concerns the possible implementation of an area property tax rate to fund the maintenance of Seafarers Lane and Pioneer Hill. Since those signing the petition represent at least 66.7% of the properties along Seafarers Lane and Pioneer Hill, a formal vote of all property owners must be held in accordance with the Municipality's Private Road Maintenance Costs Recovery Policy.

A ballot is provided at the bottom of this page. The purpose of this ballot is to determine whether at least 66.7% of owners with property abutting Seafarers Lane or Pioneer Hill wish to implement a per property charge of \$150.00 annually to maintain their road (\$75.00 for two seasonal properties and the one property on Pioneer Hill). If the 66.7% minimum is attained, then all property owners balloted would be required to pay the charge starting in 2014. The charges collected would be turned over to the Black's Subdivision Ratepayers Association which is responsible for maintaining the private roads.

Following Regional Council approval of the new property charge, a service agreement must be executed between HRM and the Black's Subdivision Ratepayers Association. On the reverse side of this letter is a summary of the responsibilities of both parties under the service agreement. The reverse side of this letter also includes a budget which outlines how the total estimated cost of services was determined. The budget also indicates how the annual per property charges were calculated.

As required by the Private Road Maintenance Costs Recovery Policy, a meeting of the owners of property abutting the private road will be held to provide additional information and to give property owners an opportunity to ask questions or raise concerns. The meeting will be held:

Wednesday, March 12 @ 7:00 p.m.
19 Seafarers Lane, White's Lake

Completed ballots may be dropped off at the meeting, faxed to 490-5622, or mailed in the enclosed self-addressed envelope. You may also scan and email the completed ballot to rousseg@halifax.ca. If you have any questions regarding the process, please contact Gordon Roussel at 490-2500.

Please note that all ballots must be received by March 21, 2014. If you are mailing in your ballot please allow adequate time for delivery. Results of the ballot will be communicated by the Black's Subdivision Ratepayers Association.

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- YES**, I am in favour of implementing the area rate for private road maintenance and paying an annual area rate of \$150.00 on my property tax bill (\$75.00 for two seasonal properties and one property on Pioneer Hill).
 - NO**, I am not in favour of implementing the area rate for private road maintenance.

Assessment # AAN#

NOTE: Only one vote per assessment number will be counted. Ballots with written-in, typed-in, or altered assessment numbers will not be accepted.

The Responsibilities of the Municipality under the Service Agreement:

- HRM’s responsibilities are restricted only to collecting the road maintenance fees on property tax bills and then turning those funds over to the Association.
- HRM does not have any responsibility to monitor or oversee how the Association spends the funds.
- HRM also does not provide any other services such as maintenance, engineering, technical or legal services or advice, and takes no responsibility for private roads or their condition.
- Therefore, HRM provides a fee collection service for the Association and nothing more. However, HRM does review the budget and year-end financial statements provided each year by the Association to ensure that the funds are spent in accordance with the purpose of the Area Rate.

The Responsibilities of the Association under the Service Agreement:

- The Association is required to provide to HRM each year a budget that has been approved at the Association’s Annual General Meeting (AGM). It must include the amounts to be spent on each type of road maintenance work and the costs for administration, insurance, etc.
- At the end of the year, the Association is to provide HRM with a copy of its financial statements for the year, also approved by the membership at the AGM. These financial statements must detail all expenditures made from the Area Rate funds.
- Maintenance of the road(s) and proper expenditure of the area rate funds is entirely under the control and direction of the Association.
- The area rate funds must be kept separate from other funds.
- While the Association is expected to seek competitive prices before hiring a third party to undertake Road Maintenance, HRM does not monitor compliance.
- Liability insurance is also the responsibility of the Association.
- The Association must maintain an active status with the Registry of Joint Stock Companies at all times.
- All property owners who are required to pay the Area Rate are members of the Association and are entitled to all rights and privileges as outlined in the Association By-Laws including the right to attend and vote at all general and special meetings of the Association.

**Black's Subdivision Ratepayers Association
2014 Road Maintenance Budget**

Revenue

24 properties	@ \$150 each =	\$ 3,600
3 properties	@ \$ 75 each =	\$ 225

Total Revenue \$ 3,825

Expenditures

Snow Clearing	\$ 400
Gravel & Ditching	500
Chloride/Grading	2,800
Bank Charges	25
Society Fees	50
Office Expenses	50

Total Expenditures \$ 3,825