



Subject: *Paving Petition Review*
To: CAO for Planning Advisory Committee, March 19, 2024
Date Prepared: March 12, 2024
Related Motions: C22(350)
Prepared by: Louise Andrews, Planning & Development Technician
Approved by: John Woodford, Director of Planning & Development

Summary

At the meeting of the Planning Advisory Committee on October 26, 2022, Council passed motion C22(350) where “Council authorize staff to bring a report reviewing the paving petition policy and possible incentives options for both developers and residents to pave their current public gravel roads.” This report will include a review of the current process, jurisdictional scan of other Municipalities’ paving policies, and possible amendments to the current process.

Financial Impact Statement

If Council accepts Option 1, the Municipality would contribute an additional 10% of the cost of road paving before HST. An extra \$100,000 would need to be added to the budget yearly for the paving reserve until the current gravel roads are paved. Exact costs will vary depending on the road.

If Council accepts Option 2, the Municipality will contribute an additional 20% of the cost of road paving before HST. An extra \$180,000 would need to be added to the budget yearly for the paving reserves until the current gravel roads are paved. Exact costs will vary depending on the road.

Recommendation

That direction be given to staff based one of the three options outlined in the report.

Draft Motion Options

Option 1:

The Planning Advisory Committee recommends to Council that Council:

Authorize staff to begin the process of amending the Local Improvement Charges Bylaw to allow for an increased Municipal contribution amount for road paving from 10% to 20% and remove the paving petition requirement but maintain an option for a petition if a gravel road is not listed to be paved that year; and

- *Pending a successful bylaw change, increase paving reserve budget in future fiscal years from \$20,000 to \$120,000; and*
- *Direct Staff to prepare a road prioritization list for direct investment from paving reserves.*

Option 2:

That Planning Advisory Committee recommends to Council that Council:

- *Authorize staff to begin the process of amending the Local Improvement Charges Bylaw to allow for an increased Municipal contribution amount for road paving from 10% to 30% and remove the paving petition requirement but maintain an option for a petition if a gravel road is not listed to be paved that year; and*

- *Pending a successful bylaw change, increase paving reserve budget in future fiscal years from \$20,000 to \$200,000; and*
- *Direct Staff to prepare a road prioritization list for direct investment from paving reserves.*

Option 3

Planning Advisory Committee recommends to Council that Council maintain the current Local Improvement Charges Bylaw.

Background

The motion addressed in this report is Motion C22(350) “..that Council authorize staff to bring a report reviewing the paving petition policy and possible incentives options for both developers and residents to pave their current public gravel roads.” Which was passed in relation to the October 2022 report regarding the construction of public gravel roads. This report reviews procedure in other municipalities for paving public gravel roads, and outlines funding options & scenarios for paving public gravel roads in East Hants.

At their meeting in February 2024, Council passed a motion to maintain the current Subdivision Bylaw regulations that permit the construction of Municipal public gravel roads outside of GMA’s and GRA’s which means that the municipality bears the future cost of maintaining these roads.

Discussion

The current procedure for processing a paving petition under bylaw F-100 begins with at least two owners of properties that would be subject to the petition requesting one, or a motion from Council directing staff to initiate a petition. The request from residents or direction from Council must include a description of the proposed local improvement, the desired method of charge, and the proposed charge area. A petition package is then prepared by municipal staff which includes the items described, the estimated total cost, the estimated cost for each property, and the financing options. The package also includes a letter explaining the local improvement process and will give each property owner an opportunity to vote ‘yes’ or ‘no’ for the local improvement. After the petition package is sent to the property owners in the charge area, they are given 30 days to respond.

A paving petition is successful where the properties representing at least 2/3s of the total properties are in favour of the local improvement. If the Municipality does not receive a response from the owners by the petition deadline, the owners will be deemed to have voted NO and not be in favour of the local improvement. If the petition is successful, the Local Improvement goes ahead. Residents on Municipal roads are responsible for 90% of the cost, and the Municipality is responsible for 10%. For Provincial roads, the Province will pay 50% of the cost upon request (subject to Provincial budgets and approvals), and the residents are responsible for 50%.

JURISDICTIONAL SCAN

A jurisdictional scan of some Nova Scotia municipalities showed similar methods regarding the paving of public gravel roads, and some take a different approach.

In Colchester County, the process is similar to that of East Hants’. However, paving petitions are permitted to be initiated by one resident.

In the District of Lunenburg, they changed the road improvement policy in 2017 to remove the need to petition residents. The new policy allows Council to directly invest in paving municipal roads through a prioritization process. Staff have reached out to the District of Lunenburg to understand the amount the

resident pays and will update PAC with this information if received. Residents are still able to initiate a paving petition if they wish to advance a municipal or provincially cost-shared road for improvement.

In the Halifax Regional Municipality, a cost shared gravel road paving program is under evaluation by Municipal staff. In 2016 under Halifax Regional Council's direction, Staff revised the Local Improvement Charge Policy. These revisions eliminated the right to petition, lowered the Local Improvement Charge for the resident from 50% to 33.3%, leaving 66.66% to the Municipality. HRM has a significantly larger inventory of Municipal gravel roads at sixty-three (63) Municipal gravel roads as of 2017 which requires a comprehensive program. Since then, 15 of the 63 Municipal gravel roads have been paved through the Gravel Road Paving Program where the Municipality takes on a majority of the cost of paving. The Staff working on the Gravel Road Paving Program submit to Council a prioritized list out of the remaining gravel roads based on criteria such as the cost-benefit of paving, existing road condition, level of maintenance, road classification, traffic volume, etc.

DRAFT CHANGES TO BYLAW

In the potential revisions to bylaw F-100-8, some features are borrowed from both the District of Lunenburg and Halifax Regional Municipality. Both Municipalities have removed the requirement for petitions and allow for Council to make direct investments in the paving of public gravel roads and impose Local Improvement Charges without surveying residents. The District of Lunenburg has preserved the option to initiate a petition if a resident's road is not on the prioritized list for the year in their road improvement policy.

Shown in Appendix A, B, C & D is an analysis of the remaining Public Gravel Roads in East Hants. There are 8 public gravel roads remaining in the Municipality that have no current plans for paving. These roads total 4.85 km. These roads are both entirely municipally owned and partially municipally owned with provincially owned sections. Provincial roads would be eligible for the cost sharing agreement with Provincial Public Works pending funding. The table shows the remaining gravel roads, their length, the approximate frontage, approximate cost per metre to pave¹, the cost to property owners per metre, the total cost of the project based on the approximate frontage, the Municipal contribution amount, the residents' contribution amount, and the cost per resident based on the average amount of frontage per property on the subject road. The attachments include the current 10%, and the proposed 20% & 30% contribution amount from the Municipality for comparison.

At their meeting in February 2024, Council passed a motion to maintain the current Subdivision Bylaw regulations that permit the construction of Municipal public gravel roads outside of GMA's and GRA's which means that the municipality bears the future cost of maintaining these roads. Following the jurisdictional scan, staff analyzed what a 66.6% contribution by the municipality of paving municipal gravel roads would look like. If the municipality pays the lion's share of the cost of paving, this will discourage developers from constructing paved roads and would push the costs of the development onto the general tax rate. For the information of PAC, planning staff have provided the analysis of the municipality contributing 66.6% and this analysis has been included in Appendix D but staff do not recommend this approach.

Three draft motion options are provided with this report. The first two options propose removing the paving petition requirement and to create a road prioritization list. The ability to undertake Paving Petitions is proposed to be maintained where a gravel road is not proposed to be paved that year. The amount of municipal contribution and recommended financial amount to be added to the reserve budget is different in all three options and is summarized as follows:

Option 1:

- Amend the municipal contribution for road paving from 10% to 20%; and
- Increase paving reserve budget in future fiscal years from \$20,000 to \$120,000.

¹ Based on figures from the Road Gap Paving Project

Option 2:

- Amend the municipal contribution amount for road paving from 10% to 30%; and
- Increase paving reserve budget in future fiscal years from \$20,000 to \$200,000.

Option 3:

To maintain the current Local Improvement Charges Bylaw.

The total cost of paving all roads would be approximately 3.92 million dollars. Under the 10% contribution model, the approximate cost per resident ranges between \$9,636 and \$26,148 and the total Municipal cost would be approximately \$391,468. These costs are based on figures from the Road Gap Paving Project calculated in 2023.

There is precedent and a framework set by the Road Gap Paving Project that could be applied to paving existing public gravel roads. Each year, there is \$20,000 set aside in the Transportation - Paving reserve. After the Road Gap Paving Project is complete, there will be \$200,000 remaining in the reserve. This would be available as a funding source for paving Municipal gravel roads. The same charge models, where property owners are charged based on three categories depending on their access to the subject road, could be applicable in this case. The two motion options include a recommendation to increase the amount added to reserves in future years.

RESERVES

If Council decides to keep municipal contribution for paving public gravel roads at 10%, it would cost the municipality approximately \$400,000 to pave the current gravel roads. This could be achieved by adding \$40,000 per year to the reserve over five years in addition to the existing paving reserve.

If Council selects the option to increase the municipal contribution to 20%, it would cost the municipality close to \$800,000. To have the reserve amount sufficient for this within 5 years this could be achieved by adding \$120,000, in addition to the existing paving reserve.

If Council selects the option to increase the municipal contribution to 30%, it would cost the municipality close to 1,200,000. To have the reserve amount sufficient within 5 years this could be achieved by adding 200,000 per year, in addition to the existing paving reserve.

The reserve amounts per year could be reduced by increasing the time period of the project from 5 years.

Note - Schedule A of the MOU between the Province and Municipalities is going to deal with the transfer of provincial roads to municipalities and this might be changing if new legislation is put forward.

STRATEGIC ALIGNMENT

Sustainable Infrastructure - Paved roads have a longer lifespan and don't require as much maintenance as gravel roads (grading, dust control).

LEGISLATIVE AUTHORITY

Section 81-1 By-law regarding payment of charges under the Municipal Government Act.

Conclusion

Council directed Staff to bring a report to Planning Advisory Committee regarding incentives for both developers and residents to pave their current gravel roads. This report outlines three options, two of which are to amend the existing bylaw and one option is to maintain the existing bylaw.

Attachments

Appendix A - Table showing the cost to pave existing municipal gravel roads with 10% municipal contribution (existing contribution)

Appendix B - Table showing the cost to pave existing municipal gravel roads with 20% municipal contribution

Appendix C - Table showing the cost to pave existing municipal gravel roads with 30% municipal contribution

Appendix D - Table showing the cost to pave existing municipal gravel roads with 66.6% municipal contribution

- this is not recommended

Appendix A

Road	Length km	Approximate Frontage m	Cost per Metre	Cost per Metre Resident	Total Cost	Municipal 10%	Resident 90%	Cost per Resident
Bell Court (Civic 1 to 39, 53)	0.919	949	440	396	417,560.00	41,756.00	375,804.00	9,636.00
Edmund Road (Civic 83 to 91)	0.122	245	440	396	107,800.00	10,780.00	97,020.00	16,170.00
Jorphie Drive	0.477	850	440	396	374,000.00	37,400.00	336,600.00	16,028.57
Matheson Court	0.335	696	440	396	306,240.00	30,624.00	275,616.00	25,056.00
McKenzie Lane (Civic 70+)	0.26	575	440	396	253,000.00	25,300.00	227,700.00	15,180.00
Pine Court	0.452	974	440	396	428,560.00	42,856.00	385,704.00	17,532.00
Thomas Street (Civic 1 to 241?)	1.195	2429	440	396	1,068,760.00	106,876.00	961,884.00	21,375.20
Whitney Maurice Drive (Civic 14 to 119)	1.096	2179	440	396	958,760.00	95,876.00	862,884.00	26,148.00
Totals:	4.856				3,914,680.00	391,468.00	3,523,212.00	

Appendix B

Road	Length km	Approximate Frontage m	Cost per Metre	Cost per Metre Resident	Total Cost	Municipal 20%	Resident 80%	Cost per Resident
Bell Court (Civic 1 to 39, 53)	0.919	949	440	352	417,560.00	83,512.00	334,048.00	8,565.33
Edmund Road (Civic 83 to 91)	0.122	245	440	352	107,800.00	21,560.00	86,240.00	14,373.33
Jorphie Drive	0.477	850	440	352	374,000.00	74,800.00	299,200.00	14,247.62
Matheson Court	0.335	696	440	352	306,240.00	61,248.00	244,992.00	22,272.00
McKenzie Lane (Civic 70+)	0.26	575	440	352	253,000.00	50,600.00	202,400.00	13,493.33
Pine Court	0.452	974	440	352	428,560.00	85,712.00	342,848.00	15,584.00
Thomas Street (Civic 1 to 241?)	1.195	2429	440	352	1,068,760.00	213,752.00	855,008.00	19,000.18
Whitney Maurice Drive (Civic 14 to 119)	1.096	2179	440	352	958,760.00	191,752.00	767,008.00	23,242.67
Totals:	4.856				3,914,680.00	782,936.00	3,131,744.00	

Appendix C

Road	Length km	Approximate Frontage m	Cost per Metre	Cost per Metre Resident	Total Cost	Municipal 30%	Resident 70%	Cost per Resident
Bell Court (Civic 1 to 39, 53)	0.919	949	440	308	417,560.00	125,268.00	292,292.00	7,494.67
Edmund Road (Civic 83 to 91)	0.122	245	440	308	107,800.00	32,340.00	75,460.00	12,576.67
Jorphie Drive	0.477	850	440	308	374,000.00	112,200.00	261,800.00	12,466.67
Matheson Court	0.335	696	440	308	306,240.00	91,872.00	214,368.00	19,488.00
McKenzie Lane (Civic 70+)	0.26	575	440	308	253,000.00	75,900.00	177,100.00	11,806.67
Pine Court	0.452	974	440	308	428,560.00	128,568.00	299,992.00	13,636.00
Thomas Street (Civic 1 to 241?)	1.195	2429	440	308	1,068,760.00	320,628.00	748,132.00	16,625.16
Whitney Maurice Drive (Civic 14 to 119)	1.096	2179	440	308	958,760.00	287,628.00	671,132.00	20,337.33
Totals:	4.856				3,914,680.00	1,174,404.00	2,740,276.00	

Appendix D - provided for information only

Road	Length km	Approximate Frontage m	Cost per Metre	Cost per Metre Resident	Total Cost	Municipal 66.66%	Resident 33.33%	Cost per Resident
Bell Court (Civic 1 to 39, 53)	0.919	949	440	146.652	417,560.00	278,345.50	139,172.75	3,568.53
Edmund Road (Civic 83 to 91)	0.122	245	440	146.652	107,800.00	71,859.48	35,929.74	5,988.29
Jorphie Drive	0.477	850	440	146.652	374,000.00	249,308.40	124,654.20	5,935.91
Matheson Court	0.335	696	440	146.652	306,240.00	204,139.58	102,069.79	9,279.07
McKenzie Lane (Civic 70+)	0.26	575	440	146.652	253,000.00	168,649.80	84,324.90	5,621.66
Pine Court	0.452	974	440	146.652	428,560.00	285,678.10	142,839.05	6,492.68
Thomas Street (Civic 1 to 241?)	1.195	2429	440	146.652	1,068,760.00	712,435.42	356,217.71	7,915.95
Whitney Maurice Drive (Civic 14 to 119)	1.096	2179	440	146.652	958,760.00	639,109.42	319,554.71	9,683.48
Totals:	4.856				3,914,680.00	2,609,525.69	1,304,762.84	