



NOVA SCOTIA
FEDERATION OF
MUNICIPALITIES

PROGRESS REPORT ON THE PARTNERSHIP FRAMEWORK BETWEEN NSFM AND DMA

TO: Mayors/Wardens, Councillors, All Units

CC: Chief Administrative Officers/Clerk-Treasurers, All Units

FR: Deputy Mayor Geoff Stewart, President, NSFM

Dear Members,

Please find attached the most recent progress report on the Partnership Framework signed in May between NSFM and the Department of Municipal Affairs. The Partnership Framework is also attached.

Included in the Progress report is a description of the work undertaken and completed over the last year. Many of the items in the Framework stem from our 2017 Resolutions. The report shows that there is progress being made, however many of these are long-standing, complex issues that will take time. The Ministers Roundtable with NSFM Executive on November 30th provided an opportunity to review this progress and to commit to continuing to push for completion. Three commitments have been completed.

Included in this report is a list of 15 legislative amendments or new bills passed since 2015 by the provincial government.



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PARTNERSHIP FRAMEWORK - ANNUAL PROGRESS REPORT

October 30, 2018

Joint Strategic Plan

Develop a joint two-year Strategic Plan that encourages 'Municipal Modernization', i.e. municipal cooperation and regional governance. The first iteration of the joint Strategic Plan shall consist of, but is not limited to, a strategy for regional collaboration through:

1.
 - a. The modernization of the Municipal Government Act and HRM Charter;
 - b. Regional planning support, including developing minimum planning standards;
 - c. Municipal Equalization and Provincial Grants; and
 - d. The creation of economic development tools.

Status – In progress



- a. The modernization of the Municipal Government Act and HRM Charter;

This past July the Department of Municipal Affairs consulted with municipal staff and elected officials across Nova Scotia on a proposal to modernize the MGA and HRMC by providing greater flexibility in the ways municipalities can expend money.

The proposal would replace the restrictive list of over 60 items that municipalities are currently permitted to spend on with broad authority to expend for any municipal purpose within their budget. This approach is consistent with other provinces that have modernized their municipal legislation. DMA is working to address the comments and concerns raised during consultation.

DMA continues to investigate additional ways to “modernize” the legislation; providing broader authority to municipalities generally, making the Acts more flexible to reduce the need for future amendments, and providing additional authorities to regional governments in recognition of their unique status in our municipal framework. This includes working directly with CBRM and HRM to understand their specific legislative needs.

- b. Regional planning support, including developing minimum planning standards;

Amendments to the Municipal Government Act and the Halifax Charter outlining Mandatory Planning and Minimum Planning Requirements were introduced to the Legislature on 25 September 2018.

Under the new amendments, municipalities will be required to create land use plans to meet specific requirements. These requirements will reflect a minimum

threshold for land use planning. The amendments will also require municipalities to consult with neighbouring communities when adopting or amending their plan.

DMA staff are reviewing the Statements of Provincial Interest (SPI), both in content and application, as they relate to the objective of supporting regional planning and the establishment minimum planning standards.

c. Municipal Equalization and Provincial Grants; and

The municipal equalization program continues to support municipalities in providing similar levels of local service for similar levels of taxation. Through past reviews, the NSFM, AMA and DMA have identified opportunities to improve the program and ensure that the operating grant is aligned with the principles of municipal modernization.

NSFM and DMA recognize the challenges of changing the formula within existing funding levels, which would involve moving funds from one municipality to another. NSFM continues to advocate for additional municipal funding to address cost pressures, with a focus on key areas: mandatory education, cannabis, the level of funding in the equalization program, and the need to help municipalities comply with provincial accessibility legislation.

d. The creation of economic development tools.

Through the municipal modernization initiative, DMA is working with other provincial departments, the NSFM, AMA and RENS to identify opportunities to provide municipalities with additional tools for the purpose of economic development. Initial stakeholder discussions have focused on the appropriate role for municipalities along with the other organizations involved in economic development.

Any additional legislative economic development tools will need to address concerns raised by municipalities of a 'race to the bottom' and have appropriate safeguards to ensure internal & international trade agreements are not impacted.

A growing number of municipalities are taking advantage of the Commercial Development District by-law which allows for the phasing in of increases to commercial assessments as a planning and economic development tool.

Regional Enterprise Networks

- 2 Continue to support the Regional Enterprise Network (REN) Model to enhance economic development throughout the province.

Status – In progress

-  DMA supported the second annual Partners for Progress REN conference on September 5th, 2018. The event brought together business leaders as well as elected officials and staff from municipalities, the province, and the federal government. The conference examined lessons learned and opportunities going forward for the network of RENs province wide.

DMA is continuing to meet with REN Boards and Liaison & Oversight Committees to determine what is working, what improvements could be made and how better to measure outcomes.

Representatives from DMA continue to work with CBRM, Colchester, Cumberland and Pictou municipalities to support organizational formation and development. They are also working with municipalities in the South Shore Regional Enterprise Network area to determine a path forward given the dissolution of that REN.

RENs are also partnering with the Department of Labour and Advanced Education and the Office of Immigration to roll out the Connector Program and the Atlantic Immigration Pilot respectively. Conversations are ongoing with Develop NS to determine the RENs' role in supporting the provincial rural broadband initiative.

Asset Management

- 3 Continue to support the development of the Asset Management System

Status – In progress

-  The Department of Municipal Affairs (DMA) has developed a province-wide asset management approach for municipal infrastructure which relies on the leadership, direction and support of the multi-disciplinary Nova Scotia Asset Management Working Group (NSAMWG) comprised of our municipal partners. Two cornerstone program components, designed to complement each other, have continued in parallel:

1. Asset Management Pilot Projects – The first Pilot Project included five (5) participating municipalities (Port Hawkesbury, Mahone Bay, Lockeport, Shelburne (T),

and Argyle) has been completed. This first Pilot provided the opportunity to test (linear) data collection templates and data collection tools and resources developed in consultation with the NSAMWG. Data collection tools and resources from this initial phase were made available province-wide in the Summer 2018. Interim technical expertise has also been retained to support:

- the dissemination of the first Pilot project tools and resources;
- ongoing internal capacity building; as well as
- the continued data collection necessary to develop the next phases of the program.

A second Pilot Project including the Municipality of the County of Antigonish and the Town of Antigonish has also been approved and is currently underway. The second Pilot will allow for further testing of the existing data collection tools/resources within a larger rural municipality as well as permit further investigation of potential Regional Collaboration benefits.

2. Asset Registry Project - supported by the Provincial Tangible Capital Asset (TCA) Funding, this project is currently underway with the purpose of developing a platform for the storage and mapping of municipal infrastructure assets. The information from the first Pilot Project has been used to support the development of the first phase of Registry initiative, which is currently nearing completion. The completion of the remaining phases (anticipated 3 remaining phases) is to be determined pending the results of a Request for Proposal (RFP) that is expected to be issued this fall.

The Nova Scotia Federation of Municipalities (NSFM) and DMA have been working closely on continuing to assist municipalities with further understanding the benefits and tools/resources available to assist councils in their asset management processes by:

- Collaborating to produce an online e-learning course focused on the tools and resources developed from the first Pilot;
- Conducting webinars as another means to share information regarding the current status of the Nova Scotia Asset Management Program;
- Collaborating to produce a Nova Scotia Asset Management Program update article for the next issue of the Municipal Voice;
- Collaborating to produce/issue an asset management survey for municipalities, the results of which are intended to further support the continued development of the Nova Scotia Asset Management Program; as well as
- Participating in asset management knowledge and skill transfer conferences to share approaches, tools/resources and lessons learned, thus far.

Fire Services Review

4 Continue work on the Fire Services Review

Status – In progress

● NSFM and AMA, with support from DMA, engaged a consultant to facilitate a discussion on fire services. A Project Steering Committee comprised of representatives from NSFM, AMANS, the Fire Services Association, and the Department of Municipal Affairs (the Fire Marshal's Office) provided oversight.

The consultants' report was released in August 2016 and it recognized the shared responsibilities for fire services in the province. As a result, a joint committee was created in Fall 2017 with representatives from municipalities, the fire service, and DMA. The joint committee has met on several occasions over the past year and has submitted their final recommendations and workplan in accordance with their Terms of Reference to DMA, NSFM, AMANS and the Fire Services Association of Nova Scotia.

The joint committee also sought and received approval from the NSFM, AMA and DMA for: the establishment of an on-going Stakeholder Committee; acceptance of the proposed Workplan; and approval for the current joint committee to transition into the new Stakeholder Committee so that work can continue in a timely manner.

Roads

5 Identify options for an appropriate road network throughout the province to support safety, economic development and continued viability of communities.

Status – In progress

● Transportation and Infrastructure Renewal (TIR) has begun talks with the NSFM regarding this very topic. TIR and NSFM has created a working group to address road concerns from both NSFM and TIR. All but one member has been appointed to the working group. The first meeting has been scheduled for November 1, 2018. TIR will be able to give a more fulsome update once these meetings are underway.

High-speed Internet Connections

6

Work toward having all communities able to access high-speed internet connections to support economic development, education and health outcomes.

Status – In progress



The Government of Nova Scotia is committed to improving high-speed internet service. The Nova Scotia Internet Funding Trust has been established with a financial commitment of \$193 million to fund high-speed internet projects connecting more communities, homes and businesses across the province. Trustees include Greg Keefe, Mark Thorburn and Margaret MacDonald (Trust Chair).

Money from the trust will be used to: Secure satellite internet service for underserved areas; and Fund “last mile” and “middle mile” projects to improve internet service for underserved areas.

Projects supported by the trust must align with the Government of Nova Scotia’s strategic approach to improving high-speed service, which is informed by Brightstar Canada’s “Middle Mile” and “Last Mile” reports. In summary:

- More than 95% household coverage for Nova Scotians through high-speed internet connections, including satellite for hard-to-reach communities;
- Speeds of 50 Mbps download and 10 Mbps upload for wired (fiber, cable) and at least up to 25 Mbps download for wireless (fixed wireless, satellite);
- Recommend competitive process for all services, including satellite; and
- Public investment required to ensure system is built.

Develop Nova Scotia (DNS) is the crown corporation tasked with driving strategic economic development across Nova Scotia (formerly known as “Waterfront Development Corporation Limited”), including improving internet infrastructure. DNS is developing an implementation strategy to operationalize Brightstar’s recommendations for improving internet service and consulting with key stakeholders across Nova Scotia. DNS and the Internet Funding Trust will also sign an agreement to formalize roles and responsibilities. By the end of the year, the competitive process will begin to expand high-speed Internet in Nova Scotia.

In addition to the above, the following outreach initiatives are underway:

- DNS has been touring the province and listening to industry and municipalities about the best path forward. They are taking this feedback and using it to develop their Internet Implementation plan. All municipalities and Regional Enterprise Networks were invited to attend engagement sessions in eight locations across the province in August of 2018.

- DNS is meeting with municipalities who received Connect to Innovate funds to ensure maximized use of funds.
- The NSFM, in collaboration with Develop NS, held a municipal workshop on October 11, 2018 on Rural Internet. At the workshop the Government of Nova Scotia announced it would soon be releasing its action plan for meeting a target of at least 95% of household coverage through high-speed internet connections, with the hope of achieving a higher percentage. Work will continue to develop opportunities to support the implementation of the plan.
- DNS will attend the annual Association of Municipal Administrators Fall Conference on October 17.
- DNS will present at the NSFM Annual Conference in November.
- DNS will review the possibility of addressing cell coverage gaps.

Capped Assessment Program	
7	Review any issues associated with the Capped Assessment Program and make recommendations on proposed solutions.
Status – In progress	
	<p>The Department of Municipal Affairs continues to monitor the impacts of the Capped Assessment Program and investigate opportunities to improve property tax relief for rate payers.</p> <p>The NSFM is working with municipalities to improve education around the CAP program. The Nova Scotia Real Estate Association, the Nova Scotia Homebuilders, the Canadian Mortgage Brokers Atlantic, the Real Estate Lawyers Association of Nova Scotia, and the Real Estate Appraisers Association are working with NSFM to develop possible solutions to present to the province for consideration.</p>

SHIFT	
8	Continue to support the implementation of the SHIFT goals, as outlined in the 2018 SHIFT MOU between the NSFM and Department of Seniors, that enable the development of age-friendly communities throughout Nova Scotia.
Status – In progress	
	A Terms of Reference for the “Joint Nova Scotia Municipal Steering Committee on Aging” has been drafted and recruitment of members will be underway shortly. The Committee will focus on initiatives under the Shift action plan that support aging in

place throughout the province.

COMPLETED PARTNERSHIP FRAMEWORK JOINT PRIORITIES

Priority Name	Status	Final Response
Financial Condition Index	Complete	<p>A collaborative review was conducted by the Municipal Indicator Committee. The review noted a high level of satisfaction and, as a result, revisions to indicators were kept to a minimum including:</p> <ul style="list-style-type: none"> • Reduced indicators from 15 to 13 • Moved to a risk scale and thresholds were adjusted to be consistent with other jurisdictions. • The two FCI Reports were combined to ease reporting burden and to: <ul style="list-style-type: none"> ○ better reflect environmental factors that can be helpful in understanding indicator trends ○ report additional financial measures and demographic indicators which can help highlight issues and trends <p>Letters were also sent by DMA to municipalities experiencing an ongoing large number of red flags, offering assistance to help them address their financial issues.</p>
Accountability and Transparency	Complete	<p>Based on the recommendations of the JMAT committee, legislation to help municipalities and villages be more consistent and accountable for expense reporting and accountability became law on October 26, 2017. The FRAM has also been updated which accounts for three of the four outstanding recommendations.</p> <p>The Enhancements to FRAM will:</p> <ul style="list-style-type: none"> • Provide Minimum policy content on: <ul style="list-style-type: none"> ○ Hospitality Policy; ○ Expense Policy; ○ Audit Committee Policy (or terms of reference) • Outline any additional reporting requirements and audit requirements; • Strengthen the registered municipal audit requirements; • Clarify the minimum requirements for management and internal control letters; and • Enhance the audit committee role, composition and training requirement.
Consultation Protocol	Complete	<p>Guidelines for municipal consultation were developed, which outline the principles of a systematic approach to working with municipalities during the early development of provincial regulation and legislation that may impact municipalities. These guidelines were shared with all government departments.</p>

DMA – List of past Legislative Amendments

Fall 2018

Bill 55 – Incorporates the Windsor and West Hants into a regional municipality

Bill 58 – Establishes requirement for municipal planning strategies with minimum planning requirements

Spring 2018

Bill 79 – PVSC reduces size of Board of Directors and changes composition to require independent members

Bill 82 – HRM District Energy System: Requires any future development in Cogswell to be connected to a district energy system

Bill 84 - Bonus Zoning for HRM (was previously only permitted in the Centre Plan Area)

Bill 85 – CBRM SHIP - Sell or lease certain properties (defined in regulation) at less than market value if 2/3 majority of council votes on resolution, with public hearing. Allows taxation agreement with eligible industrial property

Bill 118 – Parental Accommodations allowing municipally elected officials to miss three council meetings without risking the loss of their seat or financial penalty.

Fall 2017

Bill 10 – Based on work of Joint Municipal Accountability and Transparency (JMAT) committee, requires municipalities to adopt expense and hospitality policies and establishes requirements for them; requires adoption of a code of conduct and establishes requirements. Requires publication of expense and hospitality reports

Fall 2016

Bill 22 – Halifax Water Commission: changes composition of the board, allow HRM to dissolve commission, requires a long term strategic plan for HRM's approval

Bill 52 – Allowing HRM to establish separate commercial tax rates in areas it designates, separate commercial rates based on frontage, and establish tiered commercial property tax rates

Bill 62 – PACE program – allowing municipalities to expend money and make by-laws respecting the financing and installation of equipment on private property for the purposes of supply, use, storage, or conservation of water

Spring 2016

Bill 154 – Allowing HRM to enact campaign financing bylaws for municipal elections

Bill 152 – removing requirement that municipal debentures be sealed with the municipal seal (MFC)

Bill 177 – authorizes municipalities to pass a by-law (with ministerial approval) that will phase in increases to assessment for eligible commercial properties – in conjunction with their municipal planning strategy

Fall 2015

Bill 139 – Municipal Elections Act – changes to elections process (eligibility to vote, nomination process, as recommended by elections committee

Department of Municipal Affairs/Union of Nova Scotia Municipalities Partnership Framework

Guiding Principles

The Province of Nova Scotia and the Union of Nova Scotia Municipalities (UNSM) are committed to achieving a shared vision of healthy and vibrant communities in Nova Scotia.

The Province of Nova Scotia and UNSM recognize that joint engagement in government-decision making processes that impact local governments is critically important to success.

The Province of Nova Scotia and UNSM agree to work collaboratively to address issues of common interest.

This Partnership Framework formalizes our commitment to work together on joint priorities, to enhance communications, and to be accountable for outcomes.

Joint Provincial/Municipal Priorities

1. Develop a joint two-year Strategic Plan that encourages 'Municipal Modernization', i.e. municipal cooperation and regional governance. The first iteration of the joint Strategic Plan shall consist of, but is not limited to, a strategy for regional collaboration through: **
 - a. The modernization of the Municipal Government Act and HRM Charter;
 - b. Regional planning support, including developing minimum planning standards;
 - c. Municipal Equalization and Provincial Grants; and
 - d. The creation of economic development tools.
2. Continue to support the Regional Enterprise Network (REN) Model to enhance economic development throughout the province.
3. Continue to support the development of the Asset Management Strategy.
4. Continue work on the Fire Services Review.
5. Identify options for an appropriate road network throughout the province to support safety, economic development and continued viability of communities.*
6. Work toward having all communities able to access high-speed internet connections to support economic development, education and health outcomes.*
7. Review any issues associated with the Capped Assessment Program and make recommendations on proposed solutions.*
8. Continue to support the implementation of the SHIFT goals, as outlined in the 2018 SHIFT MOU between the UNSM and Department of Seniors, that enable the development of age-friendly communities throughout Nova Scotia. *

* Addition for 2018-2019

Governance and Accountability

For each of the items identified, a work plan will be developed that includes deliverables, identified responsibilities, and timelines.

The Minister and Deputy Minister of the Department of Municipal Affairs will meet with the UNSM Board regularly to discuss the progress of the priorities established in the joint strategic plan.

The Ministers' Round Table will meet two times per year to discuss the progress of the priorities and to identify emerging issues.

Key Ministers and Deputies will be engaged as required based on their relationship to the joint priorities.

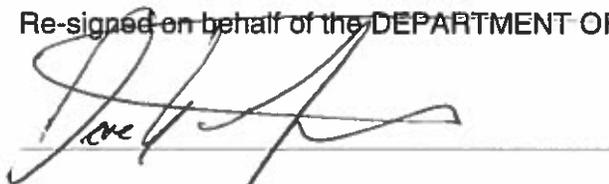
Should issues arise that will impact on the progress of workplans, UNSM and the Province agree to work collaboratively to identify alternatives and solutions.

The Partnership Framework will be reviewed on an annual basis by the Province of Nova Scotia and the UNSM and both parties will agree on priorities for the following planning period.

The Province of Nova Scotia and the UNSM agree to share information, research and analysis, to support the development and implementation of the identified projects.

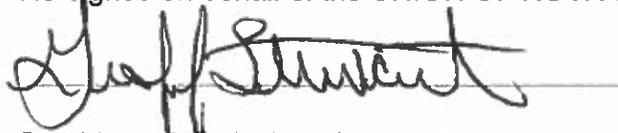
The Province of Nova Scotia and the UNSM understand the resource commitments associated with these projects and commit to delegating personnel resources, where possible, to these projects.

Re-signed on behalf of the DEPARTMENT OF MUNICIPAL AFFAIRS by:



Minister of Municipal Affairs, Halifax, Nova Scotia
Honourable Derek Mombourquette

Re-signed on behalf of the UNION OF NOVA SCOTIA MUNICIPALITIES BY:



President of the Union of Nova Scotia Municipalities, Halifax, Nova Scotia
Councillor Geoff Stewart

Dated this 2nd day of May, 2018