

GRANT COMMITTEE
MINUTES
May 11, 2009

PRESENT: Councillor Russell Walker, Chair
Councillor Jennifer Watts
Councillor Peter Lund
Councillor Barry Dalrymple
Mr. Andrew Higdon
Mr. Geoff Baker
Ms. Monica Jordan
Mr. David Woo

REGRETS: Councillor Tim Outhit
Councillor Jim Smith
Ms. Gina Byrne

STAFF: Ms. Tara Legge, Coordinator, Service Delivery
Ms. P.J. Temple, Team Lead, Tax, Grants and Special
Projects
Ms. Julia Horncastle, Acting Municipal Clerk

1.	CALL TO ORDER.	03
2.	APPROVAL OF MINUTES - March 2, 2009.	03
3.	APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS.	03
4.	DEFERRED BUSINESS.	03
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	2. Staff Report dated January 17, 2009.	03
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1. CALL TO ORDER

The meeting was called to order at 2:30 p.m. in the Finance Boardroom, 3rd Floor, Duke Tower.

2. APPROVAL OF MINUTES - March 2, 2009

MOVED by Councillor Lund, seconded by Councillor Watts, that the minutes of March 2, 2009 be approved. MOTION PUT AND PASSED.

3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED by Andrew Higdon, seconded by Councillor Lund, that the Order of Business be approved. MOTION PUT AND PASSED.

4. DEFERRED BUSINESS - NONE

5. BUSINESS ARISING OUT OF THE MINUTES - NONE

6. REPORTS

6.1 Property Matter - Less than Market Value Sale 213-217 Bedford Highway Halifax - Feed Nova Scotia

- A supplementary report dated February 20, 2009 was before the committee
- Staff report dated January 17, 2009 was before the Committee

Ms. P. J. Temple, advised that the initial amount paid was five hundred and fourteen thousand (\$514,000).

In response to Councillor Lund, Ms. Temple stated that upon review the amount (\$514,000) looks to include two hundred thousand (\$200,000) for a settlement. She noted that if HRM took the two hundred thousand (\$200,000) out, then HRM paid net three hundred and fourteen thousand and sold at a discount. She advised it is collectable debt and therefore cannot be waived. She suggested that at this point the recommendation would be to approve HRM's permission for Feed Nova Scotia to sell the property. HRM would expect them to have it appraised for highest and best use to get the highest market price. They would then pay HRM the balance and any profit would be theirs. This only helps them if they want to proceed with sale and consolidation at another location. They have limited capacity to expand on the current site. HRM has given the group the ability to sell the property, take the proceeds and invest them towards a new location but at some point they are going to need to decide whether to expand or move.

In response to Councillor Lund, staff advised there are two payments owing to HRM, one for the property purchase and there is a second payment outstanding, approximately \$102,000 for a fundraising project at Victoria Park.

In response to Mr. Woo, staff advised that HRM could as an alternative be able to apply a lien to any new property and/or extend the term of payment.

MOVED by Mr. Woo, seconded by Councillor Dalrymple, that if Feed Nova Scotia wants to purchase a new facility and not intend to retire the debt owing to HRM, the existing debt be transferred to the new facility to encumber it . Further, that Option 2, extension of the term for an additional six years and waiver of the interest as of April 1, 2009 be approved. MOTION PUT AND PASSED.

Ms. Temple advised that this could also be considered as an alternative to have discussion with Feed Nova Scotia as to whether they would like to have this as a lien on their property and then extend the duration.

At the request of Ms. Temple the staff recommendation was amended to include the words “ relating to property purchase” after the word “debt” and before “outstanding” so as to make clear that the \$102,000 owed funding project is not included.

MOVED by Andrew Higdon, seconded by Councillor Lund, that the HRM Grants Committee:

1. **Not write off Feed Nova Scotia’s outstanding debt to HRM.**
2. **Approve, in principle, the sale by Feed Nova Scotia of the property located at 213-217 Bedford Highway, Halifax, for market value subject to payment in full of the debt relating to property purchase outstanding to HRM from proceeds from sale.**

MOTION PUT AND PASSED.

6.2 Property Matter - Less Than Market Value Lease - Halifax Rowing Club

- A report dated April 23, 2009 was before the Committee.

Ms. Tara Legge, Community Facility Service Delivery Coordinator, presented the report to the Committee.

Councillor Watts advised they have been seeing an increase in rental over the years, \$700.00 this year. They have not been assessed for property tax which would mean a significant amount unless they get an exemption and there is also a new insurance expense. She stated there is a need to look at the impact of rental rate increase, property tax and insurance on a club that is trying to be accessible. The Councillor questioned how much of an impact will this have happening all at once.

Ms. Temple advised that one of the things that has to be accepted is that if tax status was done correctly the first time (by HRM) and that is being corrected. She recommended that the lease agreement be extended to five years and then pro-rate the rental rate over five years. She suggested the first year be a continuation of the current

rate and then step them from there.

In response to Councillor Lund as to why the jump in rates, staff advised it is based on market rent and operation costs, noting it is \$1,300 per year to install the dock plus power and water, noting maintenance costs vary. The rent is not covering costs and loss is paid by HRM.

In response to Councillor Dalrymple, staff advised canoe and rowing clubs have received 100% tax exemption under By-law T-200.

MOVED by Councillor Dalrymple, seconded by Andrew Higdon that the term be extended to five years with no increase in rent for the first year. In year two there would be an increase with a four year phase in. MOTION PUT AND PASSED.

6.3 Property Matter - Less Than Market Value Land Lease - Graham's Grove Park, Dartmouth (Portion of PID #00209692) to Dartmouth Dragon Boat Association

- A report dated April 24, 2009 was before the committee.

Ms. Temple stated there is nothing to show the composition and no bylaws of the proposed non-profit society group. This is only for five months and perhaps it should be suggested that HRM retain ownership and instead community recreation could give the group a fee for service contract.

In response to Councillor Dalrymple, staff advised there was no financial statement provided by the new society.

MOVED by Councillor Dalrymple, seconded by Councillor Lund, that this matter be deferred until a financial statement and proof of liability is received.

Ms. Temple stated she the proposed guidelines for leasing to non-profit organizations could be revised to include a tenant's financial statement as a condition of public subsidy.

Ms. Legge advised she had received information that the group was officially registered as a non-profit as of today, May 11, 2009.

MOTION PUT AND PASSED.

6.4 Less Than Market Value Sales Update

The information was circulated and members agreed that it would be brought forward for discussion at the next meeting.

6.5 HRM Community Grants Program 2009-2010 Ineligible Applicants (Information Report)

- An information report dated April 3, 2009 was circulated to the committee.

The committee received the report.

Ms. Temple advised that the Sheet Harbour Lions Club, had put forward a request in the amount of \$8,160.98 for kitchen renovations which should be added to this list. The building is owned by HRM and has a facility management agreement with operating/capital assistance from HRM.

MOVED by Councillor Lund, seconded by Andrew Higdon, that the applicants be informed that they do not meet qualifications. MOTION PUT AND PASSED.

Ms. Temple advised they can appeal, within two weeks of notice, but they don't send in a different application. She further noted that a Co-op can apply directly or they have have some other party such as a property management company apply on their behalf.

MOTION PUT AND PASSED.

6.6 2009 Meeting Schedule

The meeting schedule was discussed and it was agreed that the August meeting be scheduled for Wednesday, August 5, 2009. It was further agreed that the meetings would be scheduled for 2:30 p.m.

7. ADDED ITEMS - NONE

8. NEXT MEETING DATE

The next meeting is scheduled for June 1, 2009 at 2:30 p.m.

9. ADJOURNMENT

The meeting was adjourned at 3:41 p.m.

Julia Horncastle
Acting Municipal Clerk