

TO: Chair and Members of HRM Grants Committee

Original signed

SUBMITTED BY:

Greg Keefe, Director of Finance & ICT/CFO

Original signed

Peter Stickings, Acting Director of Planning & Infrastructure

DATE: April 3, 2014

SUBJECT: **Former Allen Heights Fire Station #57: Lease Request Lot A3-
PID#40057465, 5680 St. Margaret's Bay Road, Head of St. Margaret's
Bay**

ORIGIN

August 6, 2013 – Regional Council approve removal of PID#40057465 5680 St. Margaret's Bay Road, Head of St. Margaret's Bay, from the list of potential surplus properties for disposal under Administrative Order 50.

LEGISLATIVE AUTHORITY

HRM Charter (2008) s.63(1) respecting less than market value leasing of municipal property.

RECOMMENDATION

It is recommended that the Grants Committee recommend that Regional Council approve:

1. Demolition of the former fire station building located at 5680 St. Margaret's Bay Road, Head of St. Margaret's Bay, and retention of vacant land for future municipal recreational use;
2. Decline the request from the Safety Minded ATV Association to lease the former Fire Station #57 building based on site condition, operating viability, and HRM's future operational requirements.

BACKGROUND

Presently, 5680 St. Margaret's Bay Road, Head of St. Margaret's Bay comprises three (3) parcels of land as shown in the Site Plan in **Attachment 1**:

- PID#40070872 Lot P-7 is a 2.5 acre land holding containing an HRM-owned ball field. The South-East corner of Lot P-7 also contains a children's playground area beyond the outfield fencing but this is not considered an ideal location for CPTED standards.
- PID#40057465 Lot A-3 contains former Fire Station #57.
- PID#00339804 is a vacant but treed lot to the South of the former fire station that has been under-utilized for the parkland dedication purpose for which it was conveyed to the Municipality. The immediate use appears to be parking in association with the ball field and playground.

In 2011, Fire Station #57 was de-commissioned to coincide with the opening of the Upper Tantallon Fire Station. HRM has no operational requirement for the former building and advanced the property through the internal review process for potential disposal. In February, 2011, HRM received an unsolicited request from the St. Margaret's Bay Road/Boutlier's Point Recreation Association (SMBBPRA) for HRM to retain the property in relation to possible recreational use. In January, 2013, HRM received an unsolicited request from the Safety Minded ATV Association to lease the former fire station located at 5680 St. Margaret's Bay Road, Head of St. Margaret's Bay. See: **Attachment 2**. The property was subsequently removed from HRM's list of surplus properties until a site plan has been developed for existing and possible enhanced recreational amenities and on-site parking.

DISCUSSION

Future Municipal Requirements: The lack of on-site parking in relation to the ball field is considered a public safety issue to avoid spill-over parking on the shoulder of St. Margaret's Bay Road, the children's playground is not appropriately sited, and there may be an opportunity to enhance the site with construction of a multi-sport pad. Hence, Community Recreation is interested in retention of the property while a plan is developed to confirm if the entire site is required, subject to budget capacity.

Lease Request: The Safety Minded ATV Association wish to lease the former fire station property (Lot A-3) for vehicle and materials storage, operation of a canteen and washrooms in relation to the HRM ball field, and general community access. The property is zoned MU-2 Mixed Use under the St. Margaret's Bay Land Use By-law (Districts 1 and 3). The intended use conforms to current zoning. The ATV club envisage a "...long term commitment for many years". Hence, this request is not considered an interim measure for short-term or seasonal storage. See: **Attachment 2**. The club's ability to pay all operating and capital costs, including

any on-site inspection, code compliance, and repairs required as a condition of occupancy (safety) is unconfirmed.

Environmental Concerns: The exact location of the well and septic system is undetermined at this time. Although documentation is lacking with respect to the history of the property it has been confirmed that the former volunteer fire department purchased the property from Imperial Oil and that the former gas station had two underground fuel tanks. The condition of water and sewer infrastructure needs to be confirmed, especially given that the intended use public access and canteen usage. Given the environmental concerns and strategic location of the subject property, it is recommended that HRM demolish the building as soon as possible and retain the land for public recreational use. Timely environmental testing of the site would aid in developing a project budget for consideration in the 2015-16 fiscal year.

Retention vs Property Sale/Lease: The rationale to decline a less than market value lease agreement includes:

- The club has a “user agreement” with the Head of St. Margaret’s Bay/Boutlier’s Point Recreation Association, that operates the HRM owned Bay Community Centre for a clubhouse and small storage shed located at 15 Station Road, St. Margaret’s Bay only 2.4km from this location.¹ The possible expansion of the ATV club’s on-site storage at the Bay Community Centre might present a short-term and less expensive alternative.
- The ‘need’ for additional community access at this location has not been confirmed given HRM-owned facilities within 6 km: St. Margaret’s Bay Arena (5.2 km/5 minute drive time), the Bay Community Centre (2.4km/3 minutes), and the former Lewis Lake fire station leased to the Bay Community Hall Association (5.8 km/5 minutes).
- The undetermined extent, type and cost of on-site environmental remediation.
- If Council had agreed to a disposal or lease of the former fire station property in accordance with the Community Interest category of Administrative Order 50 the process would have been open to all non-profit organizations and proposals subject to a formal evaluation process. Restricting consideration to one non-profit group in relation to leasing cannot be substantiated: this opportunity has not been publicized and as such denies other community groups equitable access to opportunity, including the baseball teams who use the sports field.

Estimated Holding Costs: The estimated holding costs (building only) for a *vacant building* are estimated to be \$3,000/year. Costs include only nominal heat, building insurance, snow and ice removal, and security. Once the site plan has been confirmed, capital funding in relation to recreational amenities (including playground re-location and parking) could be budgeted according to HRM’s overall annual budget capacity and priorities.

¹ The club has use of the building at no charge in lieu of maintenance and operating with access for community groups when the main building at 11 Station Road is over-booked. The lease has not been assessed for tax.

FINANCIAL IMPLICATIONS

Costs related to building demolition and environmental remediation, including site testing, will be incorporated into Project Budget Account No. CBX01162 - Environmental Remediation and Demolition.

Recreation throughout HRM will be revisited this coming year with the renewal of the Community Facility Master Plan (CFMP) which will take into account various recreation amenities throughout the Municipality.

COMMUNITY ENGAGEMENT

Not applicable if the land is retained by HRM for a municipal purpose.

ENVIRONMENTAL IMPLICATIONS

A Level I environmental test is required to confirm potential on-site soil contamination from gasoline and/or furnace oil. The location and condition of well and septic system needs to be confirmed.

ALTERNATIVES

1. HRM could re-direct the ATV Club's request for storage to the St. Margaret's Bay/Boutlier's Point Recreation Association (SMBBPRA) who operate the Bay Community Centre on HRM's behalf. Expansion of the club's storage use at this location may be a more cost-effective alternative. However, any land lease agreement should not exceed the term of HRM's agreement with SMBBPRA which expires in July, 2015.
2. The Grants Committee could overturn the staff recommendation to decline a property lease and recommend Council consider an open solicitation of non-profit groups interested in a short-term lease.

This option is not recommended for the reasons set out in the Discussion section of this report. However, should Council elect to pursue this option it is recommended that a Supplementary Report be prepared to identify risks, operating and capital costs associated with a short-term lease and verify the proponent's ability to self-fund given that heating costs for a building of this size and age would probably be in the range of at least \$1,200 to \$2,000/year and insurance could be expensive if vehicles, including flammable liquids, are to be stored indoors.

ATTACHMENTS

1. Site Plan
2. Letter from Safety Minded ATV Association to HRM.

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

Report Prepared by : Peta-Jane Temple, Team Lead Grants & Contributions, Finance & ICT 490-5469; Diane Moulton, Manger Operations, TPW; Chad Renouf, Real Estate Officer, P&I; Margaret Soley, A/Coordinator Facilities, P&I.

Original signed

Report Approved by: _____
John Henry, A/Manager Community Recreation Services, 490-4734

Original signed

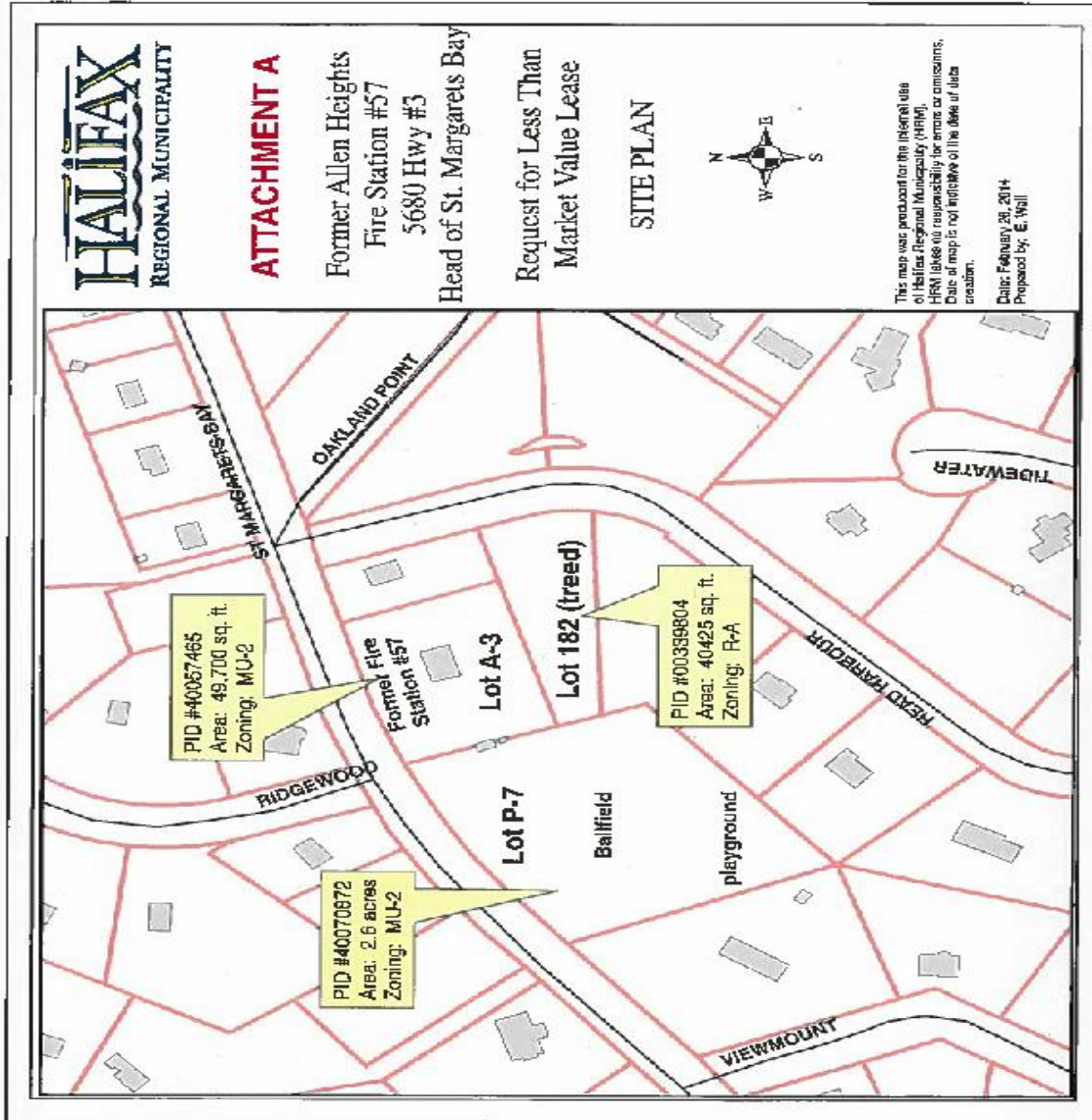
Report Approved by: _____
Peter Stickings, Manager Real Property & Land Management, P&I

Original signed

Report Approved by: _____
Brad Anguish, Director of Community & Recreation Services, 490-4933

Original signed

Report Approved by: _____
Bruce Fisher, Manager, Financial Policy & Planning, 490-4493



February 15, 2011

Mr. Tom Crouse
Halifax Regional Municipality
Manager Acquisition and Disposal
Real Property
Transportation and Public Works

Dear Mr. Crouse,

I am writing on behalf of the Head of St. Margaret's Bay / Boutilier's Point Recreation Association (SMBBPRA), the many residents of the Head of St. Margaret's Bay, Boutilier's Point and our surrounding communities within HRM.

I write with regards to the following properties referred to as HRM PID# 40057465 that houses the Allen Heights Fire station which will be abandoned upon the opening of our new fire station. The adjacent lot HRM PID# 00339804 and ball field HRM PID# 40070872. Our association has recognized the wonderful recreational opportunity of this location, but recently it has come to our attention and grave concern that HRM has designated these lands as surplus and plan to dispose of these lots.

The SMBBPRA is a registered charity volunteer group that has been a connected part of our community for many years. Providing, assisting and opening opportunities for leisure and recreational activities for so many. The diverse range in activities and groups that have been supported by our association over many years range from Scouts, Cubs and Beavers, youth dance (Nova Dance), youth theatre (Unicorn Theatre), badminton, canoeing and local gardening club. As well, we manage the Bay Community Centre, look after two baseball fields (Allen Heights and Boutilier's Point) and an outdoor hockey rink in Boutilier's Point. The association also organizes the annual Bay Days celebrating Canada Day, and several 24-hour outdoor hockey challenges (a fund raising event providing equal financial support for our association and the Halifax Special Olympics Committee).

Through support of our HRM Councillor Peter Lund, we have been advised that HRM has since removed the ball field (HRM PID# 40070872) from the surplus designation. We would first like to be able to receive further confirmation from HRM to that effect and that this field will remain in the community as it is a highly sought after location for recreational baseball teams in all of HRM to play, as well as local families to play baseball, pitch and catch or just fly a kite. It is also the site for our annual Bay Days event.

Due to the high level of activity of the ball field site, and lack of parking facilities, this is a very high concern for the safety of our children that we have regarding the possible disposal of the Fire Station properties.

The St. Margaret's Bay area of HRM has been dubbed as being one of the fastest growing communities of HRM and one of the top growth areas of Nova Scotia. Due to this growth our association understands the growing need to enhance our facilities for all ages and constantly engages in conversation as an association and gaining community feedback to address and find opportunities to grow the leisure and recreational activities for the surrounding area.

Through community consultation, and surveys held during Bay Days we have had a number of inquiries regarding facilities such as tennis, basketball, horseshow pits and outdoor shuffleboard to name a few. With an aging community, and the growth in residential development bringing a migration of young families to the area, we recognize that we as an association would be remiss to not addressing our community needs. As I'm confident you are completely aware of and therefore I do not need to go into the many health, social, community and family benefits realized by having easily accessible outdoor recreational facilities in a community to promote family and community to engage in physical activity. Our association has developed a close working relationship with the HRM Parks and Recreation Department, which you could confirm by talking to our liaison, Jeanine Shirley at the Lakeside office.

The SMBBPRA is seeking support from HRM to remove lots PID# 40057465 and PID# 00339804 from surplus designation so that we may engage in conversation to get a better understanding as to the best use of these lands as opposed to just selling them off. Should these lands be sold, we will never have the chance of ever getting this back for the community and have potentially lost a magnificent opportunity to provide for so many communities and residents.

We as an association have been actively working on a best use strategy for these properties. In addition, due to our understanding that these lands were in danger of being lost, and under short community notice, we held a community forum on February 9th 2011 at the Bay Community Centre, which was attended by roughly 25 local residents. There was strong and unanimous support at this meeting for pursuing the usage of these properties for recreational purposes. We have also had a very strong endorsement of this intent by the immediate neighbours as represented by the Allen Heights Home Owners Association. We would very much like the opportunity to work with and for HRM staff and council to realize a mutual agreement and understanding for the overall betterment of the surrounding communities as a whole. We appeal to HRM, if not for at least the time being, to postpone any and all further action for the disposal of these properties until such a time as all options and avenues have been exhausted between HRM and the Head of St. Margaret's Bay / Boutlier's Point Recreation Association with respect to these properties.

In closing, and our understanding that time is of the essence I am not going into all the benefits, merits and planning strategy to date, but more importantly express our interest, concern and request that we arrange a meeting with HRM staff and some of the Board of Directors of our association to further investigate this once in a lifetime opportunity.

Sincerely,

Original signed

Bill Wiggins
President
SMBBPRA

Cc: Mayor Peter Kelly
HRM Councillor Peter Lund
Aileen McCormick, President Allen Heights Home Owners Assoc.
Jeanine Shirley, HRM Parks and Recreation