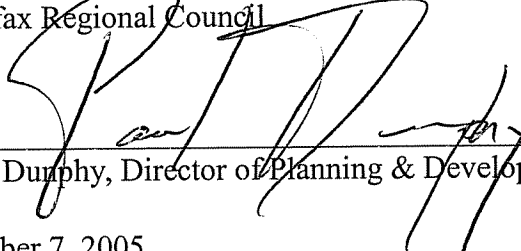


Regional Council
October 11, 2005

To: Halifax Regional Council

Submitted by: 
Paul Murphy, Director of Planning & Development Services

Date: October 7, 2005

Subject: **H00108 - Extension of Demolition Permit/Continuation of Feasibility Study -1790 Granville Street, Kelly Building, a Registered Heritage Property.**

INFORMATION REPORT

ORIGIN

Request by owners of the Kelly Building to extend their demolition permit for an additional six months to enable completion of a feasibility study for alternative use of the building.

BACKGROUND

The owners of the Kelly Building currently have a demolition permit valid until 17 October, 2005. At the same time, they are carrying out a feasibility study to determine whether it is financially viable to incorporate the building into a new student residence for NSCAD University. On October 4, 2005 staff received a letter from Compass Commercial Realty and Property Management, representing the owners (see Attachment 1), requesting extension of the demolition permit for a further six months to enable completion of the feasibility study.

DISCUSSION

The owners of the Kelly Building originally applied for demolition two and a half years ago on 17 April 2003. Council refused the application at that time, triggering a one-year demolition delay under the Heritage Property Act, which expired on 17 April 17, 2004. Following this, under section 18 of the Act, the applicants had until April 17, 2005 to carry out the demolition. Mid-way through this process the possibility emerged that NSCAD could be interested in a student residence on the site, which would incorporate the Kelly facade, thus averting demolition. The owners began

exploring this with NSCAD but needed more time, beyond the demolition deadline of 17 April 2005, to do a feasibility study. At the same time, they wanted an extension of the demolition permit because they did not want to have to go through the entire application/refusal/one year delay process all over again if the feasibility study showed that the project was not viable.

Staff and Council could not grant the extension however because of the limitations of section 18 of the Heritage Property Act. Instead, the applicants made a new application for demolition, which Council approved with a six month time frame, expiring on 17 October 2005, in order to facilitate the feasibility study. As described in Attachment 1, the feasibility study is taking more time than expected and, for this reason the owners are now asking for an extension of the demolition permit to enable the study to be completed.

Extension of Demolition Permit

Under the Building Bylaw, an extension of the permit may be granted by staff. Given that Council approved this permit in April 2005 specifically to enable the feasibility study to be carried out, staff intend to extend the demolition permit to 17 April, 2006, as requested by the building owners.

Should the feasibility study show that the project is viable, the owners would then be in a position to apply for a development agreement to construct the building.

BUDGET IMPLICATIONS

None

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

Attachment 1 Letter from Compass Commercial Realty & Property Management

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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: Bill Plaskett, Heritage Planner, 490-4663

ATTACHMENT 1
LETTER FROM COMPASS COMMERCIAL REALTY
Received October 4, 2005



Chris Andrea
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Halifax, NS B3K 4X8
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October 4, 2005

Mr. Bill Plaskett, Heritage Conservation Planner
Halifax Regional Municipality
PO Box 1749
Halifax, Nova Scotia B3J 3A5

Dear Mr. Plaskett,

Re: 1790 Granville Street, The Kelly Building

We have been working with our Architect (G.F. Duffus) and our potential Tenant (NSCAD) to determine specific needs for a college residence on the site of The Kelly Building. A mutually acceptable set of conceptual drawings have been finalized and preliminary cost estimates have been obtained to form the basis of negotiations for a long term lease agreement.

With confirmation of interest from both parties now in place, we have met with various contractors and are in the process of obtaining more detailed and specific cost figures to confirm the original estimates. Once these costs have been finalized we will be in a position to have final discussions with NSCAD which will lead to a formal agreement to proceed or confirmation that the project is not feasible and the process will end.

In order to facilitate this last stage of our feasibility analysis, we are writing to request an extension of the right to demolish as currently exists. That is to say – the Owners' right to demolish will remain the same as existed effective October 17, 2005 without any change.

In closing, we would ask that the HRM grant TDB Halifax Holdings Limited an extension of the demolition right until April 17, 2006 (6 months), or other later date as may be mutually agreed. For clarification, the HRM agrees that TDB Halifax Holdings Limited retains all rights as stated in the Application during this period of extension.

We trust this clarifies our position and we are confident that HRM will grant this request as asked. Please do not hesitate to call should you have any questions.

Best regards,
Compass Commercial Realty
As Agent for TDB Halifax Holdings Limited

Chris Andrea