

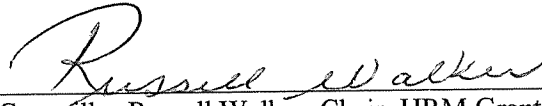


P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

11.2.1

Halifax Regional Council
June 19, 2007

TO: Mayor Kelly and Halifax Regional Council

SUBMITTED BY: 
Councillor Russell Walker, Chair, HRM Grants Committee

DATE: June 11, 2007

SUBJECT: **Property Matter: Less Than Market Value Leases**

ORIGIN

Grants Committee meeting of June 11, 2007.

RECOMMENDATION

It is recommended that Regional Council approve:

1. The revised occupancy and rental rate for the Canadian Mental Health Association (Halifax Branch) as per the terms and conditions set out in the Discussion section of the Supplementary Report dated June 4, 2007 attached as Attachment 1 to this report.
2. The staff recommendation to enter into a less than market value lease agreement with Columbus Holdings Association (Knights of Columbus Council 1097) as per the terms and conditions set out in the Staff Report dated May 28, 2007 attached as Attachment 2 to this report.
3. The staff recommendation to enter in to a less than market value lease agreement with the Independent Living Resource Centre as per the terms and conditions set out in the Staff Report dated June 4, 2007 attached as Attachment 3 to this report.
4. The staff recommendation to enter into a less than market value lease agreement with the Halifax Amateur Radio Club as per the terms and conditions set out in the Staff Report dated May 28, 2007 attached as Attachment 4 to this report.
5. The staff recommendation to enter into a less than market value lease agreement with the Northern Lights Senior Citizens Club as per the terms and conditions set out in the Staff Report dated May 28, 2007 attached as Attachment 5 to this report.

BACKGROUND

See staff reports attached as Attachments 1-5 to this report.

DISCUSSION

Ms. Peta-Jane Temple, Team Lead, Tax, Grants and Special Projects advised the Grants Committee at their Monday, June 11, 2007 meeting, of the following correction to the staff report attached as Attachment 5 to this report (Property Matter: Less than Market Value Lease: Northern Lights Senior Citizens Club - 2786 Agricola Street, Halifax).

Correction: Page 2: under **Proposed Seniors Centre:** The last sentence in the first paragraph states that "*A floor plan is included as Attachment 1 of this report.*". Ms. Temple advised that there is no floor plan attached as the only copy found was too out of date.

Page 4: The attachments were re-numbered as follows:
Attachment 1 - Multi-Purpose Room Rentals.
Attachment 2 - Memorandum from Claudette Levy, Area Coordinator, Community Recreation.

BUDGET IMPLICATIONS

See staff reports attached as Attachments 1-5 to this report.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

See staff reports attached as Attachments 1-5 to this report.

ALTERNATIVES

See staff reports attached as Attachments 1-5 to this report.

ATTACHMENTS

1. Property Matter: Less than Market Value Leases: Canadian Mental Health (Halifax Branch) 2786 Agricola Street, Halifax - Supplementary Report dated June 4, 2007.
2. Property Matter: Less than Market Value Lease: Columbus Holdings Association (Knights of Columbus Council 1097): 2786 Agricola Street, Halifax - Supplementary Report dated May 28, 2007.
3. Property Matter: Less than Market Value Lease: Independent Living Resource Centre: 2786 Agricola Street, Halifax - Supplementary Report dated June 4, 2007.

ATTACHMENTS (cont'd)

4. Property Matter: Less than Market Value Lease: Halifax Amateur Radio Club: 2786 Agricola Street, Halifax - Supplementary Report dated May 28, 2007.
5. Property Matter: Less than Market Value Lease: Northern Lights Seniors Club: 2786 Agricola Street, Halifax - Supplementary Report dated May 28, 2007.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210 or Fax 490-4208.

Report Prepared By: Chris Newson, Legislative Assistant.



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

HRM Grants Committee
June 11, 2007

TO: HRM Grants Committee

SUBMITTED BY: Cathie O'Toole
Cathie O'Toole CGA, A/Director of Finance

DATE: June 4, 2007

SUBJECT: Property Matter: Less than Market Value Lease: Canadian Mental Health Association (Halifax Branch) - 2786 Agricola Street, Halifax

SUPPLEMENTARY REPORT

ORIGIN

A May 7, 2007, staff report to HRM Grants Committee recommending a less than market value lease was approved. This report amends the recommended occupancy (sq.ft), rental rate, and budget implications.

RECOMMENDATION

It is recommended that:

HRM Grants Committee approve the revised occupancy and rental rate for the Canadian Mental Health Association (Halifax Branch) as per the terms and conditions set out in the Discussion section of this report.

BACKGROUND

1. Correction to occupancy: The original report under-stated the actual occupancy as 700 sq.ft for the office (correction is 726 sq.ft) and 1,000 sq.ft for the social club (correction is 1,433 sq.ft). Therefore, the combined total is not 1,700 sq.ft as previously stated but 2,159 sq.ft.

2. Amendment to rental rate: The original report set a standard rental rate of \$8 per sq.ft. CMHA has appealed the application of this rate to the social club in terms of affordability and the \$25,000 leasehold improvements made by the club. HRM staff recommend a one-year reduction in rental rate conditional upon CMHA relinquishing any further claims for compensation related to leasehold improvements. This represents a one-time saving to the club of \$5,373.75 in 2007-2008.

DISCUSSION

Prior to the start of the Bloomfield Review Project CMHA contacted project staff for advice regarding proposed leasehold improvements to space occupied by the *Caring & Sharing Club*. CMHA had received a \$25,000 grant¹ that had to be used solely for the purpose of facility upgrades and amenities but the review of the property created uncertainty with respect to future occupancy. Had the work not proceeded at that time the grant would have been revoked. Given the exceptional circumstances of this specific case, staff recommend a one-time rent reduction for the club space, conditional upon CMHA relinquishing any further claims with respect to a rent reduction in lieu of past leasehold improvements.

Summary of Key Terms and Conditions (Proposed)	
Civic Address	2768 Agricola Street, Halifax
Zoning	Park & Institutional
Occupancy	Office: 726 sq.ft Room 216 located on the second floor of the Main Building, Bloomfield Centre, Halifax Social Club: 1,433 sq.ft Room 114 located on the first floor of the Main Building, Bloomfield Centre, Halifax
Rental Rate	2007-2008: \$8 per sq.ft for the office (\$5,808 per annum \$484/month) plus HST and applicable property tax. \$4.25 per sq.ft for the social club (\$6,090.25 per annum \$507.52/month) plus HST and applicable property tax. 2008-2009: \$8 per sq.ft for the social club (\$11,464 per annum \$955.33/month) plus HST and applicable property tax.
Duration of Lease	1 year with the option to renew
Conditions	Tenant's insurance with HRM co-named No sub-leasing without HRM's written consent
Other	The rent reduction for the social club in lieu of leasehold improvements shall be for one (1) year only and reverts to \$8 per sq.ft upon renewal of this lease. CMHA shall release HRM from any further claims with respect to leasehold improvements.

¹The grant was not from HRM.

* The estimated market value for the property is \$16 per sq.ft including a proportional share of property tax.

Using the market value rental rate, HRM's total rent subsidy for 2007-08 is \$22,646 and the estimated tax subsidy, at this time, would be \$4,318 (\$2 per sq.ft x 2,159 sq.ft) for a combined total of \$26,964. In 2008-09 the value of rent subsidy decreases by \$5,374 to \$21,590 (\$17,272 rent subsidy plus \$4,318 in tax).

BUDGET IMPLICATIONS

Under the previous lease CMHA paid a total of \$9,371.76 per annum HST included (\$8,220.84 in base rent). The execution of this lease will result in an increase of \$3,677.41 in revenue in 2007-08. The following year when the standard rate of \$8 per sq.ft comes into effect for the social club the total increase will \$9,051.16.

A proportional share of property tax has not been billed or collected. Staff advise against the creation of an assessment account for the Bloomfield Centre pending a determination of the site's future under Phase III of the Bloomfield Review Project.

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.

ALTERNATIVES

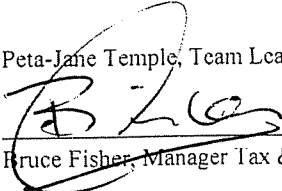
The Grants Committee could overturn staff's recommendation for a one year reduced rental rate for the social club. This action is not recommended; the club are seeking a return on their investment of \$25,000. However, in 2008-09 they may have to consider a consolidation of office and programming space or other cost-cutting measures to achieve affordability.

ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: Peta-Jane Temple, Team Lead Tax, Grants & Special Projects, HRM Finance 490-5469

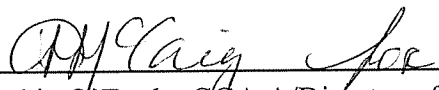
Report Approved by: 
Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

HRM Grants Committee
June 11, 2007

TO: Chair and Members of the HRM Grants Committee

SUBMITTED BY: 
Cathie O'Toole, CGA A/Director of Finance

DATE: May 28, 2007

SUBJECT: **Property Matter: Less than Market Value Lease: Columbus Holdings Association (Knights of Columbus Council 1097) - 2786 Agricola Street, Halifax**

ORIGIN

This report originates with staff of HRM Transportation & Public Works (Real Property), HRM Finance (Grants Program) and Community Development (Recreation) regarding implementation of the Bloomfield Centre Review Project: Tenancy Plan, March 20th, 2007.

RECOMMENDATION

It is recommended that:

HRM Grants Committee approve the staff recommendation to enter into a less than market value lease agreement with the Columbus Holdings Association (Knights of Columbus Council 1097) as per the terms and conditions set out in this report.

BACKGROUND

The Municipal Government Act (1989), Section III, Item 51(1) authorizes the sale or lease of an HRM-owned property for less than market value to a registered non-profit organization on the condition that the organization carries on an activity that Regional Council considers to be "...beneficial to the municipality". In accordance with legislation and the HRM Transaction Policy (2002), Real Property directs such requests through the HRM Grants Committee. A less than market value lease must be approved by Regional Council but a public hearing is not required.

Although the tenant group is known as the Knights of Columbus, Council 1097, the legal non-profit entity that executes all real property related transactions is Columbus Holding Association which was incorporated under an Act of the Nova Scotia Legislature in 1952 to assume the assets of Colombus Club Limited. The Association's membership is restricted to Council 1097.

In 1986, Columbus Holdings Association leased space in the Commons Building of the Bloomfield Centre then moved to their present location on the first floor of the Main Building. The current lease is for ~ 1,400 sq.ft at \$702/month excluding HST and property tax. The reduced rental rate, which also includes \$0 rent for the private washroom, kitchen, and storage area, was in lieu of leasehold improvements made by the fraternity. In the absence of a formal agreement, there was no stated duration for these discounts. A review of occupancy conducted by HRM staff in 2006 determined that the benevolent work of the society did not align with an HRM mandate. Typically, service clubs receive municipal subsidy if they provide a facility or program that would otherwise be a municipal expense, such as but not limited to a community hall, public park, or playground.

DISCUSSION

The Knights of Columbus is a religious fraternity whose membership is exclusively male members or affiliates of the Roman Catholic Archdiocese of Halifax. The society's fundraising support organizations whose focus is on family issues, scholarships for seminarians and high school students, and volunteer visits to local nursing homes and hospitals. Revenues are self-generated through membership fees, investment income, and fundraising.

Summary of Key Terms and Conditions (Proposed)	
Civic Address	2786 Agricola Street, Halifax.
Zoning	Park & Institutional.
Occupancy	1,400 sq.ft Room 212 located on the first floor of the Main Building, Bloomfield Centre, Halifax.
Rental Rate*	\$8 per sq.ft (\$11,200 per annum \$933/month) plus HST and applicable property tax (~\$2 per sq.ft).
Duration	1 year (no automatic renewal).
Conditions	No sub-leasing without HRM's written consent. Tenant's insurance with HRM co-named.

* The estimated market value for the property is \$16 per sq. ft including a proportional share of property tax.

Using the proposed rental rate of \$8 per sq.ft, excluding HST, HRM's rent subsidy would be \$11,200 per year (1,400 sq.ft x \$8 = \$11,200) and the estimated tax subsidy, at this time, would be \$2,800 (\$2 per sq.ft x 1,400 sq.ft) for a combined total of value of \$14,000.

BUDGET IMPLICATIONS

The execution of this lease will increase revenue to HRM by \$2,776 per annum. A proportional share of Commercial property tax has not been billed or collected. Staff advise against the creation of an assessment account for Bloomfield Centre pending a determination of the site's future under Phase III of the Bloomfield Review Project.

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.

ALTERNATIVES

1. The HRM Grants Committee could overturn or amend staff's recommendation and direct staff to negotiate a market value lease with the Columbus Holdings Association (Council 1097).

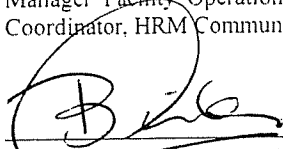
ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: Peta-Jane Temple, Team Lead, Tax Grants & Special Projects, HRM Finance; Diane Moulton, Manager Facility Operations, HRM Transportation & Public Works; Claudette Levy, Area Coordinator, HRM Community Development.

Report Approved by:


Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

HRM Grants Committee
June 11, 2007

TO: Chair and Members of the HRM Grants Committee

SUBMITTED BY: 
Cathie O'Toole, CGA A/Director of Finance

DATE: June 4, 2007

SUBJECT: Property Matter: Less than Market Value Lease: Independent Living Resource Centre - 2786 Agricola Street, Halifax

ORIGIN

This report originates with staff of HRM Transportation & Public Works (Real Property), HRM Finance (Grants Program) and Community Development (Recreation) regarding implementation of the Bloomfield Centre Review Project: Tenancy Plan, March 20th, 2007.

RECOMMENDATION

It is recommended that:

HRM Grants Committee approve the staff recommendation to enter into a less than market value lease agreement with Independent Living Resource Centre as per the terms and conditions set out in this report.

BACKGROUND

The Municipal Government Act (1989), Section III, Item 51(1) authorizes the sale or lease of an HRM-owned property for less than market value to a registered non-profit organization on the condition that the organization carries on an activity that Regional Council considers to be "...beneficial to the municipality". In accordance with legislation and the HRM Transaction Policy (2002), Real Property directs such requests through the HRM Grants Committee. A less than market value lease must be approved by Regional Council but a public hearing is not required.

The Independent Living Resource Centre (ILRC) assumed responsibility for the original lease dated 1990 when they merged with the Peer Partnership Resource Centre in 1992. This lease was for ~1,418 sq.ft for two rooms (Room 210 and 212). The ILRC now occupies three rooms (Room 214 was added at some point) for \$10,626 HST included. Approximately 2,232 sq.ft of additional space was added in 2006 on a temporary month-to-month basis to accommodate an expansion of programming into educational and employment assistance programs funded by the Nova Scotia Department of Education (Rooms 207, 209, and 218) for which ILRC pays \$16,440 HST included. Therefore, the actual occupancy has been for a combined total of 4,464 sq.ft at a cost of \$27,066/year HST included.

A review of Bloomfield tenancy conducted by HRM staff in 2006 concluded there is no direct service alignment with HRM's mandate. The society was offered the right of first refusal to re-locate to the St. Andrew's Centre, Halifax, but declined on the basis of limited wheelchair access to the building and pedestrian access to the site for persons with mobility challenges using regular public transit. HRM staff agree that while the lack of accessibility to the building (eg. elevator, doorways, washrooms) could be addressed, the site access is a larger, long-term issue that cannot be resolved in a timely manner.

DISCUSSION

The Independent Living Resource Centre (ILRC) is a branch of the Canadian Association of Independent Living Centres whose mandate is to provide support through programs and services that promote independent living for persons with disabilities. The local society receives core funding from the national organization, in addition to project-specific contracts, grants, membership and fundraising.

Under the new lease agreement ILRC will discontinue their use of the Room 218 (kitchen) and the lease will be corrected to include Room 214. With HRM's knowledge and approval, an informal arrangement between ILRC and the Bloomfield Literacy Group may continue at the discretion of ILRC who makes space available at no cost; hence this is not considered a sub-let. Any associated cost or insurance liability shall be that of ILRC.

It should be noted that ILRC has resumed negotiations with the Nova Scotia Community College to accommodate the *Access to Community Education and Employment Program*. HRM's Chief Administrative Officer has written to NSCC to advocate in support of the integration of these programs on campus. See: **Attachment 1.**

Summary of Key Terms and Conditions (Proposed)	
Civic Address	2786 Agricola Street, Halifax
Zoning	Park & Institutional
Occupancy	Resource Centre/Administration - Room 210-212-214 on the second floor of the Main Building, Bloomfield Centre, Halifax 2,232 sq.ft Classrooms - Room 207 and 209 on the second floor of the Main Building, Bloomfield Centre, Halifax 1,425 sq.ft
Rental Rate*	\$8 per sq.ft x 2,232 sq.ft (\$17,856 per annum \$1,488/month) plus HST and applicable property tax \$8 per sq.ft x 1,425 sq.ft (\$11,400 per annum \$950/month) plus HST and applicable property tax
Duration of Lease	1 year (no automatic option to renew) - Resource Centre - Rooms 210-212-214 Month-to-month (no automatic option to renew) - Classrooms - Room 207 and 209
Conditions	No sub-leasing without the written consent of HRM. The Bloomfield Literacy Group may be accommodated as a free recurring room rental at the sole discretion, liability and associated expense of the ILRC. Tenant's insurance with HRM co-named.

* The estimated market value rent for the property is \$16 per sq.ft including a proportional share of property tax.

Using the proposed rental rate of \$8 per sq.ft, excluding HST, HRM's rent subsidy is \$29,256 (3,657 sq.ft x \$8 = \$29,256) and the estimated tax subsidy, at this time, would be \$7,314 (3,657 sq.ft x \$2) for a combined total of \$36,570.

BUDGET IMPLICATIONS

The execution of this lease will increase revenue by \$5,514 per annum (in part due to a correction in calculating the occupancy of the Resource Centre). A proportional share of property tax has not been billed or collected. Staff advise against the creation of an assessment account for the Bloomfield Centre pending a determination of the site's future use under Phase III of the Bloomfield Review Project.

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.

ALTERNATIVES

1. The HRM Grant Committee could overturn or amend the staff recommendation and direct staff to negotiate a market value lease with the Independent Living Resource Centre.

**Property Matter: 2786 Agricola Street, Halifax
(Independent Living Resource Centre)
Grants Committee Report**

- 4 -

June 11, 2007

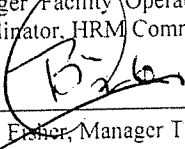
ATTACHMENTS

1. Letter from Dan English, HRM CAO to Graham McDermott, Principal, Akerley Campus, Nova Scotia Community College, dated April 26, 2007.

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: Peta-Jane Temple, Team Lead, Tax Grants & Special Projects, HRM Finance; Diane Moulton, Manager Facility Operations, HRM Transportation & Public Works; Claudette Levy, Area Coordinator, HRM Community Development.

Report Approved by:


Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance

April 26, 2007

Mr. Graham MacDermott, Principal
NSCC Akerley Campus
21 Woodlawn Road
Dartmouth, NS B2W 2R7

Graham
Dear Mr. MacDermott:

I am writing to request your favourable consideration in accommodating the post secondary educational programs delivered by the Independent Living Resource Centre (ILRC).

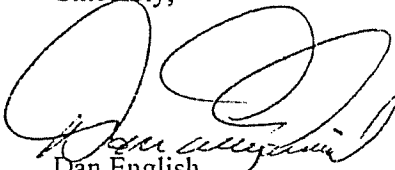
Presently, the *Access to Education and Employment (ACEE)* and the *Self-Managed Attendant Services and Student Self Management* programs have a temporary, month-to-month lease at the HRM-owned Bloomfield Centre, Halifax. The facility is under review at this time but it is anticipated that leasing capacity will be reduced so as to achieve enhanced sustainability. HRM has provided formal notice to the ILRC that the current lease arrangement will not be renewed as of March, 2008. Clearly, this creates uncertainty for the centre's program users and government funding agencies.

I should stress, however, that HRM's concern is not simply one of tenancy. We are advocating for the inclusion of special needs students within the physical jurisdiction of public schools, colleges, and universities, so as to diminish the stigmatization and marginalization of this sector of the post-secondary student population. We feel that students assisted by the ACEE and those requiring attendant support would benefit from inclusion with peers of similar age also pursuing academic interests. The participation of these students with disabilities in campus life could enhance their sense of 'belonging' within a community of interest and promote civic engagement.

We ask for your support in providing access to the NSCC Akerley Campus for these educational programs which clearly serve a niche in the continuum of post-secondary education.

Thank you for your consideration of this request.

Sincerely,


Dan English
Chief Administrative Officer


Copy: Councillor Patrick Murphy
Lois Miller, Executive Director, Independent Living Resource Centre



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

HRM Grants Committee
June 11, 2007

TO: Chair and Members of the HRM Grants Committee

SUBMITTED BY: 
Cathie O'Toole, CGA A/Director of Finance

DATE: May 28, 2007

SUBJECT: **Property Matter: Less than Market Value Lease: Halifax Amateur
Radio Club - 6955 Bayers Road, Halifax**

ORIGIN

This report originates with staff of HRM Transportation & Public Works (Real Property), HRM Finance (Grants Program) and Community Development (Recreation) regarding the implementation of the Bloomfield Centre Review Project: Tenancy Plan, March 20th, 2007.

RECOMMENDATION

It is recommended that :

HRM Grants Committee approve the staff recommendation to enter into a less than market value lease agreement with the Halifax Amateur Radio Club as per the terms and conditions set out in this report.

BACKGROUND

The Municipal Government Act (1998), Section III, Item 51 (1) authorizes the sale or lease of an HRM-owned property for less than market value to a registered non-profit on the condition that the organization carries on an activity that regional Council considers to be "...beneficial to the municipality". In accordance with legislation and the HRM Transaction Policy (2002), Real Property directs such requests through the HRM Grants Committee. A less than market value lease must be approved by Regional Council but a public hearing is not required.

The Halifax Amateur Radio Club has leased at the Bloomfield Centre since 1992. Presently, the lease is month-to-month for 700 sq.ft at \$250/month including HST. A full rent subsidy is provided by HRM Emergency Measures Operations. In 2007, an additional 800 sq.ft has been used for temporary equipment storage at no cost. A review of occupancy conducted by HRM staff in 2006 indicates that the service supplements HRM Fire & Emergency Services: Emergency Measures Operations. A formal Memorandum of Understanding is in effect between the club and HRM.

DISCUSSION

Founded in 1933, Halifax Amateur Radio Club is a registered non-profit society that promotes public and amateur radio. In addition to membership-based activities the club supports numerous community organizations (eg. special events, Scouts Canada, Guides Canada, Maritime Museum of the Atlantic, Halifax Ground Search & Rescue, Canadian Red Cross Society, MS Bike Tour). The radio club has elected to move to St. Andrew's Centre and enhance their operational capacity, notably their ability to conduct licensing courses and educational programs.

Summary of Key Terms and Conditions (Proposed)	
Civic Address	6955 Bayers Road, Halifax.
Zoning	Park & Institutional.
Occupancy	1,040 sq.ft Room 214 located on the second floor of the St. Andrew's Centre, Halifax.
Rental Rate*	2007-08: \$3.46 per sq.ft (\$3,598.40 per annum \$299.86/month) plus HST and applicable property tax. HRM departmental rent subsidy of \$3,598.40 further reduces tenant's obligation to \$0. 2008-09: \$8 per sq.ft (\$8,320 per annum \$693.33/month) plus HST and applicable property tax. HRM departmental rent subsidy of \$8,320 further reduces tenant's obligation to \$0.
Duration of Leases	5 years. Lease commences on or before September 1 st , 2007, subject to availability.
Conditions	Leasehold improvements shall be at the expense of the tenant. Installation of antennae and cables permitted for emergency transmission capacity, subject to inspection. No-sub-leasing without the written consent of HRM. Storage off-site. Tenant's insurance with HRM co-named.
Other	Reduction or loss of EMO rent subsidy reverts to club to assume all costs

**Property Matter: 6955 Bayers Road, Halifax
(Halifax Amateur Radio)
Committee Report**

- 3 -

June 11, 2007

* The estimated market rental rate for the property is \$16 per sq.ft, plus a proportional share of property tax.

Due to an agreement between EMO and the Halifax Amateur Radio Club, the execution of this lease provides for an additional departmental rent subsidy to the Club in addition to the less than market value subsidy from HRM. The less than market value subsidy is the \$8,320 difference between market value (\$16 per sq ft X 1,040 sq ft = \$16,640/annum) and the base rental rate (\$8 per sq ft X 1,040 sq ft = \$8,320). The value of the departmental rent subsidy is a further \$8,320 (the tenant pays \$0).

Using the market value rental rate, HRM's total rent subsidy is \$16,640 (\$8,320 less than market value subsidy + \$8,320 departmental subsidy) and the estimated tax subsidy, at this time, would be \$2,080 (\$2 per sq.ft x 1,040 sq.ft) for a combined total value of \$18,720.

BUDGET IMPLICATIONS

The execution of this lease will transfer rental revenue from the Bloomfield Centre to St. Andrew's Centre in 2007-08. As such, Bloomfield's rental revenue will decrease by \$2,631.58 and St. Andrew's will increase by \$3,598.40 in 2007/08. In 2008-09, the full rental rate of \$8 will be paid by HRM EMO, subject to a budget re-allocation or increase, for a total of \$8,320 per annum to St Andrew's.

A proportional share of Commercial property tax has not been billed or collected. Staff advise against the creation of an assessment account in 2007-08 to allow for tenant notification and possibly a phased introduction of tax billing at St. Andrew's Centre.

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.

ALTERNATIVES

1. The HRM Grants Committee could overturn or amend staff's recommendation and direct staff to negotiate a market value lease with the Halifax Amateur Radio Club.

This action is not recommended: HRM has a formal agreement with the club for the provision of specific services. Further, the St. Andrew's Centre location may offer greater potential as a comfort centre in the event of an emergency.

ATTACHMENTS

1. Memorandum from Barry Manuel, HRM EMO Coordinator to PJ Temple, HRM Finance.

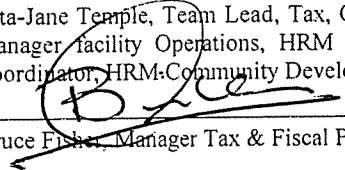
**Property Matter: 6955 Bayers Road, Halifax
(Halifax Amateur Radio)
Committee Report**

- 4 -

June 11, 2007

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: Peta-Jane Temple, Team Lead, Tax, Grants & Special Projects, HRM Finance; Diane Moulton, Manager, Facility Operations, HRM Transportation & Public Works; Claudette Levy, Area Coordinator, HRM:Community Development.

Report Approved by: 
Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance

Ms. Peta- Jane Temple
Halifax Regional Municipality
Grants Committee
P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5

05 June 2007

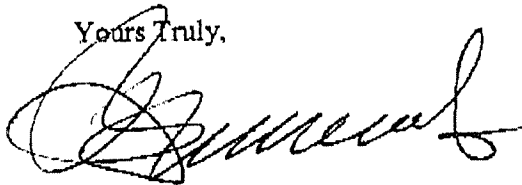
Reference: Halifax Amateur Radio Club (HARC)

Ms. Temple,

The Halifax Amateur Radio Club (HARC) has been a vital link in the Municipality's Emergency Measures Organization (EMO) emergency telecommunications capabilities for as long as HRM has been in existence. HRM, through the EMO, has a Memorandum of Understanding in place with the Halifax club to exchange services and expertise and to allow sharing of resources, both in "quiet times" and during periods of crises. Prior to amalgamation in 1996 and since, the EMO has supported the club's activities by covering their rental costs at Bloomfield Center on Agricola Street.

HRM EMO fully supports the club's proposed move from Bloomfield Center to St Andrew's Center on Bayers Road and in anticipation of this move, will be adding the proposed rental increases to the EMO budget submission for 2008.

Yours Truly,



Barry Manuel

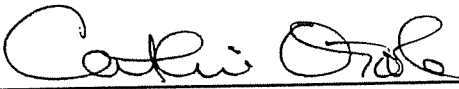


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Attachment 5

HRM Grants Committee
June 11, 2007

TO: Chair and Members of the HRM Grants Committee

SUBMITTED BY: 
Cathie O'Toole, CGA A/Director of Finance

DATE: May 28, 2007

SUBJECT: Property Matter: Less than Market Value Lease: Northern Lights Senior Citizens Club - 2786 Agricola Street, Halifax

ORIGIN

This report originates with staff of HRM Transportation & Public Works (Real Property), HRM Finance (Grants Program) and Community Development (Recreation) regarding implementation of the Bloomfield Centre Review Project: Tenancy Plan, March 20th, 2007.

RECOMMENDATION

It is recommended that:

HRM Grants Committee approve the staff recommendation to enter into a less than market value lease agreement with the Northern Lights Senior Citizens Club as per the terms and conditions set out in this report.

BACKGROUND

The Municipal Government Act (1989), Section III, Item 51(1) authorizes the sale or lease of an HRM-owned property for less than market value to a registered non-profit organization on the condition that the organization carries on an activity that regional Council considers to be "...beneficial to the municipality". In accordance with legislation and the HRM Transaction Policy (2002), Real Property directs such requests through the HRM Grants Committee. A less than market value lease must be approved by Regional Council but a public hearing is not required.

The Northern Lights Seniors Club formed in 1985 and met in the HRM Needham Recreation Centre, Halifax, until moving to the Bloomfield Centre in 1986. The Bloomfield Centre was retained by the former City of Halifax to serve as a seniors centre; the club participated in a facility management committee until it was disbanded in 1989. The current rental rate is \$93.16/month including HST. A review of tenant occupancy conducted by HRM staff in 2006 indicates that the club aligns with the original mandate for the Bloomfield Centre and HRM's role in recreational/leisure programming.

DISCUSSION

During the Bloomfield Tenancy Review HRM staff expressed concern re: the use of a confined space for persons with special needs, notably seniors with limited mobility. Evidently, the Northern Lights Senior Citizens Club had occupied a total of ~1,488 sq.ft but a decrease in membership led to an inability to pay the rent. A partition was placed in the room and 732 sq.ft leased to another group (Safe Harbour Church is the current occupant) and the balance of ~756 sq.ft was rented for \$1,117.92 /year (\$1.47 per sq.ft) including HST.

If approved, the execution of the proposed new lease will provide for a departmental rent subsidy in 2008-09 from Community Recreation. It is anticipated, however, that the 'cost' of the rent subsidy can be recovered through additional room rental revenue.

Proposed Seniors Centre:

Staff recommend the development of a "Bloomfield Seniors Centre" through the consolidation of abutting rooms located on the first floor of the Main Building, Bloomfield Centre. Specifically, the space vacated by the Halifax Wanderers Soccer Club (Room 104 @744 sq.ft), the current Seniors Lounge (Room 102 @1,538 sq.ft), Kitchen (@~260 sq.ft), and Multi-Purpose Room (Room 100 @1,395 sq.ft) for a combined total of 3,937 sq.ft. The existing kitchen would be enlarged through the addition of what is now a storage cupboard and upgraded with energy efficient appliances and new cabinetry. The aim would be to restore use of the Seniors Lounge to its intended purpose (in recent years HRM has been renting this room to other tenants or non-tenant groups) and to enhance capacity for growth in program participation. A floor plan is included as **Attachment 1** of this report.

Data from the CLASS registration system shows that the Multi-Purpose Room has been used primarily for instructional classes and room rentals for seniors. For example, art classes, an annual exhibition of art works created by seniors, dance, tai chi and yoga. It is proposed that the Multi-Purpose Room amenities be enhanced to accommodate art activities with sinks, safe storage or disposal of materials, and exhibition space. A list of Multi-Purpose Room users is included in **Attachment 2** of this report.

HRM staff recommend the following:

- Use of the Bloomfield Seniors Centre be available to seniors groups and supported under the facility operating budget (general tax rate);
- A total of 700 sq.ft in Room 104 be leased to the Northern Lights Seniors Club (~44 sq.ft will be retained by HRM for program equipment storage);
- The Indo-Canadian Seniors Club be accommodated through a recurring room rental. Storage in Room 117 to be discontinued;
- Any un-used capacity will be either (a) used by HRM for direct service delivery or (b) rented to other non-profit groups at the prevailing HRM hourly room rental rates.

Proposed Lease Agreement:

The operating and capital costs associated with the Bloomfield Seniors Centre shall be HRM's. However, staff recommend a lease be executed with the Northern Lights Senior Citizens Club for 700 sq.ft of Room 104. The club provides social and recreational activities to seniors who live independently in the community in their own home or an apartment, primarily in Peninsula and West End Halifax. Unlike seniors living in assisted care facilities, social housing or retirement developments, those living independently must travel to leisure opportunities such as communal meals, games, or unstructured social gatherings. The club is self-funded through membership dues and fundraising and has approximately 62 members.

Summary of Key Terms and Conditions (Proposed)	
Civic Address	2786 Agricola Street, Halifax
Zoning	Park & Institutional
Occupancy	700 sq.ft Room 104 located on the first floor of the Main Building, Bloomfield Centre, Halifax
Rental Rate*	2007-08: \$1.50 per sq.ft (\$1,050 per annum \$87.50/month) plus HST and applicable property tax. 2008-09: \$8 per sq.ft (\$5,600 per annum \$466/month) plus HST and applicable property tax. HRM departmental rent subsidy of \$4,550 further reduces the tenant's obligation to \$1,050 per annum.
Duration of Lease	1 year with the option to renew
Conditions	Tenant's insurance with HRM co-named. No sub-leasing without the written consent of HRM.
Other	Reduction or loss of Community Recreation rent subsidy reverts to club to assume all costs

* The estimated market value for the property is \$16 per sq.ft including a proportional share of property tax.

Due to an agreement between Community Recreation and the Northern Lights Seniors Club, the execution of this lease provides for an additional departmental rent subsidy to the Club in addition to the less than market value subsidy from HRM. The less than market value subsidy is the \$5,600 difference between market value (\$16 per sq ft X 700 sq ft = \$11,200/annum) and the base rent (\$8 per sq ft X 700 sq ft = \$5,600/annum). The value of the departmental rent subsidy is a further \$4,550 per annum (the tenant pays \$1,050 plus HST).

Using the market value rental rate, HRM's total rent subsidy is \$10,150 (\$5,600 less than market value subsidy + \$4,550 departmental subsidy) and the estimated tax subsidy, at this time, would be \$1,400 (\$2 per sq.ft x 700 sq.ft) for a combined total of \$11,550.

BUDGET IMPLICATIONS

The execution of this lease will result in a slight decrease in rental revenue of \$68 per annum at the Bloomfield Centre. By discontinuing the Indo-Canadian Seniors Group of Nova Scotia storage and accommodating their needs within the proposed Bloomfield Seniors Centre there will be a further revenue loss of \$800/year.

Staff anticipate the revenue loss will be recovered by a modest increase in recurring and non-recurring room rentals by converting what is presently an under-utilized, passive space (Room 102 Seniors Lounge) to provide enhanced kitchen amenities, programming, and promotion. The current room rental rate for the Multi-Purpose Room and Seniors Lounge is \$20/hour.

Any annual operating deficit incurred by the Bloomfield Centre is charged to Transportation & Public Works and is therefore, in effect, a tenant subsidy. This subsidy is to be transferred from Transportation & Public Works to Community Recreation so that it aligns with a departmental service and municipal mandate.

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.

ALTERNATIVES

1. The HRM Grants Committee could overturn or amend the staff recommendation.

This action is not recommended: The Northern Lights Senior Citizens Club serve the original intent of the Bloomfield Centre and it is recommended they be included in any full or partial re-development of the site.

ATTACHMENTS

1. Multi-Purpose Room Rentals.
2. Memorandum from Claudette Levy, Area Coordinator, Community Recreation.

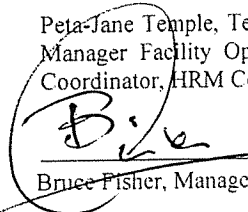
Property Matter: 2786 Agricola Street, Halifax
(Northern Lights)
Committee Report

June 11, 2007

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: Peta-Jane Temple, Team Lead, Tax Grants & Special Projects, HRM Finance; Diane Moulton, Manager Facility Operations, HRM Transportation & Public Works; Claudette Levy, Area Coordinator, HRM Community Development.

Report Approved by:



Bruce Fisher, Manager Tax & Fiscal, HRM Finance



Attachment 2

HRM Community Recreation 2007-2008

Art and sewing classes take place in the Multi-Purpose Room 100. The proposed upgrades include installation of an industrial sink for wash-up (use of the kitchen sink will be discontinued) and alternate disposal of any solvents.

Oil Painting	2 classes morning/afternoon Wednesday 9:30-12:00 and 1:00-3:30pm
Watercolour Painting	2 classes morning/afternoon Thursday 9:30-12:00 and 1:00-3:30pm
Tole Painting	2 classes morning/afternoon Tuesday 9:30-12:00 and 1:00-3:30pm
Smocking	2 classes Tuesday 7:00-9:00pm and Thursday 9:30-11:30am
Spanish	1 class Tuesday 5:30-7:00pm

Annual Bloomfield Art Show & Sale

May 31-June 2, 2007. Display and sale of works produced by participants in instructional art classes at Bloomfield Centre.

Seniors Clubs: Recurring Room Bookings 2007-2008

Presently, recurring and non-recurring room rentals by seniors groups are at no charge. Activities take place primarily in the Multi-Purpose Room 100 but with improvements to the Seniors Lounge Room 102 fitness classes, leisure activities (eg. bridge club, suppers etc) and meetings will be accommodated.

Metro Merrymakers & Ocean Waves	Seniors round dance. Weekly 7:00-10:00pm. ~25 participants
Fun Time Around Dancers	Seniors square dance ~40 participants
Bloomfield Painters*	Art class (majority are seniors) ~25 participants
Tai Chi	Fitness class. Weekly 9:30-11:00am. ~15 participants
Seniors Bridge Club	Leisure. Weekly 1-3:30pm ~12 participants
Northern Lights Seniors Club	Monthly Board of Directors meeting.

* Formerly Needham Arts. Also participate in the annual CMHA mural project fund-raiser.

MEMORANDUM

TO: Peta - Jane Temple
CC: Joan McDonell
FROM: Claudette Levy
DATE: May 31, 2007
SUBJECT: Northern Lights Seniors Club

The Northern Lights Seniors Club formed in 1985 and moved to The Bloomfield Centre in 1986. The Centre was originally retained by the former City of Halifax to serve as a senior centre. This club is volunteer based and operated by seniors for seniors and has a very active regular membership of 70 seniors and growing. The club provides social and recreational activities to seniors living independently in the community. The club is self funded through membership and fundraising and pays over 50% of their annually operating budget to rent and liability insurance. The Northern Lights Seniors Club is an excellent example of a community development approach that utilizes a flexible, proactive and cost effective way to delivery programs and services that builds community capacity and community pride. The programs and services provided align with the original mandate of the Bloomfield Centre and HRM Community Recreation Services Mandate therefore, Community Recreation Services will assume responsibility for the 2008/2009 rent subsidy that is required for the continued operation of the Northern Lights Seniors Club at the Bloomfield Centre. The rent subsidy can be recovered through the consolidation and creation of the Bloomfield Seniors Centre through additional reoccurring room rentals.

Sincerely

Claudette Levy
Area Coordinator
Community Development
Halifax Regional Municipality

Community Development

Tel: (902) 902 490-4560 Fax: (902) 902 490-4579
E-mail: levyc@halifax.ca@region.halifax.ns.ca Website: www.region.halifax.ns.ca