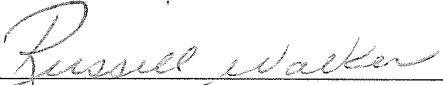




PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5, Canada

**Item No. 11.2.1**  
**Halifax Regional Council**  
**May 18, 2010**

**TO:** Mayor Kelly and Members of Halifax Regional Council

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

**DATE:** May 3, 2010

**SUBJECT:** **Property Matter: Less than Market Value Lease**  
**Temporary Lease Agreement - Fall River Chapel**  
**3182 Highway #2 (Former Fall River Recreation Centre)**

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**ORIGIN**

HRM Grants Committee meeting of May 3, 2010.

**RECOMMENDATION**

It is recommended that Halifax Regional Council enter into a less than market value temporary lease agreement with the Fall River Chapel as per the terms and conditions set out in Table 1 of the staff report dated April 22, 2010.

**BACKGROUND**

As per the staff report dated April 22, 2010.

**DISCUSSION**

As per the staff report dated April 22, 2010.

**BUDGET IMPLICATIONS**

As per the staff report dated April 22, 2010.

**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**

As per the staff report dated April 22, 2010.

**ATTACHMENTS**

1. Staff report dated April 22, 2010.

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.

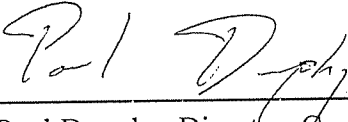
Report Prepared by: Krista Tidgwell, Legislative Assistant, 490-6519



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

HRM Grants Committee  
May 3, 2010

TO: Chair and Members of HRM Grants Committee

SUBMITTED BY:   
Paul Dunphy, Director, Community Development

DATE: April 22, 2010

SUBJECT: **Property Matter: Less than Market Value Lease  
Temporary Lease Agreement - Fall River Chapel  
3182 Highway #2 (Former Fall River Recreation Centre)**

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**ORIGIN**

This report originates with HRM staff as the Fall River Chapel has requested temporary storage space for their efforts to help those in Haiti.

**RECOMMENDATION**

It is recommended that the HRM Grants Committee recommend that Halifax Regional Council approve in principle the staff recommendation to enter into a less than market value temporary lease agreement with Fall River Chapel as per the terms and conditions set out in Table 1.

**BACKGROUND**

On January 12, 2010 a catastrophic earthquake with a magnitude of 7.0 shattered Haiti. There have been over 52 after shocks that have rattled the country. Some reports estimate that between 217,000 - 230,000 have perished and another 300,000 have been injured. Early estimates suggested over one million people are now homeless.

The Open Gate Church has approached Halifax Regional Municipality in hopes of retaining the former Fall River Recreation Centre (replaced by the Gordon R Snow) to use temporarily for their relief efforts for the people of Haiti. This building currently is not being used or leased out by any other groups.

The Open Gate Church is requesting to use this building as a central storage location. Several churches across Nova Scotia are gathering supplies for Haiti and need a centralized place to collect the items prior to sending the supplies to Haiti. The ability to send the supplies to one central location will allow these churches to focus their efforts on the gathering of the necessary items and less on where they will be storing the items in the meantime.

**DISCUSSION**

The property (3182 Highway #2) is going through the real property review process and environmental assessments. The building is not required for any internal HRM use at this time. If this recommendation is not approved for the temporary use, HRM may decide to release an Expression of Interest for the use of the property as presented in the alternatives listed below.

The key terms and conditions are as follows:

**Table 1**

<b><i>Property- Civic Address</i></b>	3182 Highway #2, Former Fall River Recreation Centre
<b><i>Landlord</i></b>	Halifax Regional Municipality
<b><i>Tenant</i></b>	Fall River Chapel
<b><i>Commencement Date</i></b>	April 1, 2010
<b><i>Term</i></b>	month to month
<b><i>Rental Rate</i></b>	Nil
<b><i>Insurance</i></b>	Tenant is to maintain \$2 million insurance policy approved by HRM and HRM is to be named on the policy as additionally insured.

<i>Notice</i>	<p>This agreement can be cancelled by either party, upon receipt of one (1) month written notice by the other.</p> <p>The Landlord may terminate this Lease Agreement at any point of the term upon giving one (1) month written notice to the Tenant, if the Municipality decides to sell, redevelop, renovate or change the Municipal use of the Leased Premise.</p>
<i>Specific Conditions</i>	<p>* The Tenant is aware that the use of the building is to store items only and all items are to be stored in the middle of the room.</p> <p>* The Tenant agrees that the Landlord will have access to the building for the purposes of having an assessment completed and any other required maintenance or inspection.</p> <p>*HRM has the right to assign the lease if the building is sold.</p> <p>*Any other specific conditions and restrictions as directed by TPW that may arise as a result of the site assessment currently underway by Halifax Regional Municipality TPW.</p>

**BUDGET IMPLICATIONS**

Facility Services will continue to provide building operating costs, such as heat, electric and water. Council is considering many options to reduce the deficit situation facing HRM. Approving this lease will not prevent this property from continuing through the real property review as it is a short term agreement.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality’s Multi-Year Financial Strategy, the proposed 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. HRM could reject this temporary lease proposal.
2. HRM could reject this temporary lease proposal and issue an Expression of Interest for the property use.


ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.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 : Tara Legge, Community Facility Service Delivery Coordinator, 490-8442

Report Approved by:   
Doug Rafuse, Manager, Service Delivery, 490-6205

Financial Approval b:   
Cathie O'Toole, CGA, Director of Finance, 490-6308