



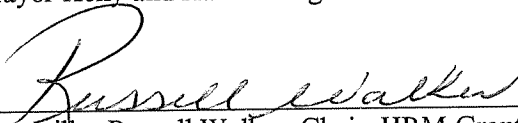
P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

11.3.1

Halifax Regional Council  
March 20, 2007

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

**SUBMITTED BY:**

  
Councillor Russell Walker, Chair, HRM Grants Committee

**DATE:** March 5, 2007

**SUBJECT:** Property Matter: Less Than Market Value Lease: Halifax City Soccer Club  
- 6955 Bayers Road, Halifax

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**ORIGIN**

Grants Committee meeting of March 5, 2007.

**RECOMMENDATION**

It is recommended that Regional Council:

Authorize the Mayor and Municipal Clerk to enter into a less than market value lease agreement for a portion of the premises located 6955 Bayers Road, Halifax, with the Halifax City Soccer Club, as per the terms and conditions set out in the report dated February 20, 2007.

### **BACKGROUND**

See **BACKGROUND** section on page 2 of the staff report, dated February 20, 2007, attached as Attachment 1 to this report.

### **DISCUSSION**

See **DISCUSSION** section on page 2 of the staff report, dated February 20, 2007, attached as Attachment 1 to this report.

### **BUDGET IMPLICATIONS**

See **BUDGET IMPLICATIONS** section on page 2 of the staff report, dated February 20, 2007, attached as Attachment 1 to this report.

### **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

See **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN** section on page 3 of the staff report, dated February 20, 2007, attached as Attachment 1 to this report.

### **ALTERNATIVES**

See the **ALTERNATIVES** section on page 3 of the staff report, dated February 20, 2007, attached as Attachment 1 to this report.

### **ATTACHMENTS**

1. Staff report dated February 20, 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  
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**HRM Grants Committee**  
**March 5, 2007**

**TO:** Chair and Members of the HRM Grants Committee

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

**DATE:** February 20, 2007

**SUBJECT:** **Property Matter: Less than Market Value Lease: Halifax City Soccer Club - 6955 Bayers Road, Halifax.**

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### **ORIGIN**

This report originates with staff of HRM Transportation and Public Works (Real Property) and HRM Finance (Grants Program) in response to the proposed re-location of a tenant from the Bloomfield Centre, 2786 Agricola Street, Halifax, to the St. Andrew's Centre, 6955 Bayers Road, Halifax.

### **RECOMMENDATION**

It is recommended that:

1. Regional Council authorize the Mayor and Municipal Clerk to enter into a less than market value lease agreement for a portion of the premises located at 6955 Bayers Road, Halifax, with the Halifax City Soccer 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 City Soccer Club has leased office space at the Bloomfield Centre since 2000. Presently, the lease is month-to-month pending the outcome of a review of the facility. The current rental is for ~500 sq.ft at \$215/month excluding HST and property tax. A review of tenancy conducted by staff in 2006 indicates that the club's programming is not site-specific and the tenant has indicated an interest in re-locating to the St. Andrew's Centre provided the move can be completed prior to the start of the season (ie. by mid-March).

**DISCUSSION**

The Halifax City Soccer Club is a registered non-profit society that provides competitive and recreational soccer instruction, league and tournament play for children, youth and adults. In 2006, the club had 1,950 registered members. Informal discussions have identified a potential partnership with respect to maximizing use of the St. Andrew's field and negotiations are expected to proceed in 2007.

<b>Summary of Key Terms and Conditions</b>	
<b>Civic Address</b>	6955 Bayers Road, Halifax
<b>Zoning</b>	Park & Institutional
<b>Occupancy</b>	708 sq.ft. Room 211-108-144 located on the second floor of the St. Andrew's Centre, Halifax
<b>Rental Rate*</b>	\$5,664 per annum (\$472/month) plus HST and applicable property tax (~\$2 per sq.ft)
<b>Duration of Lease</b>	5 years. Lease commences on or before March 15 <sup>th</sup> , 2007, subject to availability
<b>Conditions</b>	Leasehold improvements shall be at the expense of the tenant No sub-leasing without the written consent of HRM

\* The rental rate is \$8 per sq.ft plus HST and property tax.

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 taxes, HRM's rent subsidy is \$5,664 (708 sq.ft x \$8 = \$5,664)

**BUDGET IMPLICATIONS**

The space at St. Andrew's Centre has been held for the purpose of re-locating some tenants from the Bloomfield Centre, Halifax. The execution of this lease will create \$5,664 per annum in revenue. A proportional share of Commercial tax has not been billed or collected.

**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 the staff recommendation and direct staff to negotiate a market value lease with the Halifax City Soccer Club.

This action is not recommended: The re-location of the Halifax City Soccer Club to St. Andrew's Centre allows for the rationalization and consolidation of rentals in HRM-owned properties in Peninsula Halifax and provides operational stability to the club for a period of at least 5 years.

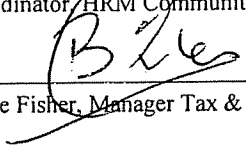
**ATTACHMENTS**

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 and Public Works; Claudette Levy, Area Coordinator, HRM Community Development.

Report Approved by:

  
Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance