





PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Item No. 11.3.1

Halifax Regional Council  
April 28, 2009

TO: Mayor Kelly and Members of the Halifax Regional Council

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

DATE: April 22, 2009

SUBJECT: Bloomfield Centre, 2786 Agricola Street, Halifax: Less Than Market Value  
Lease Renewals

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#### ORIGIN

Grants Committee meeting of April 20, 2009.

#### RECOMMENDATION

It is recommended that Halifax Regional Council approve the renewal of the following six (6) leases for a term of one (1) year pending the re-development of the Bloomfield Centre site: Canadian Mental Health Association, Ecology Action Centre, Northern Lights Senior Citizens Club, Safe Harbour Metropolitan Church, Independent Living Resource Centre, and the Knights of Columbus.

### **BACKGROUND**

As per the attached staff report dated April 20, 2008, Attachment 1 to this report.

### **BUDGET IMPLICATIONS**

As per the staff report dated, April 20, 2008, Attachment 1 to this report.

### **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 outlined in the staff report dated April 20, 2008, Attachment 1 to this report.

### **ATTACHMENTS**

1. Report dated April 20, 2008

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: Barbara Coleman, Legislative Assistant.

Attachment 1



PO Box 1749  
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HRM Grants Committee  
April 20, 2009

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

**SUBMITTED BY:**

  
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Paul Dunphy, Director, Community Development

**DATE:**

March 12, 2009

**SUBJECT:**

**Bloomfield Centre, 2786 Agricola Street, Halifax: Less than Market Value Lease Renewals**

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**ORIGIN**

Bloomfield Centre Review Project: Tenancy Plan Update October 23, 2007.

**RECOMMENDATION**

It is recommended that :

The HRM Grants Committee approve renewal of the following six (6) leases for a term of one (1) year pending the re-development of the Bloomfield Centre site: Canadian Mental Health Association, Ecology Action Centre, Northern Lights Senior Citizens Club, Safe Harbour Metropolitan Church, Independent Living Resource Centre, and the Knights of Columbus.

## BACKGROUND

In March, 2007, Regional Council approved a plan to address current occupancy at the Bloomfield Centre pending the outcome of Phase III of the Bloomfield Review Project. The Bloomfield Tenancy Plan (2007) distinguishes between groups considered to be aligned with HRM's mandate, described as "...under HRM auspices", and those that are conditional. The future configuration and operating budget of the site will shape HRM's capacity to accommodate current or additional groups. In the interim, HRM has suspended further leasing pending the re-development of the site. In part, this approach is intended to minimize the annual operating deficit (ie. additional staffing costs) and to make available space should temporary re-location be required during capital upgrades.

## DISCUSSION

### A. Occupancy Under HRM Auspices

#### **Canadian Mental Health Association**

The CMHA rent 2,159 sq.ft in the Main Building @\$8 sq.ft (\$17,272 per annum). HRM has consented to a sub-let of a portion of the second floor office to People First.

#### **Ecology Action Centre**

The Ecology Action Centre rent 1,200 sq.ft located in the basement of the Fielding Building for the *Bike Again Program*. As per the Grants Committee Report to Regional Council February 12, 2008, the base rent increases over a 5-year period to \$5 sq.ft in 2011-2012. Therefore, in 2009-2010 the rental rate will be \$2.75 per sq.ft (\$3,300 per annum).

#### **Northern Lights Senior Citizens Club**

The club lease 700 sq.ft @\$8 sq.ft (\$5,600 per annum). Presently, Community Recreation provide a departmental rent subsidy for the provision of seniors programming.

#### **Safe Harbour Metropolitan Church**

The church rents 50 sq.ft @\$5 sq.ft (\$250 per annum) for the operation of *Manna For Health Food Bank* for persons with chronic illnesses, many of whom are home-bound. This is not an HRM mandate in service delivery but was accepted as linked to a discretionary municipal interest in homelessness.

### B. Conditional Tenancy

#### **Independent Living Resource Centre**

The Centre rents 2,232 sq.ft @\$8 sq.ft (\$17,856 per annum) in the Main Building.

#### **Knights of Columbus**

The Knights of Columbus rent 1,400 sq.ft @\$8 sq.ft (\$11,200 per annum) in the Main Building.

### C. Under Review

#### **Centre for Diverse Visible Cultures**

The Centre rents 898.25 sq.ft @\$87/sq.ft (\$7,186 per annum) in the Main Building. Based on recurring rent arrears, a one-year lease is not recommended. In the alternative, staff recommend either (a) tenancy revert to a month-to-month lease or (b) non-renewal with just and sufficient cause to terminate. Negotiations with the tenant are in progress.

### BUDGET IMPLICATIONS

If approved, the execution of renewing six (6) leases will realize \$55,478 in revenue per annum. If a one-year lease agreement with the centre for Diverse Visible Cultures is executed an additional \$7,186 would be generated in revenue for a revised total of \$62,664. The site's on-going operating costs are assumed by HRM Transportation & Public Works pending a decision regarding re-development.

Due to the uncertainty of the site's future configuration the property has not been assessed for real property taxes. As such, all tenants have been 100% tax exempt during the course of their tenure.

### 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 a staff recommendation.

This action is not recommended: The tenancy and rental rates have been approved by Regional Council within the context of the Bloomfield Tenancy Plan to provide some stability during the Bloomfield Review Project.

### ATTACHMENTS

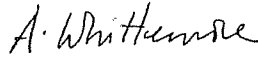
None.

**Bloomfield Centre  
Committee Report**

**April 20, 2009**

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 Grants & Contributions, Community Development; Claudette Levy, Area Coordinator, Community Development

Report Approved by:   
Andrew Whittlemore, Manager, Community Relations & Cultural Affairs, Community Development, 490-1585