

**Item No. 11.2.2**  
**Halifax Regional Council**  
**July 5, 2011**

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

Original Signed

**SUBMITTED BY:** Councillor Dawn Sloane, Chair, Peninsula Community Council

**DATE:** June 20, 2011

**SUBJECT:** Business Improvement District for Agricola, Hydrostone, Gottingen

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**ORIGIN**

Peninsula Community Council meeting of June 13, 2011.

**RECOMMENDATION**

Peninsula Community Council recommends that Halifax Regional Council:

1. Endorse the establishment of a Business Improvement District for the Agricola, Gottingen, Hydrostone area, in accordance with the Boundary contained in Attachment 1 of the May 18, 2011 staff report
2. Approve the proposed area rate levy of \$0.18 per \$100.00 of assessed value for commercial assessment to be applied within the Business Improvement District effective in the 2011-12 fiscal year with a minimum of \$50 and a maximum of \$2,500 per property; and
3. Authorize the Mayor and Municipal Clerk to execute the Business Improvement Districts Service Agreement as set out in Attachment 4 of the May 18, 2011 staff report for one year, effective June 8, 2011.
4. Defer BID eligibility for HRM discretionary contributions funding until the 2012-2013 fiscal year.

### **BACKGROUND/DISCUSSION**

At the June 13, 2011 meeting of Peninsula Community Council, staff presented the report on the proposal to create a business improvement district for the area of Agricola Street, the Hydrostone area and Gottingen Street. Community Council endorsed the staff recommendation and recommends Regional Council approve the formation of a Business Improvement District for this area as outlined in the recommendation above.

### **BUDGET IMPLICATIONS**

Budget implications are outlined in the attached staff report.

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

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

### **COMMUNITY ENGAGEMENT**

Not applicable with this report.

### **ALTERNATIVES**

Community Council did not provide alternatives.

### **ATTACHMENTS**

Staff report dated May 18, 2011.

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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: Sheilagh Edmonds, Legislative Assistant

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**Peninsula Community Council**  
**June 13, 2011**

**TO:** Chair and Members of Peninsula Community Council

**SUBMITTED BY:** Original Signed  
Paul Dunphy, Director Community Development

**DATE:** May 18, 2011

**SUBJECT:** Business Improvement District for Agricola, Hydrostone, Gottingen

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**ORIGIN**

This report originates with a BID-formation steering committee formed by members of the Agricola, Gottingen, Hydrostone business community.

**RECOMMENDATION**

It is recommended that Peninsula Community Council recommend that Halifax Regional Council:

1. Endorse the establishment of a Business Improvement District for the Agricola, Gottingen, Hydrostone area, in accordance with the boundary contained in Attachment 1 of this report;
2. Approve the proposed area rate levy of \$0.18 per \$100.00 of assessed value for commercial assessment to be applied within the Business Improvement District effective in the 2011-12 fiscal year with a minimum of \$50 and a maximum of \$2,500 per property; and
3. Authorize the Mayor and Municipal Clerk to execute the Business Improvement Districts Service Agreement as set out in Attachment 4 of this report for one year, effective June 8, 2011.
4. Defer BID eligibility for HRM discretionary contributions funding until the 2012-2013 fiscal year.

## **BACKGROUND**

Presently, there are seven (7) Business Improvement Districts (BIDs) located within Halifax Regional Municipality:

- Downtown Dartmouth Business Commission
- Downtown Halifax Business Commission
- Spring Garden Area Business Association
- Quinpool Road Mainstreet District Association
- Main Street Dartmouth and Area Business Improvement Association
- Sackville Drive Business Association
- Spryfield and District Business Commission

These BIDs are supported by an area rate levied on the commercial and business occupancy assessment of businesses and commercial land owners in the BID catchment area. This levy is enabled by Section 70 of the Halifax Regional Municipality Charter (2008) for services related to beautification, marketing, public parking, and economic development. On an annual basis, BIDs submit a financial statement, proposed budget, and business plan to Regional Council.

## **DISCUSSION**

The process to establish a BID follows HRM's area rate process, requiring business community support through consultation and a mail-in vote with the majority of respondents in favour of the proposed BID area rate.

The Agricola, Gottingen, Hydrostone business community gauged support for creating a business improvement district through a variety of methods including canvassing businesses in the area and hosting a public meeting on April 21, 2011. A registered letter was sent, by HRM, on April 11, 2011, to every potential BID member within the proposed BID catchment area (refer to Attachment 1). Commercial property owners had until end of day on May 6, 2011, to return a ballot indicating whether or not they supported the initiative (refer to Attachment 2).

One ballot was sent to each commercial assessment account within the proposed boundary. A total of 265 ballots were sent out. The response to the mail-out was favourable with 126 out of the 265 ballots returned, representing an overall response rate of 47%. This response rate exceeds that recorded for the most recently approved BID. In the case of Main Street Dartmouth, 39% of the ballots mailed were returned to HRM.

Of the 126 responses received, 83 supported the BID levy and 43 did not support the levy. Historically, in order for a BID to proceed, 50% + 1 of votes received must support a BID area rate levy. The resulting 65.9% in favour of the proposed BID levy, meets with the 50% + 1 voting threshold. This level of BID-formation support exceeds the rate recorded for the two most recently approved BIDs, namely Main Street Dartmouth (61.8%) and Sackville Drive (64%).

Subject to Council's approval, an area rate of \$0.18 per \$100 of assessed value would be applied to all commercial accounts in the BID area. This levy rate is comparable to other BID area rates within the Municipality. In light of the imminent phase-out of the business occupancy accounts, and the scarcity of accounts in the proposed district, no levy will be applied to business occupancy accounts.

The minimum annual charge for any account would be \$50, and the maximum annual charge would be \$2,500. Based on the January 2011 assessment role, it is expected that the 265 commercial accounts, within the catchment area of the newly formed BID, would generate approximately \$113,117, in fiscal 2011-12.

As is current HRM policy with all BIDS, 3% of the revenue generated will be withheld as a contingency against fluctuations in assessment and for appeals. Attached to this report is a copy of the 2011-2012 operating budget for the Agricola, Gottingen, Hydrostone Business Improvement District (refer to Attachment 3).

BID-specific HRM discretionary funding is set annually by Regional Council through the regular budget process. Funding is project-specific and matched by the BIDS. BID discretionary funding has historically targeted beautification, place-making and promotion, maintenance, and public safety. Note that this fund is separate from the Community Grants Program.

By mutual agreement, HRM distributes discretionary funding according to each individual BID's respective percent of the total area rate levy. For example, a BID that collects 20% of the total area rate levies, collectively levied by all BIDS, is entitled to 20% of the available BID discretionary funding. In setting their levy, each individual BID determines what share of HRM's discretionary funding they will receive according to the proportional share formula.

Existing BIDS have collectively expressed their concern that any new BIDS created, would automatically be included in the proportional share formula. Without a corresponding budget increase, additional demand from new BIDS would result in a dilution of discretionary funding impact. If the value of the fund remains constant, and a new BID is added, each BID's proportional share will decline. This dilution would be further compounded by recent discretionary funding cuts.

Budget deliberation for the 2011-2012 fiscal year was conducted without consideration of a newly formed BID. The BID-specific discretionary fund can not be adjusted to accommodate the addition of a new BID until the 2012-2013 budget is before Council.

Should Council approve the proposed levy, staff will prepare a standard Service Agreement to formalize the terms for the proposed Business Improvement District (refer to Attachment 4).

### **BUDGET IMPLICATIONS**

Funding for the proposed BID would come entirely from area rates and therefore has no impact on the net 2011-12 Operating Budget. Upon approval a new cost centre within Community Development would be required.

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

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

## **COMMUNITY ENGAGEMENT**

A steering committee, representing the Agricola, Gottingen, Hydrostone business community was formed to lead a BID-formation initiative. Bernard Smith, former Executive Director for the Spring Garden Area Business Association, was engaged, by the steering committee, to facilitate the process. In co-operation with Mr. Smith, the committee engaged business and property owners using a combination of emails, newsletters, telephone calls and face-to-face meetings.

Community support for the proposal to create a BID was gauged by HRM through hosting a public meeting on April 21, 2011 and conducting a plebiscite, per the guidelines governing area rate levies.

## **ALTERNATIVES**

Council could deny the requested area rate. This is not recommended given the demonstrated business support for the BID (65.8% of returned ballots in favour of BID-formation).

## **ATTACHMENTS**

1. Draft Contributions Policy HRM Business Improvement Districts and a copy of the geographic map of the proposed BID area.
2. Copy of letter to proposed assessed members within the BID area.
3. Copy of the 2011/2012 operating budget for the Agricola, Gottingen, Hydrostone Business Improvement District.
4. Business Improvement Districts Service Agreement, 2011-2012.

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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: Scott Sheffield, Community Developer, CRCA, 490-3941;  
Peta-Jane Temple, Regional Coordinator, Grants, CRCA, 490-5469.

**Original Signed**

Report Approved by: \_\_\_\_\_  
Andrew Whittemore, Manager CRCA, 490-1585

**Original Signed**

Financial Approval by: \_\_\_\_\_  
For Bruce Fisher, Acting Director of Finance/CFO 490-6308

# Attachment 1

Draft Contributions Policy  
HRM Business Improvement  
Districts

## Contributions Policy

HRM Business Improvement Districts

This policy outlines Business Improvement District discretionary funding eligibility and reporting.

HRM Community Development

## Overview

### Business Improvement District Concept

A Business Improvement District (BID) is a special assessment district where business people join together to promote and improve the economic vitality of the area. The establishment of a BID provides a unique opportunity for business owners, and commercial property owners, to promote their mutual goals of creating safe, attractive and interesting commercial places aimed at stimulating business.

### Rationale for Public Investment

HRM is committed to supporting BIDs because they strengthen the business community, create new jobs, attract new businesses, expand the commercial tax base and revitalize commercial districts across the municipality. A BID provides a business area with the resources to develop marketing campaigns, increase awareness and lobbying efforts, secure additional funding and undertake improvement and beautification projects. An organized business community can work more effectively to create positive change and increase support for businesses in the area. In HRM, BIDs work closely with elected officials and municipal staff to voice their collective concerns, monitor business regulations, and obtain support for their business development projects.

### HRM Discretionary Funding

Funds raised by a BID through an area rate may be supplemented by discretionary municipal financial support in the form of grants, project-specific contracts, fee-for-service agreements, incentives, or concessions. HRM may also initiate or partner with BIDs in the development and execution of submissions to non-municipal funding sources, for example provincial or federal government programs, government agencies, philanthropic foundations, or corporate initiatives.

The source of discretionary funding shapes decision-making authority and permissible expenses. Hence, this policy has two categories:

- ***HRM BID Investment Fund.***

Designated discretionary contributions funded through the region's general tax rate and distributed to eligible BIDs in proportion to their area rate revenue. The Fund is a recurring annual program, subject to approval of HRM's annual operating budget, and requires matching (non-municipal) funds from the recipient BID.

- ***Special Projects Funding.***

An internal transfer of funds from an HRM departmental operating or capital account, or reserve, for a designated project or type of program, subject to approval of HRM's



annual budget. Or, a flow-through of funds received by HRM from a non-municipal source for a designated project, program or service. Matching funds or cost-sharing may or may not be required and applicant/project eligibility will be case-specific.

## **BID Contributions Policy**

The purpose of formal policy is to guide public investment in accordance with provincial legislation, municipal goals and financial capacity. The BID Contributions Policy supports the principles of self-sufficiency, public accountability for the expenditure of public money, and measurable outcomes resulting from specific initiatives undertaken to promote a BID as a business, employment, tourist and/or shopping area. The BID Contributions Policy shall be reviewed every three (3) years, or upon request, to reflect substantive changes in legislation, municipal policy or strategic priorities, and budget capacity.

## **HRM BID Investment Fund**

### **1. Objectives**

The *BID Investment Fund* has the following primary objectives:

- Support local economic development through investment in business districts to enhance their attractiveness to citizens, prospective investors, entrepreneurs, and employees thereby enhancing the municipality's reputation as a vibrant place to live and work.
- Facilitate projects and collaborative partnerships that realize measurable outcomes aligned with HRM's economic development interests and/or strategic priorities;
- Enhance HRM's connectedness to the local business community.

Public investment shall leverage, to the greatest extent possible, private sector, philanthropic, or government investment, to contribute to the revitalization and growth of local business districts.

### **2. Source of Funds**

The *BID Investment Fund* is financed through the municipal general tax rate. In accordance with legislation, funding from this source cannot be spent on private property. The availability and value of the Fund shall be determined annually through the regular HRM budget process.

### **3. Fiscal Year**

HRM's fiscal year is April 1st to March 31st.

#### 4. Applicant Eligibility Criteria

Eligibility for discretionary funding under the *BID Investment Fund* shall be restricted to a business improvement association, defined as an organization incorporated to carry out business improvement activities within a designated geographic BID by an administrative order pursuant to HRM By-law X-XXX.

- 4.1. *Initial Year*: The BID association shall have been recognized, by way of Administrative Order, at least one (1) year prior to the date of application to the *BID Investment Fund*. Delayed eligibility affords Regional Council time to consider any increase the value of the Fund if a new business improvement district is formed during the course of the fiscal year. The aim is to prevent dilution of the Fund's impact as a consequence of growth in the number of BIDs.

A one-year requirement provides reviewers with some indication of the financial status of the applicant and their ability to match funds and/or deliver a program or service. The deferred eligibility also affords the applicant sufficient time to gauge the needs of their district and develop an application that addresses those needs in accordance with the Fund's objectives.

- 4.2. *Debts or Claims*: Applicants in debt to the municipality, or party to a legal claim, shall be ineligible for consideration pending:

- a signed payment plan and compliance with same, and/or
- settlement of the claim.

At its discretion, Regional Council may waive applicant ineligibility determined under clause 4.2.

#### 5. Duplication of (Municipal) Funding

The recipient BID shall be required to identify any contribution from the *BID Investment Fund*, and any other form of municipal financial assistance, as separate line items in their annual financial statement, or as a separate schedule in the financial statement. The purpose of this requirement is to distinguish HRM funding from the BID's area rate and other self-generated revenues, and to distinguish the source(s) of any HRM funding. For example, to distinguish a contribution under the *BID Investment Fund* and an *HRM Festivals & Events Program* grant.

#### 6. Application Process

As part of the regular submission of BID business plans, budget and levy rates, eligible BIDs shall identify the intended use of any discretionary contribution from the *BID Investment Fund* using an application form provided by HRM.

Submissions shall be received by the deadline stated. Late or incomplete applications shall not be considered.

## **7. Project Modification**

Where necessary, changes in approved, contribution-supported activities may be initiated due to changes in personnel, changes in the status or organization, or changes in the objectives or timeframe of the approved project. Minor changes in methodology, approach, or other aspects of the project objectives can be made. However, prior approval from HRM must be given for changes in scope, direction, type of service delivery or training, or other areas that constitute a substantive change from the objectives or purposes of the approved project.

## **8. Substitute Project**

Where an approved project can not proceed, the Applicant may, make application to substitute a new project for a previously approved project. Where a substitute project is ongoing prior to HRM's approval, HRM may cover incurred project costs. Incurred expenses relating to a substitute project are evaluated on a case-by-case basis in accordance with the following criteria:

- they must be "eligible expenses" as per sections 20,21,22 and 23 of this policy;
- they must relate to the substituted project which has been approved for funding; and
- the cost must be incurred after April 1<sup>st</sup> of the current fiscal year and before March 31<sup>st</sup> of the current fiscal year.

HRM will not assume any responsibility for any expenses in the event that the substitute project is not approved.

## **9. Changes in Expenditures**

A degree of latitude is allowed in making post-award budget revisions to an approved budget. Re-budgeting within, and between, budget categories in the approved total project budget, is permitted to meet unanticipated requirements or to accomplish programmatic changes. In using this authority, proper stewardship must be exercised over Municipal funds and all costs charged to HRM must be allowable, allocable, and reasonable.

## **10. Inability to Proceed & Carry Forward of Funds**

If a commitment or contribution to a project that relies upon third party funding, such as fundraising or a government grant, proves not to be feasible (i.e. lacks the necessary funding), unused funds shall be returned to HRM.

If an extension is needed, applicants shall submit a request in writing. HRM staff will provide a written response. Funds committed to a project may be carried forward, by the grant recipient, to the next fiscal year. The balance of any un-spent funds (i.e. the project is completed under

budget or the funds are not utilized within the fiscal year) shall be deposited into a designated reserve. Reserve funds shall be noted as such in the organization's audited financial statement.

### 11. Confirmation of Matching Funds

HRM's total contribution (from all sources) shall not exceed 50% of total project costs. Applicants are encouraged to cost-share or seek assistance from other sources (e.g. program fees, charge-backs, fundraising etc.).

Confirmation of matching, non-municipal funds, shall be provided at the time of application. Unconfirmed commitments shall be clearly identified and may warrant a conditional award. For example, payment may be withheld pending confirmation or issued in instalments.

At a minimum, applicants shall identify:

- Cash contributed by the BID itself (levy monies are eligible as matching funds);
- In-kind contributions provided by the BID or a third party (these do not qualify as monetary value for the purpose of "matching funds" but are an indication of partnership development) and/or different forms of 'project investment' or collaboration;
- Estimated revenue (if any) created by the project (e.g. admission charges, registration fees, product sales);
- Other forms of confirmed financial assistance (e.g. private donation, corporate donation, foundation grant, donation of goods and services, federal or provincial contribution).

### 12. Value of Contribution

The Fund is allocated on the basis of each BID's proportional share of the combined area rate levied for all eligible BIDs in the current fiscal year. This approach recognizes that each BID's percentage of the total levy, and by extension, their proportional share of the Fund, is largely self-determined. Individual BIDs are autonomous in establishing individual area rates, including minimum and maximum thresholds.

### 13. Proportional Share Formula

Each eligible BID's proportional share of the Fund shall be calculated as follows:

$$\frac{\text{Applicant Levy}}{\text{Cumulative Levy}} \times \text{Fund Value}$$

Cumulative Levy:	Total area rate levy raised by all HRM BIDs (expressed as dollar value).
Applicant Levy:	Area rate levy raised by applicant BID (expressed as dollar value).
Fund Value:	Annual value of the Fund as approved by Regional Council (expressed as dollar value).

#### **14. Indexing the Value of the Fund**

Because a BID's proportional share is tied to the collective value of all BID levies, the addition of any new BID impacts existing BIDs' proportional share of the Fund. Therefore, the value of the Fund shall be indexed to prevent dilution of impact.

The Fund shall use the following indexing formula:

$$\frac{\text{Current Fund Value}}{\text{Current Levy}} \times \text{New BID Levy} = \text{Fund Increase}$$

$$\text{Fund Increase} + \text{Current Fund Value} = \text{New Fund Value}$$

#### **15. Payment Schedule**

Notwithstanding any unforeseen circumstances, awards shall be paid in one instalment. There shall be no supplementary or incremental commitment from HRM.

#### **16. Reporting**

A project final report shall be submitted on or before April 30<sup>th</sup>, of the fiscal year in which the contribution was made, using a form provided by HRM. As a condition of funding, all grant recipients shall agree to report on project-specific measurable outcomes. Outcomes must be articulated in the proponent's rationale for public funding and must align with HRM's funding rationale. Such outcomes may include, but are not limited to:

- level of public and private investment;
- program and service impact;
- employment;
- sectoral development opportunities.

#### **17. Public Notice of Contributions**

In accordance with the provisions of the Halifax Charter (2008), a list of all contributions awarded under the *BID Investment Fund* shall be sent by HRM to a newspaper that circulates throughout the municipality. A formal Information Report shall be submitted to Regional Council listing the individual BID allocations and a brief summary of individual project outcomes.

#### **18. Funding Acknowledgement**

Funding recipients are expected to provide the appropriate public acknowledgement. Guidelines regarding government protocols shall be provided by HRM.

## **19. Indemnification, Insolvency and Guarantor Status**

The funding recipient(s) shall indemnify HRM against all claims and losses. In the event of bankruptcy, insolvency or dissolution of the business improvement association, HRM shall not be required to complete payment to the project. HRM shall not serve as a guarantor of a project, nor shall there be any implied or expressed, direct or indirect liability.

## **20. Eligible Funding Categories**

Applicants are encouraged to identify, plan and implement business improvement projects that will have demonstrable benefits for district constituents and HRM. Contributions are intended to help develop a new project or enhance existing programming.

**20.1. *Business Recruitment & Retention:*** Applicants may engage in projects that promote a desirable business and service mix, achieve vacancy reduction, market to investors, and attract financial incentives for new and expanding businesses. The following list is provided for illustrative purposes and is not meant to be exhaustive:

- Undertake a retail study to assess the current retail mix, identify the district's trade area, develop a shopper profile and identify gaps where the retail mix can be improved;
- Work with appropriate agencies and other district stakeholders to change zoning in order to realize the full economic potential of the district;
- Conduct commuter surveys, employer consultations and parking analyses;
- Create media kit/collateral and/or loyalty programs that attract new businesses and/or property developers to the district;
- Conduct retailer outreach to attract new businesses that match the demographic profile of the area;
- Complete a commercial use study to obtain information about commercial space and its use including information on vacant square footage, number of businesses, and business use categories;
- Promote major construction or revitalization projects in partnership with government agencies and elected officials that promote economic vitality;
- Collect data on commercial leases in the district to detect and interpret current trends and to help accurately guide the expectations of both property owners and prospective retail tenants;
- Implement a strategy to mitigate any negative effects of construction within the district.

**20.2. *Enhanced Maintenance & Beautification:*** Applicants may implement maintenance and beautification initiatives that enrich the experiences of neighbourhood visitors, enhance pride of place, discourage vandalism and improve the street-level image of the district. The following list is provided for illustrative purposes and is not meant to be exhaustive:

- Provide enhanced sanitation services including neighbourhood clean-up event, street and sidewalk cleaning, actions to discourage illegal dumping, cleaning of street furniture, graffiti and sticker removal;
- Provide enhanced seasonal maintenance including power washing sidewalks and snow and ice removal;
- Work with relevant agencies and organizations to encourage active transportation (e.g. encouraging the placement of bike racks and installation of bike lanes);
- Launch an initiative to bring public art into the public realm, attract new pedestrian traffic and expand the district's reputation for supporting and exhibiting art (e.g. temporary art installations and functional art, sculpture, murals);
- Design and install banners to brand the BID and promote the district;
- Develop a streetscape design plan that will strengthen the overall sense of place in the district, attract more people and increase 'dwell' times;
- Strengthen, expand and support the business community's commitment to green solutions (e.g. recycling, waste reduction, solar lighting, anti-littering campaign etc.).

**20.3. *Marketing and Promotions:*** Applicants may pursue projects that enhance the branding and marketing of the district and bring more pedestrian traffic into the area. The following list is provided for illustrative purposes and is not meant to be exhaustive:

- Develop or re-brand the district's print collateral and online media in order to strengthen the BID/BIA brand and establish a coordinated and unified presentation;
- Strengthen ties to organizations and events that expand the district's reach to new audiences;
- Promote the district's arts and entertainment uses to the greater public through promotional giveaways and media placements (advertisements, direct mails and other marketing efforts);
- Design and distribute district asset marketing materials (e.g. business directory, walking tour postcard, district maps, restaurant guide, promotional brochures) promoting the district to specific target audiences e.g. tourists, visitors and shoppers;
- Sponsor activities and events, hosted by partner organizations, that take place in the district;
- Implement way-finding and/or directional signage to highlight businesses and destinations within the district;
- Develop or host a regionally/nationally-recognized event (conference, symposium etc.) to profile the district;
- Establish/expand annual, BID-led, public events, programs and outdoor performances that highlight the district's restaurants, retailers, artists, cultural organizations, and public spaces (e.g. restaurant tours, block parties, farmers' market, holiday festivals, street fairs, parades).

**20.4. *Safety and Security:*** Applicants may implement initiatives that improve the sense of security and well-being in the district and surrounding area to keep the community safer. The following list is provided for illustrative purposes and is not meant to be exhaustive:

- Seek a coordinated, sustained, informed response from relevant agencies and stakeholders to address any security concerns regarding loitering for illegal or undesirable purposes (e.g. drug trafficking, under-age or public alcohol consumption, sale of contraband or stolen goods etc.);
- Implement security patrols and/or video surveillance program;
- Participate in local traffic management initiatives to relieve congestion and improve the environment for pedestrians;
- Work with local public authorities to keep crime at a minimum and ensure safe, well-lit streets for pedestrians;
- Serve the district's population of homeless persons through a BID coordinated/sponsored outreach program in partnership with relevant public and non-profit agencies;
- Partner with governmental agencies and non-profit organizations that enhance public safety;
- Conduct a safety audit – crime prevention through environmental design (CPTED).

**20.5. *Heritage Conservation and Cultural Districts:*** Applicants may pursue projects that advance public understanding of neighbourhood, district or regional history through the restoration, preservation, public display and/or interpretation of buildings, sites, and artefacts of historical significance. The following list is provided for illustrative purposes and is not meant to be an exhaustive:

- Support the conservation of artefacts (e.g. monuments, markers, memorials, interpretation panels) - an accredited conservator and use of authentic restoration/preservation methods and materials is recommended;
- Promote major structural/façade repairs to heritage buildings (e.g. streetscape façade, walls, foundation, roof, windows, exterior doors);
- Commission photography, photo-reproduction, or illustration of historic buildings, sites, landscapes, streetscapes, artefacts, people, and events of neighbourhood significance;
- Produce educational/promotional materials (e.g. book, booklet, walking map, poster, cd, video, film, interpretation panel, exhibition catalogue, interpretive markers etc.). Excludes commercial, for-profit publishing by individuals or commercial interests.
- Develop mobile exhibition, permanent display, or web site to explain the significance of an historic neighbourhood streetscape, building, site, or artefact;
- Development and implementation of a strategy for (re)development of registered heritage properties to facilitate adaptive re-use of underutilized spaces;
- As applicable, facilitate the identification of a locale within the BID's catchment area as heritage district;
- Identify and brand a cultural district for the purpose of creating a distinct destination.

**Note:** The expenditure of public funds on private property is permitted under Section 22 of the Heritage Property Act. Such properties must be municipally registered heritage properties (building or site) pursuant to HRM By-law H-200 or be properties situated within a designated municipal Heritage Conservation District.



**20.6. Governance and Membership:** Applicants can undertake initiatives that build organizational capacity and strengthen their ability to be responsive to constituents. The following list is provided for illustrative purposes and is not meant to be exhaustive:

- Develop a master contact list/database containing data for all commercial property owners and businesses in the district;
- Increase membership outreach and engagement (e.g. project updates, feedback forms, one-on-one meetings, roundtable discussions, Town Hall meetings, speaker series, newsletter, flyers, news and events calendar, etc.);
- Complete district survey of stakeholders to ascertain priorities and perceived association/district strengths and weaknesses;
- Diversify the BIA's revenue streams through sponsorship opportunities (e.g. sponsored trash receptacles on private property, streetlamp banner, map advertising, web site);
- Identify and attain new sources of governmental funding to support district programming;
- Improve the business association's service delivery to district constituents by implementing systems to identify and resolve problems as quickly and efficiently as possible;
- Conduct organizational development to expand the capacity of the BIA (e.g. staff training, strategic planning);
- Foster board development and board leadership and identify members of the community to serve on management or project committees.

**20.7. Advocacy:** Applicants may implement initiatives that are designed to provide their constituents with a medium/mechanism for communicating collective concerns and interests to relevant parties and effecting positive change. The following list is provided for illustrative purposes and is not meant to be an exhaustive:

- Assist BID merchants and property owners obtain information regarding non-municipal financing to renovate private property (including vacant land);
- Sponsor merchant breakfasts where representatives from government agencies conduct outreach to district constituents;
- Advocate for enhanced/expanded public spaces, including parks, located in the district, to make them more user-friendly and appealing to visitors and locals;
- Encourage members to participate in municipal public hearings, public information meetings, consultations, and surveys;
- Facilitate visioning sessions with stakeholders regarding the redevelopment of the district or a portion thereof.

**20.8. Other and Sundry:** Applicants may undertake initiatives that meet the goals of the *BID Investment Fund* but are not otherwise specified under this policy. Applicants will be expected to articulate the rationale for funding in relation to existing legislation and the Fund's objectives.

## 21. Eligible Expenditures

The following are examples of eligible expenses. The list is for illustration purposes only. Applicants are advised to contact HRM staff for guidance if their specific requirement is not noted.

- Purchase/rental of specialized equipment or computer software (e.g. database management, inventory control, telecommunications, audio-visual equipment, public address system, portable lights);
- Facility rental;
- Purchase/rental of landscape and maintenance equipment and/or materials for site remediation or beautification;
- Purchase/rental of specialized heavy equipment (e.g. trailer, transmission system);
- Purchase/rental of specialized exhibition or performance equipment (e.g. display unit, portable stage, storage containers, tent);
- Construction of public amenities (e.g. gazebo, outdoor seating, raised beds, observation platform, lighting, fencing, gates etc.);
- Purchase and installation of public amenities (e.g. water fountain, bike rack);
- Interpretation panels or markers;
- Production of educational, self-promotional, marketing, or information materials (including web site development or interactive upgrades);
- Volunteer or membership identification program (excludes personal apparel or uniforms, or awards);
- Graffiti removal and prevention (e.g. exterior lighting, video monitoring, fencing, specialized equipment).

## Professional Fees

The following are examples of eligible professional expenses. This list is for illustration purposes only. Applicants are advised to contact HRM staff for advice on their specific request:

- Consultant (e.g. feasibility study, market analysis, marketing plan, consumer surveys, program evaluation, program design, policy, organizational review, needs assessment, asset mapping, report, test, drafting);
- Computer programmer (e.g. web site design, database design, information management system);
- Financial consultant (e.g. financial plan, capital plan, debt re-structuring, investment plan).
- Graphic designer, illustrator; photographer; artist or artisan, animator, photographer, signage design and/or fabrication, videographer, recording technician (production of project-specific cd), event design or management;
- Writer or editor (preparation of copy, editor, proofreading), publisher (marketing plan, project management);

- Lawyer (property title search, contract, articles of incorporation – excludes litigation);
- Statistician (demographic, trends analysis);
- Architect or landscape architect;
- Engineer (geotechnical/structural, civil, mechanical, electrical);
- Conservator (building or artefact), curator (collections management, exhibit design);
- Environmental engineer (tests for air quality, soil contamination, water course or quality, hazardous materials), energy efficiency auditor, laboratory fees (tests);
- Horticulturalist, arborist, landscape architect;
- Planner (land use, regulations, conceptual design) or surveyor.

## **22. Ineligible Expenses**

- 22.1. Core Operating Assistance:** The program does not provide core operating assistance (i.e. excludes salaries and wages, rent, office supplies, insurance). Project-specific professional fees are eligible. These are fees paid for services that require accreditation or technical knowledge and experience that exceeds the capacity of volunteers or an organization's own staff.
- 22.2. Gifts or Awards:** The program does not sponsor personal gifts or awards, social events (banquets, receptions), or hospitality.
- 22.3. Debt Repayment:** Debt repayment for work completed or in progress, or prior losses or cost overruns, is ineligible for funding.
- 22.4. Private Interests:** Projects that accrue wholly, or in large measure, to the benefit to a proportionately small number of private interests are not permitted.
- 22.5. Prepaid Expenses:** Applicants may not prepay expenses (i.e. claim costs incurred in the current fiscal year that relate to goods or services to be delivered or provided in the following fiscal year).

## **23. Repayment of Ineligible Expenses**

Funds disbursed under the auspices of this policy are public monies. HRM is obliged to ensure that expenditures are applied to approved projects and for eligible expenses. At Regional Council's discretion, any unauthorized or ineligible expenditure may be re-payable.

## **24. Application Review**

HRM staff review applications to confirm eligibility with respect to BID eligibility, permissible expenditures, and matching funds. The applicant's proportional allocation from the Fund is calculated as per the formula set out in subsections 13 and 14.

## **25. Approval Process: Contributions**

A staff report is prepared for the HRM Grants Committee. The committee provides oversight in terms of monitoring adherence to formal policies and procedures. The staff/committee report is then forwarded to Regional Council for approval.

- The HRM Grants Committee is a standing committee of Regional Council and comprises six (6) members of Regional Council, one per Community Council, and six (6) members of the public. The HRM Grants Committee may initiate a review of policy and procedures.

## **26. Approval Process: Policy Amendments**

Proposed amendments to the BID Contributions Policy shall be reviewed by HRM and a staff report prepared for the HRM Grants Committee's consideration. The staff/committee report is then sent to the HRM Audit & Finance Committee which provides policy development oversight for municipal grants and contributions programs. The staff/committee report is then forwarded to Regional Council for approval.

- The HRM Audit & Finance Committee comprises eight members of Regional Council, one per Community Council, and two at-large appointments. The HRM Audit & Finance Committee may initiate a review of policy and procedures.

## **27. Freedom of Information (FOIPOP) Disclosure**

The provisions of the Halifax Charter (2008) shall be followed with respect to freedom of information and the right to privacy (FOIPOP). Funding applicants/recipients are advised that information pertaining to a request for funding may be shared with staff reviewers, HRM committees (including members of the public serving on same), or may be requested by third parties through a formal FOIPOP request. The Municipal Auditor may also request material in the course of a random or non-randomized financial audit of the *BID Investment Fund* or an internal service review.

The standard FOIPOP protocol directs the initial inquiry to departmental staff. If the request is not met to the satisfaction of the applicant, or not routinely available, the request shall be forwarded to the Director. Any grievance should be directed to the FOIPOP Coordinator of HRM who shall be responsible for the review and resolution of requests.

## **28. Records**

Applications and applicable evaluation forms and reports are retained on file and held by HRM for a period of seven (7) years.

## Special Projects Funding

- HRM may, at its sole discretion, allocate funding by way of an internal transfer of funds from HRM departmental operating or capital account, or reserve, for a designated project, program or service.
- HRM may allocate funds received by HRM from a non-municipal source for a designated project, program or service.
- Matching funds or cost-sharing may or may not be required on a program-specific basis.
- Eligibility for special project funding shall be dictated by the terms and conditions of the applicable project, program or service agreement.
- HRM shall encourage equitable access to opportunity through an open call for submissions as per the applicable funding program eligibility criteria and timelines.
- HRM staff review applications to confirm eligibility with respect to BID eligibility, permissible projects and expenditures. Applications are evaluated and prioritized by a staff review team, and external reviewer where appropriate, to assess the respective merit of a project relative to the applicable funding criteria and make recommendations regarding any allocation or award(s).
- HRM may, at its sole discretion, convene a project-specific review process to assist in a merit-based evaluation or competition. For example, members of the general public, a peer jury, technical advisory committee, presentation panel etc.
- The HRM Grants Committee provides oversight in terms of monitoring compliance with the applicable program's funding criteria and the adjudication of any appeals. A staff/committee report is then forwarded to Regional Council for approval.

# Agricola, Gottingen, Hydrostone BID



## ATTACHMENT 2

LETTER TO PROPOSED ASSESSED  
MEMBERS  
WITHIN BID AREA



### AREA TAX RATE BALLOT

---

April 1, 2011

FIRST NAME / LAST NAME  
ADDRESS / ADDR2  
CITY / PROV / PC

Assessment # AAN

CIVICNUM / CIVICCHAR / STREET / ST\_TYPE / APT / CITY / LOT\_TYPE / LOT

Dear Property Owner:

This letter is to inform you that application has been made to Halifax Regional Municipality to form a Business Improvement District (BID) in the Agricola, Gottingen, Hydrostone area. This application has been made following community led consultation with local business tenants and commercial property owners to gauge interest in forming a BID.

BIDs are provided for under Provincial legislation. Section 70 of the Halifax Regional Municipality Charter states as follows:

70 (1) The Municipality may:

- (a) beautify, improve and maintain property owned or leased by the Municipality;
- (b) pay grants to a body corporate for the purpose of promoting or beautifying a business district and for airport, wharf or waterfront development;
- (c) identify and promote a business district as a place for retail and commercial activity;
- (d) establish or maintain parking facilities.

70 (2) The Municipality may levy an area rate applicable only to the commercial property and business occupancy assessments in the area benefited by the expenditures in order to recover them.

70 (3) In setting such an area rate, the Council may set

- (a) different rates for business occupancy assessments and commercial property assessments; and
  - (b) a minimum and maximum amount to be paid by a person assessed,
- or may provide that payments be made on another basis established by the Council. 2008, c. 39, s. 70.

To represent the interests of the business improvement district, a non-profit would be formed. The proposed Agricola Gottingen Hydrostone Business Association (AGHBA) would be registered with the Registry of Joint Stock Companies. AGHBA would be governed by a board elected by business tenants and commercial property owners, who would collectively form AGHBA's membership. AGHBA would be required to hold an Annual General Meeting (AGM), to elect board members and to hold such other meetings as necessary to deal with BID business.

The annual budget for the proposed BID would be raised through an area rate levy applied to commercial properties in the BID. The budget and area rate levy would be proposed by AGHBA's board of management and approved both by AGHBA's membership and by Halifax Regional Council.

The area rate levy proposed by AGHBA is **\$0.18 per \$100 of taxable assessment**. To calculate your individual levy, simply multiply the assessment value found on your Provincial Assessment Notice by 0.0018. No commercial property account will pay less than \$50 or more than \$2,500 annually. Halifax Regional Municipality will include this levy as a separate line on your annual property tax bill and remit

collected area rate levy funds to AGHBA. For 2011 only, the total levy will be charged on the August/September property tax bill. In future years, the levy will be split evenly between the April and August/September tax bills.

Halifax Regional Municipality holds back 3% of the total levy collected as a contingency against receiving lower than budgeted levy revenue as the result of assessment appeals and non-payment. The balance of the holdback is returned to AGHBA after adjustments for non-payment and appeals have been made.

In accordance with Halifax Regional Municipality's procedure for implementing area rates, the commercial property owners in the proposed business improvement district must be consulted with regard to whether they wish to pay the annual area rate levy to contribute to the proposed business improvement district's projects and activities. Each property account owner is provided with one ballot and one vote. If a simple majority (50% + 1) of ballots returned vote in favour of the business improvement district area rate, it will be applied to all commercial properties within the BID's boundaries.

In the interests of disclosure and to provide further clarity, please find enclosed in this mailing the following:

1. Letter from AGHBA providing details regarding its goals and plans
2. Proposed AGHBA Annual Budget of the Association for April 1, 2011 to March 31, 2012

For more information, please plan to attend the public meeting scheduled for **Thursday, April 21st from 7:00 pm to 10:00 pm** at the **Bloomfield Centre** Multipurpose Room (2786 Agricola Street, Halifax). Representatives of HRM will be in attendance, along with a representative of AGHBA, to help answer your questions. For questions regarding the goals of AGHBA, please contact Bernard Smith at 497-5643.

**Proposed 2011-12 Operating Budget for the  
Agricola Gottingen Hydrostone Business Association**

Rent	\$ 8,000
Salaries	45,000
Wages	15,000
Payroll Charges	6,000
Office Equipment	1,000
Telephone	1,200
Board Supports	800
Printing	4,000
Advertising & Promotion	14,000
Event Supports	5,000
Insurance	2,000
Area Clean-up, Graffiti Removal	11,117
<b>Total:</b>	<b><u>\$ 113,117</u></b>



## Area Rate Levy Ballot

Assessment # AAN

As the owner of the commercial property account identified above, you are entitled to one vote. Please complete the ballot below and either drop it off at the meeting, fax it to 490-5622 or return it in the enclosed self-addressed envelope.

If you lose your ballot, or have any questions specific to the balloting process, please contact Scott Sheffield at 490-3941.

**Please note that all Ballots must be received by Friday, May 6, 2011 (Sorry, but we cannot make any exceptions).** If you are mailing your ballot in, please allow adequate time for delivery.

---

- ☐ **YES**, I am in favour of paying an annual area rate levy of \$0.18 per \$100 of assessed value to fund the proposed business improvement district.
- ☐ **NO**, I am not in favour of paying an annual area rate levy to fund the proposed business improvement district.

Signature: \_\_\_\_\_

Comments:

**NOTE:** Only one vote per assessment number will be counted. Ballots with written-in, typed-in, or altered assessment numbers will not be accepted. All ballots will be cross referenced against a list of commercial property account owners.

## ATTACHMENT 3

20011/2012 Operating Budget  
for Agricola, Gottingen,  
Hydrostone BID

### Proposed 2011-12 Operating Budget for the Agricola Gottingen Hydrostone Business District

Rent	\$8,000
Salaries	45,000
Wages	15,000
Payroll Charges	6,000
Office Equipment	1,000
Telephone	1,200
Board Supports	800
Printing	4,000
Advertising & Promotion	14,000
Event Supports	5,000
Insurance	2,000
Area Clean-up, Graffiti Removal	7,723
3% Hold Back	3,394
<b>Total:</b>	<b>\$113,117</b>

# Service Agreement

Between:

Halifax Regional Municipality

and

INSERT

Halifax Regional Municipality  
Community Development  
40 Alderney Drive  
Halifax, Nova Scotia B2Y 2N5  
tel: 902.490.3941  
fax: 902.490.5730  
[www.halifax.ca](http://www.halifax.ca)

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This **Service Agreement** made this 21<sup>st</sup> day of April, 2011.

BETWEEN:

**HALIFAX REGIONAL MUNICIPALITY**  
(hereinafter called the “Municipality”)

OF THE FIRST PART

- and -

**INSERT NAME**  
(hereinafter called the “Society”)

OF THE SECOND PART

**WHEREAS** the Halifax Regional Municipality wishes to appoint the Society to promote a business improvement district as a place for retail and commercial activity in the area, subject to and in accordance with the terms of this agreement;

**WHEREAS** the Society wishes to provide the services related to promote their business improvement district as a place for retail and commercial activity;

**IT IS THEREFORE** mutually agreed as follows:

## **ARTICLE ONE DEFINITIONS**

### **Section 1.01        Definitions**

- (a)     “Area” means the business improvement district area as described by their approved boundaries.
- (b)     “Society” means the business improvement district/association.
- (c)     “Commencement Date” means April 21, 2011.
- (d)     “Deputy Chief Administrative Officer” means the Deputy Chief Administrative Officer for the Halifax Regional Municipality.
- (e)     “Municipality” means Halifax Regional Municipality.
- (f)     Chief Administrative Officer means the Chief Administrative Officer or designate.

## **ARTICLE TWO APPOINTMENT OF THE SOCIETY**

### **Section 2.01        Appointment of Society**

The Municipality hereby appoints the Society, and the Society hereby accepts such appointment, to undertake, on behalf of the Municipality, services which are more particularly set out in section 2.02, as an independent contractor, on the terms and conditions set out in this Agreement.

### **Section 2.02        General**

The business improvement districts (Society) are supported by a tax levied on those businesses and commercial land owners located within their districts. This levy is enabled by Section 70 of the Halifax Regional Municipality Charter, which authorizes Council to contract by way of this management agreement, for services related to beautification, maintenance, marketing and promotions and economic development.

The Society shall deliver services related to the promotion of their district as a business improvement district for retail and commercial activity. The Society may also establish or maintain parking facilities for the Municipality and may beautify, maintain or improve property of the Municipality during the terms of this agreement unless and except to the extent otherwise determined by the Municipality by notice in writing to the Society.

The Society will support the delivery of HRM's Economic Strategy through monitoring of local economic and business activity and trends in respective districts in support of HRM's marketing efforts, and collaborate with other HRM economic development service providers in supporting HRM's Economic Strategy.

The Society shall perform its duties and exercise the power and authority set out in this agreement in an efficient and economical manner and in accordance with the terms of this Agreement, for the account and at the expense of the Municipality, except where expressly provided to the contrary, and subject to responsibilities hereunder in a competent and professional manner.

### **ARTICLE THREE**

#### **DUTIES AND RESPONSIBILITIES OF THE SOCIETY**

##### **Section 3.01                      Indemnification by the Society**

The Society agrees to indemnify and hold harmless the Municipality and each officer and employee of the Municipality, against any loss, expense, damage, claim, liability, obligation, judgment or injury suffered or sustained by the Municipality as a result of any act or omission or alleged act or omission of the Society on or any employee acting under the supervision of the Society except where such activities are carried out pursuant to and in accordance with this Agreement and in furtherance of the interests of the Municipality, and the Society or employee, as the case may be, has acted in good faith.

##### **Section 3.02                      General Services**

The Society agrees to provide HRM with local business improvement services that support the delivery of HRM's Corporate directions as set out in strategies relating but not limited to Regional Planning, Urban Design, Economic Development, Culture, Youth, Safety, Graffiti, Fiscal and Tax Policy, and other priorities as determined by Council or the Chief Administrative Officer (CAO) as follows:

- (a) Enhanced maintenance services to augment municipal litter and graffiti abatement programs through means such as community cleanups, graffiti removal and/or sidewalk sweeping programs;
- (b) Beautification programs to improve the image of business districts through local improvements such as plantings, banners, lighting, window displays and/or seasonal decorations as appropriate;



- (c) Communications, advocacy and outreach programs which provide a conduit to HRM's business community through dissemination of information, advocacy, and facilitating change in support of local business district and related municipal matters;
- (d) Provide assistance to HRM in facilitating solutions to service delivery issues in partnership with the business community, and assists HRM in responding to municipal service requests through reporting and/or provide assistance with local inventories of municipal service issues;
- (e) Provide local area business area marketing and promotion services through such means as business directories, websites, tourism and retail promotions, marketing collateral and/or hosting community festivals and events as appropriate.
- (f) Participates in collectively identifying priorities for HRM's annual business planning and budget process, and prepares annual activity plans in accordance with section 3.03 of this agreement which identify measurable outcomes in support of this agreement;
- (g) Provides regular communications to the Chief Administrative Officer on status of activity plans and provides annual report to Council on year end achievements.

### Section 3.03

#### **Preparation of Activity Plan and Budget**

- (a) The Society shall prepare and submit to the Municipality for approval, through the Chief Administrative Officer a plan of activities and budget for each municipal fiscal year ending March 31 along with a recommended area rate, to be levied against all commercial realty assessments in the district, for financing the proposed plan of activities and budget which align with the general services referenced in section 3.02 of this Agreement, including a recommended minimum and maximum amount to be levied upon each commercial realty assessment, which budget shall include a three percent reserve from the total levy collected for uncollected area rates, by HRM.
- (b) Those Business Improvement Associations located within the Capital District shall also participate in and cooperatively submit to the Municipality for approval through the Chief Administrative Officer, a joint initiative plan of activities and budget for each municipal fiscal year (April 1 - March 31) to promote collaboration among the Capital District area business commissions, which shall include new partnership initiatives which address graffiti abatement, enhanced maintenance, safety, beautification, and joint marketing and promotions which are addressed under separate contract.

Section 3.04 **Operating Account**

The Society shall open a commercial chequing account (“Operating Account”), at a bank to be approved by the Municipality, for the purpose of depositing funds provided by the Municipality for carrying out the purposes approved pursuant to this agreement.

Section 3.05 **Accounting Offices**

The Society shall maintain or cause to be maintained at such location as shall be approved in writing by the Municipality, adequate books, vouchers and records in connection with the management and operations of the Services. The Municipality shall have the right, at its own expense, and at all reasonable times during normal business hours, to audit, examine, make copies of, or take extracts from the books of account and records maintained by the Society pursuant to this agreement. Such right may be exercised through any agent or employee designated by the Municipality and the Municipality shall bear all expenses in connection therewith.

Section 3.06 **Receipts and Records**

The Society shall at all times during the continuance of this agreement secure and maintain all applicable invoices and/or bills for all expenses related to the Services, copies of all correspondence, contracts, inventories, warranties and records of income, deposits and charges with respect to the Services. The Society shall at all times keep and maintain in accordance with generally accepted accounting principles, approved by the Municipality and consistently applied, full, true and accurate books of account fully reflecting all matters relating to the Services, including all income, expenditures, assets and liabilities thereof. The books of accounts shall be kept in such a manner as to clearly separate all income and expenses and to indicate to which source they are attributed, with any distributions to the Municipality be accompanied by a statement identifying the source of such funds.

Section 3.07 **Financial Reports**

Within ninety (90) days after the close of the Fiscal Year, the Society shall cause to be prepared by an independent accountant or accounting firm and filed with the Municipality through the Chief Administrative Officer, an audited financial report (“Financial Report”) for the Services. The Financial Report shall include a balance sheet as of the end of the prior Fiscal Year, a statement of income or loss, and a statement of changes in financial position for the prior Fiscal Year. The statement of income or loss shall disclose the amount of income earned or loss sustained, the amount of cash; if any, available for distribution to the Municipality, and shall include the amount of depreciation, depletion, amortization, interest, extraordinary interest and extraordinary charges. The Society shall furnish the Financial Report to the Chief Administrative Officer as soon as practicable after the Financial Report has been prepared.

Section 3.08

**Other Reports**

The Society shall, when requested, prepare and furnish to the Municipality, such other reports or statements as the Municipality may reasonably require.

Section 3.09

**Property of the Society**

The records, reports, books of account and other documents and materials relating to the provision of the Services shall be the property of the Society and; upon the termination of this agreement by expiration or otherwise, the Society shall provide copies of such portions thereof as the Municipality shall deem necessary.

Section 3.10

**Settlement**

Within 30 days after the effective date of termination of this agreement by expiration or otherwise, Society shall pay to the Municipality an amount equal to the sum of all deposits made to the Operating Account by the Municipality, less the sum of all amounts previously paid out of such account in accordance with this Agreement and such additional amounts as the Society may be obliged to pay or deposit to the Operating Account pursuant to the terms of this agreement.

**ARTICLE FOUR  
INDEMNIFICATION**

Section 4.01

**Indemnification of the Organization**

The Municipality shall indemnify, defend, and hold harmless the Society and each member of the Society and each officer and director thereof, against any uninsured loss, expense, damage, claim, liability, obligation, judgement or injury suffered or sustained by reason of any act, omission or alleged act or omission arising out of the activities of the Organization pursuant to this Agreement provided, however, that the Organization, member, officer or director, as the case may be, has acted in good faith and the act or omission giving rise to the claim is not fraudulent, deceitful, intended to cause harm or injury or illegal.

**ARTICLE FIVE  
DUTIES AND RESPONSIBILITIES OF THE MUNICIPALITY**

Section 5.01

**Assessment Information**

The Municipality shall provide annually to the Society, assessment roll data for the next fiscal year within seven (7) days of receiving it from the Province of Nova Scotia.

Section 5.02

**Approval of Business Plan & Budget**

The Municipality shall approve such business plan and final budget, as the Municipality considers appropriate.

Section 5.03

**Interim Financing**

The Municipality shall, by April 15 of each fiscal year deposit in the Operating Account of the Society, interim financing for the operation of the Society, which shall be equal to forty percent of the Society's approved budget for the Area in the previous year.

Section 5.04

**Disbursements**

The Municipality shall deposit funds in the Operating Account according to the following schedule:

- (a) interim financing as described in Section 4.04 forty percent of the Final Budget on August 1<sup>st</sup> of each year;
- (b) the remaining funds of the Final Budget on November 1 of each year, less the three percent budgeted for uncollectible on the local area rate levied in the District for each fiscal year; AND
- (c) any funds collected by way of the 3% reserve, not used toward unpaid accounts, will be reimbursed to the Society every four years.

Section 5.05

**Limitation of Liability**

The individual committee members of the Organization shall not be liable to the Municipality for any obligation, expense, liability or claim of any nature or kind whatsoever, howsoever incurred, with respect to the operation of the Society, for which there is no insurance on behalf of the Society or its committee members, as the case may be, unless such obligation, expense, liability or claim was incurred or arises as a result of lack of good faith or any fraudulent, deceitful or illegal act on the part of such individual.

**ARTICLE SIX  
TERM/TERMINATION**

Section 6.01

**Commencement and Initial Term**

(a) This Agreement shall be for a term of **one (1)** year, commencing on June 8<sup>th</sup>, 2011, and shall continue in force, unless earlier terminated as set out in Section 6.02 or Section 6.03 unless either party shall notify the other by written notice that it elects not to renew this Agreement at least six (6) months prior to the end of the initial term or any renewal term.

(b) Annual Review The Municipality shall undertake an annual review of this Agreement in order to ensure that the terms, conditions and deliverables are achieved and remain consistent with the Municipality's corporate direction.

Section 6.02

**Termination by the Municipality**

This Agreement may be terminated by the Municipality, upon giving the Society written notice of its election to terminate as follows:

- (a) In the event that the Society breaches any of the terms and provisions of this Agreement and such breach continues for a period of 15 days after written notice thereof from the Municipality to the Society or in the case of a breach which cannot with due diligence be cured within such period of 15 days, if the Society fails to proceed with all due diligence within such period of 15 days to commence to cure such breach and thereafter to prosecute the curing of such breach with all due diligence and continuity within ninety (90) days after receipt by the Society of such notice;
- (b) In the event that the Municipality is presented with a petition requesting that the Society's activities pursuant to this Agreement cease, signed by at least fifty-one percent of the persons within the District who are members in good standing; or
- (c) In the event that:
  - (i) if the Society shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent; the Society admits in writing its inability to pay its debts as they mature;
  - (ii) the Society gives notice to any governmental body of insolvency or pending insolvency or suspension or pending suspension of operations; or
  - (iii) the Society makes an assignment for the benefits of creditors or takes any other similar action for the protection of benefit creditors.

Section 6.03

**Termination by the Society**

This Agreement may be terminated by the Society, upon giving the Municipality written notice of its election to terminate, in the event that the Municipality breaches any of the terms and provisions of this Agreement and such breach continues for a period of 15 days after written notice thereof from the Society to the Municipality, or in the case of a breach which cannot with due diligence be cured within such period of 15 days, if the Municipality fails to proceed with due diligence within such period of 15 days to commence to cure such breach and thereafter to prosecute the curing of such breach with all due diligence and continuity within ninety (90) days after receipt by the Municipality of such notice.

## **ARTICLE SEVEN INSURANCE**

### **Section 7.01**

#### **Indemnification Before and After Term of Agreement**

No party shall be liable for any obligations incurred by the other party whether incurred before or after the execution of this Agreement and each party hereby agrees to indemnify and hold harmless the other party with respect to all such obligations except obligations incurred by or in connection with or on behalf of the parties pursuant to and as permitted by the terms of this Agreement.

### **Section 7.02**

#### **Insurance**

During the term of this Agreement, the Society shall provide, pay for and maintain with companies satisfactory to the Municipality, the types of insurance as jointly required by the Municipality and the Society. All liability policies shall provide that the Municipality is an additional named insured as to the operations of the Society under this Agreement. The insurance coverage and limits required must be evidenced by properly executed Certificates of Insurance and shall be provided to the Municipality ten (10) working days prior to the expiration of the current coverage. Thirty (30) days notice must be given to the Municipality of any cancellation, intent not to renew, or reduction in policy coverage.

### **Section 7.03**

#### **Suits and Claims**

The Society shall notify the Municipality in writing as soon as possible after the Association becomes aware of any claim or possible claim against the Municipality and/or the Society which involves the Association. The Society shall take no steps (such as the admission of liability) which would operate to bar the Municipality from obtaining any protection afforded by any policies of insurance it may hold or which will operate to prejudice the defence in any legal proceedings involving the Municipality or the Society, or otherwise prevent the Municipality from protecting itself against any such claim, demand or legal proceeding. The Society shall fully cooperate with the Municipality in the defence of any claim, demand or legal proceeding.

## **ARTICLE EIGHT GENERAL PROVISIONS**

### **Section 8.01                      Notices**

All notices, demands, request, approvals or other communication of any kind, which a party hereto may be required or may desire to serve on the other party in connection with this Agreement, shall be served personally or sent by registered mail. Any notice or demand so served by registered mail shall be deposited in the mail with postage thereon fully prepaid, registered and addressed to the party so to be served as follows:

**I.**            if to the Municipality:

**Halifax Regional Municipality  
PO Box 1749  
Halifax, NS  
B3J 3A5**

**II.**            if to the Society

**INSERT ADDRESS**

**III.**        Except in the event of a postal service strike or lockout (in which event the parties hereto agree to temporarily utilize other reasonable methods of communicating notices), service of any notice or demand so made by mail shall be deemed complete on the date of actual delivery as shown by the registry receipt or at the expiration of the seventh business day after the date of mailing, whichever is earlier in time. Either party may from time to time, by notice in writing served upon the other party as aforesaid, designate a different mailing address or different or additional persons to which all such notices or demands are thereafter to be addressed.

### **Section 8.02                      Validity of Provisions**

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

### **Section 8.03                      Waiver of Modification**

No consent or waiver, express or implied, by a party to or of any breach or default by the other party in the performance by such other party of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default hereunder. Failure on the part of a party to complain of any act, or failure to act on the part of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder. Neither this Agreement nor any provision hereof may be amended, waived,

modified or discharged except by an instrument in writing executed by the party against whom enforcement of such amendment, waiver, modification or discharge is sought.

Section 8.04 **Successors**

The provisions of this Agreement shall, subject to the terms and conditions hereof, be binding upon and endure to the benefit of the successors and assigns of each of the parties hereto, provided, however, this Agreement shall at all times remain personal to the Society and may not be assigned by the Society without the prior written consent of the Municipality.

Section 8.05 **Remedies**

Both parties shall, in addition to all rights provided herein or as may be provided by law, be entitled to the remedies of specific performance and injunction to enforce their rights hereunder.

Section 8.06 **Headings**

The headings used in this Agreement are inserted solely for the convenience of reference and are not part of and are not intended to govern, limit or aid in the construction of any term or provision hereof.

Section 7.07 **Interpretation**

Where the context so requires, words used in the singular shall include the plural and vice versa.

Section 7.08 **Entire Agreement**

This Agreement, together with any written Agreements executed in connection herewith or modifications or amendments to this Agreement entered into by the parties hereto shall constitute the entire Agreement between the parties hereto relative to the subject matter hereof and shall supersede any prior Agreements or understanding, if any, whether written or oral, which either party may have had relating to the subject matter hereof.

Section 7.09 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of Nova Scotia.

Section 7.10 **Time of Essence**

Time is of the essence in the performance of the obligations of this Agreement and of each provision hereof.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto, as of the day and year first above written.



**SIGNED, SEALED and DELIVERED**

**BUSINESS COMMISSION**

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Witness

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INSERT NAME

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**HALIFAX REGIONAL MUNICIPALITY**

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Witness

\_\_\_\_\_  
Mayor

)  
)

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Municipal Clerk