

Item No. 11.1.4
Halifax Regional Council
October 18, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: September 12, 2011

SUBJECT: Assignment of Lease – 4408 St. Margaret’s Bay Road – Former Fire
Station #59, Lewis Lake

ORIGIN

This report originates from a request from the area Councillor to allow the Bay Road Community Hall Association to use the former HRM leased Fire Station #59 for community hall purposes.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Clerk to enter into an Assignment Agreement for the Lease between HRM and the Province of Nova Scotia, assigning HRM’s lease interest in the property to The Bay Road Community Hall Association, as per the terms and conditions as set out in this report.

BACKGROUND

HRM has been leasing land from the Provincial Department of Natural Resources (DNR) at this location for the purpose of a fire hall for the Lewis Lake area since the 1970's. Under the Lease, the Municipality has improved the property with a two bay building structure under the condition that upon termination of the lease, the structure would be removed. The leased area is approximately 3.53 acres of a larger DNR parent land holdings of 445 acres. The lease term expires August 31, 2016.

Members of the community have indicated that they have historically used a portion of the facility over the years for events such as Boy Scouts, Sea and Air Cadets, Girl Guides, special events, space rentals to community for exercise, and adult recreational activities.

The community has formed a new association for the purpose of managing ongoing community uses at the facility. This new association has approached the Councilor and staff requesting an agreement to allow continued community use. The community group has indicated that the building was originally built by the community through an area rate for the purpose of fire services.

DISCUSSION

In this instance, the Municipality does not own the property. The Municipality’s interest in the property is limited to that of the Lease Agreement it holds with the owner of the property, the Province of Nova Scotia. With the completion of the new Fire Station #65 in Tantallon in the spring of 2011, Fire Station #59 became surplus to the requirements of Fire Services, and the lease interest was deemed surplus.

HRM does not provide recreation program delivery in this building and continues to be able to provide adequate programming in other existing venues. However, discussions with the community indicated that there is a strong desire for the hall to remain open and available for their use.

Under the Municipality’s current Lease Agreement, the Municipality may assign its interests in the property with the approval of the property owner, the Province of Nova Scotia.

On September 9, 2011, the request to assign the Municipality’s interest under the lease to the Association was made and consented to by the Province. The consent is subject to the Municipality warranting the removal of the building at the end of the Association's term or use.

Business Terms:

<i>Property Address</i>	4408 St. Margaret’s Bay Road, Lewis Lake
<i>Leased Area</i>	3.53 acres
<i>Lessor</i>	Province of Nova Scotia
<i>Lessee</i>	Halifax Regional Municipality
<i>Assignee</i>	Bay Road Community Hall Association
<i>Proposed Use</i>	Community Hall
<i>Zoning</i>	MU-1 (Mixed Use) Zone
<i>Special Terms</i>	<ul style="list-style-type: none">• HRM to warranty the removal of the building at the end of the Association’s term or use.

BUDGET IMPLICATIONS

The recommended action will release all HRM’s interest in the property, except for its existing liability for the removal of the structure at a future date. Operating savings based on the last three years of cost are between \$20,000 - \$30,000 annually.

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

Staff has met with representatives of the Community Association who are requesting this transfer of lease. In addition, various user groups have communicated directly with the Mayor and Councilor in the area regarding their support for the efforts of the new Community Board.

ALTERNATIVES

Regional Council may wish to complete their current lease obligation with the Province of Nova Scotia, give notice as required, and execute Clause 8 – Demolition of the building.

ATTACHMENTS

Attachment A – Site Plan & Photo

If the report is released to the public, a copy can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

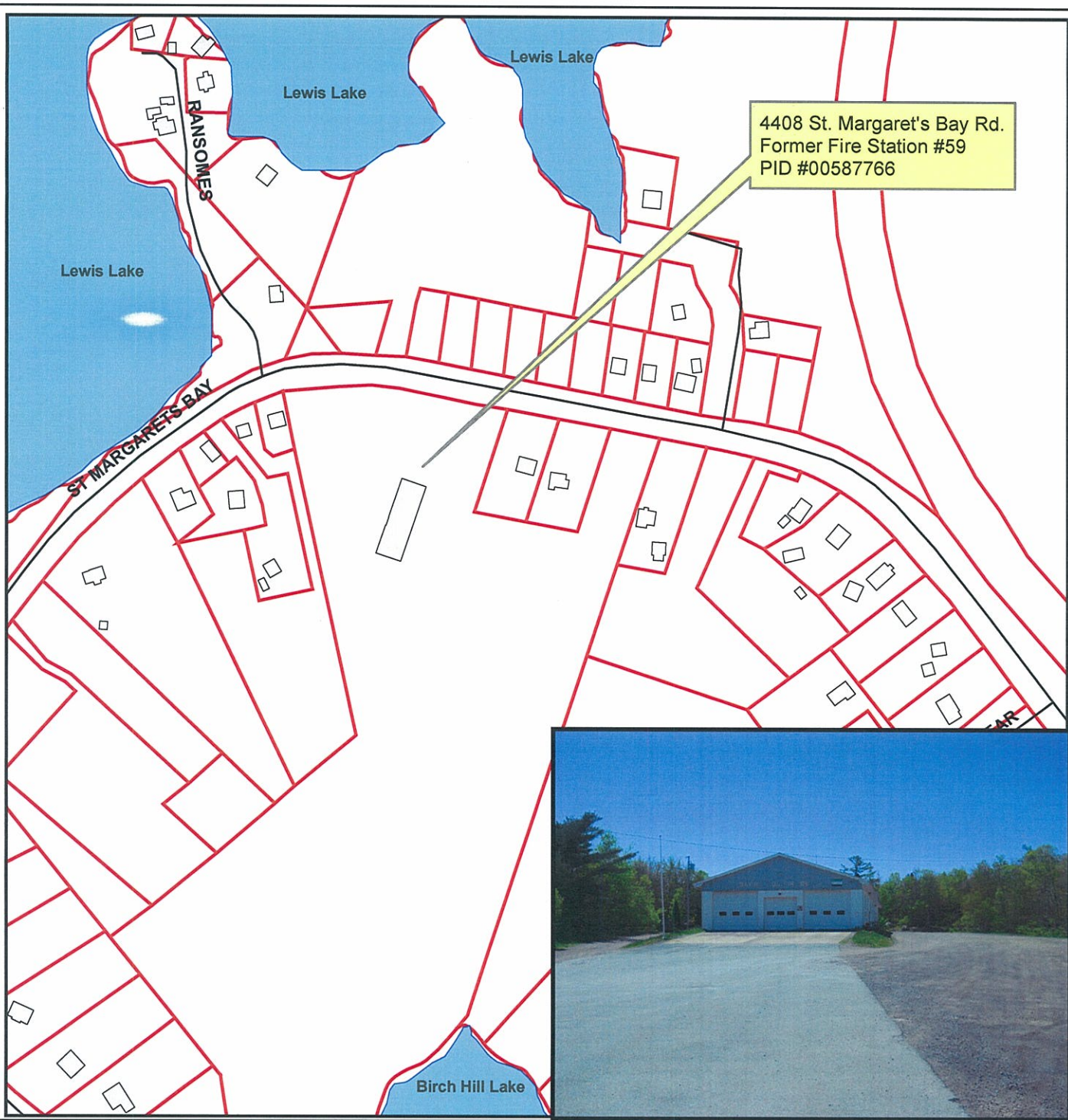
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Original Signed



ATTACHMENT A

Assignment of Lease
4408 St. Margaret's Bay Rd.

SITE PLAN & PHOTO



This map was produced for the internal use of Halifax Regional Municipality (HRM). HRM takes no responsibility for errors or omissions. Date of map is not indicative of the date of data creation.

Date: September 12, 2011
Prepared by: E. Wall