


Item No. 11.1.1
Halifax Regional Council
September 11, 2012

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: August 13, 2012

SUBJECT: RCMP Lease at North Preston Community Center

ORIGIN

The report originates from staff of Real Estate, Planning & Infrastructure, regarding lease terms and conditions for the purpose built Royal Canadian Mounted Police (RCMP) office space at the North Preston Community Center (NPCC). The negotiated lease term of ten (10) years exceeds the delegated authorities of the CAO and requires approval by Halifax Regional Council.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Municipal Clerk to enter into a Lease Agreement between the Royal Canadian Mounted Police (RCMP) and the Halifax Regional Municipality (HRM), based on the terms and conditions contained in Table 1 of this report.

BACKGROUND

On September 20, 2011, Halifax Regional Council approved Tender No. 11-181, North Preston Community Center (NPCC) Expansion, for the following uses: RCMP offices, a computer room, games room, arts and craft room, and additional washrooms for the community center.

This expansion was a partnership between HRM's Community and Recreation Services and the RCMP, with an aim to improve safety and security in the community, improve service delivery options, and enhanced visibility of the RCMP.

This partnership was created as a result of recommendations of the Mayor's Roundtable on Violence and Public Safety, as well as support for the Community Outcome Area for Safe, Inclusive, and Welcoming Communities.

DISCUSSION

The expansion at the NPCC is approximately 4,900 square feet in total, with the RCMP utilizing approximately 1,744 square feet.

Staff has negotiated a fair market value lease for these premises, as outlined below in the summary table, and recommend these terms and conditions for approval.

Table 1 Business Terms:

<i>Property Address</i>	44 Simmonds Road
<i>Landlord</i>	Halifax Regional Municipality – North Preston Community Center
<i>Tenant</i>	Royal Canadian Mounted Police
<i>Area</i>	1,744 square feet
<i>Rental Rate</i>	Base Rent - \$12.00 psf Additional Rent - \$8.00 psf Total annual rent of \$34,876.00 + HST
<i>Term</i>	10 year term
<i>Commencement Date</i>	June 1, 2012 to May 31, 2022
<i>Early Termination Clause</i>	The Landlord hereby grants the Tenant the right of early termination without penalty with six month written notice, but no notice shall be given until the expiration of five years from the commencement date above.
<i>Other Terms and Conditions</i>	1. The Tenant agrees to pay an annual CPI increase on the additional rent only. 2. Renewal to be negotiated at a future date.

BUDGET IMPLICATIONS

Revenues in the amount of \$34,876 per annum, with yearly CPI adjustments, will be deposited into P&I's Facilities Rentals Account No. W202-5102.

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

There were ongoing community discussions to determine the scope of work for the expansion project.

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

None

ATTACHMENTS

N/A

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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