

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

# Item No. 11.1.4 Halifax Regional Council July 23, 2013

TO: Mayor Savage and Members of Halifax Regional Council

Original signed by SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed by

Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** June 27, 2013

**SUBJECT:** Lease Renewal Alderney Gate, Dr. Zwicker Dental Services

#### **ORIGIN**

This report originates with a request from Dr. Zwicker Dental Services Incorporated to renew their Lease, and the requirement of landlord approval under the management agreement with Citigroup Properties Limited, who manage the building on behalf of HRM.

#### **LEGISLATIVE AUTHORITY**

Halifax Regional Municipal Charter Section 61, Power of the Municipality Regarding Property, subsections (5) The Municipality may (c) lease property owned by the Municipality at market value.

## **RECOMMENDATION**

It is recommended that:

Halifax Regional Council authorize the Mayor and Clerk to enter into a Lease Agreement between the Halifax Regional Municipality (Landlord) and Dr. Zwicker Dental Services (Tenant) for the subject premises, as outlined in Table 1 of this report.

# **BACKGROUND**

Dr. Peter Zwicker Dental Services has been a tenant in the Alderney Gate complex since June 1, 1995. The current lease expired as of February 28, 2013, and HRM provided the tenant with a six month over hold to September 1, 2013, in order to negotiate a renewal. This report recommends the renewal of the tenancy as outlined herein.

### **DISCUSSION**

Alderney Gate consists of 146,670 Square feet of commercial retail/office space. HRM occupies approximately 116,280 square feet (80%), and the remaining 30,390 square feet is occupied by external tenants.

The following key terms and conditions have been negotiated with the tenant for the renewal of the leased premises:

#### TABLE 1

Property Address	40 Alderney Drive, Dartmouth
Tenant	Dr. Peter Zwicker Dental Services Incorporated
Landlord	Halifax Regional Municipality
Area	1,388 square feet
Rent	See Private and Confidential Report dated June 27, 2013
Term	Ten (10) years
Special Clauses	1. Option to Renew, subject to terms and conditions approved
	by delegated authority or Regional Council.
Commencement Date	September 1, 2013

#### **FINANCIAL IMPLICATIONS**

See Confidential Report dated June 27, 2013

# **COMMUNITY ENGAGEMENT**

This report deals with an administrative matter and community engagement is not required.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications associated with this report.

# **ALTERNATIVES**

Council could decide not to renew the lease. **This is not the recommended action.** Not renewing the lease would result in a loss of operating revenues from the existing tenancy and the potential interim vacancy of the lease space.

# **ATTACHMENTS**

Report Approved by:

Attachment 1 – Lease Premises Site Plan

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:

Brenda MacPherson, Coordinator, Leasing, Real Estate & Land Management, Planning & Infrastructure, 490-5935

Report Approved by:

Diane Moulton, Manager, Facilities Management, Transportation & Public Works, 490-1536

Report Approved by:

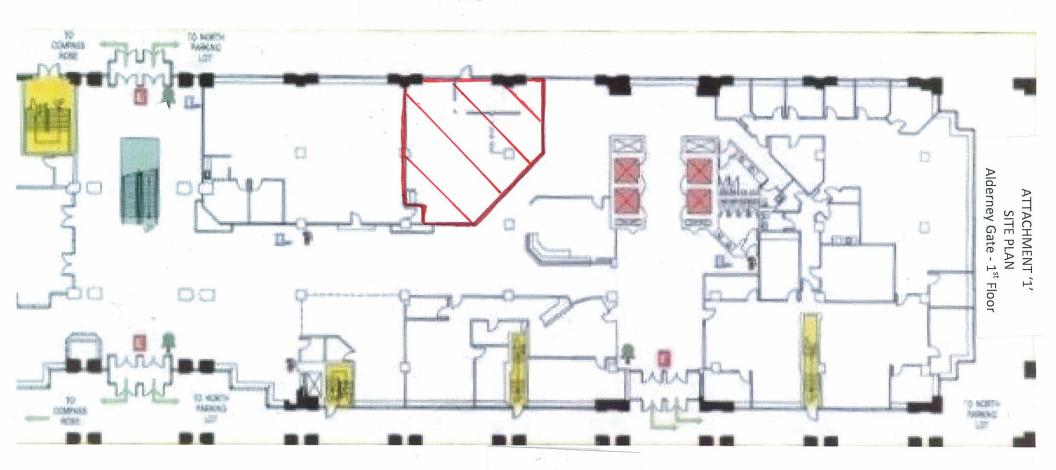
Peter Stickings, Manager, Real Estate & Land Management, Planning & Infrastructure, 490-1729

Financial Approval by:

Greg Keeta, Eurector of Pinance & ICT/CFO, 490-6308

Jane Fraser, Director, Planning & Infrastructure, 490-7166

# HARBOUR SIDE



ALDERNEY DRIVE