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Halifax Regional Council
October 8th, 2002

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Jim Hobin, Chair, HRM Grants Committee

DATE: September 18, 2002

SUBJECT: **Sackville Masonic Building Society, 57 Gloria Avenue, Sackville: Playground Lease Agreement and Resolution of Tax Arrears**

ORIGIN

This report originates with staff of the HRM Grants Program in cooperation with HRM Parks & Recreation and HRM Real Property Services in response to a request from the Sackville Masonic Building Society for the waiver of tax arrears in lieu of the organization's capital investment in the development of a children's playground at 57 Gloria Avenue, Sackville.

The approval of Regional Council is required to release the Society from their tax payment obligations.

BACKGROUND

It is recommended that Regional Council approve:

1. Payment of tax arrears in the amount of \$6,349 from the *Tax Exemption for Non-Profit Organizations Program 2002-2003* in recognition of the capital contribution made by the Sackville Masonic Building Society towards the construction of a children's playground at 57 Gloria Avenue, Sackville.

BACKGROUND

At the Regional Council meeting of October 9th, 2001, the lease by HRM of a portion of the property located at 57 Gloria Avenue, Sackville, was approved. Under the proposed agreement HRM would lease land from the Sackville Masonic Building Society for a period of ten (10) years for the sum of \$1/yr.

Under By-law T-206, April 17th, 2002, the Sackville Masonic Building Society was awarded 100% tax exemption on that portion of the land leased to HRM for a playground and 50% of the residential tax rate on the Society's building. Further, a short-term deferral was awarded on arrears in the amount of \$6,349 pending the outcome of negotiations regarding the development of the site and commitments made under the lease agreement.

DISCUSSION

The lease negotiations between HRM and the Sackville Masonic Building Society have concluded and is now in effect. The Society has provided documentation in support of their expenditures and volunteer labour to date and have requested waiver of arrears.

COMMUNITY IMPACTS

Community stewardship of a children's playground in cooperation with HRM Parks & Recreation.

BUDGET IMPLICATIONS

If approved, the payment of \$6,349 under the *Tax Exemption for Non-Profit Organizations Program* will not contribute to program over-expenditure.

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 other relevant legislation.

The applicable legislation includes the Assessment Act (1998), Municipal Government Act (1998), and HRM By-law T-201.

ALTERNATIVES

1. Regional Council could deny a waiver of tax arrears and direct staff to collect over-due payment through a payment plan.

This action is not recommended given that (a) provision of a children's playground fits within HRM's mandate under recreational facilities, and (b) the Society has provided documentation to support their cash contribution.

ATTACHMENTS

None.

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.

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