




Riverline Activity Centre Association




Proposal to Purchase
Riverline Activity Centre
80 Grono Road, Dutch Settlement
PID# 40675860

Presentation Tuesday, 15 August 2017



Summary

- RLAC Association plans to continue the daily operations of the Riverline Activity Center.
- Riverline Activity Centre Hall is a community facility that provides a space for several groups to host their activities and various individual activities.
- RLAC Association plans to make upgrades to the center, such as installing a heat pump and upgrading the kitchen, as to attract new clients.
- Currently, the Hall is being used every evening from Monday – Friday for:
 - Taekwon-Do
 - Air Cadets
 - Dart League




Not-for-profit board of directors

- ▶ Trina Hubley: President
- ▶ Vincent Nickelo: Vice President
- ▶ Margaret Kilpatrick: Treasurer
- ▶ Tracey Williams: Secretary
- ▶ Cathy Isenor: Bar Management
- ▶ Tanya Mullins: Financial Auditor



Mission statement

Serving Dutch Settlement and the surrounding area since 1950, the RLAC Association is a non-profit organization, providing a safe, local rental space for various community groups and individuals in order to host various activities which are social, physical and educational in nature, nurturing the community spirit. We at RLAC Association understand the importance of providing such activities to all, from the youth to the elders, and hope to continue with the operations of the center, with up to date amenities and reasonable rent.




Background

- The RLAC Association is a non-profit organization that in the past evolved from the Dutch Settlement Community Hall Association.
- The Dutch Settlement Community Hall Association was developed in the 1950s for the purpose of running a community recreation hall – the Riverline Activity Centre Hall.
- The RLAC Hall has been serving various community groups ever since, including the local police and fire departments, Girl Guides and Scouts, and sporting teams.
- The Hall has also been, and remains to this day, the Alternative Location for the nearby Dutch Settlement Elementary School.
- The Hall is located in the middle of Dutch Settlement and within walking distance for many community members and the elementary school.
- The Hall consists of a 6,000 square foot building equipped with a large, bright open area, a kitchen, a bar area and stage. The basement is partially finished with four offices.




Background (cont.)

- Currently, the RLAC is under ownership by Halifax Regional Municipality (HRM), but has been recently deemed surplus under the Community Interest category and is to be disposed of in accordance with Administrative Order 50, the Disposal of Surplus Real Property Administrative Order.
- The Hall is currently being used by Winding River Taekwon-Do, 652 Milford & District Lions Air Cadets, the local community Dart League, and various community groups and families for facility rentals and parties.
- The RLAC was designed for, and continues to be used for, a wide variety of activities for users of all demographics. The Hall houses youth activities, physical fitness activities, and adult activities, all in support of engagement, good mental and physical health, social development, and community spirit and togetherness.




Business Analysis

- Advantages:
 - location in community
 - large open space
 - an abundance of parking
 - kitchen
 - fully usable separated bar in a separate, enclosed space
 - stage
 - 3 long-term tenants (TKD, Air Cadets, and Dart League)
- Disadvantages:
 - location out of the way for others outside the community
 - small and older facilities compared with competitors



Business Analysis (cont.)

- Competitors:
 - Carroll's Corner Community Hall
 - local Fire Halls and legions
 - airport Hotels
- Competitive Advantage:
 - strong community support/spirit
- Target Market:
 - young families with children (birthday parties)
 - wedding parties (weddings, bridal showers, engagement parties, etc.)
 - fitness and yoga instructors (morning/day time fitness activities)
 - youth (various activities such as movie night, games night, etc.)
 - small businesses in need of rental space
 - churches and other non-profits looking for rental space for fundraisers
 - other community groups in need of space



Business Analysis (cont.)




Risks:

- ▶ loss of a current long-term tenant (TKD, Air Cadets, and Dart League); to be mitigated by marketing to new customers and potentially changing our pricing strategy for long-term and general rentals.



Purchase Terms

- ▶ The RLAC Association and local community members have decided to purchase the RLAC as it is a valuable asset to the community.
- ▶ The RLAC Association believes it is imperative to purchase the Hall so it can continue to provide a safe place for the members of the local community to have the opportunity to build and develop social relationships, physical and mental health skills, and promote community spirit.
- ▶ Proposed Purchase Price: \$1.00
- ▶ Amount of Deposit: \$0.00
- ▶ Closing Date Requested: no later than 30 September 2017



Purchase Terms (cont.)

- ▶ **Conditions:**

- ▶ The Hall must be brought up to electrical code for wiring in the ceiling as it currently wired with Lumitec and there are open junction boxes and old lights which are maretted on the end with a light socket.
- ▶ The Hall insulation must be repaired. At this time, old insulation is laying on the ceiling tiles and is only rated at R12. The old insulation needs to be stapled and strapped back in place and covered with vapor barrier, and then new R40 insulation should be sprayed into the attic.
- ▶ Proposed Terms for a Buy Back Agreement: As per standard HRM Surplus Properties



5-Year Financial Plan

Riverline Activity Center 5-Year Financial Business Plan

Year Ending	30 Sept 16	30 Sept 17	30 Sept 18	30 Sept 19	30 Sept 20	30 Sept 22
Year End Balance	\$20,900.00	\$20,700.00	\$11,300.00	\$6,000.00	\$4,500.00	\$5,100.00
Rent – TKD	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00
Rent – Cadets	\$1,200.00	\$1,600.00	\$1,600.00	\$1,600.00	\$1,600.00	\$1,600.00
Rent – Darts	\$9,000.00	\$9,000.00	\$9,000.00	\$9,000.00	\$9,000.00	\$9,000.00
Rent – Misc	\$1,000.00	\$1,000.00	\$1,500.00	\$2,000.00	\$2,500.00	\$2,500.00
Grants & Contributions	\$11,000.00	\$2,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
Total Income	\$46,300.00	\$37,500.00	\$30,600.00	\$25,800.00	\$24,800.00	\$25,400.00
Annual Expenses						
Oil*	\$0.00	\$4,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Telephone*	\$0.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
Power*	\$0.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Janitorial Supplies	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Building Insurance*	\$0.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Board Liability	\$300.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
Show Removal	\$1,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Cleaning	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00
Liquor Licences	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00
Taxes*	\$0.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00
Capital Expenses						
Floor Replacement	\$10,500.00					
Floor Waxing	\$1,100.00		\$1,400.00		\$1,400.00	
Back Door Replacement	\$2,000.00					
Fix Bar Fridge	\$500.00					
Scoop Septic System	\$1,500.00					
Heat Pump	\$5,000.00					
Dishwasher	\$1,000.00					
Accessibility Ramp	\$1,000.00					
Spline Ceiling Tiles		\$4,000.00				
Vinyl Siding		\$3,000.00				
Main disconnect		\$3,900.00				
Fire alarm panel			\$5,000.00			
Roof Insulation			\$4,900.00			
Metal Stairs				\$8,000.00		
Septic Tank Replacement					\$5,000.00	
Suspended ceiling tiles						\$2,000.00
Light fixtures						\$4,000.00
Total Expenses	\$25,600.00	\$26,200.00	\$24,600.00	\$21,300.00	\$19,700.00	\$19,300.00
Year End Balance	\$20,700.00	\$11,300.00	\$6,000.00	\$4,500.00	\$5,100.00	\$6,100.00



Questions?