

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: January 26, 2018

SUBJECT: **Administrative Order 50 Disposal of Surplus Real Property: Portion of PID 4000069 and PID 4000051 30 Latter Pond Lane, Herring Cove, and Proposed Funding Contribution Agreement**

ORIGIN

September 9, 2014 – Council deferred a decision on the disposal of a defined portion of PID 4000069 Latter Pond Lane, Herring Cove, pending a staff report outlining the availability of the Herring Cove Treatment Plant Community Integration Fund for community purposes.

February 3, 2015 – A Supplementary Information report to Council from Parks & Recreation confirmed that an amount of \$142,000 had been spent on trails in the vicinity of Latter Pond but that HRM was unable to acquire land to construct a park/swim area and that the proposed Hospital Point Trail could not advance as initially conceived. Regional Council declared a portion of PID 4000069 30 Latter Pond Lane, Herring Cove, and PID 4000069 surplus and approved disposal through the Community Interest category of Administrative Order 50.

August 2, 2016 – Regional Council repealed the *Policy for Expenditures from Community Integration Funds* (2004), approved discontinuation of proposed park/trail projects funded under the Herring Cove Treatment Plant Community Integration Fund, and approved re-allocation of the balance remaining in the Fund to another project, or projects, located in the Herring Cove community to be determined.

May 20, 2017 – A Call for Submissions of Interest was issued for the subject property with a November 10, 2017, submission deadline.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter (HRM Charter), 2008, S.N.S, c.39

Section 63 (1) The Municipality may sell or lease property at a price less than market value to a non-profit organization that Council considers to be carrying on an activity that is beneficial to the Municipality.

(2) A resolution to sell or lease property referred to in subsection (1) at less than market value shall be passed by a two-thirds majority of the Council present and voting.

(3) Where the Council proposes to sell property referred to in subsection (1) valued at more than ten thousand dollars at less than market value, the Council shall first hold a public hearing respecting the sale.

(4) The Council shall advertise the public hearing at least twice, in a newspaper circulating in the Municipality, the first notice to appear at least fourteen days before the hearing.

(5) Notice of the public hearing shall include the date, time and place of the hearing, the location of the real property or description of the tangible personal property, the estimated value of the property and the purpose of the sale.

Section 79(1) The Council may expend money required by the Municipality for...
(av) a grant or contribution to

...

(v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province.

Administrative Order 50 Disposal of Surplus Real Property

Sub-clause 2(2)(b) Community Interest

Properties known to have potential for community use, in particular where:

- (i) there has been a prior community or institutional use of the property; or
- (ii) by location or scarcity of available property the consideration would reasonably arise.

Administrative Order 2014-015-ADM Respecting Reserve Funding Strategies.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Set a date for a public hearing to consider the sale of a Portion of PID 4000069 and PID 4000051, 30 Latter Pond Lane, Herring Cove, to the Herring Cove Community Association for the proposed less than market value price of \$1.00 as per the proposed terms and conditions set out in Table 1 of this report.
2. Subject to the outcome of the public hearing, approve the sale and authorize the Mayor and Municipal Clerk to execute an Agreement of Purchase and Sale with the Herring Cove Community Association as per the terms and conditions set out in Table 1 of this report.
3. Subject to confirmation from Herring Cove Community Association that the sale is unconditional and is a firm and binding purchase agreement, approve and authorize the Chief Administrative Officer, or designate, to execute a Contribution Agreement, under the terms and conditions contained in this report, as referred to in Table 3 and Attachment 3; and approve and authorize the Mayor and Municipal Clerk to execute an Easement Agreement for shared access and services in substantially the same form as provided in Attachment 4.
4. Approve a transfer of \$71,155 from capital account CBX01162 – Environmental Remediation and Building Demolition to account M311-8004 Community Grants, and approve a one-time capital grant in the amount of \$71,155 from account M311-8004 Community Grants to the Herring Cove Community Association for the demolition of the former fire station and entrance remediation in accordance with the proposed Contribution Agreement as provided in Attachment 3.
5. Approve a transfer of \$225,800 from capital account CPX01328 – New Parks and Playgrounds to account M311-8004 Community Grants for the provision of a capital grant to be paid in two (2) installments to the Herring Cove Community Association in accordance with the Contribution Agreement in Attachment 3:
 - (a) \$143,000 towards capital repairs, upgrades and fit-up of the Herring Cove community hall annex; and
 - (b) \$82,800 towards construction of a parking lot to be issued within ninety (90) days of receipt of permit approval from HRM Planning & Development.
6. Approve the transfer of \$121,365 from capital account CPX01328 – New Parks and Playgrounds

Recommendations Continued...

which represents the balance of the Herring Cove Treatment Plant Community Integration Fund to the General Contingency Reserve.

7. If the owner's consent is required in support of an application to the Municipality by the Association to develop the Property prior to closing, authorize the Chief Administrative Officer, or designate, to provide such consent on behalf of the Municipality.

BACKGROUND

Municipal Policy: Administrative Order 50 is a standardized process for the disposal of surplus real property according to the intent of the sale. Sub-clause 2(2)(b) defines Community Interest properties as known to have potential for community use, in particular where:

- (i) there has been a prior community or institutional use of the property; or
- (ii) by location or scarcity of available property the consideration would reasonably arise.

Sub-clause 4(1)(l). In the event Council rejects any or all non-profit organizations' submissions to purchase at less than market value, Council may direct staff to proceed to sell the property at market value.

In 2014, a portion of PID# 4000069 (the location of the new Fire Station 60) and an abutting irregular and undersized remnant lot (PID#4000051) were declared surplus by Regional Council and assigned to the Community Interest category of Administrative Order 50. An open Call for Submissions was issued on May 20, 2017. As of the application deadline of Friday, November 10, 2017, one (1) proposal was received. The offer of purchase is from Herring Cove Community Association ("the Association" or "HCCA").

In the normal course of operations, the demolition of the former fire station would have been undertaken in concert with or immediately following the construction of the replacement Fire Station 60 on land identified as PID 4000069. This work was deferred pending a decision on retention of the former fire station and community hall annex. In preparing the Call for Submissions it was noted that the community hall's proximity to the driveway serving the new Fire Station 60 must meet a fire prevention set-back and the West-facing wall of the hall reinforced to satisfy subdivision requirements. The Municipality intends to undertake this work at an estimated cost of \$3,500 to satisfy the subdivision requirements.

Property Description: The subject property comprises a portion of PID 4000069 and an abutting remnant parcel identified as PID 4000051 to accommodate that part of the community hall annex encroaching the former boundary. Once the sub-division and consolidation are complete, a deed can be finalized and the transaction concluded. The property is accessed over Crown land (PID 4000077) under an Access and Utility Easement, identified as Easement E-1 on the Plan of Survey, over Latter Pond Lane (formerly known as Crown Reserve Road).

The former fire station is a two-storey building of approximately 4,420 square feet comprising a ground level garage with administrative rooms, kitchen area, and washrooms on the second floor. In 2007, an inspection by BMR Structural Engineering¹ concluded that the structure did not meet the National Building Code of Canada. Given the severity of the deficiencies and the work required to correct them, demolition of the fire station was recommended. In the interim, the electrical system has been disconnected and heating system removed. Annexed to the fire station is a community hall of approximately 4,033 square feet with a kitchen/bar area, two washrooms, an office, and furnace room. The building's overall condition is considered fair to poor.

Shared Services Easement: The former fire station and community hall share underground infrastructure for water, sewer, and wastewater services.

Sub-Division and Consolidation: HRM shall complete a subdivision and lot consolidation prior to closing,

¹ HRM Fire Station No.60 Herring Cove, Structural Review, BMR Structural Engineering, October, 2007, p.4.

including a plan of survey. The cost of this process shall be at the Municipality's expense. The subdivision boundary line must be positioned to provide a 2-hour fire separation distance between the driveway serving the new fire station and the community hall as required under the National Building Code. See: Site Map and Photograph, Attachment 2. One interior wall of the former community hall must be upgraded with fire suppression material.

Zoning: The site is zoned P-2 Community Facility Zone. The zoning is in effect a "spot zone" that was specific to the former fire station and community hall when the land use by-law was enacted. It is considered a restrictive zone and permits institutional and open space uses. Examples of the former include educational and religious institutions; a day care and a single unit dwelling used in conjunction with the daycare; fire, police or public works; hospital, medical and veterinary clinics; public library, museum or gallery; service club or community centre or hall; recreational uses; or a residential care facility. Open space uses include a park or playground, historic site or monument, and marine-related navigational aids.

Property Valuation and Assessment: In 2015, HRM retained Alderney Real Estate Appraisals to provide an appraisal of the subject property. The appraised value is included in a confidential companion In Camera Information Report to Regional Council dated November 2, 2017.

Because the parent parcel has not been sub-divided an estimate of assessed value was undertaken by HRM staff using a percentage of the land value (43%) plus the value assigned the former fire station/hall by Property Valuation Services Corporation. Using this method, the assessed value was estimated to be \$33,258 (\$10,000 for the building and \$23,258 for the land). The assessed value of the parent parcel remains unchanged in 2018.

History of Ownership and Use: Fire protection for the village of Herring Cove was provided by the Spryfield Fire Department until 1970 at which time a local volunteer fire service was incorporated as a non-profit society. The establishment of a volunteer corps coincided with conveyance of a parcel of land identified as PID 4000069 Right of Her Majesty in Right of the Province of Nova Scotia to the Municipality of Halifax County in trust for the Herring Cove and District Fire Department. HRM is securing a Quit Claim Deed from the Province of Nova Scotia to clarify that the trust provisions are at an end.

Incorporated March 27, 1970, the non-profit society constructed a fire station. Once the fire service was established, a small community hall was added to the rear of the premises that was managed by volunteers of the Ladies Auxiliary. The hall was primarily used for fundraising events to support the volunteer fire service but hourly rentals were available for private functions. The hall was also used by local youth groups, sports teams, and community events. In 2002, the operations of the Herring Cove and District Volunteer Fire Department abruptly ceased due to conflict regarding operations, decision-making authority, property ownership and role clarity. The hall has remained largely vacant.

Plans to construct a new Fire Station 60 on the subject property led to a request by HRM to the Herring Cove and District Volunteer Fire Department for unencumbered title. In 2009, the society relinquished their property interest through a Quit Claim deed on the understanding that the new fire station would be constructed at the same location and that residents and volunteer groups would resume access to the existing community hall.

Herring Cove Treatment Plant Community Integration Fund: Community Integration Funds were established under the former Harbour Solutions Project to recognize communities hosting a sewage treatment plant. With the suspension of proposed work on parks and trails in the community the balance of the Herring Cove Treatment Plant Community Integration Fund ("the Fund") has been held pending a decision regarding the disposal of the former fire station property or other capital projects in Herring Cove.

DISCUSSION

Proponent Profile: On October 6, 2017, the Herring Cove Community Association ("the Association" or

“HCCA”) incorporated as a non-profit society for the purpose of operating the subject property as a community hall to host recreational, cultural and social activities. The Association’s Memorandum of Association requires that upon dissolution of the society and after payment of a debts and liabilities, its remaining property shall be distributed or disposed of to a non-profit organization in Canada having similar objectives. The Association is in its formative stage: there are no financial statements and as of the date of application the membership comprises only a Board of Directors.

Proponent’s Intended Use: The Association wishes to acquire title to the property with a view to renovating and expanding the premises to operate a community hall and revitalize programs and events that proved popular prior to closure. It is also proposed that residents of Herring Cove be consulted with respect to any expansion of amenities to meet changing needs or emerging opportunities.

Proponent’s Terms and Conditions of Offer: The Association’s offer includes a purchase price of \$1.00 and the following terms:

- the payment of closing costs by HRM including property appraisal, building condition assessment, survey plan, environmental testing, advertising, and deed registration;
- deeded water access to Latter Pond; and
- a Shared Service Easement and a Road Easement with HRM.
- With respect to a Buy-Back Agreement the Association indicated acceptance of a 25-year Buy-Back Agreement with provision to make application to the Municipality for postponement to secure financing of up to 65% of the property’s market value as of the date of the request. Release from the Buy-Back Agreement is requested after the initial 25-year term.

In addition to the donation of the subject property for \$1.00 the Association requests funds totaling \$421,820.13. The value of the request represents a transfer of HRM funds that would otherwise be spent on partial demolition and fire suppression plus the entire balance remaining in the Herring Cove Treatment Plant Community Integration Fund. Specifically, the submission requests that:

- “HRM shall make available to HCCA any funds set aside for the funding of the demolition of the fire bays and for fire suppression upgrade to one wall of the existing community centre”.
- “Capital funding from the Herring Cove Treatment Plant Community Integration Fund to apply to the cost of renovations, expansion and property development for the benefit of the community”.

The Association proposes that funding in the amount of \$421,820.13 is to come from two (2) sources:

1. a transfer of \$74,655.13 for partial demolition and fire suppression upgrade: the demolition of the fire hall and sub-division was to have been completed by HRM, at the Municipality’s expense, prior to conveyance; and
2. the entire balance of \$347,165 remaining in the Herring Cove Treatment Plant Community Integration Fund.

Proponent’s Proposed Capital Plan: The proposed property renovation project has essentially three phases:

- Phase I - Demolition of old fire station, fire suppression upgrade, and remediation of hall entrance, including a 15% contingency and HST. Quotes provided. \$74,655.13.
- Phase II - Community hall renovation, interior fit-up and upgrades, and construction of a paved

parking lot, at a combined estimated cost of \$226,776 including a 15% contingency and HST.

- Phase III - Future building expansion and/or outdoor amenities to strengthen the facility's revenue-generating capacity. An initial estimate of \$120,000 is unconfirmed.

Proposed Fundraising Plan: In addition to the transfer of funds equivalent to HRM's demolition/fire suppression costs and the balance remaining in the Fund, the Association intends to make application to government grant programs and undertake a fundraising campaign.

Proposed Operating Model: The Association's operating model includes a Board of Directors with sub-committees that will be convened from the membership. Membership fees are modest with proposed rates of \$10.00 (adult), \$5.00 (youth) and \$20.00 (family). Revenues will be generated through nominal "drop-in" rates of \$2.00 to \$4.00 and hourly room rentals in the range of \$20.00 to \$40.00. Letters of support included in the submission indicate interest in community meals, exercise classes, social events, and the possibility of adding amenities for hosting musical performances and possibly a farmer's market. Included in the proposed capital budget is the purchase of a generator to provide temporary accommodation for residents in the event of an extended power outage.

Administrative Order 50 – Community Interest Category

Consideration under the Community Interest category is a two-step process to determine the feasibility of a proponent's proposal. The first step requires a technical evaluation by a staff team followed by overall consideration by Regional Council using different criteria.

Staff Evaluation Results

An inter-disciplinary team was convened to evaluate submissions led by Finance, the team included Finance & Asset Management (Grants & Contributions/Financial Policy & Planning/Real Estate), Planning & Development, and Parks & Recreation. In accordance with sub-clause 4(1)(f) of Administrative Order 50 staff evaluates submissions on four (4) criteria:

- Content compliance
- Viability
- Compensation
- Benefit to the Municipality

Key Findings:

1. **Content Compliance** – The application met the requirements as set out in sub-clause 4(1)(e) of Administrative Order 50.
2. **Viability** – The Association was formed in 2017 for the purpose of acquiring title to the subject property. In the absence of an established organizational profile, property ownership and management experience, or financial records the society's sustainability and that of the facility is speculative at this formative stage of development.

In the immediate the facility will be closed for partial demolition and capital work and as such operating costs will be minimal. However, the Association will be required to undertake fundraising to cover operating costs, including insurance and possibly modest utilities during the construction phase(s). Cash flow will also be required for payment of property taxes pending application to the municipal tax relief program.

3. **Compensation** – The offer of \$1.00 is below the appraised value but is considered fair given that restoring access to the subject property for community use recognizes the former volunteer fire

department's service to residents, their self-funded investment in the community hall annex, and enables resumption of social and recreational programming at this location.

4. **Benefit to the Municipality** – The Municipality has no operational requirement for the subject property given the proximity of other municipal recreation facilities in the area. A resumption of operations by a non-profit organization is desirable given the historical development of the subject property and its proximity to a lake used by the public.

In summary, the submission scored 67/100 based on the information provided by the applicant. The review concluded that the intended use is compatible with current zoning and that a property donation recognizes the investment made by residents in the establishment and operation of community-based amenities.

Waiver of Closing Costs: It is recommended that in recognition of the former Herring Cove and District Fire Department relinquishing their interest in the property in favour of the Municipality that closing costs, including an independent appraisal, incurred by the Municipality related to the disposal of these same lands be waived.

Request for Deeded Access to Latter Pond: The Association's request for deeded access to Latter Pond cannot be addressed within the Administrative Order 50 process: HRM does not own the land.

Access Easement: A Shared Utility Easement will be required between HRM and the new owner. Access to the subject property is provided under a non-exclusive Access and Utility Easement between HRM and the Province of Nova Scotia.

Buy-Back Agreement: In 2014, Regional Council approved a policy with respect to the use of Buy-Back Agreements in property sales to non-profit organizations². The policy states that a Buy-Back Agreement shall have an initial term of 25 years followed by an automatic review by Regional Council to consider continuation, amendment or release. The Buy-Back Agreement usually forms a first option on the property in favour of the Municipality and is in priority relative to any financial encumbrance granted the Purchaser after the sale closes. During the term of the Buy-Back Agreement the owner may apply to the Municipality for postponement of the Buy-Back Agreement to secure financing of up to 65% of the property's market value as of the date of the request. The purpose of the Buy-Back Agreement is to uphold the intent of a less than market value sale.

It is recommended that a Buy-Back Agreement not be applied to the proposed conveyance based on development of the property by a non-profit organization who forfeited their interest to facilitate the construction of the HRM-owned and operated Fire Station 60. In the event the Association elect to sell or convey the subject property at some future date the Municipality has no interest in a repurchase. Proceeds from any future sale or conveyance would be to the Association and any liabilities associated therewith.

Proposed Terms and Conditions of Conveyance

Table 1. KEY TERMS AND CONDITIONS (PROPOSED)	
Civic Address	30 Latter Pond Lane, Herring Cove (Portion of PID 4000069 and PID 4000051)
Area	56,000 square feet subject to survey
Zoning	P-2 Community Facility Zone
Assessed Value	\$33,258 (estimated)
Appraised Value	See: In Camera report dated November 2, 2017

² Report to Regional Council dated June 23, 2014, Use of Buy-Back Agreements in Property Sales to Non-Profit Organizations, approved at the June 22, 2014, meeting of Regional Council.

Tax Status	Commercial Exempt
Proposed Purchase Price	\$1.00
Terms of Offer	Purchaser to be responsible for all operating and capital costs including annual real property tax.
Proposed Use	Establishment of community hall for recreational and leisure activities delivered or coordinated by the society.
Conditions of Sale	<p>Receipt and registration of a Quit Claim deed from the Province of Nova Scotia at the Municipality's cost and expense.</p> <p>Subdivision at the Municipality's cost and expense.</p> <p>Easement Agreement for shared utility services to be recorded prior to the conveyance at the Municipality's cost and expense.</p> <p>Parties to enter into a Contribution Agreement.</p> <p>Municipality to upgrade west-facing wall of the hall to satisfy subdivision requirements at its sole cost and expense currently estimated at \$3,500.</p>
Buy- Back Agreement	A Buy-Back Agreement shall not be applied to the conveyance.
Closing Date	No later than 6 months from date of approval.
Cost of Sale Recoveries	The Purchaser shall pay no portion of HRM's closing costs.

Funding Request: Proposed Contribution Agreement: Although Administrative Order 50 addresses only the disposal of surplus municipal property, if financial assistance over-and-above the equivalent market value for a property donation or discounted sale price is to be considered a capital grant can be awarded by resolution of Regional Council.

(i) Request for Transfer of Funds: Partial Demolition and Fire Suppression Upgrade (\$71,155)

In 2007, an inspection of the former fire station by BMR Structural Engineering³ concluded that the structure did not meet the National Building Code of Canada and that given the severity of the deficiencies and the work required to correct them, demolition was recommended. Although applicants were alerted to the need for partial demolition and a fire suppression upgrade, the work was not initiated by HRM so that proposals from the non-profit sector could be accommodated. For example, if an applicant proposed complete demolition and building re-construction or a passive use for only the land the benefit of HRM's investment of public money would be negated. A transfer of funds equivalent to HRM's cost to the Association could expedite the timing of necessary work prior to occupancy.

Quotes provided by the applicant for partial demolition, entrance remediation, fire suppression upgrade, permits and HST ranged from \$62,905 to \$66,930. The \$74,655 requested represents the mid-point of the estimates with a 15% contingency for any omissions in the 2007 building inspection report. Funds held in Capital Account CBX01162 – Environmental Remediation and Building Demolition cannot be directly transferred to a third party. To enable the transfer of these funds to a non-profit organization an amount of \$71,155 will be transferred to Account M311-8004 Community Grants.

HRM must undertake the fire suppression upgrade to one interior wall of the community hall to enable subdivision to proceed. A transfer of funds for this purpose could not be issued to the Association; they will not be the owner of the property until after the subdivision is complete and a deed can be registered in their name. Therefore, an amount of \$3,500 has been deducted from the request. If approved, an amount of \$71,155 will be transferred only for the demolition and associated entrance remediation.

³ HRM Fire Station No.60 Herring Cove, Structural Review, BMR Structural Engineering, October, 2007, p.4.

(ii) **Request for Funding: Community Hall Repairs/Upgrades and Proposed Expansion of Amenities (up to \$347,165)**

The initial phase of the capital project is aimed at restoring the building's functionality with capital improvements to the exterior and interior of the hall, a new heating/ventilation system, kitchen upgrades, and the purchase of a back-up generator. The estimated total of \$226,775.69 includes a 15% contingency as shown below in Table 2.

Table 2. Estimates – Proposed Community Hall Renovation/Fit-Up and Parking Expansion		
Compilation from: Projected Financial Plan, Table F. Capital Expenditures. Itemized Project Costs (Submission, Appendix D. p.35)		
Category	Elements	Cost
Site Work	Water/sewer tie in to municipal services	\$1,200
Exterior Upgrades	Exterior siding, windows and doors	\$6,700
Interior Preparation	Removal of interior fixtures and furnishings, selective demolition, cleaning, tipping fees	\$2,450
Interior Remodelling	Washroom(s)	\$2,900
	Kitchen	\$10,000
Interior Floor	Replacement flooring throughout	\$7,000
Interior Walls	Replacement drywall, repairs, painting and fixtures	\$6,300
Fittings and Equipment	Kitchen appliances	\$15,000
	Office equipment (includes computer software ¹)	\$5,800
	Audio-visual equipment and installation	\$2,800
Mechanical	Fire protection sprinkler system and fire suppression for kitchen	\$10,500 ²
	Plumbing upgrade	\$825
	HVAC: heating/ventilation system with two (2) heat pumps	\$8,300
Electrical	Upgrade and inspection	\$3,700
	Generator (back-up electrical)	\$16,000
Parking Lot Construction	Expansion of on-site parking	\$72,000
Sub-Total		\$171,475
HST 15%		\$25,721.25
Contingency 15%		\$29,579.44
Total		\$226,775.69³

1. Computer software is not considered a capital expenditure. An amount of \$975.69 deducted for computer software and unspecified "décor".
2. Although the subject property abuts a HRM Fire Station fire protection upgrades are included for insurance purposes and in relation to the proposed commercial-grade kitchen.
3. A total of \$226,775.69 excludes permits estimated be 1% of renovation costs but this could be covered by the contingency.

The largest single expenditure will be on parking lot construction (up to 80 spaces). Although the expansion of on-site parking is considered desirable to avoid parking within the only access route used by emergency response vehicles, the review identified concerns with the proposed scale given current zoning regulations and the dimensions/typography of the site. Hence, the review team recommends the Association be referred to HRM Planning & Development Services for permit approval and the submission of quotes for the design and construction work to HRM prior to the release of funds for this specific item.

To enable the transfer of funds held in capital account CPX01328 – New Parks and Playgrounds to a non-profit organization an amount of \$225,800 will be transferred to operating account M311-8004 Community Grants. If approved, funding would be issued to the Association in two (2) installments in accordance with the terms and conditions proposed in this report. This approach provides recourse if unforeseen events result in cost overruns during the demolition or renovation phase.

(iii) Balance Remaining in Herring Cove Treatment Plant Community Integration Fund

If approved, an uncommitted balance of \$121,365 remaining in the Fund shall be transferred to the General Contingency Reserve Q421 with a corresponding commitment – Herring Cove Treatment Plant Community Integration Fund – to enable withdrawals in fiscal year 2018 or thereafter.

The balance of the Fund may be spent in relation to the Herring Cove Community Hall, or another capital project or projects within the Herring Cove community.

Herring Cove Treatment Plant Community Integration Fund	\$ 347,165
Less: proposed repairs, upgrades and fit-up	(\$143,000)
Less: proposed parking lot expansion	(\$ 82,800)
Balance held in Reserve Q421 pending community consultation	\$ 121,365

Proposed Contribution Agreement

In approving grants outside an established municipal program, Regional Council has required a Contribution Agreement outlining the applicable conditions. A proposed Contribution Agreement in the amount of \$225,800 to the Herring Cove Community Association would be contingent on the key terms and conditions as outlined below in Table 3. The draft Contribution Agreement is included as Attachment 3 of this report.

Table 3. Proposed Contribution Agreement: Key Terms and Conditions	
Herring Cove Community Association	<p>Under the proposed Contribution Agreement, the Association shall:</p> <ul style="list-style-type: none"> (a) maintain active status as a registered non-profit society during the term of the agreement; (b) maintain a complete and proper set of accounting records regarding its operations; (c) permit HRM, at its own expense and with reasonable notice, to examine the book of accounts and records maintained by the Association pursuant to the contribution agreement, including the right to make copies or extracts for the purpose of reporting on expenditures made using funds provided by HRM; (d) use the funds provided by HRM solely for capital repairs, upgrades, and the proposed enhancement of amenities on the subject property located at Latter Pond Lane, Herring Cove, as identified in the Contribution Agreement; (e) provide HRM with full release for any legal liability associated with such work undertaken with the funds provided; (f) submit a report with proof of expenditures in accordance with the terms and conditions of the Contribution Agreement; (g) acknowledge that the Contribution Agreement and associated documentation is in the public domain and may be disclosed in accordance with part XX of the Municipal Government Act (Freedom of Information and Privacy).

Halifax Regional Municipality	<p>Halifax Regional Municipality shall:</p> <ul style="list-style-type: none">(a) complete sub-division and land consolidation at the Municipality's expense;(b) shall issue payment upon satisfaction of the terms and conditions of funding as follows:(c) a one-time capital grant in the amount of \$71,155 in fiscal year 2017-18 for demolition/entry remediation;(d) a capital grant in the amount of \$143,000 in fiscal year 2017-18 for immediate repairs, upgrades and fit-up of the community hall; and(e) a capital grant in the amount of \$82,800 towards parking lot construction to be issued within 90 days of receipt of permit approval from HRM Planning & Development and design/construction quotes. <p>Halifax Regional Municipality shall not:</p> <ul style="list-style-type: none">(f) be a guarantor nor shall there be any contingent or direct liability either implied or express; or(g) be liable for any losses incurred by the Association in relation to construction or operation of the community hall.
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Authorization Prior to Closing

To assist the Association in planning, making application to the Municipality for demolition and construction permits, and execution of immediate remediation work prior to conveyance of the property, it is recommended that the Chief Administrative Officer be authorized to provide such approvals as necessary, including early possession. Any on-site activity would require proof of appropriate and sufficient insurance coverage. Further, confirmation of HRM's intent to convey title might be required to assist the Association in making application to formal grant programs.

Council's Consideration

Upon review of staff's evaluation, Council must review the submissions based on criteria set out in sub-clause 4(1)(i) of the policy, namely:

- (i) the market value of the property as appraised;
- (ii) the Planning Strategies of the area;
- (iii) the benefit of any cost saving to the Municipality;
- (iv) the consequences, beneficial or otherwise, to the community or to the Municipality as a whole;
- (v) the beneficial considerations of any submission against the benefit to the Municipality of selling the property at market value; and
- (vi) whether or not a Buy-Back is a condition of sale.

The following is provided for Council's consideration:

- the assessed value of the property is estimated to be \$33,258;
- the appraised market value is included in a separate In Camera Report⁴;
- the proponent's intended use complies with current zoning.

⁴ In Camera report to Regional Council, Administrative Order 50 Disposal of Surplus Property – Appraised Value for “Proposed Lot B” a Portion of PID4000069 and PID 4000051, dated November 2, 2017.

FINANCIAL IMPLICATIONS

1. Property Conveyance

If approved, the terms of conveyance recommended by the staff review constitutes a less than market value sale because the solicitation of offers has been restricted to only non-profit proponents.

Based on the estimated 2017 assessed value of \$33,258, a conveyance of a portion of 30 Latter Pond Lane and an abutting remnant of vacant land to the Herring Cove Community Association for \$1.00 represents an in-kind contribution of \$33,258 by HRM. The assessed value did not change in 2018.

Budget Summary – Obligation Reserve – Capital Fund Reserve Q526

Balance in Reserve (November 30, 2017)	\$15,153,328
Projected revenue (to March 31, 2018)	\$ 3,771,055
Commitments (to March 31, 2018)	<u>(\$11,031,975)</u>
Projected net available balance (March 31, 2018)	\$7,892,408

Obligation Reserve – Capital Fund Reserve Q526

The reserve is funded by the sale of land in HRM, other than Business/Industrial parks or sale of land conveyed to HRM for parks, playgrounds or similar public purposes. Several other large properties are now excluded from deposit to this reserve and are being redirected to the Strategic Capital Reserve Q606. The Capital Fund Reserve is governed by the Halifax Regional Municipality Charter, Section 120(1), (3) and (4). Withdrawals from the reserve are for capital expenses for which the Municipality may borrow. The recommendation does not have a negative impact on the reserve as proceeds from the sale would be a contribution to reserve.

Using the estimated assessment value of \$33,258 and a sale price of \$1.00 the deed transfer tax opportunity cost to HRM would be \$498.87.

Acceptance of a waiver of closing costs including title search, sub-division, deed and plan of survey, migration to the Nova Scotia Land Registry, and independent appraisal represents a further in-kind contribution of approximately \$6,000-\$7,000. Conveyance will release HRM from insurance and future re-capitalization costs. Conveyance of the subject property will necessitate a review of the property's current classification as Commercial Exempt and an assessment of the 'new' property's value by Property Valuation Services Corporation.

The budget availability has been confirmed by Finance.

2. Transfer of Funds: Budget Summary

Capital Account CBX01162 – Environmental Remediation/Building Demolition

Cumulative unspent	\$1,202,256
Less: Proposed transfer to M311-8004	<u>\$(71,155)</u>
Balance	\$1,131,101

The balance of funds in CBX01162 will be used for other building demolitions.

Capital Account CPX01328 – New Parks and Playgrounds

Cumulative Unspent	\$ 385,341
Less: Proposed transfer to M311-8004	\$(225,800)
Less: Proposed transfer to Q421-General Contingency Reserve	<u>\$(121,365)</u>
Balance	\$ 38,176

Budget Summary, Risk Reserve – General Contingency Reserve, Q421

Balance in reserve, November 30, 2017	\$2,195,322
Estimated revenue to March 31, 2018	\$ 270,663
Commitments to March 31, 2018	\$(1,263,020)
Recommendation, contribution from CPX01328	\$ 121,365
Recommendation, commitment to fund operating in 18/19 or thereafter	<u>\$ (121,365)</u>
Projected net available balance, March 31, 2018	\$ 1,202,965

General Contingency Reserve Q421

The purpose of the reserve is to decrease the financial risk of unforeseen events by providing funding for sufficient public safety or preventing service interruptions. The reserve is funded from any annual operating surplus and can be used to fund operating costs, offset deficits, new operating initiatives and/or capital expenditures. This is an unbudgeted contribution and commitment to release, so there is no net impact to the reserve.

RISK CONSIDERATION

Low. Although access to the Herring Cove Treatment Plant Community Integration Fund offers a high degree of certainty that the community hall's functionality will be restored the on-going operational viability cannot be established.

Moderate. A Building Condition Report (2007) was undertaken only for the former fire station. Although demolition of this structure will remove certain hazards there could be undetected contaminant seepage beneath the concrete slab upon which the former fire station was constructed. Proposed renovations to the community hall annex are extensive and will result in the removal of a substantial amount of building materials. The Call for Submissions provided disclosure of an "as is" disposal and made the building condition report available to proponents.

COMMUNITY ENGAGEMENT

A mandatory public information meeting was held on January 18, 2017, at St. Paul's Church Hall, Herring Cove. The meeting was publicized in a newspaper advertisement on January 5, 2017. The purpose of the meeting was to inform members of the public on the legislated process to purchase municipal property and details about 30 Latter Pond Road, Herring Cove. Approximately twenty-two (22) people attended the meeting.

A Call for Submissions was issued Saturday, May 20, 2017, with an application deadline of Friday, November 10, 2017. A site visit of the former community hall was conducted on June 23, 2017.

ENVIRONMENTAL IMPLICATIONS

No environmental testing has been undertaken at this location.

ALTERNATIVES

1. Regional Council could amend the proposed terms and conditions of conveyance.
2. Regional Council could decline the offer of \$1.00 and direct staff to proceed to a market value sale in accordance with Section 4(l) of Administrative Order 50.

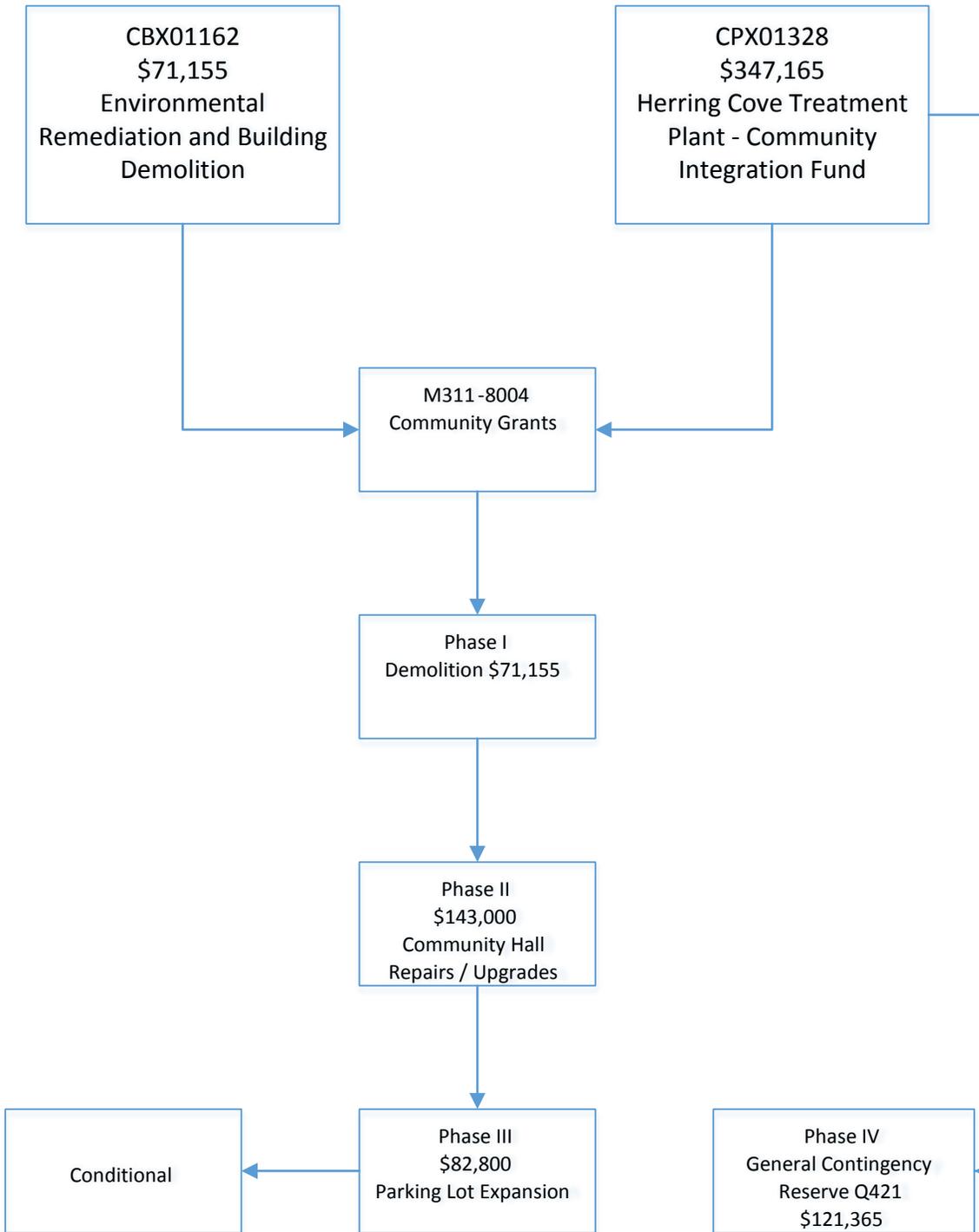
This action is not recommended: The former Herring Cove Volunteer Fire Department provided a Quit Claim Deed on condition that a new fire station would be constructed at this location and continued recreational/social activities through access to the community hall.

ATTACHMENTS

1. Proposed Funding Source and Expenditures.
2. Site Map and Photograph.
3. Contribution Agreement.
4. Easement Agreement.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Peta-Jane Temple, Team Lead Grants & Contributions, Finance & Asset Management 902.490.5469; Tom Crouse, Manager Acquisitions & Disposals, Finance & Asset Management 902.490.5931.



Site Map and Photograph.



DRAFT - CONTRIBUTION AGREEMENT

Between

Halifax Regional Municipality

A municipal corporation in the Province of Nova Scotia (“**HRM**”)

-and-

Herring Cove Community Association

A society incorporated in Nova Scotia (the “**Community Association**”)

RECITALS:

The Herring Cove Community Association intends to renovate the former Herring Community Hall building located at 30 Latter Pond Lane (the “**Facility**”). The Community Association requested that HRM provide it with a grant to be used towards its renovation and construction costs.

Section 79(1)(av)(v) of the *Halifax Regional Municipality Charter* permits HRM to provide a grant or contribution to a number of different organizations within the Province of Nova Scotia, including “community organizations”.

On [date], 2018, HRM Regional Council passed a resolution to provide a grant in the amount of [\$x] to the Community Association for the purpose of partial demolition, making repairs to the Facility, and construction of a parking lot, subject to certain conditions and the execution of a formal contribution agreement.

The parties hereto covenant and agree as follows:

SECTION ONE CONTRIBUTION OF FUNDS

Section 1.01 Amount of Contribution

- a) HRM shall make a one-time contribution to the Community Association in the amount of [\$x] (the “**Contribution Amount**”) from the Herring Cove Treatment Plant Community Integration Fund to be used by the Community Association towards renovation of the Facility and construction of a parking lot.
- b) The Contribution Amount is a firm-fixed amount and HRM will not be liable for any losses incurred by the Community Association in relation to the renovation, construction or operation of the Facility.
- c) The Contribution Amount represents HRM's complete financial commitment to the Community Association under this Contribution Agreement, and HRM will not

be obligated to provide any supplemental or incremental funding to the Community Association.

Section 1.02 Approvals

- a) Prior to commencing the capital improvements work funded under this Contribution Agreement, the Community Association shall obtain all required approvals and permits from any government authority having jurisdiction over the work, including Halifax Regional Municipality, the Nova Scotia Department of the Environment, and the Halifax Water Commission as applicable.
- b) The Contractor retained by the Community Association shall contact the Municipality upon completion of any significant stage of the work (including completion) and this work shall be inspected and approved as applicable prior to the commencement of any subsequent stage(s) and prior to the fulfillment of the Contractor's obligations.

Section 1.03 Payment Schedule

- a) Subject to the terms and conditions of this agreement, HRM shall pay the Contribution Amount to the Development Association in three (3) installments as follows:
 - (i) an amount of [x] towards demolition of the former fire station and remediation of the community hall entry;
 - (ii) an amount of [\$x] towards capital improvements and fit-up of the Herring Cove Community Hall in accordance with the itemized capital costs set out in "Table 2. Estimates – Proposed Community Hall Renovation/Fit-Up and Parking Expansion" of the staff recommendation report dated November 30, 2017; and
 - (iii) an amount of [\$x] towards construction of a parking lot. This payment shall be issued within ninety (90) days of receipt of permit approvals from HRM Planning & Development.
- b) Payments issued under Section 1.02(a) shall be inclusive of HST, permit fees, and a 15% contingency as applicable.

Section 1.04 Scope of Work

- a) The capital improvements and fit-up work funded under this Contribution Agreement referenced in Section 1.02(a)(i) to (iii) includes the following:
 - partial demolition of the former fire station and entry remediation;
 - water/sewer tie-in to municipal services;
 - exterior siding;
 - exterior windows and doors;
 - removal of interior fixtures and furnishings and appropriate disposal, including associated tipping fees;

- partial interior demolition;
- washroom remodelling;
- kitchen remodelling including the purchase and installation of kitchen appliances;
- replacement flooring;
- replacement drywall, patch repairs, painting and fixtures for interior walls;
- office equipment;
- audio-visual equipment purchase and installation;
- fire protection sprinkler system purchase and installation;
- HVAC system with heat pumps (2); • plumbing upgrades; and
- emergency generator.

For clarity, the term capital improvements shall exclude the purchase of computer software and unspecified “décor”.

Section 1.05 Reporting

The Community Association shall submit written confirmation to HRM Finance & Asset Management that the scope of work identified in Section 1.04 has been completed and an occupancy permit issued within twelve (12) months of receipt of payment from HRM.

Section 1.06 Restrictions

- a) The Contribution Amount is to be used by the Community Association solely towards partial demolition, renovation and fit-up costs of the Facility and construction of a parking lot.
- b) No portion of the Contribution Amount is to be used for the payment of goods or services that are unrelated to the Facility.
- c) No portion of the Contribution Amount shall be paid to employees, volunteers, officers or directors of the Community Association (i.e., salary, wage, stipend, honorarium, gift, or commission).
- d) Any unused portion of the Contribution Amount shall be returned by the Community Association to HRM.

SECTION TWO FINANCES, RECORDS AND INFORMATION SERVICES Section

Section 2.01 Registry of Joint Stocks

- a) The Community Association shall maintain active status as a Society pursuant to the Societies Act during the term of this agreement.

Section 2.02 Accounting Records

- a) The Community Association shall maintain a complete and proper set of accounting records regarding its operations.

Section 2.03 Municipal Audit

- a) HRM shall have the right, at its own expense, and with reasonable notice, to audit or examine the books of account and records maintained by the Community Association pursuant to this agreement and the right to make copies thereof and take extracts therefrom.

SECTION THREE LIABILITY AND INDEMNITY

Section 3.01 Risk

- a) The Community Association agrees that its activities shall be at its sole risk and expense.

Section 3.02 Limitation of Liability

- a) HRM is not a guarantor of the Community Association or the Facility and in no event will HRM be liable for any direct, indirect, consequential, exemplary or punitive damages in relation to the renovation or construction work undertaken by the Community Association, regardless of the form of action, whether in contract, tort or otherwise.

Section 3.03 Indemnification

- a) The Community Association will at all times indemnify and save harmless HRM, its officers, servants, employees or agents, from and against all actions, claims and demands whatsoever which may be brought against or made upon HRM and against all loss, liability, judgments, claims, costs, demands or expenses which HRM may sustain or suffer, resulting from or arising out the Community Association's operations or out of HRM's contribution of the Contribution Amount to the Community Association.

SECTION FOUR GENERAL PROVISIONS

Section 4.01 Notices

- a) All notices, demands, requests, approvals or other communication of any kind which the parties may be required or may desire to serve on each other in connection with this agreement shall be delivered by registered mail to:

Halifax Regional Municipality

Attention: Chief Administrative Officer
Halifax Regional Municipality
P.O. Box 1749

Halifax, NS B3J 3A5

Herring Cove Community Association

Attention: President

Herring Cove Community Association

[Civic address of President representing the Community Association pending an active civic postal address]

- b) Except in the event of a postal service strike or lockout (in which event the parties hereto agree to temporarily utilize other reasonable methods of communicating any notices), service of any notice or demand so made by registered mail shall be deemed complete on the date of actual delivery as shown by the registry receipt or at the expiration of the seventh business day after the date of mailing, whichever is earlier in time. Either party may from time to time, by notice in writing served upon the other party as aforesaid, designate a different mailing address or different or additional persons to which all such notices or demand are thereafter to be addressed.

Section 4.02 Confidentiality

- a) The Community Association acknowledges that this agreement is a public document and that any information, document, or record, in any form, provided to HRM by the Community Association pursuant to this agreement may be subject to disclosure in accordance with Part XX of the *Municipal Government Act* ("Freedom of Information and Protection of Privacy").

Section 4.03 Governing Law

- a) This agreement shall be governed by and interpreted in accordance with the laws of Nova Scotia.
- b) The parties hereby attorn to the exclusive jurisdiction of the courts of Nova Scotia to resolve any disputes arising out of this agreement.

Section 4.04 Effective Date

- a) This agreement will become effective when both parties have signed it. The date of this agreement will be the date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature). Payment shall be issued upon registration of title with the Nova Scotia Land Registry in the name of the Herring Cove Community Association.

Section 4.05 Representations and Warranties

- a) The Community Association represents and warrants that:
 - i. All information submitted to HRM, including design plans and cost estimates, is true, accurate, and prepared in good faith to the best of the Community Association's ability, skill, and judgment; and

- ii. It has full power and authority to enter into, and has taken all necessary measures to authorize the execution of, this agreement.

Section 4.06 Entire Agreement

- a) This agreement comprises the entire agreement between the parties in relation to the subject of the agreement. No prior documentation, negotiation, provision, undertaking or agreement has legal effect, unless incorporated by reference into this agreement. No representation or warranty express, implied or otherwise, is made by HRM to the Community Association except as expressly set out in this agreement.

[Remainder of this page intentionally left blank. Signature page to follow]

The parties have executed this agreement through authorized representatives on the date stated opposite each party's signature.

HERRING COVE COMMUNITY ASSOCIATION

Witness

Name:
Title:

Witness

Name:
Title:

Date Signed

HALIFAX REGIONAL MUNICIPALITY

Witness

Jacques Dubé, CAO

Signed Date

THIS EASEMENT AGREEMENT made the _____ day of _____, 2018

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY, a municipal body corporate in its capacity as the owner of Lot R-23308, ("**Municipality Fire Station**")

OF THE FIRST PART

-and-

HALIFAX REGIONAL MUNICIPALITY, a municipal body corporate in its capacity as the owner of Lot 23687-A, ("**Municipality Community Centre**")

OF THE SECOND PART

WHEREAS the lands are shown on a Plan of Subdivision Showing Lot 23687-A and Lot R-23308 in a Subdivision of Grant 23308 and Grant 23687, Lands of Halifax Regional Municipality at Civic No. 30 & 40, Latter Pond Lane at Herring Cove, Halifax County, Nova Scotia. PID's 40000051 & 40000069, prepared Able Engineering Services Inc. dated * and signed by Robert C. Decker, N.S.L.S. (the "**Plan of Survey**"), a copy of which is attached hereto as Schedule "A";

AND WHEREAS Halifax Regional Municipality intends to retain Lot R-23308 (the "**Fire Station Lot**");

WHEREAS the Halifax Regional Municipality intends to convey Lot 23687-A to the Herring Cove Community Association (the "**Community Centre Lot**");

AND WHEREAS the Municipality Community Centre will grant an access easement and utility services easement over a portion of Community Centre Lot to the Fire Station Lot identified as Easement A-1 and Easement UE-1 on Scheduled "B" and Schedule "C" attached hereto;

AND WHEREAS the Municipality Fire Station will grant an utility services easement over a portion of the Fire Station Lot to the Community Centre Lot identified as Easement UE-2 on Schedule "C";

AND WHEREAS the parties hereto are desirous of recording the terms and conditions this Agreement in accordance with Section 61 of the *Land Registration Act*;

NOW THEREFORE WITNESSETH that in consideration of the mutual covenants contained herein and in further consideration of the sum of Ten (\$10) Dollars paid by each of the parties to the other, the Municipality Fire Station and Municipality Community Centre agree as follows:

1. The Municipality Community Centre does HEREBY GRANT, TRANSFER AND CONVEY to the Municipality Fire Station, for itself, its successors, assigns, employees, agents, servants, and

licensees, and for the use of the public, a right of way, easement and rights in perpetuity as follows:

- a. to use that portion of the Community Centre Lot identified as Easement A-1, as an access easement and right of way for the purposes of ingress and egress by any means whatsoever to and for the Fire Station Lot, and to any lands owned by the Halifax Regional Municipality, said easement not to be impeded or disturbed by the Municipality Community Centre;
 - b. to use that portion of the Community Centre Lot identified as Easement UE-1, as an utility and service easement for any utility service whatsoever or related purpose including water, storm and sanitary services and the installation or maintenance thereof to the Fire Station Lot, and any lands owned by the Halifax Regional Municipality; and
 - c. Easement "A-1" and Easement UE-1 include the free and uninterrupted privilege to enter on, over, and across the Community Centre Lot to lay down, install, construct, operate, maintain, inspect, patrol, alter, remove, replace, repair, reconstruct, or any ancillary action thereto.
2. The Municipality Fire Station does HEREBY GRANT, TRANSFER AND CONVEY to the Municipality Community Centre, for itself, its successors, assigns, employees, agents, servants, and licensees, an easement and rights in perpetuity to use that portion of Fire Station Lot identified as Easement UE-2 for the installation and maintenance of underground water, storm and sanitary services to and for the Community Centre Lot only, and for no other purpose, provided however that the Municipality Community Centre shall:
- a. not construct, erect or permit to be constructed, across, on, along or under the easement any structure, ditch, drainage system, or utility line of any nature whatsoever without the express written consent of the Municipality Fire Station;
 - b. conduct all related work and be responsible for all associated capital construction, reinstatement, and maintenance costs;
 - c. not to disturb or impede in any way whatsoever the land of the Municipality Fire Station, or the right of way and easement granted herein to the Municipality Fire Station during construction or maintenance;
 - d. obtain all permits from any governmental or quasi-governmental entity having authority over the subject matter hereof and to confirm compliance with any applicable laws, including municipal bylaws or ordinances; and
 - e. restore the land to its original condition.
3. The Municipality Community Centre expressly acknowledges, covenants and agrees that the Halifax Regional Municipality operates an emergence response and fire station on the Fire Station Lot and requires unimpeded and continuous 24-hour access along Latter Pond Lane, Easement A-1 and the travelled way; and the Municipality Community Centre shall not obstruct, place objects of any nature, park vehicles or equipment, interfere, endanger or damage Latter Pond Lane or Easement A-1. Municipality Community Centre shall not impact in any way this continuous and unimpeded access requirement and shall be obligated and take all reasonable precautions to adhere to this requirement. Any breach of this section shall be determined by the Halifax Regional Municipality in its sole and absolute discretion.
4. Halifax Regional Municipality shall have no obligation to repair or maintain any of the lands or to repair, maintain or replace any improvements that may be located on the lands, however should

Halifax Regional Municipality wish to do so, it shall be entitled to repair, maintain or replace any improvements that may be located on the lands or any other component of the lands.

- 5. This Agreement shall be construed as running with the lands described herein and shall extend to and be binding upon the heirs, executors, administrators, successor-in-title, assigns and inure to the benefit of the parties.
- 6. Any notices required hereunder, shall be made by mail or in person to the attention of:

In the case of Halifax Regional Municipality:

Attention: Manager, Corporate Real Estate, Operations Support
 Halifax Regional Municipality
 88 Alderney Drive, 3rd Floor Dartmouth Ferry Terminal
 Post Office Box 1749
 Halifax, Nova Scotia B3J 3A5

In the case of the Herring Cove Community Association:

Attention: Secretary
 Herring Cove Community Association
 164 Ketch Harbour Road
 Herring Cove NS B3V 1J5

- 7. Time shall in all respects be of the essence of this Agreement. In the event of a written agreement of extension, time shall continue to be of the essence. Day refers to calendar day unless otherwise specified.
- 8. This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia.
- 9. This Agreement shall constitute the entire Agreement between the parties with respect to the subject matter hereof and supersedes all other agreements, contracts or understandings, whether oral or in writing. This Agreement may only be changed by a written agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the _____ day of _____, 2018.

SIGNED, SEALED and DELIVERED

) **HALIFAX REGIONAL MUNICIPALITY, in its
) capacity as the owner of Lot R-23308**

)

)

)

)

Witness

) _____
) Mayor

)

)

)	Municipal Clerk
)	
_____)	
Witness)	
)	
)	HALIFAX REGIONAL MUNICIPALITY, in its capacity as the owner of Lot 23687-A
)	
)	
_____)	_____
Witness)	Mayor
)	
)	
_____)	_____
Witness)	Municipal Clerk

**PROVINCE OF NOVA SCOTIA
HALIFAX REGIONAL MUNICIPALITY**

On this _____ day of _____, 2018, before me, the subscriber, personally came and appeared, _____, a subscribing witness to the foregoing indenture, who having been by me duly sworn, made oath and said that the **HALIFAX REGIONAL MUNICIPALITY**, in its capacity as the owner of Lot R-23308, one of the parties thereto, caused the same to be executed in its name and on its behalf and its corporate seal to be thereunto affixed by its proper officers in their presence.

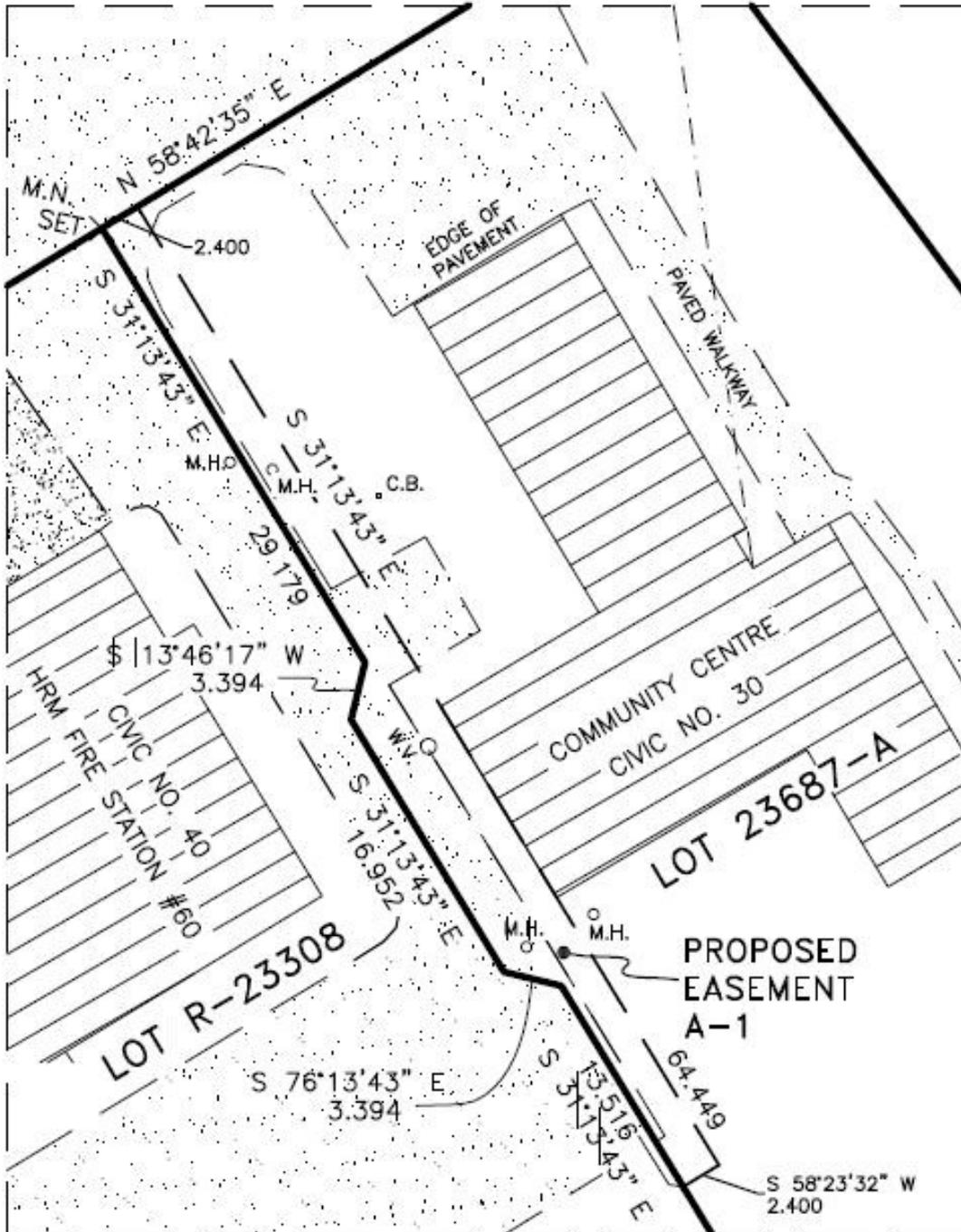
A Barrister of the Supreme Court of
Nova Scotia.

**PROVINCE OF NOVA SCOTIA
HALIFAX REGIONAL MUNICIPALITY**

On this _____ day of _____, 2018, before me, the subscriber, personally came and appeared, _____, a subscribing witness to the foregoing indenture, who having been by me duly sworn, made oath and said that the **HALIFAX REGIONAL MUNICIPALITY**, in its capacity as the owner of Lot 23687-A, one of the parties thereto, caused the same to be executed in its name and on its behalf and its corporate seal to be thereunto affixed by its proper officers in their presence.

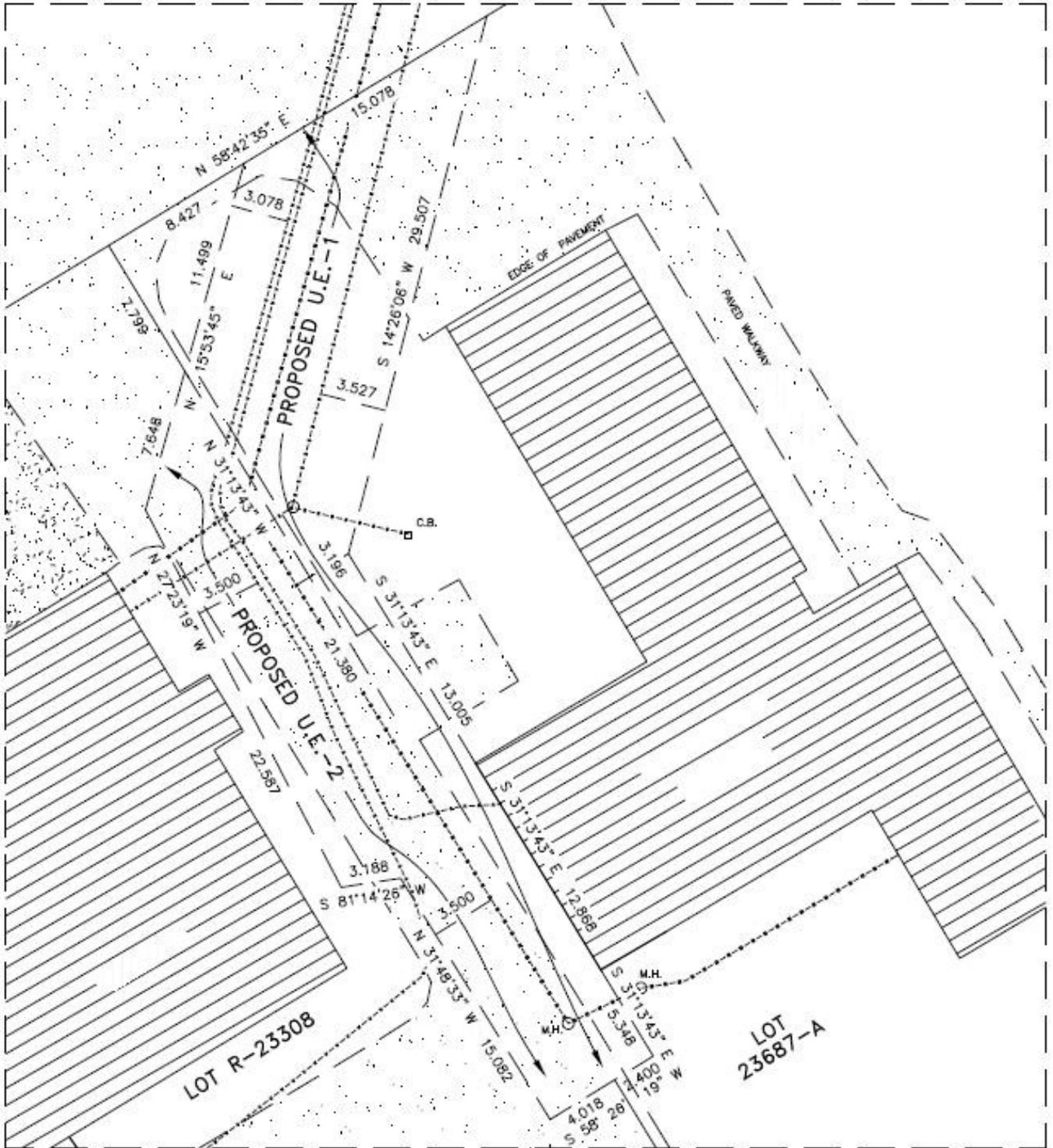
A Barrister of the Supreme Court of
Nova Scotia

SCHEDULE "B"



PROPOSED ACCESS EASEMENT
A-1 OVER LOT 23687-A IN
FAVOUR OF LOT R-23308
VARYING WIDTH
(NOT TO SCALE)

SCHEDULE "C"



PROPOSED UTILITY EASEMENTS
U.E.-1 AND U.E.-2
 VARYING WIDTHS
 (NOT TO SCALE)

1. PROPOSED UTILITY EASEMENT U.E.-1 OVER LOT 23687-A, IN FAVOUR OF LOT R-23308
2. PROPOSED UTILITY EASEMENT U.E.-2 OVER LOT R-23308, IN FAVOUR OF LOT 23687-A.