

Cape Breton Regional Municipality

Special Council Meeting

AGENDA

WEDNESDAY, MARCH 31ST, 2021

9:30 A.M.

Centre 200
Main Concourse
481 George Street, Sydney, NS

Cape Breton Regional Municipality

Special Council Meeting

Wednesday, March 31st, 2021
9:30 a.m.

Centre 200 – Main Concourse

AGENDA ITEMS

Roll Call

1. **Welcome and Introductions:** Mayor Amanda M. McDougall
2. **Approval of Agenda:** (Motion Required)
3. **Funding Commitments** (See page 3)
4. **Central Library Background Information:** Bill Murphy, Director of Parks, Recreation, Buildings & Facilities (See page 16)
5. **Pre-Development Agreement Update from Harbour Royale Development Limited** (See page 25)
6. **General Discussion**

ADJOURNMENT

Excerpt – Council Minutes
August 7, 2018

Sydney Harbour Development - Public Regional Library

Mr. John Phalen, Manager of Economic Development and Major Projects, provided an overview of his Memo on this issue.

Motion:

Moved by Councillor MacLeod, seconded by Councillor Coombes, to approve, in principle, the staff recommendation to proceed with the project planning for the Public Regional Library based on the possible funding envelope (i.e. CBRM land value estimated at \$3 million and \$3 million possibly earmarked for CBRM capital funding pending budget discussion and Council approval), and to proceed with the market analysis to verify the value of the land.

Discussion:

The following was raised during discussion:

- Ownership of the building
- Funding from other levels of government
- Cost of Operation on Yearly Basis
- Land Appraisal
- Current Projects not completed (i.e. BayPlex and Second Berth)
- Concerns re: perceived “obligation” with approval in principle
- Budget - Where will CBRM get the \$3 million capital?

Motion Carried.

Staff was asked to provide Council with an update on the current cost of a retrofit on the McConnell Library based on the earlier feasibility study.



"A Community of Communities"

**Administration
Economic Development**

4th Floor – City Hall
Phone: 902-563-5594

MEMO

To: Mayor and Council
From: John Phalen
Date: July 31, 2018
Subject: Sydney Harbour Development

Mayor and Council,

As we proceed to next steps, a key element expected in the Harbour Royale Development plan for Sydney Harbour is the inclusion of a Public Regional Library.

At this point so as to facilitate the proponent's discussions with provincial and federal funding, the CBRM must be able to define its potential contribution.

At present we can foresee a contribution of land and capital. Land could possibly be as much as an estimated three million and three million is possibly earmarked for CBRM Capital funding pending budget discussion and Council approval, and secured funding from the other levels of government. This would make possible a potential six million contribution for CBRM. A market analysis is now required to verify the land value for the project.

Staff wants to proceed with the project planning for this component based on this possible funding envelope.

ORIGINAL SIGNED BY

John Phalen, P.Eng.
Manager
Economic Development and Major Projects

From: Minister of Communities, Culture & Heritage

Sent: Thursday, May 3, 2018 11:58 AM

Subject: 041918025- Pat Bates

Pat Bates

Dear Mr. Bates:

Thank you for your letter received April 19, 2018, regarding the proposed new Central Library in Sydney. The Premier has asked that I respond on his behalf.

Government recognizes the important role public libraries play in facilitating continuous learning and helping to build stronger communities.

Government also acknowledges the challenges faced by the James McConnell Memorial Library, and is empathetic to your desire to establish a new library.

We understand that a considerable amount of research has been done to support the need for a new library, and that discussions are happening in the Cape Breton Regional Municipality, under the leadership of Mayor Cecil Clarke, to advance the new Central Library project.

We encourage you and your committee to continue to work with Cape Breton Regional Municipality and Cape Breton Regional Library Board on this important initiative.

Sincerely,

Leo Glavine
Minister

CBRM Sydney Central Library

Mr. John Phalen, Manager of Economic Development and Major Projects, provided background on this issue and advised that the CBRM commissioned a Feasibility Study into a new Sydney Public Library. The study was conducted by Trifos Design Consultants, dma Management Services and Breton Chartered Accountants and looked at three options: a stand-alone facility, a refurbished facility, and a facility rebuild of the existing library.

A report was prepared and outlined the best case scenario was for new Library construction. As the project moves forward, it will have to be fit into the Capital and Operational funding and will require Council approval. It was noted the full report is available on the CBRM website under reports.

Mr. Phalen advised that Harbour Royale Development Limited (HDRL) submitted a proposal to an Expression of Interest (EOI) issued by CBRM for HDRL. They have been working actively with all levels of Government and First Nations to advance the project after being approved for a Pre-Development Agreement and a contribution of land and capital in principal by CBRM Council.

Mr. Phalen discussed the project details and advised that CBRM intends on being the full owner of the Library portion of the project. A proposed study is currently being worked on that will look at the library programming and internal operations including operating costs. This study is in concert with the main capital expenditure but is independent and would require the approval of Council to proceed. It is anticipated that funding from CBRM would be a possible value of \$3 million in land and a capital contribution of \$4 million. The land requires third party assesement for market value. With this support, CBRM could leverage up to a possible \$18 million of capital funding plus land costs. In addition to government support, the Library Board would be responsible for raising additional funding through personal and corporate donations. CBRM and HDRL will continue to explore other funding avenues for the project.

Continued...

CBRM Sydney Central Library (Cont'd):

Motion:

Moved by Councillor MacLeod, seconded by Councillor Eldon MacDonald, that staff be directed to start the application process for a contribution in land and capital to be leveraged by the other levels of government for the new library project. Contribution would be brought forward to Council during the budget process and be dependent on approval of anticipated operating costs.

Discussion:

Some of the issues raised during discussion included:

- Funding business model
- Building ownership and assessment
- CBRM Capital Plan and budget
- Prioritizing sustainability funding requests
- Application deadline
- Involvement of Membertou First Nation
- Cost of a new Library vs. retrofitting the existing building
- Cost sharing with Federal and Provincial levels of government
- Borrowing for special projects
- Confirmation that this motion is only to begin the application process and approval of the project will be made at budget
- More project information being provided to Council
- Phases of the development
- Capital commitments carried over from previous years
- Capital and Operating Budgets to be presented separately

Motion Carried.



CBRM

A Community of Communities

ISSUE PAPER

TO: Deborah Campbell Ryan - Clerk
FROM: John Phalen - Manager of Economic Development
SUBJECT: CBRM Sydney Central Library
DATE: November 15, 2018

Madame Clerk,

Background

CBRM commissioned a Feasibility Study into a new Sydney Public Library. It was conducted by Trifos Design Consultants, dma Management Services and Breton Chartered Accountants. Below is the executive summary of the report.

Facility Requirement

A Library of 28,000 gross square feet (GSF)) is required to serve Sydney's projected 2031 catchment area population of 40,000. The requirement is based on a recommended level of provision of 0.7GSF/capita, which represents a significant increase over the current level of provision of 0.34GSF/capita.

An additional 8,580GSF are required for the Cape Breton Regional Library's (CBRL) headquarters, resulting in a proposed development of 36,580GSF. By comparison, the existing James McConnell Memorial Library and regional headquarters is about 22,000GSF.

The recommended facility does not include space required by partners who may choose to join the CBRL in this development.

At roughly 37,000GSF, the recommended facility will correct many of the deficiencies associated with the current library and headquarters. A larger library is required to reflect the changing roles of public libraries. Contemporary libraries play a different role in the community and, consequently, have different requirements for space. Contemporary libraries are buildings where information literacy is taught, music and video is created, residents come together to discuss and debate important issues, and where community is created and fostered. To be this type of library, physical space not traditionally associated with public libraries is required, including computer and multi-

media labs, extensive display space, areas for the community to informally assemble and interact, presentation space, etc. Research clearly demonstrates that this is the library of the future; and input from residents of the CBRM indicates strong support for a contemporary library of this type.

Benefits

Experience in other communities demonstrates that new libraries can be a catalyst for downtown revitalization and economic development. They attract residents and visitors to create vibrant retail and commercial districts, which, in turn, invites new investment. Libraries contribute to the municipality's image and identity as cornerstones of creative cities, and ventures for arts, cultural and heritage events. When part of larger schemes for downtown urban renewal, they become place-makers and public places, contributing to broader urban design and development objectives in progressive communities.

The proposed development will not only correct the limitations of current library services, it will support the future economic, social and cultural objectives of the CBRM and other community organization.

Partnerships

Investigating potential partnership, with implications for the size and design of the proposed library, was not a part of this study. However, the CBRL should actively pursue potential partners, and confirm their willingness to be a part of this project. Community stakeholders expressed interest in and support for expanded partnerships. Furthermore, these are particularly important in the CBRM because the population only supports a small central library where program areas are smaller than desired, and some specialized spaces cannot be included. These are the spaces that partners could support (e.g. larger, multipurpose program areas; training facilities; technology labs; performance and assembly space; spaces designed for the arts, culture, and music, etc.). If partners are prepared to share space and contribute to capital and operating costs, as well as additional programs, programs and activity areas that would otherwise not be available to residents could be provided at the new Sydney library. This important issue should be investigated further, before proceeding with the project.

Design Considerations and Capital Costs

A new, stand-alone, contemporary, 40,000 square foot library will cost between \$26 million and \$28 million, depending on the site selection. A retrofitted edifice of 40,000 square feet will cost approximately \$18 million.

Business Model

The financial analysis carried out as a part of this study has concluded that variances between public and public-private partnerships are significant, primarily because the discount rate used on the cost of government funds is 4%, versus the cost of private funds at 8%. In both cases, the full construction costs of the facility would be recovered over the 25-year period.

The costs under the retrofit option are slightly lower. Retrofitting indicates lower initial capital costs, and higher annual operating costs.

In the public-build scenario of a new build, the CBRM would have possession of the Library Facility after the 25-year period. Under the public-private building scenario of a new build or retrofit, the CBRM would have paid 100% of the construction costs of the

facility, and would not have possession. CBRM would have to pay an amount to the developer to purchase the property or extend the lease. This amount could be fair-market value at that time, or a lesser amount, if it were negotiated up front.

The full report can be read at:

[http://www.cbrm.ns.ca/images/stories/reports/Sydney Public Library Feasibility Study_Final Draft_resized.pdf](http://www.cbrm.ns.ca/images/stories/reports/Sydney_Public_Library_Feasibility_Study_Final_Draft_resized.pdf)

The report essentially outlines the best case scenario for the library construction. As the project goes forward it will have to fit into the capital funding envelope, and the Council approved operational costs.

CBRM issued an Expression of Interest in August of 2017 to develop lands it owns on Sydney Harbour for development. The EOI used as its basis a report that was approved by Council for a vision for Sydney harbour development by Ekistics in March of 2014.

The Port of Sydney is an asset with the potential to impact this community in varied and significant ways. Realizing its full potential will require vision, determination and collaboration on multiple levels. The Sydney Harbour Waterfront Development Project embodies these features in a bold, engaging and highly functional mixed use public-private development that will impact the area's economy, enrich the community and revitalize the downtown core. The project will be located on a premier stretch of vacant waterfront property between the Joan Harris Cruise Pavilion and the Holiday Inn.

Harbour Royale Development Limited (HDRL) submitted a proposal to CBRM's Expression of Interest (EOI). CBRM staff advised Council that the proposal met the criteria established and recommended that the Proposal should be accepted and they refine and revise to bring a full proposal to Council.

The project foresees a mixed use public/commercial space including a residential and commercial building, a public library, casino and hotel addition, along with parking and public amenities and commercial development.

Council adopted a motion on staff's recommendation on February 6th 2018.

In June of 2018 Council approved a Pre-Development agreement with Harbour Royale to proceed with the project development work and bring back a full proposal to Council for approval.

In August of 2018, Council approved in principal a contribution of land and capital.

HDRL has been working actively to advance the project and is working with all levels of Government and First Nations to bring the library portion of the project the project to fruition.

The Project Next Steps

The CBRM is intent on being the full owner of the library portion of the project. A proposed study is currently being worked on that will look at library programming and internal operations including operating costs. This study is in concert with the main

capital expenditure but is independent and would require the approval of Council to proceed.

It is anticipated that the amount of funding from CBRM would be a possible value of 3 million for the land and a capital contribution of 4 million. The land value would have to be third party assessed for market value. With this support, CBRM could leverage up to a possible 18 million dollars of capital funding plus land costs. In addition to government support, the Library Board would be responsible for raising additional funding through personal and corporate donations.

CBRM and Harbour Royale will continue to explore other funding avenues for the project.

Recommended Motion

Motion of Council for staff to start the application process for a contribution in land and capital to be leveraged by the other levels of government for the new library project. Contribution would be brought forward to Council during the budget process and be dependent on approval of anticipated operating costs.

Sincerely,

John Phalen

Excerpt: Special General Committee Minutes – June 19, 2019

Stakeholder Meeting re: Sydney Library

7. Funding Applications:

Mayor Clarke advised that the funding applications are associated with elements based upon Council's decisions to move forward with an application for infrastructure which was on the predication of the \$4 million in cash and \$3 million in value of land towards funding that can be leveraged.

Mayor Clarke advised that two applications were submitted concurrently to the Provincial and Federal Governments; the first for \$75,000 for the study of services, programming and operational review and the second application for Capital Funding.

Mr. John Phalen noted that the initial timeline for the applications was in December for the Capital project as well as the final application to ACOA, and they have been working with the Province on the application for the Study.

a) \$75,000 Study for Services, Programs and Operational Review

Mr. John Phalen advised that the Study for Services, Programs and Operational Review is running parallel to the main capital application and the assumption of a new library build is similar to the waterfront proposal. Discussions were held over the spring and summer with ACOA and the Nova Scotia Department of Communities, Culture and Heritage and both were supportive of a one-third formula. Commitment from the Province was received on December 17th, the application for the Study was sent to the Sydney ACOA office on December 19th. After numerous requests, CBRM finally received approval from ACOA on June 6th. Following the direction of Council, the intent was to move forward with the Study and is up for discussion on how to proceed.

Mayor Clarke discussed the applications and consultation with the Province, who recognized the Study and the need for the operational piece. CBRM's intent and understanding were that both applications were working concurrently with one process moving forward while the other one was being analyzed.

Mayor Clarke referenced communication that CBRM CAO Marie Walsh had with a senior official from ACOA and discussion with Mr. Mark Eyking on May 27 regarding follow up to the ACOA application which was approved and signed on June 6, 2019. It was noted that any changes to the scope must be approved by both Provincial and Federal Governments.

Continued...

Funding Applications (Cont'd)

b) Build Canada Application

Mr. John Phalen, Manager of Economic Development & Major Projects, discussed the Build Canada application process and advised that after the Pre-Development Agreement was approved to by Council, HRDL required contribution commitment from CBRM. A key element expected in the development plan for Sydney was the inclusion of the public library. CBRM was asked by HRDL to look at their conceptual design and from there CBRM defined the financial contribution of \$3 million and capital of \$4 million. bringing the Municipal contribution to \$7 million with a leveraged \$21 million in funding. He noted that there was discussion about possible funding from First Nations but was never included in the scope. A motion of Council was passed on November 20, 2018 to bring to the budget process a contribution of land and capital. Staff had no indication of what the funding stream would be, but a one-third funding formula was envisioned. There was no indication as to what departments or infrastructure fund or any other federal or provincial program. Staff prepared an application in December and awaited direction on where to file it. Direction was given by MP Mark Eyking's Office to submit the application to Municipal Affairs with a funding formula of 40% federal dollars, 33% provincial, and 27% municipal on a \$31 million build.

Mr. Phalen noted that included in the application was a proposed community contribution by fundraising and that the actual funding envelope contribution by CBRM was approved by Council.

Mr. Phalen explained that without a provincial funding stream or application form identified, the application was submitted on an ACOA form and sent to the Department of Municipal Affairs (DMA) on December 18th. Receipt of the application was received on December 20th indicating that applications were not yet being received but kept on file. Since that time, CBRM staff have not been contacted regarding the Library project.

Mayor Clarke advised that while working on the CBRM Capital budget and an integrated capital plan with the Office of Regulatory Affairs and Service Effectiveness, the topic of the Library came up and it was noted that the number one priority for the CBRM was the Capital Plan.

Mayor Clarke advised that earlier this date, his Executive Assistant was contacted by Mark Eyking's office to indicate that the 40 percent funding model can still be done if there is Provincial support to allow it to move forward. If there is any discussion regarding land vs. capital, then it would be discussion that would have to come back to Council.

Continued...

Excerpt: Special General Committee Minutes – June 19, 2019 (cont'd)

Funding Applications - Build Canada Application (Cont'd)

Mayor Clarke indicated that nothing was received to indicate a one-third funding model and has requested a meeting with the Premier on the capital and the library project.

Mayor Clarke was told CBRM must resubmit an application and discussed the uncertainty of the process and the fact that the reason the Federal government was not aware of the application for the program review while being funded already by the Provincial government is uncertain.

Mayor Clarke posed a question for Council to consider regarding whether or not they support and want to submit the \$31 million project for the Library, if not, the program review would not have to be completed. He indicated this would be discussed at the next open meeting of Council.

Mayor Clarke outlined the following items that require discussion:

- The question of land being considered as a contribution by CBRM
- Where is the debt management?
- How and to whom the application is to be sent?

Council discussion including the following:

- Debt Management Policy
- Resubmission of the application
- Should CBRM explore what other options are available for a Library
- Funding Streams available and the application process
- The ability to use land as equity
- Application for the library as a stand-alone build
- The operational study
- Decision to stay with the current application or resubmit?
- HRDL to provide an update to Council
- Look at other Regional libraries and what has been done
- What if the Capital application is approved and operating is not feasible?
 - Have Minister Mombourquette and Minister MacLellan in Chambers to seek clarity
- Should Council send request to the Treasury Board
 - Can CBRM maintain the operation of the building with expanded hours
 - CBRM should borrow the money if required

Continued...

Excerpt: Special General Committee Minutes – June 19, 2019 (cont'd)

Funding Applications - Build Canada Application (Cont'd)

During the meeting, Councillor McDougall received communication from the Department of Municipal Affairs stating there will be funds available for social infrastructure projects, however there is no call out right now, which was communicated when the Department received the application on December 18th. It was also noted that this is the first year for a 10-year program. A Councillor requested that this form be part of the public record.



TO: Mayor and Committee of Council

FROM: Bill Murphy

SUBJECT: Central Library Background Information

DATE: March 31, 2021

Introduction

The following information provides background about recent activities in the efforts to develop a new regional central Library for CBRM. Through the co-operation of the Clerk's Office, the current Council is provided a detailed background of some 25 different Council, Committee agenda items on the library dating back to early 2012. The last item is the presentation of the recently concluded study of Services, Programs and Operational Plan presented to the current Council on January 26, 2021. A detailed review of current and future requirements and a study of operating costs of a new build were highlights of the study.

There have been many capital cost scenarios presented over the years. The latest documented estimate is \$31,000,000.00 for a 37000 square foot building (application to ACOA 2018 attached). The study of Service, Programs and Operational plan also cited a capital requirement of \$31,300,000.00 to \$32,500,000.00 for a 45000 square foot build. This represents a cost estimate of \$480.00 to \$500.00 per square foot. (page 158 of distributed information). Given pre Covid 19 conditions, those estimates would be consistent with earlier estimates.

High Efficiency Concept Design

Indicated in a recent announcement by the Prime Minister of Canada, to combat climate change, future public buildings will feature high-energy efficiency design leading to net zero ready standards for the national building code by 2030.

In the attached email from the Director of Engineering & Public Works, the question of net zero ready requirements is outlined. High efficiency design will at the minimum will require a L.E.E.D. (Leadership in Energy and Environmental Design) designation and could require building standards to Net Zero Ready. As an example, a 10,000 square foot build (similar to one floor of city hall) could have a net zero ready all in cost of \$10,000,000.00. According to the Atlas Group, Canadian Construction Guide the capital all in cost for net zero ready estimated to be \$1,000.00 to \$1050.00 per square foot.

Green and Inclusive Community Buildings Questionnaire

The municipality is being requested to complete a questionnaire for the federal and provincial governments to identify projects that would qualify for energy upgrades, expansion or new builds that fit associated criteria. From what we know today, the program targets Canadian First Nations, provincial and municipally owned public buildings. **It is anticipated that any provincial and federal funding formula will require a green house gas mitigation assessment and a climate resilience assessment.**

CBRM Senior Management reviewed the latest capital priority list to determine what projects would meet the identified criteria. The 2020-2025 capital-prioritized list was approved by Council in June of 2020 and distributed to the current Council during budget workshops. On that list, three projects; C200 Upgrades and Expansion; CBRM Central Library and CBRM Buildings Efficiency Upgrades meet the criteria to be included in the questionnaire.

Recommendation

That Council direct staff to include the three identified projects information in completing the questionnaire for the federal government on green buildings initiatives.

Bill Murphy

Director of Parks, Recreation
Buildings & Facilities

Bill Murphy

From: Wayne H. Macdonald - Eng
Sent: Sunday, March 14, 2021 12:56 PM
To: Marie J. Walsh
Cc: Bill Murphy; Michael E. Ruus; Demetri Kachafanas; John F. MacKinnon; Jennifer L. Campbell
Subject: FW: Green and Inclusive Community Buildings Questionnaire

Marie,

I have been trying to research the requirements of the funding program identified below by Federal Government. Based on what I have read, the requested questionnaire will provide feedback to the Funding Partners for program rollout. At this point, I have not found specific references to the design requirements, timeframe for project, funding levels, agreements with Provincial Government, project delivery options, application allowances for third party, etc. As to design standard, it is expected that Net-Zero Ready will be minimum requirement for *all buildings and building retrofits* funded under the program.

Further to our meeting last week, we certainly would have projects that would qualify:

C200 Upgrades, and Expansion

Identify which upgrades qualify from current list of upgrades, and add them to a proposed Building Expansion associated with various supported sports and recreational programming options. Greenhouse Gas Emissions targets would be achieved while taking advantage of sequestering associated waste heat from existing C200 Ice Plant, as an integral component of the project. Operational efficiencies are also additional benefits taking advantage of existing staffing and service levels associated with C200 site. A Pre-design phase would take into context, current site requirements & sizing, building construction options, engagement with the public and numerous stakeholders, opportunities for programming synergies with existing downtown public spaces, Class C Cost estimate (+/-25%), project delivery model, project timelines and anticipated cash flow.

CBRM Central Library

Building on numerous years of development work, the project would incorporate a multi-year development for Central Library. High efficiency design would be implemented, however with such a large project, a number of tasks would need to be completed. An Enhanced Pre-design phase would take into context, current site requirements, options, building and site size confirmation, opportunities for programming synergies with existing downtown public spaces, fundraising campaign, Class C Cost estimate (+/-25%), project delivery model, project timelines and anticipated cash flow.

CBRM Buildings Efficiency Upgrades

Continuing on recent efficiency upgrades and retrofits over last number of years, CBRM's Energy Asset Management system (Energy STAR Portfolio Manager) will target all available efficiency opportunities from existing CBRM buildings, while taking advantage of CBRM's Partnership with Efficiency NS. Outcomes to provide additional targeted Greenhouse Gas Emissions Reductions, overall carbon footprint reductions, and reduced operational expenditures for CBRM and CBRM Water Utility.

The most recent funding programs did not allow for soft cost phases without full project delivery as the project outcome. That will be an important question for the larger projects in this list.

Should a specific approval and project prioritization be required, I believe that would need to be a Council Decision.

Wayne H. MacDonald, P.Eng.
Director of Engineering & Public Works

From: Kelloway, Mike - M.P. [mailto:Mike.Kelloway@parl.gc.ca]
Sent: Tuesday, March 09, 2021 1:22 PM
Subject: Green and Inclusive Community Buildings Questionnaire

Good afternoon,

Infrastructure Canada is seeking feedback on potential projects for the Green and Inclusive Community Buildings Program. The Program will provide up to \$1.5 billion in federal funding for community buildings to support retrofits, repairs or upgrades of existing public buildings and the construction of new public buildings.

Local governments, not-for-profit and Indigenous organizations are invited to submit project ideas through an online questionnaire:

[CLICK HERE TO ACCESS ONLINE QUESTIONNAIRE](#)

At least 10 per cent of this funding will go directly to Indigenous communities including projects for First Nations, Inuit and Métis communities, including those that live in urban centres.

Additionally, Mike very much welcomes any input sent directly to our office. Your input helps how we shape our policy asks for Minister McKenna.

Best regards,
Elizabeth

Elizabeth Arsenault
Senior Advisor
Office of Mike Kelloway, M.P.
Cape Breton – Canso



PROJECT NUMBER (FOR OFFICIAL USE)

APPLICATION FOR FINANCIAL ASSISTANCE

A) APPLICANT PROFILE

1) LEGAL NAME OF APPLICANT: Cape Breton Regional Municipality
 OPERATING NAME, IF DIFFERENT: _____
 MAILING AND COURIER ADDRESS: 320 Espalnade
 CITY/TOWN, PROVINCE, POSTAL CODE: Sydney, NS
 BUSINESS NUMBER / HST NUMBER: 896910569RT0001
 WEBSITE ADDRESS: www.cbrm.ns.ca

2) **PRIMARY CONTACT:**
 NAME: John Phalen
 TITLE: Manager, Economic Development and Major Projects
 TELEPHONE NUMBER (BUSINESS): 902-563-5594
 OTHER/CELL NUMBER: 902-574-0751
 FAX NUMBER: 902-563-5137
 E-MAIL ADDRESS: jfphalen@cbrm.ns.ca

3) **PREFERRED LANGUAGE FOR CORRESPONDENCE:**
 ENGLISH
 FRENCH

4) **TYPE OF ORGANIZATION:**
 CORPORATION
 SOLE PROPRIETORSHIP OR PARTNERSHIP
 NOT-FOR-PROFIT ORGANIZATION
 MUNICIPALITY OR OTHER GOVERNMENT ENTITY
 OTHER (SPECIFY):
 BRIEFLY DESCRIBE THE ORGANIZATION'S PRINCIPAL ACTIVITIES (PRODUCTS AND/OR SERVICES PROVIDED):
Municipal Services

B) PROJECT INFORMATION

1) PHYSICAL LOCATION OF THE PROJECT: Sydney, NS
 2) PROJECT NAME: Cape Breton Regional Library
 3) BRIEFLY DESCRIBE THE PROJECT:
Design and Construction of a new Regional Library

4) ESTIMATED TOTAL PROJECT COSTS: \$ 31,000,000

5) AMOUNT REQUESTED FROM THE ATLANTIC CANADA OPPORTUNITIES AGENCY (ACOA): \$ 12,400,000

6) HAS THE APPLICANT RECEIVED ASSISTANCE FROM ACOA PREVIOUSLY?

	YES	NO
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

7) HAS THE APPLICANT MADE ANY FINANCIAL OR LEGAL COMMITMENTS FOR THE PROJECT?

	YES	NO
	<input type="checkbox"/>	<input checked="" type="checkbox"/>

8) IF YES, PROVIDE DETAILS: _____

9) ESTIMATED START DATE OF PROJECT (YYYY/MM/DD): 2019/04/01 ESTIMATED COMPLETION DATE: 2020/03/01

It is the responsibility of the applicant to complete all required sections as accurately and as completely as possible. Failure to do so may preclude the Atlantic Canada Opportunities Agency (ACOA) from considering the application.

ACOA has adopted service standards with respect to its response time for processing a duly completed application. For further information, please consult our website at www.acoa-apeca.gc.ca by searching [Service Standards](#).

PROGRAM (FOR OFFICIAL USE)

BUSINESS DEVELOPMENT PROGRAM	INNOVATIVE COMMUNITIES FUND	ATLANTIC INNOVATION FUND	OTHER PROGRAMS
------------------------------	-----------------------------	--------------------------	----------------



C) OWNERSHIP (Section reserved for companies and partnerships. Other applicants, go directly to section D.)

1) PROVIDE INFORMATION ABOUT THE PRINCIPAL OWNERS OF THE APPLICANT.

SURNAME	GIVEN NAME	PERCENTAGE OF OWNERSHIP	IS THE PERSON ACTIVE IN THE COMPANY?		IF YES, IN WHAT POSITION/ROLE?
			YES	NO	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	

2) PROVIDE THE NAME(S) OF ANY PARENT COMPANY, SUBSIDIARIES AND OF ANY AFFILIATED OR RELATED BUSINESS ENTITIES.

NAME OF THE BUSINESS	CITY/TOWN	NATURE OF RELATIONSHIP	CONTACT PERSON	TELEPHONE NO.

D) GOVERNANCE AND MANAGEMENT

1) LIST THE DIRECTORS/MEMBERS OF THE BOARD AND THE KEY MANAGEMENT PERSONNEL OF THE APPLICANT.

SURNAME	GIVEN NAME	TITLE/POSITION	YEARS OF SERVICE	IS THE PERSON ACTIVE IN THE COMPANY?	
				YES	NO
Walsh	Marie	Chief Administrative Officer	3 as CAO	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Campbell	Jennifer	Chief Financial Officer	2 as CFO	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Campbell Ryan	Deborah	Municipal Clerk	20 plus	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MacDonald	Wayne	Director of Engineering and Public Works	20 plus	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Murphy	Bill	Director of Buildings and Facilities	20 plus	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Phalen	John	Manager of Economic Development	10 plus	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

2) PROVIDE THE NAMES OF PROFESSIONAL ADVISORS ACOA MAY CONTACT TO INQUIRE ABOUT THE APPLICANT.

SERVICE PROVIDER	NAME	CITY/TOWN	CONTACT PERSON	TELEPHONE NO.
ACCOUNTANT				
LAWYER				
INSURANCE COMPANY				
CONSULTANT				

3) PROVIDE THE NAME AND CONTACT INFORMATION OF THE BANK/FINANCIAL INSTITUTION ACOA MAY CONTACT TO INQUIRE ABOUT THE APPLICANT.

INSTITUTION	CITY/TOWN	CONTACT PERSON	TELEPHONE NO.

DESCRIBE AVAILABLE CREDIT:



E) REQUIRED INFORMATION AND DOCUMENTS (Please check the ones that are attached to this application.)

COMMERCIAL APPLICANTS	YES	N/A
INCORPORATION DOCUMENTS	<input type="checkbox"/>	<input type="checkbox"/>
FINANCIAL STATEMENTS (CURRENT AND LAST TWO YEARS)	<input type="checkbox"/>	
COMPLETE BUSINESS PLAN (I.E. DESCRIPTION OF THE APPLICANT, THE PROJECT, THE MANAGEMENT, THE MARKETING STRATEGY, THE COST AND FINANCING, AND A THREE-YEAR FINANCIAL FORECAST)	<input type="checkbox"/>	
RESEARCH AND DEVELOPMENT (R&D) PROJECT PLAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MARKETING PLAN / MARKET RESEARCH	<input type="checkbox"/>	<input type="checkbox"/>
EXPECTED ECONOMIC IMPACTS OF THE PROJECT	<input type="checkbox"/>	
SUPPLIER QUOTES	<input type="checkbox"/>	<input type="checkbox"/>
COPIES OF RELEVANT PERMITS AND LICENCES	<input type="checkbox"/>	<input type="checkbox"/>
OTHER RELEVANT DOCUMENT (SPECIFY): Library Feasibility Study	<input type="checkbox"/>	<input type="checkbox"/>

Further guidance about the information required can be found on our website at www.acoa-apeca.gc.ca by searching [Applications' Additional Guidance](#).

NOT-FOR-PROFIT AND OTHER APPLICANTS	YES	N/A
CONSTITUTING / INCORPORATING DOCUMENTS	<input type="checkbox"/>	
FINANCIAL STATEMENTS (CURRENT AND LAST FISCAL YEAR)	<input type="checkbox"/>	
DESCRIPTION AND MANDATE OF THE APPLICANT, INCLUDING THE MANAGEMENT AND QUALIFICATIONS OF KEY PERSONNEL	<input type="checkbox"/>	
HST REBATE INFORMATION (I.E. REBATE RATE)	<input type="checkbox"/>	
ONE OF THE FOLLOWING TWO ITEMS IS REQUIRED:	<input type="checkbox"/>	
RESEARCH AND DEVELOPMENT (R&D) PROJECT PLAN	<input type="checkbox"/>	
OR DETAILED PROJECT DESCRIPTION, INCLUDING MILESTONES, COSTS, FINANCING, KEY PARTNERSHIPS ESTABLISHED AND EVIDENCE OF SUPPORT FROM THE COMMUNITY	<input checked="" type="checkbox"/>	
EXPECTED ECONOMIC IMPACTS OF THE PROJECT	<input type="checkbox"/>	
MARKETING / COMMERCIALIZATION PLAN	<input type="checkbox"/>	<input type="checkbox"/>
SUPPLIER QUOTES	<input type="checkbox"/>	<input type="checkbox"/>
COPIES OF RELEVANT PERMITS AND LICENCES	<input type="checkbox"/>	<input type="checkbox"/>
OTHER RELEVANT DOCUMENT (SPECIFY): Library Feasibility Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>

IMPORTANT NOTICE:

ACOA may require further information about the applicant to fulfill requirements. ACOA may also need to obtain consent to collect personal information from officials associated with the applicant. Failure to provide these, if requested, may preclude ACOA from finalizing the assessment of the application.

F) DISCLOSURES	YES	NO
1) ENVIRONMENT		
IS THE APPLICANT CURRENTLY OPERATING IN CONFORMITY WITH ENVIRONMENTAL LEGISLATION?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WILL THE PROPOSED PROJECT CONFORM TO ENVIRONMENTAL LEGISLATION?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2) DUTY TO CONSULT		
ARE THERE ABORIGINAL GROUPS OR COMMUNITIES IN OR NEAR THE PROJECT AREA?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COULD THE PROJECT POTENTIALLY IMPACT NEARBY ABORIGINAL GROUPS OR COMMUNITIES?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) LITIGATION		
IS THE APPLICANT INVOLVED IN ANY LITIGATION, LEGAL ACTION, SUIT OR CLAIM PENDING, UNDER WAY OR LOOMING, OR ARE THERE ANY PROCEEDINGS BEFORE ANY COURT, TRIBUNAL, GOVERNMENT BOARD OR AGENCY?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ARE THERE ANY JUDGMENTS OUTSTANDING AGAINST THE APPLICANT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) MATERIAL CONTRACTS		
IS THE APPLICANT IN DEFAULT UNDER ANY SIGNIFICANT CONTRACT OR ANY FINANCING ARRANGEMENT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) TAXES		
IS THE APPLICANT IN ARREARS IN THE PAYMENT OF ANY INCOME, BUSINESS OR PROPERTY TAXES, SALES TAXES, PAYROLL DEDUCTIONS, ETC. ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) OTHER GOVERNMENT FUNDING		
HAS THE APPLICANT RECEIVED, OR SOUGHT, ANY OTHER GOVERNMENT FUNDING FOR THIS PROJECT?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

IF YOU ANSWERED "NO" TO QUESTION 1 OR "YES" TO ANY OTHER QUESTION, PLEASE PROVIDE DETAILS:

CBRM will be funding 1/3 of the project through 4,000,000 in Capital and 3,000,000 in land. The CBRM will seek funding from the Province of Nova Scotia for 1/3 funding.



G) CONSENT AND CERTIFICATION

- 1) The information entered here and on all attached documents, as well as any other information collected by or on behalf of the Atlantic Canada Opportunities Agency (ACOA) to process applications for grants and contributions, is collected pursuant to the *Atlantic Canada Opportunities Agency Act* and the *Financial Administration Act*.
- 2) The information provided to ACOA will be treated in accordance with the *Access to Information Act* and the *Privacy Act*. If you require additional information about these acts, please contact our [Access to Information and Privacy Directorate](#). This information is secured from unauthorized access. The personal information will be stored in [Personal Information Bank ACOA PPU 005](#).
- 3) There is no obligation to provide the requested information but failure to do so may prevent ACOA from considering the application.
- 4) Projects for which an application for government funding is made are subject to an environmental screening and must comply with the environmental guidelines set out in the *Canadian Environmental Assessment Act 2012*. A representative from Public Works and Government Services Canada may contact you to discuss the project.
- 5) The names of successful applicants, the amount of funding approved and a description of the project are included in public records and disclosed on ACOA's website in accordance with the government's proactive disclosure practices.
- 6) ACOA may contact any person listed in this application to inquire about the applicant.
- 7) I certify that the information provided is, to the best of my knowledge and ability, complete, true and correct, and that this will apply to all information provided in the future in connection with the assessment of the project. Furthermore, I will promptly notify ACOA if any of the information changes.
- 8) I certify that financial assistance from ACOA is a significant factor in the decision to proceed with this project.
- 9) I authorize ACOA to make any inquiries required, including obtaining corporate and business information about the applicant, to assess this application.
- 10) I authorize ACOA to make these inquiries of persons, firms, corporations, federal and provincial government departments, agencies, authorities, institutions and non-profit economic development organizations, and consent to the collection of information.
- 11) I consent to the sharing of the information collected with other federal and provincial departments and agencies for the administration of the grants and contributions programs.
- 12) I consent to the use of the information for policy analysis, research and/or evaluation of ACOA programs.

I have read and understood the above Consent and Certification. I voluntarily consent to the collection, use and disclosure of information as described, make the certification as stated and authorize the actions indicated.

(Please keep a signed copy of this form for your records.)

SIGNATURE OF AUTHORIZED OFFICIAL

SIGNED AT (LOCATION): Sydney, NS

Marie Walsh, Chief Administrative Officer
PRINT NAME AND TITLE OF AUTHORIZED OFFICIAL

ON THIS ____ DAY OF December, 2018

ATLANTIC CANADA OPPORTUNITIES AGENCY (ACOA) OFFICES

NEW BRUNSWICK
570 Queen Street, P.O. Box 578, Fredericton, New Brunswick E3B 5A6
Toll Free: 1-800-561-4030 ▪ Telephone: 506-452-3184 ▪ Fax: 506-452-3285

NEWFOUNDLAND AND LABRADOR
The John Cabot Building, 10 Barter's Hill, 11th Floor, P.O. Box 1060, Station "C", St. John's, Newfoundland and Labrador A1C 5M5
Toll Free: 1-800-668-1010 ▪ Telephone: 709-772-2751 ▪ Fax: 709-772-2712

NOVA SCOTIA
Suite 700, 1801 Hollis Street, P.O. Box 2284, Station "C", Halifax, Nova Scotia B3J 3C8
Toll Free: 1-800-565-1228 ▪ Telephone: 902-426-6743 ▪ Fax: 902-426-2054

Silicon Island, 70 Crescent Street, P.O. Box 1750, Sydney, Nova Scotia B1P 6T7
Toll Free: 1-800-705-3926 ▪ Telephone: 902-564-3600 ▪ Fax: 902-564-3825

PRINCE EDWARD ISLAND
100 Sydney Street, 3rd Floor, Royal Bank Building, P.O. Box 40, Charlottetown, Prince Edward Island C1A 7K2
Toll Free: 1-800-871-2596 ▪ Telephone: 902-566-7492 ▪ Fax: 902-566-7098

Introduction

In 2016, the Cape Breton Regional Library (CBRL) completed a Feasibility Study for a new central library to replace the existing James McConnell Memorial Library (JMML) in Sydney. The JMML acts as the central library for the region. It is the main branch in the CBRL system and also houses the administrative headquarters, the regional storage collection, and the Cape Breton County Bookmobile headquarters. The feasibility study recommended a new central library and headquarters of approximately 37,000 gross square feet to be built at a new location in the downtown area.

Following the feasibility study and in response to a call for expressions of interest from the Cape Breton Regional Municipality (CBRM) in the fall of 2017, a proposal for the redevelopment of the Sydney waterfront that included the new library was approved in principle. The renewed interest in the NCL being incorporated into this larger waterfront development has precipitated this request for capital funding.

In addition the CBRM is planning a further Request for Proposals. Essentially, the report that will be generated follows up on the 2016 Feasibility Study recommendation to undertake a service, programs and operational review and provide a plan for the new library. Important to note, the operational review will not seek further funding for the library, but provide the basis for programming and services within the building envelope.

Project Components and Funding

Project Cost Estimate	Library		\$ 28,000,000
	Land Value*		<u>3,000,000</u>
	Total Project		\$ 31,000,000
Project Funding	Government of Canada (40%)		\$ 12,400,000
	Province of NS (33%)		\$ 10,230,000
	CBRM (27%)	Capital -	4,000,000
		Land -	3,000,000
		Fundraising	<u>1,370,000</u>
			8,370,000
			<u>\$ 8,370,000</u>
	Total		<u>31,000,000</u>

* Land value based on current assessment. To be confirmed by third party market analysis

Excerpt – Council Minutes – June 26, 2018

Business Arising (Cont'd):

In Camera Council – June 26, 2018:

- a. **Waterfront Pre-Development between CBRM and Harbour Royale Development:**

Mr. Demetri Kachafanas, Regional Solicitor, introduced this issue referred from the In-Camera Council meeting held earlier this date.

Motion:

Moved by Deputy Mayor Eldon MacDonald, seconded by Councillor George MacDonald, to accept the staff recommendation to enter into the Waterfront Pre-Development Agreement between CBRM and Harbour Royal Developments and to authorize the Mayor and Clerk to execute the Agreement on behalf of the Cape Breton Regional Municipality.

Motion Carried.

Waterfront Pre-Development Agreement

BETWEEN:

Cape Breton Regional Municipality, a municipal unit incorporated as a regional municipality pursuant to the Nova Scotia Municipal Government Act and carrying on business as a municipal government from its office at City Hall, Sydney, Nova Scotia; (hereafter 'CBRM')

-AND-

Harbour Royale Development Limited, a body corporate pursuant to the laws of Nova Scotia carrying on business as a real estate development and management company with an office in Sydney, Nova Scotia. (hereafter 'HRDL')

(CBRM and HRDL collectively referred to as the 'Parties')

AND WHEREAS:

- CBRM and HRDL each own property situate between the Holiday Inn and the Joan Harris Cruise Pavillion immediately adjacent to the Esplanade in Sydney and in the area commonly known as the Sydney Harbour Waterfront. These parcels are depicted in CBRM_EOI_2017 attached in Appendix 'A' (hereafter 'REOI'), comprising PID's 15606874, 15606882, 15058738, 15058720, 15860786, 15879836, 15697576 and 15058712 collectively referred to as the 'Waterfront Parcels');
- CBRM has, through its REOI solicited proposals for the development of the Waterfront Parcels on the terms and conditions set out therein;
- HRDL submitted a proposal in response to the REOI (hereafter the 'Proposal', attached as Appendix 'B');
- CBRM staff advised Council that the Proposal met the criteria established in the REOI, and subsequently recommended that the Proposal should be accepted for the purpose of having the Parties work collaboratively to

refine and revise it as required and then submit it to Council for further consideration;

- Council unanimously adopted a Motion that accepted the CBRM staff recommendation at CBRM's February 6th, 2018 public meeting;
- The Parties now wish to give effect to the approved Motion and to further advance the Proposal on the terms set out herein.

Now in consideration of the premises and the covenants set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Parties will work collaboratively to advance the Proposal.
2. HRDL is to continue in the role of lead proponent for the Proposal. CBRM undertakes to coordinate its activities related to the Proposal with advance notice to and the active participation of HRDL.
3. The activities to advance the Proposal include but are not limited to the following:
 - (i) Approaching Great Canadian Gaming and/or its provincial government partner to determine whether and on what terms the casino would relocate from its current Center 200 location to the proposed location.
 - (ii) Liaising with the Sydney New Central Library Building Committee with respect to the design of the proposed library.
 - (iii) Approaching Cape Breton University regarding the possibility of having the Art Gallery and/or the Beaton Institute relocated to the proposed public library space.
 - (iv) Approaching prospective public sector funders for financial support (capital and/or operating) related to the intended publicly owned infrastructure including

but not necessarily limited to the library, parking facilities, associated outdoor plazas and spaces designed principally for public use.

(v) Enlisting as required the support of relevant third party organizations such as the Sydney Port Development Corporation, the Sydney Downtown Development Association and Destination Cape Breton.

(vi) Advancing the design of the components of the Proposal including any necessary engineering or municipal planning inputs, revisions to site plans and drawings, architectural renderings and the development of cost estimates.

(vii) Considering any land swap(s) or other conveyances that may be required to support the individual components of the Proposal.

(viii) In general, doing what is necessary to better define the individual components of the Proposal, develop the necessary documentation, business plans, financing and approvals that will enable the Proposal to be vetted by CBRM staff for planning approval and submitted to CBRM Council for further consideration.

(The above described activities hereafter collectively referred to as the 'Work').

4. The Parties will use best efforts in undertaking the Work which shall commence on the execution of this Agreement and continue until this Agreement is terminated in accordance with the terms of section 6.

5. The Parties hereby dedicate the Waterfront Parcels to the exclusive benefit of the development set out in the Proposal (as may be amended by the Work), and undertake not to sell, pledge, mortgage, hypothecate or in any way encumber or alienate the Waterfront Parcels to the detriment or prejudice of the Proposal or this Agreement without the prior written approval of the other party. The Parties anticipate that the Proposal will require land transfers and/or conveyances between them within the Waterfront Parcels. In circumstances where the Parties mutually transfer/convey land to each other, these transactions shall be based on the current market value pro-rated on a square foot equivalent basis. 6. 1 This Agreement shall terminate in the event that:

- (i) HRDL provides written notice that it is withdrawing the Proposal;
- (ii) CBRM believes HRDL has ceased its active pursuit of the Work and provides HRDL with 60 days' notice, during which time HRDL may refute the allegation and/or cure any deficiency by providing evidence that the Work is ongoing;
- (iii) HRDL becomes insolvent or ceases to carry on business;
- (iv) HRDL enters into a development agreement(s) with CBRM for the entire Waterfront Parcel lands and construction is completed ; or
- (v) HRDL fails to submit a Development Plan Application for any portion of the Appendix 'A' CBRM lands within eighteen (18) months from the date of this Agreement and construction doesn't commence within two (2) years from the date HRDL receives a Development Plan Approval authorizing it to proceed complete with all relevant CBRM approvals including but not limited to zoning. In circumstances where both of these milestones are achieved, the timeline for the development of any remaining CBRM lands shall be reset from the date construction is commenced; i.e. HRDL shall have an additional eighteen (18) months to submit a Development Plan Application and two (2) years to commence construction from the date it receives the Development Plan Approval.

6.2. A rejection by CBRM Council of any revised Proposal shall not be interpreted to mean that the Work is to be discontinued or result in a termination of this Agreement.

7. Where reasonably practicable, each party agrees to consult in advance of its intention to issue press releases, provide interviews or otherwise discuss the Proposal in a public forum.

8. Nothing contained herein is to be construed as creating a legal partnership or joint venture between the Parties.

9. Nothing contained herein shall be construed as a commitment by CBRM to fund the Proposal.

10. Each party is to bear its own costs in advancing the Work. CBRM’s financial contribution is intended to be in-kind and limited to staff time and associated expenses, excluding any third party costs incurred in support of advancing the request(s) for public financial support.

11. Time is of the essence in the execution of this Agreement and the Work.

12. This contract is to be governed by the laws of Nova Scotia, and any dispute is to be resolved pursuant to the Nova Scotia Arbitration Act.

13. The preamble is an integral part of this Agreement.

14. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

15. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective successors and assigns.

16. Any notice required pursuant to this Agreement shall be provided as follows:

(i) for CBRM, John Phalen

(ii) for HRDL, James Wooder

In witness whereof the Parties have executed this Agreement at Sydney Nova Scotia on the 26th of June, 2018.

Cape Breton Regional Municipality

Harbour Royale Development Limited

Per: Cecil Clarke, Mayor CBRM

Per: Martin Chernin, President

BUSINESS ARISING: Council – June 26, 2018:

a) **Harbour Royale Development Limited:**

Mr. John Phalen, Manager of Economic Development and Major Projects advised that CBRM was in receipt of a letter from Harbour Royale Development Limited (HRDL) outlining work they have been doing which includes:

- Analysis of environmental and geotechnical information
- An environmental assessment of the project lands
- A geotechnical program
- Architectural modeling
- Traffic studies
- On-going assistance to attain funding for the proposed library which is integral to the project

Mr. Phalen noted that HRDL is requesting that section 5(v) of the Pre-Development Agreement be amended to allow an additional 18 month to submit a development plan, with all other terms and conditions remain the same.

Council **agreed** to have proponents from Harbour Royale to do a 15-minute presentation.

Mr. Martin Chernin, President of Harbour Royale Development Limited, provided a presentation to Council for consideration to an extension on their 18-month Development Plan including:

- CBRM has the decision to advance its Downtown Redevelopment
- Initial request proposed a 3 year term for the Agreement - not 18 months
- Library New Build Committee approved the new library plan
- Approximately 1,000 advocates in support of the new library and adopted an action plan
- HRDL wrote letter to Federal Government for library funding
- Positive public information sessions on the library
- Membertou and Eskasoni support letters
- Detailed environmental and geotechnical assessment completed
- No cost to CBRM
- Current condition of McConnell Library
- HRDL has a track record of successful investments in the community

Ms. Kathleen Yurchesyn, CEO of the Chamber of Commerce and a member of the Cape Breton Victoria Central Library Advocacy Group, advised Council that the Advocacy Group strongly believes in the new library project and that it is a critical piece of public infrastructure that demonstrates a progressive and confident vision of what Downtown Sydney can be. Ms. Yurchesyn noted the following:

Continued...

Harbour Royale Development Limited (cont'd)

- Healthcare redevelopment
- Thriving and growing University
- Relocation of NSCC to downtown Sydney
- CBU development and the former Tartan Downs

Ms. Yurchesyn noted the library development project would contribute positively to CBRM's health, educations, economy, population growth, attraction of newcomers, and encourage private investment.

Following the presentation, Council discussed the following:

- Operation cost of new library
- Funding update for the library project
- Clarification on Federal Infrastructure Program
- Possibly using the new fund through Communities Culture and Heritage for the library

Motion:

Moved by Councillor Eldon MacDonald, seconded by Councillor George MacDonald to approve an amendment to Section 5(v) of the Pre-Development Agreement between CBRM and Harbour Royale Development Limited (HRDL) to allow HRDL an additional 18 months to submit a development plan, with all other terms and conditions to remain the same.

Discussion on the motion included:

- More time for staff and developers to work with other levels of government to proceed with development plan
- No cost to CBRM
- Jeopardizing the build of new library
- One Card Nova Scotia
- No terms of reference
- Operational cost and program study
- Sustainability plan
- Funding amount unknown from all three levels of Government
- Funding request to Victoria County, Membertou and Eskasoni
- Value of land does not qualify as a contribution in the Provincial Program
- Only approve an additional 6 months to submit a development plan, not 18 months
- Engaging the public and talk to library staff
- Timelines – Budget planning, budget workshops, public consultation, delivery of operating budget and capital budget, provincial and federal budget
- Mandate for this Council will end with October Election
- \$7 million fits into Debt Affordability Model and Capital Plan
- Approving 18-month extension is delaying a decision on the library for the same timeframe

Continued...

Harbour Royale Development Limited (Cont'd):

Point of Order

Councillor MacMullin asked if it was possible that HRDL could move forward on an 18-month extension and CBRM look at other options for the library to prepare in the event the funding is not approved, or would it be detrimental to the project.

Mr. Wooder, from HRDL, replied that it would be detrimental in the sense that CBRM is asking the Government of Nova Scotia and Federal partners to fund the development plan but also telling them that CBRM is prepared to consider any and all other options.

In response to a question by Councillor MacMullin, John Phalen confirmed that Council asked for development on the waterfront - not a library.

The following motion to amend was then put forward:

Motion to Amend:

Moved by Councillor MacMullin, seconded by Councillor Bruckschwaiger, that the motion be amended to allow HRDL an additional six (6) months to submit a development plan, with all other terms and conditions to remain the same.

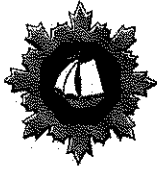
Discussion:

- Other options for library after 6 months if funding is not available
- Make decision after budget
- Library in the Marconi Campus isn't an option
- Spirit of partnership
- Best interest of taxpayers

Following discussion, the Mayor called for a vote on the motion to amend the main motion, which resulted in a tie vote. **Motion to amend lost.**

The Mayor then called for the vote on the main motion.

Main Motion Carried.



CBRM

A Community of Communities

MEMO

TO: CBRM Council

FROM: John Phalen - Manager of Economic Development and Major Projects

SUBJECT: Harbour Royale Development Limited

DATE: December 4, 2019

We are in receipt of a letter from Harbour Royale Development Limited (HRDL) dated November 28, 2019 (copy attached).

They outline the work they have been doing which includes:

- Analysis of environmental and geotechnical information
- An environmental assessment of the project lands
- A geotechnical programme
- Architectural modelling
- Traffic studies
- On-going assistance to attain funding for the proposed library which is integral to the project.

They are requesting that section 5(v) of the Pre-Development Agreement be amended to allow HRDL an additional 18 months to submit a development plan, with all other terms and conditions to remain the same.

Staff is bringing this letter to Council for consideration of the request.

Sincerely,

John Phalen

Attachment



Harbour Royale Development Limited

November 28, 2019

Dear Mr. Kachafanas,

Re: HRDL-CBRM Waterfront Pre-Development Agreement

We refer to the above noted Agreement executed on June 26th, 2018 where the parties' committed their respective waterfront lands to the exclusive benefit of the HRDL proposed Waterfront Development Project (Project).

Since that time, HRDL has undertaken a substantial work program to advance various aspects of the Project, with a focus on Phase 1 which includes the new public library (owned and operated by CBRM), an apartment tower and an office building. As you are aware, HRDL and its development partners have completed, at no cost to CBRM the following:

- (i) Desk top gap analysis of available environmental and geotechnical information on the Project lands;
- (ii) An Environmental Assessment on the Project lands;
- (iii) A Geotechnical programme on a substantial portion of the Project lands (including the proposed public library location) that included test pits, boreholes and monitoring wells;
- (iv) Phase 1 design development including the creation of a 3D architectural model;
- (v) Traffic and site works impact studies.

HRDL has diligently advanced this work, all of which was completed by the end of 2018, and are very encouraged by the results. In addition to this work, we have invested significant amounts of time in support of CBRM's effort to secure library funding. Regrettably, that funding has yet to materialize.

Section 5(v) of the Pre-Development Agreement contemplates HRDL submitting a development plan application for any portion of the Project lands within 18 months or by December 26th, 2019. Given the delay associated with the library financing and the integrated nature of the design, it is impractical for HRDL to submit a Phase 1 development plan to meet this requirement. We continue to believe in the pivotal role the Project will play in achieving a revitalization of Sydney's downtown core and reconfirm our commitment to making it happen. To accomplish that, we are requesting that section 5(v) of the Pre-Development Agreement be amended to allow HRDL an additional eighteen months to submit a development plan, all other terms and conditions to remain the same.

We would appreciate being advised of this item being placed on the agenda for the next meeting of Council which we understand will be held on December 10th, 2019.

Yours truly,

ORIGINAL SIGNED BY

Martin Chernin, C.M.

President

