

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

> Item No. 15.1.4 Halifax Regional Council June 14, 2022

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

DATE: May 11, 2022

SUBJECT: Case 23863: Shelter Nova Scotia – 2190 Barrington Street

ORIGIN

February 9, 2021 Regional Council motion (Item 14.2):

MOVED by Councillor Mason, seconded by Councillor Smith

THAT Halifax Regional Council request a staff report regarding:

- (a) Potential contribution through sale or long-term lease to Shelter NS of the lands at 2190 Barrington Street (PID 40831125) to allow for the development of a mixed-use community service centre, emergency shelter and affordable housing development, and;
- (b) Initiating a comprehensive master plan for the block of Cornwallis and Barrington Street between Cunard Tower and Cornwallis Street and considering a contribution of up to \$50,000 to Shelter Nova Scotia as per their letter dated January 25, 2021.

MOTION PUT AND PASSED

LEGISLATIVE AUTHORITY

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

- 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.
- 79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if
 - (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality.

Administrative Order 50, the Disposal of Surplus Real Property Administrative Order

RECOMMENDATION

It is recommended that Halifax Regional Council:

- 1. Approve a one-time grant in the amount of \$50,000 to the Saint Leonard Society (carrying on business as Shelter Nova Scotia) towards the costs associated with its developing a master plan focused on its development of Metro Turning Point 2.0, and which will also consider lands within the block of Cornwallis and Barrington Streets between Cunard Tower and Cornwallis Street, as shown in Map A, and otherwise identified as the study area, that will:
 - a. Identify gaps within existing services that will assist persons transitioning from homelessness to stable living/permanent housing;
 - b. Undertake public engagement and education regarding transitionary housing and services/supports that are directed towards those experiencing homelessness; and
 - c. Establish design criteria for the future development of Metro Turning Point 2.0 that will complement the heritage significance of the area and can be used to inform future development within the study area.
- 2. Authorize the Chief Administrative Officer or their designate to negotiate and execute a Contribution Agreement with the Saint Leonard Society (carrying on business as Shelter Nova Scotia), including the terms and conditions as set out in the Discussion section of this report
- 3. Consider potential options for the sale in accordance with Administrative Order 50, or long-term lease, of 2190 Barrington Street following further assessment of the infrastructure needs of Halifax Water, as well as Shelter Nova Scotia's completion of its master planning exercise as outlined in recommendation number one.

BACKGROUND

As a regulator of land development, HRM plays a significant role in where and how housing can be developed. HRM's land use provisions impact housing supply, housing types and densities. While the provision of affordable housing is often noted as the responsibility of the province, HRM acknowledges that it is a shared responsibility in this regard. Where the provincial government plays a large role in providing services to support those in need of housing, including rent supplements, emergency shelters and public housing, HRM plays an important part in supporting affordable housing through land use policies in its Regional Plan and Community Plans. HRM also supports affordable housing through region wide initiatives such as the Public Safety Strategy and Anti-Poverty Solution Strategy and through partnerships with other levels of government, affordable housing providers and housing advocates as demonstrated by its involvement in the Housing and Homelessness Partnership and through both rounds of the Federal Government led Rapid Housing Initiative.

The Saint Leonard's Society of Nova Scotia (carrying on business as Shelter Nova Scotia) is focused on providing an effective continuum of services to support people while they transition from crisis back into the

community. They operate 6 facilities throughout HRM ranging from emergency shelters to supportive housing and community residential facilities. Metro Turning Point, a men's emergency shelter run by Shelter Nova Scotia, is located at 2170 Barrington Street. The shelter was established in 1973 and includes 30 beds available to individuals who identify as men or gender diverse. Beyond the provision of shelter, Metro Turning Point provides 2-3 daily meals, access to a refrigerator, phone and laundry, personal care and comfort items and assistance in securing independent housing. The Saint Leonard's Society receives tax relief from the Municipality through AO 2014-001-ADM for six properties.

In pursuit of providing services to support the transition of homelessness to stable living, prior to COVID-19, Shelter Nova Scotia created the Metro Turning Point 2.0 subcommittee and completed research regarding best practices and preliminary consultation with stakeholders. However, as outlined in the January 25, 2021 letter (see attachment A), Shelter Nova Scotia is seeking the use of the lands at 2190 Barrington Street to develop the Metro Turning Point 2.0 and approximately \$50,000 to complete a more thorough study or master plan to understand the needs of their clients and identify gaps that exist within services in the area, as well as to ensure greater acceptance in the broader neighbourhood. While such a master plan would focus on the development of Metro Turning Point 2.0, there is the opportunity to expand the study area to include the south western block of Cornwallis and Barrington Street between Cunard Tower and Cornwallis Street to understand how future development can retain existing institutional and service provider uses, while encouraging mixed income residential developments and celebrating the heritage significance of the area. This Master Plan proposed by Shelter Nova Scotia is a corporate planning exercise being undertaken by Shelter Nova Scotia.

Study Area

Council's motion requests that staff explore initiating a comprehensive master plan for the block of properties bound by Cornwallis, Brunswick and Barrington Streets inclusive of Cunard Tower and marked by the future location of Proctor Street, which will be developed as part of the Cogswell District project (see Map 1). The study area is composed of 10 properties totaling approximately 0.84 ha (2.07 ac).

The study area includes a mix of existing residential uses ranging from single unit dwellings to a 17-storey multiple unit dwelling, 2 registered heritage properties, a church and several social services. The following provides a further description of the heritage resources and social services in the area.

Heritage Properties

The subject area is located adjacent to the potential future Brunswick Street Heritage Conservation District as identified under the Regional Centre Secondary Municipal Planning Strategy. Within the subject area there are two heritage properties:

- 2125 Brunswick Street Charles F. DeWolf House built between 1869-75; and
- 2151 Brunswick Street Akins House, built in 1815 and listed as a National Historic Site of Canada.

This area of Brunswick Street dates to the earliest period of colonial British and German settlement beginning in 1756, spanning the Georgian period through to the late 19th century. There are 35 municipally-registered heritage properties, six (6) provincially-registered heritage properties and four national historic sites of Canada along Brunswick Street. Three (3) municipally-registered heritage properties are located directly across the street from the subject area. As such, heritage consideration will need to play a major role in the master plan exercise.

Social Services

While the neighbourhood is predominately residential, the area is also known to provide several social services. Within the study area, services include Metro Turning Point (a 30 bed men's shelter) and the ReFix overdose prevention site. In April 2022, a 25-bed temporary emergency overnight shelter, formerly located at the Pavilion on the Halifax Common, was relocated to the Brunswick Street Mission at 2107 Brunswick Street. The Province has committed operational funding for the temporary shelter until June 30, 2022.

Located to the west of the property along Gottingen Street, is the Salvation Army – Halifax Centre of Hope, which provides a men's shelter, addiction centre, chapel, transitionary housing and a variety of other programing to support men struggling from addiction. The Mi'kmaw Native Friendship Centre (MNFC) formerly located on Gottingen Street is currently located west of the site on Brunswick Street. The MNFC provides a variety of social based programming targeted, but not exclusive to Urban Indigenous people. The Mainline Needle Exchange and Direction 180 are both programs offered by the MNFC.

Also in the neighbourhood and located along Gottingen Street, to the north-west of the study area is the Major General Donald J. MacDonald Building, which includes the Department of Community Services and the North End Community Health Association (NECHA). The NECHA includes a clinic providing health care and dentistry services and also provides housing support through the Mobile Outreach Street Health (MOSH). The NECHA is a recipient of the first round of the Rapid Housing Initiative for the recently restored supportive housing building at 2218 Maitland Street, which is north-west of the study area.

Further north of the study area, there are numerous organizations that provide affordable or supportive housing in addition to the social housing community of Uniacke Square. There are also organizations such as Hope Cottage and Souls Harbour, which provide daily meals and other support services.

2190 Barrington Street and Cogswell District

2190 Barrington Street is located at the south-west corner of Barrington Street and Cornwallis Street and measures approximately 21,000 square feet in area. The property is currently vacant. The property is located on the north-western corner of the Cogswell District. The Cogswell District initiative is one of the biggest City building projects in the history of HRM. The initiative encompasses 8.9 ha (22 acres) and intends to transform the Cogswell interchange from an underutilized piece of road infrastructure into a new vibrant urban neighborhood in the heart of downtown Halifax. On September 14, 2021, Regional Council awarded the construction tender for the project to Dexter Construction Ltd. Phase 1 of construction officially began in March 2022.

The development lands to be created within the Cogswell District are to be sold to fund the Cogswell District infrastructure and public amenities. Coordinated with the development of the new streets and lots, Planning & Development will undertake a planning process to establish built form and building design policies and regulations for the area, which will include public consultation. Following the approval of related SMPS and LUB amendments, the lots will be evaluated by staff and a recommendation will be made to Council with respect to whether they should be declared surplus pursuant to Administrative Order 50 and how they should be categorized and sold.

Council History of 2190 Barrington Street

2190 Barrington Street was previously considered by Council. On April 20, 2009, the Grants Committee considered a request for less-than-market value sale of 2190 Barrington Street to the St. Leonard's Society of Nova Scotia (Shelter Nova Scotia).

MOVED by Councillor Lund, seconded by Pamela Henley, that this be referred to staff for a report. MOTION PUT AND PASSED.

On October 27, 2009, Council ratified an in camera motion regarding "Property Matter – 2190 Barrington Street – Right of First Refusal in Favour of Halifax Water":

MOVED by Councillor Walker, seconded by Councillor Johns that Regional Council not entertain selling the land at this time, and HRM retain the property. MOTION PUT AND PASSED.

Administrative Order 50- Respecting the Disposal of Surplus Real Property (AO-50)

Administrative Order 50 – Respecting the Disposal of Surplus Real Property (AO-50), lays out the process for the disposal or sale of municipally owned land. Under AO-50, each business unit is responsible for assessing their operational requirements of municipally owned land and identifying lands that are potentially surplus to their individual programs. Once a Business Unit determines a property is no longer needed,

HRM Corporate Real Estate coordinates a review, which includes consultation with other Business Units to determine if the property should be considered surplus to all municipal needs. Once deemed surplus, HRM Corporate Real Estate, with consultation from the area Councillor, identifies the surplus properties by category and submits recommendations to Regional Council. AO-50 facilitates the sale of surplus HRM property through 7 categories:

- Economic Development
- Community Interest
- Ordinary Sale
- Remnant
- Extraordinary
- Intergovernmental Transfer
- Affordable Housing

Land that is classified in the Community Interest or the Affordable Housing categories may be sold at less than market value and is only available to registered non-profit or charitable organizations.

Leasing Municipal Land

While HRM will generally dispose of lands at fair market value, the *HRM Charter* does enable the ability to lease municipal land at market or less than market value. In recent years the leasing of property has generally not been considered unless it is municipal property that has an intended future use, such as the future site of a municipal building.

While a long-term lease (50-75 years) may offer some limitations, it can provide many of the same benefits as land ownership when considering access to grant programs, and provides the ability for the municipality to retain the land asset if there are strategic reasons to do so.

Sobering Centre

On <u>June 29, 2021</u> Regional Council approved a motion to work with stakeholders, to develop options for the establishment of a sobering centre in HRM. A sobering centre creates an alternative to the Prison Care Facility for individuals charged with public intoxication under Nova Scotia's *Liquor Control Act*. Tailored to the needs of marginalized groups with alcohol use disorder, it would provide an alternative to jail and/or emergency departments where intoxicated individuals can sober up. In practice, many sobering centres also connect individuals to basic health care and/or withdrawal management programs, thus reducing barriers clients often face in accessing these essential health and social services.

Staff engaged with stakeholders and worked with a consultant to prepare a proposed business model for a sobering centre including projected costs. Results were shared with Council via and information report on March 22, 2022. Staff will continue to undertake discussions with the provincial government regarding how capital and operating costs may be shared and under what ownership/governance model a sobering centre would operate. Once discussions have concluded, and upon consideration of that information and the advice of the Public Safety Advisor, the CAO will provide a recommendation report to Council to proceed or not proceed with a sobering centre. As this project continues there may be opportunities to collaborate with future work associated with the development of the Metro Turning Point 2.0.

DISCUSSION

Council's motion directs staff to consider the disposal or long term lease of 2190 Barrington Street and the contribution of \$50,000 to Shelter Nova Scotia to complete a comprehensive master plan for the area, that will not only inform the development of Metro Turning Point 2.0, but also future development in the area. The following provides staff's analysis of Council's motion.

2190 Barrington Street

Before Council can consider the sale or long-term lease of 2190 Barrington Street, the property would first need to be reviewed pursuant to Administrative Order 50 and be declared surplus and categorized. As part of that process, important considerations would be how the disposal of the property will impact the approved business plan for the Cogswell District, as well as the future ability to expand and upgrade the Halifax Wastewater Treatment Facility to meet regulatory requirements by 2040. If Regional Council was to consider the sale of 2190 Barrington Street at less than market value or lease, it would also need to consider the revenue loss against the long-term costs of the Cogswell Project. It is estimated that the future value of 2190 Barrington Street is between \$3.0 to \$4.0 million.

While the property is part of the Cogswell business plan, feedback through community engagement undertaken as a part of the Cogswell project stressed the need to accommodate affordable housing in the development. While it is anticipated that an incentive or bonus zoning program (which requires cash-in-lieu for affordable housing) or inclusionary zoning requirements will likely be considered as part of any new land use rules for the Cogswell District, additional options to include affordable housing within the Cogswell District can be explored as part of the MPS/LUB amendment process as well as the land sale process. As such, staff recommend deferring any decision on the sale or lease of 2190 Barrington Street until the Shelter Nova Scotia master plan is completed. This will help staff and Council better understand the benefit that the land will provide to the overall community and assess the role that 2190 Barrington Street will play in incorporating affordable housing into the Cogswell District.

It is important to note, that prior to the 2007 wastewater stormwater transfer, HRM and Halifax Water staff have been identifying 2190 Barrington Street as a critical property for provision of wastewater treatment to meet future capacity and environmental regulatory requirements. HRM must consider the infrastructure needs of Halifax Water, future municipal growth and regulatory requirements while determining the future use of 2190 Barrington Street. Additionally, an archeological impact assessment for the Cogswell lands is currently being undertaken. Any future development of 2190 Barrington Street will need to consider the recommendations of the assessment.

Should the sale or long-term lease of 2190 Barrington Street not be considered appropriate, staff will work with Shelter Nova Scotia to explore alternative sites thought the Shelter Nova Scotia master plan process.

Scope of Master Plan

Through further consultation with Shelter Nova Scotia, their proposed master plan has been broken up into the following categories:

- Assessment of Services Needed As noted earlier in this report, there are already several social services in the neighbourhood. As such, before Shelter Nova Scotia prepares a business plan for their new development, it is important that they have a strong understanding of the gaps in services or how their proposed building can best complement existing services. This assessment may also complement the work HRM is currently undertaking regarding sobering centres.
- Community Engagement While community engagement is important to any new development, it is especially important when undertaking developments in primarily residential neighbourhoods. While there is already a strong presence of social services in the neighbourhood, through community engagement, Shelter Nova Scotia would have the opportunity to share information regarding the important social services they provide to the community and how they would like to expand upon existing services through the new development. The community engagement would also serve as an opportunity for Shelter Nova Scotia to hear the needs of neighbouring residents to ensure that new development would address potential concerns and ensure good neighbourly relationships.
- Design Criteria for Metro Turning Point 2.0 While the Centre Plan has recently adopted new
 planning rules for the study area, this Master Plan provides the opportunity for Shelter Nova Scotia
 to further refine design requirements for its development of Metro Turning Point 2.0 to include new

built form provisions under Centre Plan, while also incorporating measures that respond to the heritage significance of the area. This design criteria maybe further used to influence built form and design provisions for the Municipality's future planning exercises in the area, including the Cogswell District and the potential Heritage Conservation District.

Should Council approve funding to support the development of the master plan risk would be managed through a Contribution Agreement, requiring at a minimum the following terms and conditions:

- The master plan addresses the scope noted above
- Commitment of Shelter Nova Scotia to monthly progress meetings
- Provide a recent financial statement, as well as quarterly financial attestations showing the allocation of funding
- Provide a copy of the final report and make a presentation to HRM staff.

A decision to provide financial support to Shelter Nova Scotia for the completion of their master plan is separate and apart from the process for any potential disposition of the property in the future and the master plan should not presuppose any particular outcome with respect to the future use of 2190 Barrington Street.

Conclusion

Shelter Nova Scotia has a long history of supporting individuals experiencing homelessness and providing programing to help transition to permanent housing. Through the development of Metro Turning Point 2.0, Shelter Nova Scotia hopes to expand upon their current services to address the needs of individuals who are currently under served. The information gathered through Shelter Nova Scotia's proposed Master Plan will not only be useful to Shelter Nova Scotia but will help HRM and other levels of government understand the needs of all residents as well as help inform several municipal initiatives.

FINANCIAL IMPLICATIONS

There are no funds budgeted in Planning and Development's operating budget to provide a one-time grant of \$50,000 to Shelter Nova Scotia. Planning and Development anticipates that vacancy savings will exceed the budgeted amount which should leave enough budget capacity to award the grant to undertake this master plan and not create an overall operating deficit.

The 4- year estimated financial implications are summarized as follows:

Fiscal Year	2022/23	2023/24	2024/25	2025/26
Operating – Cost Centre – C320	\$50,000	\$0	\$0	\$0

RISK CONSIDERATION

The risk associated with providing a one-time grant of \$50,000 to Shelter Nova Scotia is considered minor, especially as the grant will result in a master plan that will provide valuable information to the non-profit housing sector.

COMMUNITY ENGAGEMENT

Staff have not undertaken community engagement specific to this report, however, there will be community engagement undertaken as part of the comprehensive master plan process by Shelter Nova Scotia.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

- 1. Regional Council may approve an alternative grant amount to the Saint Leonard Society (carrying on business as Shelter Nova Scotia) or modify the scope of the grant. Doing this may require a supplemental report.
- 2. Regional Council may decline to provide a grant to the Saint Leonard Society (carrying on business as Shelter Nova Scotia).
- 3. Regional Council may direct the CAO to begin the process under Administrative Order 50 to determine whether 2190 Barrington Street is a surplus property.

<u>ATTACHMENTS</u>

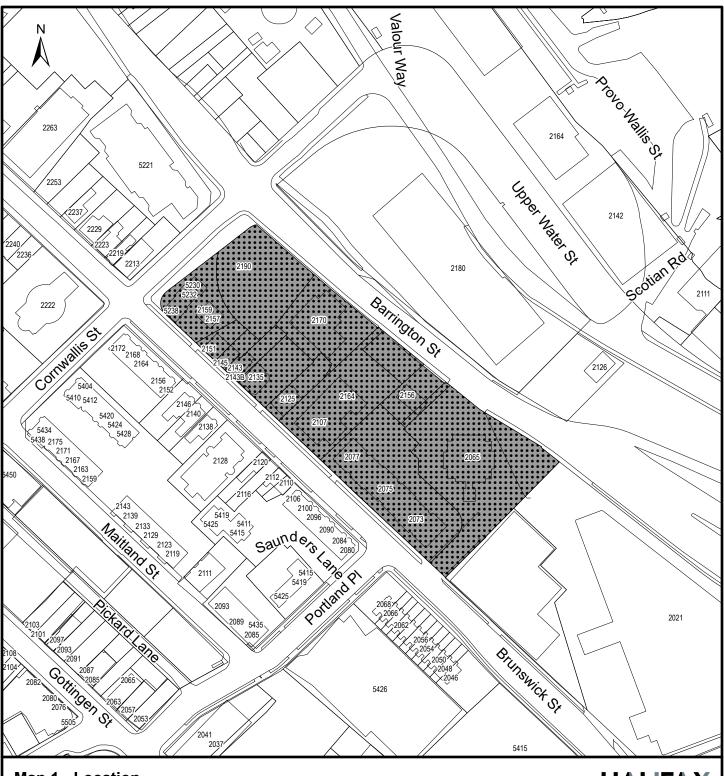
Map 1 Study Area

Attachment A January 25, 2021 Letter from Shelter Nova Scotia

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Jillian MacLellan, Principal Planner Social Policy, Regional Planning, Planning and

Development 902.717.3167



Map 1 - Location

Shelter Nova Scotia Master Plan Study Area



Subject Area

H\LIF\\X



This map is an unofficial reproduction of a portion of the Zoning Map for the plan area indicated.

The accuracy of any representation on this plan is not guaranteed.



January 25, 2021

Dear Mayor Savage

As you will remember from past discussions Shelter Nova Scotia has a vision and preliminary plan for increased social profit in the Halifax Regional Municipality, which includes the land next to Metro Turning Point, at the corner of Cornwallis and Barrington Street (2190 Barrington Street, PID 40831125).

Pre Covid-19 we completed supervised research confirming best practices moving men from homelessness to housing and stable living, and held preliminary discussions with stake holders. Most recently the Board of Directors approved a sub committee lead by past chair Meghan Laing. Metro Turning Point 2.0 Commission, has a terms of reference and is considering its membership. The Commission will work for 12 months.

This correspondence is to ask your and council's consideration of

- Contribution through sale or long term lease of the lands at 2190 Barrington Street (PID 40831125) to Shelter Nova Scotia to allow for the development of a mixed use community service centre, emergency shelter and affordable housing development.
- Council to initiate a comprehensive master plan for the south western block of Cornwallis and Barrington Street between Cunard Tower and Cornwallis Street that will focus on retaining existing institutional and service provider uses, celebrating the heritage significance of the block and allow for mixed income residential developments, and considering contribution of up to \$50,000 to Shelter Nova Scotia to develop a comprehensive master plan (noted above) including service provider and community engagement, especially with abutting land owners.

As you will understand, without assurance of the land there is no point in completing further background work. A financial contribution toward an extensive master plan, would ensure the strongest facts and opinions are available for future decision making.

Thank you for your consideration

Linda Wilson Executive Director

CC: Waye Mason HRM Councillor
Tony Mancini HRM Councillor
Jamie O'Neill Board Chair, Shelter Nova Scotia
Meghan Laing Chair MTP 2.0 Commission

Signed original to follow by mail