



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

Item No. 15.1.1

Halifax Regional Council
February 11, 2025

TO: Mayor Fillmore and Members of Halifax Regional Council
FROM: Cathie O'Toole, Chief Administrative Officer
DATE: January 24, 2025
SUBJECT: Lake District Recreation Association – Contribution Agreement

ORIGIN

June 4, 2024, Meeting of Regional Council (Item 15.5.1):

MOVED by Councillor Russell, seconded by Councillor Blackburn

THAT Halifax Regional Council direct the Chief Administrative Officer to provide a staff report to respond to a request from the Lake District Recreation Association for HRM to enter into a Service Agreement with annual funding.

MOTION PUT AND PASSED UNANIMOUSLY.

EXECUTIVE SUMMARY

The existing Contribution Agreement between Halifax Regional Municipality (HRM) and Lake District Recreation Association (LDRA) will expire on March 31, 2025, and did not include a renewal clause. HRM received communication from LDRA requesting funding of a total of \$500,000 (\$100,000 per year, over a 5-year term) to support maintaining the Sackville Arena in a good state of repair as well as implementing an energy efficiency project. The energy efficiency project (installation of solar panels) will greatly reduce operating expenses which, in turn, is expected to alleviate financial pressures the LRDA faces in operating the Sackville arena.

Funding for this proposed financial contribution has been included in the Parks & Recreation draft operating budget for 2025/2026.

RECOMMENDATION

It is recommended that Halifax Regional Council:

- 1) Authorize the Chief Administrative Office (CAO) to negotiate a contribution agreement with the Lake District Recreation Association for \$100,000 per year for 5 years, with terms and conditions similar to those set forth in this report, consistent with the Municipality's standard contribution agreement; and
- 2) To execute the above mentioned agreement following approval of the funding in the Park & Recreation 2025/26 budget.

BACKGROUND

The Sackville and District Community Arena (SADCA) was constructed in 1971 and is owned and operated by the LDRA. LDRA is a registered not-for-profit society and provides recreational activities and events to Sackville and its border community.

The community arena is used extensively throughout the year. It is host to the Sackville Minor Hockey Association, the local Junior B Hockey Team, as well as three area high school hockey teams. Summer usage includes lacrosse, Royal Canadian Sea Cadets and Royal Canadian Army Cadets. The facility is also used year-round for various community and family events, as well public meetings.

LDRA has had three previous Contribution and Service Agreements with HRM. The first agreement in 2016 was a one-year agreement for \$50,000 with a renewal option for up to three years intended to stabilize the SADCA operation and allow the LDRA to begin longer-term planning. At the conclusion of the 2016-2018 agreement, the LDRA requested a new agreement to help support future capital project costs and ensure the facility remained in a state of good repair. A new five-year agreement, with annual funding of \$50,000, was approved by Regional Council and executed in 2019. That agreement expired on March 31, 2024, and contained no renewal clause. HRM staff sent correspondence to LDRA as a reminder the agreement was expiring.

In June 2024, Regional Council approved a motion for a staff report on a Contribution and Service Agreement with the LDRA with annual funding. In August 2024, Regional Council approved a one-year Contribution and Service Agreement for 2024-25 in the amount of \$50,000.

Staff have now received communication from the LDRA requesting a new five-year agreement with \$100,000 per fiscal year in funding to be provided in support of a capital solar panel project. These funds are proposed to assist in the installation of solar panels on the roof of the Arena complex. Over time, the solar panels are expected to offset the LDRA's operational expenses associated with the SADCA.

DISCUSSION

The SADCA facility and services are incorporated into HRM's Long Term Arena Strategy (LTAS) and associated Ice Allocation Policy. LDRA's provision of recreational services in the facility provides a public benefit that would not be possible to provide without the existence of the ice surface.

LDRA has demonstrated a responsible and consistent approach to recapitalization over the years but faces increasing operating expense pressures. Increased power costs, insurance premiums, and staffing costs along with decreased fundraising (bingo) revenue have resulted in an operating deficit. As a result, LDRA is focussing on capital projects that will reduce those operating costs and the general maintenance expenses of the SADCA.

HRM's current Community Grants Program provides Capital grants up to a maximum of \$25,000. LDRA remains eligible for this program, but their current recapitalization projects require funding beyond the capacity of the Community Grants Program. Regional Council approved previous Contribution Agreements because the Community Grants Program was not an option and, to date, there have been no changes to the program guidelines that would result in the Community Grants Program being considered for this request.

Municipal funding supports LDRA in the completion of capital projects to ensure the facility remains in a state of good repair and is available for community use. HRM uses funding agreements to ensure public access is maintained while LDRA ensures the facility operates in a safe and cost-effective manner.

The proposed 5-year Contribution Agreement has annual funding of \$100,000 to support the installation of energy efficiency measures, accessibility upgrades and state of good repair projects. LDRA has identified

a solar project as an initial upgrade that will mitigate the effects of the rising costs of power and the funding will reduce LDRAs financing obligations.

LDRA expects the solar panel system to have a useful lifespan of a minimum of 25 years. The installation costs associated with these panels is anticipated to be approximately \$1.3 million before rebates, as set forth in a quote received by the LDRA from a contractor. Based on research conducted by the LDRA and the contractor's quote, LDRA forecasts the following annual savings over the first five years:

Years	Solar Savings
1	\$65,396.77
2	\$66,696.53
3	\$68,022.13
4	\$69,374.07
5	\$70,752.87

These measures will allow LDRA to balance their annual operating budget with minimal impact on user rental fees. Ice rental fees for HRM operated arenas are set in accordance with Administrative Order 2019-010-ADM and By-law U100. LDRA's rental fees currently align with HRM's current fee structure, but without investment in energy efficiency measures, LDRA will be required to increase revenue through other means, including potentially increased ice rental fees. Increased ice rental fees would result in Sackville residents paying more for ice rentals than other users across the municipality.

Additionally, if LDRA continues to operate with a deficit, the facility will be in jeopardy of closing and decreasing HRM overall ice surfaces. Currently, HRM does not meet its ice allocation policy, and a decrease in ice surfaces would further erode HRM's ability to meet demand for ice time.

The solar panel and other energy efficiency projects align with HRM HalifACT: Acting on Climate Together plan approved by Regional Council on June 23, 2020. HalifACT is the Municipality's long-term action plan to reduce emissions and help communities adapt to a changing climate. The plan identifies solar energy within facilities as an action that reduces emissions within HRM.

HalifACT does not have a grant program to fund energy efficiency equipment initiatives but does provide low-interest financing, through the Solar City Program to eligible participants like LDRA. LDRA has entered an agreement with HRM's Solar City Program to finance the project. As part of the Solar City Program, HRM approves the equipment and provides direction to all available rebates. However, rebate applications and approvals are the sole responsibility of the participant. LDRA is seeking all available rebates and grants to reduce the cost of financing this project.

Based on the above, staff recommend proceeding with the agreement so that the facility continues to be available for community use as part of the overall arena inventory in HRM.

FINANCIAL IMPLICATIONS

The LDRA annual contribution fee of \$100,000 has been included in the draft 2025/2026 operating budget for Parks & Recreation in cost center C705-8004, and this will be part of a five-year commitment totaling \$500,000 from, 2025/26 to 2029/30.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this Report. The risks considered rate Low. To reach this conclusion, consideration was given to operational, financial, strategic and reputational risk.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

1. Regional Council could choose to change the term and/or level of funding outlined in the Contribution Agreement.
2. Regional Council could choose not to approve the Contribution Agreement with LDRA. This is not recommended as not approving funding for LRDA would put the arena operations at risk and possibly closure of the facility. Currently, HRM access to ice surfaces is limited and the loss of a surface would require current user to be displaced.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008, c. 39:

Section 35

(2) The Chief Administrative Officer may:

(d) subject to policies adopted by the Council,

(i) make or authorize expenditures and enter into contracts on behalf of the Municipality, for anything required for the Municipality where the amount of the expenditure is budgeted or within the amount determined by the Council by policy, and may delegate this authority to employees of the Municipality

Section 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;

(b) the expenditure is in respect of an emergency under the *Emergency Management Act*; or

(c) the expenditure is legally required to be paid.

ATTACHMENTS

Attachment 1 - Lake District Recreation Association – Contribution Service Agreement 2025-2030

Attachment 2 - HRM Funding Request from LDRA

CONTRIBUTION AGREEMENT

Between

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

-and-

Lake District Recreation Association
a society incorporated under the Societies Act of Nova Scotia,
having an office at:
Sackville Community Arena
PO Box 47
91 First Lake Drive
Lower Sackville, NS, B4C 2S8
(**“Recipient”**)

(each a **“Party”**, and collectively, the **“Parties”**)

BACKGROUND:

- A. Recipient was successful in its application for a financial contribution from HRM to assist Recipient with the costs and expenses of administering the project (as such project is more fully described in Appendix 1 to this Agreement) (the **“Project”**).
- B. HRM now wishes to provide a financial contribution to Recipient in accordance with the terms and conditions of this Contribution Agreement (the **“Agreement”**).

1. Term of the Agreement

- (a) The date this Agreement becomes effective is the date this Agreement is signed by the last Party to sign it (as indicated by the date associated with that Party’s signature) (the **“Effective Date”**).
- (b) The term of this Agreement shall commence on the Effective Date and end on the earlier to occur of the following two dates: (i) all applicable final reporting requirements have been submitted by Recipient and accepted by HRM; or, (ii) this Agreement is terminated by HRM in accordance with its terms (the **“Term”**).
- (c) There is no renewal term for this Agreement.

2. Amount of Contribution

- (a) Subject to the terms and conditions of this Agreement, HRM shall make a financial contribution directly to Recipient in the amount set forth in Appendix 1 (the “**Contribution Amount**”) no later than 30 days after the conditions precedent set forth in Section 4 have been met. The Contribution Amount shall be used by Recipient strictly in accordance with this Agreement.
- (b) If the Contribution Amount is to be disbursed to Recipient in various amounts and/or at various times during the Term, the conditions which Recipient must meet in order to receive the disbursements of the Contribution Amount are set forth in Appendix 3. In addition to any disbursement conditions set forth in Appendix 3, a disbursement of a portion of the Contribution Amount shall only be made to the Recipient if, at the time the disbursement is to be made, the Recipient is not in arrears or in debt to HRM including any taxes of any sort, permit fees or fines.
- (c) The Contribution Amount is a firm-fixed amount and HRM will not be liable for any losses incurred by Recipient in relation to the administration or management of the Project or any operational components of the Project.
- (d) The Contribution Amount represents HRM’s complete financial commitment to Recipient under this Agreement, and HRM will not be obligated to provide any supplemental or incremental funding to Recipient.
- (e) HRM will not pay interest for failing to make payments when due under this Agreement.
- (f) If applicable, payments issued by HRM in accordance with this Agreement shall be inclusive of HST.

3. Appropriation and Withholding

- (a) Any payment of all, or a portion of, the Contribution Amount to be made to Recipient is subject to there being an appropriation by HRM for the fiscal year in which the payment is to be made. If HRM’s appropriation is changed or if funds are not available for any other reason, the Contribution Amount may be reduced or withheld. If the Contribution Amount is to be withheld, this Agreement may be terminated by HRM in accordance with the provisions of this Agreement and HRM shall owe no further obligation to Recipient under this Agreement. HRM will not be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.
- (b) If Recipient receives any other financing specifically for the Project during the Term, including, but not limited to, funding from other government departments or agencies, and if such additional financing results in Recipient exceeding the budgeted costs associated with the Project, then Recipient shall provide details of such financing to HRM and HRM, in its sole, but reasonable discretion, may choose to reduce the Contribution Amount.

4. Conditions Precedent to Payment of Contribution Amount

- (a) If requested by HRM, prior to HRM's initial disbursement of any portion of the Contribution Amount as set forth in Section 2(a), Recipient shall provide one or more of the following to HRM, no later than 30 days after the Effective Date, for HRM's evaluation and acceptance:
 - (i) final operational and administrative plans, cost estimates, and other documentation reasonably requested by HRM regarding the Project, including any required Project documents as set forth in the appendices to this Agreement;
 - (ii) evidence, reasonably acceptable to HRM, confirming sources of funding for the balance of the costs necessary for the Project, if applicable; and,
 - (iii) unaudited (or audited in the case of a company) financial statements of Recipient, including the following:
 - 1. the most recent income statement outlining Recipient's revenues and expenses;
 - 2. the most recent balance sheet for Recipient.
- (b) If Recipient fails to comply with any of the conditions precedent set forth in this Section 4, HRM may, in its sole discretion, reduce the Contribution Amount, suspend payments of the Contribution Amount, or terminate this Agreement in accordance with its terms.

5. Restrictions

- (a) Recipient shall use the Contribution Amount only for the Project and activities that are directly related to the Project, as set forth in Appendix 1.
- (b) Unacceptable activities or ineligible expenses for which the Contribution Amount may not be used are as set forth in Appendix 2.
- (c) Recipient shall make inquiries of HRM if Recipient is unsure if the Contribution Amount may be apportioned to a certain expense or activity.
- (d) Any unexpended portion of the Contribution Amount is to be repaid to HRM by Recipient.
- (e) Unless written permission is provided by HRM to Recipient, or unless Recipient has been approved by HRM for multi-year funding, Recipient shall not (i) expend the Contribution Amount over more than one fiscal year (i.e. April 1 – March 31); or (ii) save or continue the Contribution Amount from one fiscal year to the next.
- (f) Recipient shall be solely responsible for obtaining all applicable registrations and permits which may be required by Recipient in order to implement or operate the Project and shall not

use any portion of the Contribution Amount for obtaining any registrations or permits from HRM.

- (g) Recipient shall ensure that all aspects of the Project meet all applicable municipal, provincial and federal laws, including, but not limited to, HRM's by-laws and regulations.
- (h) HRM may cease providing and/or cancel its provision of the Contribution Amount in accordance with the termination provisions of this Agreement if, at HRM's sole discretion, Recipient breaches any term or condition of this Agreement.
- (i) If the Project, or a portion of the Project, is to be performed on property owned by HRM, then, in addition to this Agreement, Recipient may, as determined solely by HRM, be required to enter into a licence agreement with HRM in order to perform all or part of the Project on HRM-owned property or access the area of HRM-owned property where the Project will be performed.
- (j) Recipient shall not allow any construction lien or other liens for labour, services or other materials supplied to the Project to attach or be registered on the title of any HRM-owned land pursuant to the operation of this Agreement and if a lien does attach or is registered on the title of any lands, Recipient shall secure its discharge, at its sole expense, within 15 days of becoming aware of it.

6. Finances, Records and Information Services

- (a) Recipient shall maintain, during the Term of this Agreement, a complete and proper set of accounting records as established from time to time by Chartered Professional Accountants Canada for organizations similar to Recipient.
- (b) HRM shall have the right, at its own expense, and with reasonable notice, to audit or examine the books of account and records maintained by Recipient pursuant to this Agreement and the right to make copies of, and take extracts from, such books of account and records.
- (c) HRM's Auditor General shall have the right, at its own expense and with reasonable notice, to examine, in the manner and to the extent the Auditor General considers necessary, the accounts, procedures and programs of Recipient, in respect of the contribution received by Recipient from HRM, in accordance with section 50 of the *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39.
- (d) Recipient shall provide HRM and its designated representatives with reasonable and timely access to its offices and access to any documentation requested by HRM for the purposes of audit, inspection, monitoring, evaluation, and ensuring compliance with this Agreement.

7. Representations and Warranties

Recipient represents and warrants to HRM that:

- (a) Recipient has the capacity and authority to enter into and execute this Agreement;
- (b) this Agreement constitutes a legally binding obligation of Recipient, enforceable against it in accordance with its terms and conditions;
- (c) that Recipient will maintain its registration, as set forth under its name on the first page of this Agreement, for the Term and that Recipient will inform HRM immediately of any change to its status during the Term;
- (d) all information submitted to HRM in seeking this Contribution Amount and as required by this Agreement, and any proposals, documents or other material presented to HRM, is true, accurate, and was prepared in good faith to the best of Recipient's ability, skill, and judgment and Recipient agrees that HRM has relied on such information in deciding to enter into this Agreement; and,
- (e) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect Recipient's ability to carry out the activities contemplated by this Agreement. Recipient will inform HRM immediately if any such action or proceedings are threatened or brought during the term of this Agreement.

8. Other Requirements of Recipient

Recipient shall adhere to any terms and conditions set forth in Appendix 3.

9. Recipient's Reporting Requirements

- (a) Recipient shall provide to HRM the reports set forth in Appendix 4.
- (b) Failure by Recipient to provide the reports within the applicable time frames may result in HRM determining, in addition to any rights HRM may have in accordance with this Agreement or at law, at its sole discretion, that (i) Recipient has forfeited any further disbursement of the Contribution Amount that is subject to the submission of a report; and (ii) Recipient is ineligible to receive further financial support from HRM.

10. Recipient's Insurance Requirements

Recipient shall obtain and maintain insurance as may be set forth in Appendix 5. Unless Recipient receives written permission from HRM otherwise, Recipient shall not expend any portion of the Contribution Amount on the purchase of any insurance set forth in Appendix 5.

11. Liability and Indemnity

- (a) Recipient acknowledges and agrees that it has full responsibility for all aspects of the Project including such components as plans, development, procurement, registration and permits, administration, implementation and maintenance.
- (b) HRM is not a guarantor of Recipient or the Project and in no event will HRM be liable for any direct, indirect, consequential, exemplary or punitive damages in relation to any aspect of the Project or the ongoing operations of Recipient, regardless of the form of action, whether in contract, tort (including negligence) or otherwise.
- (c) Recipient will at all times indemnify and save harmless HRM, its Mayor, Councillors, officers, employees, volunteers or agents, from and against all actions, claims, demands, losses, costs, damages, suits or other proceedings in relation to this Agreement, the Project, or the operation of Recipient, which may be brought against or made upon HRM, whether in contract, tort (including negligence) or otherwise, by whomsoever brought or prosecuted in any manner, based upon, caused by, resulting from, arising out of or occasioned by:
 - (i) HRM's provision of the Contribution Amount;
 - (ii) Recipient's performance or non-performance of its obligations under this Agreement or any performance or non-performance of any aspect of the Project;
 - (iii) any injury to any person, including, but not limited to, death, economic loss or any infringement of rights that the person may suffer or incur by participating in the Project;
 - (iv) any damage to or loss or destruction of property of any person; or
 - (v) any obligation of any person, including, but not limited to, any obligation arising from a loan, or other long-term obligation.

12. Status of the Parties

HRM and Recipient are contractors independent of one another, and neither has the authority to bind the other to any third party or to act in any way as a representative of the other, except as expressly set forth in this Agreement. This Agreement does not create, and shall not be construed as creating, a partnership or joint venture relationship between HRM and Recipient. To the extent that the term "partner" or "partnership" may be utilized in this Agreement or in describing the relationship between HRM and Recipient, such terms shall be utilized merely to convey the anticipated spirit of cooperation between HRM and Recipient and is in no way intended to establish joint and several liability, fiduciary duties, or other implications of the legal term of "partner."

13. Termination

- (a) **Events of Default**

- (i) Each of the following events constitute an event of default (“**Event of Default**”) under this Agreement:
 - 1. Recipient has not complied with one or more of its obligations as required by this Agreement;
 - 2. Recipient has submitted false or misleading information to HRM prior to the execution of this Agreement or made a false or misleading representation in this Agreement, except for an error in good faith, demonstration of which is incumbent on Recipient, to HRM’s reasonable satisfaction; or,
 - 3. an appropriation of the Contribution Amount is not available as set forth in Section 3 of this Agreement.

(b) Declaration of Default

- (i) HRM may declare a default (“**Default**”) has occurred if:
 - 1. one or more of the Events of Default occurs;
 - 2. HRM gave written notice to Recipient of the Event of Default; and,
 - 3. other than an Event of Default occurring per Section 13(a)(i)(3), Recipient has failed, within 30 days of receipt of the above notice, either to remedy the Event of Default or to notify and demonstrate, to the satisfaction of HRM, that it has taken such steps as are necessary to remedy the Event of Default.

(c) HRM Remedies for Default

- (i) In the event HRM declares a Default under Section 13(b)(i), HRM may exercise one or more of the following remedies, without limiting any remedy available to it at law:
 - 1. suspend any obligation by HRM to make the Contribution Amount;
 - 2. terminate any obligation of HRM to make the Contribution Amount;
 - 3. require Recipient to reimburse HRM all or part of the Contribution Amount paid by HRM to Recipient; or,
 - 4. terminate this Agreement.

14. GENERAL PROVISIONS

(a) Notice

- (i) Any notice, request or demand required under this Agreement shall be sufficiently given if personally served, mailed or sent electronically by email to the contacts set forth in Section 14(b).
- (ii) Any notice that is mailed shall for the purposes of this Agreement be presumed to have been given 3 days following the day on which such notice is mailed. Any notice sent by electronic correspondence to an email address shall be deemed to have been received by the receiving Party on the earlier of (i) the time stamp on the email, or (ii) the start of the next business day.
- (iii) Any Party may at any time give notice in writing to the other Party of any change of address or contact information for the requirements of this Section 14, and after the giving of such notice, the new address or contact information will be deemed to be the address of such Party for the purpose of giving notices in accordance with this Agreement.

(b) HRM

Chief Administrative Officer
Halifax Regional Municipality
1841 Argyle Street, Halifax
PO Box 1749, Halifax, NS B3J 3A5
clerks@halifax.ca

Recipient

The contact information, including contact person, mailing address and contact email are as set forth in Appendix 1.

(c) Confidentiality

- (i) Recipient acknowledges that this Agreement is a public document and that any information, document, or record, in any form, provided to HRM pursuant to this Agreement may be subject to disclosure in accordance with Part XX of the *Municipal Government Act* (“Freedom of Information and Protection of Privacy”).

(d) Governing Law

- (i) This Agreement shall be governed by and interpreted in accordance with the laws of Nova Scotia.
- (ii) HRM and Recipient hereby attorn to the exclusive jurisdiction of the courts of Nova Scotia to resolve any disputes arising out of this Agreement.

(e) Entire Agreement

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

(f) Survival

- (i) HRM's and Recipient's rights and obligations which, by their nature, extend beyond the expiry or termination of this Agreement, including Sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14 and the Appendices will survive any expiry or termination of this Agreement.

(g) Severability

- (i) If for any reason a provision of this Agreement that is not a fundamental term of this Agreement between HRM and Recipient is found to be or becomes invalid or unenforceable, in whole or in part, and if both HRM and Recipient agree in writing, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

(h) Members of HRM Regional Council

- (i) No member of HRM Regional Council will be admitted to any share or part of this Agreement, or to any benefit arising from it, that is not otherwise available to the general public. Recipient will promptly inform HRM should it become aware of the existence of any such situation.

(i) Conflict of Interest

- (i) No current or former employee or Councillor of HRM to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of HRM applies will derive direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes. Recipient will promptly inform HRM should it become aware of the existence of any such situation.

(j) Acknowledgement

- (i) In all communications associated with this Agreement, Recipient shall credit HRM as a supporter. HRM shall review and approve all communications materials (including website postings, news releases and announcements) intended for publication by the Recipient prior to such publication. Such approval will not be unreasonably withheld.

(k) Assignment

- (i) Recipient will not transfer or assign its rights or obligations under this Agreement without the prior written consent of HRM. Any attempt by Recipient to assign any of its rights, duties or obligations of this Agreement without HRM's express written consent is void.

(l) Amendments

- (i) This Agreement can only be amended in writing by both Recipient and HRM.

(m) Waiver

- (i) Recipient or HRM may waive any of its respective rights under this Agreement only in writing. Any tolerance or indulgence demonstrated by HRM will not constitute a waiver.

(n) Electronic Signing

- (i) This Agreement may be signed electronically and in counterparts. The Parties agree that signatures transmitted and received via electronic transmission shall be treated for all purposes of this Agreement as original signatures and shall be deemed valid, binding and enforceable by and against all Parties.

[Signature Page Follows]

Recipient and HRM have executed this Agreement through authorized representatives on the date stated opposite each Party's signature.

Lake District Recreation Association

Date

Name:

Title:

HALIFAX REGIONAL MUNICIPALITY

Date

Name:

Title:

Appendix 1

Description of Project and Eligible Costs/Activities

The Project means all of the following:

Project Title:

Lake District Recreation Association Funding Request

Contact Information for Recipient and HRM:

The contact information for operational issues associated with this Agreement are as follows:

Recipient:

Lake District Recreation Association

Attention: Allan Smith

Sackville Community Arena

91 First Lake Drive

PO Box 47

Lower Sackville, NS, B4C 2S8

ldrapresident@gmail.com

HRM:

Arne Buchanan

Community partnership Coordinator

buchanar@halifax.ca

Contribution Amount (including HST, if applicable) and Disbursement Conditions (if applicable):

Disbursement of the Contribution Amount (including HST, if applicable) will be made in accordance with the milestone payment schedule as set forth in Appendix 3, and will be subject to the requirements of the Agreement and the Disbursement Conditions which are also set forth in Appendix 3.

Project Description:

Eligible Expenses:

The list of items to which the Contribution Amount may be expended includes the following:

- a. Costs and expenses directly attributable to the installation of energy efficiency projects, including but not limited to, the installation of solar panels and related infrastructure, costs and expenses associated with improvements to the accessibility of the facility and costs and expenses associated with capital upgrades to the facility, including costs and expenses related to repairs and maintenance needed for an ageing facility.

Appendix 2

Ineligible Activities, Costs and Expenses

The following are activities, costs or expenses to which Recipient may not apply any portion of the Contribution Amount:

- (i) remuneration to a member or officer of the Recipient's board of directors;
- (ii) unless HRM has provided written permission allowing the following, salaries and wages, benefits, mandatory contributions or employment-related benefits to full and part-time employees of Recipient;
- (iii) consulting fees to a member of Recipient's staff or member of Recipient's board of directors;
- (iv) debt retirement or related charges or fees;
- (v) investments or savings by Recipient;
- (vi) awards or prizes, banquets, dinners, receptions, souvenirs, personal gifts, or donations;
- (vii) scholarships or bursaries;
- (viii) the purchase of goods for resale;
- (ix) furnishings or interior décor of Recipient's offices or buildings;
- (x) fundraising;
- (xi) lease, insurance, registration, inspection, repairs or maintenance of private vehicles;
- (xii) the purchase or lease or licence of real property;
- (xiii) the purchase of storage units to be used for Recipient's operations;
- (xiv) the purchase of any vehicles, including those which could be used for maintenance or repair of the Recipient's property;
- (xv) retroactive expenditures or pre-payment of expenditures for goods and services to be utilized in the following fiscal year; or,
- (xvi) any other ineligible purposes as reasonably determined by HRM in accordance with HRM legislation and policies and as communicated from HRM to the Recipient, in writing, prior to Recipient incurring the cost or expense.

Appendix 3

Additional Terms and Conditions

1. If Recipient is proposing the Project be undertaken on land not owned by HRM, then, prior to the start of the Project, Recipient shall obtain a licence or an easement, or another similar form of written permission from the landowner, so that Recipient may undertake the Project on the land and that the general public may have access to, and use, the area and Recipient shall provide HRM with a copy of written permission prior to commencing the Project.
2. Recipient shall obtain where applicable, prior to the start of the Project, the balance of all financing required for the Project, shall provide HRM with the approval or denial of such funding requests and, if the financial support secured by Recipient amounts to more than the total cost of the Project, shall advise HRM.
3. Recipient shall consult regularly with HRM regarding aspects of the Project including planning, community consultation, authorizations, tendering and construction as well as informing HRM of any Recipient meetings.
4. Recipient shall ensure the Project is inspected by appropriate inspection authorities, including HRM representatives:
 - (a) at various times throughout the Project to ensure any construction follows the approved design and that if the Project is structural in nature then the services of a professional engineer must be engaged;
 - (b) before the warranty expiration date for any construction that has occurred; and
 - (c) to ensure that reports are being kept up to date and on file for insurance and risk management purposes, as well as for evaluation of safety and usability purposes.
5. That not less than 45 days after each annual general meeting of Recipient, Recipient shall provide to HRM a list of its directors and a copy of its year-end financial statements, as approved at the annual general meeting.
6. With respect to consultants or contractors hired by Recipient to perform aspects of the Project, Recipient shall:
 - (a) request three quotes for contracted work over \$5,000, keep copies of all bids obtained and, if requested by HRM, provide HRM with a copy of the winning bid;
 - (b) require approval of all major construction tenders in the form of motions in the minutes of each of the Recipient's regular Board of Directors meetings;

- (c) award contracts based on the most qualified bidder with the lowest cost if the lowest cost bidder is not qualified on expertise, the Recipient may evaluate the next lower cost bidder that is qualified on expertise;
 - (d) require all contractors hired by Recipient to provide a certificate setting forth the warranty for the work performed, and, upon request from HRM, such certificate shall be transferrable to HRM and Recipient must provide such warranty certificate with its final report; and,
 - (e) to collect and share with HRM all information, plans and final reports from consultants or contractors hired by the Recipient in support of the Project.
7. HRM shall permit the Recipient to install a plaque or similar fixture which indicates the name of the Recipient or another organization or person, the purpose of the plaque or fixture, and information related to the Project, with the contents of such plaque or fixture to be approved in advance in writing by HRM.
8. HRM and the Recipient together, acting reasonably, shall determine the information to be conveyed in print, online or media releases with respect to the Project. HRM shall approve all communications in writing to the Recipient, prior to the release of the communication.
9. If, in its sole but reasonable opinion, HRM determines the Project endangers public safety, creates an emergency situation, or is in violation of any federal, provincial or municipal laws, including municipal by-laws and policies, HRM may instruct the Recipient to immediately alter, modify, relocate or decommission the Project or, if the Recipient is unable to immediately alter, modify, relocate or decommission the Project, HRM may undertake such work and invoice the Recipient accordingly. If applicable, the Recipient shall advise all contributors who worked on the Project that any moral rights are not violated or infringed by such alteration, modification, relocation or decommission of the Project.

Concerned Status

1. The Recipient acknowledges and agrees that HRM may identify concerns with the Recipient and recommend that the Recipient be placed under concerned status. The Recipient will be notified immediately in writing by HRM upon the Recipient being placed under concerned status.
2. Concerned status may occur if the Recipient:
- (a) shows evidence of not being financially viable;
 - (b) has a significantly reduced audience or sales base that differs from information submitted in support of the Project;
 - (c) does not address major artistic concerns, such as artistic or editorial direction, declining quality of activity, or failure to achieve activity plan;
 - (d) does not meet contractual obligations or minimum requirements outlined in this Agreement;
- or

- (e) demonstrates management or governance practices which do not conform with generally acceptable practices in the sector.
3. If the Recipient is placed under concerned status, the Recipient may be required to meet quarterly with HRM for review of the following documentation:
- (a) profit & loss statement;
 - (b) balance sheet;
 - (c) year-to-date budget;
 - (d) new or updated business plan; and
 - (e) any other documentation reasonably requested by HRM.
4. If the Recipient has been approved for a multi-year financial commitment, placement under concerned status may result in:
- (a) a lower Contribution Amount;
 - (b) additional conditions placed on the Contribution Amount and any future financial awards; or
 - (c) termination of the Agreement.

Disbursement Conditions

1. Impact of State of Emergency or Health Order

- (a) Recipient shall promptly notify HRM, in writing, if:
 - (i) a state of emergency or a state of local emergency is declared within the geographic boundaries of the Halifax Regional Municipality in accordance with the Emergency Management Act, S.N.S. 1990, c. 8; or,
 - (ii) an order is issued by a medical officer within the geographic boundaries of the Halifax Regional Municipality in accordance with the Health Protection Act, S.N.S. 2004, c. 4,and the declaration or order has a direct, negative impact on the ability of Recipient to perform the Project as contemplated in this Agreement.

- (b) Upon being notified in accordance with Disbursement Condition 1(a), HRM may choose to work with Recipient on a case-by-case basis and may, in HRM's sole discretion, approve any one of, or a combination of, the following:
 - (i) a change to the scope or delivery of the Project;
 - (ii) a change to the disbursement schedule or disbursement conditions associated with the Contribution Amount;
 - (iii) a reduction in the Contribution Amount;
 - (iv) a deferral of the Contribution Amount; or,
 - (v) termination of this Agreement in accordance with its terms.

- (c) Nothing in Disbursement Conditions 1(a) or 1(b) shall be interpreted to limit or otherwise prescribe HRM's management of the Contribution Amount in accordance with the Agreement.

- 2. Subject to the terms and conditions of this Agreement, including those set forth in Sections 2, 3 and 4, as well as those in this Disbursement Conditions Section of Appendix 3, HRM will disburse the Contribution Amount to the Recipient, each year of the Term, in accordance with the following payment schedule. For greater clarity, any part of the Contribution Amount which is to be expended after the end of fiscal year 2024/25 (i.e. March 31, 2025) is not guaranteed to be paid by HRM, rather such future disbursements of the Contribution Amount shall be subject to the appropriation of the required amounts in accordance with Section 3(a) of this Agreement.

Disbursement	Description of Disbursement	Disbursement Request Required (Y/N)	Report Required (Y/N)	Date to be Disbursed	Contribution Amount to be Disbursed
1	First payment of the Contribution Amount for 2025/26, equal to 90% of the Contribution Amount	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and Recipient meeting all other disbursement conditions of the Agreement	N	No later than 30 days after Recipient meets all disbursement conditions associated with this disbursement.	\$90,000 including HST (if applicable).
2	Balance of the Contribution Amount for 2025/26 equal to 10% of the Contribution Amount.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and HRM's approval of the Yearly Final Report.	Y – Yearly Final Report for 2025/26	No later than 30 days after HRM's approval of Recipient's invoice and HRM's approval of the Yearly Final Report	\$10,000 including HST(if applicable). This disbursement is 10% of the 2025/26 Contribution Amount (i.e. \$100,000)
3	Payment equal to 90% of yearly Contribution Amount for work to be performed in 2026/27.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and Recipient meeting all other disbursement conditions of the Agreement	N	No later than 30 days after HRM approves the Recipient's invoice.	\$90,000 including HST(if applicable). This disbursement is 90% of the 2026/27 Contribution Amount (i.e. \$100,000)
4	Balance of the Contribution Amount for 2026/27 equal to 10% of the yearly Contribution Amount.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and HRM's	Y – Yearly Final Report for 2026/27	No later than 30 days after HRM's approval of Recipient's invoice and HRM's approval of	\$10,000 including HST (if applicable). This disbursement is 10% of the 2026/27 Contribution

Disbursement	Description of Disbursement	Disbursement Request Required (Y/N)	Report Required (Y/N)	Date to be Disbursed	Contribution Amount to be Disbursed
		approval of the Yearly Final Report.		the Yearly Final Report	Amount (i.e. \$100,000)
5	Payment equal to 90% of yearly Contribution Amount for work to be performed in 2027/28.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and Recipient meeting all other disbursement conditions of the Agreement	N	No later than 30 days after HRM approves the Recipient's invoice.	\$90,000 including HST (if applicable). This disbursement is 90% of the 2027/28 Contribution Amount (i.e. \$100,000)
6	Balance of the Contribution Amount for 2027/28 equal to 10% of the yearly Contribution Amount.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and HRM's approval of the Yearly Final Report.	Y – Yearly Final Report for 2027/28	No later than 30 days after HRM's approval of Recipient's invoice and HRM's approval of the Yearly Final Report	\$10,000 including HST (if applicable). This disbursement is 10% of the 2027/28 Contribution Amount (i.e. \$100,000)
7	Payment equal to 90% of yearly Contribution Amount for work to be performed in 2028/29.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and Recipient meeting all other disbursement conditions of the Agreement	N	No later than 30 days after HRM approves the Recipient's invoice.	\$90,000 including HST(if applicable). This disbursement is 90% of the 2028/29 Contribution Amount (i.e. \$100,000)
8	Balance of the Contribution Amount for 2028/29 equal to 10% of the	Y- Disbursement to be issued upon receipt of an invoice	Y – Yearly Final Report for 2028/29	No later than 30 days after HRM's approval of Recipient's	\$10,000 including HST (if applicable). This disbursement is

Disbursement	Description of Disbursement	Disbursement Request Required (Y/N)	Report Required (Y/N)	Date to be Disbursed	Contribution Amount to be Disbursed
	yearly Contribution Amount.	provided by the Recipient and HRM's approval of the Yearly Final Report.		invoice and HRM's approval of the Yearly Final Report	10% of the 2028/29 Contribution Amount (i.e. \$100,000)
9	Payment equal to 90% of yearly Contribution Amount for work to be performed in 2029/30.	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and Recipient meeting all other disbursement conditions of the Agreement	N	No later than 30 days after HRM approves the Recipient's invoice.	\$90,000 including HST(if applicable). This disbursement is 90% of the 2029/30 Contribution Amount (i.e. \$100,000)
10	Final disbursement for the Project, equal to 10% of the yearly Contribution Amount for 2029/30	Y- Disbursement to be issued upon receipt of an invoice provided by the Recipient and HRM's approval of Project Final Report	Y – Project Final Report	No later than 30 days after HRM's approval of Recipient's invoice and HRM's approval of the Project Final Report	\$10,000 including HST (if applicable). This disbursement is 10% of the 2029/30 Contribution Amount (i.e. \$100,000)

a. If required as set forth in the table above in Section 2(a) of these Disbursement Conditions, the Recipient shall provide an invoice to HRM in the following form:

- (a) a disbursement request, attaching contractor invoices (if applicable) and such requests shall state DISBURSEMENT REQUEST and shall include:
 - (i) an invoice on letterhead detailing the types of proposed expenditure and the associated amounts including date, Recipient name, Project lead and contact person who can refer to the invoice, address, phone number;
 - (ii) HST is to be set forth separately; and,

- (iii) if applicable, contractor invoices naming the Recipient that hired their services and including location of work and date, details on the type of work, including labour hours, receipts or invoices for materials purchased and cost, HST (if applicable);
 - (b) A representative of Recipient (e.g. the Project's lead or a signing officer of Recipient) shall sign the bottom of each invoice.
 - (c) If applicable, Recipient is solely responsible to pay contractors directly, promptly and in accordance with contractors' invoice terms and conditions and HRM shall not be liable for fees or charges associated with late payments to Recipient.
 - (d) If applicable, Recipient shall clearly set forth for HRM what contributions from other sources are being made "in-kind" and HRM, at its sole discretion, will determine if such activities and costs are acceptable or eligible costs to which the Contribution Amount may be dispersed.
- (c) If required as set forth in the table above in Section 2(a) of these Disbursement Conditions, in order for HRM to make the next disbursement in a calendar year of the Term, or in order for HRM to make the final disbursement of the Contribution Amount, Recipient must provide HRM with a Yearly Final Report or the Project Final Report, as the case may be, as set forth in Appendix 4, within the time period set forth for such Yearly Final Report or the Project Final Report.

Appendix 4

Reporting Requirements

Recipient shall provide the following reports no later than the date set forth for each reporting requirement:

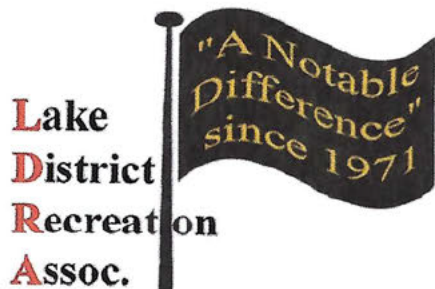
1. Yearly Final Report - Recipient shall submit, in accordance with the dates listed in the payment schedule in Appendix 3, a written report with content including, but not limited to:
 - (a) the overall outcomes and objectives achieved by the Project to the date of the Yearly Final Report, including, but not limited to:
 - 1) how the Recipient has provided a safe environment for all patrons of the Sackville Arena including Facility consistent with HRM's priority of health and safety, including:
 - a. compliance with *Nova Scotia Occupational Health and Safety Act* requirements for recreation facilities;
 - b. production of applicable inspection records from time to time, as requested;
 - c. establishment of health and safety policies comparable to HRM;
 - d. provision of reasonable and timely disclosure of any health and safety concerns of the Sackville Arena;
 - 2) how the Recipient demonstrated its continued delivery of being a quality sport and recreation facility on behalf of the community of Sackville, consistent with HRMs priority of building healthy communities;
 - 3) the provision of results of the Recipient's participation in the adoption of accessibility policies comparable HRM community accessibility policies; providing community access to other, local recreational activities;
 - 4) how the Recipient has operated in a financially responsible manner with the intent to maximize the community's access to recreation opportunities.
 - (b) any additional information requested by HRM to be included in the Yearly Final Report; and,
 - (c) details showing how the outcomes achieved to the date of the Yearly Final Report relate to the overall goals and objectives of the Project.
2. Project Final Report - Recipient shall submit, in accordance with the date listed in the payment schedule in Appendix 3 or no later than 30 days after the termination of the Agreement, a written report with content including, but not limited to:
 - (a) details of how the Contribution Amount was used by Recipient in support of the Project,

- (b) a final description and details with respect to outcome measures and economic indicators to gauge the effectiveness of the Project;
- (c) the overall outcomes and objectives achieved by the Project; and,
- (d) details showing how the outcomes achieved relate to the overall goals and objectives of the Project.

Appendix 5

Insurance

1. Recipient acknowledges and agrees that
 - (a) HRM does not provide any type of accident, health, workers compensation, liability or property (including theft) insurance coverage for the Recipient, or any contractors which it may use to perform the Project, or their property, during the fulfilment of their obligations under this Agreement; and,
 - (b) in addition to HRM the indemnity and liability provisions of this Agreement, HRM will not be liable for any loss or damage for which such insurance coverage could have been obtained by the Recipient.



P.O. Box 47
Sackville, Nova Scotia
B4C 2S8
Tel: (902) 865-8898
Fax: (902) 865-3965
Email: ldra@ns.sympatico.ca

Councillor Paul Russell
1841 Argyle Street,
PO Box 1749,
Halifax, NS B3J 3A5

Dear Mr. Russell,

Lake District Recreation Association respectfully requests HRM to approve a service agreement between LDRA and HRM to provide an annual fund of one hundred thousand dollars (\$100,000), indexed to cost of living.

LDRA operates a community arena servicing Sackville, Lucasville, Beaverbank, Fall River, Waverley and areas beyond since 1971. Without the citizens of Sackville building and maintaining this facility, HRM or the former County of Halifax would have built a similar facility, operated, and maintained it.


The community arena is used extensively year-round. Summer usage includes lacrosse for 12 weeks, attracting 500+ attendees, Royal Canadian Sea Cadets Annual Ceremonial Review, Royal Canadian Army Cadet Corps Annual Ceremonial Review, CCS Relay for Life, boxing events, concerts, school reunions and community patriot day's events attracting thousands of people. Year round the arena is used for family events, weddings, anniversary and birthday parties and patron and public meetings.

The arena is host to Sackville Minor Hockey Association, which attracts 10,000+ fans per week and the local Junior B Blazers Hockey Team which attracts 300+ fans per game. We also host 3 area high school hockey teams; Millwood High Boys and Girls teams, Sackville High Boys team and Lockview High Girls team, which attract 1000+ fans per week. The Sackville Community Arena is also home to the U16AAA Kings and the Junior C Knights which attract 500+ fans per week. Ringette and various hockey groups are additional uses.

Lake District Recreation Association is a partner and funding will allow the LDRA board to continue to maintain the arena at a high level, ensuring that the facility lasts another 50 years. LDRA has done an exceptional job maintaining and operating the arena and all who visit are impressed with the smart appearance and updates. HRM funds are needed, given inflation and the high costs associated with operating an arena. HRM understands arenas are not self-sustaining, and it is much less expensive to maintain Sackville Arena than build a new one.

We look toward a positive response to our request.

Kind Regards,


Allan F. Smith, President
Lake District Recreation Association