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# SCOTIA SQUARE

CITY OF HALIFAX

NOVA SCOTIA

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Submission to the Province of Nova Scotia and Central Mortgage and Housing Corporation regarding further cost sharing for acquisition and clearance of lands and the provision of essential Municipal Services

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# LIST OF SUPPLEMENTARY REPORTS AND CORRESPONDENCE

- 1. Central Business District, Draft Development Plan.
- 2. Joint Staff Report Call for Development Proposals and Resolution of Council dated April 20, 1966.
- 3. Letters exchanged following Joint Staff Report.
- 4. Harbour Drive General
- 5. Cogswell Street Interchange
- 6. Police Station Appraisal Report

#### SECTION I

#### INTRODUCTION

In 1957, the City of Halifax with financial assistance from Central Mortgage and Housing Corporation undertook a redevelopment study of the City. The study was conducted by Professor Gordon Stephenson of the University of Toronto.

As a direct consequence of Professor Stephenson's study, the City declared an area at the northwest corner of the Central Business District to be blighted and indicated its intention to acquire all the properties in the area and demolish them. The City also felt that the families in the area should be rehoused in subsidized rental housing on a portion of Corporation—owned land in the vicinity of Barrington and Duffus Streets.

The decisions of the City were, with the approval of the Province, submitted to Central Mortgage and Housing Corporation and after a period of negotiations resulted in joint agreements to proceed with the acquisition and clearance of the Central Redevelopment Area under Section 23 of the National Housing Act and to proceed with the Mulgrave Park subsidized rental project under Section 36 of the National Housing Act.

The decision to proceed with both projects simultaneously was primarily motivated by the very real feeling of the City that it could not continue to permit people to live in the conditions that then pertained in the Central Redevelopment Area. Approximately 270 families were occupying properties which had outlived their structural and economic usefulness under conditions extremely hazardous to health and safety. For example, shortly before the decision was taken to proceed with acquisition and clearance, five youngsters burned to death in a fire within the area.

The decision to proceed with clearance on strictly social grounds is reflected in large measure in the contents of the report leading to this decision. No real reference was made to possible re-uses of the cleared land except to imply that it might be suitable for commercial purposes. The City and the Corporation at that time accepted the fact that recoveries from disposal of the land would be insignificant. The formal Agreement of March 25, 1958, through its vagueness of wording on the question of re-use, appears to confirm this view point.

The Central Redevelopment Area as approved in 1958 and as extended by a subsequent agreement in 1960 is illustrated on Appendix "A" to this report. An examination of Appendix "A" indicates the extreme irregularity of the boundaries of the Central Redevelopment Area as it was defined in 1960. The irregularities further tend to confirm that the original motivation for acquisition and clearance was social in nature. The Partnership, while agreeing to the acquisition and clearance of blighted residential properties, very carefully excluded equally blighted commercial properties.

The irregularities of the boundaries also tend to reflect the provisions of the National Housing Act as they existed at that time. Shortly before 1957, the National Housing Act had been amended to permit commercial redevelopment on lands cleared of blighted structures. However, where this was proposed the then existing Act required that the clearance area should be substantially residential in nature. The addition of the obviously blighted commercial structures adjacent to the area proposed for clearance could have resulted in the City's proposal being unacceptable under the National Housing Act as it then existed.

That the removal of blight was the fundamental consideration of the Partnership is further illustrated by the fact that from 1958 to 1962 very little attention was given to the problem of disposing of the lands. Some very preliminary planning was done on the matter but most of the attention of the Partnership was directed to the provision of alternative housing at Mulgrave Park and the acquisition and clearance of the properties within the agreed area.

In 1962, the City and Central Mortgage and Housing Corporation directed its attention to the re-use of the lands. After due consideration, the Partnership agreed to offer the lands for comprehensive development. The decision to offer the land for comprehensive development was based upon the theory that if this approach failed, the Partnership could prepare a subdivision plan for the area and offer individual lots for individual development. It was felt that the latter course of action could only result in a less desirable development and if it were attempted first would eliminate all possibility of comprehensive re-use on a large scale.

As a result of the decision to offer the land for comprehensive development, the City prepared and the Corporation approved of a Call for Development Proposals. This Call was advertised throughout North America and Europe in mid-1962 with Development Proposals to be received in December, 1962.

#### SECTION II

# AN APPRAISAL OF THE 1962 CALL FOR DEVELOPMENT PROPOSALS

When the 1962 Call for Development Proposals was prepared, the City and Central Mortgage and Housing Corporation were in very considerable doubt as to what in the way of proposals might result from it. There was no way of knowing what interest Developers, financial institutions, and potential tenants might take.

While the document was prepared with a great deal of uncertainty, it appeared to the Partnership that there were certain circumstances in which the Partnership needed to ensure a maximum of control, and there were other possible developments which were desirable but perhaps unattainable.

No attempt will be made to explain all of the provisions of the Call but it is perhaps important to list some of the more significant matters. These were that the Partnership wanted to ensure that:

- 1. The cleared land would be put to its highest and best use.
- 2. The land would be leased.
- 3. The land would not be under-developed—at that particular time, development practices within the City tended to under-development of land.
- 4. A street with a grade of not more than 7% would be constructed from the Waterfront area to the height of land at the foot of Citadel Hill.
- 5. A department store would be located within the development if at all possible. It was felt that this was highly desirable because the last major department store in the Central Business District had just relocated at the western boundary of the City.

The Call for Development Proposals, which closed on December 12, 1962, resulted in the presentation of one development scheme to the Partnership. After consideration, the proposal was rejected. The reasons for rejection were carefully detailed but perhaps the most important were:

- 1. The proposal was considered to be too massive.
- 2. The proposal was not considered architecturally acceptable.

3. The proposal did not integrate with existing development in the Central Business District.

The Developer accepted the Partnership's rejection of the initial proposal and requested an Agreement to Lease which would provide him with a period of time in which to prepare a revised proposal for consideration by the Partnership. As no other Developers had indicated an interest in the land, the Agreement to Lease was approved by the Partnership on condition that the Developer would employ highly qualified planners and architects and would provide the Partnership with proof of ability to proceed within certain specified time limitations.

A revised Development Proposal was subsequently prepared by an internationally respected architectural and planning firm. This firm in preparing its revised proposals attempted to overcome the Partnership's criticisms of the initial scheme and, in order to do this, suggested the inclusion of lands other than the lands contained within the Central Redevelopment Area. The Partnership agreed that the inclusion of these additional lands were essential to overcome the criticisms of the original scheme. The Partnership subsequently approved the design of the second scheme. Approval was subject to the Developer providing adequate assurance that he could proceed with development in accordance with the schedule contained in the Agreement to Lease.

The Developer was unable to meet his commitments as set forth in the Agreement to Lease and the Agreement was permitted to lapse. When the Agreement lapsed, the Partnership, while agreeing that the approved design was excellent, decided to re-examine the implications of a development of the magnitude of the second proposal. There was a fear on the part of some that a development with an estimated cost of \$35,000,000 could tend to overwhelm existing developments within the City and in particular existing developments within the Central Business District.

The Partnership, therefore, engaged the services of a firm to undertake an Economic Analysis of the Central Business District to determine the existing situation and to project future space requirements. The report, which was received, indicated a good growth potential for some types of development, notably housing, office space, and hotel rooms. It indicated the possibility of substantial growth in the retail function in the metropolitan area but concluded that the Central Business District was not likely to share substantially in this growth.

After studying the Economic Analysis, the Partnership concluded that it would be wise to again adopt the pragmatic approach and offer the land for comprehensive development. The decision to accept this approach was undoubtedly influenced by two major factors. These were:

- l. During the period between receipt of the original proposal and the decision to re-offer the land, development in the City of Halifax had markedly changed in concept. Before 1962, most new construction involved structures of three or four storeys in height with limited floor areas. Subsequent to 1962, Developers increased the size of their buildings substantially and the construction of buildings of up to 21 storeys meant that Developers were recognizing, if not exploiting, the fact that land was a relatively scarce commodity in relationship to potential demand of all kinds.
- 2. The retailing function of the Central Business District, while probably maintaining its absolute position, was likely to rapidly decline in significance relative to the total retailing function of the metropolitan area. It was felt that while a department store might be impossible to achieve, every consideration should be given to Developers to provide one if it were possible.

While the second Call for Development Proposals maintained the basic pragmatic approach of the first Call, consideration was given to the experience gained in the intervening period. Overdevelopment rather than under-development had become the real problem in the City and maximum densities of development were, therefore, suggested. In addition, it became obvious that developments of the magnitude proposed for the Central Redevelopment Area and for other developments of a like nature within the Central Business District required the provision of traffic routes with capacities beyond the capacity of streets designed in 1749.

The Partnership was conscious of the fact that if the Central Business District was to be revitalized a good and substantial development would have to take place on the lands offered for development. In order to achieve this, the development would have to extend beyond the boundaries of the Central Redevelopment Area. The Partnership was also conscious of the fact that a suitable development could not be achieved without adequate vehicular access from outlying residential areas. The need for a plan for future development and redevelopment of the Central Business District was evident.

The City accepted the fact that it could not expect a buoyant Central Business District without a free flow or relatively free flow arterial street system leading to the Central Redevelopment Area and the Central Business District. It agreed in principle to a route for a Harbour Drive linking the Central Business District to bridges across the Harbour and to the western suburbs. In addition, the City prepared and adopted in principle a report entitled, "Central Business District - Draft Development Plan" which envisaged development of the approximate magnitude of the development scheme previously accepted as to design.

In essence, the City and its Partner, Central Mortgage and Housing Corporation, by agreeing to the second Call for Development Proposals agreed to the principle that any proposal received should be sufficiently large to act as a catalyst in the redevelopment of the Central Business District but should not be so large as to completely overwhelm existing development. In order to achieve a development of this nature, it was necessary to recognize and make provision for present and future traffic requirements within the total City, the Central Business District, and the development itself.

#### SECTION III

#### THE 1965 CALL FOR DEVELOPMENT PROPOSALS

In December, 1965, the City with approval of Central Mortgage and Housing Corporation issued a second Call for Development Proposals for the Central Redevelopment Area. This second Call reflected the experience and impressions gained and the decisions taken following the 1962 Call for Proposals.

Without detailing all of the revisions to the original Call, it is perhaps significant to point out that the Partnership considered that:

- 1. Over-development rather than under-development of the site might be the problem.
- 2. Lands other than those covered by the Central Redevelopment Agreement would have to be included if a well planned project was to result. The total extent of the additional lands required was unknown but the Partnership did agree to the inclusion of the block bounded by Buckingham, Argyle, Duke, and Barrington Streets and the area on the west side of Barrington Street north of Jacob Street known as the Clayton Block.

It was anticipated that other lands would be required depending upon the form of the successful proposal.

3. The existing pattern of perimeter streets would not serve as a long range solution to the traffic problems generated by a new development. The Call for Development Proposals reflected the fact that traffic would only be adequately served through the construction of a relatively free flow arterial street to be known as Harbour Drive.

The second Call for Development Proposals closed on March 1, 1966. The second Call was successful in that it resulted in the submission of three proposals, all of which anticipated major construction programmes of a kind which experience of the previous years indicated might be forthcoming. Selection of any one of the three proposals would require the Partnership to proceed with the course of action contemplated in the second Call for Development Proposals.

The three proposals received on March 1, 1966 were subjected to an exhaustive study by a Joint Staff Committee consisting of officials of Central Mortgage and Housing Corporation and the City. This study dealt with the quality of design, land rentals, land acquisition costs, tax returns to the City, and the prospective success of each of the proposals. The Joint Staff Report which resulted was dated April 13, 1966.

It was the unanimous opinion of the Joint Staff Committee that the Scotia Square submission of Halifax Developments Limited was the most desirable of the three proposals received. The Joint Staff Report was considered by City Council at a meeting on April 20, 1966, at which meeting City Council approved of the recommendation of the Joint Staff Committee and passed a formal Resolution selecting Halifax Developments Limited as the Company to undertake the development.

Meanwhile, Central Mortgage and Housing Corporation was considering the Joint Staff Report. On April 29, 1966, Central Mortgage and Housing Corporation indicated its approval of the Scotia Square development. While indicating its approval, Central Mortgage and Housing Corporation expressed reservations about sharing in the cost of acquisition of all of the properties required to implement the Scotia Square development.

The joint approval of the Partners to the Scotia Square proposal was notified to Halifax Developments Limited by the City of Halifax on April 29, 1966. The Partnership, on August 31, 1966, entered into an Agreement to Lease, containing an Option to Purchase, with Halifax Developments Limited for those lands required by Halifax Developments Limited for Scotia Square. This Agreement to Lease provided for the orderly conveyance of lands to the Company as certain conditions were met.

Theoretically, execution of the Agreement to Lease removed all obstacles in the way of an orderly development of Scotia Square From a practical point of view, this is not the case. There are matters which must be resolved between the City and Central Mortgage and Housing Corporation and between the Partnership and Halifax Developments Limited.

#### SECTION IV

#### THE PROBLEMS WHICH MUST BE RESOLVED

The problems facing the City and Central Mortgage and Housing Corporation and the Partnership and Halifax Developments Limited are of two kinds—1) design; and 2) financial.

The Scotia Square submission by Halifax Developments Limited was a preliminary design for a substantial area of land which included the Central Redevelopment Area and lands immediately adjacent to it. In the limited period of time between the issuance of the Call for Development Proposals in December, 1965, and the closing of that Call on March 1, 1966, it was not possible for the Company to proceed beyond a preliminary design based upon a concept of what might take place upon the site.

The Agreement by the Partnership to permit phasing of construction of Scotia Square over a period of seven years is a clear reflection of the fact that the Partnership was aware that some changes would benegotiated during the construction period. If all aspects of the development had been finalized as at the date of acceptance of the proposal, the construction period would have been substantially reduced in time. There would have been no necessity to provide that the Company submit additional information at agreed stages of development.

While the accepted Scotia Square proposal was preliminary in nature and is undoubtedly subject to negotiated change, the fact remains that it was a comprehensive development setting forth a proposed course of construction activity for both the Company and the Partnership. The accepted proposal anticipates construction of certain revenue-producing properties by Halifax Developments Limited. It also anticipates the acquisition of additional properties and the construction of certain services in order to ensure its investment is economically and aesthetically successful. In particular, it recognized the need to reserve the right-of-way and to construct the Cogswell Street-Harbour Drive Interchange within a period of time mutually agreeable to all concerned.

Recognizing the validity of the points made by Halifax Developments Limited, the City of Halifax undertook a study of the Company's proposals for the Cogswell Street-Harbour Drive Interchange. This matter was considered to be so important by the Company that the Agreement to Lease, dated August 31, 1966, requires the Partnership to prepare and approve functional designs showing the location and elevations of the Cogswell Street-Harbour Drive Interchange and the Barrington Street intersection by May 3, 1967.

While the City was faced with the problem of the design of the Cogswell Street-Harbour Drive Interchange, it was also faced with an even more important problem. It was assumed with some justification that the Corporation in agreeing to the Scotia Square project would also agree to become a full partner in the sharing of all costs associated with that project. While it is impossible on the basis of the preliminary proposal accepted by the Partnership to precisely determine these costs, it is possible to identify the range of financial participation required in order to fully implement the scheme.

The reservations expressed by Central Mortgage and Housing Corporation in the letter of April 29, 1966 respecting cost sharing have created a very real source of concern to the City and if the Scotia Square project is to be successful and the Central Business District revitalized, the matter must be resolved, hopefully with Central Mortgage and Housing Corporation as a full partner in all of the costs which will be incurred.

#### SECTION V

#### THE COGSWELL STREET-HARBOUR DRIVE INTERCHANGE

During the period between 1958 and the close of the second Call for Development Proposals on March 1, 1966, the City's thinking on major traffic routes had undergone a marked change.

In 1958, the City and Central Mortgage and Housing Corporation undertook the acquisition and clearance of the Central Redevelopment Area with the primary purpose of removing obsolete housing and commercial structures. There was some hope that the cleared land could be put to some undefined commercial use but neither of the Partners were of the opinion that reuse would substantially alter the basic structure of the Central Business District.

The first Call for Development Proposals contemplated a form and mass of development which had not been previously anticipated. While the first proposal was not acceptable, it appears to have been partially responsible for a reaction from other Developers which resulted in some privately-sponsored redevelopment in the Central Business District. This new privately-sponsored development more closely paralleled the developments projected in the Central Redevelopment Area than it did the traditional form of development in the Central Business District.

Other factors were also at work. Historically, the Central Business District had been the regionally dominant retail centre for the area. The establishment of major shopping complexes in the western suburbs of the City and in Dartmouth and the movement of the one major department store from the Central Business District was responsible for a marked decline in the relative importance of the Central Business District as a retailing centre. The two principal causes of the decline were undoubtedly the lack of adequate transportation links and the lack of adequate parking.

In addition, it was becoming very obvious that the entrances to and exits from the City were inadequate and would have to be supplemented by at least an additional bridge across the Harbour and an additional point of entry from the western suburbs. The situation became so acute that studies were initiated to suggest possible solutions to the problem.

The second proposal for the Central Redevelopment Area, which was accepted as to design by the Partnership, recognized the necessity for arranging traffic in a manner so as to more clearly reflect the obvious trends. This proposal contemplated a modest grade separated interchange to serve as a connection between Cogswell Street and Harbour Drive. This interchange was designed to permit a better traffic flow and better and more logical use of the remaining lands required for development.

When the Developer was unable to meet the obligations required of him in relation to the second proposal, the Partnership decided to pause in its efforts to dispose of the Central Redevelopment Area. The pause was intended to permit the Partnership to examine the economics of revitalizing the Central Business District and to re-examine the improvement of traffic facilities which would be necessary in order to achieve the relatively short term considerations relating to the Central Redevelopment Area and the more long range considerations relating to the Central Business District.

The City engaged Canadian Urban Economics Limited to undertake an Economic Analysis of the Central Business District. The report received from this firm, while dealing essentially with present and future commercial and residential uses, emphasized that both short and long range growth could not be achieved without adequate transportation links and without adequate parking facilities within the Central Business District.

The City also engaged the firm of DeLeuw, Cather and Company of Canada Limited to undertake a study of the proposed Harbour Drive in the area from the foot of George Street to the intersection of Barrington Street and Devonshire Avenue. The report of DeLeuw, Cather was not received until after the receipt of Development Proposals on March 31, 1966. However, this report, which has not been approved by Council, recommended that consideration should be given to the ultimate construction of Harbour Drive as a traffic facility with a capacity far beyond that which had previously been envisaged by the City.

It had been the City's intention to await receipt of and action on the DeLeuw Cather report before issuing a second Call for Development Proposals. However, this decision was reversed when it became known that several Developers were actively interested in the site for developments of a major nature. As a consequence, the City, with the approval of Central Mortgage and Housing Corporation, agreed in December, 1965 to issue the second Call.

The second Call for Development Proposals in contrast to the first made reference to the need for improved traffic connections to the Central Business District. Developers were instructed to keep this in mind in submitting proposals. All three of the proposals received anticipated the construction of the Cogswell Street-Harbour Drive Interchange and made provision for such rights-of-way as appeared necessary.

The Scotia Square proposal of Halifax Developments Limited, which was subsequently accepted by the City and Central Mortgage and Housing Corporation, contained proposals for the Cogswell Street-Harbour Drive Interchange. The proposals of this Company, in relation to these roadways, were more specific and obviously more carefully considered than the schemes submitted for the developments which were

12.

not accepted. Nevertheless, detailed examination of the proposals of Halifax Developments Limited in respect of the Cogswell Street-Harbour Drive Interchange indicated that it was in very preliminary form and that if built as designed would create difficulties for both the development and the Central Business District.

Recognizing the preliminary nature of the Company's proposals, City Staff immediately undertook a study of Harbour Drive in general and a study of the Cogswell Street-Harbour Drive Interchange in particular. The results of these studies are set forth in reports entitled, "Harbour Drive - General" and "Cogswell Street Interchange".

City Council at a meeting on August 22, 1966 considered both of the Staff Reports on Harbour Drive. After due consideration, Council agreed to the modified diamond design set forth in Appendix "B" of the Cogswell Street Interchange report and this design was subsequently accepted by Halifax Developments Limited and is being used by that Company in preparing its working drawings for the Scotia Square development.

#### SECTION VI

#### THE COSTS

The Scotia Square proposal submitted by Halifax Developments Limited and accepted by both the City and Central Mortgage and Housing Corporation is a comprehensive proposal designed to be financially successful for the Company and to generate the type of development within the remainder of the Central Business District which will make the Central Business District an exciting and attractive area. It involves not only the construction of revenue-producing properties but it anticipates the provision of adequate arterial streets and ample parking.

The Scotia Square proposal will require large amounts of private investment and must be backed by the confidence of a great many people. The Scotia Square proposal, to achieve its primary function as a successful business and its secondary function as a catalyst for the Central Business District, will require the full support of the City and other Government agencies. This support must be given through full reasonable cooperation with the Company but more importantly through the expenditure of public funds. These funds will have to be expended for the acquisition and clearance of additional properties and for the construction of these services required in order to make the project work. The Joint Staff Report of April, 1966, drew attention to the fact that the full potential of the development could not be achieved without construction of the Cogswell Street-Harbour Drive Interchange.

At the moment, arrangements between the City and Central Mortgage and Housing Corporation on the costs of acquisition and clearance of the lands required for the Scotia Square development proposal are very uncertain. The lands outlined on Appendix "A" which constitute the Central Redevelopment Area are subject to cost sharing. On the remainder of the lands required for the development, the Corporation has informally indicated that it will participate in the cost of acquisition of some of the properties and has indicated that it may consider cost sharing on some of the others. The lack of formal agreement on all of the lands makes it exceedingly difficult to proceed with this large and complex development in an organized manner.

Acceptance of the revised scheme for the Cogswell Street-Harbour Drive Interchange has meant that the City is now in a position to clearly define all of the properties required to implement the Scotia Square development. Since the lands are now defined, it would seem appropriate to reach agreement for cost sharing as soon as possible.

Appendix "A" to this report outlines all of the lands affected by the Scotia Square proposal. The various areas are identified on the plan and comments in respect of these areas, the present status of each, and the estimated costs of acquisition and clearance are set forth below:

#### l. Block "A".

This is the Central Redevelopment Area as defined by the Partnership in the Agreement of 1960. It is subject to cost sharing between Central Mortgage and Housing Corporation and the City in accordance with the provisions of the National Housing Act, 1954, as amended to the date of the Agreement.

The area measures about 15.3 acres and was acquired and cleared at an estimated total cost of

\$2,600,000

#### 2. Block "B".

This block bounded by Argyle, Buckingham, Barrington, and Duke Streets was included in the second Call for Development Proposals by agreement of the Partnership.

The Scotia Square Project requires the land contained in this block for its Stage II development. The area contained in the block together with the area of streets, which will be closed as a result of its inclusion, is approximately 64,800 square feet.

Central Mortgage and Housing Corporation has informally agreed that the cost of acquiring and clearing this land should be subject to agreement.

The estimated cost of acquisition and clearance for this block is

\$ 823,000

#### 3. Block "C".

These are the properties known as the Clayton Block on the west side of Barrington Street between Jacob and Proctor Streets. This area was also included in the land offered for

# 3. Block "C" (cont'd).

development under the Call for Proposals. Most of the lands lying in this block are needed for Stage I of the Scotia Square Project.

Central Mortgage and Housing Corporation has informally agreed to cost sharing on the acquisition and clearance of this land. The estimated cost of acquiring this block, which contains approximately 56,225 square feet, is

\$ 420,000

#### 4. Block "D".

This area consists of several properties lying between Barrington and Water Streets and between Jacob and Proctor Streets. The properties are based upon the Interchange design approved by the City and dealt with in the Cogswell Street Harbour Drive Interchange Report.

Central Mortgage and Housing Corporation had previously indicated its informal agreement to the inclusion of lands required for the type of Interchange proposed by Halifax Developments Limited. The estimated cost of the lands previously considered was \$541,000. It is to be noted that the estimated cost of acquiring and clearing the lands for the approved Interchange is estimated at

409,000

#### 5. Block "E".

This block bounded by Barrington, Jacob, Upper Water, and Bell Streets is required for traffic improvements that are part of the Cogswell Street-Harbour Drive Interchange. The area contained in the block, including the portion of Bell Street which would be closed, is 30,144 square feet.

Central Mortgage and Housing Corporation have indicated in the letter, dated April 29, 1966, that it probably will participate in the cost of acquiring and clearing this block. The estimated cost of acquisition and clearance is

\$ 437,000

#### 6. Block "F".

This block consists of lands to the east of Upper Water Street which are required to bring the Cogswell Street-Harbour Drive Interchange to a planned temporary termination with Hollis and Water Streets. The area includes a portion of the lands owned by the Department of National Defence and used by Navy as the Central Victualling Depot. The approximate total area, including the required portion of the Central Victualling Depot, amounts to 54,495 square feet.

Central Mortgage and Housing Corporation has indicated that it will probably be prepared to participate in the costs of acquisition and clearance which are now estimated at

\$ 532,000

#### 7. Block "G".

Block "G" consists of two areas on the east and west of Barrington Street immediately north of Proctor Street. These areas are required for the ramp connection from Harbour Drive to Brunswick Street and from Cogswell Street to Harbour Drive. These connections form part of the Scotia Square proposal. The approximate area is 30,300 square feet.

This area was not included in the original request for financial assistance and Central Mortgage and Housing Corporation drew attention to the oversight. The estimated cost of acquisition and clearance is

142,000

#### 8. Block "H".

This area is occupied by the Miner Rubber Company building and is required to implement Stage 8 of the Scotia Square proposal. The area of this block is 4,900 square feet.

Central Mortgage and Housing Corporation have informally agreed to the inclusion of this block for cost sharing on acquisition and clearance. The estimated cost is

\$ 100,000

### 9. Block "I".

The Scotia Square Project also requires, for Stage 9, inclusion of the Police Station and Market Building in the block bounded by Buckingham, Market, Duke, and Brunswick Streets.

The building is now owned by the City, and Central Mortgage and Housing Corporation have indicated that they would base cost sharing for this block on an agreed estimate of depreciated reproduction value plus land. This appraisal has been completed by Warnock Hersey Limited.

The area contained in the block including the area of streets which would be added to the Central Redevelopment Area is 61,200 square feet and the estimated depreciated reproduction value, as estimated by Warnock Hersey Limited, of the building is

\$1,062,350

TOTAL

\$6,525,350

The total cost of acquiring and clearing all of the lands required for Scotia Square and for streets and overpasses associated with it is, as indicated above, estimated at \$6,525,350. The financial relationship between the Partnership on these acquisitions is as follows:

Properties subject to formal agreement	\$2,600,000
Properties where Central Mortgage and Housing Corporation have informally indicated agreement on cost sharing	\$2,814,350
Properties where Central Mortgage and Housing Corporation have indicated willingness to consider cost sharing	\$1,111,000
TOTAL	\$6,525,350

It is absolutely essential that agreement be reached on the acquisition of all of the properties required to implement the Scotia Square proposal. If full agreement cannot be reached, the City will be unable to acquire the properties and developments might take place which would preclude the total implementation of the scheme with resulting adverse effects to Scotia Square.

There are other public costs associated with the Scotia Square development. These costs relate to the provision of services, including sewer and a revised street pattern. Some of the commitments to Halifax Developments Limited are legal while others might be considered as moral commitments only. Central Mortgage and Housing Corporation indicated in its letter of April 29, 1966 that it could not consider participating in the cost of the Cogswell Street-Harbour Drive Interchange until more information was known about design and costs.

The situation respecting cost sharing on the provision of services is further complicated by the fact Block "A" is covered by an agreement drawn under the provisions of the National Housing Act, 1954 as amended to 1960. The Act, at that time, made no provision for cost sharing on the provision of services, required to make cleared lands available for re-use. If the additional lands required to permit completion of the project are covered by a cost sharing agreement, this cost sharing agreement will undoubtedly be under the provisions of the National Housing Act as it now exists. This Act permits cost sharing on the provision of necessary services.

The actual cost of providing all services including the Cogswell Street-Harbour Drive Interchange can only be determined when engineering drawings have been fully completed and when construction drawings of Scotia Square have been developed to a more advanced stage. Nevertheless, it is possible at this time to state that the total cost of providing services will be of the order of \$4,500,000. These costs will be required to make Scotia Square viable and will be incurred as a direct result of the Partnership attempting to achieve comprehensive redevelopment and revitalization of the City centre.

The total cost in public funds to create Scotia Square and the City's position in respect of cost sharing is as follows:

Property Acquisition and Clearance

Properties subject to formal agreemen	nt	\$	2,600,000
Properties where Central Mortgage and Housing Corporation have informally indicated agreement on cost sharing	đ	\$	2,814,350
Properties where Central Mortgage and Housing Corporation have indicated willingness to consider cost sharing	i	\$	1,111,000
Provision of Services - no cost shar agreements reached	ing		4,500,000
	TOTAL	\$	11,025,350
		ويعت	

There is an obvious need to clarify cost sharing arrangements.

#### SECTION VII

# THE TIMING OF PROPERTY ACQUISITION AND THE AMOUNT OF RECOVERIES

In its letter of June 23, 1966, Central Mortgage and Housing Corporation requested information on the timing of acquisitions of the various additional lands required to complete the Scotia Square proposal. It also asked for an estimate on the amount of money which the Partnership might expect to receive from the City for the lands retained for public purposes.

The City in all of its redevelopment activities has taken the view that it should be prepared to negotiate with any owner within the boundaries of that redevelopment area if the owner indicates his desire to sell. The City has taken this position because it is of the opinion that the City is the only possible organization to which the owner could reasonably turn. If the City were not prepared to purchase, the owner would be forced to retain his property or place it in the hands of speculators.

The City has also taken the view that if negotiations cannot be successfully completed, it should be prepared to expropriate. This permits the owner to take the matter to the Courts for determination of compensation. If the City were not prepared to expropriate, it would hold an unjustifiable bargaining point over all property owners within redevelopment areas.

It is the view of the City that the policy of dealing with all property owners when requested to do so by those owners should continue in respect of all of the lands required for Scotia Square. A continuation of this policy makes it difficult to project with accuracy the timing of all additional acquisitions. Under this policy, some properties may be acquired well in advance of the time they are required for redevelopment purposes.

There are a number of properties on which it is possible to forecast the timing of acquisitions. These are the properties affected by the revenue-producing section of the Scotia Square development. Under the Agreement to Lease between the Partnership and Halifax Developments Limited, these lands, generally speaking, must be acquired and cleared 60 days prior to the date of construction of the appropriate stage of construction. The schedule of acquisitions is as follows:

BLOCK	DATE FOR CLEARANCE	AMOUNT	
B C H I	July 1, 1967 Now Acquired August 2, 1972 August 2, 1972	\$ 823,000 420,000 100,000 1,062,350	
	TOTAL	\$2,405,350	

The timing of the remainder of the property acquisitions is, in large measure, flexible. It will depend upon the number of properties offered for sale by their owners. It will depend even more upon a decision as to the timing of construction of the non-revenue-producing portions of the Scotia Square development.

Halifax Developments Limited are well started on the construction of Stage I of their portion of Scotia Square. Under the Agreement to Lease between the Partnership and Halifax Developments Limited the Company has until September 30, 1973 to complete the total project. It may, in fact, take this long to do so although the Company has indicated informally that it will be attempting to advance its total programme in terms of completion to an earlier date than is required under the Agreement.

It has been suggested several times within this report that the revenue-producing portion of Scotia Square will probably not reach its full potential until related street improvements are installed. This has been the experience in the City of Halifax and other developments of a like nature though much smaller in nature.

The Partnership has no legal commitment to provide all of the non-revenue-producing construction required to implement Scotia Square. There is, however, a strong moral responsibility to provide these services. If this moral commitment is to be met, it is suggested that the aim should be to have all properties acquired and improvements in place by mid-1970 which will approximate completion of the first major elements in the revenue-producing portion of the development. In effect, therefore, it is suggested that additional property acquisitions to a value of \$3,925,350 and construction of services to a value of \$4,500,000 should be completed in the next three and one-half years.

The second question raised in the letter of June 23, 1966 related to the question of recoveries for lands required by the City for public purposes, i.e. the Cogswell Street-Harbour Drive Interchange. By agreement, any lands acquired for this purpose which are surplus to the requirements of the City and which are located in designated areas as established within the Agreement, are to be disposed of to Halifax Developments Limited by lease or sale in accordance with the formula established for the main portion of the development. Almost all of the remaining lands will be required for the Cogswell Street-Harbour Drive Interchange.

The City is proposing an almost equal exchange of lands between the Partnership and the City. At the present moment, there are 415,000 square feet of land within the total area devoted to streets. On completion, there will be approximately 413,000 square feet devoted to a new and vastly improved associated street pattern. Appendix "B" illustrates the proposed exchange of lands between the Partnership and the City. As a consequence, there will be virtually no recoveries by the Partnership from the City.

# SECTION VIII

#### THE REASONS FOR UNDERTAKING THE PROGRAMME

The preceding sections of this report set forth a programme of acquisition, clearance, and the construction of roads and services which will result in total public expenditures approximating \$11,025,350. A large portion of these expenditures must be made within the next two or three years while the remainder could be spent during the same time or phased over a longer period.

In any case, the expenditure of public funds to a total of \$11,025,350 is a programme which is not likely to be undertaken without due consideration by all Governments concerned. Because of this, it seems important to clearly designate the reasons why such public funds should be spent and why both the Provincial and Federal Governments should be prepared to participate in these expenditures. The essential reasons for proceeding with the programme appear to be:

#### 1. Scotia Square.

The City and Central Mortgage and Housing Corporation accepted the Scotia Square proposal of Halifax Developments Limited on April 29, 1966.

The Scotia Square proposal was a comprehensive proposal anticipating construction of an integrated commercial and residential complex with a related road pattern of a capability sufficient to complement and ensure the success of the revenue-producing components. While the City and Central Mortgage and Housing Corporation did not legally commit itself to the construction of some elements of the associated road pattern, Halifax Developments Limited are undoubtedly proceeding on the understanding that such road patterns will be constructed. In fact, it is probably safe to assume that the full potential of the project depends upon the construction of these roads.

The Scotia Square proposal is the first major comprehensive commercial development undertaken by a single Developer on properties acquired and cleared under the provisions of the National Housing Act. For this reason, it would appear highly desirable from the Federal Government's point of view that the project be a success. It is vital to the City of Halifax that the project be successfully concluded. If the Scotia Square proposal by being successful creates a catalyst for other private development resulting in a vital and dynamic capital city, then the Province itself must surely benefit.

# 2. Land Use.

The City and Central Mortgage and Housing Corporation have reached informal agreement on the cost of acquiring those additional lands required for the construction of the revenue-producing portion of the Scotia Square proposal. No agreement has yet been achieved on cost sharing on those lands required to create the associated public works which will be necessary for the successful completion of the project. Agreement on these lands must be achieved.

One of the concerns expressed by Central Mortgage and Housing Corporation relating to the lands required for public services has been the fact that these lands are required for construction of a free flow interchange at Cogswell Street and a portion of Harbour Drive. The Corporation has indicated that it does not feel it should participate in the acquisition of rights-of-way and the construction costs of major arterial traffic routes.

It would seem that the essence of urban renewal and development is to create new forms of land use which will not only attract the type of development illustrated by Scotia Square but which will also revitalize surrounding areas to the point where good private development will proceed in the traditional manner. The Central Business District of the City has lagged in new development relative to other parts of the metropolitan area. Promotional activities in recent years relating to the Central Redevelopment Area have had some salutary effects but there is a large portion of the Central Business District that remains less than vital.

Undoubtedly, one of the major causes of the lack of activity in the Central Business District has been the lack of adequate traffic facilities. Without proper arterial streets to the Central Business District, it is doubtful if private development of sufficient scope to revitalize downtown will take place. Revitalization of obsolete sections of the Central Business District will only take place through Government intervention on acquisition and clearance and the success of future ventures will be seriously handicapped by lack of traffic arteries. On the other hand, action by Governments to create adequate traffic arteries might create the climate in which private enterprise could proceed and ultimately relieve the necessity for a great deal of public investment.

The Central Business District of the City of Halifax was laid out in the mid 18th century. Quite obviously, it was not designed for modern conditions. The proposal to

2. construct the Cogswell Street-Harbour Drive Interchange in the vicinity of Scotia Square may appear to be a radical change in land use. However, if the situation is carefully examined, it becomes apparent that the result will be immeasurably increased efficiency in the flow of traffic with negligible change in the total amount of land devoted to the movement of that traffic.

Attached as Appendix "B" is a plan illustrating the lands devoted to existing streets. This plan also illustrates the lands required for the proposed streets associated with Scotia Square. It is significant to note that the amount of lands and streets in City ownership within the boundaries of the project is approximately 415,000 square feet. The amount of lands and streets which would be created after development is 413,000 square feet. The figures are subject to survey but it is apparent that the lands which would be conveyed by the City to the Partnership in order to permit construction of Scotia Square would be almost exactly equal to the lands which would have to be conveyed from the Partnership to the City to create the new street network.

The Halifax-Dartmouth Bridge Commission, with approval of the Province and participating municipalities, has agreed to the construction of a four lane bridge across the Harbour at the Narrows. The approaches to this bridge which are extensive and which are intended, among other things, to form a part of Harbour Drive, are designed to permit the free flow of traffic. Grade separation is introduced throughout the approaches thus eliminating intersectional delay. Abutting uses are almost entirely restricted from entry to the system in the hope that adjacent developments will not be subject to the deteriorating environmental effects so obvious at the head of the Angus L. Macdonald Bridge.

The Cogswell Street-Harbour Drive Interchange related to Scotia Square will form a part of the same system. Abutting uses north of Cornwallis Street within Uniacke Square will not be permitted direct access to the proposed Harbour Drive and interchanges are proposed at Cornwallis Street, the head of the Angus L. Macdonald Bridge, and at Devonshire Avenue. These interchanges may not be installed for some considerable period of time.

In essence, the three Governments—the City, the Province, and Central Mortgage and Housing Corporation— are, through a series of unrelated but complementary actions, working together to create a situation whereby:

a) Traffic movement to and from the Central Business
District will be immeasurably increased in efficiency
without appreciably affecting the ratio of land devoted
to traffic movement as compared with the amount of land
reserved for other purposes;

2. b) Undesirable environmental influences will be removed thus creating the atmosphere in which new development can take place in an orderly and planned manner.

It could be argued that the proposed Cogswell Street-Harbour Drive Interchange is part of a free flow arterial street the sole purpose of which is to revitalize the Central Business District rather than the Central Redevelopment Area. The Federal Government, through Central Mortgage and Housing Corporation, could take the view that it does not participate financially in the cost of providing such streets.

It is true that the Cogswell Street-Harbour Drive Interchange is intended to form a part of a free flow arterial street. It is very uncertain, however, when such a street will be achieved in its entirety. The Cogswell Street-Harbour Drive Interchange, as it relates to Scotia Square, has been carefully conceived so as to integrate with existing streets to the north and to the south. In itself, the Interchange as designed is absolutely essential to the Scotia Square development and should be constructed even if the other proposed interchanges in the network cannot be achieved.

It will achieve better land use and traffic flow to and from the project. It will connect to the south to existing streets that are not likely to be changed in character in the near future. It will connect to the north to an existing four laned Barrington Street which will be capable of carrying increased flows of traffic as abutting uses are removed during the course of the Uniacke Square redevelopment area.

There appears to be every justification for all three levels of Government to participate in the cost of acquisition and clearance of lands and in the cost of construction of essential services including a revised traffic network.

#### 3. The Conditions of the Buildings Affected.

The buildings required to implement the Scotia Square concept are at the periphery of the boundaries of the Central Redevelopment Area as now defined.

It will be recalled that the Partnership entered into the Central Redevelopment Area Agreement with one fundamental thought in mind-the removal of substandard structures. The Central Redevelopment Area in its original concept was limited because of the restrictions that then applied under the National Housing Act, The area had to be substantially residential before or after redevelopment and since it was the intention to use the cleared land for commercial purposes,

3. many existing commercial properties which might otherwise have been included were left out in order to maintain the substantially residential nature of the clearance area.

The buildings which are required to implement the Scotia Square proposals are, in large measure, commercial. There are some buildings being used in whole or in part for residential purposes but these tenants, who are relatively few in number, can easily be offered accommodation within the existing public housing programmes of the City.

The properties required, while mostly commercial, are also in large measure, in the same age category as the properties which once existed in the Central Redevelopment Area. The structures which are of a frame construction are, generally speaking, in no better condition than the best of similar properties in the Central Redevelopment Area. Generally speaking, the masonry buildings are somewhat sounder structurally than the frame construction but again not greatly better than like buildings in the Central Redevelopment Area.

The condition of the additional properties required for Scotia Square range in quality from "good" to "poor" depending in large measure upon the degree of maintenance applied. They do, however, share several things in common. They are all very old and do not serve as efficient and convenient housing for modern enterprise. None of the buildings are considered to have great architectural merit and few, if any, have sufficient historic value to justify retention and restoration.

It could be anticipated over the next few years that most of the owners of the additional properties affected would have to consider the possibility of extensive rehabilitation and reconstruction or more likely the removal of the existing building and the construction of new buildings on the cleared sites.

#### 4. The Attitude of the Property Owners.

It is safe to assume that most of the owners of the additional properties required, if approached, would take the view that they were happy to continue to occupy their present properties. If they were permitted to do so, it would eliminate a cause of immediate inconvenience. It would also strengthen the owners bargaining positions.

It is probably equally as safe to assume that owners of properties concerned do not want to continue in the present state of uncertainty. It has been the general experience

4. of the City of Halifax that positive action by the City is preferred by owners to a continuing sense of uncertainty. At the moment, owners of property in the area do not know what is likely to happen. As a consequence, they do not wish to make plans for substantial alterations or maintenance and they would not plan for redevelopment of their sites. They are either simply awaiting direct action by the Partners or attempting to obtain decisions from the City which cannot be given until the exact boundaries of the site are resolved.

Many of the businesses which operate in the area are oriented to the type of land use which prevailed within the Central Redevelopment Area prior to clearance. The clearance of these properties removed a large source of business. The proposed re-use of the site will not generate a market for the types of services and goods previously provided. As a consequence and because of the uncertainties as to tenure, owners are having difficulty obtaining long term leases with tenants and are finding that the market for their properties, if they wish to sell, is virtually non-existent.

The Partnership, by accepting the Scotia Square proposal, has, therefore, created a very large area of uncertainty among the owners of properties affected or apparently affected. All of the properties will be required if Scotia Square is to be a success. Therefore, in fairness, the Partnership should be in a position to indicate to these owners that it is prepared to purchase the properties even though some of them may not be required for several years.

The uncertainty in the minds of owners will be removed to the consequent benefit of all concerned. In addition, the Governments will be in a position to ensure that the plans for Scotia Square can be developed in their entirety.

# 5. The Attitude of the Developers.

The Partnership offered the Central Redevelopment Area and adjacent lands to private enterprise. It selected the proposal of Halifax Developments Limited as the proposal to be undertaken. This proposal was a comprehensive development including revenue-producing properties and street improvements.

While the Partnership is not legally bound in point of time to the construction of the Cogswell Street-Harbour Drive Interchange, there appears to be no doubt that there is a moral responsibility upon the Partnership to acquire and preserve the right-of-way for this device and, as circumstances dictate, to proceed with its construction. 5. If the Partnership fails in its moral commitment to Halifax Developments Limited, it would seem that it would be prejudicing the success of that undertaking so vital to the City of Halifax and Central Mortgage and Housing Corporation. Even more important, it would undoubtedly create in the minds of all Developers and their necessary associates, financial institutions, and major tenants an air of reluctance or perhaps disbelief in promises made or apparently made for other developments within the City and in particular within the Central Business District.

The confidence of developers in the Partnership's ability to produce is fundamental to revitalization of the Central Business District.

There are undoubtedly many other reasons why the City with financial assistance of the Federal Government and the Province should proceed with the acquisition and clearance of all of the properties required to implement the Scotia Square proposal and its associated road patterns. Acquisition and clearance can take place as required under existing agreements with the Development Company and in accordance with the agreed plan for development of the essential streets. There are also many reasons why all three levels of Government should agree to the construction of that portion of the street network immediately associated with Scotia Square. The actual timing of this construction can be arranged as convenient when agreement has been reached.

The reasons given in the preceding portion of this report are only a few of those which might be listed. They are intended to illustrate the necessity for early agreement on all matters pertaining to Scotia Square and to show the interrelationship of the positions of the Federal, Provincial, and Municipal Governments.

# SECTION IX

#### A POSSIBLE METHOD OF PROCEEDING

There appears to be an obvious difficulty in the mechanics of reaching agreement on cost sharing on the additional properties and services required in order to complete the total Scotia Square development. This difficulty stems from the fact that the Central Redevelopment Area is covered by an Agreement under the National Housing Act, 1954 and the additional acquisitions would have to be undertaken under the present Act. If two Agreements are necessary, the practical difficulties of proceeding will immeasurably complicate negotiations between the Partners. The terms of the 1954 Act as it applied to the Central Redevelopment Area were considerably less favourable to the City than the terms of the present National Housing Act.

The City of Halifax was one of the first cities in Canada to undertake the clearance of a substantially residential area with possible commercial re-use in mind. The fundamental purpose of the action was to remove unsatisfactory housing and no great concern was then expressed about the re-use of the land. In the intervening period, a great deal of attention has been given to land re-use and the Partnership is now in a position where we can foresee a major achievement. This being the case and since the land is being disposed of at a time when a new National Housing Act is in effect, it would seem proper that the new Act, as it pertains to the disposal of lands, should be the effective document. Certainly, it would appear that the Scotia Square development complies with all conditions of the National Housing Act, 1954, as presently enacted.

If it is necessary to proceed with the Scotia Square development under two separate agreements between the City and Central Mortgage and Housing Corporation, this course of action will have to be followed. On the other hand, it appears much more logical and justifiable to negotiate an entirely new Agreement under the provisions of the existing Act or, alternatively, to amend the existing Agreement in such a manner as to provide that the provisions of the Act as now amended applies to all of the properties required for the Scotia Square development.

The City is very strongly of the opinion that it should be able to take advantage of the cost sharing arrangements now contained within Sections 23B and 23C of the National Housing Act as it now exists. The one possible justifiable exception would appear to be the borrowing provisions of Section 23C as it relates to the cost of acquisition and clearance of the Central Redevelopment Area because of the fact that the City's share of these costs have now been funded. On the other hand, it could be argued that the funding to date could be considered to apply in all or in part as the City's one—third share which would normally be financed through debenture issues.

Certainly the City feels that the effort to develop Scotia Square has been a Partnership effort between the City and Central Mortgage and Housing Corporation from its inception. The City is firmly of the opinion that the provisions of Sections 23B and 23C should be applicable to the \$4,500,000 estimated as the cost of providing services to the project. The details of these services are set forth in Appendix "C".

#### SECTION X

#### CONCLUSIONS

The first stage of Scotia Square is now under construction and Halifax Developments Limited is proceeding with work preliminary to a start on construction of subsequent phases. There appears to be a very good chance that the project will be brought to successful completion.

If the project is to reach its full potential, it will require the greatest co-operation possible between Halifax Developments Limited and participating Governments. This, as far as participating Governments are concerned, means fast, precise, and reasonable decisions on the many matters which will arise during the development of the project. Even more, it means that actions required to be carried out by participating Governments must be completed in a logical and expeditious manner.

There will be many problems which will arise during the course of development of Scotia Square. The immediate problem which must be resolved is the problem of money. When this problem has been resolved, participating Governments will be able to deal effectively with subsequent problems related to Scotia Square. Until it is resolved, difficulties could arise which could be almost impossible to resolve.

The present status of Scotia Square has been achieved through joint actions of the Federal Government through Central Mortgage and Housing Corporation, the City, and, of course, Halifax Developments Limited. Central Mortgage and Housing Corporation and the City have been a partnership in respect of the Central Redevelopment Area for more than nine years. They should be prepared to continue this partnership in all matters pertaining to Scotia Square.

Thus far, the Province of Nova Scotia has not participated financially in the acquisition, clearance, and re-use of redevelopment areas. The Province has, however, indicated a direct interest in other aspects of the Urban Renewal process. It participates in Urban Renewal studies and in the provision of public housing necessary to rehouse families displaced by acquisition and clearance. It would seem logical to expect that the Province would consider extending its area of participation to the total field of Urban Renewal.

The cities and towns of Nova Scotia are for the most part old. This is particularly the case in the central areas of these cities and towns. The central business district of Malifax, like the central core of other cities and towns, has suffered from age, from the effects of competition from the periphery and suburbs, and from its inability to cope with the effects of the movement and storage of automobiles. Revitalization of city and town centres appears to be

necessary for the cities and towns and if such revitalization can be attained, it should have a beneficial effect on the economy of the Province.

The City is attempting to revitalize its central area and has taken positive steps to achieve this. Much of what has been done, has been done in partnership with Central Mortgage and Housing Corporation. What remains to be done requires the expenditures of very substantial amounts of money. The required expenditures are beyond the capabilities of the City. The City needs all the financial help it can get from both the Province and the Federal Government as well as private enterprise.

Specifically, the City requires assistance to finance the public actions needed to bring Scotia Square to completion. It requires financial assistance in the cost of acquiring and clearing additional properties at an estimated total cost of \$3,925,350. It requires financial assistance in the cost of providing essential related services estimated to cost \$4,500,000. The total additional expenditures required to be made is \$8,425,350.

It is recommended, therefore, that His Worship the Mayor be authorized to negotiate with the Provincial Government and Central Mortgage and Housing Corporation for financial assistance on the costs of completing Scotia Square. It is further recommended that such negotiations should be based upon the general and the specific points set forth within this report and supporting reports and should be directed towards:

- 1. Obtaining full financial participation by Central Mortgage and Housing Corporation under Section 23 of the National Housing Act as amended to this date on all of the costs of Scotia Square estimated at \$11,025,350.
- 2. Obtaining as much financial assistance as possible from the Province of Nova Scotia in relationship to that portion of the estimated \$11,025,350 which is not available to the City under the provisions of the National Housing Act. Recoveries from the disposal of lands to Halifax Developments Limited would be shared between the Province and the City in accordance with the percentage participation by the Province in the total public costs of creating Scotia Square.





