



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 9.1

Halifax Regional Council
July 8, 2008
September 9, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: *Barbara Cohen*
for Councillor Russell Walker, Chair, HRM Grants Committee

DATE: June 15, 2008

SUBJECT: **Property Matter: Less than Market Value Sale of 65-67 Ochterloney Street, Dartmouth (PID#00109470) to Feeding Others of Dartmouth Society**

ORIGIN

HRM Grants Committee meeting of November 5, 2007, and Heritage Advisory Committee meeting of November 28, 2007, and June 25, 2008. The HRM Heritage Advisory Committee has approved both the sub-division and compatibility with the abutting registered heritage building located at 43 Wentworth Street.

RECOMMENDATION

It is recommended that Regional Council:

1. Approve the sub-division of 47 and 43 Wentworth Street creating Lot 3B1 and Lot 3A as shown in Attachment 3 of the staff report dated October 17, 2007;
2. Authorize the Mayor and Municipal Clerk to enter into an Agreement of Purchase and Sale whereby the property located at 65-67 Ochterloney Street, Dartmouth be conveyed to the Feeding Others of Dartmouth Society for the sum of \$1 plus certain costs associated with this conveyance, subject to site survey and legal description, and the terms and conditions set out in the staff report of November 5, 2007.
3. Set a date for a public hearing.

BACKGROUND

At their November 5, 2007, meeting the HRM Grants Committee reviewed the staff report dated October 17, 2007, regarding a proposed less than market value sale of the HRM-owned property located at 65-67 Ochterloney Street, Dartmouth (See: **Attachment 1**).

The report was presented to the HRM Heritage Advisory Committee at their meeting of November 28, 2007. There were some concerns expressed regarding the built structure's visual compatibility and a request for a site plan. Hence, a second presentation was made to the committee on June 25, 2008, with the proponent's and landscape designer in attendance.

DISCUSSION

The HRM Grants Committee approved the staff recommendation and agreed to forward the report to Regional Council pending comment from the HRM Heritage Advisory Committee.

The HRM Heritage Advisory Committee approved both the sub-division and compatibility as per the following motions:

- The Heritage Advisory Committee recommends Regional Council approve the sub-division of 47 and 43 Wentworth Street creating Lot 3B1 and Lot 3A as shown in Attachment 3 of the October 17, staff report.
- The Heritage Advisory Committee recommends Regional Council approve the compatibility of the proponent's design for an accessory structure to be located at 43 Wentworth Street with respect to the character and defining elements of the registered heritage property, as noted in the presentation to the Heritage Advisory Committee meeting of June 25, 2008.

BUDGET IMPLICATIONS

Please refer to attached staff report dated November 5, 2007.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

Please refer to attached staff report dated November 5, 2007.

ATTACHMENTS

1. Report to HRM Grants Committee, November 5, 2007, and HRM Heritage Advisory Committee November 28, 2008.
2. Presentation: Feeding Others of Dartmouth Society to HRM Heritage Advisory Committee, June 25, 2008.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208


Report Prepared by: Barbara Coleman



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Grants Committee - November 5, 2007
Heritage Advisory Committee - November 28, 2007

TO: Chair and Members of HRM Grants Committee
Chair and Members of the HRM Heritage Advisory Committee

SUBMITTED BY: 
for Dale MacLennan, Director of Finance

DATE: October 17, 2007

SUBJECT: Property Matter: Sale of 65-67 Ochterloney Street, Dartmouth
(PID#00109470) to Feeding Others of Dartmouth Society

ORIGIN

This report originates with an unsolicited request from the Feeding Others of Dartmouth Society for the donation of the HRM-owned property located at 65-67 Ochterloney Street, Dartmouth. The HRM Heritage Advisory Committee has been asked to comment on the consolidation of the land with an abutting registered heritage property located at 43 Wentworth Street, Dartmouth, and the compatibility of the proposed design.

RECOMMENDATION

It is recommended that:

1. The HRM Grants Committee approve in principle staff's recommendation to enter into an Agreement of Purchase and Sale whereby the property located at 65-67 Ochterloney Street, Dartmouth, be conveyed to Feeding Others of Dartmouth Society at a minimum purchase price equal to that of HRM's cost for the demolition of the existing building structure, plus all costs associated with this conveyance, subject to a site survey and legal description, sub-division approval, and the terms and conditions set out in the Discussion section of this report;
2. The HRM Heritage Advisory Committee forward a positive recommendation to Regional Council to approve the sub-division of 47 and 43 Wentworth Street creating Lot 3B1 and Lot 3A as shown in Attachment 3 of this report.
3. The HRM Heritage Advisory Committee approve the compatibility of the proponent's design for an accessory structure to be located at 43 Wentworth Street with respect to the character defining elements of the registered heritage property.

BACKGROUND

Under Section 51 of the Municipal Government Act (1998) any sale of municipal property at less than market value exceeding \$10,000 must have the approval of two-thirds of Regional Council present and voting at a public hearing.

65-67 Ochterloney Street, Dartmouth, is a duplex formerly used as residential flats prior to their purchase in 1975 by the former City of Dartmouth for the sum of \$44,000¹. In 1980, the City entered into a lease agreement with the Canadian Mental Health Association: Dartmouth Branch for use of the premises as a social centre for mental health consumers, many of whom used the lunch program provided by the Feeding Others of Dartmouth Society at 43 Wentworth Street which abuts this site. The lease was for one year at \$650/month with the option to renew. In 2003, the association expressed an interest in acquiring the property conditional upon a building inspection and appraisal by HRM. Negotiations were suspended due to the merger of the Dartmouth and Halifax branches of CMHA. In 2006, HRM approached CMHA to resume negotiations. However, the condition of the property had deteriorated significantly and the association advised they could not afford to renovate or operate the premises independently. Further, the premises were not well suited to their programming. In the Fall of 2006, HRM closed the building due to environmental concerns and have since demolished the building to reduce vandalism, trespassing, or fire risks to abutting property owners.

Staff acknowledge that local private and business interests wish to acquire the property. The decision has been made, however, to negotiate in good faith with Feeding Others of Dartmouth and address their request. Should staff's recommendation to transfer title to Feeding Others of Dartmouth not be approved, it is recommended that the disposal of this property proceed through a Request for Proposals.

EXECUTIVE SUMMARY

The following recommendations have considered the Ochterloney site within the context of the abutting heritage property at 43 Wentworth Street and the HRM-owned heritage property located at 47 Wentworth Street:

- The proposed sale of 65 Ochterloney Street, Dartmouth, is intended to address the needs of patrons using the meal service provided by Feeding Others of Dartmouth (F.O.O.D) whose building cannot accommodate an appropriate waiting area. Presently, patrons congregate on public sidewalks irrespective of weather conditions, in part as a means of socializing for persons who may have limited financial resources or opportunities for social interaction.
- The property was acquired by the former City of Dartmouth for the purpose of a social centre for mental health consumers. It has been used for this purpose for 27 consecutive years. Albeit not a legal obligation, the proposed sale to F.O.O.D respects the property's initial intended use. Further, the property remains within the not-for-profit domain and, as a proposed condition of sale, would be consolidated and developed in a manner that complements the municipally registered heritage property located at 43 Wentworth Street, Dartmouth.

¹ It appears that the former City of Dartmouth acquired several properties in Downtown Dartmouth during the 1980's primarily for social services programming, some of which now have registered heritage status.

- In the opinion of staff, the proposed site design addresses the distinct needs of patrons and is sensitive to their safety and well-being. In addition to temporary outdoor shelter, the proposed configuration of the site will accommodate food deliveries and solid waste collection. The site might also form part of a larger 'campus' concept in association with 47 Wentworth Street (a heritage property) subject to Council's approval to proceed to an Request for Proposals.
- The staff recommendation acknowledges that the disposal of this property does not realize revenue for HRM but in the alternative advocates on behalf of the inclusion of persons with special needs in community-based, non-institutionalized programs and services.

DISCUSSION

The Feeding Others of Dartmouth Society was a joint venture between the Christian Relief and Development Coalition (an inter-denominational network of local churches) and the former City of Dartmouth. In this arrangement local churches supplied food, volunteers and financial help and the City supported their efforts through accommodations and the assistance of municipal social services staff. After amalgamation, assistance provided through the City was transferred to the Nova Scotia Department of Community Services. The organization now functions as an independent non-profit society whose primary service is the provision of meals to persons with special needs (primarily mental health consumers) and persons at risk of homelessness. Approximately 2,800 meals are served per month².

F.O.O.D have asked HRM for the donation of the property located at 65 Ochterloney Street so that they can address concerns regarding patrons arriving early for meals and gathering on public sidewalks See: **Attachment 1**. Ideally, even patrons who refuse to wait indoors will be provided with basic shelter and a degree of privacy while public safety is maintained with landscaping that permits visibility. The society has been referred to HRM Police Services for assistance with respect to crime prevention through environmental design. A conceptual plan prepared by Ekistics is shown in **Attachment 2** of this report and financial reporting indicates an ability to proceed to the completion of this project in a timely manner.

Summary of Key Terms and Conditions (Proposed)	
Civic Address	65-67 Ochterloney Street, Dartmouth
Site Area	2,542 sq.ft
Zoning	Downtown Business District Zone
Assessment Value	\$50,000 (land only)
Sale Price	A minimum sale price equal to HRM's cost of demolition (estimated to be ~\$35,000). Due to risks associated with retention of a vacant building for an extended period, HRM initiated demolition of the building at public expense in September, 2007. This cost is recovered through a minimum sale price, plus costs associated with this proposed transaction (eg. deed migration fee, plan of survey etc).

² A Snapshot of Consumers in Downtown Dartmouth Using Emergency Social Services as Core Services: User Survey 2006. The Public Good Society, 2006, p.9.

Specific Conditions	<p>The purpose of the property donation shall be for recreational and social programming for mental health consumers.</p> <p>A Buy-Back Agreement shall provide HRM with the right of first refusal should the organization (Feeding Others of Dartmouth Society) cease operations or elect to sell the property at a later date; use of the property does not conform with the intent of the public's donation ie. programming for mental health consumers and persons at risk of homelessness; or the site configuration and/or structures detract from the heritage character of the site.</p> <p>The lot shall be consolidated with the abutting property located at 43 Wentworth Street and as such shall be a registered heritage site.</p> <p>The development of the site shall be completed on or before March 31st, 2008, and in accordance with the proponent's site plan and design specifications as approved by HRM staff.</p>
Closing Date	2007
Cost of Sale Recovery	The purchaser shall pay all costs associated with this sale, including HRM's.

To save the proponent expense, the pro-rated land value noted in this report is an estimated fair value based on assessment information obtained from Nova Scotia Assessment Services and is not an appraisal.

Planning & Development:

The proposed shelter structure to be located at 65 Ochterloney Street, and accessory to 43 Wentworth Street, has been reviewed by staff of HRM Planning Services for comment and is capable of satisfying the requirements of the Land Use By-law for Downtown Dartmouth for the issuance of a development permit. In the opinion of staff, re-configuration of the subject properties boundaries should result in more efficient re-use of the existing and proposed land uses with regards to access, parking and deliveries, and landscaping opportunities thereby improving the viability of the area.

As stated in the Secondary Planning Strategy, the re-development proposal is consistent with the vision for Downtown Dartmouth³ by providing for the continuing support of a long-standing philanthropic society and their support to vulnerable members of the community. The re-development will provide for the removal of a vacant sub-standard structure and the relocation of clients awaiting service entirely on private property, complete with controlled access and a visual landscaping privacy buffer for the benefit of users. Thus, public sidewalk congestion should be alleviated during the feeding program's hours of operation.

Heritage Protection:

The subject property, 65-67 Ochterloney Street, is not a registered heritage property. However, the request for transfer of title has taken into consideration the heritage status of two abutting properties ie. 43

³ "Downtown Dartmouth is an attractive and safe community with a lively business district, quiet and stable neighbourhoods, and an accessible and beautiful waterfront for all to enjoy. The community has retained a strong sense of its heritage and culture, and provides a broad range of quality housing choices for all, and assures that all lifestyles can be met through an abundance of park and recreation facilities and employment opportunities".

Wentworth Street (owned by Feeding Others of Dartmouth) and 47 Wentworth Street (owned by HRM). The property at 43 Wentworth Street (Joanne O'Regan House) is one and one half storey, wood framed building built in 1933. The plain form, cladding, eaves detail and entrance portico suggest a revival of an earlier colonial period. The house was owned by two generations of O'Regan women before being purchased by the former City of Dartmouth in 1980. The property is valued for its association with the women of the O'Regan family, but also for the manner in which the building contributes to the general area in its similar design, mass and scale. The property at 47 Wentworth Street (Grace Hiltz House) is a two and one half storey Queen Anne Revival style building built in 1909 for Reverend A.F Hiltz and his wife Grace. The house was owned by the Hiltz family until 1973. The building is valued for its Queen Anne styled architecture and represents the residential growth of Downtown Dartmouth in the early twentieth century. The building is easily identified by its complex gable roof and prominent two storey bay window on the front facade.

Effect of Proposed Sub-Division on Heritage Value:

HRM's Guidelines for the Alteration of Registered Heritage Properties require any sub-division of heritage property to be reviewed by Regional Council. However, heritage guidelines for alterations to heritage buildings relate only to building alterations and provide no effective guidance to applications that involve changes to boundaries alone. In the case of consolidating 65 Ochterloney with 43 Wentworth, the sub-division will not in and of itself alter the physical character or heritage value of the properties. The sub-division will create a rear yard for 47 Wentworth Street and a side yard for 43 Wentworth Street (See: **Attachment 3**) to be used for access. The proposed landscaping and structure (an outdoor shelter) have had preliminary evaluation by the HRM Heritage Planner using the Building Conservation Standards for HRM Heritage Properties and is recommended to the Heritage Advisory Committee as being compatible with the adjacent heritage buildings.

Status of Heritage Registration Following Sub-Division:

The proposed sub-division will not change the registered heritage status of either 43 Wentworth Street or 47 Wentworth Street. Both buildings will remain registered but will have slightly different property configurations. Their historical associations and their existing physical character would remain unchanged. In summary, staff recommend that the sub-division application be approved⁴.

BUDGET IMPLICATIONS

A less than market value sale represents a \$50,000 reduction in HRM's total assets. However, all costs associated with the sale are the responsibility of the buyer (eg. legal, deed migration, survey etc) and the public interest is protected through a Buy-Back Agreement.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

⁴It should be noted that the proposed Request for Proposals for the disposal of 47 Wentworth Street, Dartmouth, includes reference to heritage protection, affordable housing/shelter, and services in support of mental health consumers or persons at risk of homelessness

ALTERNATIVES

1. Regional Council could approve the sale with specific amendments.
2. Regional Council could approve the sale of the property to Feeding Others of Dartmouth but direct staff to realize a market value .

This action is not recommended: The proposed sale price acknowledges that the physical condition of the built structure deteriorated to such an extent that it was unsightly and detracted from the public's enjoyment of Ochterloney Street. Hence, HRM has demolished the building at public expense to reduce associated risks and claims pending a decision regarding the disposal of the land.

3. Regional Council could defeat staff's recommendation and direct staff to execute a Call for Proposals.


ATTACHMENTS

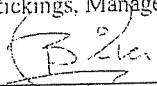
1. Letter of Request.
2. Conceptual Design (Ekistics).
3. Sub-Division Plan
4. Site Map and Photograph - 65 Ochterloney Street, Dartmouth.

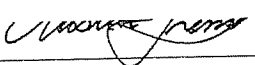
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Peta-Jane Temple, Team Lead, Tax, Grants & Special Projects, HRM Finance 490-5469; Tom Crouse, Team Lead Acquisitions and Disposals, HRM Transportation & Public Works; Maggie Holm, Heritage Planner, HRM Community Development; Diane Moulton, Manager Facility Operations, HRM Transportation & Public Works; Carla Thistle, Real Estate Officer HRM Transportation & Public Works ; David Lane, Senior Planner, HRM Community Development.

Report Approved by:


Peter Stickings, Manager Real Property, HRM Transportation & Public Works


Bruce Fisher, Manager Tax & Fiscal Policy, HRM Finance

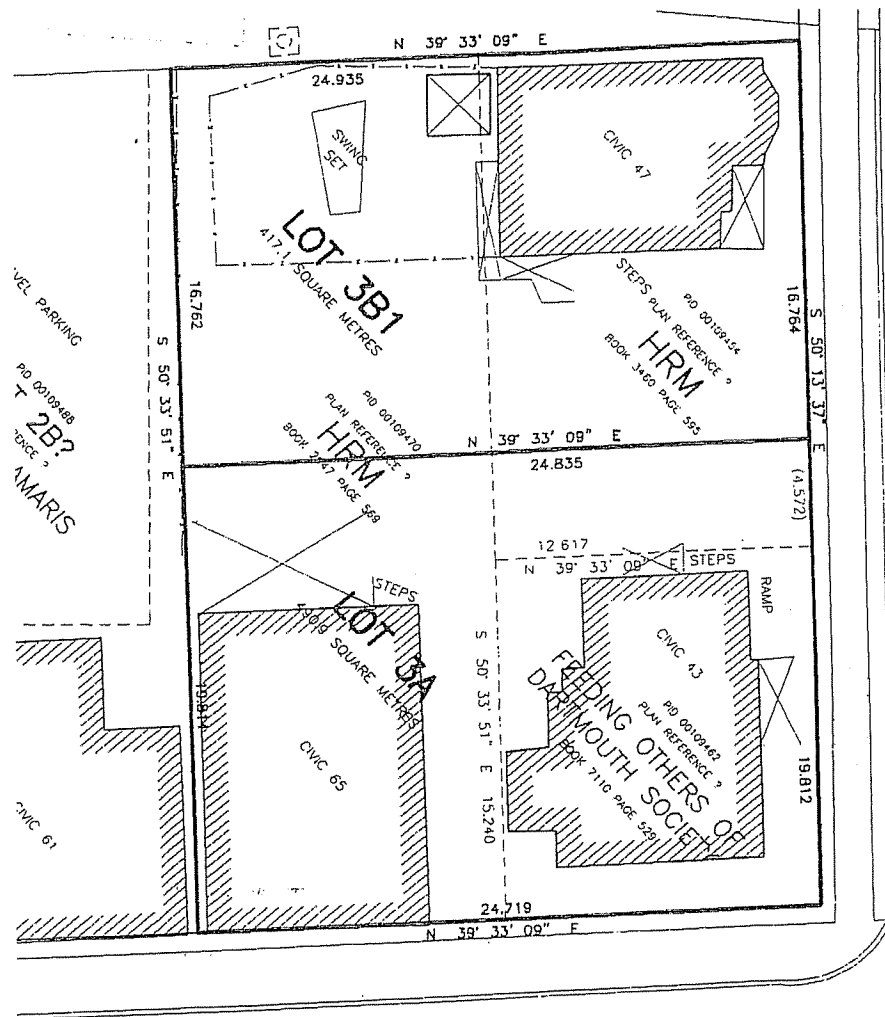

Austin French, Manager, Planning Services

ATTACHMENT "3"

65
Ochterloney
Street
Dartmouth
Property

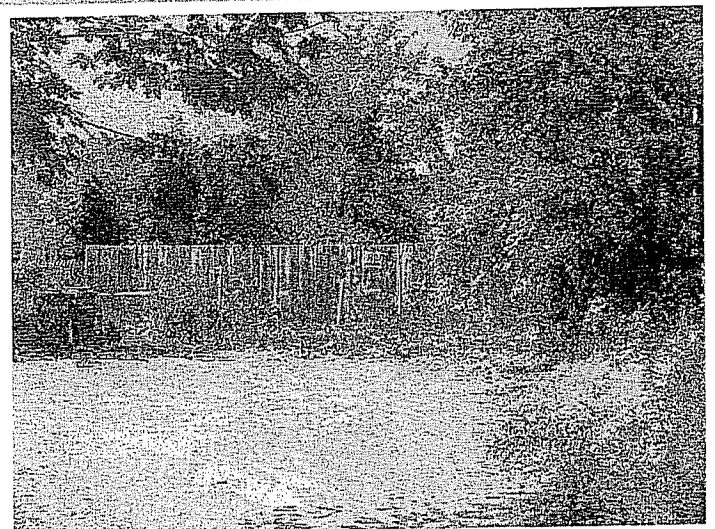
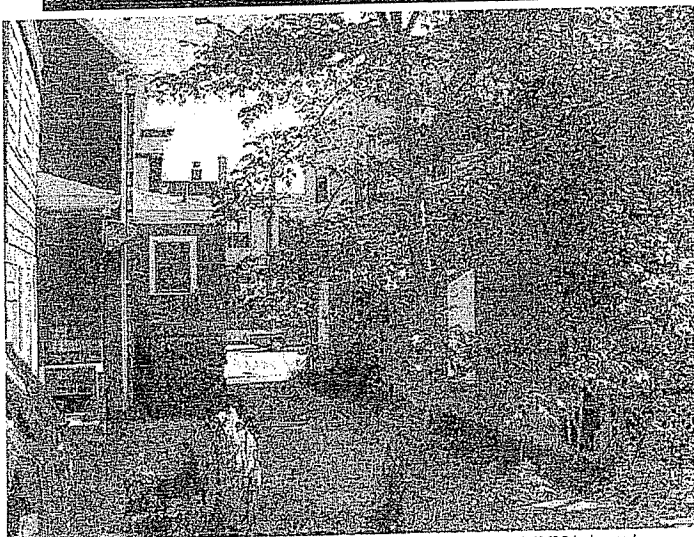
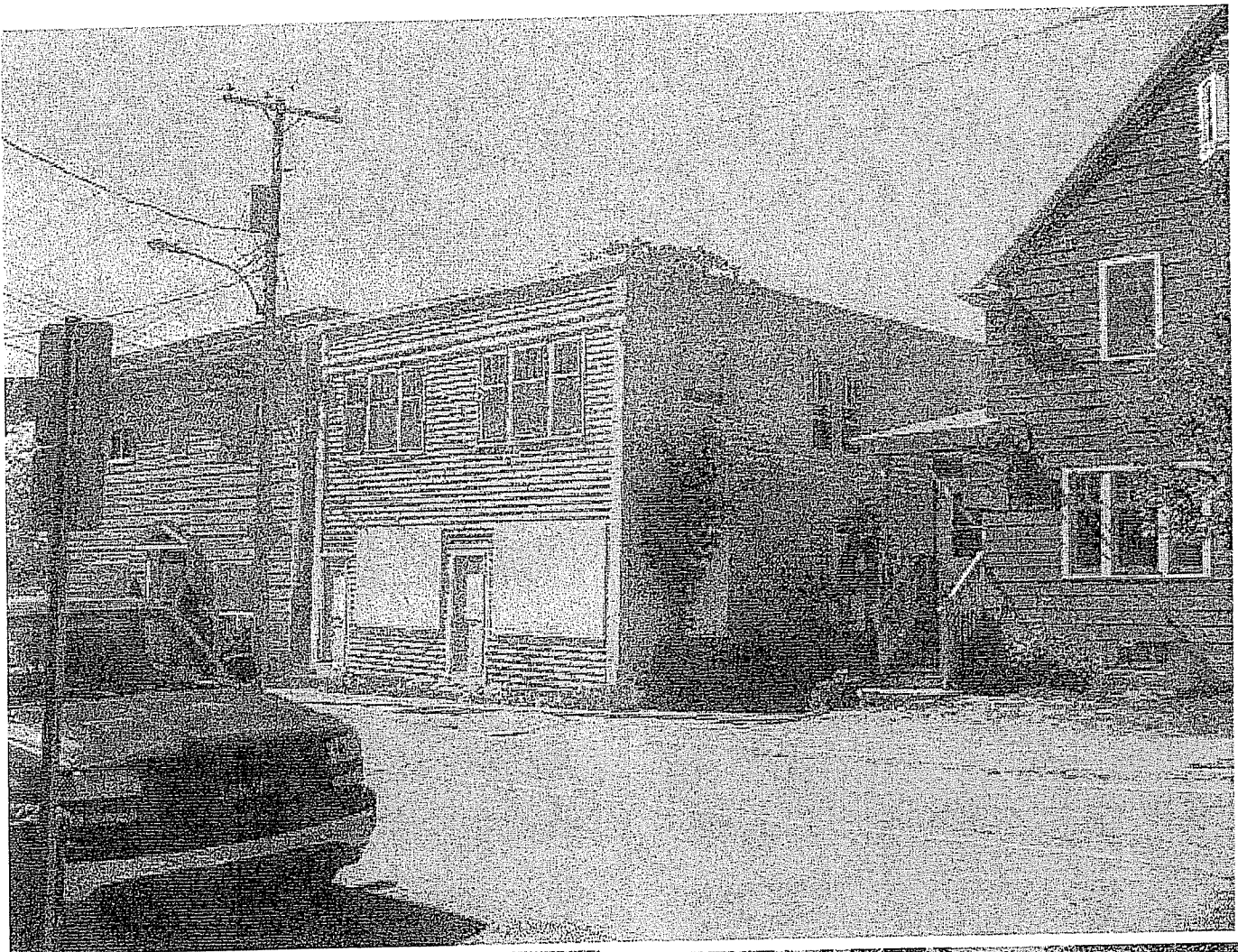
Ochterloney
Street
Dartmouth
Property

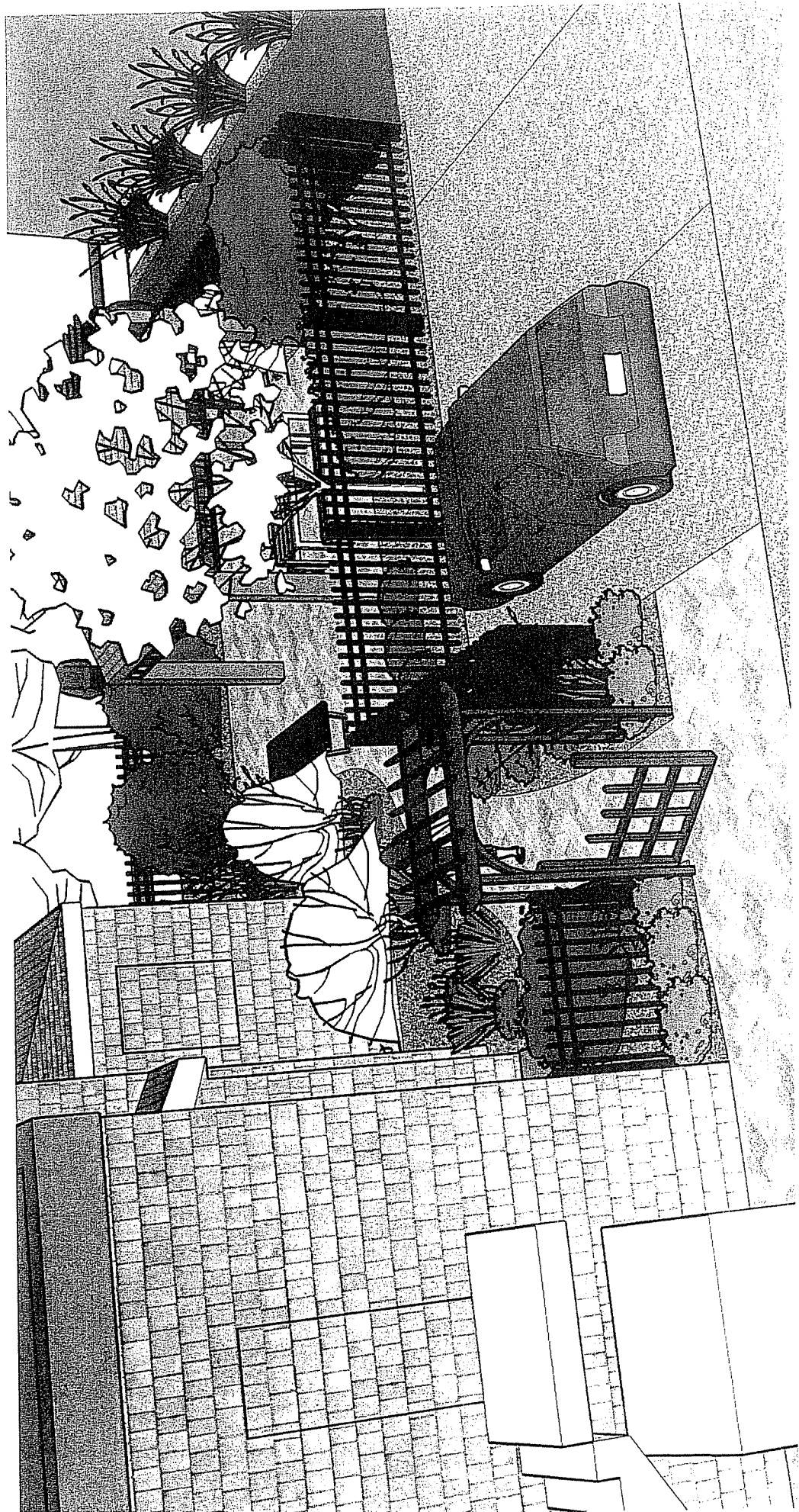
WENTWORTH STREET

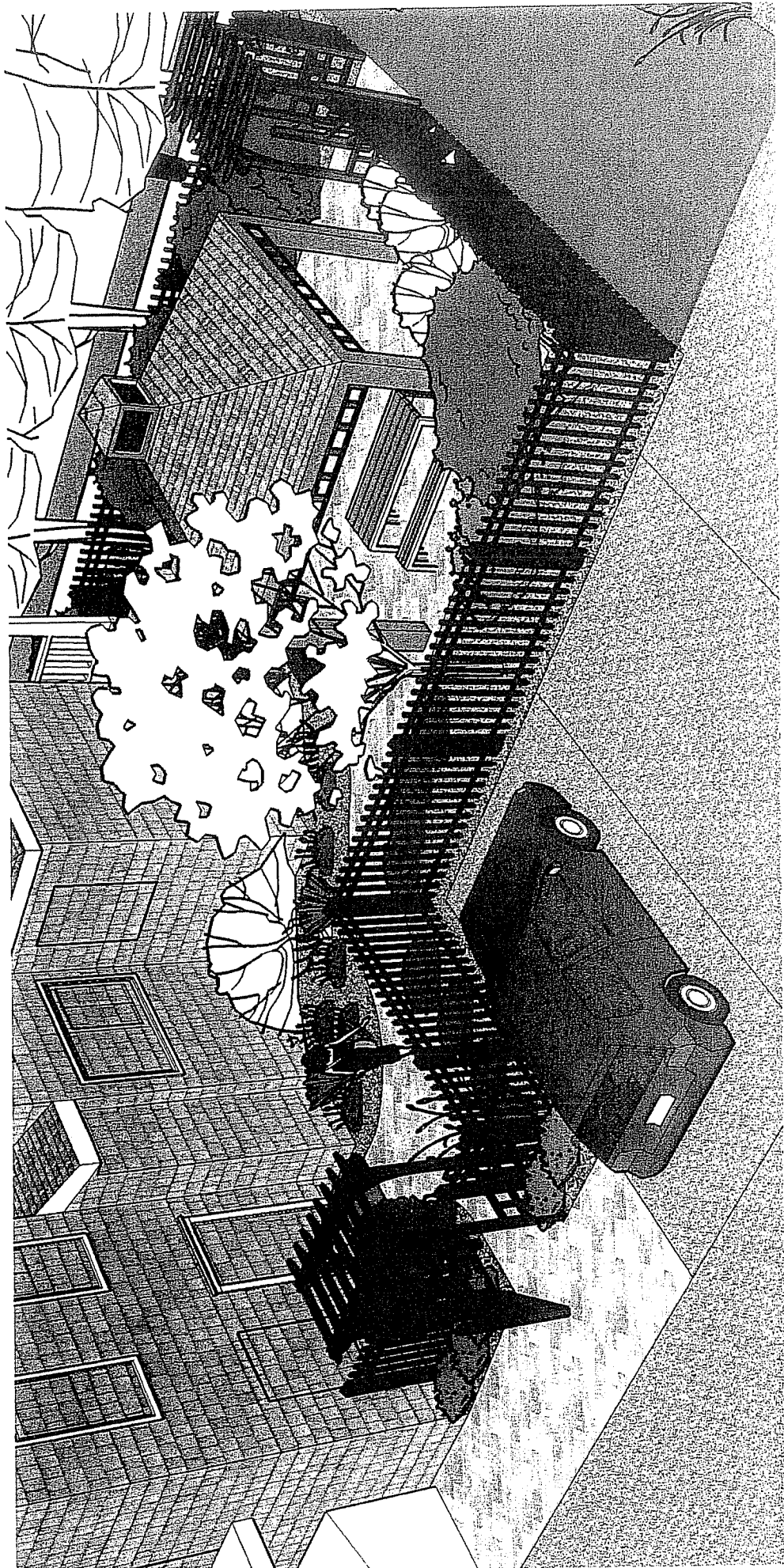


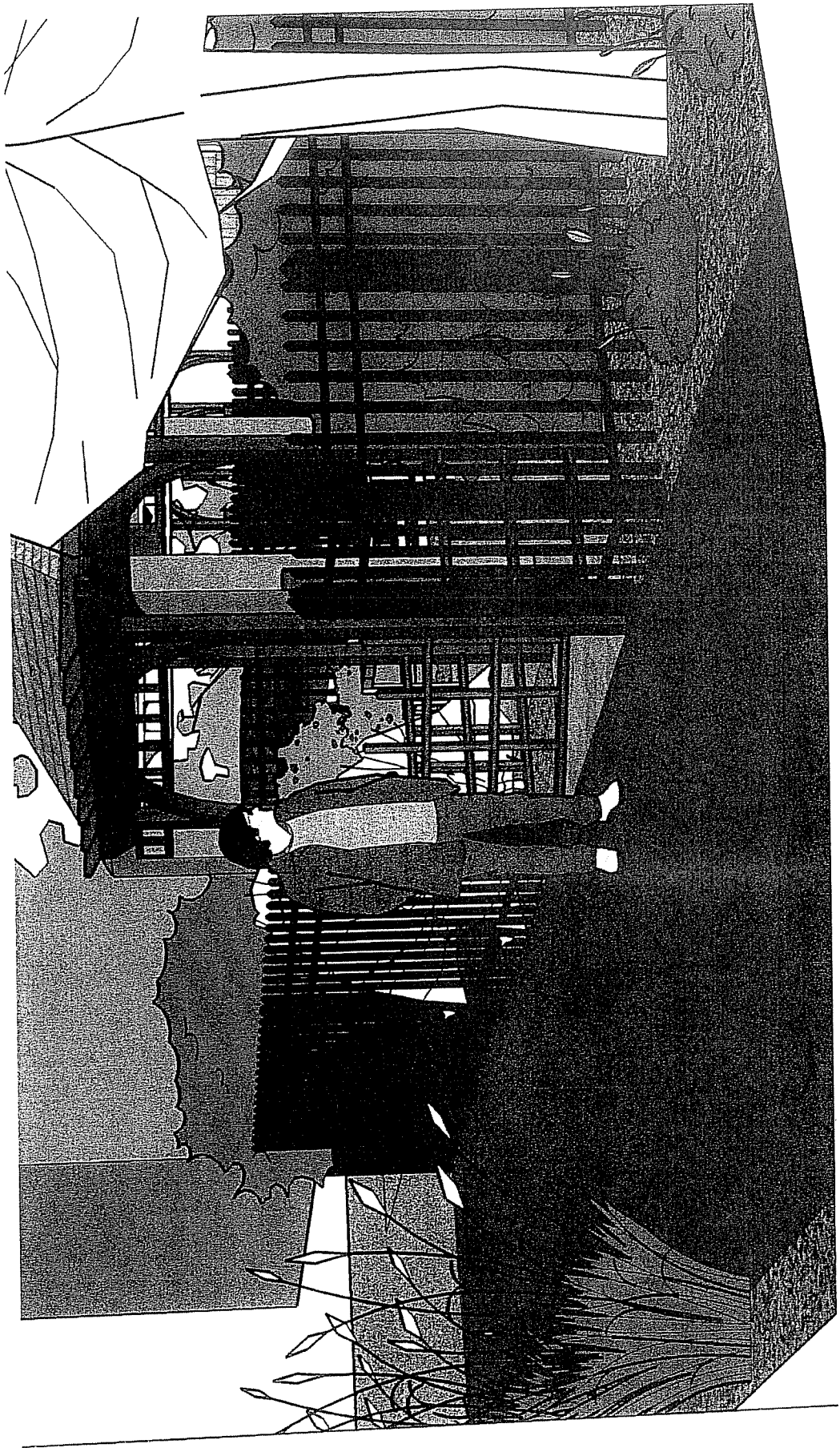
OCHTERLONEY STREET

ATTACHMENT "4"
65 Ochterloney Street, Dartmouth
Property Pictures

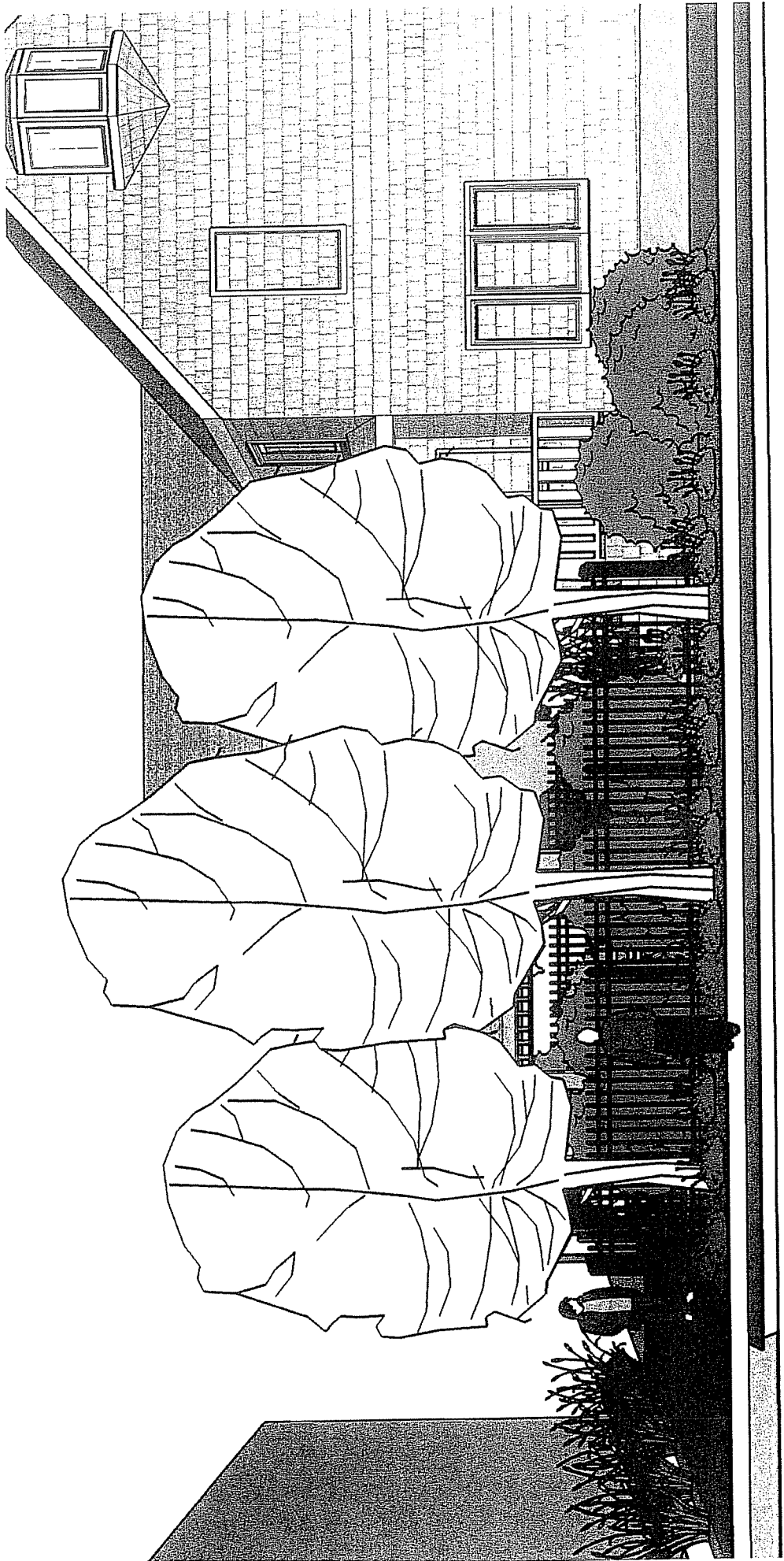


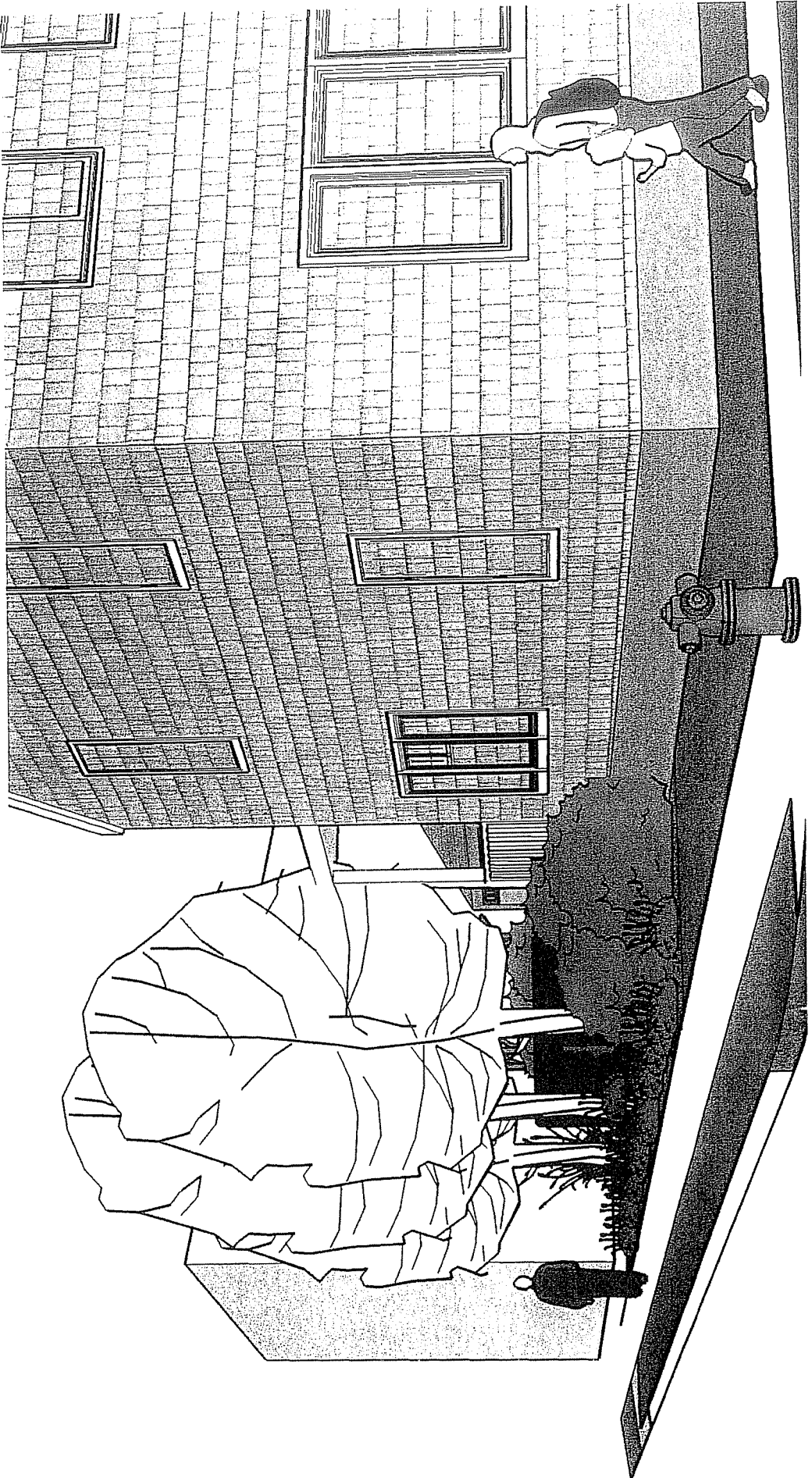


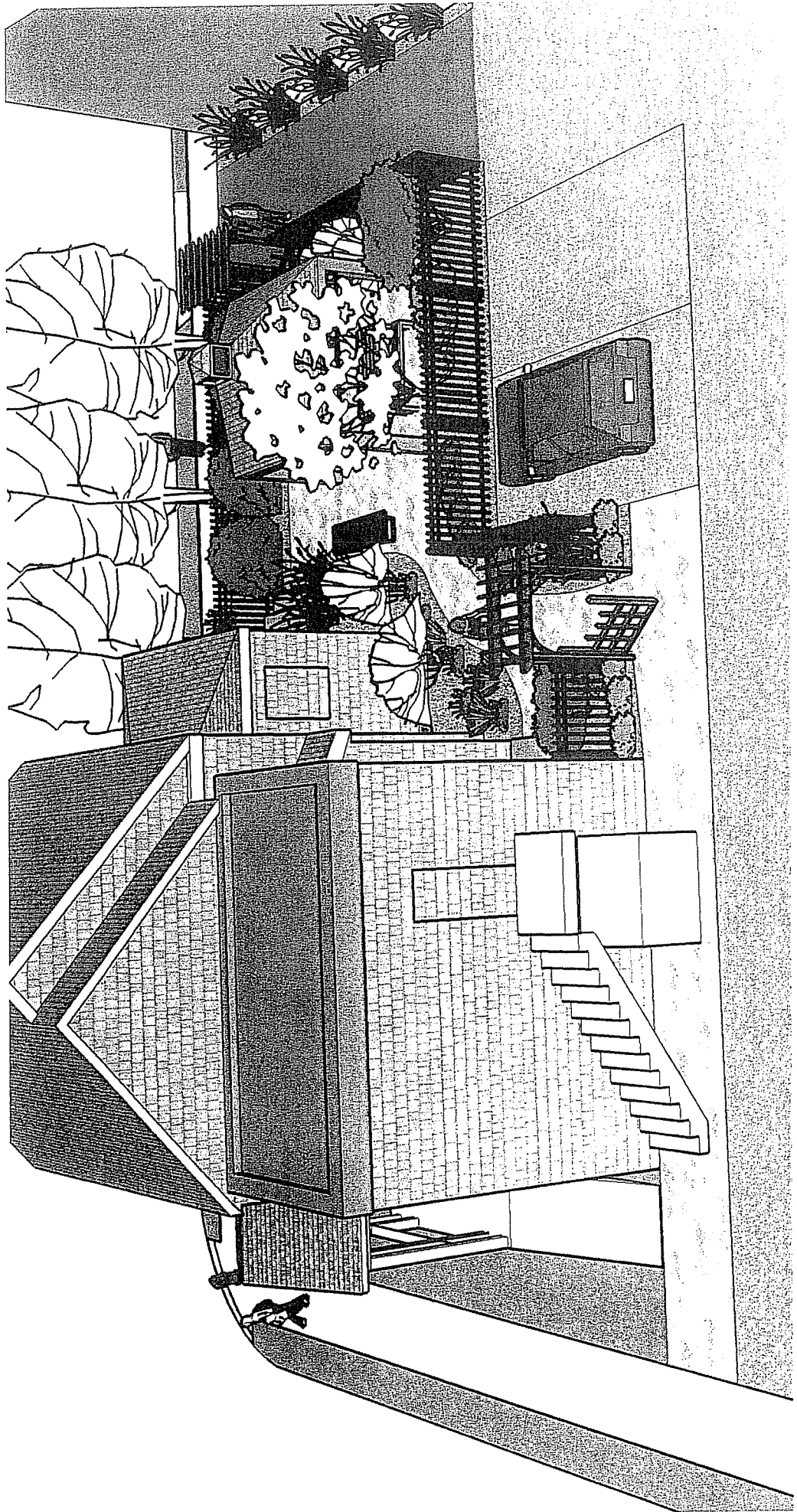


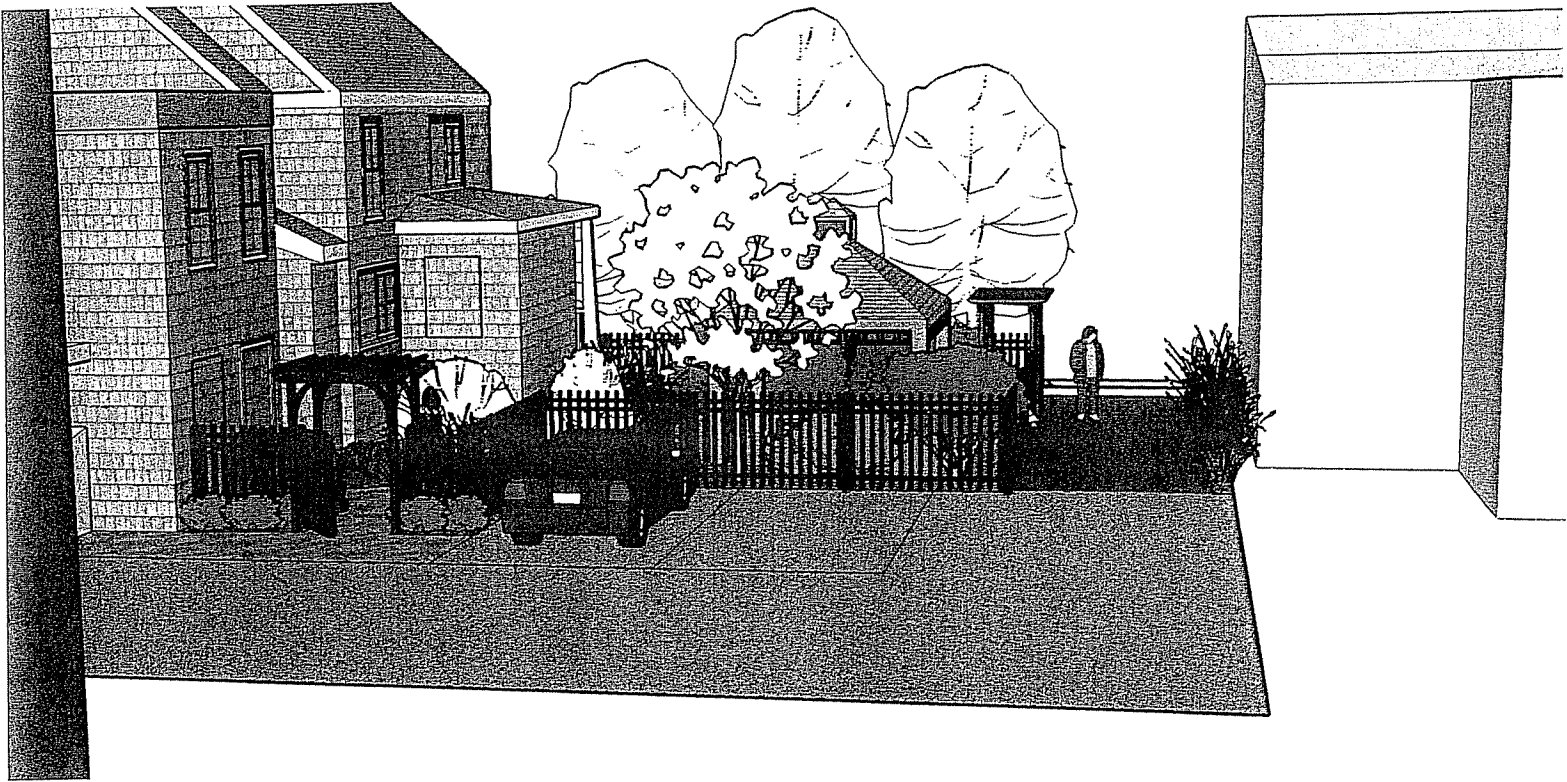












A-2.



Tel: (902) 464-2919

Mailing Address: P.O. Box 664, Dartmouth, N.S. B2Y 3Y9

Fax: (902) 461-4911

September 7, 2007

Via Courier

Halifax Regional Municipality
3rd Floor, Duke Tower
Scotia Square
Halifax, Nova Scotia

Attention: Peta-Jane Temple
Team Lead, Tax, Grants & Special Projects

Re: 65 Ochterloney Street, Dartmouth

Dear Ms. Temple:

Further to the discussions between our Society and HRM staff, this letter is written to formalize our proposal to acquire the property at 65 Ochterloney Street, Dartmouth, on the basis hereinafter set forth.

Preliminary Comments

Our Society operates a food (meal) program at 43 Wentworth Street (adjacent to the property in question) providing meals to those in need on a daily basis. Our guests presently line up on the Ochterloney Street sidewalk prior to mealtimes, often in inclement weather. It is our hope to acquire additional space to be able to provide them with an alternative, more appealing, gathering space with a degree of shelter from the elements.

Also, our present property is covered almost completely by the building thereon. We receive food deliveries and donations each day, from many sources, and there is, at present, no designated loading or delivery area. We are hoping to acquire the property so as to obtain a driveway to facilitate food deliveries.

The building currently on the site of 65 Ochterloney Street needs to be demolished. The property adjacent to us at 47 Wentworth Street (also owned by HRM) has no backyard but has excess property on its southerly side, adjacent to our property.

Proposal

1. We propose to acquire 62 Ochterloney Street at the nominal purchase price of \$1.00.

1. We propose to acquire 62 Ochterloney Street at the nominal purchase price of \$1.00.

2. The properties at 62 Ochterloney Street and 47 Wentworth Street would be reconfigured, as discussed, so that:

- (a) the rear portion of 62 Ochterloney Street would be added to the rear of the lot at 47 Wentworth Street;
- (b) a piece of the side portion of the 47 Wentworth Street lot would be added to our property at 43 Wentworth Street;
- (c) the front (main) portion of 62 Ochterloney Street would be added to our property at 43 Wentworth Street and be designated 'heritage' (Our property is presently designated as 'heritage').

3. We would have the building on 62 Ochterloney Street demolished as soon as possible. This is on the understanding that the property being acquired is, as of the closing date, otherwise environmentally clean.

4. We would construct thereon a 'gazebo' type sheltered gathering area consistent with the concept drawings prepared by Ekistics.

5. We would pay the reasonable legal costs incurred by HRM for the LRA title conversion, deed preparation, etc.

6. The property, when acquired by us and added to our existing property, would be subject to similar limitations as contained in our existing agreement with HRM, with any necessary modifications as may be applicable.

7. Of course, it is understood that our proposal is subject to approval by HRM Regional Council.

Budget

We propose the following budget for estimated costs involved:

1.	Building demolition, removal, etc.	\$35,000.00
2.	Construction of gathering area including 'gazebo' shelter, fencing, landscaping, surface finishing, etc.	30,000.00
3.	HRM legal costs	<u>2,500.00</u>
	Total	\$67,500.00

Conclusion

It is hoped that the above proposal will meet with approval. We feel that it provides a number of mutual benefits, including:

1. The unsightly, dangerous structure at 62 Ochterloney would be removed at no cost to HRM.
2. The HRM-owned property at 47 Wentworth Street would have a more practical and useable layout (a backyard);
3. The F.O.O.D. property at 43 Wentworth Street would have driveway access and a delivery receiving space;
4. Our guests would have a more inviting, sheltered, area in which to gather prior to their meals;
5. The streetscape on Ochterloney Street would be enhanced by the addition of a professionally-designed area, designated as heritage so as to preserve the ambience of the neighbourhood.

We would be happy to discuss this further at the convenience of HRM and we welcome any comments, questions, or concerns.

Yours truly,



Douglas J. Livingstone
Chair, Feeding Others
of Dartmouth Society

DJL:amc

