

Item No. 11.1.7
Halifax Regional Council
April 29, 2014

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: March 26, 2014

SUBJECT: Property Disposal – 46 Lakecrest Drive, Dartmouth

ORIGIN

Council’s August 6, 2013, motion to declare 46 Lakecrest Drive, Dartmouth and its associated lands, surplus to municipal requirements as per Administrative Order 50, under the category “Ordinary Properties”, for disposal.

LEGISLATIVE AUTHORITY

This report complies with the Municipality’s powers with regard to real property under Section 61 and Section 63 of the *HRM Charter*. The property was declared surplus and categorized as “Ordinary Properties” for disposal at market value, by resolution of Regional Council on August 6, 2013, under Administrative Order 50.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Municipal Clerk to enter into a Purchase and Sale Agreement with FH Construction Limited, for HRM property at 46 Lakecrest Drive, Dartmouth, as per the terms and conditions outlined in this report and Table 1 in the Confidential Information Report dated March 26, 2014.

BACKGROUND

The subject HRM owned property, PID 00191759, is located on the south side of Lakecrest Drive, between Major Street and Walker Street, and is north of Main Street in Dartmouth.

The property is currently improved with a 2,000 square foot building that was constructed circa 1950 and is at, or near, the end of its useful economic life. The improvements were initially two separate buildings constructed at different periods and eventually connected to form a single building. The underlying land is 18,280 square feet in area.

The facility and lands have been used for a variety of different municipal purposes over time. The buildings have been used as a miscellaneous storage facility for HRM since 2011. From 2007 through 2011 TPW Facilities Management operated their carpentry shop at this location. Prior to Facilities Management the Halifax Regional Police Service (HRPS) occupied the buildings from 1996 to 2007. Prior to HRPS the building was used as an education facility known as the Dartmouth Free School which offered Special Education programs to the local community.

In August 2013, Regional Council passed a motion to declare 46 Lakecrest Drive, Dartmouth, and its associated lands, surplus to municipal requirements as per Administrative Order 50, under the category “Ordinary Properties”, for disposal.

DISCUSSION

The subject property was listed on the open market on behalf of HRM by Devencore Atlantic Limited on November 18, 2013. Marketing methods utilized by the brokerage firm included onsite signage and a listing brochure on their website. Staff posted a hyperlinked listing brochure for the subject property on the HRM website to further notify the public of its availability for sale.

The land-use classification for the subject property was recently rezoned from the former C-2 (General Business) Zone to R-3 (Multiple Family Residential) Zone under the Main Street Designation effective November 23, 2013. This change was part of a larger planning effort to re-characterize the Main Street corridor as a mixed-use town centre allowing for the intensification of residential and commercial development.

Based on discussions with the Halifax Regional Water Commission (HRWC), the subject property’s water service was disconnected due to a lateral break. HRWC will repair and reconnect the water service, at its own expense, prior to conveyance.

The listing generated considerable interest and property viewings. HRM staff has received one formal offer, the details of which are generalized within the Confidential Information Report dated March 26, 2014.

FINANCIAL IMPLICATIONS

The net proceeds from the sale of the surplus lands will be placed in Sale of Land Reserve Account Q101.

Applicable vendor adjustments to the Purchase Price include, but are not limited to, appraisal, survey, easements, environmental impacts, grading deficiencies, vendor's legal, marketing and administrative costs. Vendor adjustments or deficiency allowances, if required, shall be to a maximum of 15 percent of the purchase price. HST applies to this transaction.

COMMUNITY ENGAGEMENT

There was no further community engagement required under Administrative Order 50 in this instance.

ENVIRONMENTAL IMPLICATIONS

There are no known environmental implications associated with the sale. A Phase 1 Environmental Site Assessment has not been completed for the subject property. In the event that environmental contamination is determined to be present during the purchaser's Due Diligence period, the reasonable costs of remediation may be deducted from the purchase price and adjusted for at closing, subject to review of the Environmental Report(s).

ALTERNATIVES

Council could choose to not approve the disposal of 46 Lakecrest Drive and retain the property. This alternative is not recommended, as 46 Lakecrest Drive was deemed surplus to HRM requirements by Council on August 6, 2013. Council can also choose to not approve the disposal of 46 Lakecrest Drive and keep the property listed on the open market.

ATTACHMENTS

Attachment "A" –Site plan
Attachment "B" - Site Photo

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

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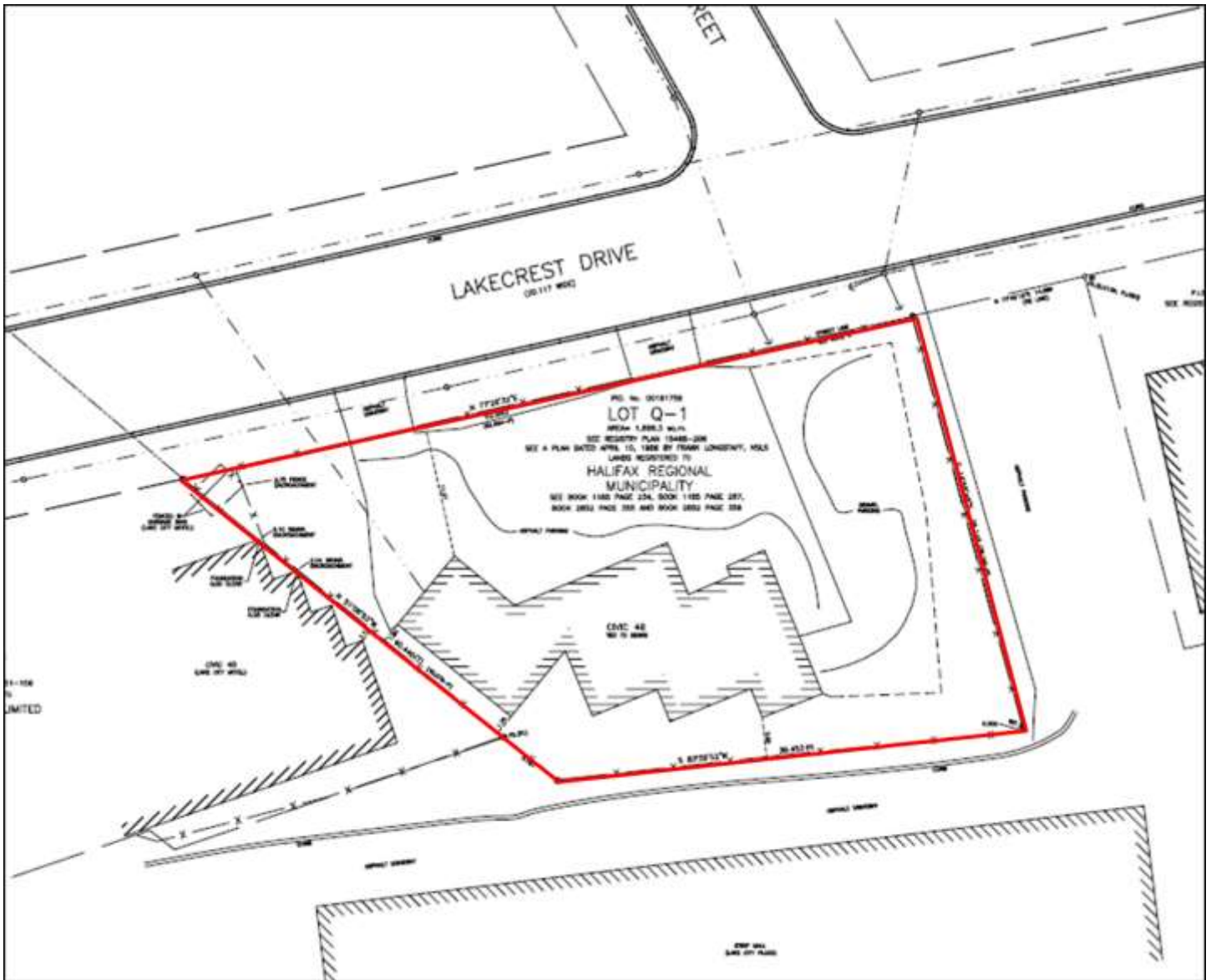
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Report Reviewed by: Kirby Grant, Sr. Solicitor, Legal Services and Risk Management 490-4831

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Financial Approval by: _____
Greg Keefe, Director of Finance & ICT/CFO, 490-6308

Attachment "A" – Site Plan
46 Lakecrest Drive, Dartmouth, Nova Scotia



Land area = 18,280 square feet

Attachment "B" – Site Photo
46 Lakecrest Drive, Dartmouth, Nova Scotia

