

DECLASSIFIED

FOIPOP Review Original Signed **Halifax Regional Council**
Approved to Release Original Signed **June 30, 2009**
Date Nov. 29, 2019 **In Camera**

TO: Mayor Kelly and Members of Halifax Regional Council

Original signed

SUBMITTED BY: Stephen Terauds
Stephen Terauds, Chair, Heritage Advisory Committee

DATE: June 24, 2009

SUBJECT: Request for Proposals No. 09-002 Sale of 47 Wentworth Street
(PID#00109454), Dartmouth, NS

PRIVATE & CONFIDENTIAL

ORIGIN

Staff presentation to the Heritage Advisory Committee on June 24, 2009.

RECOMMENDATION

The Heritage Advisory Committee recommend that Regional Council:

1. Authorize the Mayor and Municipal Clerk to enter into an Agreement of Purchase and Sale whereby the property located at 47 Wentworth Street, PID#00109454, Dartmouth, be conveyed to PHRS Holdings Inc., as per the terms and conditions outlined in the June 4, 2009 Private and Confidential staff report.
2. Not release the June 4, 2009 Private and Confidential staff report until the transaction has closed.

BACKGROUND / DISCUSSION

At the June 24, 2009 Heritage Advisory Committee meeting, an In Camera session was held in which this matter was presented to the Committee by staff. The Committee considered the matter and passed a motion endorsing the recommendation as noted above.

BUDGET IMPLICATIONS

Please refer to the June 4, 2009 Private & Confidential Staff Report attached for Budget Implications.

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

The Heritage Advisory Committee has not provided Alternatives. Please see attached Private & Confidential Staff Report dated June 4, 2009 for Alternatives.

ATTACHMENTS

Attachment 'A': June 4, 2009 Private & Confidential Staff Report.

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: Sheilagh Edmonds, Legislative Assistant



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Heritage Advisory Committee
June 24, 2009
In Camera

TO: Chair and Members of the Heritage Advisory Committee

Original Signed

SUBMITTED BY: Mike Labrecque, Director of Transportation & Public Works

DATE: June 4, 2009

SUBJECT: Request for Proposals No. 09-002 Sale of 47 Wentworth Street (PID# 00109454), Dartmouth, NS

PRIVATE & CONFIDENTIAL

ORIGIN

This report originates with a submission from Mr. Ivano and Patricia Andriani of PHRS Holdings Inc., in response to RFP No. 09-002 to purchase the subject property.

RECOMMENDATION

It is recommended that the Heritage Advisory Committee recommend that Regional Council:

1. Authorize the Mayor and Municipal Clerk to enter into an Agreement of Purchase and Sale whereby the property located at 47 Wentworth Street, PID#00109454, Dartmouth, be conveyed to PHRS Holdings Inc. as per the terms and conditions outlined in this report;
2. Not release this report until the transaction has closed.

BACKGROUND

47 Wentworth Street is a two and one half storey Queen Anne Revival style building built in 1909. The City of Dartmouth acquired the registered heritage property in 1981 for its architecture and representation of residential growth in Downtown Dartmouth in the early twentieth century.

The site area of the subject property was 212.8 metres square (2,291 sq. ft.) prior to reconfiguring the site boundaries in 2008 after the demolition of 65 Ochterloney Street. The site area is currently 417.1 metres square (4,490 sq. ft.).

The property has been leased over the years to various non-profit organizations and served to enhance the neighbouring Feeding Others of Dartmouth Society and the surrounding community.

In May 2008 staff issued a Request for Proposals (RFP) for the purchase of the property with a focus on heritage protection and suitable reuse of the property to ensure capability with the surrounding community. This process yielded only one submission from Saint Leonard's Society of Nova Scotia. The proposal submitted offered \$1.00 for the acquisition of the property and a proposed use of affordable housing. After review of the proposal by staff from Real Estate and Facility Services and Community Development the proposal was declined due to a low evaluation score based on the proponents understanding of the intent and objectives of the RFP, their qualifications and experience, their financial capability and their financial offer to HRM.

DISCUSSION

In March 2009 the property was the subject of a second Request for Proposal process. This RFP was open to both for profit and not for profit organizations. Six potential proponents toured and inspected the property. However, staff only received one formal response to the RFP. The one submission was from PHRS Holdings Inc. The proposal offered \$100,000 for the property with an intended mixed-use between community arts/drama space on the first floor with office space above.

The RFP evaluation team reviewed the proposal and determined the financial offer component was not representative of market value. A recent appraisal by staff indicated a market value of \$140,000. The appraisal gave consideration to the state of disrepair and the capital improvements that would be required to bring the property into a functional and economically viable property, and the heritage conservation protection conditions placed on the redevelopment and use of the property. Further negotiations with the proponent resulted in an amended financial proposal of \$150,000.

Subject to Regional Council approval, the table below outlines the terms and conditions of the conveyance:

<i>General Terms and Condition of Conveyance</i>	
Property Address	47 Wentworth Street, Dartmouth, NS (PID#00109454, Lot H)
Vendor	HRM
Purchaser	PHRS Holdings Inc.
Use	Community Arts/Drama and Second Floor Office Space
Area	417.1 sq. m. (4,490 sq. ft.)
Zoning	DB - Downtown Business District Zone
Purchase Price	\$150,000
Market Value	\$140,000 ¹
Deposit	\$7,000
Closing Date	Within sixty (60) days of receiving municipal approval(s).
Conditions	<ul style="list-style-type: none"> ▶ The Purchaser will waive their right to de-register or demolish the heritage property. ▶ The Purchaser will sign a Buy-Back Agreement as part of the conveyance. ▶ The Purchase and Vendor will pay their own legal costs in association with this transaction.

BUDGET IMPLICATIONS

The net proceeds from the sale shall be credited to the Sale of Land Reserve Account Q101.

Applicable adjustments to the Purchase Price include, but are not limited to, appraisal, survey, environmental, deficiencies, legal, marketing and administrative costs. Environmental and or deficiency allowances resulting from the Purchaser's due diligence inspection, if required, shall be to a maximum of 15 percent of the purchase price. This property is exempt from HST.

¹ Appraisal by Altus Group dated March 19, 2009

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

1. The HAC could choose not to recommend the sale to Regional Council and recommend to re-offer the property for sale through a third RFP process or alternative method of sale.

This action is not recommended. The current proposal is a market proposal and meets the heritage and community objectives set out in the RFP.

ATTACHMENTS

Attachment "A" - Site Plan/Photography

If the report is released to the public, a copy can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:	Carla Thistle, Real Estate Officer, TPW	490-5477
Report Reviewed by:	Tom Crouse, Acquisition & Disposal Manager, TPW	490-5931
	Peta-Jane Temple, Grants & Special Projects, CD	490-5469
Report Approved by:	<u>Original Signed</u>	
	Peter Stickings, Manager, Real Estate & Facility Services, TPW	490-7129

Property Pictures



Front View



Rear View