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Item No. 5

**Halifax Regional Council
July 7, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in black ink, appearing to read "Mike Labrecque".

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

DATE: June 22, 2009

SUBJECT: Annual Report - Municipal Real Estate Transactions

INFORMATION REPORT

ORIGIN

This report originates from Transportation and Public Works - Real Estate & Facility Services, as part of the Business Unit's annual business reporting activities.

BACKGROUND

This report provides a high level overview of the real estate transactions approved and closed for the period April 1, 2008 to March 31, 2009. The information reported herein includes all transactions approved by Halifax Regional Council inclusive of delegated authorities of the CAO through Council's Annual Interim Award Policy and CAO Transaction Policy. Every reasonable attempt has been made to ensure the accuracy and completeness of this information.

DISCUSSION

Fiscal 2008/2009 Highlights:

- ▶ Acquisitions for municipal purposes closed at \$2,073,530. Key acquisitions were for the Chebucto & Mumford Road Intersection Improvements, Hammond Plains Road Widening Project, and the CN Barrington Street property for street purposes and Active Transportation Trail.
- ▶ Disposals closed at \$677,681. In 2008/09 some planned disposals did not close due to extension of closing dates, planning approval process, and Regional Council redirection.
- ▶ Business Park Lots Sales topped the \$5,000,000 mark with the notable transaction being the sale of the 15.9 acre former Wright Avenue Water Reservoir Site to the Hardman Group for \$2,077,000. The proposed development of the site will be a phased commercial, hotel and office campus development.
- ▶ Sales and development within the new Atlantic Gateway Halifax Logistics Park continued with the sale and development of a 5.6 acre lot to IH Mathers Logistics (Ventures Enterprises Ltd.) for \$1,226,000. Additional related business have clustered around the Logistics Park including Cabot Shipping Supplies Limited and TTL Real Estate Holdings Ltd.

2009/10 Outlook:

Business Parks

The downturn in current global economic conditions have had an impact overall on property demand in the fiscal year 2008-09. However, it should be noted that although down from the previous year, revenues of over \$5 million is still a strong performance and indicative of how Canada and in particular HRM, has weathered the global economic crisis better than others.

The downturn in the global economy will continue to affect Business Park lot demand revenues. The decline in demand has been most noticeable from the larger, national and international investors/landlords including the pension funds and REITs who have held off on speculative land developments. These investors/developers are now requiring a high level of pre-leasing of any new proposed developments prior to receiving project approval.

The current year activity is expected to close below 2008/09 in terms of both volume of transactions and value with activity mainly from the smaller owner/occupier developers. With low interest rates continuing in the near term, current tenants in the park will continue to explore owner-occupied development opportunities.

There are approximately 100 acres of lot inventory presently available for sale and development within City of Lakes and Burnside Business Parks, including the Atlantic Gateway - Halifax Logistics Park. Also, included in this lot inventory is Phase 12-2 which commenced construction in 2008 and will be completed in Summer 2009.

Business Park Lot Sales		<i>April 1, 2008 to March 31, 2009</i>	
<i>No. of Transactions</i>	<i>Area (acres)</i>	<i>Total Purchase Value</i>	<i>% Change previous year</i>
10	33.84	\$5,081,958	(50%)

Acquisitions & Disposals

Disposal projections for 2009/10 are comparable to 2008-09; however current economic conditions may effect the year end. This is presently being felt with prolonged market exposure for current listed properties and cautious purchasers.

Key 2009/10 acquisition activity is focussed on existing road widening projects, future Transportation Corridors, and future Active Transportation Trails.

A summary of the activity is presented below and detail transaction listings are provided as Attachments to this report.

Acquisitions		<i>April 1, 2008 to March 31, 2009</i>	
<i>No. of Transactions</i>	<i>Area (sft)</i>	<i>Total Purchase Value</i>	<i>% Change previous year</i>
27	2,625,355	\$2,073,530	81%
Disposals		<i>April 1, 2008 to March 31, 2009</i>	
<i>No. of Transactions</i>	<i>Area (sft)</i>	<i>Total Purchase Value</i>	<i>% Change previous year</i>
10	724,827 ¹	\$677,681	(79%)

BUDGET IMPLICATIONS

There are no budget implications associated with this report.

¹ Area represents gross area of the PID numbers impacted, in some instances only a portion of the PID was conveyed. Therefore this number is not representative of the net area of disposal.

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.

ATTACHMENTS

Attachment "A" Acquisitions Closed - *for the Period April 1, 2008 to March 31, 2009*

Attachment "B" Business Park Lots Sales Closed - *for the Period April 1, 2008 to March 31, 2009*

Attachment "C" Disposals Closed - *for the Period April 1, 2008 to March 31, 2009*

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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 Tom Crouse, Acquisitions & Disposals Manager, Real Estate & Facility Services 490-5931



Report Approved by: _____
Peter Stickings, Manager, Real Estate & Facility Services, TPW 490-7129

Acquisitions - Transactions Closed

PID	Civic #	Street Name	District #	SQ.FT	Purchase Price	Closing Date	Property Acquired For
40543670		FOSTER AVE, FALL RIVER	2	31,151		21-JUL-08	ACQUIRED FOR COMMUNITY PARK AND DRAINAGE CORRIDOR
8243	6890	CHEBUCTO RD, HALIFAX	14	5,500	\$403,000.00	16-JUN-08	ACQUIRED FOR ROAD WIDENING
41296237		BARRINGTON ST, HALIFAX	11	115,434	\$265,000.00	30-JAN-09	ROAD PARCEL
8268	6870	CHEBUCTO RD, HALIFAX	14	4,290	\$251,000.00	14-JUL-08	ACQUIRED FOR ROAD WIDENING
624155	266	CHERRY BROOK RD, WESTPHAL	3	387,684	\$188,510.00	31-MAR-09	ACQUIRED FOR PARKLAND
417394	416	HAMMONDS PLAINS RD, BEDFORD	21	19,800	\$162,399.00	11-JUL-08	ACQUIRED FOR ROAD WIDENING
40501124		TERENCE BAY RD, TERENCE BAY	22	47,916	\$140,000.00	21-JAN-09	ACQUIRED FOR OPEN SPACE
41268533	136	NADIA DR, DARTMOUTH	9	6,727	\$100,000.00	06-NOV-08	ACQUIRED FOR STREET WIDENING
40784693		LAWRENCETOWN RD, LAWRENCETOWN	3	82,764	\$92,000.00	15-DEC-08	ACQUIRED FOR TRAILHEAD
41287137		HIGHWAY 101 , SACKVILLE	19	910,840	\$80,000.00	02-DEC-08	ACQUIRED FOR ROAD CORRIDOR
41284431		JUDY AVE, SACKVILLE	19	3,544	\$61,250.00	21-NOV-08	ACQUIRED FOR PARKLAND
41166372		NEWBURY RD, HAMMONDS PLAINS	19	121,424	\$55,000.00	16-MAY-08	UTILITY - ROAD CORRIDOR LAND ACQUISITION

Acquisitions - Transactions Closed

PID	Civic #	Street Name	District #	SQ.FT	Purchase Price	Closing Date	Property Acquired For
41282823		CHEBUCTO RD, HALIFAX	14	333	\$41,100.00	01-SEP-08	ACQUIRED FOR ROAD WIDENING
41282815		CHEBUCTO RD, HALIFAX	14	319	\$37,100.00	06-AUG-08	
40506941		BIG INDIAN RD, GOODWOOD	22	522,720	\$37,000.00	01-APR-08	PARKLAND - GRANT 21263
40924276		CHEBUCTO RD, HALIFAX	14	1,000	\$33,500.00	15-DEC-08	ACQUIRED FOR ROAD WIDENING
41282807		CHEBUCTO RD, HALIFAX	14	215	\$33,300.00	19-SEP-08	ACQUIRED FOR ROAD WIDENING
40209868	244	ISLAND VIEW DR, BOUTILIERS POINT	23	79,715	\$33,000.00	19-JUN-08	ACQUIRED FOR PARKING & RECREATIONAL USES
40164329	3188	HIGHWAY 7 , LAKE ECHO	3	87,120	\$15,000.00	07-OCT-08	ACQUIRED FOR PARKLAND
41282781		CHEBUCTO RD, HALIFAX	14	328	\$10,000.00	19-SEP-08	ACQUIRED FOR ROAD WIDENING
100883		PLYMOUTH RD, DARTMOUTH	6	56,628	\$10,000.00	04-MAR-09	PARKLAND
384834	1030	TERENCE BAY RD, TERENCE BAY	22	27,000	\$9,519.00	21-JAN-09	OPEN SPACE
41287145		HIGHWAY 101 , SACKVILLE	19	81,893	\$8,850.00	02-DEC-08	ACQUIRED FOR ROAD CORRIDOR
300145	33	CRESCENT AVE, HALIFAX	17	6,377	\$7,000.00	22-OCT-08	ADDITIONAL LAND ACQUIRED TO EXPAND PUMPING ST,

Acquisitions - Transactions Closed

PID	Civic #	Street Name	District #	SQ.FT	Purchase Price	Closing Date	Property Acquired For
41289901		LINDEN LEA , DARTMOUTH	5	1,950	\$1.00	31-DEC-08	ROW TO PUT GUARD RAIL
40519431	215	FOSTER AVE, FALL RIVER	2	21,442	\$1.00	12-AUG-08	COMMUNITY PARK AND DRAINAGE CORRIDOR
41230061		HIGHWAY 7 , WESTPHAL	4	1,242	\$0.00	15-MAY-08	ROAD PARCEL
				Totals:	<u>2,625,355</u>		<u>\$2,073,530.00</u>

01-APR-2008 To 31-MAR-2009

Transactions Closed - Business Parks

Park Name	PID	Civic #	Street Name	District #	SQ FT	Acre	Price/SQ.FT	Sale Price	Sold To
BURN	258665		WRIGHT AVE, DARTMOUTH	9	692,404	15.90		\$2,077,212.00	THE HARDMAN GROUP LTD.
BURN	41282229	165	BURBRIDGE AVE, DARTMOUTH	9	245,597	5.64		\$1,225,528.00	VENTURES ENTERPRISES LTD.
BURN	41282260		BURBRIDGE AVE, DARTMOUTH	9	176,732	4.06		\$729,901.00	JIM PATTISON DEVELOPMENTS LTD.
BURN	41282245	78	BURBRIDGE AVE, DARTMOUTH	9	76,125	1.75		\$342,563.00	TTL REAL ESTATE HOLDING LTD.
BURN	41282252	106	BURBRIDGE AVE, DARTMOUTH	9	89,719	2.06		\$336,450.00	CABOT SHIPPING SUPPLIES LTD.
BURN	40637936	116	THORNE AVE, DARTMOUTH	9	29,381	0.67		\$110,179.00	BEAUMONT HAMEL HOLDINGS LTD.
BURN	41028176	85	GLORIA MCCLUSKEY AVE, DARTMOUTH	9	44,301	1.02		\$108,537.00	RODNEY & CELIA BURNS
BURN	40762064	76	ILSLEY AVE, DARTMOUTH	9	32,220	0.74		\$64,440.00	DANCAR LTD.
BURN	258459	28	GURHOLT DR, DARTMOUTH	9	74,489	1.71		\$52,142.00	EASTSIDE 2008 EQUITIES INC
BURN	41184391	45	JOHN SAVAGE AVE, DARTMOUTH	9	12,730	0.29		\$35,006.00	3105646 NOVA SCOTIA LIMITED
Totals:						1.473,696	33.84	\$5,081,958.00	

Disposals

01-APR-2008 To 31-MAR-2009

Transactions Closed - Surplus Property

PID	Civic #	Street Name	District #	SQ FT	Acres	Sale Price	Sold To
8268	6870	CHEBUCTO RD, HALIFAX	14	5099	.12	\$230,000.00	TONY MASKINE
127829	2511	HAMILTON LANE, HALIFAX	12	105415	2.42	\$215,000.00	NORTH MEWS CO-OP
361493		GLENDALE AVE, SACKVILLE	20	10442	.24	\$186,000.00	HAMTON HOLDINGS LTD.
173765		STANLEY ST, HALIFAX	11	1950	.04	\$21,400.00	DONALD & PATRICA KNOX
40435281		GLENDALE AVE, SACKVILLE	20	7143	.16	\$15,000.00	JAMES GROUP LIMITED
337170		PURCELLS COVE RD, HALIFAX	17	5179	.12	\$5,179.00	DAVID LIGGENS
102103		FENWICK ST, HALIFAX	13	83	0	\$2,550.00	HALIFAX WATER
102152		QUEEN ST, HALIFAX	13	1020	.02	\$2,550.00	HALIFAX WATER
328583	26	LYONS AVE, HALIFAX	18	69696	1.6	\$1.00	NS DEPT OF COMMUNITY SERVICES
531020	90	CHURCH ST, WELLINGTON	2	518800	11.91	\$1.00	RIVERLAKE COMMUNITY CEMETERY SOCIETY

Total: 724,827 16.63 \$677,681.00