

Item No. 10.4.1
Halifax Regional Council
April 19, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original Signed
Councillor Russell Walker, Chair, Grants Committee

DATE: April 4, 2011

SUBJECT: Property Matter: Less than Market Value Sale - 9 Leary's Cove Road,
East Dover (PID#40066383) to the Village Green Recreation Society

ORIGIN

The April 4, 2011 Grants Committee meeting.

RECOMMENDATION

It is recommended that Halifax Regional Council enter into an Agreement of Purchase and Sale with the Village Green Recreation Society for the purchase of 9 Leary's Cove Road, East Dover, for the sum of \$12,489.18 plus cost of sale, and subject to the terms and conditions set out in the Discussion section of the January 5, 2011 staff report.

BACKGROUND

See staff report dated January 5, 2011.

DISCUSSION

See staff report dated January 5, 2011.

BUDGET IMPLICATIONS

See staff report dated January 5, 2011.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

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

COMMUNITY ENGAGEMENT

See staff report dated January 5, 2011.

ALTERNATIVES

See staff report dated January 5, 2011.

ATTACHMENTS

1. Staff report dated January 5, 2011.

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.

Report Prepared by: Chris Newson, Legislative Assistant, 490-6732



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

HRM Grants Committee
April 4, 2011

TO: Chair and Members of HRM Grants Committee

Original Signed

SUBMITTED BY: _____
Paul Dunphy, Director Community Development

DATE: January 5, 2011

SUBJECT: **Property Matter: Less than Market Value Sale – 9 Leary's Cove Road, East Dover (PID#40066383), to the Village Green Recreation Society**

ORIGIN

HRM is in receipt of an unsolicited request from the Village Green Recreation Society to acquire title to land located at 9 Leary's Cove Road, East Dover, for community use in relation to the Village Green Park and former St. Thomas Church Hall.

RECOMMENDATION

It is recommended that the HRM Grants Committee recommend that Regional Council enter into an Agreement of Purchase and Sale with the Village Green Recreation Society for the purchase of 9 Leary's Cove Road, East Dover, for the sum of \$12,489.18 plus cost of sale, and subject to the terms and conditions set out in the Discussion section of this report.

BACKGROUND

In 1960, the former Halifax County sold the former school located at 9 Leary's Cove Road, East Dover, to the Ocean Glen Society for use as a community hall for the sum of \$500. A Buy-Back provision was applied to the sale giving the municipality the right of first refusal. In 2001, the society passed a resolution to convey the property back to the municipality. In effect, the society disbanded and the structure was vacant for an extended period. In 2010, HRM demolished the building as dangerous and unsightly, and in the absence of an operator invoked the Buy-Back Agreement to convey title back to the municipality. The cost of the acquisition was \$3,001 and paid from the Parkland Development Reserve Q107 (Report to Regional Council, November 25, 2010).

This land is of considerable interest to the community given its location in close proximity to the Village Green Park and the abutting St. Thomas Church Hall. Our Lady of Mount Carmel Parish (owner of the hall) has expressed interest in donating the church hall to the community, conditional upon the ability to secure a viable operator, applicable financing, and any adjacent lands necessary for its on-going operation. See: Attachment 1. Site Plan.

In September, 2010, HRM staff, the area councillor, and representatives from the former Ocean Glen Society, the Village Green Recreation Society, and Our Lady of Mount Carmel Parish met to discuss the status of the land located at 9 Leary's Cove Road. HRM declined interest in acquiring the church hall but were agreeable to assist in a land assembly that could foster local recreational and social opportunities. Subsequent to the meeting, a private land owner has confirmed their willingness to sub-divide and donate a small parcel of land to the rear of both the church hall and the former school site. Acquisition of this private land would help to consolidate use in relation to the park and address any encroachments.

In November, 2010, HRM received a formal letter of request from the Village Green Recreation Society seeking donation of the land for \$1 plus costs. In accordance with legislation, a less than market value sale of public property valued at >\$10,000 must be approved by a two-thirds majority of Regional Council present and voting at a public hearing. However, given that the appraised value of the land is \$6,000, a public hearing will not be required in this case but Regional Council must approve the sale of public property.

DISCUSSION

The proposed sale of 9 Leary's Cove Road to the Village Green Recreation Society would enhance local recreation amenities, notably the provision of parking for users of the adjacent sports field and community hall.

Proponent

The Village Green Recreation Society is a registered charity that promotes recreational and social programming primarily in direct relation to the HRM-owned park located at the

Property Sale**9 Leary's Cove Road, East Dover
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intersection of Leary's Cove Road and Whistler's Cove Road, East Dover. As a registered charity, the society is able to solicit donations and make application to government and philanthropic foundations. Should the society acquire St. Thomas Church Hall revenue generating opportunities will be enhanced through room rentals, food and beverage sales, special events, and indoor leisure programming. The proponent has requested transfer of title for the sum of \$1 plus associated costs.

Proposed Terms and Conditions of Sale

Staff recommend a minimum purchase price of \$12,489.18 to recover all municipal costs associated with the demolition of the former school and acquisition of the site. A Buy-Back Agreement is intended to protect the public interest given the site's proximity to a public park.

Civic Address	9 Leary's Cove Road, East Dover
Site Area	7,200 sf
Zoning	RRA-1 (Rural Residential A-1)
Market Value of Land	\$6,000
Proposed Sale Price	The minimum purchase price shall be \$1 plus: \$3,001 to recover HRM's cost to acquire title*. \$9,487.18 lien for demolition costs. HRM's cost of sale recoveries such as but not limited to legal fees and deed registration.
Specific Conditions	The land shall be used for community and recreational purposes in association with the Village Green Park and the St. Thomas Church Hall. A Buy-Back Agreement shall give HRM the right of first refusal in the event of dissolution of the non-profit society, a substantive change in use, or should the owner wish to sell or convey title at some future date. Application for assistance with payment of real property taxes shall be made by separate application to HRM By-law T-200.
Closing Date	2011

*The cost of the initial appraisal, legal fees, and site survey are included in this figure.

BUDGET IMPLICATIONS

If a less than market value sale is approved, the value of HRM's in-kind contribution is \$6,000. However, the proposed sale price of \$12,489.18 plus cost of sale will realize (a) the minimum purchase price of \$1, (b) the recovery of \$3,001 associated with HRM's acquisition (to be credited to the Parkland Development Reserve Q107), plus (c) payment of an outstanding lien for the demolition of a dangerous and unsightly building for \$9,487.18. Subsequent to a sale, the land will be taxable.

Property Sale

9 Leary's Cove Road, East Dover

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As a charity, the Village Green Recreation Society may be exempt deed transfer tax (1.5% of market value). Based on a market value of \$6,000, the deed transfer tax would be \$90.

While owned by the former Ocean Glen Society the property was assessed at the Commercial rate and fully exempt under By-law T-200 at a cost of ~\$1,324 (2010). However, the building has been demolished and the land sale should trigger a re-assessment. If the property is reinstated under the Village Green Recreation Society as fully exempt there would be an on-going cost to HRM's *Tax Exemption for Non-Profit Organizations Program*.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

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

COMMUNITY ENGAGEMENT

Representatives from the Ocean Glen Society, the Village Green Recreation Society, and Our Lady of Mount Carmel Parish are aware of the proposed less than market value sale and intended use. Mrs. Karen Murphy, the abutting private land owner, has provided written confirmation of her interest in donating a portion of her land for the community's use provided that all associated costs are assumed by the new owner.

ALTERNATIVES

The Grants Committee could amend or overturn staff's recommendation.

ATTACHMENTS

1. Site Plan.
2. Photographs.
3. Letter from Village Green Recreation Society to HRM dated November 29, 2010.
4. Letter from Village Green Recreation Society to Our Lady of Mount Carmel Pastoral Unit dated October 1, 2010.
5. Letter from Mrs. Karen Murphy dated November 29, 2010.

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9 Leary's Cove Road, East Dover
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A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and 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, Grants & Contributions, Community Development 490-5469; Tom Crouse, Manager Acquisitions & Disposal, Real Estate & Facility Services, Transportation & Public Works.

Report Approved by: Original Signed
Andrew Whittemore, Manager, Community Relations & Cultural Affairs, Community Development
Original Signed

Report Approved by: Peter Stickings, Manager, Real Estate & Facility Services, Transportation & Public Works

Original Signed

Financial Approval by: Cathie O'Toole, CGA, Director of Finance, 490-6308

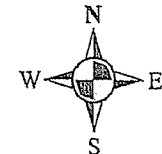
HALIFAX

REGIONAL MUNICIPALITY

ATTACHMENT "1"

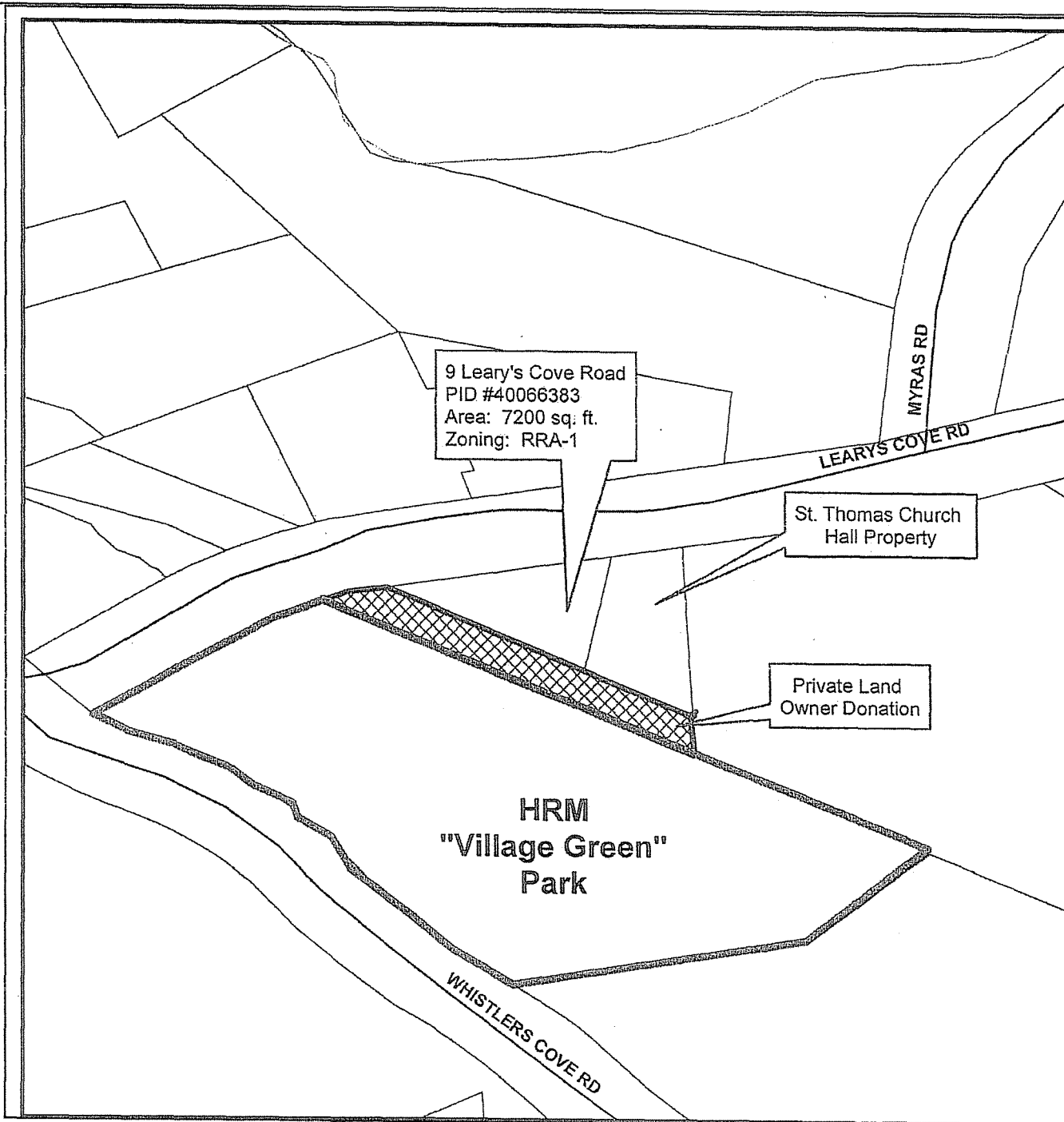
9 Leary's Cove
East Dover, N. S.

SITE MAP



This map was produced for the internal use of Halifax Regional Municipality (HRM). HRM takes no responsibility for errors or omissions. Date of map is not indicative of the date of data creation.

Date: January 21, 2011
Prepared by: E. Wall



ATTACHMENT "2"

Property Sale - 9 Learys Cove Rd, East Dover, N. S.
SITE PHOTOGRAPHY

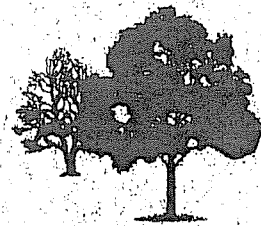


View of subject property from Leary's Cove Road



Village Green Recreation Society

351 Whistler's Cove Road
East Dover Nova Scotia B3Z 3W5
(902) 852-4104



serving the recreational needs of our rural community

Ms. Peta-Jane Temple
Team Lead – Grants and Contributions
HRM Community Development
PO-Box 1749
Halifax NS B3J 3A5

November 29, 2010

Dear Ms. Temple,

Further to our conversations, this letter will confirm our Society's desire to assume title of certain properties in East Dover for the recreational and social use of our community residents. The Village Green Recreation Society was incorporated in 1994 and in 1998 achieved charitable status with the society's objects being "a) to promote recreational and social endeavors in the villages of East Dover, McGrath's Cove and Scott's Branch; and b) to provide and operate facilities for the promotion of such recreational and social endeavors"

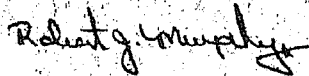
Now that the Catholic Church has closed its doors in East Dover and expressed a desire to turn the church hall back to the community for use as a recreational hall (see enclosed letter from Village Green to the church) our society wishes to consolidate the hall and adjacent lands into one property for community use. The lands in question comprise a piece currently held by HRM (9 Leary's Cove Road) and site of the former East Dover schoolhouse. It abuts our village park. We ask that title be given to Village Green for this piece in return for \$1. The other piece is owned by Mrs. Karen Murphy, who wishes to donate this small strip (see attached letter) to Village Green as it lies between both the church hall property and 9 Leary's Cove Road and the park. The total package would allow much needed parking for the park and recreation hall and also allow room for septic upgrades to the hall.

HRM is currently holding a \$15,000 grant in trust for the church hall and we ask that a portion of these monies be used to help with Village Green's acquisition of

Village Green Recreation Society

the hall and lands in question (survey work, title conveyance, deed registration, etc.). There is also the question of the lien against the HRM piece of property. We would like to see the necessary approvals and paperwork completed as soon as possible, as we understand the grant will be held in trust only until March 31, 2011, HRM's fiscal year-end. Over and above legal costs, we ask that the remainder of the grant money be designated for upgrades to the hall building.

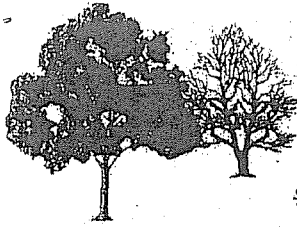
Yours Sincerely,



Robert Murphy, Chairman
Village Green Recreation Society

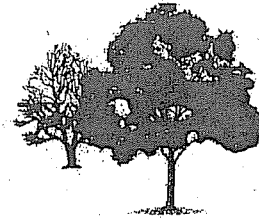
Enclosures

cc Tom Crouse, HRM Real Estate Services
Rev. Darek Misiolek, Our Lady of Mount Carmel Pastoral Unit
Reg Rankin, Councillor HRM District 22



Village Green Recreation Society

351 Whistler's Cove Road
East Dover Nova Scotia B3Z 3W5
(902) 852-4104



serving the recreational needs of our rural community

Rev. Dariusz Misiolek
Our Lady of Mount Carmel Pastoral Unit
3709 Prospect Road
Shad Bay, Nova Scotia B3T 2B4

October 1, 2010

Dear Father Darek,

On behalf of the directors of the Village Green Recreation Society, this letter confirms the Society's willingness to take over possession and management of the church hall in East Dover for use as a community hall for recreation and social activities for the residents of the local area.

If the Catholic Church is agreeable to this change in ownership, as you have indicated they may be, HRM's District 22 Councillor Reg Rankin, and HRM staff, are willing to aid Village Green Recreation Society in expediting the change-over, based on the blessing of the whole community to move ahead in this direction. After receiving agreement in principal, an open, community meeting would need to be held to determine if the majority of residents are in favour of the above.

A little history of both the church hall and Village Green Society are in order.

The hall was constructed between 1945 and 1948 as a community building on land donated by an East Dover family. The pastor at this time was the Rev. Lawrence O'Neill. Most of the lumber for the hall was donated by several construction firms and the men of the village supplied the labour. Over the years the hall has been used for both community and church events - card games, children's Christmas parties, dances, funeral receptions, wedding anniversary parties, meetings, socials - and also used as a polling station for municipal, provincial and federal elections. In 1988, the hall was extensively repaired and renovated and the community came together and donated many hours of labour to repaint the exterior, add a deck and ramp to the front entrance, refinish the original wooden floor, as well as add bathrooms and a kitchen. Since 1988, the hall has continued to be maintained by the local residents with funds from the Catholic Church, but no more major refits have taken place.

Village Green Recreation Society

The Village Green Recreation Society was incorporated in 1994 by area residents interested in obtaining and developing land to create a community parkland. In 1998 charitable status was granted by the Canada Revenue Agency and the community donated \$26,000 and hundreds of hours of volunteer labour, which, along with municipal and provincial funding, brought Village Green Park to fruition. Over the years, the society has added recreational equipment to the park and hosted annual events on the park. The hall abuts the park and if both the Catholic Church and the community agree to the hall becoming a community building, the recreational possibilities for both assets are even greater. HRM has already agreed to turn another adjacent piece of land (which housed the former community schoolhouse) over to the community - this would be used as a parking area for both the hall and the park and as a place for necessary septic upgrades for the hall itself.

Should Village Green Society take possession of the hall, responsibility for maintenance and much-needed upgrades would fall into the society's hands. Yearly maintenance will include insurance (manageable under the umbrella rate of Recreation Nova Scotia), utilities, snow-ploughing, minor repairs. As a recreational facility, held by a registered charity (Village Green), the hall would be eligible for tax-exempt status from HRM. These other yearly maintenance charges would be covered by an area rate, if approved by area residents at the community-wide meeting. Financing for much-needed capital repairs and upgrades would be accessed through grant monies, such as the federal New Horizons grants.

We are hopeful that the Diocese will entertain this proposal as an achievable means to divest itself of the hall, while at the same time enabling it to remain a vital part of the community that has cared for and used it for so many years.

Awaiting your response, we are,

Most Sincerely,



Jennifer Veres, Secretary/Treasurer
for the directors of
Village Green Recreation Society

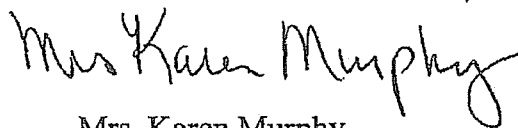
Mrs. Karen Murphy
East Dover
Nova Scotia B3Z 3W7

November 29, 2010

To whom it may concern,

This letter will confirm my decision to donate the small strip of land cross-hatched on the attached map, which is part of my property at [REDACTED] Road (P.I.D. #40066334), to the Village Green Recreation Society. This will allow easy access to the park from the hall (which I understand will be turned over from the Catholic Church to Village Green Society for community use) and from the old schoolhouse property (which I understand will be turned over from HRM to Village Green Society for community use) for all area residents. I understand that no survey or legal costs will be incurred by me as I make this donation to my community.

Kind regards,

A handwritten signature in cursive script that reads "Mrs Karen Murphy".

Mrs. Karen Murphy

