


Item No. 10.1.9
Halifax Regional Council
December 13, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY: _____

Richard Butts, Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

DATE: November 21, 2011

SUBJECT: RFP 11-039, Former St. Patrick's Alexandra School, 2277 Maitland Street, Halifax

ORIGIN

This report originates from a Request for Proposal 11-039 for the sale of the subject property. The RFP closed on August 26, 2011, and this report details the outcome and recommendation for the sale of the former St. Patrick's Alexandra School, 2277 Maitland Street, Halifax.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Municipal Clerk to enter into an Agreement of Purchase and Sale with the highest scoring proponent of RFP 11-039, Sale of 2277 Mainland Street to Jono Developments Ltd. or assigned company name, subject to the minimum key terms and conditions outlined in Table 1 of the Confidential Information Report dated November 21, 2011.

BACKGROUND

The Municipal objective to the RFP process is to select a proponent who is prepared to purchase and undertake the timely development, in accordance with the policies and processes of the Municipal Planning Strategy.

RFP 11-039, Sale of Surplus School Properties, was publically advertised on and closed on August 26, 2011. The RFP was open to both for profit and non profit groups.

DISCUSSION

The subject property is located at 2277 Maitland Street, Halifax. The lot is regular in shape and measures 3.85 acres with frontage on both Maitland Street and Brunswick Street. Two buildings currently occupy the site measuring 106,000 square feet in area.

The St. Patrick's School was built in 1908, it measures 37,000 square feet and is a three story brick building. Most recently the building was mostly vacant, except for 7,000 square feet which is still temporarily occupied by St. Joseph's Daycare. Although, this is not a registered heritage property, this building has a great deal of historic character. The building shares the heating plant located within the adjacent 1971 structure.

The St. Patrick's Elementary School is a three story building, built in 1971. This school measures 69,000 square feet. Both buildings were declared surplus by the Halifax Regional School Board after the 2010-2011 school year.

Proponents were asked to submit proposals based on the following:

- Statement of the Proponent's understanding of the terms of the RFP;
- Brief description of the Proponent's organization;
- Outline of the Proponent's history, accomplishments, past projects relevant to this proposal demonstrating its capability to undertake and finance such a project;
- Detailed description of the Proponent's intended vision and development for the property and a demonstrated understanding of the regulatory requirements under the Municipal Planning Strategies summarizing the proponents' understanding as well as a diagrammatic representation of the building envelope;
- Development and construction schedule;
- Purchase Price for property;
- Deposit, equal to 5 percent (5%) of the Purchase Price in the form of a certified cheque;
- Closing Date;
- Applicable Conditions;
- Letter from Lender or Banking Institution supporting the proponents capability to finance, undertake and complete such a project;

Proposals were evaluated by an internal staff review committee which was comprised of staff from Community and Recreation Services, Planning and Infrastructure, Finance and was facilitated by Procurement per the criteria set out below.

Criteria	Max Score
Understanding the Intent and Objectives	30
Qualifications and Experience	25
Proponent's Financial Capability	25
Financial Offer	20
Total	100

The development opportunity yielded submissions from six proponents; three for profit and three non profit.

	Proponent Name	Profit or Non Profit	Use	Overall Score
1a	Jono Developments Ltd. Option A	Profit	Residential/Affordable Housing/Community Space	88
1b	Jono Developments Ltd. Option B	Profit	Residential/Affordable Housing/Community Space	89
2	United Gulf Developments	Profit	Residential/Community Space	72
3	Mythos Developments	Profit	Residential	68
4	North End Health Centre	Non Profit	Community Space	63
5	Micmac Native Friendship Centre	Non Profit	Community Space	44
6	Richard Preston Centre for Excellence	Non Profit	Community Space	20

Recommended Proponent

The Evaluation Committee recommends Jono Developments Ltd., the highest scoring proponent, as the successful proponent.

Jono Developments Ltd.'s proposal for the St. Patrick's Alexandra site is for a mixed use development which will include, but not limited to, residential, affordable housing, community and commercial uses.

Jono Developments has an extensive development background and have proposed to base their final design on the feedback from their public consultation sessions.

Affordable Housing

The proponent has proposed a minimum of 5 to 10% of the project be allocated to affordable housing units. The percentage of affordable housing units may be increased beyond the minimum as part of the development process. The value of the affordable housing units would generally not exceed 30 percent of a household income. The final format and size of units will be determined through market and public consultation.

Community Space

The proponent will provide a first right of refusal option for a minimum of 5 to 10% of the permitted commercial space in the development to community/non-profit groups.

PROPONENT'S OFFER

See the Confidential Information Report dated November 21, 2011.

TABLE 1: GENERAL TERMS AND CONDITIONS OF SALE

See the Confidential Information Report dated November 21, 2011.

BUDGET IMPLICATIONS

The net proceeds from the sale of this property will be credited to the Sale of Land Reserve account Q101. Applicable adjustments to the Purchase Price may include, but are not limited to, appraisal, survey, easements, environmental impacts, grading deficiencies, and wetland management, legal, marketing and administrative costs.

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

The RFP was publicly advertised as open for profit and non profit submissions. No future Community Engagement is being considered as the property is being sold on an "as is" basis. The future Development Agreement process will include public hearings.

ALTERNATIVES

See Confidential Information Report dated November 21, 2011.

ATTACHMENTS

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| Attachment "A" | Detailed Evaluation Summary Sheet - See Confidential Information Report dated November 21, 2011. |
| Attachment "A-2" | NPV and Holding Costs Summary Sheet - See Confidential Information Report dated November 21, 2011 |
| Attachment "B" | Location Map and Site Photo |
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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.

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Tom Crouse, Acquisition & Disposal Manager, Planning & Infrastructure 490-5931

Report Approved by: _____
Peter Stickings, Manager, Real Estate, Planning & Infrastructure. 490-7129

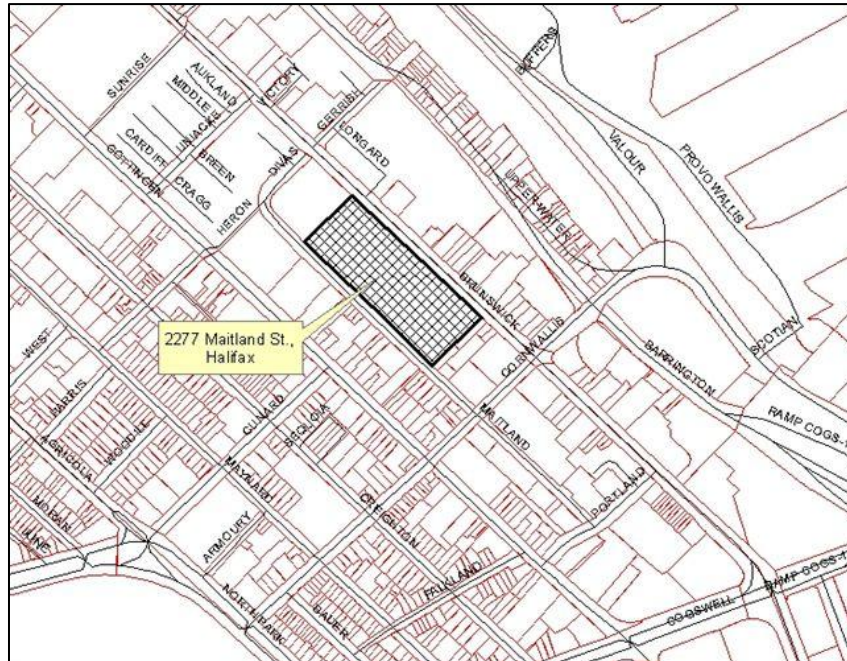
Financial Approval by: _____
Anne Feist, Manager, Procurement (490-4200)

Report Approved by: _____
Phil Townsend, Director, Planning & Infrastructure. 490-7166

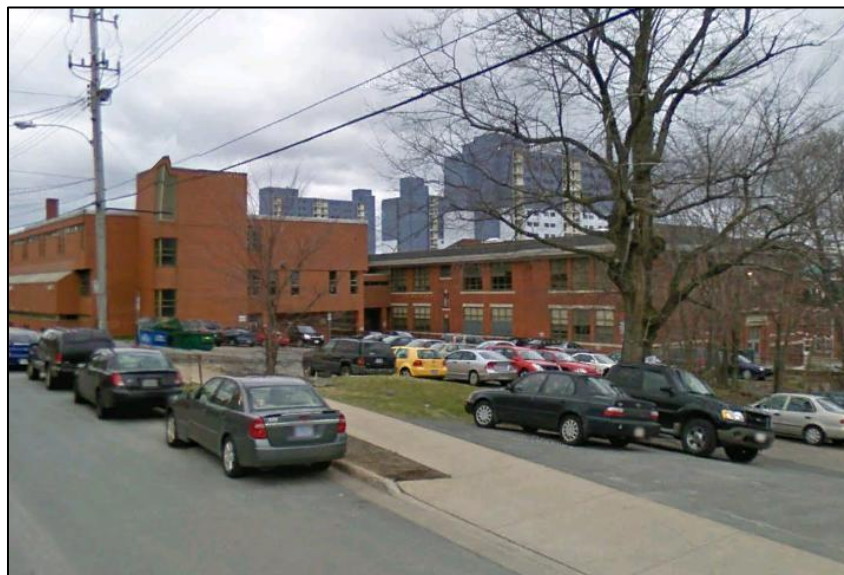
Original Signed

ATTACHMENT "B"

RFP 11-039, FORMER ST. PATRICK'S ALEXANDRA, 2277 MAITLAND STREET
LOCATION MAP AND SITE PHOTO



Location Map



Site Photo