

**Item No. 11.1.2**  
**Halifax Regional Council**  
**April 9, 2013**

**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:** February 27, 2013

**SUBJECT:** Industrial Parks – Select Lot Inventory Additions and Pricing.

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**ORIGIN**

This report originates with the Policy for Sale and Lease of Land in HRM Business and Industrial Parks approved by Regional Council on March 4, 1997, and the requirement to have Council formally approve lot inventory additions and minimum lot pricing.

**LEGISLATIVE AUTHORITY**

The recommended action complies with Charter Sections 61 (5b), 64, 71 and 79.

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Approve the lot inventory additions and minimum unit pricing for the inventory, as set out in Attachment 1 of the February 27, 2013, Confidential Information Report;
2. Approve the minimum unit pricing for the remnant Nova Scotia Power encumbered parcels in Burnside, as set out in the February 27, 2013, Confidential Information Report; and
3. Approve the minimum completed building area requirement to 10% for the lot inventory in Ragged Lake Park.

## **BACKGROUND**

This report identifies and brings forward select lot inventory additions of existing municipally-owned lands within the industrial parks that are outside the general context of a larger approved development phase whereby Council awards the construction and sets the pricing. This report, as a housekeeping matter, addresses inventory additions that are generally parcels or lots that have been made available through the completion of adjacent development phases, minor acquisitions, lot buy backs and land lease expiries.

## **DISCUSSION**

### ***Lot Inventory Additions and Minimum Unit Pricing:***

The recommended lot inventory additions and minimum unit pricing are set out in Attachment “1” of the February 27, 2013, Confidential Information Report.

### ***Remnant Nova Scotia Power Encumbered Parcels:***

There are HRM owned lands within the Burnside Park that are encumbered by Nova Scotia Power Easements which as a result, in some instances, have limited use and marketability due to the easement and other encumbrances, and awkward terrain. These remnant parcels continue to pose a liability to the Municipality as they tend to become areas for miscellaneous dumping, trespassing/ unauthorized uses, etc., and it is recommended that the Municipality divest itself of this liability wherever possible.

Due to the number of remnant parcels and limited prospective purchasers, it is not practical for all individual parcels to be delineated, priced, and offered for sale. Two recent appraisals of select remnant parcels have been completed as a guideline for pricing. The recommended remnant parcels are shown shaded in red on Attachment 2, at a minimum unit price, in the February 27, 2013, Confidential Information Report.

### ***Ragged Lake – Minimum Completed Building Area Requirement:***

Ragged Lake was originally developed and marketed as a technology and research office park where the related developments are typically more characteristic of office/commercial and, as such, carried a 20% building to lot coverage. The park did not succeed to any degree as an office park and with the focus of the Municipally-owned parks returning to primarily light industrial, transportation, warehousing, commercial and service industries, it is recommended that the minimum completed building area requirement in Ragged Lake be set at 10% of the lot area, which is the case for Burnside and is in keeping with the requirements of the developments seeking to locate or be attracted to the park.

The recommended lot inventory additions and minimum unit pricing, as set out in Attachment “1” of the February 27, 2013, Confidential Information Report, represent approximately 60 acres of land at an estimated value of approximately \$10.5 million. Upon approval by Regional Council, the new lot inventory additions will be marketed for sale and made available to interested purchasers, in keeping with the Policy for Sale and Lease of Land in HRM Business and Industrial Parks.

### **FINANCIAL IMPLICATIONS**

The future net proceeds from the sales shall be credited to the Business Park Capital Reserve Account Q121. Applicable adjustments to the lot minimum unit pricing include, but are not limited to, environmental impacts, grading deficiencies, irregular lot configuration and wetland management. Vendor adjustments or deficiency allowances follow final construction and survey, if required, shall be to a maximum of 15% of the purchase price. Easements, lot encumbrances, wetland/buffers and remnant parcels shall be priced at market value in accordance with standard market valuation practices.

### **COMMUNITY ENGAGEMENT**

The recommended action is consistent with the objectives of the Industrial Park Program and supports Council’s approved Capital Budget, Regional Plan and Economic Strategy.

### **ENVIRONMENTAL IMPLICATIONS**

There are no implications at this time.

### **ALTERNATIVES**

Council could choose to not approve the recommendations in this report, but this is not recommended by staff.

### **ATTACHMENTS**

See February 27, 2013, Confidential Information Report.

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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.

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