


HALIFAX

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

Item No. 11.1.7
Halifax Regional Council
March 10, 2015

TO: Mayor Savage 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: February 26, 2015

SUBJECT: Land Requirements - Eastern Passage High School and Dartmouth South P-9 School Sites

ORIGIN

This report originates with a request from the Province of Nova Scotia to acquire title to two municipally owned properties to enable the construction of the new Eastern Passage High School and the new Dartmouth South P-9 School.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, subsection 59(3), "In addition to matters specified in this Act or another Act of the Legislature, the Council may adopt policies on any matter that the Council considers conducive to the effective management of the Municipality."

Halifax Regional Municipality Charter, subsection 61(3) "The property vested in the Municipality, absolutely or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise."

Halifax Regional Municipality Charter, Chapter 39, subsection 61(5) "The Municipality may (b) sell property at market value when the property is no longer required for the purposes of the Municipality."

Halifax Regional Municipality Charter, Section 120 Capital Reserve Fund. (1) The Municipality shall maintain a capital reserve fund. (3) The capital reserve fund includes 1(a) funds received from the sale of property; (4) A withdrawal from the capital reserve fund shall be authorized by the Council, by resolution, and may only be used for (a) capital expenditures for which the Municipality may borrow;

Administrative Order Number 50 Respecting the Disposal of Surplus Property.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Adopt the amendments to Administrative Order 50, the *Disposal of Surplus Real Property Administrative Order*, as set out in Attachment 6,
2. Declare that portion of the Eastern Passage Commons property (PID 00373597) as shown in Attachment 1, surplus to municipal purposes and categorize the property, as Intergovernmental Transfer, as per Administrative Order 50;
3. Declare the properties at Prince Arthur Junior High (PID 40288573 and 40611733) , as shown in Attachment 2, surplus to municipal purposes and categorize the property, as Intergovernmental Transfer, as per Administrative Order 50; and
4. Authorize the Mayor and Municipal Clerk to enter into an Agreement with the Province of Nova Scotia subject to order in council approval, for the conveyance of lands as per the terms and conditions outlined in Table 1 and 2 of this report; and
5. Authorize entering into an agreement between HRM and the Halifax Regional School Board to allow for the joint use of the HRM sports field immediately south of Seaside Elementary School for both educational and community recreation purposes.

BACKGROUND

Amendments to Administrative Order 50

Administrative Order 50 creates five classifications of property, as follows: economic development, community interest, ordinary sale, remnant and extraordinary. The Administrative Order then sets out the process to dispose of each of these classifications.

Properties

The Province of Nova Scotia will be constructing a new High School in Eastern Passage and Primary to Grade 9 in Dartmouth South. The selected sites for the schools are the municipal lands at Eastern Passage Commons (See Attachment 1) and the existing Prince Arthur Junior High (PAJH) School properties (See Attachment 2).

The lands known as the Eastern Passage Common are mostly unimproved open space situated on the east side of Oceanview School Road and south side of Caldwell Road. They were acquired with the intention of future recreation development of the Eastern Passage Common. By motion of Regional Council, staff is currently undertaking a site plan for the Eastern Passage Common. The intention of that plan is to solve access and drainage issues, identify opportunity sites and ensure integration of the current and future uses on the Eastern Passage Common. If the transfer on the Eastern Passage Common proceeds staff should work with Nova Scotia Transportation and Infrastructure Renewal to optimize the twelve acre high school site and the Eastern Passage Common in terms of connectivity and facility integration as part of Council's site plan direction.

The proposed site for the Dartmouth South P-9 school is the existing PAJH school which is to be demolished and the new school constructed on that site. The PAJH property also includes three municipal ball fields that are not surplus to recreation programming; therefore, a related issue to the proposed conveyance would be the construction of replacement municipal fields at an alternate location. The ball fields at PAJH are well used and support regional tournament play and most users drive to the venue so ball fields are not location sensitive.

HRM is required, under the *HRM Charter*, to sell property at fair market value and only sell property that is declared surplus.

DISCUSSION

Amendments to Administrative Order

Administrative Order 50 does not create a classification for property that will be transferred to other levels of government and, as no such classification exists, there is no specific disposal method for it.

The proposed classification would permit Council to classify a property for the purposes of transferring lands to another level of government. Government would include the Provincial and Federal Governments and Crown corporations or Municipal Government. The conditions required to classify property under this classification would be: (1) that another level of government requested the property, (2) the property would be used for a public purpose; and (3) the property is sold at market value.

There are two corresponding amendments required to give effect to the new classification. Firstly, to determine market value, there would need to be an amendment to add ``intergovernmental transfers`` to the requirement for an appraisal. Secondly, an amendment would be needed to set out the disposal method for such classified properties which would allow Council, on a case by case basis, to determine the terms and conditions on which the property will be sold.

The result of the new classification would allow Council to sell or exchange land with the Provincial, Federal or other Municipal Government for a public purpose without soliciting other perspective purchasers. If the sale to the Government does not occur, then the property would need to be reclassified by Council and disposed of in accordance with the classification under Administrative Order 50.

Proposed Intergovernmental Transfer

A Provincial and Municipal staff team have been working on a proposal that would see the proposed school sites conveyed to the Province for public purposes through an exchange of property and funds. As part of these discussions the Province has put forward for exchange the provincial lands at Chocolate Lake Park (see Attachment 4). Staff has also identified an alternate municipal site for the development of new ball field infrastructure to replace the ball fields that would be lost at PAJH when the new school is built.

Mount Edward Road Ball Field Site (see Attachment 3)

After a technical assessment, the municipal park property located on Mount Edward Road in Dartmouth has been identified as the recommended candidate for the construction of the replacement ball field infrastructure. The Mount Edward Road property is currently improved with one regulation field and one minor league field. The proposal would provide funding towards the construction of one new regular field and the upgrading of the minor league field, bringing the total to three regulation fields at Mount Edward Road. Minor league play would need to be relocated to the Mount Edward School site where the field will require upgrading. The cost for the field relocations is outlined in the Financial section of this report.

With the proposed improvements, the Mount Edward Road site would be able to accommodate tournaments and increased usage at that location. The total net number of fields in the inventory would be reduced by one overall, but that loss could be offset by providing additional capital funding to light one field for longer hours of use. With changes to the field inventory and expected increased tournament use at the Mount Edward Road site, some reallocation of user groups to other fields would also be required.

It should be noted that the work to complete the upgrades to the Mount Edward site is expected to require the fields to be unusable for one season. During that time, staff will attempt to relocate users to other fields across the inventory.

While the Mount Edward site was determined to be the best option, there are other sites that were considered. Since HRM would receive funding towards the overall field replacement project as part of the land deal and then undertake the project as part of the capital budget process, additional assessment of

the best site for relocation of the fields will be able to be completed through the design process to help ensure that the impacts to users are minimized and the relocated fields meet recreation needs.

Chocolate Lake Park (see Attachment 4)

Chocolate Lake Park and Beach located in Halifax and is an important urban public water access. The beach is supervised and programmed and the site hosts other municipal improvements including, tennis courts, washrooms, woodland paths and change house. It is also co-located with the municipally owned Chocolate Lake Centre property across the street. Chocolate Lake Park and Beach is owned by the Province and leased to the Municipality. In the past the Province has considered developing the lands for housing related projects. The Municipality has an interest in securing the property given its long term use and public investment in the property.

If Council is agreeable to the proposal the summary terms of the transaction are as follows:

Table 1

HRM will:

- transfer, as is, title of the Eastern Passage Commons property (PID No. 00373597) (see Attachment 1) to the Province of Nova Scotia (appraised value of \$2,187,500 for 12.5 acres, to be confirmed by legal survey and subdivision, or \$ 175,000/acre);
- enter into an agreement between HRM and the Halifax Regional School Board which would allow for the joint use of the HRM sports field immediately south of Seaside Elementary School for both educational and community recreation purposes (see Attachment 1); and
- transfer, as is, title for the Prince Arthur Junior High School property (PID No. 40288573 and No. 40611733) (see Attachment 2) to the Province (appraised value “as if vacant and clean” of \$3,223,080 for 10.232 acres or \$315,000/acre).
- assume all costs, risk and liabilities for the Chocolate Lake properties (PIDs listed below).
- Undertake capital work to relocate the fields through upgrades to the Mount Edward Road site to add an additional regulation field and upgrade the minor league field

The Province of Nova Scotia will:

- transfer, as is, title for the Chocolate Lake properties (PID Nos. 0250399; 00250274; 40429672; 40429664, 40429656,40429649; 40429631; 40429623; 40429615 (see Attachment 4) to HRM (appraised value \$ 2,900,000);
- assume all costs, risk and liability for the demolition of the Prince Arthur Junior High School building and remediation of the site (Prince Arthur Junior High regulated materials remediation and demolition \$ 1,871,408 based on CBCL’s report and soil remediation \$175,099 based on LVM’s report;
- assume all costs, risk and liabilities for the Eastern Passage Commons property (PID No. 00373597)
- assume the cost of the specific transportation improvements necessary to support the school development which will be limited to a westbound left turn lane on Cow Bay Road as outlined in the Eastern Passage Traffic Impact Study by JRL Consulting, the westbound left turn lane auxiliary lane with 25 meters storage to accommodate the additional traffic generated by the new high school; and
- remit the balance of \$464,073 to HRM as a contribution to the Mount Edward Road ball field improvements to be undertaken by HRM.

FINANCIAL IMPLICATIONS

The estimated cost to relocate the PHJH ball fields to Mt Edward is \$750,000. This would create two new replacement fields of superior quality to replace the three PHJH fields and bringing the Mt. Edward facility to a total of three fields. To replace the scheduling utility of the three PHJH fields would require lighting of one field at an additional cost of \$350,000. The total replacement cost would be \$1,100,000.

The proposed conveyances would result in a net purchase price owed to HRM in the amount \$464,073. The remaining funding would be required to be considered through the HRM Capital Budget process. Furthermore each party would be responsible for their respective closing costs and applicable HST.

The payment of \$464,073 from the Province to HRM will be held in the Sale of Capital Assets Reserve (Sale of Land), Q101 as a contribution to the Mount Edward Road ball field improvements to be undertaken by HRM.

Table 2

HRM to Province		Province to HRM	
Property or Item	Value	Property or Item	Value
Eastern Pass. Commons (approx. 12.5 acres of PID # 00373597 subject to legal survey)	\$2,187,500	Chocolate Lake Properties (PID # 0250399; 00250274; 40429672; 40429664; 40429656; 40429649; 40429631; 40429623; 40429615)	\$2,900,000
PAJH School lands (PID # 40288573 and # 40611733)	\$3,223,080	PAJH Building Demolition	\$1,871,408
		PAJH Soil Remediation	\$ 175,099
		Balance to HRM	\$464,073
Total	\$5,410,580	Total	\$5,410,580

Property dimensions and final values are subject to legal survey.

Implications of future projects involving development or operational maintenance of these subject lands will be incorporated into annual capital and operating budgets and presented for Council's approval.

COMMUNITY ENGAGEMENT

The school projects have been subject to the Province's site review and selection process and work with the HRSB staff, elected School Board representatives and the community.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with the recommendation.

ALTERNATIVES

Council could direct staff to amend the terms and conditions of the transaction.

ATTACHMENTS

- Attachment 1 Eastern Passage proposed school site
- Attachment 2 Dartmouth South P-9 proposed school site
- Attachment 3 Proposed Alternate Ball field Site – Mount Edward Road
- Attachment 4 Chocolate Lake Properties
- Attachment 5 Showing Proposed Changes to Administrative Order 50
- Attachment 6 Amending Administrative Order
- Attachment 7 Incorporating Proposed Changes to Administrative Order 50

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> 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: Peter Stickings, Manager, Corporate Real Estate, Operations Support 490-7129

Report Approved by: _____
Jane Fraser, Director, Operations Support, 490-7166

Report Approved by: _____
John Traves QC, Director, Legal and Risk Management Services

Report Approved by: _____
Brad Anguish, Director, Parks and Recreation, 490-4933

Financial Approval by: _____
Greg Keefe, Director of Finance & ICT/CFO, 490-6308

Original Signed

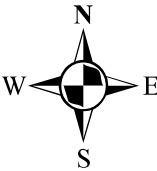


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ATTACHMENT 1

Eastern Passage Proposed
School Site
PID 00373597

SITE PLAN



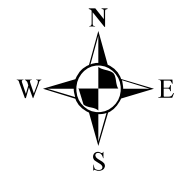
This map was produced for the internal use of Halifax Regional Municipality (HRM). HRM takes no responsibility for errors or omissions. Date of map is not indicative of the date of data creation.

Date: January 16, 2015
Prepared by: E. Wall

ATTACHMENT 2

Dartmouth South P-9
Proposed School Site
PID 40288573
PID 40611733

SITE PLAN



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Date: January 16, 2015
Prepared by: E. Wall





Topsail Lake

PID 40843583

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ATTACHMENT 3

Proposed Alternate Ball
Field Site
Mount Edward Road
PID 40843583

SITE PLAN



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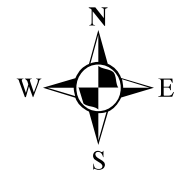
Date: January 16, 2015
Prepared by: E. Wall

ATTACHMENT 4

Chocolate Lake Properties

PID 40429615; PID 40429623;
PID 40429631; PID 40429649;
PID 40429656; PID 40429664;
PID 40429672; PID 00250274;
PID 00250399

SITE PLAN



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Date: January 16, 2015
Prepared by: E. Wall



ATTACHMENT 5

(Showing proposed changes)

ADMINISTRATIVE ORDER NUMBER 50 RESPECTING THE DISPOSAL OF SURPLUS REAL PROPERTY

Be it resolved as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

SHORT TITLE

1. The Administrative Order may be cited as Administrative Order Number 50, the Disposal of Surplus Real Property Administrative Order.

INTERPRETATION

1A In this Administrative Order,

(a) “government” means the Government of Canada, Government of the Province of Nova Scotia, a corporation that is an agent of Her Majesty in Right of Canada or the Province, and a municipal unit; and

(b) “municipal unit” means a regional municipality, town or county or district municipality as set out in the *Municipal Government Act*.

POLICY STATEMENT AND CATEGORIZATION

2. (1) The Municipality can acquire and sell real estate within its legislative provisions. Real estate holdings can be a “corporate” asset necessary for municipal functions and purposes of the business units or may be held for particular use of inhabitants of HRM for example, parks and institutional uses. Corporate assets are subject to corporate review by the Asset Owner Business Unit for continuing requirement. Where the business units of HRM have determined that properties no longer serve an operational requirement of the corporation or otherwise appear to be surplus to the needs of the Municipality, then the policy of disposal to be followed in all cases, excepting municipal property which requires particular process through statute or common law or property available in the Municipal Business Parks, is as directed by this policy of Council.

(2) The Municipality will dispose of real property Council determines is no longer required for the purposes of the Municipality. Staff will identify surplus properties by the following categories:

Economic Development

- (a) Strategic properties having Economic Development potential ought be sold to:
- (i) maximize use or value;
 - (ii) achieve the attraction of targeted industries and employment or the regeneration of neighborhoods;

- (iii) to advance development opportunities; and
- (iv) to generate financial return to the Municipality.

Community Interest

(b) Properties known to have potential for community use, in particular where:

- (i) there has been a prior community or institutional use of the property; or
- (ii) by location or scarcity of available property the consideration would reasonably arise.

Ordinary Sale

(c) Properties of an:

- (i) ordinary or routine nature;
- (ii) which no longer have a municipal purpose.

Remnant

(d) Properties which are remaining or subdivided lands which:

- (i) by nature of their size or dimensions have limited or no reasonable use;
- (ii) but which may have utility for abutting property owners, and can be disposed under s. 64 of the Charter allowing Council to set a price that is less than market value.

Extraordinary

(e) Properties having an historic or legal distinction which include conditions or extraordinary process with respect to their preservation or disposal including but not limited to:

- (i) the Halifax Commons;
- (ii) the Dartmouth Commons;
- (iii) streets;
- (iv) any municipal properties, including parks, which are held in trust, or upon condition, or with reserving interests, or like constraints;
- (v) and parkland acquired through subdivision process.

Intergovernmental Transfer

(f) Properties requested by another level of government which:

- (i) will be used for a public purpose; and
- (ii) sold for market value.

PROPERTY REVIEW AND DECLARATION OF SURPLUS

3. (1) Real Estate and Land Management staff will facilitate at least one annual review of the Municipality's real property inventory in order to identify potentially surplus

properties.

(2) All Business Units will be solicited to identify any municipal requirements for those properties identified as potentially surplus.

(3) Upon completion of Business Unit reviews and identification of the operationally surplus property the Real Estate and Land Management Unit will categorize the nature of the inventory of the properties and list them by category.

(4) Local Councillor and Community Council will be informed of the inventory of the properties and the proposed categories by staff. Local Councillor will then have the opportunity to contact local community to discuss potential surplus properties to gauge interest in potential disposal methods for the properties with area residents. The result from these potential community consultations will then be included in the surplus property report that comes to Council.

(5) Real Estate and Land Management staff will prepare a Surplus Property Report at least one a year to Council which will attach lists of properties by category. The report will recommend that all lists of properties should be declared by Council to be surplus property, that each category be approved by Council, and that the disposal method recommended for each list under this policy be approved by Council.

(6) Council may approve the recommendations, may remove any property from any list, and may move any property from one list to another list, and may declare the lists, or any of them, surplus to the Municipality's requirements.

DISPOSAL METHODS

4. (1) Following Council approvals under Part 2, staff shall proceed to dispose of the properties as determined by category.

Ordinary Properties

(a) These properties shall be placed on the market by Real Estate and Land Management. The sale of market properties may be achieved through:

- (i) direct marketing by staff;
- (ii) listing contracts with licensed real estate brokers;
- (iii) public tenders; or
- (iv) proposal call methods.

(b) Determination of the achieving market value will be supported by appraisal or through the receipt of sufficient offers over an appropriate exposure period.

(c) Approval of final conveyances shall be under delegated authority or by approval of Council as required.

Economic Development Properties

- (d) These properties viewed by Council to be strategic may be disposed through individually recommended processes contained in the Surplus Properties Report, and may include referral to a special committee or task force of HRM created for the purpose of overseeing the strategic use and disposal of a property.

Properties under this category are required by the Charter to be sold at market value and can include partnership models between private developers and nonprofits and municipally defined public use or service delivery components.

Community Interest Properties

- (e) Properties with this potential will be advertised by staff, led by Grant Program Staff, with support of Community and Recreation Services, after being the subject of a public information meeting in the area of the property. After advertising the opportunity to submit proposals, non-profit organizations will have a minimum of 90 days and a maximum of 120 days to submit a written proposal for the use of the property. Submissions should set out:
 - (i) the name, composition and legal status of the group, its purpose and management structure, including office-bearers;
 - (ii) the nature of the activities proposed;
 - (iii) a financial statement;
 - (iv) a business plan for the first five years; and
 - (v) a clear statement of the terms the group is prepared to offer for the purchase or lease of the property.
- (f) All submissions received on or before the last day of submissions will be evaluated by a cross-disciplinary staff committee, including finance and community resources expertise, enlisted by the Grants Program staff for content compliance, viability, compensation, and for benefit to the Municipality. Grants staff will develop criteria that will be publically available for scoring the community interest projects.
- (g) Staff will report to Council on the submissions received and the evaluation by staff, including the advisability of a Buy-Back Agreement and the terms of any suggested Buy-Back Agreement.
- (h) Council may determine to select a submission which would be considered on the basis of s. 63(1), (2), (3), (4), (5) of the Charter, the statutory mandate for Council being whether Council considers the non-profit organization to be carrying on an activity that is beneficial to the Halifax Regional Municipality.
- (i) Council will also consider the overall context of the disposal, including:
 - (i) the market value of the property as appraised;
 - (ii) the Planning Strategies of the area of the property;
 - (iii) the benefit of any cost saving to the Municipality;
 - (iv) the consequences, beneficial or otherwise, to the community or the

- Municipality as a whole;
- (v) the beneficial considerations of any submission against the benefit to the Municipality of selling the property at market value; and
- (vi) whether or not a Buy-Back Agreement is a condition of a sale.

(j) If Council decides to consider the disposal at less than market value, if a property is worth more than \$10,000, under s. 63(3), Council must first hold a public hearing respecting the sale and advertise as per s. 63(4), (5):

63(4) The Council shall advertise the public hearing at least twice, in a newspaper circulating in the Municipality, the first notice to appear at least fourteen days before the hearing.

(5) The notice of the public hearing shall include the date, time and place of the hearing, the location of the real property or a description of the tangible personal property, the estimated value of the property and the purpose of the sale. *2008, c. 39, s. 63.*

(k) The resolution of approval for sale requires passage by at least a two-thirds majority of the Council present and voting.

(l) In the event that Council rejects any or all non-profit organizations' submissions to purchase at a less than market value, Council may direct staff to proceed to sell the property at market value.

Remnant properties

(2) Staff will negotiate the sale of such parcels with any interested abutter of such lands and at such price as supported by appraisal or set by Council directly or through policy adopted by Council.

Extraordinary properties

(3) This category of properties will be dealt with as required by legislation, common law, or contract that governs any disposal by the Municipality, and may be omitted from this policy.

Intergovernmental Transfer

(4) This category of properties will be dealt with as directed by Council.

APPRAISALS

5. At least one appraisal of the current market value of any Ordinary property, Community Interest property, ~~or~~ Economic Development property, or Intergovernmental Transfer property will be obtained as part of the disposal process. Appraisals will remain confidential until the sale is completed.

IMPLEMENTATION

6. This policy shall apply as of the date of approval of Council, excepting properties which are:

- (i) already approved by Council as surplus;
- (ii) under agreement of purchase and sale through delegated approval as of the date of Council approval of this policy;
- (iii) going to Council for approval by individual report up to and including March 31, 2013.

Done and passed in Council this 9th day of April, 2013.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on April 9, 2013.

Cathy Mellett, Municipal Clerk

ATTACHMENT 6
(Amending Administrative Order)

HALIFAX REGIONAL MUNICIPALITY
ADMINISTRATIVE ORDER NUMBER 50 AMENDMENTS
RESPECTING THE DISPOSAL OF SURPLUS REAL PROPERTY

BE IT RESOLVED that Administrative Order 50, *the Disposal of Surplus Real Property Administrative Order*, is amended as follows:

1. Subsection 1A is added after section 1 and section 2

INTERPRETATION

1A In this Administrative Order,

(a) “government” means the Government of Canada, Government of the Province of Nova Scotia, a corporation that is an agent of Her Majesty in Right of Canada or the Province, and a municipal unit; and

(b) “municipal unit” means a regional municipality, town or county or district municipality as set out in the *Municipal Government Act*.

2. Subsection 2 of section 2 is amended by adding clause f after clause e as follows:

Intergovernmental Transfer

- (f) Properties requested by another level of government which:
- (i) will be used for a public purpose; and
 - (ii) sold for market value.

3. Clause 4(1)(j) is amended by adding the bracket “(“ before the letter j.

4. Subsection 4 of section 4 is added after subsection 3 of section 4 as follows:

Intergovernmental Transfer

(4) This category of properties will be dealt with as directed by Council.

5. Section 5 is amended by:

- (a) Striking out the word “or” after the words and comma “Community Interest property” and before the word “Economic.]
- (b) adding the comma after the words “Economic Development Property”; and
- (c) adding the words “or Intergovernmental Transfer property” after the words and newly added comma “Economic Development Property,”.

Done and passed in Council this day of , 2015.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on , 2015.

Cathy Mellett, Municipal Clerk

ATTACHMENT 7 (Incorporating Proposed Changes)

ADMINISTRATIVE ORDER NUMBER 50 RESPECTING THE DISPOSAL OF SURPLUS REAL PROPERTY

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INTERPRETATION

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(b) “municipal unit” means a regional municipality, town or county or district municipality as set out in the *Municipal Government Act*.

POLICY STATEMENT AND CATEGORIZATION

2. (1) The Municipality can acquire and sell real estate within its legislative provisions. Real estate holdings can be a “corporate” asset necessary for municipal functions and purposes of the business units or may be held for particular use of inhabitants of HRM for example, parks and institutional uses. Corporate assets are subject to corporate review by the Asset Owner Business Unit for continuing requirement. Where the business units of HRM have determined that properties no longer serve an operational requirement of the corporation or otherwise appear to be surplus to the needs of the Municipality, then the policy of disposal to be followed in all cases, excepting municipal property which requires particular process through statute or common law or property available in the Municipal Business Parks, is as directed by this policy of Council.

(2) The Municipality will dispose of real property Council determines is no longer required for the purposes of the Municipality. Staff will identify surplus properties by the following categories:

Economic Development

(a) Strategic properties having Economic Development potential ought be sold to:

- (i) maximize use or value;
- (ii) achieve the attraction of targeted industries and employment or the regeneration of neighborhoods;

- (iii) to advance development opportunities; and
- (iv) to generate financial return to the Municipality.

Community Interest

(b) Properties known to have potential for community use, in particular where:

- (i) there has been a prior community or institutional use of the property; or
- (ii) by location or scarcity of available property the consideration would reasonably arise.

Ordinary Sale

(c) Properties of an:

- (i) ordinary or routine nature;
- (ii) which no longer have a municipal purpose.

Remnant

(d) Properties which are remaining or subdivided lands which:

- (i) by nature of their size or dimensions have limited or no reasonable use;
- (ii) but which may have utility for abutting property owners, and can be disposed under s. 64 of the Charter allowing Council to set a price that is less than market value.

Extraordinary

(e) Properties having an historic or legal distinction which include conditions or extraordinary process with respect to their preservation or disposal including but not limited to:

- (i) the Halifax Commons;
- (ii) the Dartmouth Commons;
- (iii) streets;
- (iv) any municipal properties, including parks, which are held in trust, or upon condition, or with reserving interests, or like constraints;
- (v) and parkland acquired through subdivision process.

Intergovernmental Transfer

(f) Properties requested by another level of government which:

- (i) will be used for a public purpose; and
- (ii) sold for market value.

PROPERTY REVIEW AND DECLARATION OF SURPLUS

3. (1) Real Estate and Land Management staff will facilitate at least one annual review of the Municipality's real property inventory in order to identify potentially surplus

properties.

(2) All Business Units will be solicited to identify any municipal requirements for those properties identified as potentially surplus.

(3) Upon completion of Business Unit reviews and identification of the operationally surplus property the Real Estate and Land Management Unit will categorize the nature of the inventory of the properties and list them by category.

(4) Local Councillor and Community Council will be informed of the inventory of the properties and the proposed categories by staff. Local Councillor will then have the opportunity to contact local community to discuss potential surplus properties to gauge interest in potential disposal methods for the properties with area residents. The result from these potential community consultations will then be included in the surplus property report that comes to Council.

(5) Real Estate and Land Management staff will prepare a Surplus Property Report at least one a year to Council which will attach lists of properties by category. The report will recommend that all lists of properties should be declared by Council to be surplus property, that each category be approved by Council, and that the disposal method recommended for each list under this policy be approved by Council.

(6) Council may approve the recommendations, may remove any property from any list, and may move any property from one list to another list, and may declare the lists, or any of them, surplus to the Municipality's requirements.

DISPOSAL METHODS

4. (1) Following Council approvals under Part 2, staff shall proceed to dispose of the properties as determined by category.

Ordinary Properties

(a) These properties shall be placed on the market by Real Estate and Land Management. The sale of market properties may be achieved through:

- (i) direct marketing by staff;
- (ii) listing contracts with licensed real estate brokers;
- (iii) public tenders; or
- (iv) proposal call methods.

(b) Determination of the achieving market value will be supported by appraisal or through the receipt of sufficient offers over an appropriate exposure period.

(c) Approval of final conveyances shall be under delegated authority or by approval of Council as required.

Economic Development Properties

- (d) These properties viewed by Council to be strategic may be disposed through individually recommended processes contained in the Surplus Properties Report, and may include referral to a special committee or task force of HRM created for the purpose of overseeing the strategic use and disposal of a property.

Properties under this category are required by the Charter to be sold at market value and can include partnership models between private developers and nonprofits and municipally defined public use or service delivery components.

Community Interest Properties

- (e) Properties with this potential will be advertised by staff, led by Grant Program Staff, with support of Community and Recreation Services, after being the subject of a public information meeting in the area of the property. After advertising the opportunity to submit proposals, non-profit organizations will have a minimum of 90 days and a maximum of 120 days to submit a written proposal for the use of the property. Submissions should set out:
 - (i) the name, composition and legal status of the group, its purpose and management structure, including office-bearers;
 - (ii) the nature of the activities proposed;
 - (iii) a financial statement;
 - (iv) a business plan for the first five years; and
 - (v) a clear statement of the terms the group is prepared to offer for the purchase or lease of the property.
- (f) All submissions received on or before the last day of submissions will be evaluated by a cross-disciplinary staff committee, including finance and community resources expertise, enlisted by the Grants Program staff for content compliance, viability, compensation, and for benefit to the Municipality. Grants staff will develop criteria that will be publically available for scoring the community interest projects.
- (g) Staff will report to Council on the submissions received and the evaluation by staff, including the advisability of a Buy-Back Agreement and the terms of any suggested Buy-Back Agreement.
- (h) Council may determine to select a submission which would be considered on the basis of s. 63(1), (2), (3), (4), (5) of the Charter, the statutory mandate for Council being whether Council considers the non-profit organization to be carrying on an activity that is beneficial to the Halifax Regional Municipality.
- (i) Council will also consider the overall context of the disposal, including:
 - (i) the market value of the property as appraised;
 - (ii) the Planning Strategies of the area of the property;
 - (iii) the benefit of any cost saving to the Municipality;
 - (iv) the consequences, beneficial or otherwise, to the community or the

- Municipality as a whole;
- (v) the beneficial considerations of any submission against the benefit to the Municipality of selling the property at market value; and
 - (vi) whether or not a Buy-Back Agreement is a condition of a sale.
- (j) If Council decides to consider the disposal at less than market value, if a property is worth more than \$10,000, under s. 63(3), Council must first hold a public hearing respecting the sale and advertise as per s. 63(4), (5):
- 63(4) The Council shall advertise the public hearing at least twice, in a newspaper circulating in the Municipality, the first notice to appear at least fourteen days before the hearing.
 - (5) The notice of the public hearing shall include the date, time and place of the hearing, the location of the real property or a description of the tangible personal property, the estimated value of the property and the purpose of the sale. *2008, c. 39, s. 63.*
- (k) The resolution of approval for sale requires passage by at least a two-thirds majority of the Council present and voting.
- (l) In the event that Council rejects any or all non-profit organizations' submissions to purchase at a less than market value, Council may direct staff to proceed to sell the property at market value.

Remnant properties

- (2) Staff will negotiate the sale of such parcels with any interested abutter of such lands and at such price as supported by appraisal or set by Council directly or through policy adopted by Council.

Extraordinary properties

- (3) This category of properties will be dealt with as required by legislation, common law, or contract that governs any disposal by the Municipality, and may be omitted from this policy.

Intergovernmental Transfer

- (4) This category of properties will be dealt with as directed by Council.

APPRAISALS

5. At least one appraisal of the current market value of any Ordinary property, Community Interest property, Economic Development property, or Intergovernmental Transfer property will be obtained as part of the disposal process. Appraisals will remain confidential until the sale is completed.

IMPLEMENTATION

6. This policy shall apply as of the date of approval of Council, excepting properties which are:

- (i) already approved by Council as surplus;
- (ii) under agreement of purchase and sale through delegated approval as of the date of Council approval of this policy;
- (iii) going to Council for approval by individual report up to and including March 31, 2013.

Done and passed in Council this 9th day of April, 2013.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on April 9, 2013.

Cathy Mellett, Municipal Clerk