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Item No. 07 Halifax Regional Council October 27, 2015

то:	Mayor Savage and Members of Halifax Regional Council
SUBMITTED BY:	Original Signed by Director
	Jane Fraser, Director, Operations Support
DATE:	September 22, 2015
SUBJECT:	Release of Easement Terence Bay

INFORMATION REPORT

<u>ORIGIN</u>

August 4, 2015, Regional Council motion requesting a staff report outlining the process to release a waterline easement impacting a property at PID 383638, Terence Bay.

LEGISLATIVE AUTHORITY

Section 61(5)(b) of the HRM Charter; the Municipality may sell property at market value when the property is no longer required for the purposes of the Municipality.

Administrative Order 50 – Disposal of Surplus Real Property.

BACKGROUND

On April 9, 2013, Halifax Regional Council approved Administrative Order 50 – Disposal of Surplus Real Property. The Administrative Order sets out a regular and comprehensive approach to the disposal of surplus municipal real property.

The first step in the process is a municipal requirement review and assessment, whereby internal business units determine if an asset is required for operational or program requirements. If staff determine that the property should be retained for current or future operational or program requirements, then the process is stopped, and the property is retained, with no further review.

DISCUSSION

The Council motion is requesting a staff report outlining the process to release a waterline easement impacting a property at PID 383638 Terence Bay, civic address 1031 Terence Bay Road. The waterline easement is in favour of HRM properties PID 00384834 and PID 40501124, (civic 1030 Terence Bay Road) which are across the street, and its purpose is to access a well which is located on adjacent Crown lands.

The waterline easement was established in September 1991, and was between Northland Fisheries Limited and the owners of PID 383638 Terence Bay Road. Northern Fisheries operated a fish processing business at the time on PID's 00384834 and 40501124, and drew water from the well that was located on Crown lands adjacent to PID 383638. This well was identified as the only water source for the HRM property in a Site Assessment prepared by Stantec in September 2008. In 1999, the property was acquired by the Coastal Communities Economic Development Cooperative Limited (CCEDC) for redevelopment to community and resource related uses. Due to the downturn in the fisheries, and Hurricane Juan damage, the building eventually fell into disrepair and by 2007 was determined to be unsalvageable. In October 2008, HRM acquired the property for its waterfrontage and to provide the community with future green space and/or economic development opportunities, and the existing structure was demolished.

In June 2015, HRM Legal Services received a request from the area Councillor on behalf of the solicitor of the owners of PID 383638 requesting a release of the easement, on the basis that the HRM property no longer has a building on it. The request arose within the context of the sale of PID 3983638, and the request of the prospective purchaser to "clean up" the easement as it remains a burden on title and appears to serve no functional purpose as the former fish plant building was demolished.

The request was forwarded to Corporate Real Estate, and in turn was reviewed by internal business units, specifically Parks & Recreation as its original acquisition was for redevelopment to community and resource related uses. At the time of acquisition of the land, the primary intention was to establish a municipal public ocean access and boat lunch with supporting infrastructure. In order to accommodate future uses, a source of fresh water supply is considered an asset. With limited opportunities for public ocean access in this general area, these objectives are an asset.

In this case, it is the recommendation of staff that the easement is required and should be retained to secure it as a water source for future re-development of the subject parcels and the adjacent municipal parcel (PID 00384263). Releasing the easement would eliminate the HRM property's water source, which would limit the future use, market value and re-development of the property. Release of the easement would further materially reduce the value of the remaining property. The area Councillor was advised of staff's recommendation.

Although Administrative Order 50 is for the disposal of real property, an easement is a limited property right, so the request was put through the review process and determined by staff to be retained.

FINANCIAL IMPLICATIONS

Retaining the current easement to secure it as a water source for future re-development does not result in any immediate financial implications. As re-development plans are undetermined at this time, it is unknown what the financial implications may be if the easement was released.

COMMUNITY ENGAGEMENT

None

ATTACHMENTS

Attachment A – Site Plan

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 902.490.4210, or Fax 902.490.4208.

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