



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

Item No. 15.1.4
Halifax Regional Council
July 30, 2019

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed
Chief Stuebing, Acting Chief Administrative Officer

DATE: June 21, 2019

SUBJECT: Declaration of Surplus Properties – Lot 2 & Lot 3 - Pickard Lane, Halifax.

ORIGIN

This report originates with requests from several abutting property owners to acquire two existing undersized HRM properties: Lot 2 (PID 40274110) & Lot 3 (PID 41408063), Pickard Lane, Halifax.

LEGISLATIVE AUTHORITY

Administrative Order Number 50 – Respecting the Disposal of Surplus Real Property;

Halifax Regional Municipality Charter, S.N.S. 2008. c. 39:

S. 61(5)(b) “The Municipality may (b) sell property at market value when the property is no longer required for the purposes of the Municipality”.

S. 64 Sale to abutting owner – “Where the Municipality holds land that is of insufficient size or dimensions to be capable of any reasonable use, in the opinion of the Council, all or part of the land may be sold to the owner of any lot abutting that land and may be consolidated with such lot and, notwithstanding Section 63, the sale price of the land so sold may be set by the Council at a price that is less than market value at the time of the sale. 2008, c. 39, s. 64”.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Declare the HRM properties known as Lot 2 (PID 40274110), and Lot 3 (PID 41408063), both abutting Pickard Lane, Halifax, as shown in Attachment A – Site Plan & Photos, surplus to municipal purposes;
2. Categorize the HRM properties known as Lot 2 (PID 40274110) and Lot 3 (PID 41408063), both abutting Pickard Lane, Halifax, as ‘Remnant’, as per Administrative Order 50 - Respecting the Disposal of Real Property.

BACKGROUND

Lot 2 (PID 40274110) is located at the rear of Civic Nos. 2057 (PID 00154179), 2063-2065 (PID 00154187) Gottingen Street. Lot 3 (PID 41408063) is located at the rear of Civic No. 2085-2087 (PID 00154195) Gottingen Street. Both Lot 2 and Lot 3 abut a section of former Falkland Street right-of-way which used to connect Gottingen Street to Maitland Street and then on to Brunswick Street. (See Attachment "A"- Site Plan & Photos)

In the late 1950's, the City of Halifax partnered with the Central Mortgage and Housing Corporation, presently known as Canada Mortgage and Housing Corporation ('CMHC') and entered into the Urban Renewal Agreement ('URA'). In summary, the URA proposed the relocation of residents in an area bounded by Gottingen Street, Maitland Street, and Portland Place, to allow for the redevelopment of some City owned and private land holdings, with newer buildings for urban housing.

The primary role of the City of Halifax in the urban renewal plan was to acquire the privately-owned land in the area, which included Lots 2 and 3. At the time, Lots 2 and 3 did not have buildings on them and were useful for additional off-street parking. Due to excessive asking prices, Lots 2 and 3, along with several other properties in this area, were expropriated by the City in 1959 and in 1961. Over time, Lots 2 and 3 were never redeveloped and have become primary off-street parking areas for some abutting Gottingen Street property owners and their tenants. Several abutting private land owners have expressed the interest to purchase Lots 2 and 3 from HRM to secure ownership of these important parking areas and possibly allow for future building expansions.

As part of staff's regular review of potential surplus properties, the subject properties were reviewed pursuant to Administrative Order 50. The details of the review are discussed below.

DISCUSSION

LOT 2

Early in the review to determine the municipal status of Lot 2, it was determined by staff that ownership of Lot 2 was vested 50% in the name of CMHC and 50% in HRM as per the URA. In conjunction with decisions pertaining to pursuing core program activities, specifically, increasing affordable housing opportunities in the HRM, CMHC divested its 50% interest in Lot 2 to HRM in December 2018. While migrating Lot 2 to the land registry system, it was discovered there is a ten-foot-wide access easement on the property in favour of the property at 2057 Gottingen Street.

As Lot 2 spans the rear of two Gottingen Street properties, the highest and best use of Lot 2 will be as a consolidation to the abutting 2057 and 2063-2065 Gottingen Street properties for continued parking and/or future redevelopment. Due to Lot 2's small size, accessibility, and limited use, the property is considered by staff to be surplus to future municipal use and should be categorized as "remnant".

As a remnant property, staff will approach all abutting Gottingen Street property owners about their interests for purchasing parcels of Lot 2. However, a land consolidation with abutting 2057 and 2063-65 Gottingen Street would extend their respective properties to the rear service lane known as Pickard Lane (see "Access" below for additional comments). If in the event one party is not interested in acquiring their respective parcel, it will be offered for purchase to the other owner to eliminate an orphan HRM parcel smaller than existing Lot 2. As a pending condition of sale, the existing access easement to preserve access from Pickard Lane to the rear of 2057 Gottingen Street, will remain in place.

LOT 3

Despite being part of the URA with CMHC, ownership of Lot 3 is vested 100% with HRM. During the review to determine the municipal status of Lot 3, staff were advised that a small portion of the building at 2085-

2087 encroaches onto Lot 3. Furthermore, staff has discovered that the abutting owner at 2089 Gottingen Street, has constructed a fire escape stairway which encroaches Lot 3 as well. As a pending condition of sale, staff will offer to convey an access easement at market value to the owner of 2089 Gottingen Street to allow their exterior fire escape stairway to remain.

Due to Lot 3’s small size (34 feet in width and 40 feet in depth), accessibility, and limited use, the property is considered by staff to be surplus to future municipal use and should be categorized as “remnant”. The highest and best use of Lot 3 is a consolidation to the abutting 2085-2087 Gottingen Street for continued parking for 2-4 vehicles and/or future redevelopment.

ACCESS

Vehicular access to Lots 2 and 3 has traditionally been through another property, known as Pickard Lane. Pickard Lane is located on the property identified as Easement – E (PID 40275802). Pickard Lane is not an approved HRM street right of way. There is no legal access to Lots 2 and 3, including legal access over Pickard Lane to Portland Place. In addition, title to Pickard Lane has not been migrated under the *Land Registration Act*, so any ownership interest of the HRM in Pickard Lane cannot be certified at this time.

As Pickard Lane has traditionally been used to access the rear of the properties fronting on Gottingen Street, it is recommended that an easement agreement be granted to the appropriate properties on Gottingen Street to allow for the continued access to the rear of their properties. This would be subject to the confirming full HRM ownership of Pickard Lane.

Table 1 – Key Terms and Conditions

	Lot 2	Lot 3
PID	41408063	40274110
Zoning	C-2 – General Commercial Zone	
Property Area	1,688sqft	1,380sqft
Special Conditions	<ul style="list-style-type: none"> • Access easement to be retained for 2057 Gottingen Street; • Property to be subdivided into 2 parcels if there are 2 interested buyers. 	<ul style="list-style-type: none"> • Access easement to be offered for exterior emergency stairs serving 2089 Gottingen Street

FINANCIAL IMPLICATIONS

There are no associated financial implications with this report at this time. The market value and recommended terms and conditions of the sale the subject properties will be the subject of a separate approval report with the appropriate delegated authority.

COMMUNITY ENGAGEMENT

As per Administrative Order No. 50, following the determination the subject properties of this report are surplus to municipal needs, comments from the area Councillor were received. Through the area Councillor, feedback from local owners and business associations, has been unanimous in stating that Lots 2 and 3 are crucial for the local businesses who have long used these properties for parking and deliveries. Furthermore, it was highly stressed the importance of Pickard Lane being retained as-is to preserve access to the rear of several Gottingen Street buildings. No additional community engagement was deemed necessary.

ALTERNATIVES

Halifax Regional Council could instruct staff to not declare Lot 2 and 3 as surplus under Administrative Order 50, and for HRM to retain ownership. This is not recommended as it is not required for municipal purposes and presents potential liability.

ATTACHMENTS

Attachment “A” – Site Plan & Photos

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Chad Renouf, Senior Real Estate Officer, Finance, Asset Management & ICT
902.490.6798

HALIFAX

ATTACHMENT 'A' - SITE PLAN & PHOTOS

