

HALIFAX

Public Hearing

ADMINISTRATIVE ORDER 50 – COMMUNITY INTEREST - 64 True North Crescent, PID 40414187, 67 True North Crescent, PID 40414161, 80 True North Crescent, PID 40414179, and 91 True North Crescent, PID 40414146.

November 17, 2020

Legislative Authority

HRM Charter (2008):

Section 63

(1) The Municipality may sell or lease property at a price less than market value to a non-profit organization that Council considers to be carrying on an activity that is beneficial to the Municipality.

(2) A resolution to sell or lease property referred to in subsection (1) at less than market value shall be passed by a two-thirds majority of the Council present and voting.

(3) Where the Council proposes to sell property referred to in subsection (1) valued at more than ten thousand dollars at less than market value, the Council shall first hold a public hearing respecting the sale.

Origin

September 22, 2020 Regional Council:

THAT Halifax Regional Council set a date for a public hearing to consider the sale of 64 True North Crescent, Dartmouth, PID 40414187; 67 True North Crescent, Dartmouth, PID 40414161; 80 True North Crescent, Dartmouth, PID 40414179; and 91 True North Crescent, Dartmouth, PID 40414146; to the Affordable Housing Association of Nova Scotia as per the terms and conditions outlined in Table 2 of the staff report dated July 28, 2020.

Table 2. KEY TERMS AND CONDITIONS (PROPOSED)

Civic Address	64, 67, and 80, and 91 True North Crescent
Area	Total: 78,846 square feet
Zoning	TH (Town House)
Assessed Value	Total: \$555,400 (2019)
Appraised Value	Combined total value of four (4) properties is \$236,538.
Tax Status	Residential Exempt.
Proposed Purchase Price	\$1.00 for each of the four (4) lots.
Terms of Offer	Properties to be sold “as-is” and “as-zoned”.
Proposed Use	The construction of town houses for rent at and below market value rental rates.
Conditions of Sale	<p>Property to be conveyed “as is/as where is” and subject to existing encumbrances, if any exist.</p> <p>The Municipality’s obligation to sell the property to the Purchaser shall be subject to the Purchaser arranging and providing proof of sufficient financing from CMHC and other governments and agencies, prior to the closing date, to guarantee the successful completion of the housing units.</p> <p>The Purchaser shall be permitted to complete any due diligence as agreed between HRM and the Purchaser or as required by their lender, including a Phase II Environmental Site Assessment of 91 True North Crescent.</p>

CONTINUED - Table 2. KEY TERMS AND CONDITIONS (PROPOSED)

Buy-Back Agreement	<p>A Buy-Back Agreement shall be registered on title as a recorded interest and be in force for a minimum term of 25 years upon which time it may be amended, released or extended by HRM in its sole discretion. HRM shall retain the first option to repurchase the property at \$1.00 plus the value of capital improvements made to the property, less annual depreciation.</p> <p>The Buy-Back Agreement shall be binding upon future purchasers of the property for so long as it is registered on title until it is released by the Municipality.</p> <p>The Buy-Back Agreement shall include a clause requiring that 56% of the total units continue to be offered at 20% below market rent in perpetuity.</p> <p>The Buy-Back Agreement shall allow for a postponement to secure financing of up to 95% of the property's market value as-if-improved. Such financing is to be used for the subject property and not for other projects of the Purchaser.</p> <p>The Buy-Back Agreement shall include a requirement that construction must be substantially completed within 60 months from the closing date to ensure timely development of the property.</p>
Closing Date	<p>Within 3 months of Regional Council's approval or following any agreed upon due diligence, whichever is later.</p>
Cost of Sale Recovery	<p>\$7,748 (\$1,937 per property) due upon receipt of an itemized invoice issued by HRM, or as permitted under Section 3 of Schedule 2 of Administrative Order 50. The Purchaser may make separate application to the Treasurer of the Municipality for a payment plan respecting the remittance of the transaction fees required by Section 1 (migration fees, deed fees, appraisal or comparative market analysis). HRM does not guarantee the outcome of any such application.</p>

Ariel View of Vacant Lots



Questions?

Thank you.

HALIFAX