



Sale of Surplus Municipal Real Property: Community Interest

Administration Order 50

Call for Submissions

Civic Address				
Closing Date	day	month	year	4:30 p.m. local time

Introduction

The opportunity for non-profit organizations to acquire surplus municipal property is coordinated through Administrative Order 50. A copy of this policy is available online at: www.halifax.ca/legislation/adminorders/documents/A050.pdf. When assigning disposal through the Community Interest category of Administrative Order 50, Regional Council has indicated that they are prepared, but not obliged, to consider the sale of a surplus municipal property at less than market value to a non-profit organization.

Guidebook

Prospective applicants should refer to the *Sale of Surplus Municipal Real Property: Community Interest. Administrative Order 50* guidebook for assistance in preparing a submission, the evaluation of proposals, and the decision-making process. The guidebook is available online at: www.halifax.ca/business/doing-business-halifax/community-interest-surplus-properties-disposal. A printed copy can be requested from the Grants & Contributions office.

Official Contact

Inquiries regarding this Call for Submissions must be directed to the Grants & Contributions office, Finance & Asset Management, at the email address below:

A050@halifax.ca

Submission

Submissions shall be mailed to:

Halifax Regional Municipality
Finance & Asset Management (Grants & Contributions)
5th Floor, 40 Alderney Drive, Dartmouth
Nova Scotia, Canada B2Y 3N5

Section A. Property Identification

The Halifax Regional Municipality (“HRM”) invites applications from registered non-profit and charitable organizations to acquire:

PID# Civic Address

The subject property has been declared surplus to HRM’s requirements. Regional Council has approved disposal under the Community Interest category of Administrative Order 50.

1. Location and Zoning of Subject Property

The subject property is located [*civic address* _____] as shown in the site map below. [land area, neighbourhood, general typography of the land]. The subject property is currently zoned [*zoning* _____] and permitted uses include the following:

See: Section C. SUPPLEMENTARY INFORMATION of this document for reference to the HRM Land Use By-law.

Site Map

2. General Description

Describe main features of the building as applicable. Include any restrictions (heritage designation, assignment of lease or license agreement, easements).

Photograph

3. Property Value

In [*year* _____], HRM retained the services of [*name of company* _____]

the appraised market value for [*PID#* _____ and *civic address* _____]

to be [\$ _____]. This appraisal is for the subject property in its current condition and as zoned (“as is/ as zoned”).

The current assessed value of the property as determined by Property Valuation Services Corporation is

\$ _____ (\$ _____ land and \$ _____ building(s)).

The current tax rates for this location are: _____% Commercial and _____% Residential

4. Site Visit

A guided tour of the [*facility* _____] will be held on:

[*Day* _____, *month* _____, *year* _____] at [*time* _____]

[*civic address* _____]

Attendance is voluntary but is an opportunity to view the premises with any party retained by the applicant.

5. Supplementary Information

Additional information is included in Section C. SUPPLEMENTARY INFORMATION of this document.

Section B. Call for Submissions

Section B should be read in conjunction with the *Sale of Surplus Municipal Real Property: Community Interest Guidebook* to ensure that the process, evaluation, and decision-making process is understood. The guidebook is available online at: www.halifax.ca/business/doing-business-halifax/community-interest-surplus-properties-disposal.

6. Eligibility

All applicants must be a registered non-profit organization as of the date of application (on or before the application deadline stated on the front cover of this document, “Call for Submissions”). A non-profit organization includes the following:

- A society pursuant to the Societies Act (1989);
- A non-profit association pursuant to the Co-Operatives Associations Act (1989);
- A non-profit corporation pursuant to the Canada Not-for-profit Corporations Act (2009);
- A registered charity pursuant to the Income Tax Act (Canada);
- A non-profit organization pursuant to an Act of the Nova Scotia Legislature.

Unsolicited expressions of interest, including from former or current tenants, will not be considered outside the formal call for Expressions of Interest¹. Any verbal or written communication with respect to the possible sale of the property shall be directed to the formal Community Interest disposal process as set out in Administrative Order 50.

7. Application Deadline

Written submissions will be accepted until the end of business day, 4:30pm local time, on the date stated on the front cover of this document, “Call for Submissions”. Extensions and late applications will not be considered.

Submissions will not be accepted by email. Applications must either be date-stamped and initialed by a member of HRM staff, post-marked by Canada Post Corporation, or delivered by commercial courier with the date and time of delivery verified. Submissions without proof of date and time of application will not be considered.

8. Application Form

An application form is attached to this document and online at: www.halifax.ca/business/doing-business-halifax/community-interest-surplus-properties-disposal. This form must be completed, signed by the Chair of the Board of Directors, and affixed to the front of your submission.

9. Applicant's Expenses

Applicants are responsible for expenses incurred in preparing, delivering or presenting a proposal, whether or not Regional Council approves the proposal submitted for this application.

10. Currency and Taxes

Amounts included in the submission are to be quoted in Canadian dollars, excluding deed transfer tax (1.5% of the sale price) and HST where applicable.

¹ See: *Sale of Surplus Municipal Real Property: Community Interest Guidebook* for the criteria and decision-making process for Direct Sale requests.

11. Compliance With Laws

In the event that Regional Council approves the submission, the Applicant shall give all notices and obtain all licenses and permits required to perform any proposed work or process required. The Applicant shall comply with all laws applicable to completing any required or optional work.

12. Evaluation Process

Applications will be reviewed based on the information provided in the submission using a standard scoring process as described in the *Sale of Surplus Municipal Real Property: Community Interest Administrative Order 50* guidebook. Sufficient detail should be included in the proposal to enable the evaluation team to understand the submission and develop a recommendation for Regional Council.

Any subsequent submission of written documentation in support of a proposal shall not be considered unless expressly requested by the HRM staff evaluation team. If clarification or additional information is required the Applicant will be contacted using the **A050@halifax.ca** email address.

After a formal call for Submissions has officially been issued, the applicant shall direct all questions regarding this Call for Submissions to the official contact at: **A050@halifax.ca**. Any attempt on the part of the Applicant or any of its employees, agents or representatives to contact any of the following persons with respect to this Call for Submissions may lead to disqualification:

- any member of an evaluation team or any expert advisor to them;
- any member of HRM staff other than the official contact;
- any member of the public who serves in a volunteer capacity on an agency, board, commission or committee convened by Council.

A copy of the *Sale of Surplus Municipal Real Property: Community Interest Staff Evaluation Guidelines* are posted online at: www.halifax.ca/business/doing-business-halifax/community-interest-surplus-properties-disposal.

[If the applicable weighted scoring table is to be used it would be inserted here.]

13. Applicant's Due Diligence

The property is to be sold "as is" and "as zoned". The Applicant must satisfy themselves as to the exact nature and existing condition of the property and any necessary improvements required relative to their intended use. Costs incurred to achieve this level of satisfaction are the sole responsibility of the Applicant.

HRM may have in its possession, or undertake, environmental reports, a building condition or energy assessment, appraisals, and further investigations. These documents are provided to Applicants on the HRM web site at this address: www.halifax.ca/business/doing-business-halifax/community-interest-surplus-properties-disposal. A list of these materials is included in Section C. SUPPLEMENTARY INFORMATION of this document and may be used to assess any required capital work, deferred maintenance, and the general condition of the subject property. HRM does not, however, guarantee any condition of the property nor the accuracy of the information presented in the reports. The Applicant is required to substantiate the findings for their submission and costing.

Where a property has been occupied by a third party or vacant for an extended period, information on annual operating costs may be unavailable. Further, the Municipality's costs are reduced due to bulk purchasing, a self-insured discounted premium, and partial HST. Therefore, applicants are cautioned that a direct comparison with a new owner's costs may prove erroneous.

An opportunity to increase or amend the terms of offer submitted will not be allowed under the Call for Submissions process. Staff will not negotiate content once the application is submitted but the staff contact may refer questions of clarification on behalf of the evaluation team.

The Applicant is responsible for confirming the property's tax and zoning status and the implications of same in the development of their proposal (for example, permitted use in relation to occupancy, parking, building expansion, or site re-development).

14. Underground Infrastructure

If successful, the Purchaser will be required to carry out any necessary relocation, construction or improvements to the underground infrastructure at their sole cost. Underground infrastructure refers to sanitary sewage systems, storm water drainage system, domestic water system, all electrical and communications cabling, and other utility costs.

15. Permits and Approvals

The Purchaser shall be responsible for obtaining all required approvals and permits prior to the start of any work on site. The process for obtaining Municipal approval(s) will be independent of the sale process; an Agreement of Purchase and Sale does not presume or imply the Municipality's approval of subsequent applications for permits, re-zoning, variances, or a development agreement.

16. HRM's Terms and Conditions Of Sale

Any restrictions on the sale, lease, or use of a property shall be determined by HRM in advance and these may affect appraised market value. The Purchaser may be required to maintain the property in accordance with these restrictions, including any "extraordinary" and heritage elements as identified within Section 2. GENERAL DESCRIPTION of this Call for Submissions.

Current property expenditures by HRM will be discontinued upon closing date of the property sale. Expenditures include, but are not limited to, building and liability insurance, future re-capitalization, holding costs including leasing, or any operating grant (ie. rent subsidy or utilities) provided by the Municipality.

17. Closing of Sale Process

For a successful applicant, the closing process on the sale of the property is typically within sixty (60) days of receiving the required Municipal approvals for the transaction following Regional Council's approval.

18. Buy-Back Agreement

Subject to Regional Council approval, a property sale at less than market value may include a Buy-Back Agreement in addition to the Agreement of Purchase and Sale. A Buy-Back Agreement has an initial 25-year term followed by a review by Regional Council to consider continuation, amendment or release of the agreement. A Buy-Back Agreement may restrict an owner's ability to secure financing. Under such circumstances, application must be made to HRM for consent to encumber the asset.

Refer to the *Sale of Surplus Municipal Real Property: Community Interest Administrative Order 50* guidebook for further detail and a sample Buy-Back Agreement.

19. Recovery of HRM's Costs

In accordance with Schedule 2 of Administrative Order 50, the following closing costs shall be applied as follows:

Migration and Deed Fee	maximum \$2,500 per property transaction plus HST
Appraisal/Comparative Market Analysis	lessor of 50% of the cost of the appraisal or \$2,500 per property transaction plus HST
Plan of Survey for the Subdivision of Land, Including Lot Consolidation, legal description and deed	full cost recovery (HRM will provide an itemized invoice)

Organizations unable to pay closing costs in full prior to conveyance may request a payment plan option. The terms of a payment plan are included in Schedule 2 of Administrative Order 50.

20. Access to Information and Privacy

Applicants are advised that any records created by the Municipality can be requested under Freedom of Information and Privacy legislation. Applicants will be notified by HRM should such a request be received related to their application. Proposals may be affixed in their entirety, or extracts included, in reports to Regional Council.

Application for Property Purchase: Community Interest

Please complete this form and attach to the front of your submission to Grants & Contributions, Finance & Asset Management, Halifax Regional Municipality, 40 Alderney Gate, Dartmouth, Nova Scotia B2Y 3N5. OR e-mail to AO50@Halifax.ca

1. Civic Address of the Property of the Subject Property:

2. Name of Applicant Organization(s) and Registration Number(s):

Nova Scotia Registry of Joint Stocks (society, cooperative): # _____

Federal Government (charity, federal non-profit corporation): # _____

If incorporated under an Act of the Nova Scotia Legislature, please include the name of the Act: _____

3. Name of Official Contact, Telephone Number, Email Address, and Mailing Address:

4. Mandatory Content - An application by a non-profit organization to purchase a community interest property must include the following information:

- proof of registered status as non-profit organization;
- a description of the non-profit organization and its programs or services;
- a statement of the non-profit organization's intended use for the subject property;
- complete financial statements for: (i) the prior three (3) fiscal years, or (ii) if the non-profit organization has not been incorporated for the prior three fiscal years, the number of fiscal years the organization has been incorporated, and the financial statements must include all itemized revenues, expenses, assets and liabilities;
- a five-year operating and capital budget;
- a complete copy of the non-profit organization's Articles of Incorporation, Charter, or Constitution and By-laws; and

- (h) the terms and conditions of the offer for the purchase, including the purchase price, requested closing date, and any terms and conditions specific to the subject property.

4. Declaration and Signature of the Chair of the Board of Directors:

I hereby certify that:

all statements, both written and verbal, made in relation to the submission affixed to this application to the Halifax Regional Municipality for the subject property are true and accurate and it is understood that any misrepresentation of material facts may lead to rejection of this submission; the applicant organization(s) is/are entirely non-profit and excludes private and for-profit interests; it is understood that the provision of false or misleading information such that the Municipality was induced to grant a less than market value sale of property, the Municipality may buy back the subject property as per the terms of the Buy-Back Agreement (if applied to the conveyance) or comparable terms.

Chair, Board of Directors (Day/Month/Year)



Halifax Regional Municipality
Grants and Contributions
2021