



# AUDITOR GENERAL

Halifax Regional Municipality



Corporate Real Estate  
Development and Sale of Industrial Lands  
Land and Building Acquisition and  
Disposal Audit

December 14, 2022

# Audit Overview

- Development and sale industrial lands
  - Long-term plans not sufficient
  - Coordination between Corporate Real Estate and Planning and Development needed
  - Some short-term and medium-term plans lack detailed timelines
- Land and building acquisitions and disposals: improvements needed
  - Data and file management
  - Monitoring inactive files
- Found active files are monitored

# Development and Sale of Industrial Lands

## Detailed Results

- Lack sufficient long-term plans to meet demand
- Regional Council strategic priority
- HRM consultant – minimum 510 net acres additional urban industrial lands needed by 2039
  - Current supply only adequate to 2024
- Coordination between business units needed
- Planning and Development said other areas, such as housing, took priority
- Long-term plans needed
  - With details
  - Estimates of when land can be sold



# Industrial Lands Development and Sale Detailed Results

- To meet future demand:
  - Expand Burnside, Aerotech, and Ragged Lake
- Burnside
  - Three phases
  - Lack of detailed plans for key milestones in second and third phases
  - Management provided after we completed audit
  - Phase 14 – limited plans to date
- Aerotech and Ragged Lake
  - Some short-term and medium-term plans
  - Need more detail and timelines
  - Corporate Real Estate and Planning and Development need to work together

# Development and Sale of Industrial Lands Detailed Results

- 2018-19 to 2020-21 business plans had key deliverables for industrial lands
  - Not in 2021-22 or 2022-23 business plans
  - Should be continuity to recent business plans
  - Provides Regional Council and public with information
  - Still being worked on
- Outstanding recommendations from consultant report
  - Expected more detailed plans to address



# Development and Sale of Industrial Lands Detailed Results

- Industrial land sales transactions
  - Consistent with key policy requirements
  - Management monitored requirements were met
- Management monitors ongoing transactions
  - Example: involvement in Burnside design
  - Regular communication among business units



# Land and Building Acquisitions and Disposals Detailed Results

- Improvements needed in data and file management
  - Key fields often not updated
  - Many samples had limited information in tracking sheet
- Active files are monitored
- However, inactive files not monitored
  - Long gaps with no activity
  - Lack of communication
  - Should follow up periodically



# Land and Building Acquisitions and Disposals Detailed Results

- Corporate Real Estate and other business units
  - Land and building acquisitions and disposals
    - Roles and responsibilities understood in most instances
    - Need to finalize service level agreement with Parks and Recreation



# Land and Building Acquisitions and Disposals Detailed Results

- Targets established for acquisitions and disposals
  - Six to 24 months, depending on property type
- Relevant samples all exceeded target period
  - Other business units aware of long timelines
  - Complexity can impact dates
  - Management said timelines may need review
    - Outstanding issues can impact timelines



# Wrap Up

7 Recommendations

All accepted by management

- Plans need more detail
- Information in business plans
- Better data track surplus properties
- Review inactive properties and timelines

Follow up in 18 months



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Questions?