

# HALIFAX

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

**Item No. 14.1.3**  
**Halifax Regional Council**  
**November 22, 2016**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
Jacques Dubé, Chief Administrative Officer

Original Signed by   
Jane Fraser, Acting Deputy Chief Administrative Officer

**DATE:** September 26, 2016

**SUBJECT:** Administrative Order 50 – Disposal of Surplus Real Property  
– Package 05.16

---

## **ORIGIN**

This report originates with the April 9, 2013, Regional Council approval of Administrative Order 50 respecting the Disposal of Surplus Real Property.

## **LEGISLATIVE AUTHORITY**

- The Municipality's powers regarding real property: Sections 61, 63 and 64 of the *Halifax Regional Municipality Charter*
- Administrative Order 50 – Respecting the Disposal of Surplus Real Property

## **RECOMMENDATION**

It is recommended that the Halifax Regional Council:

1. Declare the properties contained in Attachments B, C and D of this report, as surplus to municipal purposes; and
2. Categorize the properties declared surplus within this report as specified in Attachments B, C and D for the purposes of Administrative Order 50, respecting the Disposal of Surplus Real Property.

## **BACKGROUND**

On April 9, 2013, Council approved Administrative Order 50 for the disposal of surplus real property. Administrative Order 50 provides a regular and comprehensive disposal approach by bringing before Council an inventory of candidate properties for review and decision with respect to: (1) surplus status; and (2) category of disposal methods. It also recognizes that certain properties may, from time-to-time, be strategic for the growth of the municipality or key for community, and that these properties can be identified early in the process and streamed into the most appropriate property category based on the definitions set out in the policy. The policy requires that, at a minimum of at least once per year, a surplus property report will be brought forward to Regional Council.

### **Property Review And Declaration Of Surplus**

The disposition of surplus property under Administrative Order 50 includes the following steps:

1. Staff will facilitate at least one annual review of the Municipality's real property inventory in order to identify potentially surplus properties;
2. All Business Units will be solicited to identify any municipal requirements for those properties identified as potentially surplus;
3. Following Business Unit reviews and identification of operationally surplus property, municipal staff, using the property category definitions under Administrative Order 50, will categorize the inventory of the properties and list them by category;
4. Surplus properties are categorized as follows:
  - Economic Development,
  - Community Interest,
  - Ordinary,
  - Remnant,
  - Extraordinary, and
  - Inter-Governmental;
5. Local Councillors and Community Councils will be informed of the inventory of properties and the proposed categories by staff. Property information packages will be distributed to Councillors and Community Councils for feedback;
6. A recommendation report to Council will be prepared, containing recommended lists of properties to be declared surplus and the recommended categorization and disposition method. Council may approve the recommendations, may remove any property from any list, and may move any property from one list to another list, and may declare the lists, or any of them, surplus to the Municipality's requirements;
7. Properties recommended for market sale shall be placed on the market under the disposal methods set out in Administrative Order 50. Approval of final conveyances shall be under delegated authority or by approval of Regional Council as required;
8. Properties recommended for community process shall be advertised for non-profit organizations' proposals as set out in Administrative Order 50. Approval of less-than-market-value sales, or leases to non-profit organizations, shall be by Council as per Section 63 of the Halifax Regional Municipality Charter. If no submissions are received, or none are approved, then Council will direct the market value disposal under the policy.

This report addresses step six and seeks Council's approval of the report recommendations respecting the lists of properties to be declared surplus, and by category, as attached to this report.

Council should note that the recommendation at this time does not authorize the conveyance or sale of properties. Approval of final conveyances shall be under delegated authority or by subsequent approval of Regional Council, as required.

## **DISCUSSION**

The summary of surplus property by category is provided in Table 1 below. Full property listings and respective detail, by property, are provided as Attachments to this report.

**TABLE 1**

<b>Property Category</b>	<b>Quantity</b>	<b>Area (sq.ft.)</b>	<b>Assessment</b>
Ordinary	6	301,994	\$6,604,300
Remnant	1	7,251	n/a
Extraordinary	1	11,730	n/a
<b>Totals</b>	<b>8</b>	<b>\$320,975</b>	<b>\$6,604,300</b>

**Note:** The above information was compiled using available Provincial assessment data and area approximations of subject parcels. The assessment value is intended to give Council a measure of value, and may not be an accurate reflection of current market value.

## **FINANCIAL IMPLICATIONS**

Surplus properties will continue to be maintained by HRM until they are disposed. Operating costs in 2014/15 were \$152,000. The North Street, Dartmouth parcels (i.e., PIDs 40506875 and 40938110, as per Attachment B) generate net parking revenue of approximately \$29,000 annually. Upon sale of surplus properties, net proceeds will be directed to the Capital Fund Reserve, Q526 or the Strategic Reserve, Q606, in accordance with the Halifax Regional Municipality Charter Section 120 (3)(a). Transfer of ownership will also impact property tax revenues in future fiscal years.

## **RISK CONSIDERATION**

If there are significant risks associated with specific properties, those risks are identified in respective properties' detail in the attachments to this report.

## **COMMUNITY ENGAGEMENT**

This report deals with an administrative matter and, as such, public consultation was not undertaken.

## **ENVIRONMENTAL IMPLICATIONS**

Implications not identified.

## **ALTERNATIVES**

1. Council could elect not to declare the recommended inventory of properties, or specific properties, surplus to municipal requirements, and remove them from the list.
2. Council could recommend changes to the categorization of specific surplus properties for Council's consideration.

**ATTACHMENTS**

Attachment A     Administrative Order No. 50  
Attachment B     Ordinary Properties  
Attachment C     Remnant Properties  
Attachment D     Extraordinary Properties

---

If the report is released to the public, a copy can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:     Rudy Vodicka, Project Manager, Real Estate Development, Corporate Real Estate,  
Operations Support, 902-476-8183  
Tom Crouse, Manager, Acquisition & Disposal Manager, Corporate Real Estate,  
Operations Support, 902-490-5931

Report Approved by:     \_\_\_\_\_  
Michael Wile, A/Manager, Corporate Real Estate, Operations Support,  
902-490-5521

Report Approved by:     \_\_\_\_\_  
Peter Stickings, A/Director, Operations Support, 902-490-7129

Report Approved by:     \_\_\_\_\_  
Amanda Whitewood, Director of Finance and Information Technology/CFO,  
902-490-6308

Report Approved by:     \_\_\_\_\_  
John Traves, Q.C., Director, Legal, Insurance & Risk Management Services,  
902-490-4219

---

Original Signed