

TO: Mayor Savage and Members of Halifax Regional Council

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

DATE: May 15, 2020

SUBJECT: Declaration of Surplus Property, Street Closure and Property Disposal – 21 Orion Court and Mount Hope Avenue

ORIGIN

This report originates with a request from Quality Blasting and Coatings Limited, owner of Lot 306-A-X, 21 Orion Court, Dartmouth, to acquire a portion of Mount Hope Avenue abutting its property, for its operational purposes.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter:

Section 61:

(3) The property vested in the Municipality, absolutely or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise.

“(5)(b): “The Municipality sell property at market value when the property is no longer required for the purposes of the Municipality;”

Section 325:

“(2) Notwithstanding subsection (1), where a street or part of a street is being altered, improved, or redesigned, part of that street may be closed without holding a public hearing under subsection (1) if

- (a) The part of the street that remains open*
 - (i) Is open to vehicular and pedestrian traffic, and*
 - (ii) Meets all the municipal standards; and*
- (b) The part of the street that is closed*
 - (i) Is determined by the engineer to be surplus, and*
 - (ii) Is worth less than fifty thousand dollars.*

(6) A copy of the policy passed by the Council, certified by the Clerk under the seal of the Municipality, incorporating a survey or a metes and bounds description of the street that is closed, must be filed in the registry and with the Minister of Transportation and Infrastructure Renewal.

(7) Upon filing the policy in the registry, all rights of public user in the land described in the policy are forever extinguished and the Municipality may sell and convey the land or may subsequently reopen the land as a street in the manner required by this Act.”

Administrative Order Number 50 Respecting the Disposal of Surplus Real Property.

Administrative Order Number 2018-004-ADM.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Declare the portion of the Mount Hope Avenue right-of-way shown as Parcel Y in Attachment “A”, surplus to municipal requirements, and categorize it as ‘Extraordinary’, as per Administrative Order 50;
2. Approve Administrative Order SC-94 in Attachment “B” of this report; and
3. Subject to the approval of the above recommendations, authorize the negotiation and execution of an agreement of purchase and sale and the conveyance of Parcel Y as per Table 1 to the adjacent property owner pursuant to Administrative Order Number 2018-004-ADM.

BACKGROUND

Quality Blasting and Coatings Limited have contacted Corporate Real Estate with a request to buy a 9,517 square foot portion of Mount Hope Avenue abutting its property at 21 Orion Court, Woodside Industrial Park, Dartmouth for the purpose of expanding its lay down area and to increase turning radius for transporting completed materials produced and leaving its facility.

Pursuant to section 325 (2)(a) of the Charter, the engineer has determined that if the street is altered by the closures of Parcels Y, the part of the street that remains open would be open to vehicular and pedestrian traffic and meets all the municipal standards. The part of the street that is proposed to be closed has been determined by the engineer to be surplus. The portion of the street that is being considered for closure is valued at less than fifty thousand dollars (\$50,000). Therefore, a public hearing is not required.

DISCUSSION

The portion of the right-of-way proposed to be closed is shown as Parcel Y on Attachment “A”.

The request to declare the small area of right-of-way surplus was reviewed by Transportation and Public Works, Right of Way Services and Traffic Management and by staff from Corporate Real Estate, and by Halifax Water.

Transportation and Public Works has determined that if Mount Hope Avenue is altered by the closure of the proposed Parcel Y, the part of the street that remains open would be open to vehicular and pedestrian traffic and would meet all the municipal standards. The part of the street that is proposed to be closed has been determined by the engineer to be surplus.

The intent is to grade, modify an existing stormwater ditch which straddles the existing property line, replace the existing headwall with a catch basin located on its property to increase the size of the yard. The work will not impact the toe of slope at Mount Hope Avenue and the purchaser will not be constructing any buildings or structures on the lands (other than moving an existing fence).

Staff recommend declaring the requested area of Mount Hope Avenue surplus to municipal requirements, and formally closing this portion of the right-of-way.

The purpose of this report is to declare the subject lot surplus, categorize it as 'Extraordinary' under Administrative Order 50, close the portion of street right-of-way under Administrative Order SC-94 to enable the conveyance pursuant to Admin. Order 2018-004.

TABLE 1

Property	Parcel Y, being part of Mount Hope Avenue shown on Attachment A
Purchaser	Quality Blasting and Coatings Limited
Vendor	Halifax Regional Municipality
Area	Approximately 9517 square feet
Purchase Price	Subject to AO 2018-004 (Market Comparable Analysis)
Closing	Within 60 days of approval of the street closure

FINANCIAL IMPLICATIONS

The net proceeds from the sale of the property will be placed in the Capital Fund Reserve Q526. Applicable vendor adjustments to the Purchase Price include, but are not limited to, appraisal, survey, subdivision fee, easements, environmental impacts, grading deficiencies, wetland management, vendor's legal, brokerage, marketing and administrative costs. Vendor adjustments or deficiency allowances, if required, shall be to a maximum of 15 percent of the purchase price. HST applies to this transaction.

Market Value Definition

The most probable price which a property should bring in a competitive and open market under all condition's requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of the specific date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in Canadian Dollars or in financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Appraisal Institute of Canada. Canadian Uniform Standards of Professional Appraisal Practice)

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this Report. The risks considered rate Low.

COMMUNITY ENGAGEMENT

As per Administrative Order 50, the area Councillor was advised of the recommendation to surplus the subject property with the Extraordinary categorization. A public hearing is not required, as the closure meets Section 325(2) of the Halifax Regional Municipality Charter.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

Halifax Regional Council could instruct staff to *not* declare the subject property as surplus under Administrative Order Number 50, and to retain ownership for street right-of-way. This is not recommended as it is not required for street right-of-way purposes.

ATTACHMENTS

Attachment 'A' – Surplus Plan and Plan of Survey
Attachment 'B' – Administrative Order SC-94

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.

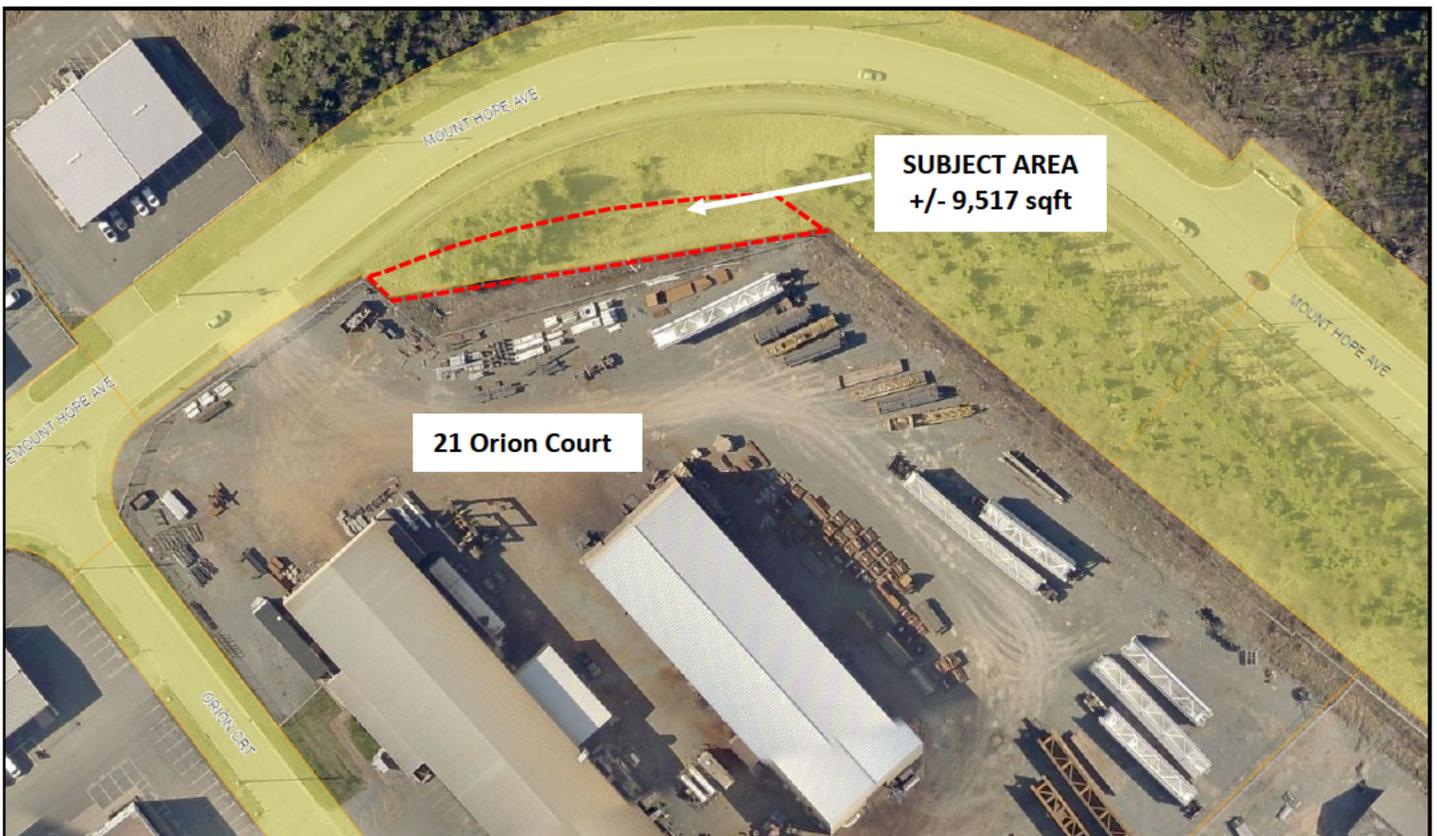
Report Prepared by: Chad Renouf, Senior Real Estate Officer, Corporate Real Estate,
Finance, Asset Management & ICT

ATTACHMENT A

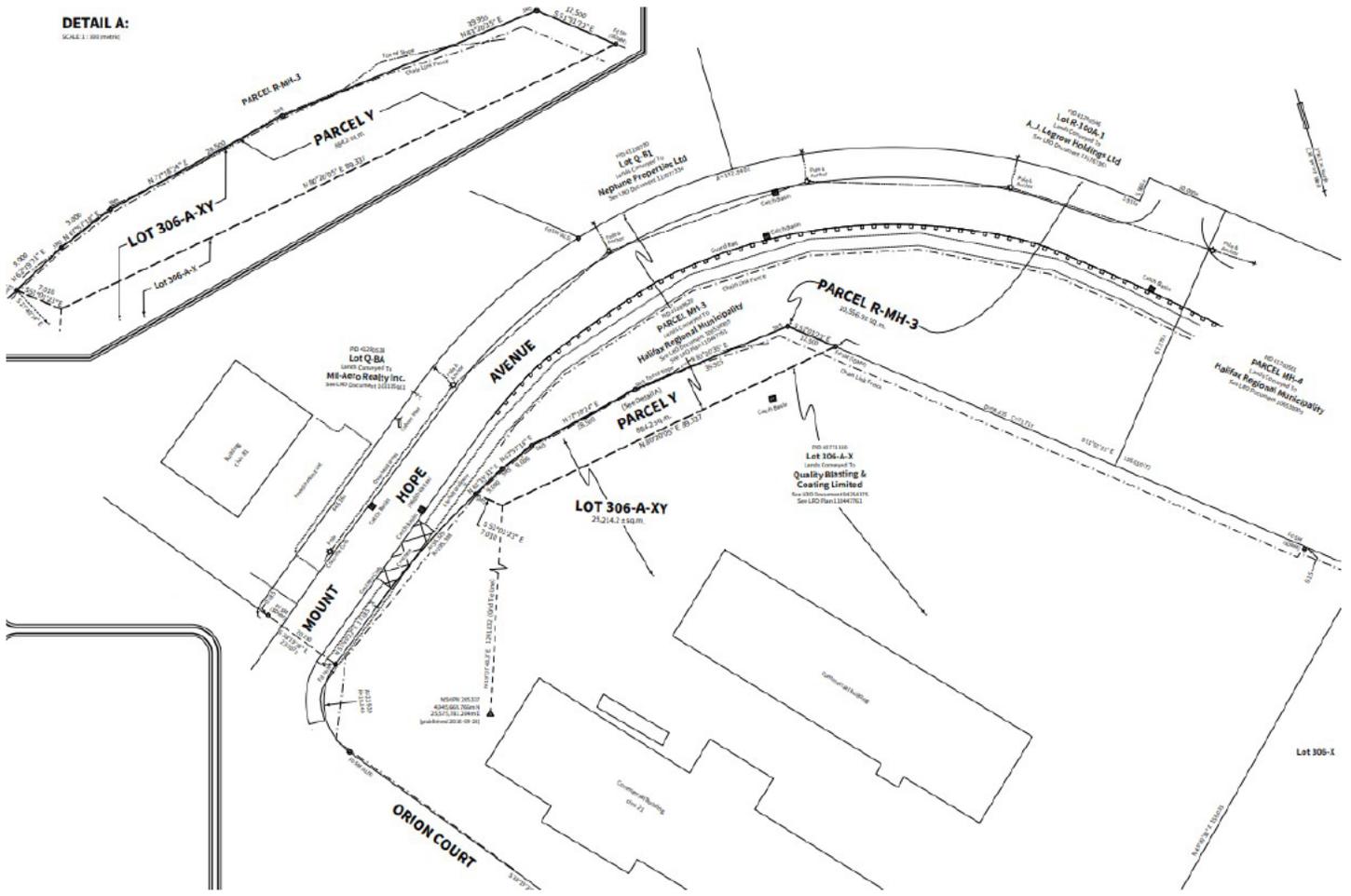
Portion of Parcel MH-3 - Mount Hope Avenue Right-of-Way @ 21 Orion Court, PID 41289620

Surplus Category <small>(proposed)</small>	Extraordinary	Councillor / District	Sam Austin / District 5
Current Asset Use	Right-of-Way	Current Land Area <small>(Parent)</small>	123,150 sq. ft.
Building Area	N/A	Land Area for Disposal <small>(proposed)</small>	± 9,517 square feet
Building Condition	N/A		
Interim Management	Transportation and Public Works	Operating Costs	N/A
Land Use Bylaw	Dartmouth	PVSC Assessment	Not Assessed
Zone <small>(hyperlink)</small>	None	Deed on File	Yes – 2012
Environmental Risk	Low		
Background	<p>The owners of CMW Quality Blasting and Coatings (Cherubini) have requested to acquire a small portion of ROW immediately adjacent their property at 21 Orion Court, Woodside Industrial Park for operational purposes. The intent is to grade, modify an existing stormwater ditch which straddles the existing property line, replace the existing headwall with a catch basin located on their property to increase the size of their yard. The work will not impact the toe of slope at Mount Hope Avenue and the purchaser will not be constructing any buildings or structures on the lands (other than moving an existing fence). The additional lands will provide the owner extra lay down area and increased turning radius for transporting completed materials produced and leaving the facility.</p> <p>As per Section 325 of the HRM Charter, Council may, by policy, permanently close any street or part of a street. The portion of the street, that is being closed, is valued less than fifty thousand dollars (\$50,000), therefore, a public hearing is not required.</p>		

Portion of Parcel MH-3 - Mount Hope Avenue Right-of-Way @ 21 Orion Court, PID 41289620



DETAIL A:
SCALE: 1:5000000





PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

ATTACHMENT "B"

HALIFAX REGIONAL MUNICIPALITY

ADMINISTRATIVE ORDER NUMBER #SC-94

RESPECTING CLOSURE OF A PORTION OF

MOUNT HOPE AVENUE, DARTMOUTH

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of Council of the Halifax Regional Municipality pursuant to Section 325 of the Halifax Regional Municipality Charter Act as follows:

1. A portion of Mount Hope Avenue, Dartmouth, Nova Scotia more particularly shown as Parcel Y on the plan attached hereto is hereby closed.

I HEREBY CERTIFY THAT the foregoing Administrative Order was duly adopted by Halifax Regional Council, the ____ day of _____, 2020.

Mayor

Municipal Clerk

I, Sheryll Murphy, Acting Municipal Clerk of Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on _____, 2020.

Municipal Clerk

