

## **ADMINISTRATIVE ORDER NUMBER 50 RESPECTING THE DISPOSAL OF SURPLUS REAL PROPERTY**

Be it resolved as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

### **SHORT TITLE**

1. The Administrative Order may be cited as Administrative Order Number 50, the Disposal of Surplus Real Property Administrative Order.

### **INTERPRETATION**

1A In this Administrative Order,

(a) “government” means the Government of Canada, Government of the Province of Nova Scotia, a corporation that is an agent of Her Majesty in Right of Canada or the Province, and a municipal unit; and

(b) “municipal unit” means a regional municipality, town or county or district municipality as set out in the *Municipal Government Act*.

### **POLICY STATEMENT AND CATEGORIZATION**

2. (1) The Municipality can acquire and sell real estate within its legislative provisions. Real estate holdings can be a “corporate” asset necessary for municipal functions and purposes of the business units or may be held for particular use of inhabitants of HRM for example, parks and institutional uses. Corporate assets are subject to corporate review by the Asset Owner Business Unit for continuing requirement. Where the business units of HRM have determined that properties no longer serve an operational requirement of the corporation or otherwise appear to be surplus to the needs of the Municipality, then the policy of disposal to be followed in all cases, excepting municipal property which requires particular process through statute or common law or property available in the Municipal Business Parks, is as directed by this policy of Council.

(2) The Municipality will dispose of real property Council determines is no longer required for the purposes of the Municipality. Staff will identify surplus properties by the following categories:

#### **Economic Development**

(a) Strategic properties having Economic Development potential ought be sold to:

- (i) maximize use or value;
- (ii) achieve the attraction of targeted industries and employment or the regeneration of neighborhoods;
- (iii) to advance development opportunities; and

- (iv) to generate financial return to the Municipality.

**Community Interest**

- (b) Properties known to have potential for community use, in particular where:

- (i) there has been a prior community or institutional use of the property; or
- (ii) by location or scarcity of available property the consideration would reasonably arise.

**Ordinary Sale**

- (c) Properties of an:

- (i) ordinary or routine nature;
- (ii) which no longer have a municipal purpose.

**Remnant**

- (d) Properties which are remaining or subdivided lands which:

- (i) by nature of their size or dimensions have limited or no reasonable use;
- (ii) but which may have utility for abutting property owners, and can be disposed under s. 64 of the Charter allowing Council to set a price that is less than market value.

**Extraordinary**

- (e) Properties having an historic or legal distinction which include conditions or extraordinary process with respect to their preservation or disposal including but not limited to:

- (i) the Halifax Commons;
- (ii) the Dartmouth Commons;
- (iii) streets;
- (iv) any municipal properties, including parks, which are held in trust, or upon condition, or with reserving interests, or like constraints;
- (v) and parkland acquired through subdivision process.

**Intergovernmental Transfer**

- (f) Properties requested by another level of government which:

- (i) will be used for a public purpose; and
- (ii) sold for market value.

**PROPERTY REVIEW AND DECLARATION OF SURPLUS**

3. (1) Real Estate and Land Management 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) Upon completion of Business Unit reviews and identification of the operationally surplus property the Real Estate and Land Management Unit will categorize the nature of the inventory of the properties and list them by category.
- (4) Local Councillor and Community Council will be informed of the inventory of the properties and the proposed categories by staff. Local Councillor will then have the opportunity to contact local community to discuss potential surplus properties to gauge interest in potential disposal methods for the properties with area residents. The result from these potential community consultations will then be included in the surplus property report that comes to Council.
- (5) Real Estate and Land Management staff will prepare a Surplus Property Report at least one a year to Council which will attach lists of properties by category. The report will recommend that all lists of properties should be declared by Council to be surplus property, that each category be approved by Council, and that the disposal method recommended for each list under this policy be approved by Council.
- (6) 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.

## **DISPOSAL METHODS**

4. (1) Following Council approvals under Part 2, staff shall proceed to dispose of the properties as determined by category.

### **Ordinary Properties**

- (a) These properties shall be placed on the market by Real Estate and Land Management. The sale of market properties may be achieved through:
  - (i) direct marketing by staff;
  - (ii) listing contracts with licensed real estate brokers;
  - (iii) public tenders; or
  - (iv) proposal call methods.
- (b) Determination of the achieving market value will be supported by appraisal or through the receipt of sufficient offers over an appropriate exposure period.
- (c) Approval of final conveyances shall be under delegated authority or by approval of Council as required.

### **Economic Development Properties**

- (d) These properties viewed by Council to be strategic may be disposed through individually recommended processes contained in the Surplus Properties Report, and may include referral to a special committee or task force of HRM created for the purpose of overseeing the strategic use and disposal of a property.

Properties under this category are required by the Charter to be sold at market value and can include partnership models between private developers and non-profits and municipally defined public use or service delivery components.

### **Community Interest Properties**

- (e) Properties with this potential will be advertised by staff, led by Grant Program Staff, with support of Community and Recreation Services, after being the subject of a public information meeting in the area of the property. After advertising the opportunity to submit proposals, non-profit organizations will have a minimum of 90 days and a maximum of 120 days to submit a written proposal for the use of the property. Submissions should set out:
  - (i) the name, composition and legal status of the group, its purpose and management structure, including office-bearers;
  - (ii) the nature of the activities proposed;
  - (iii) a financial statement;
  - (iv) a business plan for the first five years; and
  - (v) a clear statement of the terms the group is prepared to offer for the purchase or lease of the property.
- (f) All submissions received on or before the last day of submissions will be evaluated by a cross-disciplinary staff committee, including finance and community resources expertise, enlisted by the Grants Program staff for content compliance, viability, compensation, and for benefit to the Municipality. Grants staff will develop criteria that will be publically available for scoring the community interest projects.
- (g) Staff will report to Council on the submissions received and the evaluation by staff, including the advisability of a Buy-Back Agreement and the terms of any suggested Buy-Back Agreement.
- (h) Council may determine to select a submission which would be considered on the basis of s. 63(1), (2), (3), (4), (5) of the Charter, the statutory mandate for Council being whether Council considers the non-profit organization to be carrying on an activity that is beneficial to the Halifax Regional Municipality.

- (i) Council will also consider the overall context of the disposal, including:
  - (i) the market value of the property as appraised;
  - (ii) the Planning Strategies of the area of the property;
  - (iii) the benefit of any cost saving to the Municipality;
  - (iv) the consequences, beneficial or otherwise, to the community or the Municipality as a whole;
  - (v) the beneficial considerations of any submission against the benefit to the Municipality of selling the property at market value; and
  - (vi) whether or not a Buy-Back Agreement is a condition of a sale.
  
- (j) If Council decides to consider the disposal at less than market value, if a property is worth more than \$10,000, under s. 63(3), Council must first hold a public hearing respecting the sale and advertise as per s. 63(4), (5):
  - 63(4) The Council shall advertise the public hearing at least twice, in a newspaper circulating in the Municipality, the first notice to appear at least fourteen days before the hearing.
  
  - (5) The notice of the public hearing shall include the date, time and place of the hearing, the location of the real property or a description of the tangible personal property, the estimated value of the property and the purpose of the sale. *2008, c. 39, s. 63.*
  
- (k) The resolution of approval for sale requires passage by at least a two-thirds majority of the Council present and voting.
  
- (l) In the event that Council rejects any or all non-profit organizations' submissions to purchase at a less than market value, Council may direct staff to proceed to sell the property at market value.

**Remnant properties**

- (2) Staff will negotiate the sale of such parcels with any interested abutter of such lands and at such price as supported by appraisal or set by Council directly or through policy adopted by Council.

**Extraordinary properties**

- (3) This category of properties will be dealt with as required by legislation, common law, or contract that governs any disposal by the Municipality, and may be omitted from this policy.

**Intergovernmental Transfer**

- (4) This category of properties will be dealt with as directed by Council.

## **APPRAISALS**

**5.** At least one appraisal of the current market value of any Ordinary property, Community Interest property, Economic Development property, or Intergovernmental Transfer property will be obtained as part of the disposal process. Appraisals will remain confidential until the sale is completed.

## **IMPLEMENTATION**

- 6.** This policy shall apply as of the date of approval of Council, excepting properties which are:
- (i) already approved by Council as surplus;
  - (ii) under agreement of purchase and sale through delegated approval as of the date of Council approval of this policy;
  - (iii) going to Council for approval by individual report up to and including March 31, 2013.

Done and passed in Council this 9<sup>th</sup> day of April, 2013.

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Mayor

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Municipal Clerk

I, Cathy Mellett, 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 April 9, 2013.

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Cathy Mellett, Municipal Clerk

Notice of Motion: March 26, 2013  
Approval April 9, 2013

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Amendment # 1 – addition of category – Intergovernmental Transfer

Notice of Motion: February 24, 2015  
Approval: March 10, 2015