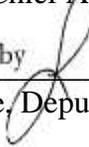


TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 29, 2013

SUBJECT: Northcliffe Disposal – 111 Clayton Park Drive, Halifax

ORIGIN

- Council’s August 12, 2008, motion authorizing the planned closure of the Northcliffe Recreation Centre such that the closure occurs concurrent with the opening of the new Canada Games Centre;
- Council's September 20, 2011, motion approving the postponement of the tender for the demolition of the Northcliffe Recreation Centre, in order for staff to review an unsolicited offer for the property;
- Council’s July 3, 2012, motion instructing staff to take all proposals for the Northcliffe lands to a public meeting for input on the future use of the property, prior to any further action on the property; and
- Council’s April 23, 2013, motion to declare the former Northcliffe Recreation Centre building and its associated lands, surplus to municipal requirements as per Administrative Order 50, under the category “Ordinary Properties”, for disposal at market value and instruct staff to proceed with the demolition tender for the building.

LEGISLATIVE AUTHORITY

This report complies with the Municipality’s powers with regard to real property under Section 61 and Section 63 of the *HRM Charter*. The property was declared surplus and categorized as “Ordinary Properties” for disposal at market value by resolution of Regional Council on April 23, 2013.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Municipal Clerk to enter into a Purchase and Sale Agreement with 3275727 Nova Scotia Limited, for HRM property 111 Clayton Park Drive, PID 00330639, Halifax, as per the terms and conditions outlined in this report and Table 1 in the Confidential Report dated October 29, 2013.

BACKGROUND

The Northcliffe Recreation Center closed for recreation programming upon the completion and opening of the municipally owned Canada Games Centre in January 2011. No other municipal use for the building was identified and Regional Council subsequently declared the building surplus to programming and operations and instructed staff to plan for the demolition of the building and develop options for the property. The tennis infrastructure and programmed recreational open space are not surplus to municipal requirements.

Staff examined several scenarios whereby the property could be re-zoned and developed for mixed use; however, the more intensive redevelopment concepts did not garner support with the local community as they constituted major change for the property and loss of existing neighbourhood park/woodlands and outdoor recreation facilities. Ideas related to demolition of the former recreation center building and disposal of a portion of the lands for new institutional development use, were more readily supported by the community.

Formerly comprised of three separate parcels, the Northcliffe lands have served the public as parkland, playground, sports courts and an indoor recreation centre, in some format since 1976. Two parcels to the south, including the building, are zoned Park and Institutional and the wooded parcel to the north (along Lacewood Drive), including the storm water retention pond, is zoned R-4.

In April 2013, Regional Council declared a portion of the former Northcliffe Recreation Centre property surplus to municipal requirements for disposal on the open market, categorized as an “Ordinary Property”, at fair market value. The Recreation Center was demolished in preparation for disposal in August 2013.

DISCUSSION

The subject site was listed on the open market as a direct listing by HRM staff in October 2013. Methods of marketing included a posted comprehensive listing brochure on the HRM website and onsite signage to notify the public that the site was available for purchase.

The Purchase and Sale Agreement is contingent on an as-of-right P – Park and Institutional Zone use and a Buy Back Agreement. Further, the site is being conveyed with an access easement in place allowing pedestrian and vehicular access to the tennis courts over the subject site.

The subject site generated considerable interest from the market and the submission of competing offers from multiple parties, as detailed within the Confidential Information Report dated October 29, 2013.

The subject property's characteristics are as follows:

| General Property Information – Northcliffe Site and Associated Lands | |
|---|--|
| Property Address* | 111 Clayton Park Drive, Halifax, NS |
| PID* | 00330639 |
| List Price** | \$1,150,000 excluding applicable taxes |
| Zoning | P – Park and Institutional Zone, Halifax Mainland |
| Area | 2.91 acres |
| Access | One (1) curb cut off Clayton Park Drive |
| Encumbrance(s) | One (1) easement allowing access over HRM land in favor of the tennis court operator |

*Subject to change upon final submission of site survey and subdivision approval by HRM.

**Based on 2011 appraised market value and adjusted for inflation and market conditions.

The subject property is being disposed subject to the following key terms and condition of sale:

| Key Terms and Condition of Sale* | |
|---|---|
| Offer | All offers shall be open for Vendor acceptance for a minimum five (5) days |
| Property Condition | Lands are being sold “as-is, where-is” |
| As-of-right Use | Property is being sold on an “as-zoned” basis where development of the site will be with an as-of-right use within the confines of the P – Park and Institutional Zone. Governed by the Buy Back Agreement. |
| Buy Back Agreement | Document to be ratified and registered on subject property title ensuring development of the property within twenty-four (24) months of closing with an as-of-right use within the confines of the P – Park and Institutional Zone. |

*The preceding terms and conditions are specific to the disposition of 111 Clayton Park Drive. The entirety of the terms and conditions of sale, including the aforementioned, are within the Agreement of Purchase and Sale.

FINANCIAL IMPLICATIONS

The net proceeds from the future sale of surplus lands will be placed in Sale of Capital Assets Reserve (Sale of Land) Account Q101. As this sale is a recreational/community facility, the funds will be moved from Q101 into the Regional Facility Expansion Reserve, Q145, as per the approved business case. The list price indicated in the preceding table excludes HST.

COMMUNITY ENGAGEMENT

Staff and the Area Councilor undertook a public meeting to gather public input in July, 2012.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with the sale.

ALTERNATIVES

Council could choose to not approve the disposal of 111 Clayton Park Drive to 3275727 Nova Scotia Limited and retain the property. This alternative is not recommended, as 111 Clayton Park Drive was deemed surplus to HRM requirements by Council on April 23, 2013.

ATTACHMENTS

Attachment 1 –Map of preliminary site plan of lands

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Brad Bakke, Real Estate Officer, Real Estate & Land Management,
Planning & Infrastructure 490-5332

Report Approved by: _____
Peter Stickings, Manager, Real Estate and Land Management,
Planning & Infrastructure 490-7129

Financial Approval by: _____
Greg Keefe, Director of Finance & ICT/CFO, 490-6308

Report Approved by: _____
Jane Fraser, Director, Planning and Infrastructure, 490-7166

Original Signed

Attachment "A"
PRELIMINARY SITE PLAN

