



TOWN POLICY NUMBER: 015/2014

REFERENCE:

ADOPTED BY:

SUPERSEDES:

TOWN COUNCIL

008/2007

PREPARED BY:

Planning & Community Development Department

EFFECTIVE DATE:

November 4, 2014

TITLE:

POLICY ON THE SALE OF TOWN OWNED LANDS

POLICY STATEMENT

This policy will govern the sale of Town property.

1. Declared Town Surplus Lands

The Council will establish by resolution a list of declared Town surplus lands and update this list as required.

Declared Town surplus lands will be initially advertised, listing their legal description and if possible their municipal address. The Town will state a price for each parcel advertised at or above appraised value.

Lots will be sold at the price established by Council.

The purchaser will be responsible for all fees, legal, professional and GST (excluding Town legal fees to transfer title).

2. Developed Residential Lot Pricing

Council will be responsible to establish the price for developed residential lots deemed surplus. The price will be established by considering some or all of the following criteria:

- actual base costs,

- comparative analysis and appraised value by a qualified appraiser.*

Once pricing has been established, Council will adhere to the pricing structure until the next annual Developed Residential Lot price review is completed and advertised.

The Town of Rocky Mountain House Purchase Agreement will be used for the sale of all lands listed on the Declared Surplus Town List.

Upon developed lots being declared surplus and advertised, offers may be submitted to the C.A.O. (or his designate). Subject to the offer being at the price established by Council and the conditions of the sale being satisfactory the C.A.O. (or his designate)/Council may accept the offer on behalf of the Town.

*Council will be responsible for these costs.

3. Industrial and Highway Commercial lots Northeast Industrial Subdivision (Hwy 598)

Council will be responsible to establish a price for the developed industrial/highway commercial lots. The price will be established by considering some or all of the following criteria:

- actual base cost,
- comparative analysis and appraised value by a qualified appraiser.*

Once pricing has been established Council will adhere to the pricing structure until the next annual Developed Industrial/Highway Commercial Lot price review is completed and advertised.

Industrial/highway commercial developed lots will be included on a listing of Declared Surplus Town Lands.

Upon developed industrial and highway commercial lots northeast industrial subdivision (Hwy 598) being declared surplus and advertised, offers may be submitted to the C.A.O. (or his designate). Subject to the offer being at the price established by Council and the conditions of the sale being satisfactory the C.A.O. (or his designate)/Council may accept the offer on behalf of the Town.

*Council will be responsible for these costs.

4. Municipal Reserve

Council will follow the guidelines for the sale municipal reserve as per section 70 of the Municipal Government Act, which states:

70(1) If a municipality proposes to transfer or grant an estate or interest

- a) land for less than its market value, or
- b) a public park or recreation or exhibition grounds.

the proposal must be advertised.

(2) The proposal does not have to be advertised if the estate or interest is

- a) to be used for the purpose of supplying a public utility,
- b) transferred or granted under Division 8 of Part 10 before the period of redemption under that Division, (deals with recovery of taxes) or
- c) to be used by a non-profit organization as defined in section 241(f).

Definitions 241 in this Part,

- (f) “non-profit organization” means
 - (i) a society, credit union or co-operative established under a law of Canada or Alberta,
 - (ii) a corporation that is prohibited from paying dividends to its members and distributing the assets to its members on a winding-up, or
 - (iii) any other entity established under a law of Canada or Alberta for purpose other than to make a profit.

Council will incorporate into its sale of Town property policy, the recommendations being developed in consultation with school boards and Clearwater County regarding the provision of school reserves. (upon completion)

5. Lands not Formally Available for Sale

Lands which are presently not on the Declared Town Surplus Lands list, may be considered subject to the following:

- a) A formal written request is received by the C.A.O. (or his designate) identifying the parcel in question and requesting preliminary consideration by Council.
- b) If Council approves preliminary consideration, then the Council will have an appraisal prepared by a qualified appraiser (excluding adjacent properties that do not comprise a lot).
- c) Upon receiving the appraisal report Council will determine if it will include the particular parcel on its list of declared Town surplus lands.

- d) If Council includes the parcel on its list of declared Town surplus lands, it will then be responsible to establish the price for the parcel.
- e) Once the price has been established Council will adhere to the price until the next annual review.
- f) Upon the parcel being declared surplus and advertised offers may be submitted to the C.A.O. (or his designate). Subject to the offer being at the price established by Council and the conditions of the sale being satisfactory the C.A.O. (or his designate)/Council may accept the offer on behalf of the Town.

6. Lands not Formally for Sale AND can only be Sold Through Consolidation with an Adjoining Parcel

Lands which are presently not on the Declared Town Surplus Lands list, and of which can only be utilized for development through consolidation with an adjoining parcel, may be considered subject to the following:

- a) A formal written request is received by the C.A.O. (or his designate) identifying the land in question and submitting a written offer to purchase from an adjoining landowner.
- b) If Council approves preliminary consideration, then Council will have an appraisal prepared by a qualified appraiser.
- c) Upon receiving the appraisal report, Council will determine whether to accept the written offer to purchase or to counter-offer based on a price established by Council.
- d) If an offer is accepted, Council will then direct Administration to proceed with any subdivision, rezoning, or consolidation required as a condition of purchase. Any costs associated with this direction will be at the Purchaser's expense, notwithstanding the offer price.

7. Tax Recovery Land

Tax Recovery lands will follow the provisions as outlined in the Municipal Government Act. No commission will be paid on tax recovery land.

8. Alternate Sales Methods

Notwithstanding any other provisions of this policy, Council may in its discretion offer any Town owned Lands for sale by public auction or by closed tender.

On any sale by public auction or by closed tender, Council shall establish a minimum reserve price which will be accepted. This minimum reserve price will be established considering some or all of the following criteria:

- a) ***actual base cost of the property;***
- b) ***comparative analysis and appraisal value.***

In the event the minimum reserve price is not met on any auction or closed tender, the land shall be retained by the Town until such time as Council again authorizes that it be sold.

9. Annual Review

Lot pricing and policy will be reviewed during the month of November of each year to establish any adjustments required.

10. Sales

Council will maintain a policy that land appearing on the Declared Town Surplus Lands List, (excluding Municipal Reserve Land that is to be disposed of under section 70(2) of the Municipal Government Act and lands to be disposed of or transferred to school boards or any other entity that Council so desires, i.e. Clearwater County, Hospital, Westview Lodge), shall be sold through the Town of Rocky Mountain House Planning & Development Department.

11. Advertising

For the purpose of this policy advertising shall mean, “the Surplus Lot or Lots List shall be placed in one (1) edition of the Mountaineer” and in other such publications as the Planning & Development Department recommends and Council approves. Lots may be advertised individually unless Council directs otherwise.

12. Adjacent Properties

Council shall review adjacent properties that cannot be sold as a stand-alone lot on an individual basis.

13. Offers on Town Lots

Unless a Lot Draw, ***Public Auction or Closed Tender*** takes place the first offer received which meets the Town requirements shall be accepted. If more than one offer is received with the same at the same time (which meets the Town’s requirements) then a lot draw shall take place.