

Sale of Surplus Lands

Policy No. **66-003**

has been renumbered

Sale of Surplus Lands

Policy No. **P-51-2013**

*CA Ramez*

**Title:** Sale of Surplus Land

**Resolution:** 292-2013

**Special Notes/Cross Reference:**

**Revised:**

**Next Review  
Date:**

**POLICY STATEMENT :** The Town of Westlock recognizes the following policy for the declaration of municipal owned Land as Surplus, the giving of Notice for Sale of Surplus Land and its Sale.

**PURPOSE :** To provide a transparent and fair process for the declaration, advertising and Sale of Surplus Land within the corporate boundaries of the Town of Westlock.

Note: This policy is not applicable to the Sale of Land for tax recovery purposes as contemplated in Division 8 of the Municipal Government Act, R.S.A. 2000, as amended.

Note: This policy is not applicable to the Sale of Land pursuant to Section 70 of the Act where the purpose of the Sale is for park purposes or for less than market value.

## 1. Authority

Section 5 of the *Municipal Government Act, R.S.A. 2000*, as amended, provides the Town of Westlock with "natural person powers", including the ability to sell Land that has been declared a surplus to the Town of Westlock.

## 2. Definitions

**Act** – means the *Municipal Government Act, R.S.A. 2000*, as amended.

**Appraisal** – means an opinion of the fair market value of the Surplus Land provided by a Land appraiser or such other qualified person as Council may provide in this policy.

**Council** - means the Council of the Town of Westlock.

**Land** - means Lands owned by The Town of Westlock, whether vacant or not, or any other proprietary interest in Lands owned by the Town.

**Newspaper** - means a printed publication in sheet form, intended for general circulation within The Town of Westlock, published at regular intervals, consisting in part of news or articles of general interest to the public.

**Notice** - means notification provided to the public.

**Sale** - means an unconditional agreement of purchase of municipal surplus property has been accepted by the Municipality, and without limiting the generality of the foregoing, excluding Lands temporarily conveyed to the Municipality for municipal purposes intended to be reconveyed to the grantor, and any Land or interest in Land claimed or released by the Municipality.

**Surplus Land** - means any Land declared surplus by the Council of The Town of Westlock.

**Municipality** — shall mean The Corporation of The Town of Westlock.

### **3. Procedures for the Sale of Surplus Land**

#### **1. Declaration of Surplus Land**

Prior to selling any Land, Council shall, by a resolution or by-law, declare the Land to be surplus to the needs of the Town of Westlock.

#### **2. Prerequisites for Sale of Surplus Land**

- a. Before selling any Surplus Land, the Municipality may obtain or require an Appraisal or Letter of Opinion of the fair market value of the Land from:
  - i. an independent qualified appraiser; and/or
  - ii. a real estate brokerage firm or an independent real estate agent; and/or
  - iii. any other person deemed by the Municipality to be qualified for this purpose, including a qualified Land assessor in the Province of Alberta.

- b. Before selling any Surplus Land, the Municipality shall publish a Notice in at least one (1) Newspaper and on the Municipality website. Additional Notice, including publication in Newspapers which provide general distribution within or beyond the geographic area of the Municipality of Westlock, shall be at the discretion of the Municipality.
- c. Before selling any Surplus Land, the Municipality may obtain or require a survey of the Land from an independent surveyor. The Municipality may, by resolution, waive this requirement if an existing survey is available.
- d. Before selling any Surplus Land, the Municipality may obtain approval from any other agencies, as may be required by law.

#### **4. Method of Sale:**

Council shall determine the appropriate method of Sale for each parcel of Land declared surplus. Based on the method chosen, the following procedures may be followed:

- a. Where the method of Sale is by Tender or Quotation, the Municipality may:
  - i. estimate the costs incurred or required to dispose of the Surplus Land including Appraisal, public Notice, survey, legal fees, realty fees, encumbrances, improvements or such other costs associated with the Land Sale;
  - ii. determine a reserve bid amount based on the appraised value plus estimated costs above;
  - iii. prepare an Invitation to Tender or Request for Quotations which shall be reviewed by the Chief Administrative Officer before publication;
  - iv. include in all Invitations to Tender or Request for Quotations the statement that 'the highest or any offer may not necessarily be accepted'; and
  - v. give Notice by way of posting on the Municipality's website and publishing in at least one (1) Newspaper of general circulation at least twenty (20) days prior to the date when the Tenders or Quotations will be considered by Council.

- b. Where the method of Sale is by way of a Real Estate Firm or Broker, the Municipality may:
  - i. invite proposals from not less than three (3) Real Estate Firms or Brokers operating in the Municipality. Said proposals are to include a recommendation to Council on the listing price based on an evaluation of the fair market value of the Surplus Land, the proposed term of the listing agreement, services to be provided, and the real estate commission payable by the Municipality;
  - ii. ensure that the real estate agent lists the Land for Sale on the Multiple Listing Service;
  - iii. ensure that all prospective purchasers are made aware that 'the highest or any offer may not be necessarily be accepted'; and
  - iv. have all Offers to Purchase submitted to the Chief Administrative Officer for presentation to Council prior to the Sale being completed.
- c. Where the surplus of Land is a closed road pursuant to Section 22 of the Act, the Municipality may:
  - i. estimate the costs incurred or required to close and/or sell the road including public Notice, survey, legal fees, realty fees, encumbrances, improvements or such costs associated with the Land Sale;
  - ii. determine a Sale price based on the value of the Land plus estimated costs as noted above;
  - iii. the Municipality may, at its sole discretion, place a nominal value on Land where the long standing encroachment on the highway or to bring a pre-existing building into compliance with the Town of Westlock Land Use By-law;
  - iv. where the Sale of the road is being carried out in conjunction with a road closure, the Notice of Intent may be issued for both purposes provided that the form of the Notice references both the closure and Sale of the highway; and

- d. Where an alternate method of Sale is used, Council may provide for:
- i. a determination of the Sale price based on the Appraisal of the Land value and any costs associated with the proposed method of Sale;
  - ii. the method of public Notice;
  - iii. where, when and who will receive the offers or bids;
  - iv. any terms and conditions of the Sale; and

## 5. General

- a. This Policy shall be administered by the Chief Administrative Officer for the Town of Westlock.
- b. In the event that the provisions of this Policy are inconsistent with the provisions of the *Municipal Government Act, R.S.A. 2000*, as amended, its Regulations or any other act, the provisions of the act or regulation shall prevail.

  
\_\_\_\_\_  
Mayor Bruce Lennon

  
\_\_\_\_\_  
Interim CAO: Julia Seppola