
Town of Mulgrave

Sale of Municipal Land Policy

Title:

1. This Policy is entitled the "*Sale of Municipal Land Policy*".

Purpose:

2. It shall be the policy of Council to consider the sale of municipal land when requests are received or when land is no longer required for a municipal purpose.

Interpretation:

3. Request to Purchase Land:

- a. Upon receipt of the appropriate "Expression of Interest" form (Appendix A) and a deposit of \$250.00, Municipal Staff will prepare a report and recommendation to be presented to Council for consideration.
- b. The deposit shall be held by the Town as a form of security until the decision is made whether to sell the land so requested.
- c. If a decision is made not to sell the land in question, the \$250.00 deposit shall be refunded in its entirety.
- d. If the Town calls tenders for the sale of the land and if the applicant is the successful bidder or if a decision is made pursuant to Section (8) hereof to waive this policy and sell directly to the applicant, then the \$250.00 deposit shall be applied to the price of the land and sale expenses incurred by the Town.
- e. If the applicant is not the successful bidder for the land, then the \$250.00 deposit will be returned to the applicant together with any tender deposit remitted by the applicant
- f. If the applicant does not tender on the land as advertised, and if no other tenders are received or accepted by Council, the deposit, or that portion required to cover the expenses incurred by the Town, shall be applied to those expenses and the balance, if any, shall be returned to the applicant.

4. Request for Proposals:

a. Council may consider, from time to time, the sale of certain strategic parcels of municipal land by way of a "Request for Proposals" which shall be advertised in a local paper for a period of not less than 2 weeks.

b. Proposals submitted to the Town for the purchase of municipal land shall include the following information:

i. detailed description of the development proposed;

ii. detailed plot plan showing specific location of any buildings, structures or developments (including parking areas) within the site;

iii. schedule for the construction of all components of the proposed development;

iv. detailed description of the building design and other components such as exterior building materials, facade, signage, landscape and other aesthetics impacting on the area where the development will occur;

v. amount offered for land on a per acre basis and an estimate of total value of project when complete; and,

vi. detailed description of economic impact of project including number of jobs created both part-time and full-time.

c. Criteria for rating proposals shall be as follows:

i. Suitability of Development Rating 20 pts.

- Land Use Planning compatibility
- Accessibility
- Complimentary to existing uses in the area
- Aesthetic impact (i.e.: structure, landscape, signage, etc.)

ii. Economic Development Impact Rating 20 pts.

- Employment opportunities
- Tax base impact (displacement)
- Need for service
- Competitiveness to Community

iii. Infrastructure Benefits Rating 20 pts.

- Potential to improve sewer service
- Potential to improve road/access service
- Potential to improve other provincial or municipal services
- Potential to allow for improved communication services

- iv. Community Benefits Rating 20 pts.
 - Provides for needs of local residents
 - Reduces need to seek services outside local area
 - Enhances the building compliment in the area
 - Supports or encourages tourism
- v. Direct Impact to Town Rating 20 pts.
 - Property taxation
 - Cost to provide infrastructure services
 - Efficient use of municipal land requirement
 - Price paid for municipal land

d. Council is not bound to accept any proposal; and, may accept a proposal in whole or in part.

e. Transfer of the land will be made contingent on project implementation and construction as per proposal.

f. Provision for transfer of the land back to the Town based upon project timelines not being met will be considered.

g. Pursuant to the provisions of the Municipal Government Act the Town must receive market value for land sold.

5. Eligibility of Property for Sale

a. Council shall investigate and verify the ownership of land before offering land for sale. Ownership will be determined by the completion of a title search and migration to Land Registration of the land where possible. A survey may be required to complete this process.

b. Council shall request a valuation of the land to be sold which may be based on the assessed or appraised value of the land and any structures located thereon. If the land is to be sold without tendering, then Council shall request a written appraisal of the land to be prepared by a qualified land appraiser.

c. All sales of municipal land shall comply with the provisions set out in the Municipal Government Act for the sale of municipal land.

6. Terms of Sale

a. All transfers of municipal lands shall be by Quit Claim Deed subject to any easements or other encumbrances affecting the title to the lands.

b. In addition to the purchase price, the purchaser shall pay the Town on or before the closing date the following:

- i. the expenses incurred by the Town in searching the title and migration to Land Registration;

- ii. the expenses of the Town in surveying the property, when required;
- iii. the deed transfer tax on the sale;
- iv. the HST on the sale;
- v. the recording fees for the deed;
- vi. the postage expenses; and,
- vii. the expenses of the Town in arriving at the valuation of the land.

c. Closing date for the sale shall be within thirty (30) days of the date of notification of final municipal expenses of sale.

7. Procedures on Tendering

a. All tender bids for the purchase of land shall be accompanied by a deposit equal to ten percent (10%) of the tender price, or such other amount as the Council may have determined. The deposit shall be in the form of a certified cheque, cash or money order. Failure to enclose the required deposit will result in rejection of the bid.

b. The Town reserves the right to reject any or all tenders received. Should the Town decide that it is in the best interest of the Town to retain the tendered land, the tenderers shall have no claim against the Town.

c. Only those tenders received on or before the deadline date advertised for the submission of tenders will be considered by the Town.

d. If a tender bid is withdrawn following acceptance by the Town, the accepted tenderer's deposit shall be forfeited to and retained by the Town as liquidated damages, with the Town reserving the right to proceed against the tenderer for additional expenses and damages incurred and the tender being deemed not to have been received.

e. The Town accepts no responsibility for damage to the tendered land after the date of notification of acceptance of tender to the successful tenderer.

8. Waiver of Policy:

a. This policy may be waived by a majority vote of Council if:

i. A request is received to purchase the land by family members of the last known owner of the land prior to its acquisition by the Town.

ii. A request is received from an adjacent landowner and the size of the lot in question is less than one acre.

iii. The public interest appears to be better served by accepting the offer without tendering.

iv. The price offered is equal to the valuation established pursuant to Section 5 hereof.

v. All sales of land by the Town shall comply with the provisions set out in the Municipal Government Act for the sale of municipal land.

vi. If a request is received for the purchase of a parcel of municipal land and upon review the parcel requested is not required for a municipal purpose but is considered to be strategic in location for economic development purposes then Council may, by majority vote, waive this policy to sell by public tender. In lieu of the public tender process Council may instead request proposals in accordance with Section 4 of this policy which establishes the requirements for the proposal and criteria for evaluation.

9. Limits of Responsibility:

a. The sale of municipal land by the Town shall be without warranty as to its condition, its accessibility or its suitability for intended use of the purchaser.

b. All land and any structures located thereon, shall be sold "AS IS, WHERE IS".


10. All former policies related to the sale of municipal property are hereby repealed and this policy is substituted therefore.

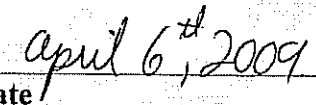
Certification for Town of Mulgrave Policy & Procedures Manual:

Date of notice to Council Members of Intent to Consider [7 Day minimum]: March 30th, 2009

Date of Passage of Current Policy: April 6th, 2009

I certify that this *Sale of Municipal Property Policy* was adopted by Council as indicated above.


Municipal Clerk


Date