

TOWN OF VERMILION
LAND SALE POLICY

Approval Date:

Motion No:

Title: Land Sale Policy

Policy Statement:

The Town of Vermilion shall ensure that the sale of any Town owned lands shall utilize a consistent and transparent process and maximize the financial benefit to the Town and lands shall be sold at fair or greater than fair market value as defined within the Policy.

1. The Chief Administrative Officer shall ensure that the sale of lands is consistent with the Policy Statement.
2. There shall be five (5) methods of selling of lands, as determined by the relevant departmental manager or the C.AO. as follows:
 - (i) Placement on the market through a general listing with the (preferably local) realtor. When the land being sold is sufficiently significant to likely warrant interest from outside of the community, a regional or national realtor may be engaged. Selection of the realtor shall be done in accordance with the Purchasing Policy to ensure the Town receives a competitive price.
 - (ii) A public auction that is:
 - (a) Held by a professional auctioneer, and;
 - (b) Advertised by the auctioneering company, and
 - (c) Has a minimum reserve bid price to be determined prior to the auction.
 - (iii) A public sale that:
 - (a) Is advertised a minimum of two (2) weeks prior to the sale in a local newspaper, and through other means including electronic or website notification, posted public notice, or other format acceptable to CAO or his designate, and
 - (b) Has a minimum reserve bid price to be determined prior to the sale, and
 - (c) Has a closing date for the submission of offers or bids, and
 - (d) Is determined through bids or offers received in sealed envelopes and date stamped on receipt by the Town.
 - (iv) A public posting on the internet that:
 - (a) Is accessible by the public (i.e. Town website, Kijiji, Ebay), and
 - (b) Has a minimum price determined prior to public posting, and
 - (c) Is sold to the first bidder that meets the minimum sale price and any sale conditions.
 - (v) Council may by resolution, authorize Administration to conduct a sale through a sole source

process, and to negotiate directly with a third party for the sale of the lands, provided that an independent appraisal, satisfactory to the Town, has been prepared. Any such sale through a sole source process shall be advertised to allow the public to comment on the proposed sale. If the change of use is initiated by a third party, the Town shall conduct a re-appraisal with the costs being borne by the third party.

3. All listings shall include the following information:
 - (i) Property Description;
 - (ii) Legal Land Location;
 - (iii) Property Size;
 - (iv) Current Zoning;
 - (v) Road Access;
 - (vi) Services;
 - (vii) Offsite Levies, and
 - (viii) Appraisal Value.
4. Prior to selling any land, the department responsible for land sales shall circulate information on the lands to be disposed to all departments for comment.
5. All lands offered for sale shall have an appraisal completed based on the principle of market value as estimated by and independent accredited appraiser, and if the land for sale is not sold within one (1) year from the date on which the appraisal is made, a new appraisal may be obtained before the property is sold.
6. An appraisal shall not be disclosed to the public until after the sale of the property has been completed if such disclosure could reasonably be expected to prejudice the economic interests of the Town or could reasonably be expected to be injurious to the financial interests of the Town.
7. If the land being sold is:
 - (i) A road right-of-way, or
 - (ii) A Municipal Reserve (MR), or
 - (iii) A Municipal and School Reserve (MSR), or
 - (iv) A Community Services Reserve (CSR), or
 - (v) An Environmental Reserve (ER) parcel.

The sale shall be approved by Council pursuant to the relevant provisions of the Municipal Government Act or any other enactment relative to the land.

8. If the land being sold is a closed road right-of-way, landowners adjacent to the closed portion shall be consulted to determine their interest in purchasing a closed road right-of-way.
9. As part of any sale, the CAO shall impose any limitations, terms, or conditions on the sale it deems necessary, to ensure that the intent of the Land Sales Policy is met, including but not limited to:

- (i) Offers to purchase be accompanied by a deposit of a percentage of the offer in cash, certified cheque, or money order, and
 - (ii) Deposits be applied to an accepted offer or refunded if the offer is refused, and
 - (iii) Default or purchaser cancellation shall result in forfeit of the deposit, and
 - (iv) Should a bid or offer be submitted through a realtor, there will be no commission paid by the Town to the realtor, unless previously agreed upon, and
 - (v) A requirement to develop the lands within a specified time frame, and
 - (vi) A First Right of Refusal to purchase the lands within a specified time frame if they are offered for resale, and
 - (vii) A re-purchase or transfer back provision if development is not undertaken within a specified time frame.
10. If the minimum or reserve price is not received for land offered for sale to the general public at a public auction, sale or bid, the land shall not be sold.
11. The proceeds from the sale of non-reserve lands shall be allocated to a Town reserve as directed by Council.
12. Proceeds from sale of Municipal Reserve (MR), Municipal and School Reserves (MSR), Community Services Reserve (CSR), or Environmental Reserves (ER) shall be allocated to the Cash in Lieu of Municipal Reserve Account.
13. A description of land sold shall be forwarded to the Finance and Administration Department to remove the item from the Town's tangible capital asset schedule and from any insurance policies.

The purpose of this policy is to:

Provide a fair and consistent process of selling lands owned by the Town of Vermilion.