



# Corporate Policy Manual

Policy Name: <b>Municipal Land Disposition Policy</b>	Policy Number: <b>CP-2021-05</b>
Adopted: <b>June 16, 2021</b>	Division/Department: <b>Community Services</b>
Authority: <b>By-law 2021-35</b>	Supersedes: <b>By-law 2008-78</b>
Review by Date:	Last Modified: <b>June 2021</b>

## 1. Purpose

To provide a formal policy and framework, including the giving of notice, governing the sale and other disposition of real property that are surplus to the Town's needs.

## 2. Definitions

For the purposes of this Policy:

**“Act”** means the Municipal **Act**,

**“CAO”** the Chief Administrative Officer for the Town, or his or her designate.

**“Highway”** means all road allowances, highways, streets and lanes shown on a registered plan of subdivision.

**“Market Value”** the most probable price which a property should yield in a competitive and open market as of a specified date under all conditions requisite to a fair sale – whereby the buyer and seller would be acting prudently, knowledgeably and in their own respective best interests.

**“Remnant Property”** land that is undersized or the typography or dimensions limit the use.

**“Person Responsible”** means the Director of Community Services or an individual charged with the care and maintenance of lands and facilities owned and operated by the Town or his or her designate as determined by **SLT** from time to time.

**“SLT”** Senior Leadership Team for the Town, as it exists from time to time or the CAO.

**“Surplus Land”** shall mean any land owned by the Town of Midland declared surplus by council resolution or by-law

**“Valuation”** an independent appraisal or a written opinion of the **Market Value** of real property

**“Viable Property”** a parcel of land, which, on its own, would be eligible for a building permit, or can be assembled with other land to increase the development or redevelopment potential of the whole, and includes any parkland or part of any park.

### **3. Declaration of Surplus Land**

That prior to the declaration of Surplus Land the Person Responsible shall do the following:

- a) Conduct an administrative review of the property.
- b) Coordinate review with Town Clerk who will verify the lands in question are indeed owned by the Town and will circulate said verification to SLT.
- c) Members of SLT will canvass their staff to determine if it is appropriate to deem the lands surplus, or if there are reasons why the Town should not surplus the land at this time. Staff may recommend conditions on the land.
- d) SLT will make a recommendation to the Person Responsible as to whether the lands should be surplus and as to any conditions that should be imposed. The Person Responsible will present the recommendation to Council. Council by resolution shall determine if the land(s) is surplus to the needs of the Town.
- e) Where the property being considered as surplus is a Highway, Council by resolution shall stop-up and close land under the provisions of the Act, prior to sale.
- f) The Person Responsible shall maintain a register, listing and describing, the land owned or leased by the Town or local board including Surplus Land. This clause does not pertain to the following:
  - i) Land 0.3 m or less in width acquired in connection with an approval or decision of the Planning Act;
  - ii) Highways;
  - iii) Land formerly used for railway lines
- f) Council shall have no obligation to sell land which has been declared surplus.

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

#### **4.1. Valuation**

- a. Prior to the sale of any property the Town shall obtain at least one Valuation of the Market Value of the real property (if the estimated property value exceeds \$10,000) from:
  - i) An independent qualified appraiser who shall be registered member in good standing of the Appraisal Institute of Canada, or
  - ii) A real estate brokerage firm or an independent real estate agent, or
  - iii) Any other person deemed by the Town to be qualified for this purpose, including a qualified land assessor in the Province of Ontario
- b. Notwithstanding the above requirement, the Town may be exempt from

obtaining a Valuation for any of the following

- i) lands being conveyed to the County of Simcoe for municipal purposes
- ii) Easements granted to public utilities

#### **4.2. Notice**

That prior to any sale transaction, notice to the public shall be given in accordance with this policy.

- a) The methods of notice may include:
  - i. listing of the real property on the Council *Agenda* and/or the Town's website as property which is intended for sale;
  - ii. posting a sign on the property indicating the Town's intent to sell;
  - iii. any other means of communication acting reasonably and in good faith, that is deemed to be appropriate in the circumstances, in order to give notice to the public.
- b) Notice may also be communicated directly by ordinary prepaid mail, or such other means, to any or all of the following:
  - i. The Government of Canada or any of its ministries;
  - ii. The Government of Ontario or any of its ministries or agencies;
  - iii. The County of Simcoe;
  - iv. The Local Boards of Education;
  - v. The adjacent landowners;
  - vi. Such other persons, authorities and bodies Corporate as Council and/or Town Staff shall deem appropriate in the circumstances.

#### **4.3 Other Approvals**

That once property is declared surplus, Council may direct the C.A.O to offer these lands to the following classes of public bodies prior to offering it to the public;

- a) Any municipality
- b) A local board

### **5. Methods of Sale**

5.1. Viable Property shall be disposed of, or receive offers to purchase solicited by, one or more of the following methods:

- a) public auction;
- b) public tender;
- c) direct sale by the Town;
- d) land exchange;
- e) call for proposal (RFP);
- f) call for expression of interest (RFEI);
- g) listing of the real property with a real estate broker.

5.2. Remnant Property shall be offered to adjacent land owners or distributed at C.A.O's discretion.

## 6. Sale of Surplus Land

The Town shall act in accordance with the following procedure:

- a) An independent valuation of the whole property shall be obtained in accordance with clause 4.1.
- b) The land will be offered for public sale in accordance with clause 5.1 for the amount of the valuation received.
- c) In a case where the whole of the property – to the extent that the property would not qualify as a building lot, cannot be offered for public sale, the property may be deemed remnant property and offered for sale to the owner of abutting land.
- d) No offer shall be accepted which contains a condition requiring the support of Council to an application under the Planning Act.

## 7. Terms of Disposition

7.1. Notwithstanding that the public notice of the intended disposition has been given and that one or more interested parties may present to Council an Offer to Purchase the real property, nothing shall fetter the absolute discretion of Council to retain the land or to dispose of the land on such terms and conditions as may be fixed by Council, which shall include the power to sell the real property for nominal consideration (subject to the anti-bonusing provisions of the *Municipal Act, 2001*, as it may be amended from time to time), and to whomever it wishes, regardless of whether the disposition is to the party which apparently has presented the best offer.

7.2. Notwithstanding sections 3, Remnant Properties are exempt from the Declaration and Notice provisions of this policy and can therefore be sold by the Town without the need to declare intent to sell or give notice, unless otherwise directed by Council.

7.3. All the Town's costs with respect to the disposition of Remnant Properties save and except land exchanges for municipal purposes, shall be recovered from the purchaser, unless, in the sole opinion of the Town, it is desirable to waive this requirement.

## 8. Authorizing By-law

That any sale of land by the Town shall be ratified by a By-law authorizing the sale.