



MUNICIPALITY OF LAMBTON SHORES
CORPORATE POLICY
SALE AND OTHER DISPOSITION OF LAND

POLICY NO.:
CP-CL-POL-002

Responsible Dept.: Corporate Services	Effective Date: September 27, 2022
Approval Authority: Council	Next Review:

1 PURPOSE

The Municipal Act, 2001 requires that the Municipality adopt and maintain a policy to govern the sale and other disposition of land. The purpose of this policy is to set out the principles governing these transactions and the procedures to be followed.

2 OBJECTIVE

The Municipality of Lambton Shores will dispose of surplus land in an open and transparent process to ensure that the consideration for such disposal is fair, reasonable and in the best interest of the Municipality.

3 SCOPE

This policy provides guidance to staff and Council. The sale and disposal of all land owned by the Municipality will be governed by this policy.

4 DEFINITIONS

“Appraisal” shall mean a formal written opinion of the fair market value of the land. An appraisal is valid for a maximum of one (1) year after being received by Council. This may be provided by any one or all of the following methods:

- a) By the Clerk’s office, having reference to assessed values of lands owned by the municipality, or,
- b) By an opinion of an independent Real Estate Agent, having knowledge of land values in the area, or,
- c) By a formal valuation by a qualified Real Estate Appraiser.

“Land” shall mean any real property owned by the Municipality including any structures and buildings located thereon.

“Municipality” shall mean The Municipality of Lambton Shores.

“Other Disposition” shall mean the granting of the use of land by lease for a period of twenty-one (21) years or more.

“Sale” shall mean a transfer of legal title in land and shall include a lease of 21 years or longer.

5 POLICY

5.1 Commencement of Disposal

The Municipality may commence the proceedings to dispose of land at its own initiative or upon the receipt of a written request or inquiry from an applicant.

5.2 Declaration of Surplus Land

Prior to the sale of land, Council shall pass a resolution in open session that the subject lands are surplus to the needs of the Municipality.

5.3 Sale Requirements

Method of Sale- Council shall have the absolute discretion to select the particular method of disposing of a parcel of land to the public for sale. Such method shall include:

- a) Sale by Public Tender;
- b) Listing with Real Estate firm(s) or Broker(s);
- c) Direct sale (no Real Estate Agent);
- d) Other method as determined by Council.

5.4 Unsolicited Offers

Unsolicited offers are only considered when provided in writing to the Clerk's office with a clear reference and description of the parcel of land to which the unsolicited offer is being made. The offer is to be accompanied by a deposit of \$ 5,000 (if survey is required) or \$ 3,000 (if survey is not required) along with an offer amount of purchase.

5.5 Appraisal

The Municipality shall, prior to the sale of any land, obtain at least one (1) appraisal of the land in the manner as deemed appropriate by Council.

5.6 Sale Price of Land

Council at its discretion shall determine the sale price of any land or minimum tender bid.

The purchaser shall be responsible for all costs incurred or required to dispose of the property, including, but not limited to, legal, survey, appraisal, encumbrances, advertising, improvements, administrative fees and any other fee deemed appropriate.

5.7 Public Notice

Public Notice shall be given by:

- a) Website – The Municipality shall post the Public Notice on the municipal website for a period of at least two (2) consecutive weeks prior to the Council Meeting; and
- b) Newsletter – The Municipality shall include the Public Notice in the monthly newsletter at least once.
- c) Direct contact – The Municipality will provide notice directly to any owner directly abutting the property considered for sale.

5.8 Public Comment

The Notice shall specify that anyone wishing to comment on the proposed sale or other disposition may do so by delivering such comment in writing to the Clerk of the Municipality before the date stated on the Public Notice.

5.9 Exemptions

The following classes of land disposal are exempt from the provisions of this policy:

- i) Land .03 metres or less in width acquired in connection with an approval or decision under the *Planning Act*;
- ii) Closed highways if sold to an owner of land abutting the closed highway;
- iii) Land formerly used for railway lines if sold to an owner of land abutting the former railway land;
- iv) Land that does not have a direct access to a highway if sold to the owner of land abutting the land;
- v) Land repurchased by an owner in accordance with Section 42 of the *Expropriations Act*;
- vi) Land acquired by the municipality pursuant to Part XI of the *Municipal Act, 2001, Sale of Land for Tax Arrears*, which is to be resold within the one year period as set out by the *Municipal Act, 2001*;
- vii) Land being sold to public bodies such as Boards of Education, Municipal, Provincial and Federal Government, Conservation Authorities, Ontario Hydro, public utilities and other recognized Authorities;
- viii) Easements granted to public utilities or telephone companies;

6 **SEQUENCE OF EVENTS**

For clarity purposes, the following is the step-by-step process for the sale of Municipal lands broken down into two methods being a) Unsolicited Offer or Inquiry or b) Municipality's Own Initiative.

Unsolicited Offer or Inquiry:

1. Receipt of unsolicited offer to purchase Municipal land;
2. Public Notice of consideration to declare surplus;
3. Council declares land to be surplus;
4. Council determines method of sale;

5. Appraisal;
6. Sale price of land or minimum tender amount is established;
7. Council approves sale and price; and
8. Finalization of sale of Surplus Land by solicitors.

Municipality's Own Initiative:

1. Public Notice of consideration to declare surplus;
2. Council declares land to be surplus;
3. Council determines method of sale;
4. Appraisal;
5. Sale price of land or minimum tender amount is established;
6. Council approves sale and price; and
7. Finalization of sale of Surplus Land by solicitors.

6 RELATED LEGISLATION

6.1 Municipal Act, 2001 Section 270

7 REFERENCES & RELATED DOCUMENTATION

7.1 Reference any relevant department reports, by-laws, applications, forms, or templates here. Each one should be numbered separately (i.e. 7.1, 7.2, 7.3, etc.)

8 APPROVAL

Council	Staff Report #CL 31-2022	Res #22-0927-08
Authority	Director of Corporate Services	Date September 27, 2022
Amended/Modified/Replaced	Date:	