



Sale of Surplus Land Policy

Dated: June 27, 2022

1. Purpose

The Municipal Act, 2001, Section 270(1) requires that municipalities shall adopt and maintain policies to govern the sale and other disposition of land. The purpose of the policy is to set out the principles governing these transactions and the procedures to be followed.

2. Policy Statement

The Township of Ramara 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 Township.

Further, the following Township owned properties with water frontage shall not be sold:

- a) No Township lands with water frontage shall be sold unless such sale is for the good of the Township as a whole;
- b) Lands used for parks purposes that are maintained by the Township or a Community Centre Board of the Township shall remain for public use and no encroachment or use other than for parks purposes will be permitted;
- c) Lands leased along the Trent Canal will continue to be leased at fair market rates until such time as Council adopts a long term strategy for the area;
- d) Lands that are unopened road allowances, or lots reserved for access to the lake and not maintained by the Township may be used and maintained by the public provided no trees are cut unless permission is given by the Director of Infrastructure, all garbage and debris is removed, no structures are erected, no fires are permitted and no camping is allowed. Any person maintaining such land is not exclusive and cannot prohibit its use by other members of the public. Signs may be posted at the discretion of Council or the Director of Infrastructure;

When requests are received by persons wanting to purchase or use Township owned water front, they shall be advised by staff of this policy and the conditions contained herein.

3. Scope

The procedures established in this policy are intended to provide guidance to Council and staff. These procedures will govern the sale and disposal of surplus land owned by the Township of Ramara. Land disposal procedures may be initiated in response to inquiries from the public, unsolicited offers or as the result of internal municipal decisions and the decisions of Council.

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 CAO's office, having reference to assessed values in the surrounding area, 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.

Lands shall mean any real property owned by the Township including any structures and buildings located thereon.

Other Disposition shall mean the granting of the use of land by:

- a) Lease for a period of five (5) years or more, or
- b) A lease with options to renew for a period greater than five (5) years, but this does not include a licence given by the Township which is revocable by the Township within the twenty-one (21) year period.

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

Township shall mean The Corporation of the Township of Ramara.

5. General

Council reserves the right to undertake activities to increase the value of lands prior to appraisal(s) and/or sale.

The Township at all times makes no representations or warranties regarding title or any other matters relating to the land to be sold. Surplus land is sold on an "as is" basis.

Declare Lands Surplus

Prior to selling any land, Council shall by resolution, declare the land to be surplus to the needs of the Township;

Prior to declaring the lands surplus to the Township, the CAO shall circulate to all Township Departments and other such agencies or governments as the CAO deems appropriate or as may be required by law.

Council may declare lands to be surplus for any reason, including but not limited to economic growth, income, job creation, community development, etc.

Appraisal

The disposition of Township owned land shall be for no less than the fair market value of the land determined through at least one independent appraisal completed by an

accredited appraiser through the Appraisal Institute of Canada, or such other method of valuation as determined by the CAO.

An alternative method of valuation may include the value assigned by the Municipal Property Assessment Corporation or a letter of opinion of the fair market value of the land from a real estate brokerage firm or an independent real estate agent. Alternative methods may also be used for non-viable land or a lease.

Prior to the Acquisition of land by the Township, the Township shall obtain at least one independent appraisal completed by an accredited appraiser through the Appraisal Institute of Canada, or other such method of valuation as determined by the CAO.

Notwithstanding the sections above, and whereas otherwise not or prohibited by: Legislation and regulation from doing so (i.e. anti-bonusing provisions), the acquisition and disposition of land may be at a price different than fair market value if, in Council's opinion it is in the best interest of the Township to do so.

Survey

Prior to selling any surplus land, the Township may obtain or require a survey or reference plan of the land from Registered Ontario Land Surveyor in accordance with the laws of the Province of Ontario. This requirement may be waived if an existing survey or reference plan or property identification Number (PIN) is available. A reference plan shall be provided if a new lot is being created.

Other Approvals

Nothing in this policy shall fetter the absolute discretion of Council to retain or dispose of the land on such terms and conditions as may be fixed by Council, which shall include the power to sell the land to whomever it directs.

All land, with or without improvements, shall be sold on an "as is" basis unless Council directs otherwise.

The Township is under no obligation by virtue of the sale of land to grant any approvals, including approvals for changes to the Official Plan or Zoning Bylaw or with respect to site plan control, minor variances and building permits or to support approvals required by any other approval authority, which may be necessary for the use of the land by the purchaser, express or otherwise.

Notice Requirements

Once the lands have been declared surplus by Council, notice shall be provided in accordance with the Township's Notice Policy.

The Notice shall identify:

- a. That the lands have ben declared surplus to the Township's needs.

- b. The municipal address, legal description and/or a key map to identify the lands to be sold;
- c. The name and contact person who can respond to questions;
- d. The proposed date, time and location of the meeting where the sale of land will be considered by Council.

If a decision is not made at the specified Council meeting, no further notice is required provided that a resolution is passed indicating Council's decision. This shall also apply to any further referrals or deferrals of the matter.

Any person may submit an objection to the Clerk in writing and include the person's name, address and reason(s) for the objection. Council must consider all comments received prior to a sale commitment. Council may revoke the surplus declaration at any time prior to the conveyance of land for any reason and may choose not to sell the lands.

6. Methods of Sale

Unsolicited Offers

- a) Will only be considered when provided in writing to the CAO's office with a clear reference and description of the parcel of land to which the unsolicited offer is being made;
- b) The CAO has the authority to negotiate any offers received to ensure that only viable offers are presented to Council;
- c) To determine if the lands are surplus to the needs of the Township and prior to considering a resolution declaring the lands to be surplus, the CAO shall undertake a circulation to all Township Department and other such agencies or governments as the CAO deems appropriate or as may be required by law;
- d) Where one or more persons have expressed an interest in purchasing land, or whether Council believes it to be in the best interest of the Township, Council may by resolution direct that the lands be sold by public tender, listing with real estate firms or brokers, direct sale or other method as determined by Council.

The following is a step-by-step process for the sale of Municipal lands by an Unsolicited Offer or Inquiry:

- i) Receipt of unsolicited offer to purchase Municipal land;
- ii) The CAO has the authority to negotiate any offers received to ensure that only viable offers are presented to Council;
- iii) After consultation with all departments, the CAO shall submit a report to Council recommending that the lands be declared surplus and method of sale;

- iv) Appraisal and survey, if required;
- v) Establish sale price/minimum tender amount (include all costs: survey, legal, appraisal);
- vi) Notice of Public Meeting for sale of surplus land;
- vii) Public meeting to pass Bylaw to sell surplus land; and
- viii) Finalization of sale of surplus lands by solicitor.

Sale by Public Tender

- a) Notice of sale by public tender will be circulated for a period of 4 weeks. The Township may choose to advertise in local papers, on the Township of Ramara website and SurplusProperties.ca or other such similar website.
- b) A tender package will be created. The Township reserves the right to edit the package how they see fit for each sale. Packages will be made available to potential tenderers. There may be a fee associated with obtaining a tender package.
 - (i) The package may include, but is not limited to, the property roll number, minimum sale/tender amount, location, brief legal description, annual taxes; assessed value, approximate property size and/or dimension, zoning; location map and photos, and direction as to how and to whom to submit the tender bid.
 - (ii) Tenders bids must be submitted on the municipal tender package and typed or handwritten legibly in blue or black ink. Tenders are to be accompanied by a deposit of at least 20 per cent of the tender bid amount, which deposit shall be made by way of money order or by way of bank draft or cheque certified by a bank or authorized foreign bank within the meaning of Section 2 of the *Bank Act* (Canada).
 - (iii) Tender bids will be submitted in a sealed envelope, addressed to the Treasurer, which indicates on it that it is a sale by public tender bid and provides a short description of the municipal address of the land, sufficient to permit the treasurer to identify the parcel of the land to which the tender relates to.
 - (iv) A tender shall relate to only one parcel of land;
 - (v) Upon receipt of an envelope identified as containing a tender, the Treasurer or designate shall mark on it the time and date on which it was received and shall retain it unopened in a safe place. For the purposes of this Part, where two or more tenders are equal, the tender that was received earliest shall be deemed to be the higher bid.

(vi) A tender is withdrawn if the tenderer's written request to have the tender withdrawn is received by the treasurer prior to the closing date and time for receiving tenders. The envelope containing a withdrawn tender shall be opened at the time of the opening of all sealed envelopes on the date of the sale.

(vii) Tender opening procedures as set out in the Township's Procurement Policy shall be followed.

Township's Initiative

- a) After consultation with all departments, Council declares land to be surplus;
- b) Council determines method of sale;
- c) Appraisal and survey, if required;
- d) Establish sale price/minimum tender amount (include all costs: survey, legal, appraisal);
- e) Notice of Public Meeting for sale of surplus land;
- f) Public meeting to pass bylaw to sell surplus land; and
- g) Finalization of sale of surplus lands by solicitor

Real Estate Firm or Broker

- a) Invite proposals from a minimum of 3 real estate firms or brokers operating in the Township or part of the Township. Sale proposals are to include a recommendation 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 Township.
- b) Ensure that the real estate agent lists the land for sale on multiple listing services;
- c) Have all Offers to Purchase submitted to the CAO for presentation to Council prior to the sale being completed;
- d) The CAO has the authority to negotiate offers presented by the real estate to agent to ensure that only viable offers are presented to Council.
- e) Finalization of sale of surplus lands by solicitor.

Direct sale of Township owned land may occur:

- a) Lands requested to be purchased by an abutting landowner;
- b) Lands that do not have direct access to a highway (i.e. landlocked lands) if sold to the owner of land abutting the landlocked lands;
- c) The disposition of Township owned lands as part of an approved land development planning application;
- d) The disposition of land to other governments or public bodies such as the Crown, a school board, conservation authority;

- e) After an unsuccessful public offer, subject to the approval of Council;
- f) Land acquired as a road widening or part of a road widening in connection with an approval or decision under the Planning Act, including road widening lands being conveyed, in whole or in part, back to the original owner of the land or their successor in title;
- g) Closed highways, if sold to an owner(s) of land abutting the closed highways;
- h) The land is needed to restore access or frontage to property cut off by realignment or closure;
- i) A purchaser has a statutory or legal right to acquire the lands;
- j) A land exchange; or
- k) For other lands deemed to be non-viable land save and except park land.

7. Sale of Unopened Road Allowances (URA)

Council will consider requests to stop-up, close and sell Township owned unopened road allowances (URA) provided:

- a) The URA is deemed to not be required for current or future municipal use;
- b) The URA does not lead to waterbodies;
- c) All costs (survey, legal, appraisal, advertising, etc.) are to be paid by the purchaser and there is no expense to the Township;
- d) That the permanently closing or altering of a URA results in a person having no access to and from the person's land over any highway, unless the person impacted agrees to such sale

Notice

Prior to selling any municipal road allowance the Township shall give notice to the public of the proposed road closing and sale and hold a minimum of one public meeting.

An advertisement shall be placed in at least one newspaper having general circulation within the local area once a week for a minimum period of two consecutive weeks advising the date, time and location of the public meeting.

The Notice shall also be posted on the municipal website and at the municipal office.

Copies will also be posted in the immediate vicinity of the portion of the unopened road allowance proposed to be closed and sold. The Notice shall include a brief description of the road allowance and a sketch if at all possible as well as the date, time and location of the public meeting.

After public consultation, a report will be submitted to Council at the next regular or special meeting for further consideration with respect to final decision to close the URA and at this time a Council resolution is required to proceed to next steps including the passing of any by-law(s), if applicable.

8. Sale of Shore Road Allowances (SRA)

Applicants must own property directly abutting the SRA. The Township will only convey to the adjacent landowner the portion of the SRA above the controlled or normal high water mark.

Applications will not be approved if the closure is deemed:

- (i) To have an adverse impact on neighbouring property owners; or
- (ii) Other land owners may be deprived of the sole vehicular access to their property;
or
- (iii) Closure will result in conflicts with the Township Official Plan policies, bylaw regulations or procedures.

Generally the portion of the shore road allowance to be closed and conveyed will be determined by straight lot line projections. As a result of the irregular nature of the shoreline, deviations from straight extensions of existing lot lines may be considered and may be required by the Township in these cases.

Application Process

- a) Applicant completes and submits an Application for Shore Road Allowance Closing, along with the following:
 - (i) a sketch or survey if available indicating the property and proposed portion of the SRA to be closed;
 - (ii) a deposit shall be submitted in an amount sufficient to cover costs, i.e. legal, survey, advertising, etc.);
Note: savings may be realized if abutting owners apply jointly.
- b) Township's solicitor shall:
 - (i) Circulate the draft R-Plan to Bell Canada, Hydro One Networks Inc. and other agencies as required to receive consent to the closing of the SRA;
 - (ii) Prepare and forward to the Clerk, the public notice which shall be published for one week in the local newspaper, on the Township's website and to abutting land owners;
 - (iii) Provided no legitimate and reasonable objections are received, and the Bylaw is approved, the Township will provide to the applicant the cost of the land, plus HST;
 - (iv) Once payment of the land have been received, the Township's solicitor will prepare the deed. The deeds will be provided to the applicant or their solicitor upon receipt of all outstanding costs.

9. Exemptions

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

- a) Municipal tax sales as per Part XI of the *Municipal Act, 2001*;
- b) Land sold under Section 110 of the *Municipal Act, 2001*;

- c) Land to be used for the establishment and carrying on of industries and industrial operations and incidental uses.

This Policy does not apply to the sale of land to the following public bodies:

- a) A municipality;
- b) A local board, including a school board and a conservation authority;
- c) The Crown in Right of Ontario or Canada or their agencies.
- d) By resolution, Council may direct, on a case-by-case basis, that any exempted disposal be conducted in accordance with this policy.