

Title:	Sale or Disposition of Municipal Lands		
Policy Group: Your Community's Change and Growth	Policy Administrator: Community Services, Programs & Initiatives		
Resolution No. CW-169-2023	Policy Number: CSPI-08		
Approval Date: 2023-09-14	Revision Date: 2027-09-14		

1. Policy Statement

- a) The Corporation of the County of Prince Edward (hereafter the "Municipality") is committed to disposing of surplus land in a manner that is fiscally responsible, transparent, accountable and consistent.

2. Purpose

- a) The purpose of this Policy is to provide guidance and procedures to govern the sale or disposition of land owned by the Municipality.

3. Scope

- a) This Policy applies to Council and all municipal departments.
- b) This Policy also applies to disposal of Municipal Land initiated by the Municipality or through an unsolicited written application received from the public.

4. Legislative Authority

- a) Section 270(1) of the *Municipal Act, 2001* provides that municipalities shall adopt and maintain policies with respect to the sale and other disposition of land, the circumstances in which the municipality shall provide notice, and the delegation of its powers and duties.
- b) In this Policy, reference to any Act is reference to that Act as it is amended or re-enacted from time to time.

5. Definitions

- a) “**Abutting**” shall mean a parcel of land adjoining another parcel of land having one (1) or more lot lines in common;
- b) “**Act**” means the *Municipal Act, 2001, S.O. 2001, c. 25*, as amended.
- c) “**Appraisal**” means a valuation of the fair market value of the land prepared by an appraiser with an Accredited Appraiser Canadian Institute (AACI) or Canadian Residential Appraiser (CRA) designation.
- d) “**As is**” means without regard for state of repair, location of any and all structures, walls, retaining walls or fences (freestanding or otherwise) or encroachment by buildings or fences or otherwise, on the land or adjoining properties or streets, and without warranty or representation as to use, environmental contamination, hazards or risks.
- e) “**CAO**” means the Chief Administrative Officer appointed by By-law of Council or their designate.
- f) “**Council**” means the elected council for the Corporation of the County of Prince Edward.
- g) “**Disposition**” means the act of selling, transferring, conveying or otherwise disposing of an interest in Land, whether or not such disposition or sale involves the exchange of money or another form of consideration.
- h) “**Land(s)**” means real property and real estate and shall include all buildings or any part of any building and all structures, machinery, fixtures erected or placed upon, in, over, under or affixed to Land and highways which have been or may be stopped up and closed, but does not include personal property.
- i) “**Municipality**” means the Corporation of the County of Prince Edward.
- j) “**Municipal Lands**” means Lands owned by the Municipality, including road allowances.
- k) “**Opinion of Value**” means an assessment of a property's value provided by a licensed real estate broker. It is based on market analysis and includes a review of recent sales for similar properties.
- l) “**Reference Plan**” or “**Survey**” means a plan prepared by an Ontario Land Surveyor which pictorially details the dimensions of a parcel of land or

easement and which provides a legal description for registration purposes.

- m) **“Sale”** means the sale, transfer, conveyance or exchange of Land and includes a lease of 21 years or longer, but does not include the granting of an easement or right of way, and **‘Disposal’** shall have a similar meaning.
- n) **“Surplus Land”** means any Land that has been deemed by resolution of Council to be no longer of use to the Municipality.
- o) **“Valuation”** means the value of Lands as determined by section 11(a) of this Policy.

6. Principles

- a) Municipal Lands will be sold or Disposed of in accordance with this Policy, unless Council passes a resolution to waive the requirements.
- b) No Municipal Lands with water frontage shall be sold unless such sale is for the good of the municipality as a whole.
- c) No municipal road allowances shall be sold unless such Sale is for the good of the municipality as a whole.
- d) No Municipal Land shall be sold until examined by the Municipality for feasibility for development as affordable housing.
- e) No Municipal Land shall be sold until examined by the municipality for potential current needs or futures needs.
- f) No Municipal Land shall be declared surplus without taking into consideration Council priorities.
- g) Sale and Disposition of Municipal Lands will be conducted in a fair and accountable manner.

7. Sale Procedure

- a) The following procedures shall apply to the disposal of Land by the Municipality:
 - i. Commencement Disposal of Land
 - ii. Declaration of Surplus Land (except where exempt)

- iii. Determination of method of Sale
- iv. Determination of value of Land (except where exempt)
- v. Determination of sale price
- vi. Notice to the public (except where exempt)

8. Commencement Disposal of Land

- a) The Municipality may commence the procedures to dispose Municipal Land:
 - i. at its own initiative; or
 - ii. upon the receipt of a written request with a completed application for Municipal Land Purchase Inquiry.

9. Declaration of Surplus Land

- a) Prior to declaring Land to be Surplus by Council, the following procedures shall apply:
 - i. For Land which has the potential for development as affordable housing, the Prince Edward County (PEC) Affordable Housing Corporation will be provided with the opportunity to advise Council if the Land should be retained by the Municipality or transferred to the PEC Affordable Housing Corporation for affordable housing purposes.
 - ii. A municipal departmental review of all lands identified for potential declaration as Surplus shall be conducted to determine current or future needs for the Land by the Municipality. The following departments will be consulted prior to the recommendation of Surplus of any parcel of Municipal Land, including but not limited to:
 - 1. Prince Edward County Fire and Rescue
 - 2. Development Services including Engineering Services, Building Services and Planning
 - 3. Operations including Environmental Services & Sustainability
 - 4. Recreation and Community Facilities
 - 5. Water and Wastewater Services
 - 6. Community Services, Programs and Initiatives

- b) Prior to the Sale of Municipal Land by the Municipality, Council shall declare the land to be Surplus in the following manner:
- i. At a meeting open to the public, Council may by resolution declare the subject land to be surplus to the needs of the Municipality.
 - ii. The passage of such resolution does not obligate the Municipality to sell such Lands, and such a declaration may be rescinded by resolution at any time before a binding agreement of purchase and sale has been entered into by the Municipality.
 - iii. Once the Municipal Lands have been declared Surplus, notice shall be provided on the municipal website. The notice shall identify that the Municipal Lands are declared Surplus and include the municipal address of the land, key map to identify lands for potential sale along with the name and contact of person who can respond to questions.
- c) Notwithstanding the foregoing, the following classes of Municipal Land are exempt from the requirement to Declare such Land to be Surplus prior to its disposal:
- i. Land owned by the Municipality that is zoned for industrial uses in the Picton Industrial Park or such other lands as may be hereafter acquired and designated by the Municipality as industrial park lands.
 - ii. Land sold under Section 110 of the *Act* (for municipal capital facilities).
 - iii. Classes of land described under Part XI of the *Act* (tax sales).

Land being re-conveyed to the person that originally conveyed it to the Municipality, or such person as that person may designate in writing, where:

1. The Land is held by the Municipality in trust or subject to a condition, obligation or legislation that requires a specific conveyance by the Municipality;
2. Land is held by the Municipality as a security for the performance of obligations for that person pursuant to an agreement between the person and the Municipality;
3. Land was conveyed to the Municipality for municipal purposes and was determined not to be necessary and is intended to be re-conveyed to the transferor;
4. Land that was transferred to, or vested in the Municipality by by-law, operation of law or otherwise which neither the Municipality

nor the registered owned intended to vest in or be transferred to the Municipality;

5. Land 0.3 metres or less in width which was acquired for road purposes or planning approval or other decisions, and subsequently sold to the adjoining landowner, any Municipality, local board, school board, conservation authority, government or government-related agency;
6. Easements; or
7. Land less than 10,000 square feet in area, sold to any Municipality, local board, school board, conservation authority, government or government related agency.

iv. Lands being disposed of in accordance with the Municipality's Road Allowance Closure Policy.

10. Determination of Method of Sale

- a) Land may be sold by any of the following methods:
 - i. Public tender
 - ii. Request for proposal (RFP)
 - iii. Listing with a real estate firm or broker
 - iv. Land exchange
 - v. Direct sale through negotiation
 - vi. Auction
 - vii. Such other manner as Council deems appropriate.
- b) The CAO or designate shall be responsible for determining the appropriate method of sale in accordance with procedures as developed and amended by the CAO or designate.
- c) Notwithstanding the above, Council may authorize staff to sell land by direct negotiation or any other manner if, in the opinion of Council, it is in the best interest of the Municipality or otherwise fair and reasonable.

11. Determination of Value of Land

- a) Where Land needs to be valued, it will be valued by a method determined to be satisfactory to the CAO or designate, including but not limited to:
 - i. An Appraisal being a Valuation of the fair market value of the land prepared by an appraiser with an AACEO or CRA designation;
 - ii. The value assigned by the Municipal Property Assessment Corporation;

- iii. Opinions of value provided by a licensed real estate broker;
 - iv. Economic and community value to the Municipality;
 - v. Such other means as may be specifically determined as appropriate by Council in the circumstances.
- b) Notwithstanding the foregoing, the following classes of land or type of transaction are exempt from Valuation:
- i. Closed highways, road and road allowances (for clarity, this does not exempt Lands being disposed of in accordance with the Municipality's Road Allowance Closure Policy)
 - ii. Land that does not have direct access to a highway, if sold to the owner of land abutting that land
 - iii. Land repurchased by an owner in accordance with the Expropriations Act
 - iv. Land sold under Sections 107 (general power to make grants) and 108 (small business assistance) of the Municipal Act 2001
 - v. All cemetery plots owned by the Municipality
 - vi. Land owned by the Municipality that is identified by the CAO or designate as having community development potential
 - vii. Land owned by the Municipality that is disposed of as a Community Improvement incentive
 - viii. Any other land for which Council in its discretion determines a valuation is unnecessary.

12. Determination of Sale Price

- a) Generally, Land sale price shall be determined in accordance with Section 11a, the Valuation. Where the Lands are exempt from Valuation, Section 11b, the sale price shall be determined by the CAO or delegate.
- b) Council may authorize the Sale of Land for less or greater than the Valuation or CAO's determination of sale price, if in the opinion of Council, it is in the best interest of the Municipality or otherwise fair and reasonable.
- c) All Land, with or without improvements, shall be sold on an "as is" basis unless Council determines otherwise.

- d) Any survey and/or reference plan required shall be obtained at the expense of the purchaser(s) unless Council by resolution otherwise determines.
- e) Council may impose conditions of Sale if deemed appropriate.
- f) The Municipality 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 by-law 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 any contemplated use of the Land by the purchaser.

13. Notice to the Public

- a) Before selling Land, notice of the intent to sell shall be given to the public by:
 - i. Posting notice on the municipal website;
 - ii. Posting notice in the local newspaper; and
 - iii. Posting notice on the municipality's website through the Council Agenda.
- b) Notwithstanding the notice provisions above, the CAO or designate may provide additional notice in order to gain maximum exposure.
- c) Notwithstanding the foregoing, the following classes of Land are exempt from the requirement to provide notice prior to its disposal:
 - i. Land owned by the Municipality that is zoned for industrial uses in the Picton Industrial Park or such other lands as may be hereafter acquired and designated by the Municipality as industrial park lands.
 - ii. Land sold under Section 110 of the Municipal Act, 2001 (for municipal capital facilities).
 - iii. Classes of land described under Part XI of the Municipal Act 2001 (tax sales).
 - iv. Land being re-conveyed to the person that originally conveyed it to the Municipality, or such person as that person may designate in writing, where:
 - 1. The land is held by the Municipality in trust or subject to a condition, obligation or legislation that requires a specific conveyance by the Municipality

2. Land is held by the Municipality as a security for the performance of obligations for that person pursuant to an agreement between the person and the Municipality
3. Land was conveyed to the Municipality for municipal purposes and was determined not to be necessary and was intended to be re-conveyed to the transferor
4. Land that was transferred to, or vested in the Municipality by by-law, operation of law or otherwise which neither the Municipality nor the registered owner intended to vest in or be transferred to the Municipality
5. Land 0.3 metres or less in width which was acquired for road purposes or planning approval or other decisions, and subsequently sold to the adjoining landowner, any Municipality, local board, school board, conservation authority, government or government-related agency
6. Easements
7. Land less than 10,000 square feet in area, sold to any Municipality, local board, school board, conservation authority, government or government related agency.

14. Revenue

- a) Revenue realized from the Sale of Land will, subject to the direction of Council, be allocated, as appropriate to the following accounts:
 - i. General revenue for general sales of land and buildings.
 - ii. reserve for sale of parkland.
 - iii. Industrial Park reserve for industrial park sales to offset debt and contribute to future industrial land infrastructure development.
 - iv. Fire reserves for fire hall sales.
 - v. General revenue for general sale of road closures

15. Responsibility and Implementation

- a) Council is responsible for approving this Policy.
- b) The CAO or designate is responsible for:

- i. directing compliance and resolving any conflicts with this Policy;
 - ii. assigning appropriate service departments for the administration of this Policy as required; and
 - iii. establishing procedural guidelines;
 - iv. conduct negotiations with prospective purchasers, enter into agreements and sign all documents necessary to sell any land provided:
 - 1. in the opinion and discretion of the CAO no other municipal interests will be adversely affected by the conveyance;
 - 2. for all sales, the party acquiring the land pays all transaction costs and enters into an agreement that is acceptable to the Municipal Solicitor;
 - 3. the final agreement is authorized by by-law; and
 - 4. the Finance Department is advised of the sale or disposition for the purposes of maintaining an up-to-date tangible capital asset listing.
 - v. engaging consultants to prepare environmental site assessments, environmental impact assessments, natural heritage evaluations, or any similar study that may be required prior to the sale of the land.
- c) This Policy shall be administered by the Community Services, Programs and Initiatives Department in consultation with such departments or committees as deemed appropriate from time to time.

16. Documentation and Forms

- a) All requests to purchase Municipal Lands shall be submitted on the application form prescribed by the municipality from time to time and accompanied by the application fee outlined in the Municipality's Fees and Charges By-law.
- b) In addition to the application fee, all costs associated with the disposition of Municipal Lands shall be borne by the purchaser. These costs may include the Valuation, public notice, reference plan, legal fees, realty fees, encumbrances, improvements or such other costs associated with the land sale.