

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC

BY-LAW NO. 103-24

BEING A BY-LAW TO ESTABLISH A POLICY FOR THE SALE AND DISPOSITION OF LAND

WHEREAS Strathroy-Caradoc is a municipality and a lower-tier municipality as defined by the *Municipal Act*;

WHEREAS pursuant to section 9 of the *Municipal Act*, municipalities have the capacity, rights, powers and privileges of natural persons, which includes the power to do things that natural persons can do, such as, *inter alia*, making decisions with respect to the management, investment, purchase, and sale of land;

WHEREAS land is unique and is not a good or a service;

WHEREAS Subsections 11(1-2) of the *Municipal Act* provide broad authority for lower tier municipalities to pass by-laws which relate to the management of its financial affairs and the economic, social and environmental wellbeing of the municipality (as this By-law does);

WHEREAS Section 8 of the *Municipal Act* provides that powers of municipalities shall be interpreted broadly so as to confer broad authority on the municipality to enable the municipality to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to municipal issues;

WHEREAS Subsection 270 (1) of the *Municipal Act* requires municipalities to adopt and maintain a policy with respect to the sale and other disposition of land;

WHEREAS Subsection 5(3) of the *Municipal Act* provides that municipal power be exercised by by-law.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC HEREBY ENACTS AS FOLLOWS:

- 1. THAT: The "Delegation of Council Authority Policy" attached to and forming part of this by-law be approved;**
- 2. THAT: This by-law shall come into full force and effect on the date of final passage in Open Council.**
- 3. THAT: By-law 64-20 is hereby repealed.**

READ A FIRST AND SECOND TIME this 21st day of October, 2024.

READ A THIRD TIME AND FINALLY PASSED in Open Council this 21st day of October, 2024.

Mayor

Municipal Clerk



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

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.

This policy is enacted to further the following principles when the Municipality engages in the sale and disposition of land:

- a. Adequate forethought and information gathering;
- b. Consistency and due process;
- c. Transparency and accountability; and
- d. Flexibility and responsiveness.

2. 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 Municipality of Strathroy-Caradoc. 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.

3. DEFINITIONS

Appraisal means an independent, written, fair market valuation of Land.

Clerk means the Clerk of the Municipality

CAO means the Chief Administrative Officer of the Municipality

Council means the Municipal Council of the Municipality

Disposal, Dispose, Disposed, Disposing, Dispossesses and /or **Dispossession** means the sale, transfer, conveyance or exchange of the fee-simple interest in land or the granting of a lease for a term of twenty-one (21) years or longer, but it does not include the granting of an easement or right of way;



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

Expropriations Act means the *Expropriations Act*, RSO 1990, c E.26, as amended or replaced;

Land means real property owned by the Municipality including any structures and buildings located thereon;

Municipal Act means the *Municipal Act*, 2001, S.O. 2001, c.25, as amended or replaced;

Municipality means the Municipality of Strathroy-Caradoc;

Notice means the process set out in Section 5 of this By-law;

Planning Act means the *Planning Act*, RSO 1990, c P.13, as amended or replaced;

Sale and Disposition of Land Policy means this Policy, duly passed by the Council.

4. GENERAL

- a) Council may, by resolution or by by-law, declare any of its real property to be surplus to the needs of the Municipality.
- b) The CAO shall publish a notice of the proposed sale of the real property on the Municipal website, subsequent to Council declaring the property surplus and prior to Council giving final consideration to the sale of the property. A notice is to be posted on the subject property for fourteen (14) days. The notice shall be given on one occasion and shall specify that anyone wishing to comment on the proposed sale may do so by delivering such comment, in writing to the CAO at the Municipal Office. Any comments received shall be considered by Council, which in its sole discretion, shall decide if any further action shall be taken on same.
- c) A survey of the real property proposed for disposal shall be obtained, if Council deems it necessary.
- d) An appraisal of the real property proposed to be disposed of shall be obtained, if Council deems it necessary. The municipality 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



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

survey or reference plan or property identification Number (PIN) is available. A reference plan shall be provided if a new lot is being created.

Exclusion of Certain Classes of Land:

An appraisal is not required in the following instances:

- Any land transferred to the Municipality for security or for temporary roads or other works in connection with any agreement to which the Municipality is a party under the Planning Act.
- Land being purchased by an owner in accordance with Section 42 of the Expropriations Act.
- Land sold under Sections 107, 108 and 110 of the Municipal Act
- Easements granted to public utilities or to telephone companies.

Exclusions, Sales to Public Bodies

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

Exclusions, Classes of Land

- Land sold under Section 100 of the Municipal Act - Municipal Capital Facilities
- Municipal tax sales as per part XI of the Municipal Act, 2001.
- Land to be used for the establishment and carrying on of industries and industrial operations and incidental uses.

- e) Following completion of the steps in Sections 1 - 4 inclusive, Council shall consider its intent to sell the real property and if confirmed, shall determine the most appropriate procedure, in the best interest of the Municipality, to dispose of the real property. The disposal of the real property shall then be carried out according to the appropriate procedures as outlined in Section 6, hereinafter established.
- f) Declare Lands Surplus - Prior to selling any land, Council shall by resolution, declare the land to be surplus to the needs of the Municipality;



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

Prior to declaring the lands surplus to the Municipality, the CAO shall circulate to all Municipal 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.

- g) 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 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 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.

5. NOTICE

Following a declaration by Council pursuant to Section 4.(e) that the land is available for disposal and subject to section 4, the CAO or Clerk shall give notice to the public of the land available for disposal by using all of the following methods;

- a) Publication for a least one (1) week in a professional and regularly used realty website, such as, but not limited to www.realtor.ca;
- b) Posting a “For Sale” sign on the Land for at least 14 days;
- c) Publication for a least one (1) week on the Municipality’s website;
- d) Publication for at least one (1) week on a local news website.

In addition to the Notice set out in Section 5, the CAO or Clerk may also, in his or her sole discretion, circulate a list or description of the land available for disposal by e-mail or other written notice to any of the following entities:

- a. Crown in Right of Ontario;
- b. Crown in Right of Canada;



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

- c. Conservation Authorities with jurisdiction in the Municipality;
- d. School Boards with jurisdiction in the Municipality;
- e. Hospital Boards operating in the Municipality;
- f. all commissions and boards of the Municipality;
- g. all corporations owned wholly or partly by the Municipality in which the Municipality owns at least fifty percent of the common or controlling shares of the corporation; and
- h. any other public entity deemed appropriate.

Notwithstanding Sections 4, 7 and 8 of this by-law, Council at its discretion may dispense with the requirements of Sections 4, 7 and 8 of this by-law in such circumstances that it deems by resolution to be appropriate.

6. METHOD 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;

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) All unsolicited offers will be 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.



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

Sale by Public Tender

- a) Costs incurred or anticipated to dispose of the real property, including but not limited to, legal fees, survey, appraisal, encumbrances, advertising and improvements, shall be established.
- b) An estimated bid amount shall be established which shall be not less than the appraised value plus the amount of the costs referred to in clause (a) above. Notwithstanding the foregoing, Council may accept an amount less than the estimated bid amount.
- c) Notice of sale by public tender will be circulated for a period of 4 weeks. The Municipality may choose to advertise in local papers, on the Municipal website and or other such websites as determined.
- d) The advertisement shall include a brief description of the property, including a small location sketch, shall specify the dates involved with the sale and shall include a statement that "the highest or any offer may not necessarily be accepted."
- e) The tender 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.
- f) 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 financial institution within the meaning of Section 2 of the Bank Act (Canada).
- g) 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.
- h) A tender shall relate to only one parcel of land;



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

Municipality'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) Costs incurred or anticipated to dispose of the real property including but not limited to legal fees, survey appraisal, encumbrances, advertising and improvements, shall be established.
- b) Invite proposals from a minimum of 3 real estate firms or brokers operating in the Municipality or part of the municipality. 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 Municipality.
- c) A listing amount shall be established which shall be not less than the appraised value plus the amount of the costs referred to in clause (a) above. Notwithstanding the foregoing, Council may accept an amount less than the listing amount.
- d) Ensure that the real estate agent lists the land for sale on multiple listing services;



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

- e) The accepted listing agreement, including commission percentage, must be approved by resolution of Council and the approval shall include authorization for the Mayor and CAO to execute the listing agreement.
- f) The offers shall be submitted to the CAO on the standard Ontario Real Estate Offer to Purchase forms and shall provide for an irrevocable period of at least twenty-one (21) days.
- g) 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.
- h) Council may utilize the municipality's Agent of Record for Real Estate purposes, should one be appointed.
- i) Finalization of sale of surplus lands by solicitor

7. SALE OF UNOPENED ROAD ALLOWANCES (URA)

Council will consider requests to stop-up, close and sell Municipally 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 municipality;
- d) That the permanently closing or altering of a URA does not result in restricting access to and from the person's land over any highway

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

Notice will be posted on the municipal website for a minimum period of two consecutive weeks advising the date, time and location of the public meeting 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.



Municipality of Strathroy-Caradoc

Administration – Sale and Disposition of Land Policy

Effective: October 21, 2024

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.