

Title: Land Management Policy	
Resolution: 104-2024- July 15 2024	Revised:
Special Notes/Cross Reference:	Next Review Date:

POLICY STATEMENT : The Town of Westlock will acquire, use, and dispose of lands in a transparent, fair, and accountable manner.

PURPOSE : The purpose of this policy is to guide the Town of Westlock in the acquisition, development, management, and disposition of lands that are owned by the Town.

1. DEFINITIONS

- 1.1. *Acquisition* – means the act of acquiring any interest in land by any means, including without limitation, by purchase, exchange, dedication, gift, tax sale or expropriation.
- 1.2. *Administration* – means the CAO, Senior Management, or designated support staff of the Town of Westlock.
- 1.3. *Chief Administrative Officer (CAO)* – means the individual appointed by Council to the position of Chief Administrative Officer as per the *Municipal Government Act*.
- 1.4. *Contractor* - means a provincially licensed company having a Town of Westlock business license at the time of building or selling whose principal function is to build and sell residential homes/condominiums and who is enrolled in a New Home Warranty Program.
- 1.5. *Disposition* – means the act of selling, exchanging or leasing land.
- 1.6. *General Land* – means any land, or interest in land, that is held by the Town, with the exception of Reserve Lands.
- 1.7. *Land Development Reserve* - means the funds that are used to acquire and maintain lands for the General Land Inventory.

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- 1.8. *Market Value* – means the amount that land might be expected to realise if it is sold on the open market by a willing seller to a willing buyer.
- 1.9. *Municipal Parkland Reserve* - means the funds or accounts that are used to acquire and maintain lands for the Public Land Inventory.
- 1.10. *Reserve Land* – means any land designated as environmental reserve, conservation reserve, municipal reserve, community services reserve, school reserve, or municipal and school reserve as described in Part 17 of the *Municipal Government Act*, and all land acquired and owned by the Town where the acquisition was funded by the Municipal Parkland Reserve.
- 1.11. *Roadway* – road allowances or portions thereof as previously established by the Dominion of Canada with the implementation of the Grid System of Survey.
- 1.12. *Surplus Land* – means land which is no longer required for a municipal purpose, as determined by Council, and may be disposed of.
- 1.13. *Temporary Commercial Use* – means the use of Town owned land for a temporary allotted timeframe (i.e. food trucks, mobile vendors, etc.)

2. GUIDING PRINCIPLES

- 2.1. The Town of Westlock shall acquire, use, and dispose of lands in a cost-effective manner for a public benefit or purpose.
- 2.2. The Town may acquire, assemble and service land to support economic development.
- 2.3. Municipally owned or controlled land that is not being used for municipal purposes may be leased or licensed for private third-party utilization.
- 2.4. The Town shall annually evaluate its municipally controlled, tax-forfeited or surplus owned lands to determine whether disposition and sale of these lands can be pursued.
- 2.5. The Town shall acquire land in an orderly and timely fashion to meet the current and future needs of the Town’s plans and programs.

3. ROLES AND RESPONSIBILITIES

3.1. COUNCIL

- a) Approve this policy and any amendments.
- b) Consider the allocation of resources for successful implementation of this policy in the annual budget process.
- c) Review and either approve or reject offers for purchase and/or sale presented by Administration either under market value or in excess of the maximum value prescribed in Section 4.3 o).
- d) Review and either approve or reject any recommendations and/or proposals to acquire land.

3.2. CHIEF ADMINISTRATIVE OFFICER

- a) Ensure staff compliance with this Policy.
- b) Implement policy, ensure policy reviews occur as scheduled, and verify the implementation of policy.
- c) Conduct due diligence commensurate with the nature and character of the land.
- d) Determine the appropriate method of sale for each parcel of land declared surplus.
- e) Review and either approve or reject offers for purchase and/or sale as per Section 4.3 o).

3.3. ADMINISTRATION

- a) Periodically review the Town's general land inventory to determine which land is declared surplus.
- b) Ensure this Policy meets legislative standards.
- c) Communicate the methodology outlined in the policy to the Public/Citizens and educate them on the process for municipal land management.
- d) Acquire and/or dispose of land, as identified by Council; or the CAO.

- e) Negotiate land-related agreements, other than those for purchase or sale, such as access, encroachments, etc.
- f) Determine the availability of the land and advise the landowner if the lands are available for lease.
- g) Complete periodic inspections of leased land to ensure the lessee is complying with the terms of lease.

4. PROCEDURE

4.1 ACQUISITION OF LAND

- a) When the Town is acquiring land, the Town shall work to pay according to fair equitable principles, and in accordance with the fair market value of the land. Purchase of the land shall be for four main purposes:
 - i. Parks, recreation, and public spaces;
 - ii. Strategic initiatives (i.e. economic development or redevelopment);
 - iii. Transportation purposes (right-of-way, borrow pits, back slope, etc.);
 - iv. Utilities
- b) The Town shall not pay more than market value to acquire land, unless exceptional circumstances exist, and Council has determined it is in the Town's best interests to acquire the land.
- c) Land that is acquired for the general land inventory shall be funded from the capital budget or reserve funds identified or other such funding sources as appropriate. Land that is acquired for the reserve land inventory shall be funded from the municipal parkland reserve.
- d) Written requests by landowners for the Town to purchase land shall be vetted through Council and must meet one of the four main purposes for Council to consider the request. The request shall include:
 - i. Any applicable fee;
 - ii. Verification of ownership;
 - iii. Legal land location; and
 - iv. Site diagram
- e) If the Town requires acquisition of land for any of the four main purposes the Town shall contact the landowner directly to discuss how much land is required

for the project.

- f) Due diligence shall be conducted prior to land acquisition and may include, but not be limited to:
 - i. Obtaining a property inspection and/or legal survey;
 - ii. Obtaining an environmental site assessment; and
 - iii. Conducting land title and other searches and reviewing documents to identify any restrictions/encumbrances on title, tax implications or any other important characteristics which may impact the land's value or use.
- g) Every effort to work with the landowner shall be made early into the project to provide time for discussion and negotiation. A mutually-agreed upon independent third-party appraiser shall be utilized to establish market value and come to an agreement on a purchase price.
- h) A purchase agreement shall be entered into between the Town of Westlock and the landowner for the purchase of the lands.

4.2 EXPROPRIATION

- a) The Town shall endeavour to acquire required land by negotiation and agreement with the landowner. If an agreement cannot be reached on the Town's acquisition of required land, the Town may begin expropriation proceedings in accordance with the *Municipal Government Act* and the *Expropriation Act*.
- b) The Town shall endeavour to obtain the landowner's consent to the acquisition in the accordance with the *Expropriation Act*.

4.3 DISPOSAL (SALE) OF SURPLUS LANDS

- a) Disposal of a parcel of land may be initiated by Administration or based on a public request. Land shall not be considered for disposal while the land continues to serve a municipal purpose.
- b) Prior to selling any land, Council shall, by resolution, declare the land to be surplus to the needs of the Town of Westlock.
- c) Before selling any surplus land, the Town may obtain or require an appraisal or letter of opinion to the fair market value of the land from:
 - i. An independent qualified appraiser; and/or

- ii. A real estate brokerage firm or an independent real estate agent; and/or
 - iii. Any other person deemed by the Town to be qualified for this purpose, including a qualified land assessor in the province of Alberta.

- d) Before selling any surplus land, the Town may obtain or require a survey of the land from an independent surveyor. The Town may, by resolution, waive this requirement if an existing survey is available.

- e) Before selling any surplus land, the Town may obtain approval from any other agencies, as may be required by law.

- f) After a parcel of land is declared surplus, the CAO shall also establish the appropriate method of sale. Based on the method chosen, the following procedures may be followed:
 - i. Where the method of sale by tender or quotation, the Town may:
 - Estimate the costs incurred or required to dispose of the surplus land including appraisal, public notice, survey, legal fees, realty fees, encumbrances, improvements or such other costs associated with the land sale;
 - Determine a reserve bid amount based on the appraised value plus estimated costs above;
 - Prepare an invitation to tender or request for quotations which shall be reviewed by the CAO before publication;
 - Include in all the invitations to tender or request for quotations, the statement that 'the highest or any offer may not necessarily be accepted'; and
 - Give notice by way of posting on the Town's website and publishing in at least one (1) newspaper of general circulation at least twenty (20) days prior to the date when the tenders or questions will be considered by the CAO.

 - ii. Where the method of sale is by way of real estate firm or broker, the Town may:
 - Invite proposals from not less than three (3) real estate firms or brokers. Said proposal 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 Town.
 - Ensure that the real estate agent lists the land for sale on the Multiple Listing Service (MLS);

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- Ensure that all prospective purchasers are made aware that 'the highest or any offer may not necessarily be accepted'; and
 - Have all offers to purchase submitted to the CAO for review prior to the sale being completed.
- iii. Where an alternate method of sale is used, such as direct purchase from the Town, Council may provide for:
- A determination of the sale price based on the appraisal of the land value and any costs associated with the proposed method of sale;
 - The method of public notice;
 - Where, when and who will receive the offers or bids; and
 - Any terms and conditions of the sale.
- g) The Town shall make every reasonable attempt to negotiate market value price for the disposition of any surplus lands.
- h) Disposal of surplus land at less than its market value must be advertised in accordance with the *Municipal Government Act*.
- i) Surplus land that is designated as reserve land may only be disposed of in accordance the *Municipal Government Act*.
- j) All reasonable fees, costs and expenses incurred by the Town in relation to a disposition of surplus land shall be identified for recovery from the purchaser on or before the closing date.
- k) Proceeds from the disposal of surplus general land shall be directed to the Town's land development reserve account, unless otherwise directed by Council.
- l) Proceeds from the disposal of surplus reserve land shall be directed to the Town's municipal parkland reserve.
- m) The Town may impose limitations, terms and conditions on a disposal of surplus land, as deemed necessary, including but not limited to:
- i. A requirement to develop the lands within a specified time frame;
 - ii. A first right of refusal to purchase the lands within a specified time frame if the lands are offered for resale; or
 - iii. A repurchase at reduced price or transfer back provision if development is not undertaken within a specific time frame.
- n) All disposals of surplus land shall be on a cash basis, unless otherwise directed by Council. Disposals will be done in a manner consistent with accepted conveyancing practices, and in accordance with all applicable federal and

provincial legislation and Town bylaws and policies.

- o) Offers for purchase and/or sale for Town-owned land where:
 - i. The listing or market value is \$250,000.00 or less may be approved by the CAO on behalf of Council; or
 - ii. The listing or market value is greater than \$250,000.00 or any offer less than 10% of the listing or market value shall be approved by Council.

4.4 PRICING OF AVAILABLE LANDS

- a) Pricing refers to the sale price of those Town-owned lands that may be sold as private sale lands.
- b) Lands available for sale are open to offers. Negotiations of purchase price or any conditions proposed as part of an offer to purchase shall be conducted and/or authorized by the CAO or designate.
- c) All offers are to be in writing and must specify an irrevocable date.
- d) As per the *Municipal Government Act*, any proposal to dispose of the Town-owned lands below market value must be advertised to the public.
- e) Proposals to sell reserve land must be advertised to the public and a public hearing be held prior to disposition, as per the *Municipal Government Act*.

4.5 ONGOING USE

- a) When Town owned land is not required for immediate use, but may be required to meet long term needs, the land may be offered for lease, license or other arrangement allowing for its temporary use by another party.
- b) Reserve land may only be used for a purpose prescribed in the *Municipal Government Act*.

4.6 SALE OF MUNICIPAL ROADWAYS

- a) Property designated as a public road which is under the jurisdiction, management and control of the Town may be sold.
- b) Any public road or right of way that is closed and declared surplus will be offered first to the adjacent landowner(s). If the Town does not receive an acceptable offer from an adjacent landowner within the time provided by the Town, the land may be placed for sale on the open market.

- c) Written applications for purchase of a public road shall be evaluated on their own merit by Administration and Council.
- d) A road closure application and bylaw are required prior to accepting any purchase agreements for an underdeveloped road allowance.
- e) The purchase agreement shall be subject to the final approval of the road closure by Alberta Transportation.
- f) The purchase price for a road allowance shall be at market value as determined by third-party appraisal, and Council, taking into account the potential costs and liabilities to the Town to retain the property and considering location and configuration of the subject lands.

4.7 DISPOSAL OF MUNICIPAL RESERVE

- a) Authorization for disposal of land designated as reserve land must be approved by Council resolution. Disposition of municipal reserve must be done in accordance with the *Municipal Government Act*.

4.8 LEASE OF MUNICIPAL LANDS

- a) Landowners that wish to request to lease municipal lands, must provide an application to administration outlining the following:
 - i. The legal land description and the civic address at said lands;
 - ii. A detailed description of the intended use or activity on said lands, which may include a map
 - iii. Contact information of the applicant which includes a mailing address and phone number;
 - iv. Preferred lease term (if longer than five (5) years).
- b) Administration will refer the request to the responsible Department along with:
 - i. A copy of the request and description of the proposal;
 - ii. The legal land description and map; and
 - iii. Any additional information necessary to render a decision.
- c) Lands in the general land inventory and reserve land inventory shall be reviewed annually to determine which lands may be available for lease.
- d) A lease agreement must be entered into with the Town for any lands or facilities in which the Town holds title.

- e) Once a lease agreement has been fully executed, the Finance department will create an accounts receivable based on the amount defined in the lease agreement to ensure receipt of the yearly lease amount throughout the term of the lease. Administration shall keep a record of current insurance coverage prior to execution of the land lease agreement.
- f) The terms of the lease for the Town owned land or facility shall not exceed five (5) years unless approved by Council resolution.
- g) Every lease shall have a clause allowing the Town to cancel the lease, with reasonable notice, to ensure the availability of the land or facility for Town purposes.
- h) Lease fees shall be collected yearly, at the fee agreed to by Council, and outlined in the lease agreement.
- i) Subleasing without approval will result in a suspension and/or end of the lease agreement.

4.9 CONTRACTOR PURCHASE & BUILD AGREEMENTS

- a) A Contractor may enter into a purchase and build agreement for a Town-owned residential lot for the purpose of constructing new residential dwelling unit(s).
- b) To be eligible to enter into a purchase and build agreement, the Contractor shall hold a valid Town of Westlock Business License and a Provincial Builders License.
- c) All Contractors entering into a purchase and build agreement must be registered with the Alberta New Home Warranty program.
- d) Contractors shall pay 10% of the purchase price for the lot along with the full amount of the applicable Goods and Services Tax on the purchase price upon signing of a purchase and build agreement.
- e) The Contractor shall pay the full balance owing on the lot on or before the earlier of:
 - i. Two (2) years from the date of signing of the agreement; or
 - ii. The date upon which the property is resold by the Contractor and title is transferred to the purchaser.
- f) The Contractor shall commence construction on the lot within one (1) calendar year from the date of signing of the agreement.

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- g) The Contractor shall not allow any person to reside within a dwelling built on a lot under a purchase and build agreement before the balance owing on the lot is paid in full.
- h) Should a Contractor be found to be in default of a purchase and build agreement, the deposit paid under sub-section 4.9 d) shall be forfeit.

4.10 USE OF TOWN OWNED LAND FOR TEMPORARY COMMERCIAL USE

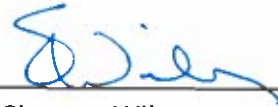
- a) Any persons requesting use of Town owned property for temporary commercial use must contact the facility coordinator of said site for authorization.
- b) The user must provide for proper waste disposal on the site.
- c) The user must ensure that the site is left in the same condition as it was prior to use.
- d) A valid Town of Westlock business license must be obtained, with all the required supporting documentation.

4.11 GENERAL

- a) In the event that the provisions of this policy are inconsistent with the provisions of the *Municipal Government Act*, R.S.A. 2000, as amended, its regulations or any other act, the provisions of the act or regulation shall prevail.



Mayor Jon Kramer



CAO Simone Wiley