



**City of  
Lloydminster**

***Policy***

<b>Policy Title:</b>	Land Sales Policy	<b>Policy Number:</b>	630-01
<b>Date of Adoption:</b>	May 25, 2020	<b>Motion Number:</b>	163-2020
<b>Date of Amendment:</b>		<b>Motion Number:</b>	

**1. Purpose:**

- 1.1. To establish general guidelines to be followed by Administration in pursuing a sale or responding to requests for direct purchase;
- 1.2. To facilitate Industrial Land lease, with the option to purchase Land Division Industrial Land;
- 1.3. To attract new industry and encourage the expansion of existing industries;
- 1.4. To generate a financial return to the Land Division reserve.

**2. Objective:**

- 2.1. To consider market value and allow Administration to be competitive in marketing the City of Lloydminster and Land Division Land, achieving the highest economic and social advantage to the City when selling Land Division land or long-term leasing of Land Division Industrial Land.

**3. Definitions:**

<b>Administration</b>	An employee, contract employee, or volunteer of the City.
<b>Appraisal</b>	The process of estimating an unbiased assessment of a property's value, prepared by a professional appraiser.
<b>City</b>	The corporation of the City of Lloydminster
<b>Land Division Industrial Land</b>	Land Division Industrial Land available for direct purchase.
<b>Discounted Land</b>	<del>Land that is sold for less than a 5% profit.</del>
<b>Improvements</b>	A structure, anything attached or secured to land, that would be transferred without special mention by a transfer or sale of the structure.
<b>Land</b>	Property in a raw or developed state, represented by Land Division.
<b>Land Manager</b>	A member of Administration responsible for the Land sales department.
<b>Listing Price</b>	The value assigned by the Land Sale Listing Price Committee, following the Lloydminster

	Charter and the Municipal Government Act (Alberta).
<b>Member of Council</b>	An individual elected pursuant to <i>The Local Government Election Act, 2015</i> (Saskatchewan) as a Member of Council.
<b>Parcel or Lot</b>	Any lot, block, or other area into which real property is subdivided. It is land defined by a survey plan, according to one of three basic categories of legal description: primary, subdivision, or right-of-way and has been registered in a land titles office.
<b>Reserve Price</b>	A minimum price for Land that Administration will accept from a buyer.

#### 4. Scope:

4.1. This Policy applies to all Members of Council and Administration and Land Division Land.

#### 5. Establishing Price:

5.1. The Land Sale Listing Price Committee shall establish all Listing Prices, in accordance with *The Lloydminster Charter and Municipal Government Act* (Alberta).

#### 6. Sale of Land:

6.1. All Land shall be sold for the Listing Price excluding the following situations:

6.1.1. the sale price is greater than the Listing Price;

6.1.2. the price is negotiated in alignment with this Policy, adheres to established procedures, and receives approval from the City Manager;

6.1.3. Land Division Industrial Land lease, with an option to purchase. The lessee shall be required to enter into the City's standard lease agreement and all applicable terms and conditions.

6.2. The following situations may be negotiated and approved by the City Manager:

6.2.1. a business interest proposes a development for which a serviced site currently does not exist, and the configuration or size is not typically available for public tender;

6.2.2. a business interest is seeking a site that requires combining a number of adjacent or contiguous sites due to specific configuration or size;

6.2.3. situations involving extending an option to purchase to

- adjacent existing owners for the direct acquisition of lots, facilitating expansion before public sale;
  - 6.2.4. where direct sales would create motivation for sale or relocation to a new form of Land use site;
  - 6.2.5. exchanging land with a suitable comparable property in another location is in the best interest of the City;
  - 6.2.6. a remanent parcel is not needed by the City and could be sold to an adjacent property owner;
  - 6.2.7. unserviced parcel of Land or engage in a Land exchange with a developer where it is in the best interest of the City;
  - 6.2.8. a utility company or government agency requires a site for a specific purpose;
  - 6.2.9. a registered non-profit corporation seeks a site to develop independent living.
- 6.3. The City Manager may approve all sales of Land except for the sale of Land with Improvements.
- 6.4. Land with Improvements shall only be sold by a resolution of Council.
- 6.5. If the minimum reserve price is not received or offered on Land for sale at public auction, the Land shall not be sold unless approved by a resolution of Council.
- 6.6. Administration, in their sole discretion, may impose limitations, terms, or conditions on any sale as necessary.
- 6.7. The sale of the following shall be subject to approval by Council in accordance with *The Lloydminster Charter* or any other enactment:
- 6.7.1. a road right-of-way;
  - 6.7.2. a Municipal Reserve (MR);
  - 6.7.3. a Municipal and School Reserve (MSR);
  - 6.7.4. a Community Services Reserve (CSR); or
  - 6.7.5. an Environmental Reserve (ER) parcel.

## **7. Methods of Selling Land:**

- 7.1. Administration will determine the best method of selling land based on demand and market demand.
- 7.2. There shall be **six (6)** methods of selling Land:
- 7.2.1. Open Market (standard terms);
  - 7.2.2. Open Market (with criteria);
  - 7.2.3. Public Tender;
  - 7.2.4. Broker or Realtor;
  - 7.2.5. Public Auction;
  - 7.2.6. Industrial Land Lease with an option to purchase.

## 8. Net Proceeds

8.1. Net Proceeds from the sale of Land Division Land shall be allocated to the *Sale of City Land and Building Reserve*.

8.2. Consideration of other land shall follow the requirements of legislation.

## 9. Lot Returns:

9.1. In the event a purchaser wishes to return Land to the City, the purchaser shall:

9.1.1. inform the City of their intent to do so in writing within fourteen (14) days from the sale agreement date; and

9.1.2. in the event of cancellation, rent for the right of possession is charged for the time the purchaser has held the lot. The rent is one percent (1%) of the purchase price of the lot, plus GST and a processing fee of seven hundred fifty dollars (\$750.00). The above noted amounts are deducted from the down payment with any remaining portion refunded or charged. Cancellation is not allowed if the price of the lot was negotiated.

## 10. Penalty:

10.1. Any staff member found to be in violation of this Policy may be subjected to a disciplinary action. Such action may be dependent upon the nature of the breach of this Policy; discipline may range from a verbal warning to dismissal with cause.

10.2. Any Member of Council found to be in violation of this Policy may be dealt with utilizing the "*Council Code of Ethics Bylaw*" or provisions of "*The Lloydminster Charter*."

## 11. Responsibility:

11.1. City Council shall review and approve all policies.

11.2. City Administration shall administer the Policy through the use of a supporting procedure.

11.3. Sponsoring Department shall be responsible for creating and amending a supporting procedure.