

**THE CORPORATION OF THE  
TOWNSHIP OF MATTICE - VAL CÔTÉ**

**BY-LAW NO. 898**

Being a By-law to establish policies  
regarding the sale of land

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**WHEREAS** section 270 (1) of the *Municipal Act, 2001*, as amended, requires a municipality to adopt and maintain policies regarding the sale and other disposition of land;

**AND WHEREAS** section 106 of the *Municipal Act, 2001*, states that a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprises through the granting of bonuses for that purpose;

**AND WHEREAS** the Council of the Corporation of the Township of Mattice – Val Côté deems it expedient to review its by-law on the disposal of property adopted back in 1995.

**NOW THEREFORE** Council of the Corporation of the Township of Mattice – Val Côté enacts as follows:

**THAT** schedule "A", "Policy governing the sale and other disposition of land" annexed hereto shall form part of this by-law.

**THAT** By-law no. 374 is hereby repealed.

3. **THAT** this by-law and attached policy shall come into force upon its passing.

READ AND ADOPTED IN OPEN COUNCIL  
this 28th day of July 2021

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Clerk

**POLICY GOVERNING THE SALE AND OTHER  
DISPOSITION OF LAND**

**1. Purpose of policy**

- 1.1 This policy is intended to govern the sale and disposal of real property by the Municipality of Mattice – Val Côté. Property disposal may be initiated in response to inquiries from the public or as a result of internal municipal actions.
- 1.2 It is also intended to ensure the disposal of surplus land in an open and transparent process that is done fairly, reasonably and in the best interests of the municipality.

**2. Guiding principles**

- 2.1 The municipality has a core responsibility to acquire lands and buildings for its own use for the purposes of developing and maintaining municipal infrastructure and promoting programs and service delivery.
- 2.2 Land assets unrelated to the responsibilities outlined above are, by implication, surplus to the municipality's requirements. Such surplus properties should be sold, or otherwise disposed of, in order to promote economic and social development and to increase the municipality's property assessment base. Future requirements must however be acknowledged and there may be a need to hold some property in reserve.
- 2.3 The best interests of the municipality, and thus of its residents, rather than that of individuals should be paramount in all real estate transactions involving the municipality. All transactions involving the municipality should therefore realize a maximum benefit to the municipality, its operational requirements and the broader community.

**3. Definitions**

- 3.1 "Appraisal" means a written opinion as to the amount that the real property might be expected to realize if sold in the open market by a willing seller to a willing buyer;
- 3.2 "Disposal" means the sale, transfer or conveyance of land, exchange for other lands, or the lease of land for a term exceeding 21 years, of any portion of the municipality's surplus land;

3.3 "Council" means Council for the Municipality of Mattice – Val Côté;

3.4 "Municipality" means the Corporation of the Township of Mattice – Val Côté;

3.5 "Land" means real property and therefore includes buildings and other facilities.

#### 4. Exemptions

4.1 This policy does not apply to the following classes of property disposal:

- 1) Disposals of land pursuant to section 110 of the *Municipal Act, 2001*, as amended (municipal capital facilities);
- 2) Disposals as part of a municipal tax sale pursuant to Part XI of the *Municipal Act, 2001*, as amended (sale of land for tax arrears);
- 3) Disposals conducted pursuant to a *Planning Act* application or approval, which disposal is governed by a consent agreement, subdivision agreement, or site plan agreement, or land 0.3 meters or less in width, acquired in connection with an approval or decision under the *Planning Act*;
- 4) Disposals to the Crown in Right of Ontario or Canada, or any government agency or authority;
- 5) Disposals of an easement to a public utility;
- 6) Land that does not have direct access or the size of which does not allow for construction of a building in conformance with the Zoning By-law or the Building Code, if sold to the owner of the land abutting said land.

#### 5. Sale of land procedures

5.1 The Municipality may dispose of property at its own initiative or upon the receipt of a written request from an applicant.

5.2 A written request from an applicant shall be submitted to the Chief Administrative Officer (CAO) of the Municipality. The CAO will prepare a report to Council, including a recommendation as to whether or not the lands should be considered surplus and identification of any other issues.

5.3 Before the disposal of any land, Council shall:

5.3.1 **Declare the land to be surplus** to the needs of the Municipality by a resolution passed at a meeting open to the public. The passage of a resolution declaring the land to be surplus does not obligate the Municipality to dispose of such lands and such a declaration may be rescinded by resolution at any time prior to the completion of the disposal.

- 5.3.2 Where deemed appropriate, **obtain a survey** of the real property proposed to be disposed of from an independent surveyor in accordance with the laws of the Province of Ontario.
- 5.5.3 **Obtain at least one appraisal** of the real property to be disposed of from a qualified appraiser who is registered in good standing with the Appraisal Institute of Canada. If it would not be practical or economical to obtain an appraisal, a letter of opinion as to the value of the property, signed by a real estate broker, can be accepted. Circumstances where it would not be practical or economical to obtain an appraisal include, but are not limited to, when the estimated value of the property to be disposed of is less than \$10,000.00 or when the cost of obtaining the appraisal would be more than 50% of the estimated value of the land.
- 5.5.4 **Determine the most appropriate method** to dispose of the real property. Any of the following methods can be chosen:
- a) **Request for Proposals (RFP)** – the RFP process is intended to be used most frequently for the public sale of large and/or significant and/or unique higher profile properties.
  - b) **Public Tender/Auction** – the public tender/auction option is the most frequently employed technique to sell more routine surplus municipal property. This municipally initiated process involves offering municipal lands for sale/lease to the general public through a formal and open public process requiring the submission of sealed competitive bids.
  - c) **Land exchange** – land exchanges involve a reciprocal transfer of parcels held by the municipality for other parcels, which generally hold a higher public value. Such trades will generally be negotiated privately.
  - d) **Listing the property with a real estate broker or other agent** – the Municipality may deem it appropriate to secure the services of a real estate broker or other qualified agent to assist with the marketing and sale of surplus municipal property. In such cases, the Municipality will undertake a competitive public process to select a preferred service provider.
- 5.5.5 Establish a **minimum bid amount** on the following basis:
- i) Costs incurred or required to dispose of the land, including legal fees, survey, appraisal, encumbrances, advertising, improvements, etc. shall be established;
  - ii) Use the appraised value of the property and increase it to include the amounts of the costs referred to in clause i) above.
- 5.5.6 **Provide notice** to the public of the proposed disposition of land by publishing an advertisement in the local newspaper and by posting the same on the municipal website, on the municipal face book page and on the property for a period of at least two consecutive weeks. Additional notice, beyond the surrounding geographic area or within other mediums, shall be at the sole discretion of Council.

The notice shall include the legal description of the land, the municipal address and or a location map and the date on which the resolution declaring the land to be surplus was passed. The notice shall specify that anyone wishing to comment on the proposed disposal may do so by delivering such comment in writing to the Clerk by a specified date and indicate that all comments will be submitted to Council.

#### **5.5.7 Other policies respecting the sale of surplus municipal property**

Except for land exchanges, the municipality shall ensure that appropriate wording is included in the public notice and in the related tender or listing documents that "the highest or any offer may not necessarily be accepted".

Except for land exchanges, the municipality may require prospective purchasers to submit a deposit of up to 20% of the value of their respective offers. The deposit will either be returned to the unsuccessful prospective purchasers or deducted from the final sale price.

Offers to Purchase or agreements shall be submitted to the Clerk for circulation to and approval by Council.

### **6. Terms of disposition**

6.1 Upon approval or acceptance of the terms and conditions of a disposal by Council, the agreement of purchase and sale and any ancillary documents shall be prepared by the Municipality's solicitor.

6.2 Prior to completion of the disposal of property, Council shall adopt a by-law that includes the following information:

- a) the date and number of the resolution declaring the land surplus;
- b) the final sale price;
- c) the purchaser's name;
- d) an authorization for the Clerk to take all actions and execute all documentation required to finalize the transaction.