



City of St. Albert
CITY COUNCIL POLICY

Land Transactions

AUTHORITY City Council	APPROVED	Res. No. C178-2013	mm dd 05 06	REVISED	Res. No. C335-2013	mm dd 07 15
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Purpose

To establish the guiding principles, process and accountabilities related to the acquisition or disposition of lands by the City of St. Albert.

Policy

The City shall acquire, maintain, or dispose of Land in a manner that maximizes its long term strategic and / or economic advantage. The City shall also conduct all Land transactions in a consistent, transparent, and equitable manner where possible.

Definitions

“Acquisition” means the obtaining of Land through purchase, lease, transfer, dedication, donation, expropriation, easement, or other method to acquire a Land-based interest.

“City” means the City of St. Albert.

“Disposition” means the sale, exchange, long-term lease, donation, transfer, or other disposition of a Land-based interest.

“Donation” means a voluntary gift of Land, given without compensation or other consideration.

“Expropriation” means the Acquisition of Land in accordance with the Expropriation Act of Alberta.

“Land” shall mean any portion of the surface of the earth. Land may contain buildings that have limited utility or finite term usage for municipal purposes, but are incidental to the strategic or economic advantage of the land itself.

“Market Value” means the highest price a willing buyer would pay and willing seller would accept, both parties being fully informed, for Land marketed for a reasonable period of time.

“Surplus Property” means Land that has been declared surplus to the City’s requirements.



Responsibilities

The City Manager shall ensure that all applicable standards and legislative requirements associated with this policy are satisfied.

Standards

1. Acquisition Guidelines

- a) The City shall acquire Land:
 - i. pursuant to a written strategy, in alignment with and/or for municipal purposes and support of Council approved priorities, programs, projects or policies; and
 - ii. at the lowest possible negotiated cost, and greatest economic advantage to the City; and
 - iii. at least five (5) years prior to its expected date of utilization, when possible; and
 - iv. subject to Council approval.
- b) When an Acquisition is part of an unsolicited purchase in support of a City-mandated program (e.g. for a road widening) Land may be acquired on the basis of Market Value or entitlements as defined by the *Expropriation Act*.
- c) At the discretion of the City Manager, an independent appraiser may be contracted to appraise Land identified for acquisition.
- d) Prior to Acquisition, the City Manager shall conduct an assessment of the physical and environmental condition, restrictions / encumbrances, tax implications or any other important characteristic which may impact the Land's value or use. Where applicable, such audits shall be completed in accordance with any applicable federal and/or provincial legislation.

2. Disposition Guidelines

- a) The City may dispose of Land:
 - i. pursuant to a written strategy, based on connection to municipal purposes and support for Council approved programs, projects or policies; and
 - ii. at the highest possible negotiated price, and greatest economic advantage to the City; and
 - iii. at a point in time, at the City Manager's discretion, that considers optimal current market conditions; and
 - iv. subject to Council approval (except as may be delegated in Policy C-CAO-05 Limitations on Financial Conditions and Activities).
- b) Prior to any disposition of Land, highest and best use of the land is to be considered as a target value.



- c) Dispositions of reserve land may proceed only in accordance with the *Municipal Government Act*.
- d) Most Land disposals shall proceed at Market Value, at minimum, and in consideration of full cost recovery. Intended dispositions at less than Market Value shall be governed by the requirements of the *Municipal Government Act*.
- e) All reasonable fees, costs and expenses incurred by the City in relation to Land identified for disposition, even if the Land is disposed of at a nominal value, shall be identified for recovery from the purchaser on or before the closing date.
- f) Proceeds from the Disposition of Land shall replenish the City's financial reserves for future acquisitions, unless otherwise directed by Council.
- g) Where the City intends to dispose of Land that had been acquired through donation or other gratuitous means, subject to the conditions of that original acquisition, the City may consider whether the Land should be:
 - i. transferred at no cost to another level of government, local school board or recognized authority; or
 - ii. re-conveyed to the owner, or successor in title, who conveyed the land gratuitously, provided all costs to recover the lands are borne by the owner; or
 - iii. disposed of at or above Market Value.
- h) Environmentally or culturally sensitive areas identified as being worthy of protection shall be transferred only to appropriate organizations, such as conservation authorities or other levels of government, or otherwise subject to special conditions such as an ongoing easement.
- i) Any public road or right of way that is closed or otherwise declared Surplus Property may be presented for sale. Notice of the City's intent to sell shall be first provided to the adjacent owner(s). If the City does not receive an acceptable offer from an adjacent owner within the time provided by the City, the property may be placed for sale on the open market.

3. Ongoing Use Guidelines

- a) When City-owned Land is not required for immediate use, but may be required to meet identified long term needs, the Land may be offered for lease, license, or other arrangement allowing for its temporary use by another party.
- b) Leases, licenses, easements, or other similar arrangements shall be at or above Market Value, unless:
 - i. the agreement is with another level of government; or
 - ii. a reciprocal agreement has been entered into by the City, such as an agreement with a school board; or



- iii. the agreement is with a not-for-profit organization that actively provides services which supplement City services.
- c) The City may grant an easement interest:
- i. If the easement is considered appropriate to the relevant City department;
 - ii. If the granting of the easement does not render the retained City land no longer viable for the use for which the land was obtained; and
 - iii. If it is determined that the location of the easement has limited or no impact on the future value or future City development of the lands over which the easement is sought.

4. Reporting

The City Manager shall present to Council, on an annual basis, a written strategy containing a confidential assessment of the City's:

- a) current Land holdings, including estimated market value and identified purpose; and
- b) projected Land requirements, including recommended approach and operating /capital financing capacity.

Legal References: *Municipal Government Act (MGA)*

Cross References: Policy C-CAO-05, CAO Limitations on Financial Conditions and Activities

