

Land Acquisition and Disposal Framework

Presenter: Michael Ircandia, Manager, Land Administration

Department: Planning and Development Department

Meeting Date: May 11, 2021

Council Motion

April 13, 2021

THAT Administration develop a Land Disposition Policy (and accompanying Administrative Procedure) to clarify and provide a framework for the management of disposing of land by the Municipality. This policy is to be returned to Council for consideration with an accompanying report on or before the Council meeting of Tuesday, May 11, 2021.

Real Property Acquisitions and Disposals

- The acquisition and disposal of interests in real property are guided by and processed in accordance with the:
 - *Municipal Government Act*;
 - *Expropriation Act*;
 - Chief Administrative Officer Bylaw No. 17/021;
 - existing Council Land Acquisition Policy ADM-250; and
 - Land Administration Branch's Standard Operating Procedures.

Municipal Government Act

- The *Municipal Government Act* (Section 70) legislates how a municipality may dispose of land by transferring or granting an estate or interest in lands and the circumstances under which this transaction must be advertised. Specifically where:
 - the land is being disposed of for less than its fair market value; or if the land is a public park, recreation or exhibition grounds; or
 - the proposal is used for supplying a public utility, recovery of taxes in arrears, or for use by a non-profit organization.

Expropriation Act

- The *Expropriation Act* legislates the process and principles of compensation that a municipality must follow when expropriating land privately owned under certain Alberta statutes.
- Considered a last resort, expropriation is the legal process by which a municipality is permitted to take private interests in land for a public benefit or purpose (i.e., construction of highways or other infrastructure projects) when a private party is unwilling to voluntarily sell their land.

Chief Administrative Officer Bylaw

- The Chief Administrative Officer (CAO) Bylaw identifies the circumstances in which Council approval is required for both acquisition and disposal of interests in Real Property.

CAO Bylaw – Acquisition of Real Property

- Council approval is required for all acquisitions except for Real Property acquired for the development of a public utility lot on which municipal infrastructure will be placed.

CAO Bylaw – Disposal of Real Property

- Council approval is required for all sales in excess of \$1 million.
- The CAO may approve sales:
 - that do not exceed \$1 million; and
 - in cases where the CAO deems a parcel to be too small or irregularly shaped to be useful for municipal purposes, in order to assist with a third party land assembly in support economic development.

Land Management Branch – Standard Operating Procedures

- The Land Management Branch has Standard Operating Procedures (SOP) for both Real Property acquisition and disposal which include a variety of processes prior to making a recommendation to the appropriate authority – Council or the CAO – for final approval.

Land Management Branch SOP - Acquisition

- Acquisition requests are processed in accordance with Section 1.7 of the Branch's SOP which includes the receipt, review, and assessment of the request to determine its applicability.
- If applicable, the seller is engaged, applicable reports such as land appraisals, surveys, geotechnical and environmental reports are ordered.
- Negotiation of the terms and conditions of the agreement are based on report findings and an agreement is drafted for consideration by the approval authority.

Land Management Branch SOP - Disposal

- Disposal requests are processed in accordance the Branch's SOP (Section 1.8) which includes the receipt, review, and assessment of the request to determine its applicability.
- If applicable, the request is circulated to internal and external stakeholders to identify issues, concerns or objections.
- Should the circulation outcome be favourable, an appraisal is completed and negotiation of the terms and conditions of the agreement are based on report findings and an agreement is drafted for consideration by the approval authority.

Real Property Acquisitions and Disposals

Acquisition

- Requests for Real Property acquisitions are traditionally made for both the capital and operational needs of the Municipality.

Disposal

- Requests for the disposal of the Municipality's interest in Real Property is based on regional growth and maximizing the return to taxpayers, taking into consideration factors such as viability, interest expressed, market conditions and availability of resources.

Linkage to the 2018-2021 Strategic Plan

- The Municipality endeavours to acquire and dispose of interests in Real Property in an open and transparent process to ensure that the consideration of such transactions is fair, reasonable, and in the best interest and welfare of the public.
- The Acquisition and Disposal of Interests in Real Property Policy LDI-030 supports the strategic priorities of:
 - Responsible Government; and
 - Establish Municipal Land Inventory.

Recommended Motions

THAT the Land Acquisition Policy ADM-250 be repealed; and

THAT the Acquisition and Disposal of Interests in Real Property Policy LDI-030 be approved.