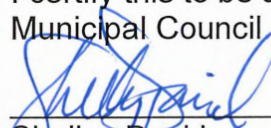




Title: Sale of Municipal Property

Approved by Council	Date: February 26th, 2024
Policy Review Notification	Date: February 12, 2024
Policy Review	Date: February 12, 2024

I certify this to be a true copy of the **Sale of Municipal Property** as adopted by the Municipal Council of Richmond County at a Public Meeting held February 26, 2024.


Shelley David
Municipal Clerk

1. Purpose

The purpose of the policy is to sell property in a fair, legally compliant, and impartial manner, which considers the highest financial return to the Municipality of the County of Richmond balanced with economic and community development opportunities.

2. Policy Statement

It is a policy of the Council of the Municipality of the County of Richmond property deemed surplus by motion of Council be disposed of in accordance with a disposal method included in this policy and as determined by Council. The Municipality of Richmond recognizes that municipal property should be sold in a transparent process that offers the opportunity for all members of the public to participate, in order to obtain the highest consideration for the taxpayers of the Municipality. The Municipality recognizes that in some instances there may be important considerations, such as community or economic development, that would provide a valid reason to sell a property to a particular person and/or company.

3. Scope

This policy applies to the sale of all municipal properties.

4. Policy

4.1 Assessment and Usefulness of Municipally Owned Property

- a) When the property has been deemed surplus to the needs of the municipality. Criteria used to determine usefulness of a municipally owned property may include one or more of the following:

- i. It is no longer required for the use of the Municipality of the County of Richmond or for the use of the public or the inhabitants of the Municipality of the County of Richmond.
 - ii. No long term use has been identified for the property.
 - iii. It is no longer in the best interest of the Municipality to retain ownership of the property (i.e. cost to maintain the property outweighs the benefit of retaining).
 - iv. Retaining ownership exposes the municipality to liability or risk (i.e. a vacant building or land would be more vulnerable to vandalism and trespassing).
 - v. A non-profit organization has an interest in acquiring the property to provide a service to the community.
 - vi. The abutting property owner(s) expressed an interest in acquiring the property.
- b) Prior to the sale of property, Richmond Council will require a staff report and recommendations, which are to include as a minimum:
- i. Information on the location and size of the property, including a valid description.
 - ii. Information regarding whether there is a financial need for the funds that the sale of property will generate.
 - iii. Information on whether there are job creation considerations (to include documentation from the developer outlining the employment and economic development benefits to be derived).
 - iv. For sale of property to a non-profit organization, "that Council considers to be carrying on an activity that is beneficial to the Municipality", information must include a written description of the community activity that the organization provides.

4.2 Powers of Municipality to Dispose of Property

There are a number of methods available to facilitate the disposal of surplus municipal property.

a) **Call for Expressions of Interest**

Advertise a Call for Expressions of Interest to solicit sealed submissions for the purchase of the property. Should Council choose to proceed with this option, consideration should be given to the possibility that the highest bid may be from a non-profit organization that is offering less than market value. Should this be the case, see item g – Sale to Non-Profit Organizations.

b) **Public Auction**

Advertise and hold a public auction. For sale by public auction, Council will set a minimum price.

c) **Sale by Listing Agent**

List the property for sale by a real estate agent to obtain market value upon the sale of the property.

d) **Direct Sale to Abutting Property Owner**

If the property is deemed insufficient in size or dimension to be capable of any reasonable use, Council may negotiate the sale of the property to the abutting landowner. If Council decides a negotiated sale to be the best approach, then all owners of property immediately abutting the non-usable property shall be offered, in writing, an approximately equal portion of the parcel at the assessed value. Where only one abutting property owner thereafter expresses in writing continued interest in a portion of the parcel, this owner shall be offered the entire parcel at the predetermined price.

e) **Direct Sale on the Open Market**

Surplus properties with high market potential may be disposed of by direct sale. Direct sale on the open market shall involve establishing a predetermined price and advertising the property for sale in newspapers appropriate for the sale. Pricing shall be set at the appraised value as determined by an independent Certified Real Estate Appraiser. Offers to purchase at the specified price shall be received in writing and accepted on a first come first served basis. The term "first come first served" shall mean the first written offer received from an individual, in a situation where more than one person becomes interested in purchasing the same property. All written offers shall be dated, and time stamped and initialed by the Chief Administrative Officer, or his/her designate, as received. Subsequent written offers to purchase the same property shall be processed in the order of the date and time received when conditions of sale to preceding offerors have not been met.

f) **Sale by Land Exchange**

Wherever possible, direct land exchange of surplus properties may be employed as an alternative method for the acquisition of necessary lands to accomplish the needs of capital works projects, watershed protection, street widening, etc.



g) Sale to Non-Profit Organizations

Section 51 of the Municipal Government Act enables a municipality to sell property at a price less than market value to a non-profit organization if Council considers the organization to carry on an activity that is beneficial to the Municipality. The procedure for this process to occur includes a public hearing respecting the sale of property if the offer to purchase is more than ten thousand dollars less than market value, and a resolution of Council passed by at least two-thirds majority of the Council present and voting.

4.3 Unsolicited Proposals

- a) When an unsolicited offer to purchase land owned by the Municipality of the County is received, staff will determine if that property has been deemed surplus by motion of Council. If already deemed surplus by motion of Council, the property will be disposed of in accordance with disposal methods included in this policy.
- b) If the property has not been deemed surplus by motion of Council, the request will be presented to Council. Council will determine if the property is surplus to the needs of the Municipality. If deemed surplus, staff will proceed to dispose of the property using the most appropriate method.

4.4 Tenders

Richmond Council recognizes that an inadequate response to a call for tenders may result in an inadequate consideration being offered for a property. In order to assist, staff will normally provide Council with a confidential appraisal of a fair market value for any property which is being tendered. The appraisal will be received by municipal staff prior to the closing of tenders and is to be utilized by the Municipality to assist in determining if the public tender has resulted in fair market value.

Policy Review/Amendment Schedule

Date of Review	Formally advertised and amended by Council
February 12, 2024	Review
February 26, 2024	Approved