

Approval date: February 6, 2018

Resolution No.: 47/2018

**Subject: City Land Disposition**

## Goal

To establish a fair, consistent and competitive process to manage the disposal of City owned lands. This policy will also serve to protect the community's interests while providing certainty to potential purchasers or lessees through established practice.

## Legislative Authority

As required by Section 26 of the *Community Charter* the City is required to advertise its intent to dispose of property. Although this is the minimum requirement, the policy intends to go well beyond the legislative requirements and engage the community on potential properties that will be disposed.

## Scope

This policy applies to any city owned real property considered for sale or lease greater than 5 years; with the following exceptions:

- Land zoned for park purposes;
- Dedicated parkland;
- Encroachments;
- Rights of way or Easements;
- Non-buildable properties;
- Properties acquired by non-profit organizations;
- Land with a restrictive grant, trust or covenant.

## Policy

### Determining Properties for Sale and Method of Disposal

Every two years or more frequently if necessary, Council, with recommendation from staff, will consider the disposal of city owned lands, taking into account:

- Future needs of the City;
- Economic climate and current market values;
- Needs and priorities of the community.

A list and map of potential non-core lands will be created and circulated through city departments for review and comment before providing an in-camera report to Council, which includes: properties not excluded through department vetting; recommendations; and in-house valuations.

Having evaluated the recommendations, Council will determine which properties move forward in the public engagement process.

Based on public engagement, a report will be prepared for consideration by committees with related interests.

E.g.: Downtown Commercial Property – committees such as Community Revitalization, Development Services, and Economic Development.

The committees will provide recommendations related to retaining or disposing of the properties and preferred potential uses.

In an open meeting Council, upon consideration of public engagement results and committee recommendations, may direct staff to:

- Rezone the property prior to disposal and/or;
- Proceed with a Request for Proposal (RFP);
- Proceed with an Expression of Interest (EOI);
- List the property for sale privately or with a Realtor;
- Retain the property.

If Council elects to dispose of the property, the City will publish notice (in consecutive weeks in a newspaper) of the proposed acquisition opportunity in accordance with the requirements of the *Community Charter*. The notice will describe the property, the nature and, if applicable, the term of the proposed disposition (for example, a purchase or a 30-year lease) and the process by which the property may be acquired.

Council meetings respecting evaluations and negotiations following an RFP, EOI, or listing will be held in-camera (where council is of the view that disclosure could reasonably be expected to harm the City's or proponent's interests). A public summary of the process and evaluations will be provided once the City is satisfied that no financial harm will come to the City or proponent due to the disclosure.

### **Unsolicited Offers for City Property**

On occasion, the City receives unsolicited offers and expressions of interest for real property. Based on the initial expression of interest, (which at a minimum must include the location, purchase price and the proposed use) all departments that could potentially be impacted by the potential disposal of the land will vet the proposal to determine if there are issues with disposal of the property or the proposal. If a proposal is deemed non-viable based on Staff vetting, the request will be declined at the staff level. Staff will advise the proponent of any viable alternative parcels and provide alternative processes that could be followed. Should the proponent not be satisfied with the staff decision the proponent may appeal the Staff decision to the CAO and if not satisfactorily resolved by the CAO, through an appeal to Council.

The proponent of an initial proposal that passes the initial vetting without objection will be provided with the Assessment Criteria (Attachment A) and invited to provide a formal written proposal which must:

- clearly outline the offer, proposal and intended use;
- demonstrate how the proposed development will comply with the Official Community Plan, Zoning Bylaw and how the proposal meets the specific points of the Assessment Criteria;
- outline the projected economic impact and/or benefits to the community;
- high-level concept drawings including at a minimum:
  - a site plan showing the location of the development on the parcel of land;
  - conceptual renderings of the proposed development;
- a detailed timeline for the development to occur, including any phasing required;
- staff may require additional information, depending on the location and impact on adjacent uses.

Upon receipt of a completed formal proposal, staff will complete a Council report, which will evaluate the proposal, provide market value estimate, evaluate the Assessment Criteria, and provide recommendations.

An open competitive process will be the standard approach for disposing of property. Staff will only recommend deviation from the competitive process if using the Assessment Criteria the proposal demonstrates unique and significant benefits that could not be provided by any other proponent.

The ultimate determination to proceed differently than a competitive process is at Council's discretion. Council may support the disposal of the specific property through a competitive process and the initial proponent will be invited to participate.

If the proposal delivers significant benefits that could not be provided by any other proponent and Council elects to proceed without a competitive process, Council may authorize staff to negotiate with the proponent. Once initial negotiations are complete, Council may choose to proceed with a public engagement process (the proponent will be required to participate), the results of which will be provided to applicable committees.

Following successful staff negotiations, and any engagement process and committee recommendations, the proposal will be brought back to Council for consideration as to whether to decline the proposal, direct staff to conduct further negotiations or authorize the City to enter into a contract of purchase and sale based on the initial negotiations.

Before the City enters into a contract of purchase and sale with the proponent, the City will publish notice (including in consecutive weeks in a newspaper) of the intended disposition in accordance with the requirements of the *Community Charter*. The notice must identify the property, the purchaser, the purchase price and the nature and term of the proposed disposition (for example a purchase or a 30-year lease). Following publication of the required notices, the City may execute the contract of purchase and sale.

### **Cost and Timelines of the Process for Unsolicited Offers**

Costs for the proponent to prepare and provide the City with the necessary information related to this process shall be borne by the proponent. The proponent will also be required to pay any costs of estimating the market value of the property.

The City will expedite the review and approval of a proposal in a timely and efficient manner.

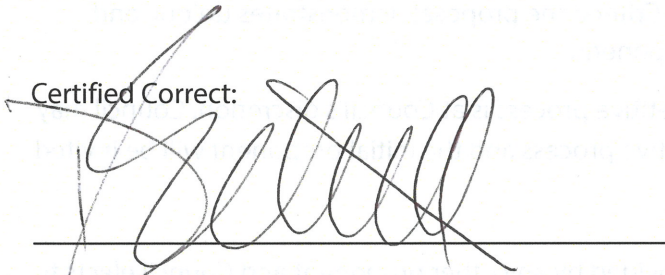
**Appendix A: Proposal Assessment Criteria for Unsolicited Requests to Purchase City Owned Lands**

**Appendix B: Responsibilities**

**Previous Revisions**

Revision date	Author
Land Sale 1998 (Res 793/1998)	

Certified Correct:

A handwritten signature in black ink, appearing to be "S. S. S.", is written over a horizontal line. A diagonal line is drawn across the signature from the top left to the bottom right.

Corporate Officer

## **Appendix A:**

### **Proposal Assessment Criteria for Unsolicited Requests to Purchase City Owned Lands**

#### **The Assessment Criteria shall ensure that:**

- Clear desirable benefits are identified that directly address a clearly defined objective or Community need;
- The request reflects Council priorities;
- The request reflects the values and will of the Community as understood by the City;
- The purchase price (including any non-monetary consideration to be provided to the City) reflects estimated market value.

#### **Demonstration of unique benefits:**

- The proposal can only be delivered by the proponent, and possesses something that no other competitor can provide; i.e. the proponent owns adjacent property, possesses proprietary rights, etc.;
- Attributes, which may not necessarily stand alone as unique but, when combined, create a “unique” proposal. This may include innovative ideas, including financial arrangements or a unique ability to deliver a strategic outcome;
- The proposal delivers economic benefit for the City that would provide financial benefits/savings that would not otherwise be achieved;
- The request will deliver improved infrastructure and/or services to the Community;
- There is a demand for outcomes from the proposal.

#### **Demonstration of City objectives:**

- The proposed use of the land aligns with Council’s Priorities;
- The proposal will not conflict with identified potential uses for the surrounding properties;
- The proposal aligns with Council’s Vision for the City’s development and identified planning outcomes (OCP - public facilities, key services, short and long term accommodation commercial facilities, industrial facilities, open space, etc.);
- Alignment with the City’s Economic Development Strategy;
- Evidence of long term economic benefits to the Community;
- Provision of other investment opportunities;
- Evidence of local job creation (short term and long term);
- Consideration of any significant natural or environmental features;
- Consideration of any cultural significance;
- Identify and quantify risks for the City and community.

## **Appendix B:**

### **Responsibilities**

- LAND:** The Land Administrator shall be the initial contact for proponents and be the facilitator for progressing the proposal through the process.
- FINANCE:** Assist in any necessary financial analysis.
- DEVELOPMENT SERVICES:** To determine alignment to the OCP, Zoning Bylaw and the City's development priorities as well as economic development priorities.
- INFRASTRUCTURE:** Public Works, Parks, Engineering, Facilities to identify any operational needs, issues or potential future requirements for the property.
- PROCUREMENT:** To oversee RFP and EOI requests processes.