



Sale and Other Disposition of Township-Owned Land Policy

1.0 POLICY STATEMENT

The Township of Montague shall dispose of land in a transparent and accountable manner in consideration of the social, economic, and environmental impact on the Township and its residents.

2.0 PURPOSE

In accordance with Section 270 of the *Municipal Act, 2001*, as amended, this Policy establishes a comprehensive framework governing the sale or other disposition of Township-owned lands.

This Policy ensures that any disposition of Township-owned lands is done so in a manner that is:

- fair, open, and transparent
- fiscally and socially responsible
- mindful of the current and future needs of the Township

3.0 RESPONSIBILITY

The Clerk, or their designate, shall ensure that all sales and other dispositions of land are completed in accordance with the provisions in this Policy.

4.0 DEFINITIONS

“Abutting Land” means real property that directly borders the Township-owned land parcel.

“Appraisal” means a written opinion of the market value of the land prepared by a registered member of the Appraisal Institute of Canada.

“Clerk” means the municipal employee appointed by Council in accordance with Section 228 of the *Municipal Act*.

“Council” means the elected Municipal Council of The Corporation of the Township of Montague.

“Disposition” means the sale, transfer, conveyance or exchange of the Fee Simple Interest in Real Property, or the granting of a permanent easement or right-of-way.

“Fair Market Value” means the highest amount that real property might be expected to realize if sold on the open market by a willing seller to a willing buyer.

“Fee Simple Interest” means ownership of real property in which the owner has the right to control, use or dispose of the real property at will.

“Opinion of Value” means a written opinion as to the Fair Market Value of real property, prepared by a qualified realtor in good standing with the Canada Real Estate Association.

“Non-Viable Land” means land that is deemed to be a potential liability to the Township or is determined to be of a size, shape, or nature for which there is no general demand or market.

“Surplus Land” means all land owned by the Township that is not required to meet the current or future needs of the Township.

“Township” means The Corporation of the Township of Montague.

“Viable Land” means land which can be granted a building permit for development purposes.

5.0 SCOPE

This Policy applies to all financial and legal transactions related to the sale or other disposition of Township-owned land, unless otherwise exempted under this Policy.

6.0 EXEMPTIONS

This Policy does not apply to the sale of land under Part XI (Sale of Land for Tax Arrears) of the *Municipal Act, 2001*.

7.0 PROCEDURES

7.1 Registry of Township-Owned Lands

- 7.1.1 The Clerk shall establish and maintain a public registry of real property owned by the Township that has been declared surplus by Council.
- 7.1.2 The following real property assets shall be excluded from the register:
 - 7.1.2.1 All highways, roads, and road allowances, whether opened, unopened, closed or stopped up.
 - 7.1.2.2 Land 0.3 metres or less in width acquired in connection with an approval or decision under the *Planning Act*.
 - 7.1.2.3 Land formerly used for railway lines.
 - 7.1.2.4 Lands conveyed to the Township as security, or for temporary roads or other works in connection with any agreement to which the Township is a party under the *Planning Act*.

7.2 Designation of Viable and Non-Viable Land

7.2.1 Subject to the discretion of Council, all surplus lands will be designated as either Viable Land or Non-Viable Land, as defined herein, and their respective disposition processes may be treated differently.

7.3 Disposition of Non-Viable Land

7.3.1 When Council deems that a certain parcel of land is Non-Viable, an agreement may be reached with an abutting landowner, or landowners, for a transfer of the lands. Council will determine on a case-by-case basis whether transfer of the lands shall be required to be offered to one or all abutting landowners. For land use compliance reasons, the land shall be required to be offered to an abutting landowner.

7.3.2 Where the disposition of Non-Viable Land is initiated:

- a) The Township shall write to all adjacent landowners to declare the Township's intention to dispose of the Non-Viable Land.
- b) The Township shall inquire if each adjacent landowner has an interest in the Non-Viable Land, requesting a response within 20 days.

7.4 Applicant-Initiated Land Disposal

7.4.1 A prospective purchaser may submit an expression of interest in a specific Township-owned property through the submission of the prescribed application form attached as Schedule "A".

7.4.2 The Clerk will verify that the lands in question are owned by the Township and that they are surplus to the needs of the Township or can be deemed a Non-Viable asset.

7.4.3 If the lands are deemed to be surplus or Non-Viable, the Clerk will respond to the prospective purchaser accordingly and in compliance with the provisions of this by-law.

7.4.4 If the lands have not been determined by Council to be surplus to the needs of the Township, the Clerk shall bring the request to Council for a decision. If the lands are deemed not to be surplus to the needs of the Township, the Clerk will advise the prospective purchaser accordingly.

7.5 Property Valuation

7.5.1 The Township shall obtain a property valuation for the parcel of land in question, subject to the following requirements:

7.5.1.1 If the parcel is deemed Non-Viable land, a Letter of Opinion or MPAC assessment shall be sufficient.

7.5.1.2 If the property is deemed Viable Land, an Appraisal shall be required.

- 7.5.2 Any property valuation obtained shall be used solely as a guide and shall not exclusively determine the sale price. Without limiting the generality of the forgoing, other factors, including the history of the land, may be considered.
- 7.5.3 Notwithstanding the requirements outlined in Section 7.5.1 above, Council shall have the absolute authority to determine the selling price of the land.
- 7.5.4 Notwithstanding the requirements outlined in Section 7.5.1 above, the Township will not be required to obtain a property valuation, unless Council requests otherwise, for the following classes of land:
- 7.5.4.1 Land 0.3 metres or less in width acquired in connection with an approval or decision under the *Planning Act*.
- 7.5.4.2 Land purchased by an owner in accordance with Section 42 of the *Expropriations Act*.
- 7.5.4.3 Land transferred to another municipality or the Crown in right of Ontario or Canada, including their local boards and agencies.
- 7.5.4.4 Utility Easements
- 7.5.4.5 Land sold under Sections 107 and 108 of the *Municipal Act, 2001*.

7.6 Council Consideration

- 7.6.1 Declaration of Surplus Land
- 7.6.1.1 Before land may be disposed of Council shall pass a resolution declaring the subject lands to be surplus to the needs of the Township and determine the Viable/Non-Viable classification of the subject lands.
- 7.6.1.2 The passage of a resolution declaring certain lands to be surplus does not obligate the Township to dispose of said lands, nor does it preclude the Township from rescinding the resolution at any time, prior to completion of the disposal.
- 7.6.2 Method of Disposal
- 7.6.2.1 Council shall determine in its sole discretion, by resolution, to dispose of the surplus lands by any of the following methods:
- Direct Sale / Negotiation
 - Request for Tender (RFT)
 - Listing with Real Estate Agent / Broker
 - Land Exchange

7.6.2.2 Direct Sale / Negotiation

Direct sale and/or negotiation may be selected with the following considerations:

- The negotiated price shall be determined to be not less than the property valuation, plus costs as identified in Section 7.8 herein.
- The Clerk shall be authorized to negotiate a direct sale upon direction of Council.
- The Clerk shall submit all final offers to Council for review.

7.6.2.3 Request for Tender (RFT)

Council may direct that surplus lands be disposed of by RFT, in accordance with the Township's Procurement Policy.

7.6.2.4 Listing with Real Estate Agent / Broker

Listing by the Township with one or more property listing services may be selected with the following considerations:

- The listing price shall be determined to be not less than the property valuation, plus costs as identified in Section 7.8 herein.
- The Clerk shall be authorized to sign the listing agreement upon direction of Council.
- The Clerk shall submit all final offers to Council for review.

7.6.2.5 Land Exchange

A land exchange involves a reciprocal transfer of land or an equivalent value (monetary or public interest). Such exchanges may be negotiated with the following considerations:

- The negotiated price shall be determined to be not less than the property valuation, plus costs as identified in Section 7.8 herein.
- The Clerk shall be authorized to negotiate upon direction of Council.
- The Clerk shall submit all final offers to Council for review.

7.7 Public Notice

7.7.1 The Clerk shall ensure public notice of the proposed sale or disposition of land is given by the following means:

- a) Written notice by regular mail provided to all registered owners within 60m of the boundary of the lands proposed to be sold.
- b) Notice posted on the Township's website for a period of not less than 14 days.

7.7.2 Should any submissions or concerns be received from the public, such comments shall be considered by Council during an open, public meeting and prior to the by-law authorizing the sale being passed.

7.8 Recovery of Costs & Deposit

7.8.1 All costs incurred or anticipated to be incurred in connection with the disposal of the land, including but not limited to:

- legal fees
- surveying costs
- appraisal fees
- advertising

shall be borne by the purchaser unless Council directs otherwise.

7.8.2 Upon receipt of direction by Council to authorize the sale of land, a deposit in the amount of \$2,000.00, or an alternate amount determined by Council, will be required to be paid to the Township by the purchaser. These funds will be utilized for any expenses incurred by the Township associated with the land conveyance and any unused portion will be refunded to the purchaser on closing, without interest. Should the deposit received by the Township be insufficient, an additional deposit will be required prior to any further action on the part of the Township.

7.9 Offer Evaluation, Acceptance of Offers and Certificate of Compliance

7.9.1 All bids, proposals and offers shall be presented to Council unless Council has given direction to Staff to negotiate the disposition by other means.

7.9.2 Council shall have the authority to determine the successful offer.

7.9.3 Council shall pass a by-law authorizing the disposition and direct the Reeve and Clerk to execute an Agreement of Purchase and Sale, in consultation with the Township's Solicitor and other Staff, as appropriate.

7.9.4 Council reserves the right to accept an offer less than the appraised value, including costs, where, in the opinion of Council, it is in the best interest of the Township to do so.

7.9.5 Upon completion of the disposition of land, the Clerk shall issue a Certificate of Compliance confirming that the provisions of this Policy have been complied with. The prescribed form is attached to the Policy as Schedule "B".

7.10 Housekeeping Amendments

7.10.1 The Clerk is hereby authorized to make such minor amendments to this Policy as are necessary to ensure continued compliance with provincial legislation.

8.0 ATTACHMENTS

8.1 Schedule "A": Application to Purchase Township-Owned Lands

8.2 Schedule "B": Certificate of Compliance Template

Schedule "A"



Application to Purchase Township-Owned Lands

Contact Information

Name	
Mailing Address	
Phone Number	
E-Mail Address	

Property of Interest

Civic Address (if applicable)	
Legal Description	
Existing Use	
Proposed Use	

Do you own a property that abuts the property of interest identified above?

Yes No Unsure

Pre-Consultation

Have you pre-consulted with the Township Planner concerning this application to purchase Township-owned land?

Yes No

Additional Comments

I/We, _____, have reviewed the Sale of Land Policy and understand all associated conditions and fees which are applicable to a purchase of Township-owned lands.

Date: _____

Print Name

Signature

Print Name

Signature

Schedule "B"

Certificate of Compliance Template

Pursuant to Section 270 of the *Municipal Act*, as amended, and in connection with the disposition of land described as:

I, _____, Clerk of The Corporation of the Township of Montague, certify as follows:

1. **THAT** Council passed By-Law ****-2024 on **, 2024, being a by-law to repeal and replace By-Law 2962-2007, as amended (Sale of Land Policy).
2. **THAT** this By-Law was in full force and effect on the date of the sale of the land described above.
3. **THAT** a property valuation was obtained on _____ by the following means:

_____.

OR

THAT the land sale is exempt from the requirement to obtain an appraisal of its fair market value.

4. **THAT** public notice of intent to sell the land was given on the following dates and by the following method(s):

	Method	Date
	Posting on the municipal website	
	Publication in local newspaper	
	Direct mail to landowners within _____ m	
	Other:	

Date: _____

Signature: _____