

RM OF REYNOLDS POLICY

Title: Land Sale Policy

Policy No. 41

PURPOSE:

The purpose of this policy is to establish practices and procedures to be followed in the sale of municipally owned Real Property.

DEFINITIONS:

Chief Administrative Officer (“CAO”) means the Chief Administrative Officer of the municipality, and includes his or her designate.

Days mean calendar days.

Employee means any person employed by the municipality, and includes the Chief Administrative Officer, designated officers, full time, part time, contract, or casual employees, including volunteers.

Landlocked means that land has no access to a public road.

Sustainable Tendering means considerations with a view to maximizing net benefits for the Municipality as a whole. Where extrinsic considerations such as but not limited to environmental, economic and social factors are considered in the decision alongside the conventional [procurement](#) criteria of price and quality, although in practice the sustainable impacts of a potential supplier's approach are often assessed as a form of quality consideration.

Surplus Land means land identified by Council through a resolution as no longer required for use by the Municipality.

Municipality means the Rural Municipality of Reynolds.

PROCEDURE:

- 1) That all expressions of interest or offers to purchase municipally owned real property shall be forwarded to the next regularly scheduled meeting of Council, at which time Council shall consider whether the real property is surplus to the Municipality's requirements and available for sale.
- 2) That if it is determined by a resolution of Council that the real property is available for sale. The Council shall use the current years assessed value provided by the Provincial Assessment Services as the reserve bid, OR an appraised value as provided by an appraiser certified to work

in the Province of Manitoba (in the absolute discretion of Council), OR some other value as may be determined by a resolution of Council (in the absolute discretion of Council) for any property being considered for sale.

- 3) That notwithstanding this Policy, Council may by Resolution occasionally excuse compliance with this policy, sales of land with a minimum assessed value of \$500.00 or less as determined by Council.
- 4) If Council approves the property to be sold, they shall direct that the Chief Administrative Officer to advertise the property for sale in the following manner:
 - a) By advertising the sale in two editions of a newspaper having general circulation in the Municipality at least 6 days apart,
 - b) By posting the property, where feasible,
 - c) By posting a notice of the sale in the offices of the Municipality,
 - d) By posting a notice on the RM website,
 - e) By including in all such advertising:
 - i. The legal description of the property.
 - ii. The civic address for the property (if available) and/or a description identifying the location of the property in a manner other than legal or civic description.
 - iii. The dimensions and/or acreage of the property.
 - iv. The date by which sealed offers to purchase (Tender) must be in the hands of the Chief Administrative Officer; which date shall not be sooner than fourteen days following the last day of advertisement within the newspaper.
 - v. The present use and zoning for the property.
 - vi. The name, address, and telephone number of the appropriate contact person at the Municipality's Administrative Offices, for additional terms and information.
 - vii. That any offer may not necessarily be accepted.
 - viii. That possession and closing date shall be ten days following acceptance by Council of an offer.
 - ix. Set out that all sales are "as is" and that the "Municipality gives no warranty or representation concerning the presence or absence of contaminants, ground water, soil or subsurface type or condition, or as to the fitness of the land for any particular use or purpose." And that all such inquires of the land for these matters must be completed by the purchaser and solely at the purchasers risk.
 - x. Notification that the acceptance of Tender and sale of the property will be determined by a Sustainable Tender being based upon on the entire Tender and the overall best interests of the Municipality taking into account all of the factors which would be beneficial to the Municipality as a whole.

- 5) Council may direct the CAO to engage the services and enter into a contract with any registered Real Estate Agent to assist with marketing and selling of the property:
 - a) The selection of the Real Estate Agent shall be at the discretion of the CAO.

- 6) That administration shall provide to all interested persons these additional terms under this policy:
 - a) That all tenders over \$500.00 shall be required to have a non-refundable deposit of 10% which non-refundable deposit shall be forfeited should the Tender bid be accepted by the Municipality and the bidder not close the transaction.
 - b) Set out that offers to purchase must be in a form acceptable to the Municipality (a standard form of Offer to Purchase is recommended) and placed in a sealed envelope, and shall in addition include the following:
 - i. That purchaser is responsible for payment of GST if applicable, which amount shall be calculated upon the amount of the offer to purchase.
 - ii. That current years property taxes shall be the responsibility of the property owner effective the date of the sale.
 - iii. That the purchaser is responsible for all legal costs associated with the transfer of the land.
 - c) Direct all Zoning and Building Inquiries to the Winnipeg River Planning District.
 - d) Set out that the Council in its absolute discretion will consider acceptance of the highest offer which either meets or exceeds the reserve bid subject to the consideration of additional factors relating to sustainable tender bids.
 - e) That if there is no offer which meets the established reserve bid, Council may re-determine the reserve bid and re-advertise the property in accordance with this policy.
 - f) That if the same highest offer is made by more than one person, then the Municipality shall send by registered mail an invitation to each person who submitted the highest offer to again submit an offer:
 - i. in a sealed envelope
 - ii. and in the proper form
 - iii. and according to the same terms
 - iv. and within ten days of the letter of invitation.
 - v. and the Council shall again consider the offers in the same manner as directed within this policy.
 - g) Set out that upon an acceptance by Council of an offer to purchase, the Council shall:
 - i. Cause the matter to be forwarded to the Municipal Solicitor for completion of all necessary documentation to affect the sale.

Sustainability Offer for Sale

If Council considers the property to have potential to assist in the sustainability of the future of the municipality by providing economic opportunities Council will instruct administration by resolution to indicate that it is sustainability offer for sale and that the following sections also apply.

- 7) The offer to purchase shall include a business plan that indicates the purchaser's plan for the use of the property being offered for sale. The business plan must include:
- i. What will be constructed (if applicable) square footage, value of construction and when will the construction take place.
 - ii. Proposed number of jobs to be created and the timelines of when the jobs will be initiated.

Procedural Exception – land deemed to be landlocked need not follow the procedures set out in this policy. Land that is deemed landlocked can be offered for sale to the owner(s) of the land that surrounds the landlocked property.

Rights

- The Municipality retains the right to reject any or all offers to purchase
- The Municipality also reserves the right to accept the offer to purchase which it deems to be in the best interest of the municipality
- Submission of an offer to purchase by interested parties acknowledges and accepts these terms