

THE TOWN OF FORT FRANCES

Section: Planning and Development

Policy: Sale of Town Lands

Creation Date:	September 2015
Revised Date:	2017, 2018, 2020
Resolution Number:	
Supersedes Resolution Number:	976
Policy Number:	6.2

1.0 POLICY STATEMENT

The Town will dispose of surplus *Land* in an open and transparent process to ensure that the consideration for such disposal is fair, reasonable and in the best interest of the Town.

2.0 AUTHORITY

Section 270(1) of The Municipal Act, 2001, requires that a municipality adopt and maintain policies with respect to the sale and other *disposition* of *Land*.

Section 5(3) of The Municipal Act, 2001, requires the municipality to adopt policies by by-law.

By-Law #23/95 was enacted by Council for the Town of Fort Frances on March 13, 1995 to establish procedures and provides options for the giving of notice governing the sale of real property.

3.0 APPLICATION

This policy applies to the sale or other disposal of *Land* by The Corporation of the Town of Fort Frances and is intended to augment and be read in consultation with By-Law #23/95, as may be amended from time to time.

It is the intent of this policy to focus on the management and dispersal of industrial, commercial and residential *Land* in order to make real property readily available for long term economic development, *Land* revitalization and residential development.

This policy and the sale of real property shall be administered through the office of the Municipal Clerk.

4.0 DEFINITIONS

In this policy, the following terms shall have the meaning ascribed to them:

- 4.1 **Abutting** means *Land* adjoining another parcel having one (1) or more lot lines in common;
- 4.2 **As is** means without regard for state of repair, location of any and all structures, walls, retaining walls or fences (freestanding or otherwise) or encroachments by buildings or fences or otherwise, on the *Land* or *Abutting* properties or streets, and without warranty or representation as to use, environmental contamination, hazards or risks;
- 4.3 **Disposition** shall mean the sale, transfer, conveyance or exchange of the fee simple interest in *Land* or the granting of a lease for a term of twenty-one (21) years or longer, and does not include the granting of an easement or right of way, and “disposal” shall have a similar meaning;
- 4.4 **Executive Committee** means the Planning and Development Executive Committee of the Town of Fort Frances.
- 4.5 **Industrial Park** means *Land* located in the municipality bounded on the south by the CNR Railway line, on the west by McIrvine Road, on the north by Eighth Street West and on the east by Webster Avenue and zoned Industrial in the Town of Fort Frances Zoning By-Law.
- 4.6 **Land** means real property and any improvements thereon owned by the Town, including highways which have been or may be stopped up and closed, but does not include any *Land* which Council has otherwise determined by resolution or by-law is not available for sale. Property has the same meaning as *Land*.
- 4.7 **Major Extensions of Services** means extension of services deemed by council to be significant either in terms of distance or cost.
- 4.8 **Person** means a legal entity, whether a corporation or individual, capable of purchasing property or otherwise entering into an agreement.
- 4.9 **Sale** and **Sell** shall not include:
- 4.9.1 a lease of less than twenty-one (21) years;
 - 4.9.2 transfers of easement or rights-of-way by the Town;
 - 4.9.3 releases of restrictive covenants by the Town; or
 - 4.9.4 releases of rights of first refusal by the Town.
- 4.10 **Services** means municipally piped water and sanitary sewer infrastructure.
- 4.11 **Serviced Land** means *Land* with services installed to the property line.
- 4.12 **Services Pending** means *Land* identified for future development but requiring *Major Extensions of Services* to accommodate it.
- 4.13 **Serviceable Land** means *Land* with immediate development potential because services are either located within the adjacent road allowance or *Major Extension of Services* are not required.

4.14 **Surplus** means property that the Town no longer requires to meet its current or future needs;

4.15 **Zoning By-Law** means a by-law enacted by the Corporation of the Town of Fort Frances in accordance with section 34 of *The Planning Act*.

5.0 PROCEDURES

The following procedures have been developed to ensure all departments have the opportunity to conduct an evaluation to identify and/or address any issues relative to the property prior to it being disposed of, and to ensure efficient and consistent administration is maintained throughout the process.

5.1 Expression of Interest/Offer to Purchase (Form A) received for *Land*

5.1.1 developed for and/or declared surplus for *disposition* with **no** deviations from approved conditions, sale price, etc., a covering report will be forwarded to Council for approval with an authorizing By-Law for enactment. This will enable the sale to be expedited directly to the municipal solicitors for the legal process.

5.1.2 developed for and/or declared surplus for *disposition* where there are deviations from approved conditions, sale price, etc., will be referred to the *Executive Committee* for support in principle with deviations and potential issues for consideration identified.

5.1.3 not developed for or declared surplus will be referred to the *Executive Committee* for support in principle.

5.2 Support in Principle – If the *Executive Committee* supports the proposal in principle, the process will continue. If not, a report with reasons is generated for council consideration with recommending no further action.

5.3 Circulation – A Property Disposition Checklist (Form B) is circulated to all departments through Division Managers/Supervisors including Fort Frances Power Corporation for evaluation as to whether *Land* is eligible for *disposition* (ie. required by municipality, conditions, etc.). The *Executive Committee* will consider all comments, conditions, etc. and a report with reasons generated to Council with recommendation as appropriate.

5.4 Council decision to declare surplus and dispose of Town owned land pursuant to By-Law #23/95 shall be referred to the Clerk for processing.

6.0 PROPERTY CLASSIFICATIONS

Land will be classified as

Schedule “A” – Industrial Property

Schedule “B” – Commercial Property

Schedule “C” – Residential Property

Within each Property Classification, *Land* will be further categorized as

Class 1 – *Serviced*

Class 2 – *Serviceable*

7.0 MARKETING

Specific policies will be developed for each property class/category to govern marketing and other components of a property as follows:

Appendix “A-1” – Industrial Property located in the *Industrial Park* that is *Serviced*

Appendix “A-2” – Industrial Property located in the *Industrial Park* that is *Serviceable*

Appendix “A-3” – Industrial Property located in the *Industrial Park* with *Services Pending*

Appendix “A-4” – Industrial Property outside the *Industrial Park* that is *Serviced*

Appendix “A-5” – Industrial Property outside the *Industrial Park* that is *Serviceable*

Appendix “A-6” – Industrial Property outside the *Industrial Park* with *Services Pending*

Appendix “B-1” – Commercial Property that is *Serviced*

Appendix “B-2” – Commercial Property that is *Serviceable*

Appendix “B-3” – Commercial Property with *Services Pending*

Appendix “C-1” – Residential Property that is *Serviced*

Appendix “C-2” – Residential Property that is *Major*

Appendix “C-3” – Residential Property with *Services Pending*

SCHEDULE “A”

Industrial

Application

The policies contained in this Schedule pertain to *Land* within the municipality that has been declared surplus to the needs of the municipality and is zoned Industrial.

Disposition

All Industrial *Land* being disposed of will be governed by the following Disposition Guidelines:

The basis of *Land* sales is to generate economic development whereby Rainy River Future Development Corporation (RRFDC) is responsible for marketing of those properties. RRFDC may be the first point of contact and will provide a report outlining all available economic benefits as a result of the proposed property development.

- 1) *Land* will be priced by the acre.
- 2) Prices established are for the *Land* only. The cost of services connections to the property from the main and culverts, etc. will be priced separately.
- 3) *Land* is sold “as is”.
- 4) Prices for municipal services, culverts, etc. will be reviewed and/or established annually based on a recommendation from the Rainy River Future Development Corporation (RRFDC) in consultation with the Economic Advisory Committee (EDAC) and based on information provided by the Operations & Facilities Division.
- 5) Notwithstanding costing established in #5 above, servicing costs will be calculated at the time services are requisitioned by the purchaser and/or installed.
- 6) The purchaser will be responsible for payment of the Town’s legal fees and disbursements associated with the transaction. The purchaser will be responsible for survey or other costs associated with the transaction. Every effort will be made to mitigate the costs incurred on behalf of the Town.
- 7) Conditions may be imposed to ensure development of the property. Conditions, if any are identified in the Marketing Strategy.

Schedule "A" "Appendix "A-2" Industrial Property in the Industrial Park Class 2 – Serviceable

A. PROPERTIES:

The following are considered Class 2 properties:

- Sixth Street – Plan 48M-353 lots 26, 27, 28, 29
- Webster Avenue/Wright Avenue – Plan 48M-353 Lots 41, 42, 43 and 44
- Fifth Street lots – Plan 48R-3880, Parts 1, 2, 3, 4, 5 and 10
- Plan 48M-357 Lots 15, 16, 17, 18 (part) and 7th Street West – stopped up and closed

B. PRICING

1. The price of *Land* is established at \$3,500 per acre.

C. MARKETING STRATEGY

1. A Development Guarantee in the sum of \$10,000 per acre or lot (*if lot is less than 1 acre) shall be added to the purchase price as a mechanism to ensure the *Land* being sold is developed.
2. With exception of *Land* purchased for non-taxable purposes, the Development Guarantee will be refunded to the purchaser provided the following conditions have been satisfied within two years of the date of sale:
 - a. The construction, and completion, of a building having a minimum value of \$40,000, based on value calculated building permit purposes; and
 - b. Installation of services to the property.

Schedule “A” Appendix “A-3” Industrial Property in the Industrial Park Class 3 – Services Pending

A. PROPERTIES

The following are considered Class 3 properties:

- Webster Avenue/Wright Avenue – Plan 48M-353 Lots 38, 39, 40, 45, 46, 47, 48 and 49

B. PRICING

2. The price of *Land* is established at \$3,500 per acre.

C. MARKETING STRATEGY –

Based on development proposed

NOT YET DEVELOPED

Schedule "A" - Industrial Property

Appendix "A-1" – Industrial *Land* located in the *Industrial Park* that is Serviced

Appendix "A-4" – Industrial *Land* outside the *Industrial Park* that is Serviced

Appendix "A-5" – Industrial *Land* outside the *Industrial Park* that is Serviceable

Appendix "A-6" – Industrial *Land* outside the *Industrial Park* with Services Pending

Schedule "B" – Commercial Property

Appendix "B-1" – Commercial *Land* that is Serviced

Appendix "B-2" – Commercial *Land* that is Serviceable

Appendix "B-3" – Commercial *Land* with Services Pending

Schedule "C" – Residential Property

~~Appendix "C-1" – Residential *Land* that is Serviced~~

Appendix "C-2" – Residential *Land* that is Serviceable

Appendix "C-3" – Residential *Land* with Services Pending

SCHEDULE "C"

Residential

Application

The policies contained in this Schedule pertain to *Land* within the municipality that has been developed and/or declared surplus to the needs of the municipality and is zoned Residential.

Disposition

Land being disposed of will be governed by specific pricing strategies as set out in Appendix to this Schedule attached hereto.

Schedule "C" Appendix "C-1" Residential Property Class 1 – Serviced

A. PROPERTIES

The following are considered Class 1 properties located on Erin Crescent:

Lot 22

Lot 8

Lots 7, 23, 24

Lots 55 - 61

Lots 12 - 18, 54, 62

Lot 19

Lot 9

Lot 21

Lot 11

Lot 10

Lot 20

B. PRICING

1. The price of *Land* is established for lots in Erin Crescent as follows:

Lot 22	\$	63,900.00
Lot 8	\$	64,900.00
Lots 7, 23, 24	\$	65,900.00
Lots 55 - 61	\$	67,800.00
Lots 12 - 18, 54, 62	\$	70,800.00
Lot 19	\$	78,600.00
Lot 9	\$	82,600.00
Lot 21	\$	89,500.00
Lot 11	\$	98,300.00
Lot 10	\$	110,400.00
Lot 20	\$	115,200.00

C. MARKETING STRATEGY –

Not Yet Developed