

CITY OF SASKATOON COUNCIL POLICY

NUMBER
C09-033

POLICY TITLE <i>Sale of Serviced City-Owned Lands</i>	ADOPTED BY: <i>City Council</i>	EFFECTIVE DATE <i>February 10, 2003</i>
		UPDATED TO <i>January 23, 2017</i>
ORIGIN/AUTHORITY <i>Clause 3, Report No. 1-2003 of the Land Bank Committee; Clause 3, Report No. 20-2007 of the Executive Committee; and Item 8.2.5, Standing Policy Committee on Finance – January 23, 2017.</i>	CITY FILE NO. <i>CK. 4215-1 and 4110-36</i>	PAGE NUMBER <i>1 of 5</i>

1. **PURPOSE**

To establish general guidelines to be followed by the Administration in pursuing the sale, or responding to requests for direct purchase or long-term lease, of city-owned lands.

2. **DEFINITIONS**

2.1 **Newly Created Lots** – new lots developed under the City’s Land Development Business Line and sold through Saskatoon Land, Asset and Financial Management Department.

2.2 **Long-term Lease** – a lease of industrial land as outlined in the Industrial Land Incentives Program, City Council Policy C09-009.

3. **POLICY**

When the City of Saskatoon decides to sell land, it will do so using competitive bidding or open market approaches appropriate to the category of land being sold and to the extent it is practical and prudent to do so. The Administration may entertain or pursue direct sale or lease of land under limited situations and provided appropriate controls are in place to prevent speculation.

3.1 The competitive bidding approaches for various categories of land are as follows:

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- a) Residential lots
 - i) Newly created lots can be sold to individuals and contractors through a public lot draw process in conformance with City Council Policy C09-006 - Residential Lot Sales.
 - ii) Newly created lots can be sold in bulk groupings to contractors through a public tender process or through open market (standard terms) approach.
 - iii) Lots not sold at the completion of the lot draw process will be sold on a first-come, first-served basis. If lots are offered through public tender or open market (standard terms) approach prior to a lot draw, unsold lots can be sold through a lot draw or over the counter on a first-come, first-served basis.
 - iv) Lots that have been identified for marketing purposes by the Director of Saskatoon Land for sale to eligible contractors for show homes in conformance with City Council Policy C09-010 – Residential Lot Sales – Show Home Policy.
 - b) Multiple Unit Residential, Institutional, Commercial and Industrial properties
 - i) Newly created lots and parcels are sold through a public tender process.
 - ii) Lots or parcels, which have not been sold at the completion of the public tender process, will be sold on a first-come, first-served basis.
 - c) Tax Title Property
 - i) Unless such lands are retained for civic use purposes, these properties are first sold through a public tender process.
 - ii) Such properties, which have not been sold at the completion of the public tender process, will be sold on a first-come, first-served basis.
- 3.2 Newly created Multi-Unit Residential, Institutional, Commercial and Industrial properties can be offered for sale through open market (standard terms) or open market (with criteria) approaches as follows:

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- a) Open Market (standard terms) - lots or parcels are offered for sale publicly in an open and transparent manner based on standard terms. Applications for purchase will be accepted by the City. The City, at its sole discretion, will identify a potential purchaser from these applications based on compliance with the standard terms and price. A Sale Agreement for the sale of the property may then be negotiated between the parties.
 - b) Open Market (with criteria) – lots or parcels are offered for sale publicly with a defined set of criteria and performance objectives. Proposals are submitted and evaluated in accordance with a proponent’s ability to meet the defined criteria and are considered binding on both the City and Proponent once accepted.
- 3.3 The Administration may pursue or entertain direct sale or long-term leases under the City’s Industrial Land Incentives Program of civic lands when one or more of the following conditions are present:
- a) A business interest is proposing a development for which a serviced site currently does not exist and which is of a configuration or size, which would not normally be for sale through public tender.
 - b) A business interest is seeking a site, which is of a configuration, or size, which requires the combination of a number of adjacent sites or contiguous sites.
 - c) A situation which involves extending an option to purchase to adjacent existing owners to directly purchase lots which would facilitate expansion prior to offering for tender.
 - d) A situation where direct sales would create an impetus for sale or relocation to a new form of land use site.

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- e) A situation where it is in the City's interest to undertake an initiative to purchase a property and provide in exchange a suitable comparable property in another location.
- f) A situation where a remnant parcel is not needed by the City and could be sold to an adjacent property owner.
- g) A situation where it is in the City's interest to sell a particular parcel of un-serviced land to a developer or a land exchange between the City and a land developer.
- h) A situation where a registered non-profit corporation is seeking a site for development of a community center or similar project or a housing project directed at the provision of affordable housing units or special needs housing.
- i) A situation where a utility company or government agency requires a site for a specific purpose.
- j) A situation where a disposable parcel of land is suitable for affordable housing purposes or special needs housing and has been offered through the Saskatoon Housing Initiatives Partnership.

4. RESPONSIBILITIES

4.1 City Council

- a) Receive and consider recommendations from the Standing Policy Committee on Finance for amendments to this policy; and
- b) Approve amendments to this policy when and as required.

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4.2 Standing Policy Committee on Finance

- a) Receive and consider recommendations from Saskatoon Land, Asset and Financial Management Department for amendments to this policy;
- b) Provide recommendations to City Council for amendments to this policy when and as required; and
- c) Approve specific proposals for direct sale or long-term lease.

4.3 Asset and Financial Management Department – Saskatoon Land

- a) Prepare and submit recommendations for amendments to this policy when and as required;
- b) Recommend to the Standing Policy Committee on Finance the preferred land disposition method for newly created lots and specific proposals for direct sale or long term lease;
- c) Recommend sale of land parcels under the open market approaches for approval of the CFO/General Manager, Asset and Financial Management Department; and
- d) In negotiating a fair market value for the direct sale or long term lease of lands, the Director of Saskatoon Land shall ensure that such value is comparable to other land sales in the vicinity taking into account such factors as size, configuration, location characteristics and environmental and serviced condition. In the case of land exchanges, the Director of Saskatoon Land shall ensure that an independent market appraisal has been completed as part of the negotiation process.