

# CITY OF SASKATOON COUNCIL POLICY

<b>NUMBER</b> C09-033
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<b>POLICY TITLE</b> <i>Sale of Serviced City-Owned Lands</i>	<b>ADOPTED BY:</b> <i>City Council</i>	<b>EFFECTIVE DATE</b> <i>February 10, 2003</i>
		<b>UPDATED TO</b> <i>January 23, 2017</i>
<b>ORIGIN/AUTHORITY</b> <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>	<b>CITY FILE NO.</b> <i>CK. 4215-1 and 4110-36</i>	<b>PAGE NUMBER</b> <i>1 of 5</i>

## 1. PURPOSE

To establish general guidelines to be followed by ~~the Administration~~ **Saskatoon Land** 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 **or blocks** developed under the City’s Land Development Business Line and sold through Saskatoon Land, ~~Asset and Financial Management Department~~ **Corporate Financial Services Division**.

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

2.3 Eligible Contractor – a builder who constructs homes for the purpose of resale. Eligibility is determined in City Council Policy C09-001.

## 3. POLICY

When ~~the City of~~ **Saskatoon Land** 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~~ **Saskatoon Land** 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 Low Density Residential Lands

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

a) ~~Residential lots Single Unit~~ **Residential Lots**

i) Newly created lots can be sold to individuals and contractors through a public lot draw **one of the following** processes (in conformance with City Council Policy C09-006 - Residential Lot Sales):

- **Public Lot Draw Allocation**
- **Bulk Lot Grouping (Multi-Lot) Allocation**
- **Low-Density Residential (Presale) Lot Block Allocation**

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) ~~Fully-serviced lots not sold at the completion of the lot draw~~ **one of the above-noted lot allocation** processes ~~will~~ **may** be sold over the counter 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.~~

eb) **Tax Title Property**

**Lands that are currently under the City's name as a result of the Tax Enforcement Act may be released for sale to the public through**

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an advertised public tender process unless such lands are retained for civic use purposes.

- 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~~ over the counter on a first-come, first-served basis.

### 3.2 ~~Newly created~~ Multiple-Unit Residential, Institutional, Commercial and Industrial Lands

~~Newly-created~~ properties can ~~may~~ be offered for sale through open market (standard terms), or open market (with criteria) or public tender process approaches as follows through the following approaches:

- a) Open Market (standard terms) - lots or parcels are offered for sale publicly at a list price in an open and transparent manner based on standard terms. Applications for purchase will be accepted by the City ~~Saskatoon Land~~. The City ~~Saskatoon Land~~, 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 at a list price 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~~ ~~Saskatoon Land~~ and the Proponent once accepted.
- c) Public Tender – lots or parcels are offered for sale publicly at a reserve bid price. Bids received by the advertised deadline at or above the reserve price may be accepted by Saskatoon Land.
- d) Any lot or parcel that has not sold at the completion of one of the above-mentioned public sale approaches will be sold on a first come, first served basis.

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- 3.3 ~~The Administration~~ **Saskatoon Land** may pursue or entertain direct sale or long-term leases **of civic land** under the City's Industrial Land Incentives Program (**City Council Policy C09-009**) ~~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.
  - 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~~ **centre** 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.

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- 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

### 4.31 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 ~~CEO~~ Chief Financial Officer/General Manager, Asset and Financial Management Department Corporate Financial Services Division; 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.

### 4.1 City Council

- ~~a) Receive and consider recommendations from the Standing Policy Committee on Finance for amendments to this policy; and~~

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~~b) Approve amendments to this policy when and as required.~~

## 4.2 Standing Policy Committee on Finance

- a) Receive and consider recommendations from Saskatoon Land, ~~Asset and Financial Management Department~~ **Corporate Financial Services Division** 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.

## 4.43 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.**

## ~~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~~

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~~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.~~