

## COUNCIL POLICY

<b>NAME:</b>	Real Property Disposition Policy		
<b>ISSUED:</b>	March 11, 2019	<b>INDEX REFERENCE:</b>	
<b>AMENDED:</b>		<b>COUNCIL REFERENCE:</b>	19/CNCL

### PURPOSE

To establish a transparent, consistent and competitive process to manage the disposition of real property owned by the District.

### SCOPE

This policy applies to sales and leases of greater than five years of real property owned by the District, with the following exceptions: property held and managed as park, encroachments, rights-of-way or easements and leases to non-profit organizations.

### POLICY

#### 1. Property Review

- 1.1 Staff will maintain a list of generally marketable real property owned by the District for which no Department has identified an immediate operational need (the "Property List").
- 1.2 Every two years, or more frequently if necessary, Council will review the Property List, with recommendations from staff, and determine whether any properties should be considered for disposition, taking into account the following:
  - a. the future needs of the District,
  - b. the economic climate and current market values; and
  - c. the needs and priorities of the community as reflected in the District's planning and strategic documents.
- 1.3 Any decision to dispose of District-owned real property will be made by Council.

#### 2. Unsolicited Offers

- 2.1 Where the District receives an unsolicited offer to purchase or lease real property, the offer will be circulated to all District departments that could potentially be impacted by disposition. Departments will review the offer and identify if there are any issues with disposition or whether the land should be retained for operational purposes. The offer will be declined at a staff level if the real property is required for operational purposes or there are operational considerations that render the property unsuitable for disposition.

- 2.2 If an unsolicited offer passes Departmental review without objection, the offeror will be provided with the Assessment Criteria (Appendix A) and invited to provide a formal written proposal which must:
- a. clearly outline the offer, proposal and intended use;
  - b. include a purchase price that reflects estimated market value;
  - c. demonstrate how the proposed development will comply with
    - i. the Official Community Plan; and
    - ii. the Zoning Bylaw;
  - d. demonstrate how the proposed development will meet the Assessment Criteria;
  - e. outline the projected economic impact and benefits to the community;
  - f. include high-level concept drawings;
  - g. include a detailed timeline for development to occur, including any phasing required; and
  - h. include any other information required by staff to better assist Council in making a decision on the proposed disposition, including but not limited to information pertaining to the location of the property and the impact of proposed use on adjacent properties.
- 2.3 Upon receipt of a completed proposal under section 2.2, staff will draft an In Camera report for Council which will evaluate the proposal, provide market value estimates and provide recommendations, including recommendations on methods of disposition in accordance with section 3 of this Policy.

### **3. Methods of Disposition**

- 3.1 The standard approach for disposing of real property will be through an open, competitive process which may include, but is not limited to, listing the property for sale with a real estate firm or broker, sale by public tender, proposal call or request for expressions of interest.
- 3.2 Council will determine the method of disposition on recommendation from staff. In the case of an unsolicited offer, staff may recommend direct negotiations with a proponent if evaluation of the proposal against the Assessment Criteria demonstrates unique and significant benefits that could not be provided by any other proponent. The ultimate determination to proceed in a manner different than an open competitive process is at Council's discretion.

- 3.3 Staff will conduct the sale and negotiation process on direction from Council. The following requirements must be satisfied prior to any disposition of real property, and unless otherwise dealt with, such requirements will be included as subject conditions in any negotiated agreement for purchase and sale between the District and a proponent:
- a. Council approval of the disposition following completion of the notice requirements in section 26 of the *Community Charter*; and
  - b. In the case of direct negotiation pursuant to a non-competitive process, the proponent agreeing to consult with surrounding property owners on the proposed disposition in a manner directed by the District.
- 3.4 Except where Council considers that disclosure of the disposition could reasonably be expected to harm the interests of the District, Council will consider approval of disposition under section 3.3a in an open meeting.

**Appendix A****Proposal Assessment Criteria for Unsolicited Offers to Purchase  
District Land**

Proposals provided under section 2.2 of this Policy will be reviewed against the criteria below.

1. Proposals should demonstrate unique benefits as follows:
  - a. The proposal can only be delivered by the proponent and possesses something that no other competitor can provide (for example, the proponent owns adjacent property or possesses proprietary rights);
  - b. The proposal has attributes which may not stand alone as unique but, when combined, creates a unique proposal (for example, a proposal may include innovative ideas, financial arrangements or the ability to deliver a strategic outcome);
  - c. The proposal delivers economic benefit for the District that would provide financial benefits or savings that could not be achieved by another proponent;
  - d. The proposal will deliver improved infrastructure and/or services to the community;
  - e. There is a demand for outcomes from the proposal.
  
2. Proposals should reflect Council priorities and be aligned with District objectives as follows:
  - a. The proposed use of the property aligns with Council's priorities;
  - b. The proposal will not conflict with identified potential uses for surrounding properties;
  - c. The proposal aligns with Council's vision for the District as outlined in key planning documents;
  - d. The proposal would provide long-term economic benefits to the community or local job creation;
  - e. The proposal gives consideration to sustainable or environmental features and concerns;
  - f. The proposal identifies, quantifies and addresses any relevant risks for the District and community.