Policy No: GG-026

Policy Title: Surplus Land Sale

Policy Area: Asset Management	**Effective Date:** August 13, 2025
Policy Section: Asset Disposal	**Updated:** July 22, 2026
Supersedes Policy: 536/25 August 13, 2025	**Approved on:** July 22, 2026 **Resolution:** 543/26 **Next Review Date:** This Policy will be reviewed every three (3) years or earlier, in the event of major changes to legislation or related policies and procedures, or if deemed necessary by the Chief Administrative Officer.

Policy Statement:

This policy provides the parameters of how the R.M. of Britannia No. 502 will address the disposal of property deemed to be surplus land.

Purpose:

The purpose of this policy is to have set guideline and rules regarding the disposal of surplus land owned by the RM of Britannia No. 502 and that is not required for municipal purposes.

Definitions:

CAO: means Chief Administrative Officer.

Council: means Council for the Rural Municipality of Britannia No. 502.

Fair Market Value: means the amount that the municipality may expect to receive for the property when comparing it to similar properties in the same area.

Purchaser: means the party purchasing the surplus property through any of the approved methods of sale.

R.M. or municipality: means the Rural Municipality of Britannia No. 502.

The Municipalities Act: means The Municipalities Act as amended.

The Tax Enforcement Act: means The Tax Enforcement Act as amended.

Responsibilities:

It is the responsibility of the both Council and the CAO to ensure that this policy is being followed.

Legislation of Note

The Municipalities Act

Disposition of Municipal lands or buildings
48(1) The decision of a council as to the time when, the manner in which, the price for which or the person to whom any land or buildings of the municipality that the council may lawfully sell should be sold, and the decision of a council as to whether or not the purchase price is fair market value, is not open to question, review or control by any court if the purchaser is a person who may lawfully purchase and the council acts in good faith

Matters that must be dealt with by council
127 No council shall delegate:
(j) the sale or lease of land for less than fair market value and without a public offering

Policy:

1. Declaring Land as Surplus

(1) Land may be deemed surplus by council when:
- (a) It is owned by the municipality;
- (b) It is not required for any municipal purpose or infrastructure; and
- (c) It does not qualify as one of the following:
  - (i) Land that is designated as Municipal Reserve (MR) Public Reserve (PR), Environmental Reserve (ER), Buffer Strip (MB), Walkway (W), or Municipal Utility (MU) ;
  - (ii) Land that is acquired or may be deemed to have been acquired in accordance with *The Tax Enforcement Act*;
  - (iii) Land that is a street or a road or a road allowance;
  - (iv) Land that is used for park purposes; or
  - (v) Land that addressed by any other order or legislation that provides direction for disposal.

(2) For the purposes of this policy, surplus land may or may not have improvements on it.

2. Methods of Sale

(1) In the interest of fairness and transparency, surplus land may be disposed of through public offering by one of the following methods, as recommended by administration, and approved by council:
  (a) Public Auction with or without a reserve price;
  (b) Public Tender; or
  (c) Public Sale, either with or without a licenced Realtor, at an advertised price.

3. Appraisals for Fair Market Value

(1) At council's discretion, the surplus land may be appraised
  (a) By a licenced real estate appraiser to determine the fair market value; or
  (b) By a licenced Realtor to determine the fair market value.

(2) Council may use the appraisal information to determine the final sale price of the surplus land.

(3) If the land is not appraised for fair market value, public notice requirements for consideration of the sale of the land may be required.

4. Public Notice Requirements

(1) Surplus land made available for sale through Public Auction, Public Tender, or Public Sale will be advertised;
  (a) On the municipal website; and
  (b) On the municipal social media page.

(2) Surplus land made available for sale through Public Sale with a licensed Realtor will be advertised on realtor.ca.

(3) As per section 128 of The Municipalities Act, council shall ensure that public notice is given before initially considering any report respecting the sale of land for less than fair market value and without a public offering.
  (a) Public notice for the above shall be given in accordance with GG-015 Public Notice Policy.

5. Council Approval

(1) When a public auction of surplus land without a reserve price has closed, the surplus land will be sold as per the terms of auction agreement, and no further approval of the sale is required from council.

(2) When public auction of surplus land with a reserve price has closed and

(a) the reserve price has not been met, council may consider the sale of the land through negotiations in good faith with the highest bidder.
(b) the reserve price has been met, the surplus land will be sold as per the terms of the auction agreement and no further approval of the sale is required from council.

(3) When public tender of surplus land closes, the tender prices shall be reviewed by council and the land sold to the highest bidder, if council deems the price to be acceptable.

(4) When an offer is received for the public sale of surplus lands, the offer may be reviewed by council prior to acceptance, negotiation, or refusal.
(a) Council may negotiate in good faith the selling price after the advertised price has been posted publicly for five working days.
(b) When time is of the essence, and the sale offer made on the surplus land is for fair market value, council may delegate the decision to accept, negotiate, or refuse the offer to the CAO.

6. Allocation of Costs and Responsibilities

(1) Unless otherwise approved by council, the costs associated with the sale of surplus land shall be allocated as follows:
(a) The Municipality shall pay for:
(i) The appraisal (if required);
(ii) Real estate brokerage fees or auction commissions where the Municipality has engaged a licenced real estate brokerage or auction service to facilitate the sale;
(iii) Preparation of the Agreement for Sale;
(iv) Registration of Interests on title for and conditions agreed to in the Agreement for Sale; and
(v) Any cost specifically approved by council.
(b) The Purchaser will pay for
(i) Their own legal fees and disbursements;
(ii) Land title searches;
(iii) Title transfer fees;
(iv) Title consolidation fees if applicable;
(v) Survey costs if required by the purchaser or ISC;
(vi) GST on non-tax title properties and other applicable taxes on all properties; and
(vii) All other costs necessary to complete the purchase unless otherwise agreed by Council.