



TOWN OF THREE HILLS

POLICY # 420-A1

SALE OR LEASE OF PUBLIC LAND POLICY

Adopted by Council on: May 25, 2020
Resolution No: 265-2020

1. PURPOSE

- 1.1 The purpose of this Policy is to establish standards that will allow the Town to effectively enter into Lease Agreements or Sale Agreements with private landowners and businesses for land designated as:
- Municipal Reserve (MR);
 - Environmental Reserve (ER);
 - School Reserve (SR);
 - Public Utility Lots (PUL); or
 - Road right-of-way.

2. AUTHORITY

- 2.1. The authority for this Policy is by resolution of the Council of the Town of Three Hills.
- 2.2. The CAO is accountable and responsible for the development, evaluation and implementation of this Policy.
- 2.3. The CAO reserves the right to exercise appropriate managerial judgement to take such actions as may be necessary to achieve the intent of this Policy.

3. DEFINITIONS

- 3.1. Whenever the singular masculine gender is used in this Policy, the same shall include the feminine and neutral gender whenever context requires.
- 3.2. In this Policy, unless the context otherwise requires:
- 3.2.1. "CAO" shall mean Chief Administrative Officer for the Town of Three Hills or his designate.
 - 3.2.2. "Council" shall mean the body of elected officials who govern the Town.
 - 3.2.3. "Fair Market Value" shall mean a lease rate or sale price determined by Council for the subject land.
 - 3.2.4. "Lease Agreement" shall mean a contractual arrangement calling for the

lessee (renter) to pay the lessor (property owner) for the exclusive use of land as per the terms of the agreement.

3.2.5. “Town” shall mean the Town of Three Hills.

3.2.6. “Town-Owned Land” or “Lands” shall mean all parcels of land titled to the Town of Three Hills including Municipal Reserve, Environmental Reserve and Public Utility Lots (PUL) and also includes road allowance and utility right of ways governed by the Town.

4. **POLICY**

4.1. General Provisions

4.1.1. All leases or sales of Lands shall be in accordance with Section 70 of the *Municipal Government Act*.

4.1.2. The lease or sale of Lands shall follow a consistent, transparent procedure.

4.1.3. The process shall seek to maximize the financial benefit to the Town by ensuring that Lands are leased and/or sold at Fair Market Value or greater than Fair Market Value.

4.2. Pricing

4.2.1. All prices for Lands will be approved by Council resolution.

4.2.2. All prices for Lands shall be set in accordance with Section 70 of the *Municipal Government Act*, as amended.

4.3. Lease of Lands

4.3.1. In consideration of land use and operational needs, the Town may lease select Town-owned Lands provided that:

- i. The Lease Agreement does not extend past five (5) years in length;
- ii. The Lands shall be leased at Fair Market Value; and
- iii. The Lease Agreement includes terms and conditions to terminate the agreement to ensure the availability of the Lands for Town purposes.

4.4. Sale of Lands

4.4.1. Lands available for sale will be determined by Council and will be subject to the provisions of this Policy.

4.4.2. Any value obtained from a sale is to be reinvested into future land development activities.

- 4.4.3. The sale of Lands that is for the purpose of development shall attempt to maximize the community benefit to the Town by promoting the creation of new employment or other economic development benefits.
- 4.4.4. The sale of Lands for land banking shall not be allowed. For the purpose of this policy, land banking shall mean an area of land owned by a person or organization that is considered an asset because it could be used for building property on in the future or for its sale for profit at a higher value than the original purchase price.

5. PRIOR POLICY

- 5.1. This policy shall supersede and replace all prior policies, oral or written, regarding the lease or sale of public lands within the Town of Three Hills, including but not limited to, Policy 420 – Lease or Sale of Public Land.

Approved On:	May 25, 2020	Resolution No: 265-2020
Effective On:	May 25, 2020	
Previous Version:	August 20, 2018	Resolution No: 363-18
Next Review Date:	May 25, 2021	
Approved By:	Council	
Recommended By:	Chief Administrative Officer	
Paper File Location:	Main Floor Vault	
Electronic File Location:	Y: > Policies	