



THE CORPORATION OF THE TOWN OF COBALT

BY-LAW NO. 2024-27

Being a By-Law to Govern the Disposal of Real Property of the Corporation of the Town of Cobalt

WHEREAS Section 8(1) of the Municipal Act S.O. 2001, C.25, as amended, provides that the powers of a municipality shall be interpreted broadly so as to confer broad authority on municipalities to enable them to govern their affairs as they consider appropriate, and to enhance their ability to respond to municipal issues;

AND WHEREAS Section 9 of the Municipal Act S.O. 2001, C.25, as amended, provides that a municipality has the capacity rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS Section 5(1) of the Municipal Act S.O. 2001, C.25, as amended, provides that the powers of a municipality shall be exercised by its Council;

AND WHEREAS Section 5(3) of the Municipal Act S.O. 2001, C.25, as amended, provides that municipal power, including a municipality's capacity, rights, powers and privileges under Section 9, shall be exercised by By-Law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS Section 23.1 of the Municipal Act S.O. 2001, C.25, as amended, authorizes a municipality to delegate its duties under the Municipal Act, subject to certain requirements;

AND WHEREAS Section 229 of the Municipal Act S.O. 2001, C.25, as amended, provides that a municipality may appoint a Chief Administrative Officer who shall be responsible for.

- a) Exercising general control and management of the affairs of the municipality for the purpose of ensuring the efficient and effective operations of the municipality;
- b) Performing such other duties as are assigned by the municipality.

AND WHEREAS Section 286(1) of the Municipal Act S.O. 2001, C.25, as amended, provides that the municipality shall appoint a treasurer who is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality;

AND WHEREAS Section 270 of the Municipal Act S.O. 2001, C.25, as amended, requires a municipality to adopt and maintain policies with respect to its sale and other disposition of land;


AND WHEREAS the Council of the Corporation of the Town of Cobalt deems it desirable to update its policies with respect to its sale and other disposition of land;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Corporation of the Town of Cobalt hereby enacts as follows:

1. That Council for the Town of Cobalt adopts a Disposal of Real Property Policy identified as Schedule "A", attached hereto, and forming part of this By-Law.
2. That By-Law 2014-06, as amended, is hereby repealed.
3. That this By-Law shall come into force and take effect on the date of its final passing.
4. That the Clerk for the Town of Cobalt is hereby authorized to make minor modifications or corrections of a grammatical or typographical nature to the By-Law and schedule after the passage of this By-Law, where such modifications or corrections do not alter the intent of this By-Law.

READ a first, second and third time and finally passed this 23rd day of July, 2024;

AND FURTHER THAT the said By-Law be signed and sealed by the Mayor and Clerk.



Mayor



Clerk



**THE CORPORATION OF THE
TOWN OF COBALT**

Schedule "A" to

By-Law 2024-27

**DISPOSAL OF REAL PROPERTY POLICY FOR
THE CORPORATION OF THE TOWN OF COBALT**

Part 1 General Provisions

1.1 Short Title

This By-Law shall be cited as the "Disposal of Real Property Policy"

1.2 Policy Statement

These policies and procedures apply to the disposition of land by the Corporation of the Town of Cobalt ("the Town"). The sale and disposition of real property interests shall be carried out in a consistent manner, in accordance with the Town's legislative authority, accepted business practices, the principles of fair, open, transparent and accountable government and the principles outlined in this policy.

1.3 Purpose

This Policy has three purposes:

- (1) It ensures compliance by the Town with section 270(1) of the *Municipal Act, 2001*, as amended, which requires municipalities to adopt policies regarding the sale and other dispositions of municipally owned land.
- (2) It establishes a consistent, transparent and accountable procedure to be followed in the disposition of land owned by the Town.
- (3) It ensures the returns to the Town obtained in the process of disposing of its land are fair, reasonable and in the best interest of the Town.

Part 2 Definitions

For the purposes of this Policy, the following terms shall have the following meanings:

"Abutting"	shall mean a parcel of land adjoining another parcel of land having one or more lot lines in common.
"Appraisal"	shall mean a written valuation of the fair market value of land, performed by an independent, certified appraiser who is an accredited member of the Appraisal Institute of Canada.
"Assessed Value"	shall mean the property valuation as determined by the Municipal Property Assessment Corporation (MPAC) and as listed on the current property tax roll
"Disposition"	shall mean the sale, transfer, conveyance or exchange of the fee simple interest in land or the granting of a lease of 21 years or longer.
"Land"	shall mean any real property owned by the Town of Cobalt including any structures and buildings located thereon.
"Market Value"	shall mean the highest amount that real property might be expected to realize, if sold in the open market by a willing seller to a willing buyer.
"Sale"	shall mean a transfer of legal title in land.

- "Town" shall mean the Corporation of the Town of Cobalt.
- "Valuation" means an opinion of value by a Licensed Realtor based on location, condition and multiple other factors.

Part 3

General Process of Disposing of Land

Before any disposition of surplus lands by the Town, the following steps shall be undertaken, unless an exemption applies:

- (1) The land shall be declared surplus by Resolution of Council in accordance with the procedures in this policy.
- (2) Determine the method in which the land is to be disposed
- (3) An appraisal or valuation shall be obtained as required by this policy.
- (4) Determine the disposal price
- (5) Advertising of Surplus Property with disposal price.
- (6) Agreement of Sale. At a meeting of Council, the Clerk shall bring forward a Resolution of Council for council's consideration to approve the proposed agreement.
- (7) Proceeds of Sale

The following Town owned properties with water frontage shall not be sold:

- (1) No Town land with water frontage shall be sold unless such sale is for the good of the Town as a whole;
- (2) Lands used as a public park maintained by the Town, or a Local Board shall remain for public use and no encroachment or use other than as a public park will be permitted;
- (3) Lands that are unopened road allowances, or lots reserved for access to the lake.

Council reserves the right to undertake activities to increase the value of lands prior to appraisal(s) and/or sale. Council may declare lands to be surplus for any reason, including but not limited to economic growth, income, job creation, community development, etc.

Surplus land is sold on an "as is" basis and at all times the Town makes no representations or warranties regarding title or any other matters relating to the land to be sold.

Step 1: Land to be Declared Surplus

All lands must be declared surplus to Town needs by Resolution of Council prior to disposition. The decision whether to declare a piece of land surplus shall be made at the discretion of Council, taking into account the recommendations of staff, as applicable.

The process for considering whether to declare land surplus may be initiated either by the Town, or in response to a request from an interested party to acquire a particular piece of land which is initiated through the submission of a completed form attached hereto as Appendix "1".

Prior to declaring lands surplus, Council will consider the advice and recommendation of staff which shall be solicited in the following manner:

- (1) Staff shall base their recommendation of whether to declare lands surplus on a consideration of the following non-exclusive list of factors:
 - a. **The current use of the lands.** Lands that are actively being used for municipal purposes by the Town shall generally not be recommended for disposition. This shall include lands beneath which municipal services are located or upon which storm drainage or storm management facilities exist whether naturally or as a result of man-made structures.
 - b. **The location of the lands.** Lands that are located within the Environmental Protection Area as designated by the Town of Cobalt Official Plan shall generally not be recommended for disposition.
 - c. **The potential use of the lands for public purposes.** Lands that may be suitable for parkland, recreational, transportation, public housing, infrastructure, or other public purpose shall generally not be recommended for disposition. In considering this factor, staff shall have regard to the objective and goals outlined in municipal strategic and planning documents such as the Town of Cobalt Official Plan.

Once department comments have been received, a report shall be prepared and be submitted to Council with their recommendation(s) to consider which at a minimum will include:

- a. The current use of the land(s) and if the current use complies with the Official Plan & Zoning By-Law.
- b. The location of the land(s) and potential uses for the land as set out in the Zoning By-Law.
- c. the preferred method of valuation and the Current Value Assessment set out by the Municipal Property Assessment Corporation (MPAC).
- d. The preferred method of disposal.
- e. The minimum acceptable bid.
- f. Feedback from Town Department Heads, Planner and other such agencies or government bodies the Town Manger believes appropriate or required by law.
- g. Other such information as may be necessary for Council to make an informed decision.

Step 2: Methods of Disposition

The Town shall utilize one of the following methods of disposition at the discretion of the Clerk:

- (1) Listing with a licensed realtor.
- (2) Public auction.
- (3) Tender process.
- (4) Direct negotiation.

Step 3: Obtaining an Appraisal or Valuation

Prior to the disposal of land by the Town, at least one (1) valuation of the fair market value of the land shall be obtained from a licensed realtor.

Where the estimated value of the property is in excess of \$100,000.00, two (2) appraisals shall be obtained from a certified appraiser who is a member of the Appraisal Institute of Canada.

If it is not practical or economical to obtain a valuation as determined by the Clerk, then an alternative method of valuation may include the value assigned by the Municipal Property Assessment Corporation or a letter of opinion of the fair market value of the land from a real estate brokerage firm or an independent real estate agent.

When an appraisal or a valuation is obtained, it shall state the criteria used to determine the value of the land. An appraisal shall remain current for a period of one year from the date of the appraisal. In the event that the land is not disposed of by the Town within one year of the most recent appraisal, an updated appraisal by a certified appraiser shall be required.

Step 4: Determining the Disposal Price

The disposal price of the property shall be, at minimum, the appraised value or the valuation of fair market value of the property. When an appraisal is not obtained, the disposal price of the property shall be, at minimum, the assessed value of the property as determined in the most recent assessment roll.

The Town shall require the purchaser to be solely responsible for all costs incurred by the Town to dispose of any property, which costs may include, but are not limited to, legal, survey, appraisals, removal of encumbrances, advertising, improvements, administrative fees and real estate commissions.

Planning applications shall be the responsibility of the proponent following the sale of the land.

Step 5: Public Notice of Surplus Property

Once a disposal price has been determined, staff shall publish an advertisement, set out as follows:

- (1) General notice requirements:
 - a. Posting of a notice on the Town's website and social media account for at least 14 days.
 - b. Posting on the Town's bulleting board for at least 14 days.
- (2) The notice shall require:
 - a. The municipal address or legal description of the land and a location map deemed sufficient to identify the lands.
 - b. The name, title and contact information of staff having information about the surplus properties.
 - c. A general description of the method of disposition.
 - d. Clarification that anyone wishing to comment on the proposed disposition may do so by delivering such comments in writing to the Clerk by a specific date.

If possible, a for sale sign will be erected on site to identify the surplus property.

Once the property has been declared surplus by Council, the Clerk has the authority to continue advertising until the property is sold.

Any person may submit an objection to the Clerk in writing and include the person's name, address and reason(s) for the objection. Council must consider all comments received prior to a sale commitment. Council may revoke the surplus declaration at any time prior to the conveyance of land for any reason and may choose not to sell the land(s).

Step 6: Agreement of Sale

When an offer within 15% of the disposal price for the surplus property has been received, through the submission of a completed form attached hereto as Appendix "2", the Clerk shall have the authority to decide whether to approve the offer and move forward with the closing agreement or decline the offer and continue advertising. If the Clerk decides to approve the offer, an information report shall be prepared by the Clerk and be brought forward to Council at the next council meeting, for approval, by resolution, of the disposition.

When an offer, not within 15% of the disposal price, for the surplus property has been received, through the submission of a completed form attached hereto as Appendix "3", an information report shall be prepared by the Clerk and be brought forward to Council for approval, by resolution, of the disposition.

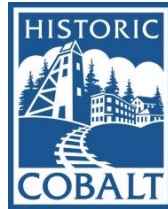
Once Council has approved the disposition, an Agreement of Sale shall be prepared by the Municipal Solicitor. The Clerk shall have the authority to approve the final terms and conditions in the Agreement of Sale with the purchaser, provided that the additional terms and conditions protect the rights and interests of the Town, and all other steps have been followed.

In the case of land that is proposed to be sold to an abutting landowner, steps shall be taken to ensure that this land merges with the abutting parcel of land for the purposes of the *Planning Act* such that no further conveyance would be permitted without a severance. This should normally include a requirement that a restricted conveyance be registered, or a Deeming By-Law be passed in the case of lots on a plan subdivision, in order to achieve the foregoing.

The Town is under no obligation by virtue of the sale of sale to grant any approvals, including approvals for changes to the Official Plan or Zoning By-Law or with respect to site plan control, minor variances and building permits or to support approvals required by any other approval authority, which may be necessary for the use of the land by the purchaser, express or otherwise.

Step 7: Proceeds of Sale

All proceeds from the sale of municipal real property shall be allocated to the Working Capital Reserves.



**THE CORPORATION OF THE TOWN OF COBALT
APPENDIX "1" OF SCHEDULE "A" TO
DISPOSAL OF REAL PROPERTY BY-LAW NO. 2024-27**



Appendix "1" For Office Use Only	
Date Received	
File Number	

Inquiry Respecting Purchase of Municipal Land

1. Applicant Information		
Name(s)		
Address:		
Town:		Postal Code:
Phone:		Email:
2. Location of Municipal Property		
Address:		
Legal Description:		
Assessment Roll No.:		
Lot Area:	Lot Depth:	Lot Frontage:
Does the municipal property abut your property:		
Yes		
No		
Additional Information:		
3. Applicant Consent and Authorization		
I/We _____ the		
applicant(s), hereby acknowledge and agree as follows:		
1. This inquiry is non-binding on either the applicant or the Town of Cobalt with respect to the completion of any proposed sale of land.		
2. Any proposed sale of land is subject to approval by Council for the Town of Cobalt at its sole discretion in accordance with the Town's <i>Disposal of Real Property</i> .		
2. All legal, consulting, appraisal, survey, and any other related fees without limitation incurred by the Town in connection with the proposed sale of land shall be reimbursed by the applicant.		
Signature:		Date:
Print Name:		
Signature:		Date:
Print Name:		



**THE CORPORATION OF THE TOWN OF COBALT
APPENDIX "2" OF SCHEDULE "A" TO
DISPOSAL OF REAL PROPERTY BY-LAW NO. 2024-27**



THE CORPORATION OF THE
TOWN OF COBALT

Appendix "2"

For Office Use Only	
Date Received	
File Number	

Tender to Purchase Municipal Land

1. Applicant Information				
Name(s)				
Address:				
Town:	Postal Code:			
Phone:	Email:			
2. Location of Municipal Property				
Address:				
Legal Description:				
Assessment Roll No.:				
Lot Area:	Lot Depth:	Lot Frontage:		
Does the municipal property abut your property: Yes No				
3. Submitted Offer				
I/We hereby tender to purchase the land described above for the amount of \$ _____				
(_____ dollars)				
3. Applicant Consent and Authorization				
I/We _____ the				
applicant(s), hereby acknowledge and agree as follows:				
1. Any proposed sale of land is subject to approval by Council for the Town of Cobalt at its sole discretion in accordance with the Town's <i>Disposal of Real Property</i> .				
2. All legal, consulting, appraisal, survey, and any other related fees without limitation incurred by the Town in connection with the proposed sale of land shall be reimbursed by the applicant.				
Signature:	Date:			
Print Name:				
Signature:	Date:			
Print Name:				