



The Corporation of the District of North Vancouver

CORPORATE POLICY MANUAL

Section:	Buildings, Facilities and Properties	2
Sub-Section:	Properties (Municipally Owned) - Tender Postings	0950
Title:	DISPOSAL OF MUNICIPAL LAND	1

POLICY

When real property, which is not reserved or dedicated, not required for municipal purposes, is to be disposed of by sale or lease, the price or rent will, except as provided in 4.3 hereof, be the full current market value plus a prorated payment in lieu of current taxes.

REASON FOR POLICY

To ensure that the Municipality is fairly and appropriately compensated for disposal of its real assets and to clarify the terms and conditions under which real property shall be disposed of by the Manager- Regulatory Services.

AUTHORITY TO ACT

Retained by Council

PROCEDURE

- 1.1 In the case of a land sale, the purchaser may elect to either pay in cash or enter into an "Agreement for Sale and Purchase".
- 1.2 Unless Council directs otherwise, such Agreement for Sale and Purchase will be for a period of one year and contain the following terms:
 - 1.2.1 an initial down payment of one third of the sale price;
 - 1.2.2 the balance shall be paid in four quarterly instalments or at any time throughout the term of the Agreement for Sale and Purchase with interest and without bonus or penalty;
 - 1.2.3 interest shall be payable on the outstanding balance at a rate equal to One and One-half percentage points above the rate charged by the Canadian Imperial Bank of Commerce (Lonsdale Branch) to its prime customers for a one year term mortgage in effect at the time of the tender notice or application.
2. The District will retain its freehold interest in lands already subject to ground leases.
3. Property intended for industrial and commercial purposes will be offered for disposal on both freehold and leasehold bases at the option of the applicant, except in the case of properties which Council directs be offered on a leasehold basis only.

4. Property intended for residential purposes shall be offered for disposal initially by public tender on a freehold basis only. Depending upon market conditions and at the discretion of the Manager- Regulatory Services, properties may be tendered with or without upset prices. If upset prices are recommended they shall be approved by Council.
 - 4.1 if any lots remain unsold after the initial tender the lot(s) shall be posted for sale to the public at a price not less than the median price received for the tendered lots immediately preceding the posting, valid for a period not to exceed two months,
 - 4.2 when the Manager- Regulatory Services considers it appropriate, the property may with the prior approval of Council be sold at auction for not less than the lowest acceptable price approved by Council,
 - 4.3 where Council has designated a site for non-market housing, the sale or lease may be negotiated directly with a regional or governmental housing agency, or in the case of a lease only, with non-profit housing society or a non-profit co-operative housing association and may be for less than market value.
5. No parcel of real property shall be offered for sale or lease unless:
 - 5.1 the property has vehicular access via the municipal system and is served by municipal water and sewerage systems or the property will be added to property having access and services and will be consolidated to form a single parcel or the provision of access and services is a condition of the tender;
 - 5.2 in the case of a lot traversed by a watercourse, the bed thereof and the ravine or depression through which it runs has, in the opinion of the Director of Planning, Engineering, Parks, and Regulatory Services, the capacity to carry the flow of a fifty year storm, the ravine area is additional to the minimum area requirements for the lot; and the ravine does not form part of a continuous or potentially continuous ravine strip; and is not, in the opinion of the Municipal Planner, suitable for park and recreational purposes;
 - 5.3 in the case of a single family residential lot, fully serviced up to the preparation of the final road base.
6. When property is to be offered for sale or lease, notice will be given to the public in the form of a call for tenders, except in the following cases:
 - 6.1 land offered for a lease for a term of five years or less in the aggregate;
 - 6.2 a fractional residential lot offered for sale to an adjoining owner, subject to an undertaking to consolidate the land with his present holdings as a single parcel;
 - 6.3 land to be sold or leased to the Crown in Right of Canada or of the Province of British Columbia, or to the Greater Vancouver Regional District, a School District, or a similar governmental or municipal agency having jurisdiction within the District of North Vancouver;
 - 6.4 industrial and commercial property to be ground leased, where, upon the recommendation of the Manager - Regulatory Services, Council has approved:
 - 6.4.1 the use of the posting procedure
 - 6.4.2 the lowest acceptable ground rent, and
 - 6.4.3 the terms and conditions of the lease
 - 6.5 sites designated by Council for non-market housing.
7. When property is to be sold or leased other than by public tender, a notice shall be posted in the Municipal Hall in a place readily accessible to the public for a period of five days prior to the proposed sale or lease, setting forth the conditions thereof and the lowest acceptable price or rent.
8. A notice of call for tenders shall
 - 8.1 state that the highest or any offer will not necessarily be accepted;
 - 8.2 be issued at least 14 days prior to the final date for the acceptance of bids;

- 8.3 appear in a newspaper circulating in the district at least seven clear days prior to the final date;
- 8.4 contain a requirement that a tender must be accompanied by a deposit by way of certified or other instrument acceptable to the director of financial Services for not less than
- 8.4.1 ten percent of the amount of a freehold tender; or
- 8.4.2 an amount equal to the first year's rent offered in the case of a leasehold tender
- whichever is the greater in the case of a tender on both freehold and leasehold bases;
- 8.5 contain an instruction to tender's that failure to comply with the requirements of the notice of call for tenders will result in forfeiture of the deposit;
- 8.6 in the case of a single family residential lot:
- 8.6.1 be restricted to one bid price for any such lot and, in the event that two or more bid prices are tendered, the highest only thereof shall be considered;
- 8.6.2 include a requirement that the purchaser must commence construction of a dwelling house within one year, and complete same to roof on stage within two years, and enter into an agreement to this effect with an adequate guarantee of performance.
9. All bids received prior to the final time and date state in a call for tenders for the sale or lease of real property shall be opened by the Manager - Regulatory Services in the presence of the general public and the Municipal Clerk, or designate;
10. Where industrial or commercial property is offered for disposal on a leasehold basis and where a tender or application submitted on behalf of a bidder or applicant by a real estate agent, licensed to carry on business in the District of North Vancouver, is accepted, the amount of the rent offered will be considered on a "net to the District" basis. Real estate commission not exceeding 2 ~~1/2~~% of the aggregate of the first five years' rent shall be paid to the agent following final unconditional acceptance of the bid or application.

Comment [DN1]:

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