



## TOWN OF OKOTOKS ADMINISTRATIVE GUIDELINES

**Title:** Land Acquisition

**Number:** A21-05

**CAO Approval Date:** July 5, 2021

**Review Date:** As required

**Revised Date(s):**

**Originating/Lead Business Centre:** Community Growth & Sustainability

- Reference(s):**
- *Municipal Government Act*
  - *Expropriation Act*
  - Chief Administrative Officer's (CAO) Delegation of Authority Administrative Guideline
  - Chief Administrative Officer's (CAO) Bylaw

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### **Purpose:**

The Town of Okotoks (the "Municipality") acquires interests in real property as and when required to support municipal programs, projects and initiatives. When acquiring an interest in real property the Municipality will deal fairly and reasonably with the property owner, while also ensuring that acquisition costs are kept as low as feasible and that all relevant statutes and regulations are complied with.

The purpose and objective of this Administration Guideline is to ensure that a consistent approach and methodology, fair to both individual landowners and the taxpayers in general, is used when acquiring interests in real property.

### **Scope**

This Guideline applies to real property rights that are acquired by the Municipality by any method, including expropriation, and applies to all municipal employees, and to any agent acting on behalf of the Municipality.

### **1. Definitions:**

- 1.1. Appraisal - means a written analysis and assessment of the Market Value of Land, prepared by a qualified and independent third party evaluator.
- 1.2. Expropriation - means an acquisition of Land that is initiated by proceedings under the *Expropriation Act*, and includes any acquisition by consent under s. 30 of that statute.
- 1.3. Land - means the fee simple interest in real property and any other interest that is capable of being registered on title and that pertains to the ownership,

possession, or use of the real property, such as a lease, easement, or utility right of way.

- 1.4. Land Committee - means an administrative group that considers land issues on a quarterly or as-needed basis and consists of staff members from an interdisciplinary background and range of Town Departments.
  - 1.5. Land Administration Transaction Request - means a written request in a form prescribed by the Land Committee, wherein the Requesting Department identifies the Land that it wishes the Municipality to acquire and explains the purpose of the acquisition.
  - 1.6. Market Value - means the estimated purchase price for Land, as determined by an Appraisal, if sold by a willing seller to a willing buyer, subject to clause 3.3 of this Guideline.
  - 1.7. Requesting Town Department - means the Town Department completing and submitting to the Land Committee a Land Administration Transaction Request.
2. Responsibilities
    - 2.1. The Community Growth, Investment & Sustainability Director will:
      - 2.1.1. Complete a Land Administration Transaction Request describing precisely the interest in Land proposed to be acquired and explaining the rationale for the acquisition.
      - 2.1.2. Develop the annual Land acquisition budget and financial plan and submit it through the budget process for Council approval;
      - 2.1.3. Develop and maintain Standard Operating Procedures ["SOP's"] that are consistent with and supportive of the provisions of this Guideline, and ensure Business Centre compliance with the SOP's.
    - 2.2. Land Committee Transaction Requests
      - 2.2.1. All Land Administration Transaction Requests will be vetted through the Land Committee to determine whether the Municipality's existing real property inventory may fulfill the requirements.
      - 2.2.2. Should it be determined that the needs cannot be met through existing inventory, the Land Committee will secure the appropriate expertise if not available on staff, to assess potential properties to target for acquisition.
3. Acquisition

- 3.1. Acquiring Land at Market Value utilizing leading real estate practices is the preferred method of obtaining real property rights as set out under the *MGA*. Terms such as the closing date may be negotiated during the acquisition process.
  - 3.2. Where an attempted Land acquisition is unsuccessful, initiation of proceedings under the *Expropriation Act* may be considered, if appropriate. Expropriation will be used as a last resort to acquire Land, and must be approved by Council.
  - 3.3. All Land acquisitions of fee simple title shall be supported with a current Appraisal, and the Community Growth & Sustainability Director has the discretion to obtain an Appraisal for acquisitions of interests in land other than the fee simple. Appraisal reports must identify and be based upon *the* highest and best use of the subject Land and must be prepared in accordance with current standards of practice within the real estate industry. In cases where acquisition by expropriation has been initiated or is contemplated, an Appraisal may include within the estimate of Market Value any additional compensation provided for in the *Expropriation Act*.
4. Delegated Authority
- 4.1. The Chief Administrative Officer or designate is authorized to approve and enter into agreements for the purchase of land, in accordance with the provisions of the CAO Bylaw.
  - 4.2. Council authorization to approve and enter into agreements for the purchase of land is required where:
    - 4.2.1. the project has been identified on a Capital Plan, but has not yet received Council approval;
    - 4.2.2. the proposed acquisition cost exceeds the amount in an approved capital budget and the additional cost cannot be accommodated within the parameters of existing policies;
    - 4.2.3. the land is required for an emergent operational project or need that has not been identified in an approved capital budget or capital plan;
    - 4.2.4. the Municipality utilizes the *Expropriation Act* as a last resort for acquisitions;
    - 4.2.5. any other statute, regulation, bylaw or Council policy specifies that Council approval is required;
    - 4.2.6. the purchase price of the land is not in alignment with the delegated authority under the CAO Bylaw.