

# TOWN OF BRIDGEWATER

## LAND SALES POLICY – GLEN ALLAN

### **Policy No. 91**

Approved: February 26, 2018

Resolution: 18-041

Revised: January 28, 2019

Resolution: 19-024

## 1.0 Policy Statement

- 1.1 The Town of Bridgewater is owner, in fee simple, of vacant lands no longer required for the purposes of the municipality.
- 1.2 The Town of Bridgewater endeavours to provide a fair and equitable way to price land for sale, in accordance with Section 50(5)(b) of the Municipal Government Act
- 1.3 The Town of Bridgewater encourages community growth to contribute to the social and economic development of the Town.
- 1.4 The Town of Bridgewater accommodates residential and commercial growth in a well-planned manner with consideration of the Town's existing service infrastructure.

## 2.0 Purpose

- 2.1 To ensure the Town of Bridgewater sells its available land in a manner conforming to Sections 50 and 218 of the *Municipal Government Act*;
- 2.2 To ensure the sale of lands owned by the Town of Bridgewater clearly and directly supports the strategic economic development goals of the Town of Bridgewater by:
  - a. Ensuring lands owned by the Town of Bridgewater are sold and managed in congruence with Council direction;
  - b. Ensuring consistency, fairness, transparency and accountability in land prices for lands owned by the Town of Bridgewater;
  - c. Providing direction for the creation and regular updates of the:
    - i. Town of Bridgewater Application to Purchase (a tentatively subdivided lot) form,
    - ii. Town of Bridgewater Lot Conditions Extension Request form,
    - iii. Town of Bridgewater Lot Sales Process, and
    - iv. The Purchase and Sale Agreement template

## 3.0 Scope

- 3.1 Land owned by the Town of Bridgewater, as shown in Attachment A and known as the Glen Allan Lands, fall within the scope of this policy.
- 3.2 Council may add other lands to the scope of this policy.
- 3.3 All employees of the Town of Bridgewater and contract professionals involved in the sale of Glen Allan Lands fall within the scope of this policy.

## 4.0 Definitions

**CAO** | Chief Administrative Officer of the Town of Bridgewater.

**Commencement of Construction** | The pouring of the footing and foundation for the Development.

**Completion of Construction** | Complete the Development, including building, required inspections and approvals, and additional items such as landscaping, paving and curbing, and fencing as required.

**Development** | any erection, construction, alteration, replacement or relocation of or addition to any structure and any change or alteration in the use made of land, buildings or structures.

**Lot** | means any parcel to be created by the filing of a plan of subdivision.

**Subdivision** | means the division of any area of land into two or more parcels and includes a re-subdivision or a consolidation of two or more parcels.

## 5.0 Policy Application

- 5.1 It is the policy of the Town of Bridgewater, to set the price for the lands shown “for sale” in Schedule A, otherwise known as the Glen Allan Lands, as follows:
  - a. A tentatively approved lot, through subdivision, abutting a public street to a maximum depth of 45 metres **shall be listed at \$2,450 per lineal metre of frontage**. A variance may be considered by the CAO at fair market value; and,
  - b. A tentatively approved lot, through subdivision, not abutting a public street or those lands beyond the 45-metre depth stipulation in Section 4.1 **shall be listed at \$50 per square metre**. A variance may be considered by the CAO at fair market value.

- 5.2 The following conditions shall be included in a purchase and sale agreement and followed in the purchase and sale process.
- a. Deposit:
    - i. Purchasers must apply to purchase a lot by completing an application form and submitting a 10% deposit against the final purchase price within 48 hours of an accepted application.
    - ii. The deposit shall be returned to the Purchaser, without interest, in the event that the Town of Bridgewater fails to fulfil the Terms of the Agreement.
    - iii. The deposit shall be forfeited should the Purchaser fail to complete the sale in accordance with the terms of the Agreement of Purchase and Sale in addition to any other rights, costs or damages that the Town of Bridgewater may otherwise be entitled to.
  - b. Sale of the property shall be completed within 90 days of an accepted application.
  - c. Construction Timelines:
    - i. Commencement of Construction for the entire Development shall be not later than twelve (12) months after the Date of Closing.
    - ii. Completion of Construction for the entire Development shall be achieved no later than twenty-four (24) months from the Date of Closing.
- 5.3 Council approval is required to proceed with re-purchasing the land or for any extension of Purchase and Sale Conditions.
- 5.4 All Purchase and Sale Agreements must include clear direction related to any buy-back provisions such as: stating the requirements that must be met and the timeframe for meeting such requirements. These may include Construction Timelines and any other situation-specific requirements.
- 5.5 Landowners may apply to have the conditions extended by submitting an application to the Town of Bridgewater.
- 5.6 If the Town of Bridgewater exercises the buyback option, the Town may seek to recoup any costs associated with returning the lot to its original pre-purchased condition;
- 5.7 The purchaser may apply to be released from the terms of the buyback agreement when the proposed building is roof tight (as confirmed by a Town of Bridgewater Building Inspector).

## 6.0 Real Estate Brokerage Commission Eligibility:

- 6.1 For the purchaser who chooses to use the services of a registered real estate professional at “arm’s length” to the purchaser, the Town of Bridgewater will pay a real estate commission subject to the following:

- a. Commissions are paid only on the sale of lots identified in accordance with the Bridgewater Land Pricing and Sale Policy.
- b. Commissions are paid only to the broker of record for the purchaser as identified in the Purchase and Sale Agreement.
- c. Commissions are paid on the final purchase price.
- d. Commissions are payable to the broker within 30 days of closing.

6.2 Commission Rate:

The Town of Bridgewater will pay a real estate commission of ten percent (10%).

- a. The broker shall provide the Town of Bridgewater a copy of their Nova Scotia Real Estate Broker and Salesperson Licence from the Nova Scotia Real Estate Commission prior to the Purchase and Sale Agreement.

6.3 Municipal Liability:

If, for any reason, the transaction does not close, the Town of Bridgewater is not responsible for the payment of the real estate commission nor is the Town of Bridgewater liable for any other payments, penalty, action or future consideration to the broker.

## 7.0 Responsibilities

7.1 Council retains ultimate responsibility for all Purchase and Sale Agreements and the conditions and obligations contained therein.

7.2 The CAO may negotiate and include additional items not in conflict with the specific provisions determined by Council above and determined appropriate for an individual Purchase and Sale Agreement after consideration of:

- a. Legal advice;
- b. Best interests of the Municipality; and,
- c. The needs of the potential purchaser;

7.3 The CAO may consider a variance in price, as listed under Part 5 of this Policy, in accordance with fair market value.

7.4 The Director of Planning, or designate, will maintain adherence to this policy in all purchase and sale agreements and provide recommendations to the CAO with respect to individual agreements and the application of this policy.

7.5 The CAO shall report all activity to Town Council.