

# Repeal and Replace MODL Policy 065 Divestiture of Surplus Land

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# Background

## **Policy Purpose:**

“To provide guidance for the Municipality of the District of Lunenburg Council when proposing to divest of surplus land that is no longer required for the purposes of the municipality and to ensure an open and transparent process”.

## **Authorized by:**

Sections 50; 51; 51A; 218; 271; and 273 of the Municipal Government Act.



# Background

## **Problem:**

- Clarity issues within Policy 065 highlighted after Council rejected a bid on a parcel of surplus municipal land that was for sale.



# Background

## Reason for Rejection:

- Bid rejected due to confusion over the provided definition of ‘abutting property’ as the bidder’s property did not share a common boundary with the municipal surplus property.
- Section 51A Sale to Abutting Property is applicable in scenarios where properties are abutting or share a common boundary.
- Council directed staff to add a definition for the term ‘abutting property’ to Policy 065.



# Discussion

- **Staff determined that the issue with the policy had to do with the overall clarity of the available methods of divestiture.**
- **Staff's recommendation is to repeal the existing policy and replace it with a newly drafted policy that is clearer and more concise.**
- **Adding a definition for 'abutting property' is unnecessary because there are only certain scenarios where property is offered to abutting property owners and it will not be the default option.**



# Recommendation

**That the Policy & Strategy Committee recommend to Council to hereby repeal MODL Policy 065 and replace it with a revised MODL Policy 065 and provide 7 days' notice to Council.**



# Justification

- **The updated policy is clearer and more concise than the original policy.**
- **Increase likelihood of residential development**
  - Increases municipal property tax revenue more than consolidating properties
  - Encourages density in existing residential areas
  - Increases housing stock overall



# Conclusion

- **Clarity issue within Policy 065 arose after Council rejected a bid on a surplus parcel.**
- **Council directed staff to add a definition for the term ‘abutting property’ to Policy 065.**
- **Staff recommends repealing and replacing the old Policy 065 with the new, clearer policy that does not include a right of first refusal to abutting properties therefore a definition of abutting is not required.**

