

Policy



Medicine Hat

Title: Land and Real Estate		Number: 0188
Reference: Administrative Committee - August 20, 2024	Adopted by City Council: September 15, 2025	
	City Clerk	City Manager
Supersedes: Acquisition and Sales Policy 0151		
Prepared by: Environment, Land & Gas Production		

STATEMENT

The City recognizes the importance of establishing authorization thresholds and guidelines for transactions related to land and real estate and the effective and efficient management of the City's land inventory to strategically meet community needs and balance the ability to be adaptable to market conditions while ensuring financial sustainability.

1. AUTHORITY

- 1.1 Pursuant to Section 201 of the Municipal Government Act (Alberta), Council is responsible for developing and evaluating the policies of the City. Pursuant to Section 207 of the Municipal Government Act (Alberta), the City Manager is responsible for ensuring that the policies of the City are implemented.

2. DEFINITIONS

- 2.1 **Capital Grant Process** means the process for evaluating and awarding capital grant funds from the City to members of the public as established through the Corporate Planning and Performance Department and the associated Capital Grant Application Guideline.
- 2.2 **Direct Sales or Acquisition** means the sale or acquisition of Real Estate not listed on the Open Market.
- 2.3 **Division** has the meaning given to such term in the City's Administrative Organization Bylaw (4662), as amended or replaced from time to time.
- 2.4 **Fair Market Value** means the highest price, expressed in terms of money, that a parcel of Real Estate would bring, in an open market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.
- 2.5 **Land and Real Estate** means the City's Land and Real Estate department, as renamed from time to time.
- 2.6 **Land Bank** means City-owned lands identified within the Land & Real Estate portfolio.

- 2.7 **List Price** means the price at which City-owned Real Estate, is listed for sale, considering Fair Market Value, on the Open Market.
- 2.8 **Non-Profit Reduced Sales Price** means the reduction in a list price to an amount lower than the Fair Market Value to a Non-Profit Organization, often referred to as a land donation
- 2.9 **Open Market** means Real Estate being made publicly available.
- 2.10 **Real Estate** means land and includes any improvements on the land, including but not limited to buildings.
- 2.11 **Signing Authority Limits** means the signing authority limits set out in the City's Spending and Commitment Authority Policy (0174), as amended or replaced from time to time.
- 2.12 **Non-Profit Organization** means a non-profit organization as defined in Section 241(f) of the Municipal Government Act (Alberta), as amended or replaced from time to time.

3. PRINCIPLES

- 3.1 Manage the supply of residential, commercial, and industrial lands to ensure such lands are available and maintained to complement the private market and support the current and future needs of the community.
- 3.2 Ensure ongoing management, maintenance, and operations of the Land Bank.
- 3.3 Facilitate the interim use of the Land Bank to meet current and future organizational and community needs in alignment with the Municipal Government Act (Alberta).
- 3.4 Facilitate the sale of surplus municipal Real Estate within the Land Bank or Real Estate deemed no longer required by other City departments.
- 3.5 Facilitate the acquisition of Real Estate required for City department's infrastructure, operations, or other needs to meet long-term planning of the City, or that is otherwise in the best interests of the City to acquire.
- 3.6 Empower decision-making and implementation at the level closest to the Real Estate transaction, with appropriate checks and balances, in order to enhance the City's responsiveness to challenges and opportunities involving Real Estate, by aligning the authorization and transaction threshold for the sale and acquisition of Real Estate with the Signing Authority Limits under the Spending and Commitment Authority Policy (0174), as amended or replaced from time.
- 3.7 Foster partnership in the community by recognizing the need, importance, and support required for Non-Profit Organizations, while balancing fairness, equity, and the financial subsidization provided on behalf of the City.
- 3.8 Leverage the Land Bank, greenfield and underutilized land and real estate, to deliver on Council's strategic priorities, the Municipal Development Plan, and the other strategies and plans.
- 3.9 Foster environmental stewardship in alignment with the City of Medicine Hat Environmental Framework.
- 3.10 All transactions must be conducted in a fair and transparent manner, subject to the City's legal and contractual duties of confidentiality and commercial reasonableness.

Policy 0188 – Land and Real Estate		
Approved by:	City Council - September 15, 2025	Page 3 of 5

4. RESPONSIBILITIES

4.1 Council

- (a) Receive, review and adopt this policy and any recommended amendments to this policy.
- (b) Authorize the sale of residential, commercial, and industrial Real Estate where the Fair Market Value exceeds all Signing Authority Limits.
- (c) Authorize the acquisition of Real Estate where the Fair Market Value exceeds all Signing Authority Limits.
- (d) Authorize any Real Estate sale transactions below Fair Market Value (e.g. Non-Profit Reduced Sales Prices).

4.2 City Manager

- (a) Implementation of this policy, which includes ensuring that appropriate procedures are established to include, but not be limited to, provisions related to the following:
 - (i) authorization and reporting;
 - (ii) determining and maintaining Fair Market Value;
 - (iii) establishing the Land Bank;
 - (iv) Direct Sales and Acquisitions;
 - (v) listing options;
 - (vi) due diligence;
 - (vii) Non-Profit Reduced Sales Price;
 - (viii) road right-of-way closure.
- (b) Establish the List Price pursuant to this Policy and established procedures.
- (c) Ensure Council and Administration awareness of this policy and established procedures.
- (d) Provide Council with an annual report of sales and acquisitions of Real Estate that were approved by Administration.
- (e) Authorize the sale of Real Estate where the Fair Market Value does not exceed the City Manager's Signing Authority Limits.
- (f) Authorize the acquisition of Real Estate where the Fair Market Value does not exceed the City Manager's Signing Authority Limits.
- (g) Delegate the authority to approve the sale or acquisition of Real Estate to the relevant City employee based on the appropriate Signing Authority Limit, and impose such conditions or restrictions on the delegation as the City Manager considers advisable, in accordance with the procedures.
- (h) Make recommendations through Administrative Committee to Council regarding transactions that require Council approval under this policy.
- (i) Recommend through Administrative Committee to Council such changes or amendments to this policy as the City Manager from time to time considers advisable.

5. DELEGATION

- 5.1 The City Manager may delegate any of the City Manager's powers, duties, or functions under this policy, other than the City Manager's Signing Authority Limits, to a delegated officer or employee of the City.

Policy 0188 – Land and Real Estate		
Approved by:	City Council - September 15, 2025	Page 4 of 5

6. EXEMPTIONS

6.1 Due to their respective unique regulatory, operational, and business requirements, the following City Departments and functions are exempt from this policy:

- (a) City Departments
 - (i) Airport
 - (ii) Natural Gas Production
 - (iii) Electric Generation
- (b) Functions
 - (i) Sales or acquisitions of estates or interests in mines or minerals
 - (ii) Crossing agreements
 - (iii) Utility right-of-way agreements
 - (iv) Access easements for municipal or utility purposes

7. TRANSACTIONS

7.1 Transactions at Fair Market Value

- (a) Sales
 - (i) The City shall sell City-owned Real Estate for Fair Market Value, unless otherwise approved by Council.
 - (ii) The City shall maintain pricing for its Real Estate in alignment with current Fair Market Value and remain competitive in a changing market environment in accordance with established procedures.
 - (iii) The City is committed to maintaining a transparent (subject to its legal and contractual duties of confidentiality and commercial reasonableness), fair, and open opportunity process for sales.
 - (iv) Direct Sales of unlisted Real Estate may be pursued at the discretion of the City Manager in accordance with established procedures.
 - (v) At the discretion of the City Manager, Real Estate may be taken off the Open Market and placed back into the Land Bank for municipal purposes. If a parcel of Real Estate is taken off the Open Market, it will require City Manager approval prior to being brought back to the Open Market.
- (b) Acquisitions
 - (i) The City may acquire Real Estate for municipal purposes including, but not limited to, long-term planning and land development (in alignment with executing the Municipal Development Plan and other statutory plans), land banking, strategic alignment, operational needs, future City facility needs, unsafe or unsightly properties, environmentally-sensitive or unstable lands, lands that have environmental contamination liabilities, culturally or historically significant lands, or properties that are essential to meet the outcomes of an Area Redevelopment Plan or Area Structure Plan or other City strategic priorities.
 - (ii) Where the City wishes to acquire Real Estate through a Direct Acquisition, the acquisition is subject to the City's Manager's determination that the acquisition is in the best interests of the City.

Policy 0188 – Land and Real Estate		
Approved by:	City Council - September 15, 2025	Page 5 of 5

- (iii) Funding for the acquisition of Real Estate must be established within the relevant City Department's capital or operational budgets. New expenditures not previously identified must align with the Spending and Commitment Authority Policy (0174) and Procurement Policy (0173).
- (iv) The City shall acquire all Real Estate at Fair Market Value or lower unless otherwise approved by Council.

7.2 Transactions Below Fair Market Value

- (a) Transactions below Fair Market Value will be completed in accordance with the advertising requirements in the Municipal Government Act (Alberta), if applicable.
- (b) All sale transactions below Fair Market Value must be approved by Council.
- (c) The City may subsidize the acquisition of City-owned Real Estate by a Non-Profit Organization through a Non-Profit Reduced Sales Price.
- (d) All sales transactions with a Non-Profit Reduced Sales Price must be approved by City Council.
- (e) Only a Non-Profit Organization is eligible to purchase City-owned Real Estate at a Non-Profit Reduced Sales Price.
- (f) The Land and Real Estate budget must be kept whole for Non-Profit Reduced Sales Price transactions, including a transfer of funds from Capital Reserves (or other identified funding source) to maintain a balanced budget 'as if' the property had been transacted at Fair Market Value.
- (g) Requests for a Non-Profit Reduced Sales Price by a Non-Profit Organization must be made through the City's "Capital Grant Process" and will be handled in accordance with established procedures.
- (h) The Non-Profit Reduced Sales Price recommended by Land and Real Estate must align with the Capital Grant Process.
- (i) Real Estate for which a Non-Profit Reduced Sales Price is approved must be transacted 'as-is'; any requests from the Non-Profit Organization for improvements or due diligence or other financial assistance in connection with the proposed sale transaction must be made at the time of its initial request through the Capital Grant Process and are subject to the approval of Council at Council's sole discretion.
- (j) Agreements with Non-Profit Organizations may include, without limitation, terms requiring commitments to timelines and project milestones to efficiently utilize the Real Estate and ensure project progress and best use of City funding.

Procedure



Title: Land and Real Estate		Number: 0188
Approved by the Administrative Committee: August 20, 2025		Supersedes: Procedures to the Acquisition and Sales Policy 0151
City Clerk	City Manager	
Prepared by: Environment, Land and Gas Production		

1. DEFINITIONS

All defined terms in Land and Real Estate Policy 0188 ("Policy 0188") apply to this procedure wherever used.

- 1.01 **Commission** means the compensation payable to a Real Estate Professional for applicable property sales and is determined in accordance with Appendix A.
- 1.02 **Comparative Market Assessment** means the process of determining the fair market value of a property by comparing it to similar properties in the same area that are currently **listed** for sale, have sold within the preceding twelve (12) months, or were formerly listed for sale within the preceding twelve (12) months but did not sell.
- 1.03 **Letter of Interest** means a letter written to the City expressing an interest in acquiring Real Estate from the City.
- 1.04 **Real Estate Professional** means an agent or broker who is licensed under the Real Estate Act (Alberta) to trade in real estate in Alberta.

2. RESPONSIBILITIES

- 2.01 Administrative Committee
 - (a) Receive, review and adopt this procedure and amendments to this procedure as recommended by the City Manager.
- 2.02 City Manager
 - (a) Recommend to Administrative Committee changes or amendments to Policy 0188 and this procedure.
- 2.03 Managing Director of Energy, Land, and Environment
 - (a) Recommend to the City Manager changes or amendments to this Policy 0188 and this procedure.
 - (b) Ensure staff within their Division are familiar with Policy 0188 and this procedure.
 - (c) Authorize the sale of Real Estate where the sale price represents the Fair Market Value and does not exceed the Managing Director of Energy, Land, and Environment's Signing Authority Limits.

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 2 of 9

- (d) Authorize the acquisition of Real Estate where the purchase price represents Fair Market Value and does not exceed the Managing Director of Energy, Land, and Environment's Signing Authority Limits.
- (e) Make recommendations to the City Manager regarding sale transactions involving Non-Profit Reduced Sales Prices.

2.04 Managing Directors of Other Divisions

- (a) Recommend to the Managing Director of Energy Land and Environment changes or amendments to Policy 0188 and this procedure.
- (b) Approve for potential sale, City-owned Real Estate that has been identified under their department's inventory (outside of the Land Bank), prior to it being made available for sale in accordance with Policy 0188 and this procedure.

2.05 Director of Environment, Land, and Gas Production (or as delegated within Land and Real Estate)

- (a) Manage this procedure and ensure it remains current.
- (b) Manage the Land Bank in accordance with Policy 0188 and this procedure.
- (c) Provide recommendations and expertise in matters related to the Land Bank.
- (d) Authorize the sale of Real Estate where the sale price represents the Fair Market Value and does not exceed the Director of Environment, Land, and Gas Production's Signing Authority Limits.
- (e) Authorize the acquisition of Real Estate where the purchase price represents Fair Market Value and does not exceed the Director of Environment, Land, and Gas Production's Signing Authority Limits.
- (f) Act as a land agent to the other departments and/or coordinate sales or acquisition of Real Estate on behalf of the City.
- (g) Monitor and manage all dates and other timelines arising under agreements under Policy 0188.
- (h) Whenever possible, provide City Solicitor Office with written advance notice of any anticipated lapsing of dates arising under any Purchase and Sale Agreement.
- (i) Notify counterparties, City Solicitor, and all relevant internal departments, without delay, of any waived or satisfied conditions, waived extension fees, extension letters and other matters relating to amendments to dates, conditions precedent, fees, or payments arising under any Purchase and Sale Agreement.

2.06 City Solicitor

- (a) Prepare Purchase and Sale Agreements and update the template Land Sales Agreements (for single-family residential lot sales) with standard terms and conditions as required.
- (b) Where there are conditions precedent in any Purchase and Sale Agreements, the City Solicitor will be responsible for conducting the conveyance of title on the City's behalf, including arranging appropriate trust conditions/undertakings with the purchaser's or seller's lawyer, as the case may be.

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 3 of 9

2.07 City Departments

- (a) Make recommendations to the City Manager regarding the potential sale of City-owned Real Estate that has been identified under a department's inventory as surplus (outside of the Land Bank) prior to it being listed on the Open Market or sold through Direct Sale. For clarity, Land and Real Estate may dispose of any City-owned Real Estate in the Land Bank without the further approval of any City department.
- (b) Provide recommendations to Land and Real Estate regarding required future Real Estate to be acquired for municipal purposes to support departments' initiatives.
- (c) Departments must provide the appropriate budget to acquire or dispose of Real Estate as per section 3.06.

3. PROCEDURES

3.01 Annual Reporting:

- (a) On an annual basis, Land and Real Estate will prepare for the City Manager a report that outlines all sales and acquisitions of Real Estate, within Land and Real Estate's Land Bank, that were approved by Administration during the relevant reporting period.

3.02 Authorization to transact Real Estate in alignment with Signing Authority Limits:

- (a) Land and Real Estate will recommend the sale or acquisition of Real Estate through a Request for Decision to the relevant member of Administration with the appropriate Signing Authority Limit as established within Policy 0188 or to Council, as the case may be.

3.03 Determining Fair Market Value:

- (a) The Fair Market Value of Real Estate may be determined through a third-party appraisal completed by a qualified appraiser or a Comparative Market Assessment completed by a Real Estate Professional or, subject to subsection (b), Land and Real Estate subject matter experts.
- (b) In order for the City to rely on a Comparative Market Assessment prepared by Land and Real Estate subject matter experts, the City Manager must first review and approve the Comparative Market Assessment. If required by the City Manager, the Land and Real Estate subject matter experts will provide their Comparative Market Assessment to a Real Estate Professional for review and validation.
- (c) The Fair Market Value of Real Estate may be influenced by non-monetary considerations, including the assumption of significant liabilities relating to the subject Real Estate by the prospective purchaser or how significant costs and/or obligations relating to the Real Estate will be allocated between the City and the prospective purchaser.

3.04 Maintaining Fair Market Value of City-owned Real Estate:

- (a) Once the initial Fair Market Value has been established, the City Manager may adjust the List Price after six (6) months, and every six (6) months thereafter, to align the Fair Market Value of the Real Estate with current fair market

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 4 of 9

conditions as required. Adjustments to Fair Market Value must be determined in accordance with section 3.03 of this procedure.

3.05 Direct Sales and Acquisitions

- (a) Land and Real Estate requires a Letter of Interest from the potential purchaser requesting a Direct Sale. The submission of Letters of Interest will be facilitated through an established and consistent means by the Land and Real Estate department (i.e. via the City website, via a standard email address, or other public means of access).
- (b) Direct Sales may be considered when any one or more of the following conditions are met, as determined by the City Manager:
 - (i) the Real Estate is:
 - (1) non-residential land in which the configuration of the parcel, servicing, and other requirements are unique to the specific business interest and are not readily available elsewhere;
 - (2) a remnant parcel for which it has been determined there is no longer a municipal purpose for the land, including but not limited to a remnant parcel adjacent to Real Estate owned by the prospective purchaser where there is no longer a municipal purpose for the land nor any potential benefit from the land to any other person;
 - (3) a piece of road right-of-way adjacent to Real Estate owned by the prospective purchaser where the road right-of-way benefits only that adjacent Real Estate owner and the closure and sale of such road right-of-way to that adjacent Real Estate owner would not hinder any other Real Estate owner nor hinder any road user;
 - (4) un-serviced land in which a developer will complete the development; or
 - (5) a land exchange that is determined to be beneficial for both parties;
 - (ii) a particular parcel of Real Estate is suitable for a Non-Profit Organization seeking a site for affordable housing, community center, or similar community-based project;
 - (iii) another government agency requires a site for a specific purpose; or
 - (iv) the City Manager has determined that a Direct Sale of the subject Real Estate is in the best interests of the City.
- (c) A Direct Acquisition may be considered when it has been determined by the City Manager that the subject Real Estate is in the best interests of the City to acquire.
- (d) Prior to negotiating a Direct Sale or Acquisition, Land and Real Estate will complete appropriate due diligence to determine if the subject Real Estate satisfies one or more of the conditions set out in subsections (b) or (c) above and, if the Real Estate is eligible for a Direct Sale, whether it ought to be sold subject to certain conditions.
 - (i) Due diligence may include but is not limited to review of title, review of historical files, technical review by relevant City departments, determination of Fair Market Value, identification of any work required prior to the transaction taking place, and any other due diligence considered necessary or advisable by Land and Real Estate.

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 5 of 9

- (e) If Land and Real Estate determines that the Real Estate can be sold but does not meet the conditions in section 3.05 (b) for Direct Sales, the Real Estate may be placed on the Open Market.
- (f) The sale of Real Estate through Direct Sales must be authorized in accordance with Policy 0188.
- (g) Land and Real Estate will work with the City Solicitor's office to draft the Purchase and Sale Agreement for a Direct Sale.
- (h) Any costs incurred to facilitate a Direct Sale, including but not limited to, survey plans, consolidation plans, land use bylaw amendments, or other due diligence, will be at the cost of the purchaser unless the City Manager considers it commercially reasonable in the circumstances of the particular transaction for the City to pay for any or all such costs and provided there are funds available in a Council-approved budget to pay for the relevant costs.

3.06 Establishing the Land Bank:

- (a) Land and Real Estate is responsible for the management of Real Estate within the Land Bank.
- (b) Land and Real Estate will manage the Land Bank in alignment with Policy 0188.
- (c) Land and Real Estate will work collaboratively with the City's Facilities and Asset Management department to determine the appropriate level of service to manage and maintain the Real Estate.
- (d) Real Estate that is determined to be surplus (i.e. to no longer serve a municipal purpose), has no immediate use, or is not viable to repurpose to another City use, may be held for long-term needs or considered for future sale.
- (e) On a case-by-case basis, Real Estate that is determined to be surplus, may be transferred from a department to Land and Real Estate to be managed within the Land Bank.
- (f) In transferring Real Estate to the Land Bank from another City department, the approved department budget allocated to that Real Estate must accompany the transfer to ensure continuity in service levels and ability to manage the Real Estate effectively.
- (g) In circumstances where Real Estate from a responsible department has previous capital expenditures, or existing department budgets do not consider the end-of-life cycle costs (i.e. demolition, reclamation, etc.), the responsible department will be required to bring forward a budget amendment request to appropriately manage or restore the Real Estate to a reasonable state when transferring to Land and Real Estate into the Land Bank (or at a later date, if required).
- (h) The Land Bank is not intended to absorb Real Estate assets requiring substantial end-of-life cycle costs (i.e. demolition, reclamation, etc.), but to effectively manage Real Estate in a reasonable state for interim and long-term use.

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 6 of 9

3.07 Listing with a Real Estate Professional:

- (a) The City may list Real Estate for sale with a Real Estate Professional in accordance with this procedure, if the City Manager deems it beneficial for the City to do so.
- (b) Land and Real Estate will establish a process to ensure fairness and transparency in collaboration with the Medicine Hat Real Estate Board when utilizing a Real Estate Professional.
 - (i) The City will, on an annual basis, request a list of qualified residential and commercial Real Estate Professionals from the Medicine Hat Real Estate Board.
 - (ii) Land and Real Estate will request that the Medicine Hat Real Estate Board establish and adhere to a fair process to determine the list of qualified Real Estate Professionals.
 - (1) Where City-owned Real Estate is intended to be listed for sale with a Real Estate Professional, the City will provide the property information to all Real Estate Professionals on the list established by the Medicine Hat Real Estate Board, requesting non-binding proposals from them for their respective services.
 - (2) Land and Real Estate will evaluate the proposals received and determine the proposal that best fits the needs of the subject Real Estate considering the proposed marketing materials, proposed sales strategy, similar experience of the Real Estate Professional, and proposed commission included in the proposal.
- (c) A Commission on Real Estate sales may be considered if an offer to purchase Real Estate is brought forward through a Real Estate Professional. Any commission payable on the sale must be determined in accordance with Appendix A to this procedure unless otherwise approved by the City Manager.
- (d) A Real Estate Professional is not required for a transaction.
- (e) Other than permitted Direct Sales and subject to subsection (f) below, residential and commercial Real Estate will be listed on the Open Market by Land and Real Estate either with or without criteria as per section 3.08 Listing on the Open Market.
- (f) For specific Real Estate in which the City Manager determines there are unique redevelopment considerations, special public interest, and/or multiple interested parties, a formal or informal competitive process may be utilized to list the Real Estate for sale, as set out in this procedure. If these efforts do not result in a sale, then the Real Estate may be placed on the Open Market.

3.08 Listing on the Open Market:

- (a) Without Criteria: Real Estate may be listed on the Open Market for the established List Price on a first-come, first-served basis. Land and Real Estate will only consider offers that reflect the prevailing Fair Market Value of the Real Estate.
- (b) With Criteria: Real Estate may be listed on the Open Market with criteria where a potential purchaser shall be required to demonstrate their ability to meet the criteria through an established means. The criteria will be made available on the public listing. The City will only consider offers that meet the established criteria unless the City Manager determines otherwise.

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 7 of 9

- (c) Criteria: may include but are not limited to timelines related to the transaction, redevelopment requirements, conceptual or design requirements, demonstrated development experience, completion of further due diligence, or other criteria as determined to be commercially reasonable by the Director of Environment, Land and Gas Production.
 - (d) Established Means: may include but is not limited to a written letter of interest, written proposal, conceptual drawings, or other criteria as determined to be commercially reasonable by the Director of Environment, Land and Gas Production.
- 3.09 Other Listing Options:
 - (a) For specific Real Estate in which the City has a specific interest in the intended outcome of the transaction (as identified in Policy 0188, section 7.1(b)), Land and Real Estate may utilize a formal or informal competitive process. This may include but is not limited to requests for expressions of interest, requests for proposals, etc. If these efforts do not result in a sale, then the property may be placed on the Open Market.
- 3.10 The City shall conduct commercially reasonable due diligence on its Real Estate prior to sale and on target Real Estate prior to acquisition, including, without limitation, where the Real Estate being sold or acquired involves significant environmental contamination or regulatory compliance matters. Commercially reasonable due diligence is dependent on the Real Estate being considered for sale or acquisition. It may include but is not limited to:
 - (a) Completion of a Phase I and/or Phase II Environmental Site Assessment, or further environmental due diligence as identified within these reports.
 - (b) Hazardous Materials Assessments or Abatement.
 - (c) Subdivision, Consolidation, Registration or Discharge of Instruments on Title.
 - (d) Engineering or other studies including, Servicing Studies, Development Concepts, Geotechnical Evaluation, Traffic Impacts Assessments, Noise Impact Assessments, Storm Water Management Plans etc.
 - (e) A third-party appraisal or comparative market assessment.
 - (f) Facilities condition assessment, inspections, and/or other requirements identified by Land and Real Estate as being necessary prior to sale.
- 3.11 Non-Profit Reduced Sales Price:
 - (a) Land and Real Estate will follow the Capital Grant Process to consider the sale of Real Estate at a Non-Profit Reduced Sales Price. Dependent on the request, the consideration may include but is not limited to:
 - (i) Land and Real Estate will review the request and identify any City owned Real Estate options that could accommodate the request.
 - (ii) Land and Real Estate will review the request with appropriate Departments that hold the relationship with the Non-Profit Organization.
 - (iii) Land and Real Estate will provide the Non-Profit Organization commercially reasonable background information relating to Real Estate options available.
 - (iv) Land and Real Estate will ask the Non-Profit Organization to review the options presented and if seeking to move forward, provide any other

Procedure 0188 – Land and Real Estate		
Approved by:	Administrative Committee – August 20, 2025	Page 8 of 9

background information to the City as required through the Capital Grant Process, which may include but is not limited to a business case to support the Non-Profit Organization's request as well as audited financial statements for up to the last five (5) years.

- (v) Land and Real Estate, in alignment with the Capital Grant Process and in collaboration with appropriate Departments, will provide a recommendation to City Council on the Non-Profit Reduced Sales Price and requirements of a Purchase and Sale Agreement in alignment with Policy 0188.

3.12 Road Right-of-Way Closure:

- (a) Requests for the closure of a road right-of-way must be made through a Letter of Interest.
- (b) Land and Real Estate will complete an internal review of the request including consultation with relevant City Departments. Land and Real Estate will determine if the request aligns with the conditions present for Direct Sales.
 - (i) If the request aligns with Direct Sales, this procedure will be followed.
 - (ii) If the conditions present for Direct Sales are not met, other listing options may be considered by Land and Real Estate on a case-by-case basis.
- (c) Land and Real Estate will obtain a road closure survey plan and draft a Road Closure Bylaw, at the cost of the Purchaser unless otherwise directed by the City Manager, in concert with the City Solicitor Office with a recommendation to Council for the closure and sale of the right-of-way in alignment with the Municipal Government Act (Alberta).

4. APPENDICES

Appendix A - Commission

Procedure 0188 – Land and Real Estate		APPENDIX A
Approved by:	Administrative Committee – August 20, 2025	Page 9 of 9

Appendix A Commission

1. Commission may or may not be payable on specific City Real Estate sale transactions through the Open Market and will be determined in accordance with this Appendix.
2. No Commission will be considered on single family or duplex lot sales (including Land Sales Agreements for multiple lots).
3. Commissions are not payable on transactions that are not publicly listed for sale (e.g. no Commission will be paid for Direct Sales), unless otherwise determined by the City Manager.
4. For industrial, commercial, or multi-family Real Estate on the Open Market where:
 - a. the Real Estate Professional is the first point of contact and a fully active participant in the negotiations on the purchaser's behalf:
 - i. Commission will be 3.5% on the first \$100,000 and 1.5% on the balance of the final sale price to a maximum amount of \$50,000.
 - b. the Real Estate Professional is not the first point of contact (purchaser has established working relationship with the City and/or Land and Real Estate) but is a fully active participant in the negotiations on the purchaser's behalf:
 - i. Commission will be 1.75% on the first \$100,000 and 0.75% on the balance of the final sale price to a maximum amount of \$50,000.
 - c. the Real Estate Professional is the first point of contact but is not a fully active participant in the negotiations on the purchaser's behalf:
 - i. Commission is a flat fee of \$2,500.