



Municipality of Fundy Albert
Municipal Surplus Land & Land Acquisition Policy
Effective Date: November 4, 2025

1. PURPOSE

This policy establishes the framework for the acquisition and disposal of municipal lands, with particular emphasis on the disposal of surplus land for residential housing and community development. It ensures compliance with applicable New Brunswick legislation and promotes transparency, fairness, accountability, and community benefit.

This policy is established under the authority of Section 10(1)(c) of the *Local Governance Act*, S.N.B. 2017, c.18, which empowers municipalities to acquire and dispose of real and personal property.

2. APPLICATION

This policy does not apply to lands with existing statutory restrictions or purposes, including:

- Lands acquired for public purposes through subdivision or development processes, pursuant to Section 76 of the *Community Planning Act*, S.N.B. 2017, c.19;
- Lands transferred to the Municipality with conditions limiting their disposal.

3. DEFINITIONS

- **Act:** *Local Governance Act*, S.N.B. 2017, c.18.
- **Administration:** Staff of the Municipality of Fundy Albert.
- **Affordable Housing:** Housing that costs less than 30% of before-tax household income, consistent with CMHC standards and provincial housing strategies.
- **CAO (Chief Administrative Officer):** The head of municipal administration and the sole employee reporting directly to Council.
- **Council:** The elected Mayor and Councillors of the Municipality of Fundy Albert.
- **Reserve Funds:** Accounts established and maintained under Section 101 of the *Local Governance Act*.

- **Surplus Lands:** Lands determined by Council to no longer be required for municipal use, or lands Council wishes to solicit alternate proposals for in pursuit of strategic objectives (e.g., housing, economic development).

4. LAND ACQUISITION

4.1 Identification

Potential acquisitions may be identified by:

- Council;
- A third party offering land to the Municipality;
- Municipal plans, strategies, or reports;
- Public listings of land for sale;
- A municipal department requiring land for service delivery.

4.2 Evaluation Criteria

When preparing a report to Council, Administration shall assess:

- Fair market value;
- Current zoning and potential future uses;
- Development feasibility (size, location, existing structures, servicing constraints);
- Proximity to transportation, utilities, and public amenities;
- Adjacent land uses;
- Opportunities to protect or enhance existing municipal assets.

4.3 Negotiation Authority

- Administration, through the CAO in consultation with the Mayor, may negotiate with landowners for priority parcels identified by Council.
- Where urgency exists (e.g., lands publicly listed that may sell quickly), Administration may negotiate pre-approved priority lands.
- Fair market value must be determined by two independent professionals; Administration may negotiate up to the averaged price, with a $\pm 10\%$ buffer allowance.

4.4 Council Authorization

All acquisitions require a Council resolution in regular session, pursuant to the *Local Governance Act*.

All acquisitions shall be funded through the annual capital budget or by separate Council resolution authorizing the expenditure, in accordance with Section 97 of the *Local Governance Act*.

5. DISPOSAL OF MUNICIPAL LANDS

5.1 Designation of Surplus Lands

- Council may designate lands as surplus by resolution.
- Initial discussion may occur in Closed Session (s.68(1)(d) LGA), but final designation and intended use must be confirmed by resolution in open session.
- Surplus designation does not obligate Council to dispose of land but initiates the process of exploring potential alternate uses.

5.2 Disposal Methods

(a) Direct Sale

- Council may choose to dispose of lands at fair market value for economic development or revenue purposes.
- Sales may be advertised directly by the Municipality or through a licensed real estate broker.
- Council shall record the rationale for the chosen method in the resolution to demonstrate transparency.

(b) Public Solicitation of Proposals (RFP)

- Disposal by RFP requires public notice via the municipal website and, where appropriate, other media.
- Notices shall remain open for a minimum of 21 days and include:
 - Location, size, and zoning of the parcel;
 - Desired use (e.g., residential, commercial);
 - Submission requirements (LOI, contracts, references, timelines, conditions);

- Any mandatory terms (timeframes, permitted uses, lease vs. sale).

(c) By-Invite Solicitation – Not-for-Profit Developers

- Council may, by resolution, direct Administration to solicit proposals directly from qualified not-for-profit organizations (e.g., housing developers).
- Such transactions will generally occur at a nominal transfer value (\$1) to maximize community benefit.
- This method is intended to support affordable housing but does not exclude not-for-profit proponents from participating in open RFP processes.
- Where land is transferred below fair market value, the public benefit (e.g., affordable housing, community infrastructure, economic development) must be documented in the Council resolution authorizing the transfer.

→ Added Clause: Reversion Protection

Where municipal land is transferred below market value for community or housing purposes, the transfer agreement shall include a reversion clause stipulating that the property reverts to the Municipality if the agreed-upon project conditions (such as construction timelines, land use, or community benefits) are not fulfilled within the specified time. This provision protects public assets and ensures that the intended benefit to the community is realized.

5.3 Proposal Evaluation

- Administration, led by the CAO, shall evaluate submissions against posted criteria and may short-list up to three proponents in consultation with the Mayor.
- Presentations from short-listed proponents shall occur before Council in a Closed Session (s.68(1)(d)).
- Final selection of a proponent must be ratified by resolution in open session.

5.4 Conflict of Interest

- Council members and employees with a direct or indirect pecuniary interest in a land transaction shall declare the conflict and abstain from discussion or voting, in accordance with Sections 95–102 of the *Local Governance Act*.

6. REVENUES FROM LAND DISPOSAL

- Revenues from disposal shall be deposited into the General Operating Fund unless otherwise directed by Council.
- If unspent in the fiscal year, Council may transfer proceeds to a Reserve Fund under Section 101 of the *Local Governance Act*.
- Council may allocate revenues and reserve transfers by resolution pursuant to Section 103 of the *Local Governance Act*.

7. RECORDKEEPING & TRANSPARENCY

- All records relating to acquisition or disposal shall be maintained in accordance with the *Archives Act* (S.N.B. 2009, c.A-26.1), and the *Right to Information and Protection of Privacy Act (RTIPPA)*.
- All appraisals, RFP submissions, evaluations, and Council reports must be archived for a minimum of seven (7) years to ensure audit integrity and RTIPPA compliance.
- Final decisions, including method of disposal and rationale, shall be available to the public through Council minutes and resolutions.
- A summary of all municipal land acquisitions and disposals shall be published annually through a public report or posted on the Municipality's website, demonstrating transparency and accountability to residents.

8. REVIEW

This policy shall be reviewed every three (3) years, or sooner if legislative changes require amendment.

Mayor

Clerk