

## CORPORATE POLICY & PROCEDURE

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**POLICY TITLE:** SALE AND DISPOSITION OF REAL PROPERTY  
**POLICY NO.:** CS-5.14-P

<b>Chapter:</b>	Corporate Services		
<b>Section:</b>	5. Property and Risk Management		
<b>Effective Date:</b>	January 29, 2021	<b>Last Review Date:</b>	January 29, 2021
<b>Approval Authority:</b>	Board of Directors		
<b>Issued to:</b>	All TRCA Employees		
<b>Policy Owner:</b>	Property and Risk Management		

### 1. PURPOSE

- 1.01. The purpose of this Policy is to provide a framework to guide the Sale and Disposition of Toronto and Region Conservation Authority (TRCA) Property to ensure that TRCA fulfills its obligations to all parties that may be impacted by the Sale and Disposition of TRCA Real Property.
- 1.02. This Policy is intended to ensure the Sale and Disposition of TRCA Real Property is undertaken in a consistent, transparent, and effective manner, with appropriate consultation and accountability and in alignment with TRCA's strategic direction, core values, and the regulatory and legislative environment in which it operates.
- 1.03. The disposition process is based on the following principles:
  - Fairness: Ensure an open, transparent, and impartial process.
  - Value Capture: Maximize the value for TRCA.
  - Risk Management: Limit TRCA's exposure to risk and liabilities.

### 2. SCOPE

- 2.01. This Policy applies to the Sale and Disposition of TRCA Real Property.
- 2.02. This Policy applies to all TRCA employees who participate in the process of receiving, reviewing, advising, and processing Real Property Sale and Disposition inquiries or transactions.

### 3. POLICY

- 3.01. Sale and Disposition of TRCA Real Property must fulfill the objects of TRCA in compliance with the *Conservation Authorities Act* and applicable provincial policies.
- 3.02. The Sale and Disposition of Real Property shall not negatively impact Provincially Significant Conservation Lands or Ecologically Significant Lands. Where Provincially

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Significant Conservation Lands and Ecologically Significant Lands may be impacted, mitigative measures shall be implemented to protect those features.

### **Staff Review**

- 3.03. Internal/external inquiries and proposals for the Sale and Disposition of TRCA Real Property will be provided to the Associate Director, Property and Risk Management.
- 3.04. Property and Risk Management staff shall undertake a detailed review to ensure that the proposed Sale and Disposition of TRCA Real Property meets legislative and provincial Policy requirements and the Real Property is not required for any TRCA operations, programs or projects.
- 3.05. The terms of the original acquisition shall be reviewed for compliance.

### **Leases**

- 3.06. Leases and any renewals thereof should generally be less than five (5) years. Leases that are greater than five (5) years are considered a Sale and Disposition of Real Property and may require Minister's approval. Leases exceeding twenty (20) years are subject to the *Planning Act*.

### **Reference Plan**

- 3.07. The Lands for Sale or Disposition must be accurately defined by a deposited reference plan, completed by a registered Ontario Land Surveyor and should be no more than five (5) years old.

### **Appraisal**

- 3.08. Once the scope of the Property is defined by a reference plan, an Appraisal shall be completed for Property with estimated value that exceeds \$50,000. No Appraisal is required for proposed nominal dispositions to municipal, provincial and federal government agencies for infrastructure and utility purposes.

### **Costs**

- 3.09. The party initiating the proposal will bear the costs of investigating the feasibility of a Real Property Sale and Disposition, including the reference plan and Appraisal, unless otherwise approved by the Associate Director, Property and Risk Management.

### **Partner Consultation**

- 3.10. If required, proposed Sales and Dispositions of Real Property shall be circulated to the partner municipal, provincial and federal government agencies, notifying them of TRCA's intent to declare the Property surplus and to identify partners' interest in acquiring the lands. Partners shall be given ample opportunity to consider their interest.

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### **Declaration of Surplus Property, In Fee**

- 3.11. Except for transfers to municipalities, utility companies, the province or provincial agencies, TRCA Real Property to be disposed of in fee shall first be Declared as Surplus by the TRCA Board, and approval shall be obtained to offer the Lands for Sale and Disposition.

### **Public Process**

- 3.12. The Public Notification process will begin once the Property has been Declared as Surplus.
- 3.13. Adjacent landowners, the public, and interest groups shall be given reasonable notification about all proposed property dispositions. For any Sale and Disposition of TRCA Real Property that will be offered to the public, the Property shall be advertised through an open Public Process with Public Notification.
- 3.14. Subject to applicable exemptions, Real Property shall be advertised on the Open Market for a minimum of two weeks prior to accepting any offers or submissions.

### **Exemptions from Public Process**

- 3.15. The following are exemptions to the Public Process for disposition and are not required to be advertised on the Open Market:
- (a) Dispositions to municipalities or any “broader public sector organization” as defined in the *Broader Public Sector Accountability Act, 2010, SO 2010, c 2*, as amended;
  - (b) Where the property is landlocked or not separately viable and is proposed to be sold or leased to adjacent property owners;
  - (c) Where land is being exchanged where TRCA is acquiring other lands in interest;
  - (d) Where the property is required to re-establish access to property severed by road alignment or closure;
  - (e) If lands are acquired by TRCA through expropriation or donation, lands being disposed to the original or subsequent owners; or
  - (f) If otherwise required through contractual or legislative requirements.

### **Purchase and Sale Process**

- 3.16. All offers must be accompanied by a deposit of no less than 5% of the purchase price, with a minimum deposit amount of \$10,000.
- 3.17. Except for transfers to municipalities, minimum disposition price for lands, including easements, is \$10,000.
- 3.18. Offers to purchase that are lower than a 10% difference of the Fair Market Value identified in an Appraisal shall not be accepted unless there is a justification.
- 3.19. Where open Public Process has resulted in competing offers, TRCA staff shall recommend the offer that represents a combination of the highest value and the best terms and conditions for TRCA.

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3.20. Any notice of the Sale and Disposition of Property shall contain notice that TRCA Board approval, and Ministerial approval if applicable, is required.

3.21. Agreements of Purchase and Sale shall include provisions that:

- (a) TRCA Board approval is required; and,
- (b) Ministerial approval is required, if applicable.

#### **Approval of Sale and Disposition of TRCA Real Property**

3.22. TRCA Board shall approve all Sale and Disposition of TRCA Real Property with a resolution identifying how the Sale and Disposition fulfills the objects of TRCA.

#### **Minister's Approval**

3.23. Property and Risk Management shall prepare and submit an application for Ministerial approval of the Sale and Disposition of Property, if applicable.

### **4. RESPONSIBILITY**

4.01. The **Board of Directors** is responsible for approving any proposed Sale and Disposition of Real Property.

4.02. The **Executive Committee** is responsible for reviewing and making recommendations to the Board of Directors on any proposed Sale and Disposition of Real Property.

4.03. **Property and Risk Management** is responsible for reviewing property disposition proposals and coordinating the process for the Sale and Disposition and TRCA Real Property.

4.04. All **Employees** are responsible for:

- (a) Promptly notifying the Associate Director, Property and Risk Management, of any proposals for the Sale and Disposition of TRCA Real Property; and
- (b) Providing timely review and response to proposed Sale and Disposition of TRCA Real Property proposals.

4.05. On motion from TRCA's Board of Directors, TRCA may accept, revise or rescind this Policy.

### **5. PROCEDURE**

5.01. Procedures are addressed in *CS-5.14-S Disposition of Real Property Standard Operating Procedure*.

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## **6. DEFINITIONS**

- 6.01. **“Appraisal”** means a written opinion of value providing information sufficient to satisfy the Chief Financial and Operating Officer, or designate, that the opinion is reasonable.
- 6.02. **“Declared as Surplus”** means that Property is deemed to be in excess, more than what is needed, or no longer necessary to TRCA operations, projects or programming.
- 6.03. **“Ecologically Significant Lands”** means valley lands, hazard lands, other wetlands, headwater recharge and discharge areas, forested areas and any other lands which support provincial interests identified within the provincial Policy statements (i.e. hazard/natural heritage).
- 6.04. **“Fair Market Value”** means the purchase price that a property might be expected to realize if offered for sale on the Open Market by a willing seller to a willing buyer.
- 6.05. **“Fixed Assets”** means any buildings, permanent structures or works which are fixed to the land. This includes administrative, education and interpretation buildings, recreational facilities, workshops, dams, dykes, constructed channels, weirs, berms and reservoirs.
- 6.06. **“Land”** means any estate, term, easement, right or interest in, to, over or affecting land.
- 6.07. **“Open Market”** means one or several of public tender, public auction, call for proposals, invitational tender or Multiple Listing Service.
- 6.08. **“Provincially Significant Conservation Lands”** mean Provincially Significant Wetlands, Provincially Significant Areas of Natural and Scientific Interest (ANSI's), habitat of endangered species, managed/agreement forest lands.
- 6.09. **“Public Notification”** means one of the following: advertisements, a posting on TRCA's website, and/or signage at the property. The process of declaring a property surplus and providing a report to the TRCA Board of Directors for approval is also considered Public Notification.
- 6.10. **“Public Process”** means the act of providing notice and reasonable opportunity for input and expression of interest by members of the general population.
- 6.11. **“Real Property”** means all Land (including all rights and interests thereto) and Fixed Assets.
- 6.12. **“Sale and Disposition”** means the selling, exchanging, granting of right and interests, (including easements), transfer or release of a limited interest, a disposition land in conjunction with the acquisition of other lands as part of a land exchange transaction, or otherwise disposing of Property. Includes all leases over 5 years in duration (and any renewals over 5 years in duration) where the ownership or interest in the property is altered.

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**7. ADMINISTRATION**

*Administered by the Clerk's Office*

Review Schedule:	5 Years	Next Review Date:	January 29, 2026
Supersedes:	Surplus TRCA Land Sales (1995-01-27)		
Related Legislation, Regulations and Guidelines:	Ontario's <a href="#">Conservation Authorities Act, R.S.O. 1990, c. C.27</a>		
	Ontario's <a href="#">Planning Act, R.S.O. 1990, c. P.13</a>		
Related Policies and Policy Tools:	CS-5.14-S Disposition of Real Property		
Revision History			
Version Number	Version Date	Description	
1	January 29, 2021	Policy went into effect.	