



CITY OF CORNER BROOK

Policy Statement

Index	Procurement and Disposal	Section	Property		
Title	Equitable Use & Management of City Land	Policy Number	07-08-08	Authority	Council
Approval Date	16 Mar 05	Effective Date	16 Mar 05	Revision Date	

Policy Statement:

The City of Corner Brook manages its interest in real property in a manner that is fair and equitable for all Citizens of the City.

Reference:

05-23.2 (16 March 2005)
CC05-62
CC05-41
CPS05-02

Detailed Action Required:

Maintenance

Real property shall be managed for the long term and in the best interest of the City of Corner Brook. Land Management shall maintain a database and keep an inventory of all the properties owned by the City. Land shall be sold or leased in accordance with Policy No: 07-08-05.

Returns

The following shall be followed in order to maximize returns and achieve the most productive and equitable use of City land:

1. Except where directed by Council, the disposition or lease of property shall be based on fair market value in order to maximize returns for the City. The Land Management Officer may estimate fair market value by completing an appraisal, having an appraisal completed by a local fee appraiser or by using the assessed value of the property. Assessed values must be verified by reviewing current market data.
2. Where the City is currently leasing or where it is proposed to lease land to a tenant and the tenant is using said land to compliment or to advantage a business operation, Land Management must insure that the value of the lease is based on fair market value.
3. The annual rate of return on the market value of a lease referred to in clause 2 shall not be less than 8%.
4. A reserve price must be set for any property offered for sale through either a public tender or a public auction (as with tax sales). The set price shall be based on fair market value, except when directed by Council to set the sale price at more or less than the estimate of fair market value. If the property being offered for sale is non-viable or only has value in contribution to an adjacent property, 1 above applies.

5. Offers for less than the reserve price may be accepted up to a maximum difference of 20% on properties valued at less than \$10,000; 15% on properties valued between \$10,000 and \$30,000; 10% on properties valued between \$30,000 and \$50,000; 5% on properties valued at more than \$50,000, but not more than \$10,000 on properties valued over \$200,000. Any offer above these amounts, will be subject to approval by Council.

IN WITNESS WHEREOF, this policy is sealed with the Common Seal of the City of Corner Brook.



MAYOR



CITY CLERK