

Wheatland County

Request for Decision

Regular Council Meeting

July 7, 2020

Report prepared by: Robin Glasier



Muirfield Sale of Lots Process

Recommendation from Administration

That Wheatland County Council approve retaining the Realtor, and the proposed process for the sale of lands at the Lakes of Muirfield being acquired as presented.

Chief Administrative Officer's Comments

N/A

Report

Division: Division 5

Wheatland County is acquiring land interests at the Lakes of Muirfield from the Developer/owner, including some residential building lots. Once legal title has transferred to the County the intent is to sell those lots for residential development. Staff proposes the following process for the disposition of these lots:

- ***Inspection and Evaluation of the lots:*** Review the comments and recommendations from Brownlee (please refer to the attachment *legal comments re Muirfield Deficiencies* for details) in regards to completing a physical inspection and review of Phase 2 infrastructure, and individual lot/unit and servicing 'defects'. Upon results of the evaluation administration will determine how to manage deficiencies pre-marketing. This may include the County repairing deficiencies before marketing or including deficiencies as part of a disclosure. Brownlee recommends developing a clear plan on overall development servicing expectations, such as a lagoon, the cost recovery, before marketing and entering sale agreements.
- ***Exclusive Realtor Listing Agreement:*** The current realtors have provided a proposal to continue to be the exclusive listing agents for the lots. (Please refer to the attachment *Lakes of Muirfield Proposal-2020* for details). They reside at the development and have been successfully managing the sale of the lots for over 5 years. They are intimately familiar with the project, the development, the rules, the necessary documents, the homeowner's association, the builders, in effect well positioned to continue to sell the lots with intelligent and informed discussions with potential buyers.
- ***Pre-approve selling prices:*** Once results of the inspection and evaluation noted above has been completed for each of the lots to be sold, and either repairs or notes of details that impact the values are compiled, a summary will be provided to the realtor. The realtor will provide a valuation and suggested price list for each of the lots, with backup to substantiate the values. Attached is the previous list for reference. (Please refer to the attachment *Lakes of Muirfield Listings 2016* for details). The updated list will be reviewed and approved by staff ensuring the prices meet the requirements of the MGA (Market value).
- ***Transfer of lands:*** Transfer of lands is registered at Land Titles to have the lots standing in the name of Wheatland County.

- **Marketing of Lots:** The Realtor shall then market and find buyers for the lots at the prices as noted above. Administration will also list the available lots on the County's vacant lot inventory on our business economic development website – infinitewc.ca. The Real Estate Sale agreements, which shall contain an Addendum to include, among other things, disclosure of known Unit-specific deficiencies, and explanation of the roles of the Condo Corps and LMHOA, and explanation of the servicing of the Development, (please refer to the attachment *legal Example of realtor's inclusions disclosures* for details) would be submitted to the County for signing by CAO and Reeve under seal, as is the process for all land sales at the County, and required by LTO. Purchaser's lawyers would prepare and provide Transfer documents for signing and be responsible for conveyancing.

A legal office will be retained by the County to work with the Buyer's Lawyer. Administration recommends enlisting a local office for these transactions for ease of access (original documents are required) and to support the local economy. Most of the local offices are very proficient with residential real estate transactions, and we may be able to negotiate a per transaction rate.

The Land Agent will be the Point of Contact for all sales and related documents flowing into and out of the County for these transactions.

Relevant Policies, Practices, and Legislation

Wheatland County policy 9.5.3 states that County land is sold at the discretion of Council. MGA Section 70(1): the sale of a property at less than market value requires the proposal to be advertised.

Alignment with the Strategic Plan

N/A

Response Options

Option 1: THAT the proposed recommendation is accepted/approved.

Option 2: THAT the proposed recommendation is not accepted/approved.

Option 3: THAT an alternate recommendation is accepted/approved.

Implications of Recommendation

General

If approved, once final title of the lots transferring to the County has been registered at Land Titles, Administration will finalize and sign an Agreement with the Realtor for the sale of the lots to take place after the due diligence recommended by the legal advisors is complete.

Organizational

N/A

Financial

Budget for any necessary repairs discovered during inspection will be discussed on a case by case basis following all policies and procedures related to acquiring funds.

Realtors fees will be incurred upon the successful sale of the lot as set out in an agreement as referenced in the report.

Environmental, Staff, and Public Safety

N/A

Follow-up Action / Communications

N/A

Report Approval Details

Document Title:	Muirfield Land Sales Process.docx
Attachments:	<ul style="list-style-type: none">- Lakes of Muirfield Listings 2016.pdf- Lakes of Muirfield Proposal-2020.pdf- legal Example of realtor's inclusions disclosures.pdf- legal comments re Muirfield Deficiencies.pdf
Final Approval Date:	Jun 28, 2020

This report and all of its attachments were approved and signed as outlined below:



Bryce Mackan



Michael Ziehr



Task assigned to Brian Henderson was completed by delegate Matthew Boscariol

Brian Henderson