



City of Dawson

Sale of Municipal Lands Policy

2025-01

POLICY STATEMENT

The City of Dawson wishes to ensure that all land within the municipal boundary is utilized to its full potential wherever possible. The City requires a policy to establish a process for the disposition of City-owned lands, where such disposition is deemed necessary or advisable by Council. These lands may be used for residential, commercial, industrial, or institutional purposes and must be developed in accordance with the Official Community Plan and zoning designations and regulations. This policy should be read in conjunction with the City's applicable bylaws, policies, protocols, and procedures.

1.0 PURPOSE

It is the purpose of this policy to:

1. Establish a framework for the process of disposition of municipal land.
2. Replace the Sale of Municipal Lands Policy #2018-03, which shall be repealed.

1.00 DEFINITIONS

1.1. The following terms are used within this policy and are defined as follows:

- a. "Adjacent property" means a property that shares a property line with the subject property. Properties that would share a property line but are bisected by an alley are considered adjacent for the purposes of this definition.
- b. "Affordable rental housing" means Rental Housing that is provided at or below the median market housing rents for comparable housing as presented by the Yukon Bureau of Statistics in the Yukon Rent Survey.
- c. "Appraisal" means an official valuation of property by an authorized person.
- d. "City" means the City of Dawson.
- e. "Council" means the Council of the City of Dawson
- f. "Eligible non-profit organization" means a not-for-profit society incorporated or continued under the Yukon *Societies Act* for a minimum of two continuous years in good standing.
- g. "Full lot" means a lot that meets the minimum lot size requirement for the zone it falls within as per the *Zoning Bylaw* designation currently in effect at the time of disposition.
- h. "Fully serviced" means a property that is connected to the City of Dawson's community water and sewer infrastructure systems.
- i. "Partial lot" means a lot that does not meet the minimum lot size requirement for the zone it falls within as per the *Zoning Bylaw* designation currently in effect at the time of disposition.

- j. “Permanently closed road” means a surveyed road right-of-way in the control of the City of Dawson that has been permanently closed by bylaw.
- k. “Rental Housing” means any formation of multi-unit residential housing, as defined by the *Zoning Bylaw*, that is retained by a single owner, with units that are available to rent on a monthly or semi-monthly basis. Rental units must be retained as one legal entity and cannot be subdivided through a condominium process, even if all units are retained by one owner.
- l. “Surplus lot” means an existing full or partial lot that has been deemed as excess to the municipality’s needs and is not earmarked or under consideration by any department for any future City of Dawson project or facility. A lot must be deemed a surplus lot through consultation with all City departments prior to disposition to ensure that there is no reasonable municipal interest in the land.
- m. “Upset price” means the minimum price the City will accept for a parcel of land.
- n. “Vacant property” means a property that does not contain a primary dwelling or structure aligned with the intended use of the property as set out in the City of Dawson *Zoning Bylaw*.

2.00 GENERAL

- a. This policy shall only apply to the disposition of City owned land after the adoption of this policy. All land disposition which was in progress at the time of this policy coming into force are subject to the policies and guidelines in place at the time that the land disposition process was commenced.
- b. On an annual basis, the City of Dawson Planning and Development Department shall identify city-owned properties that are suitable for disposition and prepare a report for Council that includes suggestions for the disposition process.
- c. Land disposition shall only occur by way of the adoption of a bylaw by Council authorizing the disposition.
- d. The Development Incentive Reserve, or any other reserve that Council deems appropriate, must receive a minimum of fifty percent (50%) of the revenue generated by the land disposition for each disposition.
- e. The purchaser will enter into a sale agreement with the City of Dawson once a lot is awarded through any of the procedures outlined in the section outlining “Options for Disposition of Municipal Lands”. At minimum, the following must be included in a sale agreement:
 - 2.1.e.1. The name and full contact information of the purchaser;
 - 2.1.e.2. The legal description and civic address of the property under consideration;
 - 2.1.e.3. The sale price as determined by this Policy;
 - 2.1.e.4. The building requirement of the lot, if any; and
 - 2.1.e.5. Action to be taken in the event that any conditions are not met.
- f. All developments through an agreement for sale under this Policy are required to comply with all other municipal bylaws, including but not limited to the requirement to obtain a valid development

permit.

- g. Prior to expiry of the agreement for sale, an extension to the agreement for sale may be granted only in extenuating circumstances for a maximum period of one year, and at the sole discretion of Council upon receiving a written request from the purchaser.
- h. Agreements for sale are solely intended for the named purchaser and may not be transferred or assigned unless agreed to in writing by the City.
- i. Title to the property shall remain in the possession of the City of Dawson until such time as all conditions, including any building requirement, are met.
- j. The sale of municipal property shall be without warranty as to its completeness or condition, its accessibility or its suitability for intended use of the purchaser.
- k. Any land sold, shall be sold on an “as is where is” basis.

3.00 OPTIONS FOR DISPOSITION OF MUNICIPAL LANDS

Council will choose, in its sole discretion, one of the following options for disposition of land based on the type, size, zoning, and servicing of the lot.

3.1. Lottery Process

- a. The lottery process may be used for lots zoned R1 and R3, or where otherwise deemed necessary or advisable by Council.
- b. Only one application per person will be accepted and must be accompanied by an application fee and an administration fee as outlined in the *Fees and Charges Bylaw*.
- c. Applicants must be at least 19 years of age and must have been a City resident for at least six months prior to the lottery date. Proof of residency must be demonstrated by the applicant to the satisfaction of the City.
- d. Applicants are not eligible to enter a lottery if they have entered into a land sale agreement with the City where all conditions have not been fulfilled.
- e. Applicants are not eligible to enter a lottery if they have any legal interest in an existing Vacant property within the City of Dawson.
- f. In each lottery, a person is entitled to be awarded a legal interest in only one lot.
- g. Successful lottery applicants will also be required to provide a deposit amount as specified in the lottery package/sale agreement to secure the purchase of the lot being offered. For unsuccessful applicants, the administration fee will be refunded. Successful applicants who are offered a lot and decline to purchase the offered lot will not get the administration fee back. For successful applicants who accept the lot being offered, the administration fee will be applied as a deposit towards the purchase price of the property being purchased.
- h. Successful lottery applicants will not be eligible (whether on their own behalf or through any other legal entity in which they hold an interest) to enter into another City land lottery for two years after the date of their successful lottery application.

- i. The City will establish the sale price for each lot in advance of the lottery in its sole discretion.

3.2. Bid Process

- a. The bid process may be used for lots that are not fully serviced or where otherwise deemed necessary or advisable by Council.
- b. A Request for Bids will be issued by the City and lots will be sold to the highest bidder.
- c. The City will establish the Upset price for each lot in its sole discretion.
- d. Bidders can submit bids on more than one lot.
- e. Once the highest bidder has been identified, the City and the successful bidder will then enter into a sale agreement.
- f. In the event of a tie, the first bid received by the City, as determined by the City in its sole discretion, will be deemed successful.

3.3. Proposal Process

- a. The Proposal Process may be used for lots where the Bid Process or the Lottery Process are not applicable or where otherwise deemed necessary or advisable by Council.
- b. A Request for Proposals will be issued by the City outlining the City's specific development goals, evaluation criteria and Upset prices for all lots up for sale. Proposals may be submitted for more than one lot.
- c. Proposals submitted to the City for the purchase of municipal land shall include, at minimum, the following information:
 - 3.3.c.1. detailed description of the development proposed;
 - 3.3.c.2. detailed plan showing specific location of any buildings, structures or developments within the site;
 - 3.3.c.3. schedule for the construction of all components of the proposed development;
 - 3.3.c.4. detailed description of the building design and other components such as exterior building materials, façade, signage, landscape and other aesthetics impacting on the area where the development will occur; and
 - 3.3.c.5. any other criteria required by the City in its sole discretion.
- d. The proposals will be reviewed and the lot awarded to the proposal that best satisfies the established development criteria, in the City's sole discretion. To be clear, the City has complete discretion to reject a proposal even where that proposal has the highest purchase price for the lot of the proposals received. The City and the selected purchaser will then enter into a sale agreement in accordance with this policy.

3.4. Unsold Lots from Lottery and Bid Processes

- a. Lots that remain unsold following a lottery or bid process may be sold over the counter in the Planning and Development Department after notification is circulated, in the method approved by Council in their sole discretion, at least once a week for two successive weeks, or for any

extended duration as deemed necessary or advisable by Council. Lots will be sold on a first come first serve basis.

3.4.a.1. Methods of notice circulation may include one or more of the following: the City of Dawson website, local newspapers or other publications, and the City and Post Office Bulletin Boards.

- b. The closing date and time for the sale of unsold lots will be in the sole discretion of the City.
- c. Any lots remaining will be available over the counter until sold or withdrawn by the City in the City's sole discretion.

3.5. Partial Lots

- a. In order to commence the disposition process for a Partial Lot, the Planning and Development Department must receive a formal request from an adjacent property owner.
- b. The City is under no obligation to accept a request to purchase a Partial Lot and may reject such a request for any reason in its sole discretion.
- c. A Partial Lot being considered for disposition must first be deemed a Surplus Lot in accordance with this Policy.
- d. A Partial Lot deemed a Surplus Lot may only be sold to the current legal and registered owner of an Adjacent property.
- e. The Partial Lot shall be consolidated with the Adjacent lot in accordance with the procedures outlined in the *Municipal Act*, and the City's bylaws, including the *Zoning Bylaw* and the *Subdivision Bylaw*, as amended or replaced.
- f. All associated costs with the sale of a Partial Lot, including, without limitation, legal survey, consolidation, and fees indicated in the *Fees and Charges Bylaw* shall be borne by the purchaser.

3.6. Permanently Closed Road

- a. A Permanently closed road may be made available for purchase only to the legal and registered owner of an Adjacent lot to the Permanently closed road.
- b. The Permanently closed road shall be consolidated with the Adjacent lot in accordance with the policies and procedures outlined in the *Municipal Act*, and the City's bylaws and policies, including the *Zoning Bylaw*, the *Subdivision Bylaw*, and the *Road Closure Policy*, as amended or replaced.
- c. All associated costs with the sale of a Permanently closed road including, without limitation, legal survey, consolidation, and fees indicated in the *Fees and Charges Bylaw* shall be borne by the purchaser.

4.00 SALE TO AN ELIGIBLE NON-PROFIT ORGANIZATION

- a. Council may decide, in its sole discretion, to sell City-owned lots to an Eligible non-profit organization at a price below market value, including for a nominal value, for the construction of Affordable rental housing.

- b. Council may, in its sole discretion, elect to start a proposal process for the disposition of lands to an Eligible non-profit organization or, without initiating a proposal process, negotiate with a particular Eligible non-profit organization that, in Council's opinion, has the capacity to carry out the desired development of Affordable rental housing.
- c. Council may decide, in its sole discretion, to exclude Eligible non-profit organizations from receiving monetary incentives from the City for developments taking place on lands sold to them at a price below market value.

5.00 LAND VALUATION

- a. Prices for the full and partial lots will be based on market value as determined by an Appraisal. The process and selection of an authorized person to carry out the Appraisal will be entirely within the discretion of the City.
- b. For lots sold by lottery process under the policy, prices for each lot will be listed in the lottery information package.
- c. For lots sold using a bid or proposal process under this policy an Upset price will be established in accordance with this policy.
- d. A Permanently closed road shall be sold at a value per square foot that is equivalent to the average assessed value per square foot of each Adjacent property, based on the current Assessment Roll in effect, to a minimum of \$1.00 per square foot.
- e. Council may decide, in its sole discretion, to use prices below market value for the purposes of facilitating Affordable rental housing development or to expedite the sale of any land where there is a reasonable basis for such an expedited sale.
- f. Any advertising, appraisal, survey, legal, or other directly related costs incurred by the City in preparing for, and disposing of any of its properties for sale, shall be borne by the purchaser.

POLICY TITLE	Sale of Municipal Lands Policy
POLICY NO.	2025-01
EFFECTIVE DATE	February 18, 2025
ADOPTED BY COUNCIL ON	February 18, 2025
RESOLUTION NO.	C25-04-09

ORIGINAL SIGNED BY:

Stephen Johnson, Mayor

David Henderson, CAO