

<p style="text-align: center;">City of Prince Albert Statement of POLICY and PROCEDURE</p>			
Department:	Economic Development and Planning	Policy No.	52
Section:	Land	Issued:	Nov. 14, 2011
Subject:	FIRST RIGHT OF REFUSAL ON PURCHASE OF LAND POLICY	Policy Effective:	Nov. 14, 2011
Council Resolution # and Date:	Council Resolution No. 0842 of November 14, 2011	Page:	1 of 2
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Issued by:	Elaine McCloy, Property Coordinator II	Dated:	
Approved by:	Joan Corneil, Director of Economic Development and Planning	Procedure Amendment:	

1. POLICY

- 1.01 To set standards for First Right of Refusal requests on City owned commercial, industrial and multi-family parcels of land for sale. Single family residential sites are excluded under this policy.

2. PURPOSE

- 2.01 The First Right of Refusal Policy is to establish clear guidelines on timeframes and fees required of potential Purchasers requesting this right.

3. SCOPE

- 3.01 The Policy applies to all requests for First Right of Refusal on City owned industrial, commercial and multi-family land.

4. RESPONSIBILITY

- 4.01 Economic Development and Planning Department, Land Division, will be responsible for the administration of this Policy.

5. DEFINITIONS

- 5.01 First Right of Refusal is a contractual right that gives its holder the first option to purchase City land before considering any other offers.
- 5.02 An Offer is a bona fide offer from any 3rd party to purchase City land being held under a First Right of Refusal.
- 5.03 First Right of Refusal agreements would give the interest holder first right to purchase the land for a limited period upon the deposit of the required fee and by entering into a First Right of Refusal Agreement with the City. The fee would be applied to the purchase of the land if a sale proceeds or retained by
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the City if no sale occurs.

- 5.04 First Right of Refusal agreements would include a non-refundable fee of \$5,000 and a timeframe of no longer than six (6) months in duration, unless otherwise determined by resolution of City Council.

6. REFERENCES & RELATED STATEMENTS OF POLICY & PROCEDURE

7. PROCEDURE

- 7.01 Upon formal written request along with the required deposit, a potential Purchaser may have his request forwarded to City Council for approval.
- 7.02 Following approval of City Council, the Purchaser would enter into a First Right of Refusal Agreement which would cover the timeframe and non-refundable fee for the Right. The fee will be applied to the purchase of the land if a purchase proceeds or would be retained by the City if no purchase is concluded.
- 7.03 If during the time period of the Agreement, an offer to purchase is received by a 3rd party, the holder of the First Right of Refusal will be given notice that they must, within fourteen (14) business days of the notice, to provide written notice that they will match the offer of the 3rd party, including the purchase price and the value of the development on the land. A sale to the holder will immediately commence with deposit and Sale and Development Agreement.
- 7.04 Should the holder of the First Right of Refusal not be able to match the 3rd party offer or have no further interest in purchasing the land or makes no contact, then the City would be free to enter into negotiations with the 3rd party and the holder will have no further right to the land.
- 7.05 Any ensuring sale would be in compliance with the City's policy on Land Sales which includes a building commitment within a period of time.
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