

	<b>Planning &amp; Design</b>  <b>POLICY</b>	<b>Policy Number</b>  2022-06
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## Valuation of Land for Road ROW's & MR parcels: Policy

### Summary

Title of Document:	Valuation of Land for Road ROW's & MR Parcels : Policy
Title of Designated Responsible Manager:	Planning Manager, Planning & Design
Original Date Approved:	Sep 20, 2022
Approved By:	General Manager, Planning & Design
Last Revision:	Sep 8, 2022
Next Review Date:	Not defined

### Purpose:

This policy sets out how the Planning & Design Department will determine the value of raw land for road right-of-way's or Municipal Reserve (MR) parcels.

### Background:

Determining the fair value of raw land is an important process that protects the interests of both the City and Land Developers. Raw land is defined as land that has not been subdivided or developed but has all the necessary planning in place including zoning.. This policy is drafted in response to discrepancies in the way land value has been calculated for road right-of-way's (ROW's) and for Municipal Reserve (MR) land. The policy outlines how land value is calculated when land is transferred between the City and private land owners. Typically, there are 3 scenarios where land value is required: When the City acquires land from developers for Arterial ROW, when developers owe the City for the value of land required for MR Dedication under the MGA, and when unused road ROW is sold by the City to a private entity. This policy largely follows the requirements set out in the MGA. The policy can be seen in the following section.

### Policy:

**The value of any land as part of a transaction (credit or sale price) between the City and a private entity, is determined as follows:**

- 1. When the City is acquiring land for road ROW's, or selling unused road ROW land from a private entity:**
  - A. The standard value of land will be equivalent to the assessed value, as determined by the City of Lethbridge Tax & Assessment Department.**
    - a. Current assessed value of raw land is \$55,000/acre**

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- B. **Should the other party disagree with the assessed value, the landowner must provide a market value appraisal of the existing parcel (in accordance with MGA Section 667). In considering the market value appraisal provided by the landowner, the Subdivision Authority may:**
    - a. **Accept the market value appraisal provided by the landowner; OR**
    - b. **Determine that the landowners proposed value is not acceptable. Should this be the case, the value will be negotiated by both parties and attempt to value the land as close as possible to the appraisal conducted by the City's Tax & Assessment Department.**
  - C. **The final valuation accepted by the Subdivision Authority will not include an escalation clause.**
  - D. **The final value must not be more that  $\pm 10\%$  of the value provided by the City's Tax & Assessment Department.**
2. **When the City's Subdivision Authority requires reserve land, and determines that money in place of land will be required (in accordance with MGA Division 8):**
- A. **The amount of money in place of reserve land, is equal to the value of the land as determined in Section 1.**

### Supporting Documents

- Land Use Bylaw 6300
- Municipal Government Act: Subdivision and Development Regulation
- Municipal Government Act (MGA)

### Responsibility for Policy Implementation

Planning Manager, Planning & Design

### Policy Status:

**Current Status:** in effect

**Date Effective:** Sep 20, 2022

**Approval Details:** approved by General Manager, Planning & Design

**Endorsement Details**

**Next Review Date:** n/a

**Procedure Author :** Planner 1

**Authored date:** Sep 20, 2022

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