



EAST HANTS

BUSINESS PARKS-PRICING POLICY

Council Administrative



PURPOSE

The purpose of this Policy is to define how the Municipality of East Hants (East Hants) sets the sale price of Lots in municipally owned Business Parks. East Hants sells Lots in the Business Parks primarily for the construction of business facilities and to foster job creation and accelerate economic development in the Municipality.

SCOPE

Lots owned by East Hants and contained within the Business Parks fall within the scope of this policy. East Hants employees and contracted professionals involved in the sale of Business Park lots fall within the scope of this policy.

DEFINITIONS

Term	Definition
Business Park(s)	Land owned by East Hants and zoned Business Park in the East Hants Official Community Plan.
Lot(s)	Section of land, as described in a Plan of Survey and assigned for sale by East Hants.
Lot Price(s)	The cost of a Lot that will be charged to a Purchaser, under a contract of sale. This does not include Harmonized Sales Tax or Deed Transfer Tax.
Purchaser	Person or entity that is the recipient of land, provided by East Hants under a contract of sale.
Plan of Survey	Legal description of land or survey plan that has been registered with the Nova Scotia Land Registry Office
Date of Closing	The calendar date on which the land transaction is completed
Commercial Development	Any erection, construction, alteration, demolition, replacement, relocation, or addition to any structure, and any change or alteration in the use of land or structures.



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POLICY

POLICY STATEMENT

LOT PRICING

1. As required by the *Municipal Government Act*, East Hants sets Lot Prices in municipally owned Business Parks based on market value. In addition to market value, Lot Prices are established as much as possible, to recover the direct costs of lot preparation, servicing, and street construction, and reflect location, site condition and land deficiencies or constraints. This is indicated in the price per square meter.
2. The Lot Price is based on the price per square meter. The area of the Lot, as determined by the Plan of Survey, multiplied by the Lot Price per square meter determines the selling price. All prices are rounded to the nearest dollar.
3. Lot Prices are subject to approval by the Council of the Municipality of East Hants and are maintained in the Lot Pricing and Availability documents.
4. The Chief Administrative Officer of East Hants, in consideration of the best interests of East Hants, may determine a Lot Price for the sale of Business Park Lots when a subdivision process is required prior to the purchase, or the Lot is more than 12,140.6 square meters (3 acres) in size.

REAL ESTATE BROKERAGE COMMISSION

5. For the Purchaser who chooses to use the services of real estate broker at “arm’s length” to the Purchaser, East Hants will pay a real estate brokerage commission on the sale of Business Park Lots, provided the real estate broker does not also represent East Hants in the transaction.
6. If for any reason the transaction does not close, East Hants is not responsible for the payment of the real estate brokerage commission.
7. The real estate brokerage commission is set by the Council of the Municipality of East Hants and may be changed by a motion of Council.



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AGREEMENT OF PURCHASE AND SALE

8. The Chief Administrative Officer of East Hants may negotiate terms and conditions for the sale of Business Park Lots that vary from those listed herein, in consideration of the best interests of East Hants, including but not limited to what constitutes the value of investment required by the Purchaser, and any timeframes identified for the completion of the Commercial Development. Factors for consideration include employment creation, long term growth potential, compatible nature of the business, and related matters. The terms and conditions for the sale of Business Park Lots will be set out in the Agreement of Purchase and Sale and will include:
 - a. The total assessed real property value of the Lot once the Commercial Development is complete, including, but not limited to, land and buildings, will be at least \$86 per square meter of purchased land in Elmsdale Business Park and \$45 per square meter of purchased land in the Uniacke Business Park.
 - b. If the Commercial Development is not started within 12 months and or completed within 24 months from the Date of Closing, the Municipality may buy-back the Lot from the Purchaser.
 - c. If East Hants buys back the Lot from the Purchaser, the price paid for the lot will be equivalent to the purchase price less administration costs and any costs to return the lot to its original pre-purchased condition;
 - d. If the Commercial Development is not started within 12 months and or completed within 24 months from the Date of Closing, the Municipality may permit the Purchaser to retain the Lot upon paying a fee to the Municipality equal to the total annual commercial real property taxes levied on a commercial property valued at \$86 per square meter in the Elmsdale Business Park and \$45 per square meter in the Uniacke Business Park, less any annual property tax levied on the lot.

Ten Percent (10%) Deposit

9. The minimum required deposit by the Purchaser, for a land transaction in the municipally owned Business Parks is set at 10% of the Lot Price.



10. The deposit will be returned to the Purchaser, without interest, in the event that East Hants fails to fulfil the terms of the Agreement of Purchase and Sale.

11. The deposit will be forfeited if the Purchaser fails to complete the sale in accordance with the terms of the Agreement of Purchase and Sale in addition to any other rights, costs or damages that East Hants may otherwise be entitled to.

ROLES AND RESPONSIBILITIES

Title/Role	Responsibilities
Policy Editor	<p>The Policy Editor is a person having managerial and policy-making responsibility related to the writing, compilation and revision of content and will:</p> <ul style="list-style-type: none">• Ensure policies in their care and control are always up-to-date, reviewed annually or sooner if necessary• Draft new or edit existing policy content• Be able to interpret and explain policy content• Ensure policy documents are branded and any supporting documents, ie. applications forms are also branded and content consistent with the policy• Ensure policy content is relevant and accurate• Seek and secure approval recommendation of the policy from the Policy Owner• Seek and secure approval of the policy from the appropriate Approver; and,• Provide the final approved policy document to the Assistant Municipal Clerk
Policy Owner	<p>The Policy Owner will:</p> <ul style="list-style-type: none">• Provide oversight to ensure policies in their care and control are always up-to-date, reviewed annually or sooner if necessary by the assigned Policy Editor• Be able to interpret and explain policy content• Provide oversight to ensure policy documents are branded and any supporting documents, ie. application forms are also branded and content consistent with the policy• Provide oversight to ensure policy content is relevant and accurate• Review the policy and make recommendation for approval to the appropriate Approver; and,• Ensure that the final approved policy document has been provided to the Assistant Municipal Clerk
Approver	<p>The Approver will:</p> <ul style="list-style-type: none">• Review Policy recommendations for approval consideration (approve, reject or edit); and,• Notify the Policy Editor, Policy Owner and Assistant Municipal Clerk of decision
Assistant Municipal Clerk	<p>The Assistant Municipal Clerk will:</p> <ul style="list-style-type: none">• Facilitate an annual Policy Review; and,• Ensure final approved policies are maintained, stored and posted where appropriate



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RELATED DOCUMENTATION

Document Name	Document ID	Document Type
Elmsdale Business Park Lot Pricing and Availability		Document
Uniacke Business Park Lot Pricing and Availability		Document
Municipal Government Act		Legislation
Agreement of Purchase and Sale - Business Park		Document

VERSION LOG

Version Number	Amendment Description	Amendment/Policy Editor	Amendment/Policy Owner	Approver	Approval Date
1.0	Policy created (Replaces the Business Parks Land Pricing and Sales Conditions Policy and the Real Estate Brokerage Commission Policy)	Manager, Economic and Business Development	Deputy CAO	Council	October 23, 2019

CERTIFICATION

I, Kim Ramsay, Municipal Clerk for the Municipality of East Hants, hereby certify that this policy was duly approved.

Kim Ramsay
Municipal Clerk