

POLICY MANUAL



TITLE: Residential Building Lot-Land Sale Policy
DATE: December 29, 2014
AUTHORITY: Council
DEPARTMENT: Development

A. Purchase and Development by Individuals:

1. All lots shall be sold on a *first come, first serve* basis
2. The purchaser must provide a deposit representing \$10 000.00 at the time of entering into the Land Sale Agreement. If the purchaser decides to not move ahead with the development, they will be eligible to receive 100% of their deposit back until 30 days after the Land Price is solidified. If the purchaser decides to not move forward with their development after the construction of ground work (i.e roads, street lights ect) is complete, the purchaser will be eligible to receive 50% of their deposit back. If the purchaser decides to not move forward with development once the subdivision has been completed, individuals with deposits placed during construction will be eligible to receive 20% of the deposit back, all other individuals placing deposits after the completion of the subdivision will lose their deposit if the conditions of the land sale agreements are not met.
3. Each purchaser must enter into a standard Town of Fox Creek Land Sale Agreement, which shall include a Development Agreement. The Development Agreement commits the purchaser to complete a development in compliance with regulations as set out in Land Use Bylaw No.506-96. The development on the lot must commence within three (3) months of entering into the Land Sale Agreement except that where the Sale Agreement is dated between October 15th and February 15th in the year succeeding, the said three (3) months shall not commence until February 15th and will complete the said building as soon as reasonably possible thereafter but in any event no later than twelve (12) months after the date of entering into the Land Sale Agreement. The Land Sale Agreement or Development Agreement may be registered as a caveat against each lot sold to assure development.

B. Purchase and Development by Licensed Building Contractors/Developers:

1. All Building Contractors/Developers with a valid Business License of the Town of Fox Creek are entitled to purchase any available lots on a *first come, first served* basis.
2. Contractors/Developers purchasing one lot only are subject to the same terms and conditions as set out for individual purchasers, whether purchasing the lot for a client or for re-sale.
3. Contractor/Developers purchasing more than one lot, within the same calendar year, will be provided a Contractor Discount on the following schedule:
 - a. First Lot purchased 100% of lot price (no discount)
 - b. Second Lot 96% of lot price (4% discount)
 - c. Third Lot 93% of lot price (7% discount)
 - d. Fourth Lot, or more 91% of lot price (9% discount)
4. Where Contractor/Developer has purchased and developed five (5) or more lots from the Town during the previous calendar year, the Contractor Discount shall be calculated as follows:
 - a. First Lot purchased 96% of lot price (4% discount)
 - b. Second Lot, or more 91% of lot price (9% discount)
5. Where the lot sale applies to a property being developed by a Contractor/Developer for an unspecified buyer ('on spec') and the Contractor/Developer requests the Town to delay the full payment, the following Terms and Conditions shall apply:
 - a. The Contractor/Developer must pay a minimum down payment of the greater of ten percent (10%) or ten thousand dollars (\$10,000.00) of the designated lot price at the date of entering into the agreement, with the balance being paid IN FULL no later than six (6) months after the purchase date, or before December 31st of that year, whichever is sooner.
 - b. The Contractor/Developer shall ensure that the Town shall be protected for all monies owing by allowing the Town to file an Unpaid Vendor's Lien Caveat against the lot(s) being purchased.
 - c. The Contractor/Developer agrees to not permit any builders liens for work, labor, services or materials ordered by the purchaser or for the cost of which the purchaser may, in any way, be obligated to, and, in the event a lien or obligation is attached to the land, the purchaser must act within seven (7) calendar days to procure the discharge of such lien or obligation or the Town will exercise closure of our Agreement.

- d. The Contractor/Developer is obligated to commence construction on all of the lot(s) purchased within ninety (90) days of the date of entering into the Land Sale Agreement, with all construction being completed within twelve (12) months from the date of the execution of the Sale Agreement.
- e. All other terms or conditions as outlined in Section “A” of this policy are applicable to a contractor purchasing multiple lots.

C. Lot Price and Proceeds of Sale Policy

1. Lot prices are reviewed from time to time by Council as market conditions change. Pricing variances may occur due to different land use zoning.
2. Lot prices include: water, sewer, gas and power to property line, and all frontage charges for street, sidewalk, and street lights. Lot price does not include Goods and Services Tax.
3. Once the development is complete, Lot prices will attached as a Schedule “A” to this policy which may be amended from time to time.

D. Consolidation of Two Lots into One Lot:

Where a Developer or Individual wishes to purchase an adjacent undeveloped lot from the Town with the intention of adjoining to another lot and creating one larger residential lot, the following conditions must be met:

1. Council must believe that the consolidation of two (2) adjacent lots into a single parcel will not negatively impact the character of the neighbourhood and, therefore, directly approve any residential land sale for the purpose of consolidation.
2. Only **ONE** (1) service for water and sewer is to be provided to the newly consolidated parcel. The Developer or Individual will prove to the satisfaction of the Public Works Department that any additional service(s) have been disconnected and are no longer functional. If, within 120 days of the completion of the approved consolidation, the Developer or Individual has failed to provide such proof, the Public Works Department shall provide for such disconnection and disabling at full cost of the Developer or Individual.
3. Unless otherwise determined by Council, and except as noted in D.4 below, the Developer or Individual shall pay all costs associated with subdividing and consolidating the two or more parcels into a .single legal titled parcel.
4. Unless otherwise determined by Council, wherein it is proposed to subdivide a single undeveloped lot into two parcels and have these two partial parcels to be consolidated into the lots adjacent, thus creating into two larger lots from the original three lots, the adjacent lot owners who shall benefit from the increased

lot size shall pay all costs associated with subdividing and consolidating the multiple parcels into two legal titled lots.

5. Unless otherwise determined in this policy, Developers or Individuals shall be permitted to make a lot purchase and consolidation proposal directly to Council, and Council's decision shall be final.

E. General:

This Policy shall be in effect for all Residential Land offered for sale by the Town of Fox Creek.

The Terms and Conditions of this Policy shall replace and supersede and similar policies previously authorized by Council.

Approved by Resolution # _____ on this the _____ day of January, 2015

Jim Ahn
Mayor

Roy Dell
A/Chief Administrative Officer

Schedule "A"

Residential Lot Pricing

Zoning **Price per ft²**

Residential

Amended as Per Council