	Council Policy		
	Classification Planning and Development		Policy No. PD 4.5
	Policy Title Municipal and Environmental Reserve Land Values		
	Approved By: Council	Effective Date: May 10, 2017	Revisions:

Purpose

To establish guidelines for a consistent and fair approach for the County of Stettler No. 6 in agreement with an applicant for a subdivision to determine the land value for the purpose of dedicating municipal reserve as money in-lieu-of land and with an applicant for a boundary adjustment to determine the land value when the boundary of a municipal or environmental reserve is adjusted and the land sold for another purpose.

Statement

Section 661 of the Act provides that an applicant for a subdivision must provide, without compensation, municipal reserves to the municipality.

Section 666(2) of the Act and Section 13.3 of the Municipal Development Plan (MDP) provide that the County cannot take more than 10% of the area of land that is being subdivided. Like most other municipalities in Central Alberta, the County of Stettler No. 6 policy is to take the full 10%.

The Municipal Government Act and the Municipal Development Plan (MDP) provide that the County may take money in-lieu-of land in cases where land would not serve a useful purpose.

Section 667(1)(a) and (b) of the Act provide that if money is to be paid in-lieu-of land dedication, either the applicant must provide a market value appraisal of the subject land or the applicant and the municipality may agree to use another method to determine the land value.

The Act requires that the market value appraisal of the subject land must be based on a specified date occurring within the 35-day period following the date of the subdivision application and that the appraisal must be based on what might be expected to be realized if the land were in an **un-subdivided** state. The County of Stettler No. 6 interprets this to mean that the agricultural land value is implied.

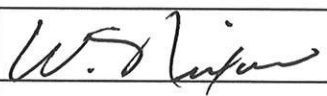
Section 667(1)(b) of the Act states that the applicant and the municipality may agree to use another method to determine the land value.

Procedures

1. An applicant for subdivision has the following options where municipal reserve is required to be dedicated as money in-lieu-of land:
 - a. The applicant may provide a market value appraisal pursuant to Section 667(1)(a) of the Municipal Government Act.
 - b. The applicant may agree with the County that recent sales of agricultural land shall be used to determine the land value and to determine the amount owing for cash in-lieu-of land. In order to determine the land value the County's Tax and Assessment department has data on recent sales of agricultural land in the various County areas. In the absence of recent sales data in the affected area, the average sales of similar land over the last three years in the County shall be used. Based upon this method an average land value per acre in the County's jurisdiction is pre-determined by the Chief Administrative Officer at regular intervals (e.g. at the start of each calendar year) and used for all cash-in-lieu of MR calculations during that period, regardless of where in the County the land is located.

2. When the boundary of municipal reserve or environmental reserve is adjusted or when a municipal reserve is closed in order to be disposed of for other purposes, the land value shall be determined as follows:
 - a. When the land is to be used for road allowance, utility right-of-way or other public purposes the market value appraisal or agreement between buyer and seller shall be based on agricultural land values.
 - b. When the land is to be used for residential, commercial, industrial or other private purposes the market value appraisal or agreement between buyer and seller shall be based on the land values of the proposed use (i.e. residential, commercial, industrial, etc.) and the actual land value shall be determined as 50% of the market value appraisal.

Policy Authorization

Reeve Signature	Effective Date	Resolution Number
	May 10, 2017	147.05.10.17