



TITLE: LAND LEASE AGREEMENT PROCEDURE

PROCEDURE NO: PI-61-004

SPECIAL NOTES/CROSS REFERENCE:
PI-61-004 LAND LEASE AGREEMENT POLICY

AMENDMENT DATE: JUNE 26, 2018

1. GENERAL GUIDELINES:

Under the guidance of Policy PI-61-004, the following procedures determines how Administration will provide Land Lease services in a consistent manner upon request from a County land or business owner.

In all cases each request to lease county land must be submitted in writing and include detail use or activity and preferred term and legal description of land to be leased.

In evaluating the request the relevant operating department responsible for the subject land, must determine if the use or activity is compatible with adjacent land uses and must ensure the proposed lease does not interfere with the delivery of approved County services and operations.

2. DEFINITIONS:

- 2.1 “**Council**” means the Municipal Council of Lac La Biche County.
- 2.2 “**County Owned Land**” means all parcels of land titled to Lac La Biche County including Municipal Reserve Environmental Reserve and Public Utility Lots (PUL) and also includes road allowance and utility right-of-ways governed by Lac La Biche County.
- 2.3 “**Fair Market Value (FMV)**” means a lease rate based on a professionally prepared market value assessment to determine a fair market lease rate for the subject land.
- 2.4 “**Lease Agreement**” means a contractual arrangement calling for the lessee (renter) to pay the lessor (property owner) for the exclusive use of land as per the terms of the agreement.
- 2.5 “**Public Hearing**” means a hearing held in accordance with Section 230 of the *Municipal Government Act* (MGA) and advertised in accordance with Section 606 of the MGA.

3. PROCEDURE

- 3.1 The Planning & Development Department shall manage Lease Agreements for County Owned land which includes the following:
 - o Keep Record of all existing land lease agreements;

- Send correspondence to Lessee with respect to termination, expiry or renewal of an existing lease;
 - Keep lease templates up-to-date and relevant; and
 - Report on Lease Agreements to Council.
- 3.2 The Planning & Development Department will accept and record all written requests to lease County Owned Land.
- 3.3 Upon receipt of a completed request, Planning & Development will circulate the required to the operating department responsible for the subject land for a decision on whether or not the land asset is suitable for lease.
- The responsibility for deciding if a lease is an option for the subject land is defined as follows:
 - Municipal Reserve and Land Parcels used for parks and recreation: Manager, Parks and Facilities
 - Public Utility Lots and Utility Right-of-ways: Manger, Utilities
 - Road Allowance and Right of Ways: Manager Transportation
 - All other titled County Owned Lands: Chief Administrative Officer.
- 3.4 If the subject parcel is approved by the relevant operating department manager for lease, the Planning & Development Department will negotiate and draft the Lease for review and approval.
- 3.5 If the term being requested is greater than 5 years Planning & Development will create and Request for Decision for Council to consider a longer term.
- 3.6 If a request is made for a lease amount less than FMV, Planning & Development will create a Request for Decision for Council to consider and reduce lease rate.
- 3.7 If the Lease is requested on a Municipal Reserve, School Reserve or Reserve parcel, Planning & Development will schedule a Public hearing as per Section 674 of the Municipal Government Act. The Operating Department manager and manager of Planning & Development will present at the Public Hearing.
- 3.8 The Planning & Development Department is responsible for all lease term expiry notifications and receiving copy of insurance coverage (if required) prior to execution of the Lease Agreement.
- 3.9 Once a Lease is fully executed, Planning and Development Services will send a copy to Finance Department who will be responsible for creating an accounts receivable based on the amount defined in the lease and to ensure receipt of the yearly lease amount throughout the term of the lease.
- 3.10 Taxes shall be the responsibility of the Lessee as per the Lac La Biche County Tax Bylaw.
- 3.11 It is the responsibility of the relevant operation department to complete periodic inspections of leased land to ensure the lessee is complying with the terms of the lease.

"Original Signed"
Chief Administrative Officer

July 4, 2018
Date