

The City's intent in acquiring real estate for any purpose is to be both fair and reasonable with the property owner. The acquisition process and other frequently asked questions are addressed below.

How does The City acquire real estate?

The City's process for property acquisition is based upon the following principles:

- *fairness throughout the process*
- *respect for the privacy and confidentiality of all negotiations*
- *compensation based on market value*
- *minimization of disruption, dislocation and inconvenience when reasonably possible*
- *negotiation of agreements whenever reasonably possible*

What are the steps in the acquisition process?

1. Impacted property owner is notified
 - Notification may take place by letter or by the Land Agent contacting the property owner directly to arrange for an initial meeting and discussion.
 - For large infrastructure projects, notification takes place FOLLOWING completion and approval of the preliminary design.
 - The initial meeting/discussion is an opportunity to ask questions, identify issues and opportunities, and to discuss the next steps.
2. Property valuation (market value)
 - A property valuation will be conducted if market value needs to be determined as part of the acquisition process. This helps The City prepare a proposal for further discussion between the property owner and the land agent.
 - Renovations, quality of improvements, landscaping, etc., are all considered.
 - Market value may not necessarily coincide with the assessed value placed on the property by The City's Assessment department.
3. Negotiation commences between the property owner and The City
 - The negotiation process allows for an open dialogue between the property owner and the land agent to discuss the specific terms and conditions of the proposed purchase.
 - Market value, possession date, damages, tenancies, etc, may all form part of the negotiation.
4. Corporate approval
 - All negotiated transactions between property owners and The City are subject to corporate approval.

Does The City offer compensation to address relocation expenses?

These expenses form part of the individual negotiations between The City and impacted property owners.

How is market value determined and who determines that?

The City works with property owners on the basis that each property is unique and distinct, with market value forming the basis of all negotiations. The City relies on qualified staff to perform valuations to determine market value with consideration to current market activity, the individual property characteristics and standard industry practices. Where appropriate, The City also consults independent third-party appraisers to help establish market value.

In performing the valuations, is consideration given to improvements that have been made to the property?

Yes, this is one of the reasons why The City requires access to the impacted properties.

What is the difference between assessed value and the values determined by the property valuations described above?

The process of determining assessed values is carried out using mass appraisal, mass review of sales data, and typical value as of a specific valuation date. Valuations conducted for property acquisition are specific to each property and include a recent site visit and more direct analysis of comparable sales to determine market value.

As a tenant of an impacted property, will The City be contacting me as well?

The type of impact to the property and specific details related to the lease agreement will assist in determining if you will be contacted. The City will initially contact the owner (landlord) and work with them to determine the impact of property requirements to their tenants.

What are the steps in the corporate approvals process?

All negotiated transactions are subject to approval through delegated authority approved by City Council. Once the terms and conditions of the transaction are determined, a Proposal Letter is drafted and sent to the affected property owner. Upon successful execution of the Proposal Letter, a report detailing the terms of the transaction is prepared and presented to the appropriate authorities for their approval. A formal Purchase and Sale Agreement is then drafted for execution. If the delegated authority does not approve a proposed acquisition, further negotiations will be required which may involve property appraisal or re-addressing terms of the transaction.

What happens if the parties do not agree?

If agreement is not reached it may be necessary to commence expropriation proceedings as set out in the Expropriation Act (Alberta). Expropriation is never The City's preferred method of acquisition. It is a time-consuming process that can result in considerable frustration to all parties involved. We would much rather negotiate openly and fairly with each impacted property owner and reach a mutually acceptable agreement.

References and Privacy

The City of Calgary's land acquisition process is established through Bylaw 52M2009 – Real Property Bylaw and the Sales, Acquisition, Leasing and Encroachment (S.A.L.E.) Policy. All details pertaining to specific land negotiations are confidential under Section 25 (1) of the Freedom of Information & Protection of Privacy Act (FOIP).

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