



COUNCIL POLICY

Vacant Lot or Derelict Building Purchase and Development Policy

Adoption Date: December 2, 2025

Signature:

Last Review Date: n/a

Resolution No: 485/2025

Repeals: n/a

Policy No: CP-1

Considers: Zoning Bylaw 5-2015, the Official Community Plan for Ituna

Municipal Authority: *The Planning and Development Act, 2007, The Land Titles Act, 2000 and The Municipalities Act*

1. Purpose

- 1.1 The purpose of this policy is to ensure that vacant lots sold by the Town of Ituna are developed within a reasonable period in order to:
 - (a) Encourage infill and community revitalization;
 - (b) Discourage long-term land banking or speculative holding; and
 - (c) Promote efficient use of municipal infrastructure and alignment with the Town's Official Community Plan and Zoning Bylaw.
- 1.2 To establish consistent terms under which the Municipality transfers possession to a purchaser while retaining legal title until development is completed.
- 1.3 To establish consistent decision-making regarding the minimum accepted value for lot sales.

2. Legislative Authority

- 2.1 This policy is adopted pursuant to the authority granted to Council under:
 - (a) *The Planning and Development Act, 2007*, which authorizes municipalities to regulate development and enter into development or servicing agreements; and
 - (b) *The Municipalities Act*, which authorizes municipalities to acquire and dispose of land and to impose conditions on the sale or transfer of municipal property.
- 2.2 All lot sales and development requirements under this policy shall comply with the Town's Official Community Plan, Zoning Bylaw, and any applicable subdivision or development approvals.

3. Policy Statement

- 3.1 The Town may sell municipal lots for development to purchasers under the condition that **all development requirements are met within a specified period**. To secure compliance, the Town will register a caveat on the title of each lot sold. The caveat will:
 - (a) **Notify third parties** of the purchaser's development obligations;
 - (b) Provide the Town with **legal leverage** to enforce the Agreement for Sale in case of non-compliance; and
 - (c) Be **discharged upon satisfactory completion of development**, including issuance of a building occupancy certificate.

3.2 All caveat-registered sales shall comply with the Town's Zoning Bylaw, Official Community Plan, and any other applicable municipal approvals. The Administrator shall ensure proper registration and discharge of caveats in accordance with this policy.

4. Definitions

4.1 "Vacant Lot" A parcel of land within the Town that contains **no principal building or structure** and is zoned for development under the Zoning Bylaw.

4.2 "Derelict Building" means a parcel of land that includes a building that has been **vacant for three (3) or more years** or has fallen into a state of **significant disrepair, is unsafe, uninhabitable, or beyond repair**, as determined by a municipal officer under the Town's Property Standards Bylaw.

4.3 "Purchaser" means an individual or entity purchasing a Lot from the Town.

4.4 "Development Commencement" means the date on which a **building permit is issued** for a principal or accessory structure on the lot that is expected to **increase the assessed value of the property by 20% or more**.

- (a) This definition **does not apply to renovations** unless an existing building is removed, in which case the replacement building must **match or exceed the previous assessed value**, or be a **replacement expressly authorized by Council**.

4.5 "Development Completion" means the date on which the main building is substantially completed and an occupancy certificate or equivalent confirmation has been issued.

4.6 "Development Period" means a period of **two (2) years** from the date of possession or transfer of title to the Purchaser.

4.7 "Administrator" means the Town Administrator or an officer appointed by the administrator.

4.8 "Deposit" means a cash deposit equal to 10% of the purchase price that is refundable upon issuance of an occupancy certificate, this deposit is defaulted in the case of

5. Eligibility and Application

5.1 Any individual or corporation may apply to purchase a municipal lot under this policy.

5.2 Council may consider intended use, alignment with municipal planning documents, and purchaser capacity.

6. Conditions of Sale

6.1 All municipal lots sold by the Town under this policy shall be subject to the following conditions:

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(a) The Purchaser shall obtain all required development and building permits and commence construction or renovation within **twelve (12) months** of the date of possession or transfer of title, whichever occurs first;

(b) The Purchaser shall **complete construction or renovation within twenty-four (24) months** of the date of possession; and

(c) The Purchaser shall comply with all applicable bylaws, standards and approvals.

6.2 The Town shall register a Caveat or Agreement for Sale on the title of each lot sold under this policy, identifying the development requirement and enforcement provisions.

6.3 The Town requires a **deposit** as security for completion of development, refundable upon issuance of an occupancy certificate.

6.4 The Agreement for Sale is included in Appendix A.

7. Extensions

7.1 Council may, upon written request from the Purchaser, grant an extension of up to **one (1) year** to the Development Period if:

(a) Substantial progress toward development has been made; and

(b) Lot is undeveloped and in need of preparation before development can commence due to landscape conditions or lack of utilities; or

(c) The delay is due to circumstances beyond the Purchaser's reasonable control.

7.2 Any extension shall be confirmed by Council resolution and documented by way of an amending agreement or letter of extension.

8. Failure to Develop/Termination

8.1 If the Purchaser fails to complete development within the Development Period (or approved extension), the Municipality:

(a) Shall provide 30 days written notice by the means identified in the agreement for compliance.

(b) May require the lot to be **reconveyed to the Town** at the original sale price, less administrative and legal costs by Council decision.

(c) If reconveying the lot, forces the purchaser to **Forfeit the deposit** provided under this policy;

(d) May take any other action permitted under the terms of the sale agreement or applicable law.

(e) The Municipality retains all payments made including but not limited to those made for applications, permits, taxes, utilities, as well as administrative or legal fees incurred during the possession period.

(f) Any improvements on the land remain with the Municipality without obligation to compensate the Purchaser, unless otherwise determined by the Council.

8.2 The Administrator shall ensure that any **caveat or agreement** registered on title is enforced or discharged in accordance with this section.

9. Administration

9.1 The **Administrator** shall be responsible for administering this policy as outlined in Appendix B, including:

- (a) Preparing agreements for sale incorporating the conditions of this policy;
- (b) Registering any required caveats or agreements on title see Appendix C;
- (c) Monitoring development progress and reporting to Council as required; and
- (d) Taking appropriate enforcement action in cases of default.

9.2 The **Building Inspector or other appointed officer** shall provide inspection and compliance information to the Administrator to confirm whether development has commenced or been completed within the required period.

9.3 The Administrator shall verify that any proposed development under a lot sale meets the applicable zoning district regulations of the Town's Zoning Bylaw, and that the lot sale and development obligations align with the Town's Official Community Plan's land-use objectives.

8. Council Discretion

8.1 Council reserves the right to waive or modify conditions of this policy in exceptional circumstances where it is deemed in the best interest of the Town.

8.2 Any such decision shall be made by resolution of Council and recorded in the minutes.

9. Review Period

9.1 This policy shall be reviewed at least once every **three (3) years**, or sooner if required, to ensure consistency with the Town's Official Community Plan, Zoning Bylaw, and development objectives.

"Seal"



Mayor

Administrator

APPENDIX A

SALE AGREEMENT

This agreement made this _____ day of _____, 20__

BETWEEN:

TOWN OF ITUNA

A body corporate, incorporated pursuant to the
laws of the Province of Saskatchewan
with office located in the Town of Ituna,
In the Province of Saskatchewan,

VENDOR

-and-

PURCHASER NAME

of the Town of [town],
In the Province of Saskatchewan,

PURCHASERS

1. SALE

- 1.1 The Vendor agrees to sell, and the Purchaser(s) agrees to purchase the Vendor's property situated in the Town of Ituna and more particularly described as:

[legal description] [title number]
as described on Certificate of Title [cert. of title]

- 1.2 This Agreement grants the Purchaser possession and the right to develop the Property in accordance with the terms herein.

2. Purchase Price and Payment

- 2.1 The purchase price of [price] (\$price) Dollars, is offered for the property listed in subsection 1.1.
- 2.2 The non-refundable deposit of 10% or \$(amount) dollars received at the time of offer shall apply to the purchase price provided the purchaser(s) meet all conditions of this agreement.
- 2.3 The balance of the Purchase Price shall be paid prior to the transfer of the title.

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- 2.4 The purchaser has 30 days from receipt of the agreement to execute the agreement and meet the payment terms once the offer is accepted; failure to do so will result in the loss of the deposit.
- 2.5 The property described in subsection 1.1 is sold as found in the current condition.
- 2.6 The parties agree that possession date of the said lands and premises shall be upon titles vesting in the names of the Purchaser(s).
- 2.7 The Vendor warrants transfer of a clear title.
- 2.8 It is agreed that each party shall be responsible for their own legal fees and disbursements, including applicable taxes.
- 2.9 The Purchaser(s) shall be responsible for the cost of the registration of transfer of title.
- 2.10 It is agreed between the parties hereto that property taxes shall be adjusted as of the date of possession.
- 2.11 This agreement shall ensure the benefit of and binding upon the parties hereto, their respective heirs, executors, administrators, agents and assigns.

3. Development Requirements

- 3.1 The Purchaser covenants and agrees with the Town of Ituna (the "Town") that the Purchaser shall:
- (a) Obtain all necessary development and building permits within **twelve (12) months** from the date of possession.
 - (b) The purchaser shall develop the Property in accordance with:
 - i The Town's Zoning Bylaw;
 - ii The Official Community Plan;
 - iii The Town's Building Bylaw;
 - iv All other applicable municipal, provincial and federal requirements, such as, but not limited to *the Construction Codes Act, the National Building Code, the National Plumbing Code, and the National Energy Code*.
 - (c) Commence construction of a principal building or structure on the said lands within **twelve (12) months** from the date of possession; and
 - (d) Substantially complete construction and obtain an occupancy certificate or equivalent within **twenty-four (24) months** from the date of possession.
- 3.2 The Purchaser(s) shall obtain all required permits before commencing construction.
- 3.3 "Completed" properties require a final inspection report and occupancy permit from the building inspector appointed by the Municipality.

4. Security for Performance for Commercial Properties

4.1 Upon execution of this Agreement, the Purchaser shall deposit with the Town a performance security in the form of a **cash deposit, certified cheque, or irrevocable letter of credit** in the amount of **[price] (\$ price)**, which shall be forfeited to the Town in the event the Purchaser fails to complete the project as defined in section 11.1.

4.2 The performance security shall be refunded to the Purchaser upon satisfactory completion of development and issuance of occupancy approval.

5. Default and Repurchase

5.1 In the event the Purchaser fails to comply with the development timelines set out in Section 1, and has not been granted an extension by Council, the Town may, at its sole option, require that the Purchaser:

- (a) **Reconvey the land** to the Town at the original purchase price, less any administrative or legal costs incurred by the Town; or
- (b) **Forfeit the security deposit** to the Town, without prejudice to any other remedies available at law or in equity.

5.2 The Purchaser acknowledges that these provisions are reasonable and necessary to promote the Town's community development objectives.

5.3 Any reconveyance shall be affected by transfer of title free and clear of all encumbrances created by the Purchaser, save and except those in favour of the Town.

6. Registration of Caveat

6.1 The Purchaser consents to the Town registering a **Caveat** on the title to the said lands giving notice of the Purchaser's obligations under this Agreement.

6.2 The Town shall discharge the Caveat upon completion of development in accordance with this Agreement.

7. Extensions

7.1 Council may, at its discretion, upon written request from the Purchaser and demonstration of reasonable progress or cause, grant an extension of up to **one (1) additional year** to complete construction.

7.2 Any such extension shall be confirmed by Council resolution and written notice to the Purchaser.

8. Servicing and Improvement

8.1 The Purchaser shall be responsible for all servicing, utility connections, curb crossings, and site improvements unless otherwise agreed to in writing.

8.2 Any improvements constructed prior to title transfer shall become the property of the Municipality **until** title is transferred and shall not be subject to compensation if the Agreement is terminated.

9. Possession and Inspections

9.1 Possession of the Property shall be granted to the Purchaser upon execution of this Agreement.

9.2 Municipal staff may enter the Property at any reasonable time to inspect for compliance and progress of development.

9.3 Failure to allow inspections constitutes a breach of this Agreement.

10. Transfer of Title

10.1 Title to the Property shall be transferred to the Purchaser only after the full purchase price is paid.

10.2 The Purchaser shall be responsible for all legal and land registry fees associated with the transfer.

11. Default and Termination

11.1 The Purchaser is in default if they:

- (a) Fail to commence or complete development as required;
- (b) Fail to obtain necessary permits; or
- (c) Breach any other term of this Agreement.

11.2 In the event of default, the Municipality may:

- (a) Provide written notice and reasonable time to remedy the default; or
- (b) Terminate the Agreement for Sale.

11.3 Upon termination:

- (a) The Purchaser shall immediately vacate the Property.
- (b) The Municipality shall retain all payments made, unless Council directs otherwise.
- (c) Any improvements on the land remain with the Municipality without obligation to compensate the Purchaser.

12. Taxes and Municipal Charges

12.1 Property taxes shall begin accruing from the date that possession is granted. All utilities, fees, and charges related to the development are the responsibility of the Purchaser.

13. Indemnity

13.1 The Purchaser shall indemnify and save harmless the Municipality from any claims, damages, or liability arising from the Purchaser's use, possession, or development of the Property.

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14. General Provisions

- 14.1 This Agreement binds the parties, their heirs, successors, and assigns.
- 14.2 The Purchaser shall not assign this Agreement without written consent of Council.
- 14.3 Any amendments must be in writing and signed by both parties.
- 14.4 This Agreement is governed by the laws of the Province of Saskatchewan.

15. Notice

- 15.1 Any notice required or permitted to be given under this Agreement shall be in writing and delivered personally, by registered mail, or electronic means to the last known address of the Purchaser or the Town Administrator.

Municipality: Town of Ituna
Attn: Administrator
Box 580
Ituna, SK S0A1N0
cao@ituna.ca
306-795-2295

Purchaser:

IN WITNESS WHEREOF the Vendor has hereunto affixed its corporate seal as attested to by the hands of its proper signing officers at the Town of Ituna, in the Province of Saskatchewan, this ____ day of _____, 202_.

[SEAL]

TOWN OF ITUNA

Mayor: _____

Admin: _____

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IN WITNESS WHEREOF the Purchaser(s) have hereunto set their hands and seals at the Town of Ituna, in the Province of Saskatchewan, this _____ day of _____, 202_.

SIGNED, SEALED AND DELIVERED)

In the presence of:) _____

_____)

Witness Printed Name

_____) _____

Witness

APPENDIX B

ADMINISTRATOR DEVELOPMENT TRACKING CHECKLIST

- Lot #/Legal Description
- Purchaser Name
- Date of Possession/Title transfer
- Deposit received
- Building Permit Issue date
- Construction Commencement Date
- Construction Completed/Occupancy Certificate Issued Date
- Resolution numbers for any extensions approved and the resolution
- Caveat status – Registration and Discharge Dates

Instructions for Administrator:

1. Record each lot sale and deposit receipt.
2. Track issuance of building permits and construction commencement.
3. Monitor completion within the 24-month development period.
4. Document any extensions granted by Council.
5. Track caveat registration and discharge status.
 - a) **When to register:** The Caveat is filed **after the transfer of title** to the purchaser, referencing the Agreement for Sale.
 - b) **When to discharge:** The Town discharges it once the building is complete and inspected.
6. Provide an annual report to Council summarizing progress on all vacant lot developments.

APPENDIX C

CAVEAT

Under Section 139 of *The Land Titles Act, 2000*

Take notice that the **Town of Ituna** (the "Town") claims an interest in the following land:

Legal Description: [insert legal description of the lot]

Civic Address: [insert address]

pursuant to an **Agreement for Sale** dated [insert date], between the Town of Ituna and [insert Purchaser name], which contains the following conditions:

1. The Purchaser shall obtain all necessary development and building permits within twelve (12) months of the date of possession;
2. The Purchaser shall commence construction of a principal building or structure within twelve (12) months of possession and shall substantially complete such construction within twenty-four (24) months of possession;
3. Failure to comply with the above conditions entitles the Town of Ituna, at its option, to repurchase the land at the original purchase price, less administrative and legal costs, or to forfeit any security deposit provided; and
4. The Town of Ituna is entitled to maintain this Caveat on title until the development has been completed in accordance with the Agreement.

The Town of Ituna

Per: _____
(Administrator)

Dated this ____ day of _____, 20.