



ABOUT PUBLIC LANDS

Revised October 1998

Sale of Public Land

Over 60 per cent of Alberta's land base is public land. Under the Public Lands Act, public land is divided into two management categories or zones. The Green Area, or forested portion, includes most of northern Alberta as well as the mountains and foothill areas along the western boundary of the province. Land in the Green Area is typically not sold since one of the primary uses of the Green Area is for sustained wood fibre production.

The White Area, or settled portion, consists of the populated central and southern parts of the province and the Peace River region. In the White Area, public land is largely part of the agricultural landscape. Suitable lands in the White Area can be sold, however, the amount of land sold is limited by existing commitments and established resource management practices. In 1996-97, the Alberta Government sold about 11,600 acres of public land, most of it in the Peace River region of the White Area.

Land Management Considerations

Public lands are a valuable resource and Albertans derive many social and economic benefits from them. As the economy of Alberta expands and diversifies, pressures will be exerted increasingly on public lands to accommodate the additional activity. The government must balance the need to accommodate this growth with its commitment to protect the public's long-term interest in public lands for environmental and other important benefits. Much of this growth can be accommodated

by issuing dispositions not leading to ownership.

In other cases, the most effective way to accommodate a use is by selling public land.

Public lands are generally sold:

- to facilitate agricultural expansion and certain types of commercial, industrial and recreational uses, thereby supporting the growth of the provincial economy
- to provide land for essential services like public works projects or community and institutional needs that benefit Albertans
- if they are not needed to meet the government's resource management commitments or for other government programs

In determining whether public lands are suitable for sale, the following factors are considered:

- the impact of sale on important resource values and environmental actors (e.g., conservation, recreation)
- whether the proposed use of the land would conform with provincial and municipal land use policies
- availability of private land for uses of economic or social importance

Maximizing Benefits to the Crown

When lands are sold, care is taken to ensure Albertans receive maximum benefit, including preservation of environmentally sensitive features and a fair economic

return. Benefits can be maximized in several ways by:

- basing land sales on fair market value
- obtaining market value for Crown owned timber, and
- excluding environmentally sensitive features from sale (e.g., ecologically sensitive areas) or placing restrictions on the title to protect these resources from incompatible activities

Eligibility

Purchasers of public land must be Canadian citizens, a corporation registered in Canada, or a person or corporation acting as trustee for someone who is a Canadian citizen or corporation. Public lands may also be sold to municipalities.

Application Process

Eligible applicants must submit applications identifying the land parcel(s) requested. If the desired land is under disposition to another party (i.e., committed by government), the applicant must obtain the consent of the disposition holder before the land can be considered for sale.

How Lands are Sold

The process for selling public land is initiated by an individual submitting an application to purchase an identified parcel of land. If the land is suitable for sale, it is sold in one of the following two ways.

Public Land Sales

A public auction or tender is held at which individuals or companies bid for public lands that are either vacant or have been released from a disposition by the disposition holder, making them available for sale.

When public land under disposition (e.g., a grazing lease or a farm development lease **without** an option to purchase) is suitable for sale, the current disposition holder does not have a priority right to purchase the land without competition.

Private (Priority) Land Sales

Some lands are sold to the applicant without going through public competition. An example of this is land under a disposition that contains an option to purchase. This allows the land to be sold directly to the disposition holder (i.e., applicant) without competition.

Another example is where a lessee holds a Miscellaneous or Recreation Lease for the purpose of a commercial/recreational development and the lands have been fully developed (e.g. resort cabins or golf clubhouse) and there is no option to purchase. The lessee could have the lands reviewed and if suitable for sale, may be allowed to purchase the land without competition.

Sale Price

In most cases, public lands are sold based on their actual fair market value, as if they were private land. The market value of the land is determined using the appraisal standards set for real estate. When land is sold via tender or auction, the appraisal process is used to establish the upset price.

Government can sell land to a municipality for utility developments (e.g., roads) at a value that takes the intended use into consideration.

Public Land Grants

In some cases, the government grants public land rather than selling it. In these cases the title specifies the type of land use as a condition of the grant. These land grants are usually restricted to one or two

acres and are issued in the following situations:

- to a school district/division for school purposes
- to a religious institution for a church site
- to a religious institution or municipality for a cemetery
- to a society as a site for a community hall

Terms of Sale

In most cases, the government will transfer a "fee simple title" for public land upon payment of the purchase price. The purchaser may be required to provide a legal survey or plan acceptable to the Land Titles Office before the title is transferred. The title may also be consolidated with the purchaser's existing title, if appropriate. The government does not provide financing to purchasers.

Land Exchanges

Sometimes the government will negotiate a land exchange involving public and private land. Exchanges are used when the government obtains lands that contain important resource values (e.g., lakeshore, wildlife habitat). The real estate and/or intrinsic value of the private parcels may be equal to or greater than the public lands being considered for exchange.

This information is intended for convenience of reference only. The current Public Lands Act and regulations should be consulted for all purposes of interpreting and applying the law.

If you require updated information, contact any of the offices below:

Alberta Sustainable Resource Development
Lands Division
Land Dispositions Branch
South Tower, Petroleum Plaza
9915 - 108 Street
Edmonton, Alberta T5K 2G8
Telephone: (780) 427-3464

Rangeland Management Branch
9920 - 108 Street
Edmonton, Alberta T5K 2M4
Telephone: (780) 427-3595

Forestry Division
Forest Management Branch
9920 - 108 Street
Edmonton, Alberta T5K 2M4
Telephone: (780) 422-4590

OR call the closest Lands Division office in your area.

OR you can visit the Lands Division Website:
<http://www.srd.alberta.ca/lands/default.aspx>