



**Mýrdalshreppur**

## **RULES**

### **on the Allocation of Plots in Mýrdalshreppur**

#### **Art. 1 Authority For Allocation**

The municipal council of Mýrdalshreppur allocates building plots in the municipality according to these rules of procedure.

The director of the council and the planning and construction representative handle communication with applicants regarding the availability of plots and plot terms.

The director of the council submits proposals for allocation for approval to the municipal council in accordance with these rules.

#### **Art. 2 Advertising and Allocation Terms**

All plots shall be advertised before they are allocated for the first time, see, however, Article 9.

Plots that are to be reallocated, because the plot holder has stopped construction or has not fulfilled their obligations, must be re-advertised. The application deadline must be at least three weeks from the publication of the advertisement.

Advertisements for new plots will be published on Mýrdalshreppur's website, vik.is. and in the district newspaper. When a plot is re-advertised, it is published in the same way.

#### **Art. 3 Applications**

Applications must be submitted to the Mýrdalshreppur office on the appropriate forms. If the requested information is not provided, the application is considered invalid. If it is found after the allotment of a plot that the plot holder has provided incorrect and/or misleading information on the plot application, the allotment of the plot may be revoked.

If more than one valid application is received for advertised residential plots or residential plot, applicants shall be decided with a draw. The director of the council of Mýrdalshreppur performs the draw in the presence of applicants, or their representatives.

#### **Art. 4 Conditions for Applications**

The following requirements are made for applicants and/or applications:

- a) Applications are only considered valid if they have been received on the appropriate forms, correctly filled out.
- b) Applicants must be financially competent and not be in financial arrears with the municipality.
- c) Applicants must submit a written confirmation from a bank or credit institution of their solvency and the possibility of a loan facility for the proposed construction, if requested. Furthermore, developers who build and sell or rent apartments must submit annual accounts for the last three years.
- d) If the applicant has already been allocated a plot of land without having started construction, the person in question will not be considered for the allocation of new plots until other applicants have been allocated a plot of land.
- e) Couples, or individuals in registered cohabitation, are considered as one party and their applications must be joint. An individual or legal entity together with a company that is majority owned by them, are considered the same person in this sense and can only submit one application for each plot.
- f) You can apply for one plot and another as a spare. An applicant who applies for a plot as a first choice has priority over an applicant who has applied for the same plot as a spare.
- g) Construction work may not begin on the plot until the payment of the municipal street construction fee according to the resolution on a municipal street construction fee in Mýrdalshreppur from 10 January 2014.
- h) After the allocation, all applicants must be notified in writing.

#### **Art. 5 Plots for Single-family Houses**

When allocating plots for single-family houses, individuals shall have priority, provided that their applications meet the conditions stipulated in these rules. Priority is limited, however, if the person in question, his/her spouse or cohabitant has received a plot allocation in the last 5 years.

The single-family house plots that are not allocated to priority parties will be allocated to others who submit valid applications.

#### **Art. 6 Plots for Multi-Unit Buildings**

Plots for multi-unit buildings shall, as a rule, be allocated to developers with the aim of selling or renting the property to a third party.

However, semi-detached house plots may be allocated to individuals in the case of a joint application for both apartments on the plot. When allocating plots to a developer, an account shall be taken of whether the person in question has fulfilled their obligations due to previous allocations, including that there has been a normal development in the construction project.

#### **Art. 7 Other plots**

When allocating plots, other than residential plots, applicants must, in addition to the above-mentioned information on financial status, submit a written report in Icelandic on the proposed project, speed of construction, purpose of the building, form of operation and other information deemed necessary by the municipality for plot allocation.

In cases where more than one application is received for plots other than general residential plots, the municipal council independently assesses applications and allocates plots with regard to the overall interests of the municipality.

#### **Art. 8 Tender**

The municipal council may decide that a plot or building right is sent out to tender. If a plot or building right on a plot is sent out to tender, the provisions of the tender terms apply, as other terms and rules apply.

Building rights shall be allocated to the highest bidder, provided that they fulfill all the conditions of the tender terms.

#### **Art. 9 Special Provisions**

In special cases, the municipal council may allocate plots, without prior advertisement, when applying for plots within planned areas or in unplanned areas. However, the final allocation can not take place until after the planning work has been completed, if necessary.

#### **Art. 10 Various Provisions**

When allocating residential plots, the deadline for the plot holder to start construction on the plot shall be 4 months from the time when the district or supply mains system at the relevant plot is ready. If a plot is considered ready for construction at the time of allocation, the date of registration of the plot lease agreement applies.

When allocating residential plots, the deadline for the plot holder to start construction on the plot shall be 4 months from the time when the district or supply mains system at the relevant plot is ready. If a plot is considered ready for construction at the time of allocation, the date of registration of the plot lease agreement applies.

Detailed provisions on construction speed are set by the municipal council on the basis of the Planning Act.

An extension of the deadline is only possible if the plot holder applies for it before the deadline expires and can provide reasons for such a request. However, the deadline is never extended beyond 4 months.

When a zoning plan is not available and therefore there is a need for a hearing notification procedure, drawings of the proposed structure on a residential plot shall be submitted to the planning committee for approval within two months from the date of registration of the plot lease agreement. For other plots, the deadline is four months.

If the site is not suitable for construction at the time of allocation, the date of the special notification from the building representative to the plot holder that the plot has become suitable for construction applies.

Allocation automatically lapses if the deadline expires without the plot holder starting construction or submitting a reasoned request for a longer deadline. The plot holder shall be notified in a letter of guarantee or in another similar manner that the allocation has lapsed.

In all processing of applications and their processing, non-discrimination and conformity shall be observed in accordance with the provisions of Article 11 of the Administrative Procedure Act no. 37/1993.

All personal information contained in the application shall be treated as confidential. Rules of the Information Act no. 50/1996, however, apply to the matters that the law allows to be disclosed.

### **Art. 11 Plot Lease Agreements**

A plot lease agreement will not be made until all the required fees have been paid to the municipality.

A declaration of change of ownership is available, cf. Article 16 of the Act on Multi-Unit Houses no. 26/1994 with subsequent amendments, in cases where a declaration of change of ownership is required.

Plot holders are not permitted to transfer their tenancy rights until a plot lease agreement has been made and registered. The plot holder bears the cost of registering the plot lease agreement.

### **Art. 12 Fees**

Fees are subject to provisions of the resolution on municipal street construction fees in Mýrdalshreppur.

Fees related to the allocation of plots shall be paid according to the municipality's tariff. It is permissible to demand payment of fees at the draw, if this demand has been stated in the advertisement for the allocation of a plot.

If the plot holder does not pay the levied fees on time, the plot reverts to the town and it is allocated again, cf. Article 2.

Building permit fees are paid separately according to tariff and also connection fees for drinking water intake and connection to the sewerage system according to the municipality's tariffs in this regard.

### **Art. 13 Basis and Entry Into Force**

The municipal council may impose more detailed provisions regarding the implementation of these rules.

At the same time, the rules approved by the municipal council of Mýrdalshreppur on 16 December 2016 will be repealed.

These rules were approved by the municipal council of Mýrdalshreppur on 20 August 2020 and apply from that time.

Vík, 21 August 2020

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Director of the council