

CITY OF FORT SASKATCHEWAN

Offer to Purchase a Portion of Road Plan 822 1665

Motion:

That Council accept the offer to purchase 0.49ha of land from Road Plan 822 1665 as shown in Schedule "A" to the Council report dated January 6, 2015, and that the funds be allocated to the City of Fort Saskatchewan's Land Purchase Reserve, subject to the following conditions:

- a) That the offer to purchase is based on market value;
- b) That the final sale is subject to approval of a road closure bylaw, to be submitted by the applicant;
- c) That the portion of Road Plan 822 1665 closed by the Road Closure Bylaw be consolidated with Lot 1, Block 37, Plan 102 6236 with all costs to be borne by landowner; and
- d) That the calculation of final purchase price be based on market value and the area confirmed by the survey plan submitted with the road closure bylaw application.

Background:

Administration has received an offer to purchase from Lenac Development, Quattro Capital Inc., and Mercyr Consulting Ltd. (collectively the "purchaser") for a portion of Road Plan 852 1665. The parcel is situated on the west side of Highway 21, north of the southern municipal boundary. The request has been put forward in order to consolidate and increase the size of the adjoining commercial property.

Servicing of the parcel can only be accommodated through the adjoining parcels (undeveloped commercial site). The parcel is narrow, and without adjoining to the adjacent properties, development opportunities are limited.

In 2009, Landrex presented an offer to purchase for the same parcel. The offer was not accepted due to the valuation.

The valuation of this parcel falls within Part 1, Division 2, Exceptions to Disclosure of the *Freedom of Information and Protection of Privacy Act (FOIP)*, as it involves negotiations and potential purchase of City lands.

Topic Identification/Outcomes:

The disposal of municipal lands is governed by Section 70 of the *Municipal Government Act*. Municipal lands are to be sold at market value and this has been the City's practice historically.

Should Council accept the offer to purchase, a road closure bylaw would be required prior to completion of the land sale, as per the above suggested conditions.

As a highway right-of-way, the parcel currently has no zoning. Under the Land Use Bylaw, the new properties will adopt the zoning of the parcels to which they are consolidated. Therefore, the parcel will become C2 – Vehicle Oriented Retail and Service District.

Alternatives:

1. That Council accept the offer to purchase 0.49ha of land from Road Plan 822 1665 as shown in Schedule “A” to the Council report dated January 6, 2015, and that the funds be allocated to the City of Fort Saskatchewan’s Land Purchase Reserve, subject to the conditions presented on Page 1.
2. That Council not accept the offer to purchase 0.49ha of land from Road Plan 822 1665 as shown in Schedule “A” to the Council report dated January 6, 2015, and that the funds be allocated to the City of Fort Saskatchewan’s Land Purchase Reserve, subject to the conditions presented on Page 1, and advise how they wish to proceed.

Staff Capacity:

Functions associated with the land sale can be completed within existing staff capacities. Legal consultation will be required to complete the land transfer.

Financial Implications:

The sale will generate revenue for the City’s Land Purchase Reserve as opposed to a parcel that currently accrues maintenance costs. Furthermore, extra land tax revenue will be generated once the lands are consolidated with the adjacent properties. A small amount of legal costs will be necessary to facilitate the land transfer which will be the responsibility of the City.

Intergovernmental Involvement:

The Project Management Department was consulted. The portion of Road Right-of-Way is considered excess. Should expansion of Highway 21 occur in the future, existing infrastructure has been designed to facilitate expansion in the center. The likelihood of expanding further is minimal, but should it become necessary a curb and gutter road standard would be required, which reduces the Right-of-Way width.

External Communications/Participation:

As the offer is considered to be a fair market value for the land in question, there is no obligation to advertise the potential sale past the public decision of Council.

Enclosure:

Appendix "A" – Purchase Area Map

Prepared by:	Janel Smith-Duguid Director, Planning & Development	Date: January 6, 2015
Approved by:	Janel Smith-Duguid Acting General Manager, Infrastructure & Community Services	Date: January 6, 2015
Reviewed by:	Kelly Kloss City Manager	Date: January 7, 2015
Submitted to:	City Council	Date: January 13, 2015