

CITY OF FORT SASKATCHEWAN

Commercial Sign Request on City Owned Lands

Motion:

That Council authorize use of City owned land (Road Plan 822 1665) to Qualico Commercial on the condition that the land be used for highway signage to promote the Commercial Centre, and that authorization be contingent upon entrance into a lease agreement with the City of Fort Saskatchewan.

Purpose:

That Council provide direction to Administration regarding the request from Qualico Commercial for the use of City owned land for a commercial highway sign.

Background:

On March 2, 2017 Administration received a formal request from Qualico Commercial to use City owned road right-of-way along Highway 21, adjacent to the commercial site south of Westpark Boulevard. The request was put forward for the purpose of developing a highway sign that would advertise businesses within the Commercial Centre.

Posting signage within the Commercial Centre site poses challenges in that the site has a large setback from the highway (approximately 83m). This setback is the largest of any commercial site located along the highway, and was acquired by Alberta Transportation in the 1980's, presumptively for future road widening. As the highway is now a City owned entity, future highway widening plans no longer require the large right-of-way. However, should Council authorize the use of the right-of-way for the commercial sign, the lease would include provisions that would allow the City to terminate the lease and require removal of the sign at the developer's expense, if needed.

The large setback poses a challenge in that locating a sign on site does not align with other signs within the highway corridor. The developer has provided a map indicating the desired location for the proposed sign. The desired location aligns with the commercial site north of this site. Allowing the sign in the right-of-way would be in alignment with existing signs.

The City has received previous requests for signs in the right-of-way, which have been addressed on a case-by-case basis. The City currently holds leases for 7 signs, of which 5 are located within the highway road right-of-way (see Appendix A). Should Council authorize use of the land, the developer would be required to enter a similar lease that would include provisions such as:

- The opportunity to advertise on the sign shall be available to multiple tenants within the Commercial Centre;
- The specifications of the sign are to be in accordance with City approval, including the Land Use Bylaw and the City's Engineering Design requirements.
- The developer is to pay an annual lease rate which is based on a fair market price and municipal comparators;
- The developer is responsible for all construction, repair and maintenance costs associated with the sign;

- The City may terminate the lease and require the sign to be removed at the developer's expense (i.e., the land is required for road expansion).

As with all land requests, there are concerns surrounding unplanned distribution of land. The table below provides a summary of the advantages and disadvantages of granting this request:

Advantages	Disadvantages
Provides a needed service for residents	Questions of fairness for businesses which have purchased highway frontage lots
Removes barrier to market entry for anchor tenants / major retailers	Risk of precedent setting for businesses that are located off the highway
Increases opportunities for neighbouring or co-located businesses.	Risk of the City not receiving fair compensation
Aligns with City's business-friendly approach	Increases signage along the highway corridor

Outcome:

Should Council authorize use of the land for a highway commercial sign, Administration will work with the developer to finalize the sign design, location, and lease.

Plans/Standards/Legislation:

City of Fort Saskatchewan Strategic Plan:

Goal 2: Strong Diverse Economy

- 2.1 Expand the development of our general, medium and heavy industrial parks, and commercial and retail land.
- 2.2 Work with existing businesses and the Chamber of Commerce to attract, retain and grow business and industry.

Financial Implications:

The lease would generate annual revenue for the City. The rate would be a fair market price to be determined through negotiations and review of municipal comparators.

Attachments:

1. Appendix A - List of existing commercial signs on City owned lands
 2. Appendix B – Approximate Commercial Site Setbacks from the Highway
 3. Appendix C – Requested sign location
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Prepared by:	Janel Smith-Duguid Director, Special Projects	Date: March 22, 2017
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Reviewed by:	Troy Fleming Acting City Manager	Date: March 23, 2017
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Submitted to:	City Council	Date: March 28, 2017
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