

## Acquisition of Land for Neault Road Construction Project

### ISSUE

The City requires land from several owners to accommodate the reconstruction of Neault Road to a four-lane divided Arterial roadway

### RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council:

1. That the Administration be authorized to purchase ISC Parcel No. 136167419, totalling 10.44 acres, for \$187,920.00;
2. That the Administration be authorized to purchase a 2.15-acre portion of ISC Parcel Numbers 203179136 and 203746653 for \$29,880.00; and
3. That the City Solicitor be requested to have the agreements executed by His Worship the Mayor and the City Clerk under the Corporate Seal.

### BACKGROUND

The Neault Road construction project will begin in 2022. The project involves the construction of a four-lane divided arterial road between 22<sup>nd</sup> Street West and future Claypool Drive. This requires additional right-of-way land to accommodate the appropriate road cross-section. Land is required from several owners adjacent Neault Road to accommodate the expansion (Appendix 1).

### DISCUSSION/ANALYSIS

In the construction of roadways to support development, the City requires landowners to provide any land required for the roadway without compensation. Section 184 of *The Planning and Development Act* states that “An approving authority may require the owner of land that is the subject of a proposed subdivision to provide without compensation part of that land, in any amount and in any location that the approving authority considers necessary, to the Crown for the purpose of public highways”.

The Neault Road construction project is proceeding in advance of development and subdivision west of Neault Road, with no mechanism for the City to require dedication of the land required without paying compensation. As such, the City has engaged in discussions with respective property owners from whom land is required, including the two below where Sale Agreements, conditional upon City Council approval, have been signed.

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### Acquisition of ISC Parcel No.136167419 from Adeline Doris Shynkaruk

Located on the NW corner of the intersection of 22<sup>nd</sup> Street and Neault Road, the Administration is recommending the acquisition of the entire parcel since the intersection design is subject to change. Notable terms of the agreement are as follows:

- Acquisition Area – 10.44 acres;
- Purchase Price - \$187,920.00;
- City to reimburse the Seller for legal fees in the amount of \$1,000.00;
- Sale conditional upon City Council approval by December 22, 2021; and
- Closing date of January 6, 2022.

### Acquisition of a Portion of ISC Parcel Numbers 203179136 and 203746653 from Zhang Bros. Development Corp.

Located west adjacent to the current Neault Road, the Administration is recommending the acquisition of a small portion from each parcel to accommodate the widening of Neault Road. Notable terms of the agreement are as follows:

- Acquisition Area – 2.15 acres;
- Purchase Price - \$29,880.00;
- Compensation of \$2,902.50 for use of 3.87 acres during construction project;
- City to reimburse the Seller for legal fees in the amount of \$1,000.00;
- Sale conditional upon City Council approval by December 22, 2021; and
- Closing date 30 business days following the issuance of a Transform Approval Certificate pursuant to the subdivision.

The purchase prices for all parcels reflect the fair market value of the land, taking site-specific factors into consideration such as, location, potential timeline for development, and existing easements that may affect value. The prepaid reserve is proposed to be used as the funding source to pay for the land acquisitions. The total compensation to the two owners stated above is \$222,702.50.

The Neault Road construction project also requires 3.65 acres from City-owned land holdings.

Section 2.1 of Council Policy C09-019, Properties (City-Owned) Required For Major Projects states that “City-owned properties (other than Municipal Reserve), required for major right-of-way projects and other capital projects, are to be charged to the projects at the greater of historical cost or fair market value, as determined by City land pricing policies.” The market value of the land required is estimated to be \$62,370.00. This amount would be transferred to the Property Realized Reserve upon commencement of the project consistent with City Council Policy.

**FINANCIAL IMPLICATIONS**

The total compensation for the acquisitions to complete this portion of the Neault Roadway construction project is \$285,072.50, which includes transfer of \$62,370.00 to the Property Realized Reserve. The prepaid reserve will be used to fund the land requirements for the project.

**OTHER IMPLICATIONS**

The Neault Road construction project may impact the existing wetlands within the land acquisition area. The project team has hired a consultant, Environmental Dynamics Inc., to complete a functional assessment of the wetlands and produce a report outlining a wetland mitigation plan for this area. The draft report was submitted to the City on November 15, 2021 and is being reviewed by both Planning & Development and Sustainability departments.

There are no privacy, legal, or social implications identified.

**NEXT STEPS**

Additional land is required to accommodate the Neault Road construction project and therefore a subsequent acquisition approval report(s) will be presented to Committee and Council upon negotiating agreements for the remaining land required.

**APPENDICES**

1. Neault Road Expansion - Drawing Showing Land Requirements

**REPORT APPROVAL**

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Approved by: Clae Hack, Chief Financial Officer