

## Acquisition of Additional Land for Neault Road Construction Project

### ISSUE

The City of Saskatoon (City) requires additional 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 Administration be authorized to purchase a 1.02 acre portion of ISC Parcel No. 136114006 from Hardeep Sidhu for \$9,082.50;
2. That Administration be authorized to purchase a 0.91 acre portion of ISC Parcel No. 136114130 from William John Kinash for \$9,555.00;
3. That Administration be authorized to enter into a conditional land exchange agreement with Dirt II Properties Ltd. to acquire a 2.40 acre portion of ISC Parcel No. 136167385 for the 2.79 acre Street Parcel St/L 3 – Plan G230 Ext 0; and
4. 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 to Neault Road to accommodate the expansion.

### 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. At the December 20, 2021 meeting of City Council, the acquisition of land required for Neault Road from two owners was approved. Since City Council approval of those acquisitions, two more sale agreements and a land exchange agreement, all conditional upon City Council approval, have been signed. Notable terms of the agreements are as follows:

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### Acquisition of a portion of ISC Parcel No. 136114006 from Hardeep Sidhu

- Acquisition area – 1.02 acres (of which 0.31 acres is encumbered by a SaskEnergy easement);
- Purchase price - \$9,082.50;
- Additional compensation of \$1,500.00 for use of 2.00 acres during construction project;
- City to reimburse seller for legal fees in the amount of \$1,000.00;
- Sale conditional upon City Council approval by April 7, 2022; and
- Closing date 30 business days following the issuance of a Transform Approval Certificate pursuant to the subdivision.

### Acquisition of a portion of ISC Parcel No. 136114130 from William John Kinash

- Acquisition area – 0.91 acres;
- Purchase price - \$9,555.00;
- City to reimburse seller for legal fees in the amount of \$1,000.00;
- Sale conditional upon City Council approval by April 7, 2022; and
- Closing date 30 business days following the issuance of a Transform Approval Certificate pursuant to the subdivision.

The properties above are located in the R.M. of Corman Park (see Appendix 1 for location of properties and City boundaries). The R.M. of Corman Park supports the road construction project and will continue to be consulted and informed as construction progresses.

The total compensation paid to the two owners above is \$22,137.50. As with the previous Neault Road acquisitions, the prepaid reserve is proposed to be used as the funding source to pay for the land acquisitions. The purchase prices 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.

### Exchange of St/L 3 – Plan G230 Ext 0 to acquire a portion of ISC Parcel No. 136167385 from Dirt II Properties Ltd.

Administration had been unable to come to an agreement on the purchase price for the land required from Dirt II Properties Ltd.; however, they have indicated that they would be willing to accept land in lieu of money. As such, a land exchange upon the following terms has been conditionally agreed upon:

- Acquisition area – 2.40 acres (estimated value \$43,200.00);
- Area of road to be exchanged – 2.79 acres (an estimated 0.41 acres will require an easement to accommodate an existing overhead powerline);
- City granted use of 2.49 acres during construction period;
- City to reimburse seller for legal fees in the amount of \$1,000.00;
- City responsible for costs associated with road closure; and

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- Agreement conditional upon City Council approval and City Council enacting the bylaw required to close the ROW (St/L 3 – Plan G230 Ext 0).

As proposed, the City would be responsible for the road closure costs and transfer the 2.79 acres road allowance to Dirt II Properties Ltd. in return for the 2.40 acres required for Neault Road (see Appendix 2). A public hearing will be held for City Council to consider the closure of St/L 3 – Plan G230 Ext 0.

### FINANCIAL IMPLICATIONS

Total compensation of \$22,137.50 would be paid to the two landowners from the prepaid reserve. \$45,067.50 (value of land plus construction area costs) will be transferred from the prepaid reserve to the Dedicated Roadway Reserve and \$1,000 for legal fees will be paid to Dirt II Properties Ltd. if the roadway closure is approved by City Council.

### OTHER IMPLICATIONS

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

### NEXT STEPS

Administration has started the road closure process to close the Street Parcel legally defined as St/L 3 – Plan G230 Ext 0. A report recommending the closure is currently being prepared and will be presented to City Council in the near future so the required bylaw can be enacted.

Additional land is still required to accommodate the Neault Road construction projects and therefore subsequent reports will be presented to Committee and City Council upon negotiating agreements for the remaining land required.

### APPENDICES

1. Drawing Showing Land to be Acquired in the R.M. of Corman Park.
2. Drawing Showing Proposed Land Exchange.

### REPORT APPROVAL

Written by: Jeremy Sibley, Property Agent, Real Estate Services  
Reviewed by: Frank Long, Director of Saskatoon Land  
Clae Hack, Chief Financial Officer, City of Saskatoon  
Approved by: Jeff Jorgenson, City Manager

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