Update on Disposal of Buildings and Improvements from City-owned Lands in Kensington

The City of Saskatoon (City) acquired the former Yarrow Youth Farm (Yarrow) site from the Government of Saskatchewan, Ministry of SaskBuilds and Procurement. Prior to the installation of new municipal improvements on the property, several buildings and remnant surface improvements need to be removed from the property to allow for area grading and land development servicing work to occur.

BACKGROUND

Approval to acquire the former Yarrow property along Neault Road (ISC Parcel No. 203370915) was granted at the <u>September 28, 2020</u> meeting of City Council. The City subsequently finalized the purchase of the site, taking possession on November 3, 2021. The property is 39.05 acres and is situated along Neault Road within the boundaries of the Kensington neighbourhood.

The Yarrow site was originally purchased by the Province of Saskatchewan (Province) in 1998 and developed as an open-custody correctional facility for youth. The Province permanently closed the facility in 2015 and the property has remained vacant ever since.

The inclusion and redevelopment of the Yarrow lands as part of the Kensington Neighbourhood has been contemplated and planned for since the Kensington Neighbourhood Concept Plan was approved by City Council in 2012.

Several buildings on the property have been subjected to water seepage due to high groundwater conditions and poor site drainage. The water connection to the pumphouse, that supplied water to the buildings, was permanently disconnected to accommodate recent improvements to storm water ponds located immediately south of the site. In addition, natural gas service connections to the property have been removed.

At the March 14, 2022 the Standing Policy Committee on Finance when considering the Disposal of Buildings from City-owned Lands in Kensington report resolved:

- "1. That Administration be authorized to issue and award a public procurement for the disposition and removal of the buildings and site improvements on the City-owned (ISC Parcel No. 203370915) 39.05-acre site along Neault Road as per the details outlined in the report;
- 2. That Administration be authorized to relocate two of the buildings to the Regional Fire Training Facility as per the details outlined in the report; and
- 3. That Administration be authorized to salvage/demolish any building/s or structures that are not removed from the property through a public disposal process and that Administration report back on outcome of this process."

CURRENT STATUS

Since the afore-mentioned Standing Policy Committee on Finance approval, Administration has:

- Issued a public Request for Proposals that was posted on <u>SaskTenders</u>, advertised in local print media <u>Clarks Crossing Gazette</u> and <u>Saskatoon</u> <u>StarPhoenix</u> and other media outlets such as Kijiji. Administration has also contacted Indigenous organizations and advised other groups and individuals that had previously expressed interest in the buildings.
- As of July 2022, advertised the opportunity for building and site improvement removals through Saskatoon Land website.

As shown on Appendix 1, several the smaller site improvements and buildings have either been removed or are under agreement for removal at a future date.

The following buildings and improvements have been removed or are under agreement for removal:

- Building #2 is under agreement for removal to the Youth Farm Bible Camp near Rosthern.
- Cultural Building #5 is under agreement with Misty Ventures Inc. for removal to a location where it will continue its use as an accessory building for sweat lodge ceremonies.
- Pole Buildings #7 and #8 and various fencing and poles have been removed by the Gerwing family for reuse on their farm.
- Building #6 (garage) has been relocated to the Regional Fire Training Facility and Building #4 (former pump house) is being further assessed by Fire to see if a relocation to the Regional Fire Training Facility is opportune.

While there was also initial interest in buildings 1 and 3, the significant costs associated with moving these larger structures has not resulted in any commitments to relocate the buildings.

DISCUSSION/ANALYSIS

Given the significant effort and cost associated with removing the improvements and buildings noted above, the City has accepted a nominal fee of \$1 for each building. This is justified as, the City is receiving the benefit of not having to pay for the items to be demolished or removed from the site and it also achieves the goal of waste reduction for the project.

From site visits and conversations with interested proponents and their consultants/contractors, the financial costs associated with removing the larger buildings is significant and is creating a roadblock in the potential relocation of the buildings. The purpose-built institutional nature of the buildings has also been a deterrent in finding a proponent to remove the buildings from the site.

FINANCIAL IMPLICATIONS

The City did not receive any monetary offers (beyond the \$1 noted in the agreements) for any of the improvements removed from the land—however—having the existing buildings and improvements removed from the property by the above noted groups will result in an estimated \$60K in savings for the Kensington development project. Capital Project 1407 - Land Development Kensington would be used to fund any building demolition and related charges.

OTHER IMPLICATIONS

Having the improvements and buildings removed for repurpose will result in a reduction of an estimated 75 truck loads of material that could have ended up in a landfill.

There are no privacy or social implications identified.

NEXT STEPS

Administration will continue to work towards the removal and salvage of the remaining buildings and their components over the coming months. Any buildings or improvements that remain on the site after March 2024 will be demolished and removed from site through a public procurement.

Once the buildings are removed from the property and a Neighbourhood Concept Plan Amendment confirming the design and land use layout for the area has been approved by City Council, area grading and other servicing work necessary to develop the lands as part of the Kensington neighbourhood would commence.

APPENDICES

1. Status of Buildings for Disposal on City-owned Future Kensington Lands

REPORT APPROVAL

Written by: Scott McCaig, Manager, Real Estate Services Reviewed by: Frank Long, Director of Saskatoon Land

Approved by: Clae Hack, Chief Financial Officer

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