

## **Partial Property Acquisition from U-Haul for Future 17th Street Extension**

### **ISSUE**

As part of the planning work completed in 2004 and 2005 to facilitate expansion of the Water Treatment Plant, it was determined closing portions of Avenue H and 11<sup>th</sup> Street was required to enable the expansion. It was also determined that the 17<sup>th</sup> Street Extension project was required to enable the expansion.

For the 17<sup>th</sup> Street Extension to proceed, land from two property owners needs to be acquired and designated as road right of way. U-Haul is one of the two property owners and a conditional agreement for purchase is in place. The agreement requires City Council consideration and approval to proceed.

### **RECOMMENDATION**

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

1. That the Administration be authorized to acquire a portion of 2410 - 11<sup>th</sup> Street West, Lot 1 Block 116 Plan No. 89S20258, ISC Parcel Number: 119973213, being approximately 2,885 square feet from U-Haul Co. (Canada) Ltd./U-Haul Co. (Canada) Ltee for \$46,160 as per the terms outlined in this report; and
2. That the City Solicitor be requested to have the appropriate agreements executed by His Worship the Mayor and the City Clerk under the Corporate Seal.

### **BACKGROUND**

The West Industrial Local Area Plan (LAP) was adopted by City Council in 2004 and was intended to provide a long-term guideline for revitalizing the area. At the time, the LAP identified the potential extension of 17<sup>th</sup> Street west of Avenue P along the Canadian National Railway (CN) spur.

As part of the planning work completed in 2004 and 2005 to facilitate expansion of the Water Treatment Plant, it was determined closing portions of Avenue H and 11<sup>th</sup> Street was required to enable the expansion. Subsequent planning and studies recommended installing or modifying transportation infrastructure to mitigate the potential shortcutting of traffic through the adjacent neighbourhoods as a result of the street closures. Since 2004, the Water Treatment Plant has expanded, road closures have been completed, and all but two of the recommendations to modify or install traffic infrastructure have been implemented or are in progress. The 17<sup>th</sup> Street Extension project is one of the remaining recommendations.

At its April 26, 2010 meeting, City Council approved the purchase of CN spur lands spanning from 11<sup>th</sup> Street West to Avenue P near the 17<sup>th</sup> Street intersection for the future extension of 17<sup>th</sup> Street from Avenue P to 11<sup>th</sup> Street.

In 2022, the 17<sup>th</sup> Street Extension project was expected to cost approximately \$7 to \$10 million.

At its Regular Business Meeting on [March 29, 2023](#), [City Council resolved](#):

- “ 1. That Administration defer the detailed design and construction of the 17<sup>th</sup> Street Extension until further consideration can be made through updated planning in the area such as the previously outlined West Industrial Concept Plan work; and
2. That the Administration report back with a project status update and administrative recommendation at the appropriate time.”

### **DISCUSSION/ANALYSIS**

U-Haul recently acquired 2410 – 11<sup>th</sup> Street and four adjacent properties. With the properties acquired, U-Haul is in the process of consolidating the properties into one property. Given the change in ownership of these lands and the consolidation being worked towards, Administration approached U-Haul to purchase the portion of their property that would be required to allow for the 17<sup>th</sup> Street Extension to occur.

Administration has entered into a conditional agreement with U-Haul Co. (Canada) Ltd./U-Haul Co. (Canada) Ltee for the acquisition of a small portion of their property (as shown on Appendix 1) that would allow for the eventual construction of the 17<sup>th</sup> Street Extension. Noteworthy details of the agreement include:

- An acquisition area of approximately 2,885 square feet.
- A purchase price of \$46,160 (based on a land value of \$16 per square foot).
- The Purchase being conditional upon City Council approval by May 29, 2024.
- City to compensate U-Haul \$20,000 for lost lease revenue associated with the billboard that is on the land the City would be purchasing.
- U-Haul would provide possession of the land to the City on the closing date which would be within 90 days following the completion of the subdivision.
- City to undertake and pay for the subdivision, estimated at \$5,000.
- City to pay U-Haul \$1,000 for legal fees.

The negotiated purchase price is considered in the range of market value for the area and the compensation for the lost billboard lease revenue is considered a reasonable compensation amount.

### **FINANCIAL IMPLICATIONS**

Total estimated costs for this acquisition are \$72,160 and all costs and expenses associated with this acquisition would be paid for from the Dedicated Roadways Reserve—which has sufficient funding available.

For the 17<sup>th</sup> Street extension project, the following funding was approved and is in place under Capital Project P.02020 - 17<sup>th</sup> Street Corridor Extension:

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- \$773,000 for detailed design
- \$7,750,000 for construction

As part of the detailed design, a refined cost estimate will be produced. If the cost estimate exceeds available funding, further reporting to City Council would be required.

### **OTHER IMPLICATIONS**

As part of the purchase, the existing billboard on the land would transfer to the City. If the report recommendation is approved, the lands would be subdivided and designated as road right-of-way. The billboard on the right-of-way would then be in contravention of the existing Zoning Bylaw as billboards are currently not allowed to be closer than 3.0 meters to a street or roadway right-of-way. Based on City Council direction at the April 24, 2024 Regular Business Meeting of City Council regarding the placement of billboards on road right-of-way, Administration will be reviewing regulatory frameworks to enable billboard placement on road right-of-way. The billboard structure would be addressed pending the outcome of the regulatory framework review for the placement of billboards on road right-of-way.

There are no privacy, environmental or social implications identified.

### **NEXT STEPS**

If approved, the land would be subdivided, and the agreement would proceed to close.

For the physical construction of the 17<sup>th</sup> Street Extension to proceed, lands from a property near the Avenue W and 11<sup>th</sup> Street intersection needs to be acquired. Administration has been in conversations with the property owner and acquisition negotiations continue.

### **APPENDICES**

1. U-Haul Lands for Acquisition

### **REPORT APPROVAL**

Written by: Scott McCaig, Manager, Real Estate Services  
Nathalie Baudais, Engineering Manager, Transportation

Reviewed by: Jay Magus, Director of Transportation  
Frank Long, Director of Saskatoon Land

Approved by: Clae Hack, Chief Financial Officer  
Terry Schmidt, General Manager, Transportation & Construction