

# Donation of Riverbank Lands to the City of Saskatoon by P.R. Developments Ltd

## ISSUE

The City of Saskatoon (City) has the opportunity to acquire 78.22 acres of riverbank land to be donated by P.R. Developments Ltd. (P.R.). The majority of these lands would be donated to the City with the requirement that they would be open for walking, biking and other riverbank related activities.

## RECOMMENDATION

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

1. That the Administration be authorized to receive the donation of Parcel A, Parcel B, and Parcel C being approximately 78.22 acres from P.R. Developments Ltd. as per the terms outlined in this report;
2. That the Administration be authorized to issue a charitable tax receipt to P.R. Developments Ltd. for \$515,000.00 as per the details outlined in this report;
3. That Administration undertake the necessary actions to have Parcel C named as Ellen Remai Natural Area, as part of City Policy C09-008, Naming of Civic Property and Development Areas, as further outlined in this report; and
4. That the City Solicitor be requested to have the appropriate agreements prepared and executed by His Worship the Mayor and the City Clerk under the Corporate Seal.

## BACKGROUND

P.R. has owned these lands since the 1980s.

As shown on Appendix 1, Peturrson's Ravine is located in Parcel C. Peturrson's Ravine was named after John Peturrson who had owned and ranched these lands around the 1950s and 1960s. The Ravine is a considered a "marl fen" as the majority of the water in the ravine comes from ground water and thus creates a "hard" water that is often soupy.

The City's [Official Community Plan](#) (OCP) includes Section E3.6 on Riverbank Stewardship which notes the South Saskatchewan River Valley is Saskatoon's natural showpiece. Riverbank Stewardship Objectives in the OCP include:

- a) To facilitate appropriate development while maintaining the integrity of the riverbank of the South Saskatchewan River.
- b) To protect and enhance the South Saskatchewan River Valley for the enjoyment of present and future generations.

Policies for Riverbank Stewardship in the OCP include:

- a) The City shall monitor the riverbank of the South Saskatchewan River to identify areas that are susceptible to slumping or slope instability.
- b) For the purpose of protecting or conserving the natural, historical, and recreational features of the Riverbank Area of the South Saskatchewan River, the Riverbank Area shall, insofar as possible, be dedicated as Municipal Reserve or Environmental Reserve under the provisions of The Planning and Development Act, 2007 as amended. Furthermore, the banks of the South Saskatchewan River shall, insofar as possible, be conserved as public open space for the benefit of all residents.
- c) The development of the Riverbank Area for visual amenity and public recreation will be undertaken in a manner that enhances and complements the natural and historical features of the riverbank.
- d) The City will work in partnership with the provincial government and the University of Saskatchewan, through Meewasin, and regional partners, to maintain and conserve the South Saskatchewan River Valley within the city and region.
- e) The City will work toward clarifying jurisdictions in the Riverbank Area with Meewasin and other regional partners.

The OCP also includes Policy E2.5(2)(f) which states:

“Natural areas of significant ecological value should be placed in municipal ownership and appropriate legal protection will be considered.”

The University of Saskatchewan (USask) Parcel A is located immediately east of Peturrson's Ravine, across Central Avenue. As part of a monitoring plan for USask Parcel A, several piezometers have been installed throughout this area. The piezometers were installed to monitor the area water quality as it relates to the upstream Parcel A USask facility. It is understood there are documented contaminants from the USask facility impacting Peturrson's Ravine and area.

## **DISCUSSION/ANALYSIS**

Administration has entered into a conditional agreement with P.R. for the donation of 78.22 acres of riverbank land along Central Ave. The 78.22 acres are made up of:

- Parcel A, Plan No. 65S22382 Ext 1, ISC Parcel No. 203248986, 3.9 acres
- Parcel B, Plan No. 101392354 Ext 4, ISC Parcel No. 203248664, 32.2 acres
- Parcel C, Plan No. 101392680 Ext 3, ISC Parcel No. 203248931, 42.12 acres

As shown on Appendix 1, the 78.22 acres includes both river valley and upland areas.

Administration is recommending City Council approve this land donation as it aligns with policy in the City's OCP in that these parcels are adjacent to the South Saskatchewan River valley and would offer public ownership of the lands to ensure future public

access and protection. In addition to maintaining public access and pending further studies, a portion of Parcel B outside riverbank setbacks has been identified as having potential for future improvements (e.g., structures, parking) which could be pursued by the City through future concept plan submissions. Further review by Administration and approval by City Council would be required in the future to enable improvements in this area. PR has no objection to this portion of the lands potentially being improved to accommodate sensitive development or public use of a portion of Parcel B (e.g., parking).

Noteworthy details of the donation agreement with P.R. include:

- City Council approval on or before May 29, 2024;
- The City agrees to keep Parcel A and Parcel C open to the general public for walking, biking and other riverbank related activities;
- The parties acknowledge and agree that a portion of Parcel B may be considered for future development or improvements;
- The City would issue a charitable tax receipt to P.R. in the amount of \$515,000.00 as determined by a 3<sup>rd</sup> party appraisal;
- The lands would be entirely at the risk of the City and P.R. would be relieved of any environmental responsibility or otherwise, arising out of or in any way connected with any condition in, on or in relation to the lands;
- The City agrees to work with P.R. on naming Parcel C (except for Petursson's Ravine) "Ellen Remail Natural Area" and the City, at its cost, would install site signage as such; and
- A closing and possession date of September 1, 2024.

### **Due Diligence**

In considering the donation of the property, Administration completed due diligence reviews as follows:

The former USask facility is located to the east across Central Avenue and has resulted in environmental investigation for the lands proposed for donation. As part of the proposed donation, the City would accept these lands as is. Administration is recommending acceptance of the lands on an "as is" condition due to the fact that USask is considered the responsible party under [The Environmental Management and Protection Act, 2010](#) for impacts originating from historical landfilling activities east of Central Avenue. USask has accepted responsibility for the off-site impacts and have a monitoring program in place. Off-site impacts do not require any remediation to the site currently, only monitoring. Long-term monitoring requirements will be identified as USask works toward decommissioning and closure of their facility.

In addition to the existing environmental reports for the lands, Administration completed groundwater and slope stability monitoring on Parcel B to further investigate the geotechnical and environmental state of the lands. From these investigations there were no unexpected geotechnical findings with the ground conditions being suitable for

future improvements with low risk of slope failures along this section of the riverbank. The installed monitoring wells will be included in the annual riverbank monitoring to create a dataset for the area to aid future improvements.

Environmental samples were collected and tested for commonly found contaminants. Sample results were found to comply with applicable criteria. Sampling locations coincided with boreholes advanced during the geotechnical investigation and represent a reasonable investigative effort. Existing impacts to the Peturrson's Ravine area have been well documented in historical assessment and monitoring work completed by USask and others. Given the site history, the favourable sampling results, and the well documented impacts from USask, the overall environmental risk associated with this site is similar to most other riverbank parcels already owned by the City.

Through communications with Meewasin regarding the potential donation of these lands, Meewasin has confirmed they are:

- Accepting of the "Ellen Remail Natural Area" naming recognition being recommended for Parcel C.
- Interested in extending the trail north through these lands and having a Resource Management Plan done for these parcels, focussing on Peturrson's Ravine.

These lands for donation were included in two Sector Plans, those being the 2021 [University Sector Plan](#) and the 2013 [University Heights Sector Plan](#).

Both Sector Plans referenced the 92 metre "riverbank area" as per the [Official Community Plan](#) where no development is to occur. In addition, the University Heights Sector Plan includes a 150 metre Riverbank Zone intended for natural areas and multi-use trails. Both are measured from the shoreline of the river or on any part of the slope leading down to said shoreline where the gradient is in excess of 20%, plus 10 metres, whichever extends the greatest distance measured horizontally from the shoreline. The 92- and 150-meter offsets from shoreline are shown on Appendix 1.

The 2013 Sector Plan noted a 300-metre radial buffer surrounds the USask containment facility and that no residential development should occur in this area. It was also noted that the Government of Saskatchewan, Ministry of Environment (Province) cleared the buffer area for "non-contact recreational use," meaning a natural area with trails and walkways would be acceptable.

The outcome of the Sector Plans is that additional investigations would be needed to determine what portion of Parcel B could be considered for improvements. It is likely that these additional investigations would be completed in advance of the future neighbourhood concept plan approval process for University Heights Neighborhood 3 (UH3).

Service levels expectations for these lands have been discussed with Meewasin and Administration does not have plans to provide a service level for these lands aside from

addressing any imminent safety issues. The Parks Department has confirmed at this time there would be no service level provided to the area, such as mowing and/or waste receptacles.

The donation agreement with P.R. includes a naming recognition section that stipulates the City agrees to work with P.R. on naming recognition for all of Parcel C (except for Petursson's Ravine) as part of City [Policy C09-008, Naming of Civic Property and Development Areas](#), acting reasonably, with the intention being that the area would be named "Ellen Remai Natural Area". P.R. Developments Ltd. is controlled by Ellen Remai.

Administration will work with P.R. to bring a report forward to the Civic Naming Committee (CNC) outlining the donation and technical considerations, and an administrative recommendation to have Parcel C named "Ellen Remai Natural Area." Following CNC, the report along with a recommendation from the Committee will be forwarded to the Standing Policy Committee on Planning, Development and Community Services for approval.

### **FINANCIAL IMPLICATIONS**

The geotechnical and environmental investigations that were completed as part of Administration's due diligence process cost \$40,000.00 and have been split between the City's Property Realized Reserve and the City's geotechnical monitoring program. Site signage recognizing the donor is estimated at \$10,000.00.

Some staff time is anticipated to manage the environmental status of these lands as they relate to the USask lands east of Central Avenue and in alignment with regulatory requirements. Site management includes communications and site data sharing with USask; regular interpretation/evaluation of site reports and plans; and site issue management with the regulator and USask should issues arise. Costs for Engineer (Soils) staff associated with site management (without significant issues arising) are estimated at \$2,500 annually.

### **OTHER IMPLICATIONS**

Under the [Income Tax Act](#) the donation of this land to the City would qualify P.R. to receive a charitable donation receipt as:

1. The donation was made voluntarily and not as a result of a contractual obligation;
2. There is a transfer of real property;
3. There is no advantage or benefit to the donor or directed third-party;
4. The donation is not being requested to be transferred to a non-qualified donee; and
5. While the donation requires the City to maintain public access to the majority of the lands, this is consistent with typical City provided services such as Parks and Recreation and Environmental Conservation.

As such, P.R. would be entitled to a donation receipt equivalent to the fair market value of the land which is estimated at \$515,000.

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

**NEXT STEPS**

If approved, this proposed donation would close September 1, 2024, and the required documentation to finalize the donation would be completed by the City Solicitor’s Office and Corporate Financial Services.

Post closing, Administration would work to present a report to the Civic Naming Committee recommending Ellen Remail Natural Area, home of Petursson’s Ravine, be assigned to the defined area. Post naming, Administration would work to have site signage installed indicating the official name of the area.

**APPENDICES**

1. P.R. Development Lands for Donation

**REPORT APPROVAL**

Written by: Scott McCaig, Manager, Real Estate Services  
Reviewed by: Frank Long, Director of Saskatoon Land  
Lesley Anderson, Director of Planning and Development  
Jeanna South, Director of Sustainability  
Approved by: Clae Hack, Chief Financial Officer  
Jeff Jorgenson, City Manager