

Acquisition of Land for the Relocation of the Saskatoon Fire Department Maintenance and Mechanical Shop

ISSUE

Administration requires City Council approval for the purchase of land to accommodate the future relocation of the Fire Maintenance and Mechanical Shop and long-range planning for the relocation of Fire Station No. 4 from its current location, at 2106 Faithfull Avenue to 2011 1st Avenue North.

RECOMMENDATION

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

1. That the Administration be authorized to purchase 2011 1st Avenue North for a price of \$740,000 to be funded from the Property Realized Reserve; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

BACKGROUND

In 2018, the Saskatoon Fire Department (Department) initiated a project to create the Saskatoon Fire Strategic Facilities Master Plan (the Plan) that will cover facilities planning as the City approaches a population of 500,000. An overview of the project was received at the Standing Policy Committee on Planning Development and Community Services' regular public meeting on November 5, 2018.

It was identified that the current Maintenance and Mechanical Shop is no longer able to meet the needs of the Department's fleet due to the increased workload and demands of a service almost twice the size of when the shop was built. Compounding the problem is the increased size and complexity of modern fire apparatus.

Included in the overview was the proposal that with the right land appropriation, a new Maintenance and Mechanical Shop, and the relocation of Fire Station No. 4, could be built when fiscally possible. Land location is the number one factor when selecting sites for a fire station. The vacant lot identified is in the right location and will serve the City long term.

Fire Station No. 4 is located at 2106 Faithfull Avenue, north of Circle Drive East on the southeast corner of Faithfull Ave and 42nd A Street East. The Fire Station was built in 1960, totalling 5,459 square feet, and was constructed to serve the expanding North Industrial Sector. Currently, the Fire Station is aging and replacement is required.

The current Maintenance Shop is located in a building on the rear of Fire Station No. 1 property at 125 Idylwyld Drive South. Built in 1964, the site does not align with current procedures and processes in place today such as efficient asset management, inventory control and storage, and suitable processes for shipping and receiving.

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The Mechanical Shop is located under the same roof as the Maintenance Shop. The age of the Shop does not allow for efficient maintenance of fire apparatus and utility vehicles. Apparatus has changed considerably, both in size and technical requirements, over the past 55 years. An example of this inefficiency is servicing of the Aerial Ladder; trucks currently must be serviced outside, next to the Shop, during times when weather is conducive.

DISCUSSION/ANALYSIS

Upon determining that a replacement of the Maintenance Mechanical Shop would be required, the Department contacted Saskatoon Land, Real Estate Services to aid the search for a suitable site. As 2011 1st Avenue North is vacant and ideally situated, it was identified as the best option to pursue.

The lot is a 1.51 acre vacant lot located on 1st Avenue, just south of The Brick store on Circle Drive East (Appendix 1). The lot, legally described as Lot A – Blk/Par 231 – Plan G826 Ext 0, as described on Certificate of Title 89S41311, having ISC Parcel No. 118997364 (Appendix 2), is owned by The Brick GP Ltd. The site is large enough to build upon and ideally situated on 1st Avenue, providing quick access to Circle Drive to the north or Quebec Avenue when travelling south.

The Brick GP Ltd. was contacted to inquire whether they would consider selling the site and a conditional agreement (the agreement) was reached. Notable terms and conditions of the agreement are as follows:

- Purchase price of \$740,000 (\$490,066/acre).
- Conditional upon City Council approval by September 30, 2019.
- Closing date to be October 31, 2019.

In completing due diligence, it was discovered that storm sewer does not currently run within the street adjacent the site and would therefore have to be extended from Circle Drive to allow for a site service connection. A cost estimate of \$80,000 to complete the work was provided by Construction & Design. The purchase price of \$740,000 was negotiated knowing that this additional cost would be incurred at a later date, and it is believed to be representative of market value.

FINANCIAL IMPLICATIONS

The purchase price of \$740,000 is recommended to be initially funded from the Property Realized Reserve (PRR) until such a time that the Plan, specifically the relocation of the Maintenance and Mechanical Shop and long range planning for Fire Station No. 4 replacement, project has sufficient funds to repay the PRR. This strategy is in alignment with the purpose of PRR and corresponding Capital Reserve Bylaw (No. 6774), section 48(3)(c) which states that PRR may be used for the purchase of property required by the City for future capital expansions. Sufficient funding exists in PRR to accommodate the acquisition costs. Repayment of incurred acquisition costs will be consistent with Council Policy No. C09-19. The eventual cost to extend the storm sewer will be paid at the time of construction; funded from the capital project.

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NEXT STEPS

If City Council approves the land purchase request, the City Solicitor will be requested to complete the documents required to transfer title and work towards closing the transaction.

PUBLIC NOTICE

Public notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

APPENDICES

1. Drawing Showing Location of 2011 1st Avenue North
2. Parcel Picture of the Proposed Acquisition Site

Report Approval

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Frank Long, Director of Saskatoon Land

Approved by: Clae Hack, Interim Chief Financial Officer

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