



REQUEST FOR DECISION

MEETING DATE: March 14, 2022

TITLE: Land Sale – Highway 16A Surplus Parcel

DIVISION: City Manager's Office

SUMMARY:

With the Baseball Park proposal coming forward, the City undertook a review of the Highway 16A right-of-way (ROW) running from Pioneer Road to Spruce Grove's eastern boundary. This review resulted in surplus Highway 16A ROW being identified and City Council subsequently approving closure through Road Closure Bylaw C-1171-21. This Request for Decision is to approve the sale of a portion of surplus Highway 16A ROW consisting of approximately 1.21 acres (0.49 ha) to 1805043 Alberta Ltd. and 2213936 Alberta Ltd. subject to consolidation with the adjacent parent parcel to the north.

PROPOSED MOTION:

THAT the sale of a portion of the public roadway closed under Bylaw C-1171-21 and consisting of approximately 1.21 acres be approved for the sale price of \$141,570 plus applicable GST on terms and conditions satisfactory to City Administration.

BACKGROUND / ANALYSIS:

With the Baseball Park proposal coming forward, the City undertook a review of the Highway 16A right-of-way (ROW) running from Pioneer Road to Spruce Grove's eastern boundary. The intent was to determine final road configuration and whether there was road ROW surplus to City requirements. This review resulted in surplus Highway 16A ROW being identified and then City Council subsequently approved closure through Road Closure Bylaw C-1171-21 at the Council meeting on October 12, 2021.

The effect of the Road Closure Bylaw was to create a surplus parcel of approximately 13.12 acres (5.31 ha) out of the Highway 16A ROW. This Request for Decision is to approve the sale of a portion of this surplus ROW consisting of approximately 1.21 acres (0.49 ha) to the ballpark

developers - 1805043 Alberta Ltd. and 2213936 Alberta Ltd. - subject to consolidation with the adjacent parent parcel to the north (Lot A, Plan 752 0163). As shown on the attached map, the sale parcel is immediately east of Pioneer Road.

OPTIONS / ALTERNATIVES:

The City could retain the parcel and incur maintenance expenses going forward. Otherwise as a standalone parcel, it is largely a remnant piece without access and services to support development. Its highest and best use is integration into the larger property to the north.

CONSULTATION / ENGAGEMENT:

The surplus parcel was independently appraised and the valuation is acceptable to the buyer.

IMPLEMENTATION / COMMUNICATION:

As a condition precedent to the sale, the purchaser must apply for and obtain subdivision approval for the Tentative Legal Plan of Subdivision and Consolidation. This requires consolidation of the surplus parcel with the larger property to the north owned by the purchaser.

IMPACTS:

The addition and consolidation of this surplus parcel would support a larger commercial development than what otherwise is possible. This contributes additional amenities, jobs and property tax revenues for the community.

FINANCIAL IMPLICATIONS:

The market value of the land was determined by a certified appraisal (Altus Group) at \$141,570 plus applicable GST for the 1.21 acre parcel sale. This value is consistent with recent appraisals for surplus Highway 16A ROW sold to Wind Dancer Properties east of Jennifer Heil Way.

Administration will be returning to Council later in 2022 with a Request for Decision to establish a Specific Purpose Land Reserve and that is where the proceeds from this land sale would be directed if Council approves the establishment of the Reserve.

STRATEGIC VISION ELEMENT:

Where People Choose to Grow a Business - A strong, diversified business centre

RELATED GOAL:

Spruce Grove has a business environment that attracts new businesses to the city, encourages and supports new business start-ups, and helps ensure existing businesses are competitive, successful and profitable.