

## Request for Decision

<b>Title</b>	<b>Bylaw 1417/20 – Closure of a Portion of Riverbend Road (Road Subdivision Plan 802 0013) – Second and Third Reading</b>
<b>Proposed Motion</b>	<p>1. That Council give second reading of Bylaw 1417/20.</p> <p>2. That Council give third reading of Bylaw 1417/20.</p> <p>3. That Council direct Administration to conclude negotiations with the applicant regarding the sale and consolidation of the portion of the subject lands, including the ability to consider a purchase offer for not less than \$10,000.</p>
<b>Administrative Recommendation</b>	Administration recommends that Council support the proposed motions above, including the authorization to accept a below assessed value offer on the lands created by the road closure.
<b>Previous Council / Committee Direction</b>	<p><u>January 12, 2021 Regular Council Meeting</u></p> <p>Motion 009/21: That Council give first reading of Bylaw 1417/20.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>In 2017, the Municipal Planning Commission approved the subdivision of Lot 4, Block 6, Plan 0522530 (located in Shil Shol Estates) dividing the existing 0.73 ha (1.8ac) R-1 lot approximately in half to create two lots of ±0.35ha (proposed Lot 5) and ±0.38ha (proposed Lot 6) respectively. (see Attachment 1).</li> <li>Subsequently, the landowner applied for the closure of an adjacent 0.204ha portion of Riverbend Road to allow for the purchase and consolidation of the said portion with proposed Lot 6 and increase of the lot size to 0.593ha (see Attachment 1).</li> <li>The portion of road originally served as a turning circle for the Shil Shol subdivision when it was registered in 1980. In 1999, Riverbend Road was extended to connect to Range Road 271.</li> <li>Council gave first reading of Bylaw 1417/20 at the January 12, 2021 Council meeting.</li> <li>The Public Hearing for Bylaw 1471/20 was held on February 9, 2021. There were no submissions made by adjacent property owners.</li> </ul>

- Section 22(3) of the *Municipal Government Act* (MGA) requires that a bylaw closing a road in a municipality other than a city requires the approval of the provincial Minister of Transportation before the bylaw receives second reading.
- Following the Public Hearing, Ministerial approval for the road closure was applied for, and approval was finally granted on January 20, 2022 (see Attachment 2).
- Now that Ministerial approval has been received, Council may proceed with second and third readings of the Bylaw (see Attachment 3).
- In accordance with section 184 of the *Municipal Government Act* (MGA), Councillors Berry, McLennan, and Stang must abstain from voting on all of the three proposed motions as they were not present for the Public Hearing held on February 9, 2021. The Public Hearing addressed both Bylaw 1417/20 and the proposed sale below market value.
- If the road closure is ultimately approved, the second eastern approach would be required to be removed and ditch area reclaimed to the municipal requirement. Also, any proposed changes affecting the drainage course would be submitted to the County for approval from a qualified professional. There are no utilities located on this portion of road.
- When the closure is completed, Administration could also complete negotiations with the landowner for the sale of the property.

#### Land Valuation Background

- Administration received a Land Value Report, assessing the value of this portion of road and recommending a value of \$111,000/acre, implying a price of ±\$55,994 for the 0.204 ha of road.
- The applicant also obtained an independent assessment. This assessment essentially arrived at the same value as above, with the exception of an approximate \$30,000 reduction to account for costs to remediate the site. Remediation would entail excavation and removal of the existing approach, excavation and installment of a new culvert, filling in low lying areas, and re-grading the site. The applicant also identified additional costs for consideration, to arrive at a total purchase offer of \$10,000 for the County's consideration.
- Legal and professional opinions have noted that adjusting land sale prices for site remediation is not recommended. Such a practice could set precedent/expectation for other road closure land buyers, and a buyer is buying the land with understanding of its current condition. It is not the responsibility of a municipality to improve the land or compensate the proposed buyer.
- Notwithstanding the above, in this instance the lands would serve no other identified use. The portion of road to be closed cannot operate as a lot by itself as it would prevent access to the new lot that has been subdivided, and remediation costs could likely exceed the projected sale price.

	<ul style="list-style-type: none"> <li>Considering the original valuations, quotes, and the appraiser's conclusion, a reduction of ±\$32,818 would be considered fair and would culminate in an asking price of \$55,944 - \$32,818 = \$23,126. This would be the recommended minimum value of the property, which represents a substantial discount; however, it is higher than the applicant's purchase offer of \$10,000. Considering that no other offers for the lands have been received, Council could accept the noted amount.</li> </ul> <p><u>External Communication</u></p> <ul style="list-style-type: none"> <li>The Public Hearing for the proposed road closure and potential sale of the parcel below market value were advertised in the January 26, 2021 and February 3, 2021 editions of the <i>Morinville Free Press</i> and the <i>Redwater Review</i>.</li> <li>Adjacent landowners were notified of the Public Hearing via direct mailouts.</li> <li>Only the applicant provided a submission during the Public Hearing that was held on February 9, 2021. The applicant expressed that he would be willing to pay \$10,000 for the land.</li> <li>Following the closure of the Public Hearing, the Bylaw was sent to the Minister of Transportation for approval, as per section 22(3) of the <i>Municipal Government Act (MGA)</i>. This approval was received by the County in February 2022. Only upon approval by the Minister can the County consider subsequent readings of the Bylaw.</li> </ul> <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> <li>Sections 22, 70(1) and 184 of the <i>Municipal Government Act (MGA)</i></li> <li>Section 38.1 of the <i>Highways Development and Protection Act</i></li> </ul>
<b>Implication of Administrative Recommendation</b>	<p><u>Strategic Alignment:</u></p> <p><b>Collaborative Governance</b> – The Bylaw has followed appropriate governance process. The sale of the parcel would show that Council has made a transparent and action-oriented decision based on sound rationale.</p> <p><u>Organizational:</u></p> <p>Administration has capacity to satisfy the required process and potential sale/lot consolidation.</p> <p><u>Financial:</u></p> <p>The County would collect proceeds from a land sale and additional (residential) property tax once the portion of road has been consolidated with the adjacent residential property. Upon consolidation, the assessed value of the adjacent parcel would increase by an estimated \$11,500 (2021 Assessment Values).</p>
<b>Alternatives Considered</b>	<p>Council may choose to not proceed with second or third reading of the Bylaw and/or not to proceed with the sale and consolidation of the lot into the adjacent property.</p>
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <p>If the Bylaw were defeated, and the road closure did not occur, the status quo would remain. If the road closure occurred but Council did not sell the</p>

	<p>lands, the municipality would hold the remnant parcel into the future (with no intended purpose).</p> <p><u>Organizational:</u> None.</p> <p><u>Financial:</u> The County would not benefit from the proceeds of a land sale and future property tax from the lands.</p>
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>1. Obtain Mayor and CAO signatures on the Bylaw (Legislative Services, March 2022).</li> <li>2. Conclude negotiations with the applicant regarding the sale and consolidation of the subject parcel into an adjacent parcel (Planning and Development Services, Q2 2022).</li> </ol>
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>1. Attachment 1: Plan of Survey</li> <li>2. Attachment 2: Alberta Transportation Letter</li> <li>3. Attachment 3: Bylaw 1417/20</li> </ol>
<b>Report Reviewed by:</b>	<p>Bonnie McInnis, Manager, Planning &amp; Development Services</p> <p>Travis Peter, General Manager, Development &amp; Strategic Services</p> <p>Scott MacDougall, Acting County Commissioner - CAO</p>

## Strategic Alignment Checklist

**Vision:** *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

**Guiding Principles:** Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
<b>Planned Growth</b>			
• <i>Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Modern broadband and digital capabilities</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Low cost, minimal red-tape regulations</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Thriving Communities</b>			
• <i>Beautiful, surprising places with high standards; integrated natural spaces &amp; trail systems; healthy and resilient</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Engaging cultural, historical, and civic amenities; strong community identity and pride</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Environmental Stewardship</b>			
• <i>Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Sustainable development; partnerships with industry and others to drive emission reductions</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Collaborative Governance</b>			
• <i>Predictable and stable external relationships; volunteer partnerships</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Meaningful connections with Indigenous communities</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• <i>Respectful and informed debate; clear and supportive governance processes</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Operational Excellence</b>			
• <i>Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• <i>Future focused thinking to proactively respond to emerging opportunities and challenges</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• <i>Alternative revenue generation and service delivery models integrated strategic and business planning</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>