

Subject: Closure of Undeveloped Government Road Allowances and Authorization to Sell - Bylaw No. 14/003

APPROVAL

Marcel Ulliac, Director
Sudhir Sandhu, Executive Director
Glen Laubenstein, Chief Administrative Officer

Administrative Recommendation:

1. THAT Bylaw No. 14/003, being a bylaw to close Undeveloped Road Allowances, be read a second time.
2. THAT Bylaw No. 14/003 be read a third and final time.

Summary:

The Municipality received an unsolicited offer from Pacific Investments & Development Ltd. to purchase a portion of the undeveloped government road allowances located adjacent to the property legally described as Plan 1025452, Block 1 Lot 1 (Attachment 3: Subject Area Map). Upon closure, these road allowances will be consolidated with the adjacent properties for the purpose of creating an industrial subdivision south of Fort McMurray (Prairie Creek Business Park).

To create titles and facilitate the sale of the undeveloped government road allowances, the subject road allowances must be closed by a bylaw. A bylaw closing a road in the Rural Service Area has no effect unless it is approved by the Minister of Infrastructure and Transportation before the bylaw receives second reading.

A public hearing must be held after the bylaw is given first reading in order to provide an opportunity for any individuals who may be affected by the closure to be heard by Council.

Background:

The Prairie Creek Business Park Outline Plan area encompasses 980.51 acres more or less of raw land located along the east side of Highway 63 and 3.2 kilometres south of the Fort McMurray Urban Service Area (USA).

Due to the recent amendments to the Municipal Development Plan and Highway 63/881 Corridor Area Structure Plan, the subject land has been identified to accommodate future commercial and industrial development. The Municipality approved the Prairie Creek Outline Plan in June 2013 which formally designates the lands for commercial and industrial uses by way of area structure plan. The developer is set to commence development in the area and requires land consolidation in order to properly configure the land for development.

The road allowances designated for closure and consolidation are a portion of undeveloped government road allowances with a total area of 4.30 Ha (10.63 Ac). In 2011, the applicant acquired the adjacent property from Alberta Environment & Sustainable Resource Development (AESRD). The subject road allowances were not included in the initial acquisition from AESRD because jurisdiction to administer roads other than highways in a municipality lies with the Municipality.

The proposed road closure has been duly circulated to internal municipal departments, Alberta Transportation, AESRD, and franchise and utility agencies. No objections or concerns were raised regarding the proposed road closures. The road closures will have no impact on municipal operations in the area.

Budget/Financial Implications:

To establish the sale price an independent appraisal was used to determine the current market value for the portion of undeveloped government road allowances. The sale will not result in any financial loss to the Municipality.

Rationale for Recommendations:

Administration supports the road closure, subsequent sale, and consolidation of the subject property, because it is undeveloped and does not provide physical access to public utilities nor serve as public access to any of the adjacent lands. Further, there will be a new configuration of roads established as part of the subdivision development to provide access in the industrial subdivision.

Update – May 23, 2014:

Bylaw No. 14/003 received first reading on January 28, 2014 and the required public hearing was held on February 25, 2014. As the subject property is located in the rural service area, it required approval from the Minister of Transportation prior to consideration of second and third readings. The duly executed bylaw was returned to the Municipality on May 22, 2014 and is now brought forward for second and third readings.

Attachments:

1. Bylaw No. 14/003
2. Summary – Land Sale Terms and Conditions
3. Subject Area Map