Prairie Creek Business Park Plan 1025452 Block 1 Lot 1

Outline Plan Amendment Phase Two Redesignation Phase Two Subdivision

Response to RMWB Correspondence of January 5, 2015

FINAL SUBMISSION

Submitted to:

Regional Municipality of Wood Buffalo 9909 Franklin Avenue Fort McMurray, Alberta T9H 2K4

Prepared by:





Our Job No: 1597 RMWB Redesignation E - File No. 2014-LU-00003 RMWB Subdivision E - File No. 2014-SU-00007 Submission Date: February 25, 2015



Brown & Associates Planning Group Suite 600 | 940 – 6th Avenue SW Calgary, Alberta | T2P 3T1 npetherick@bapg.ca p. 403.692.4356 f. 403.262.4480

February 25, 2015

Our Job No: 1597

RMWB Redesignation E - File No. 2014-LU-00003 RMWB Subdivision E - File No. 2014-SU-00007

Regional Municipality of Wood Buffalo Planning and Development Department 9909 Franklin Avenue Fort McMurray, AB T9H 2K4

Attention: Pankaj Nalavde, File Manager – Redesignation Application

Isela Contreras - Dogbe, File Manager - Redesignation Application

Such Chandhiok, File Manager - Subdivision Application

Planning and Development Services

Re: Prairie Creek Business Park –

Proposed Outline Plan Amendment

Phase 2 Redesignation and Subdivision Application

Response to RMWB Correspondence of February 5, 2015

Request that Land Use Amendment Application Proceed to Council

Legal Description:

Lot 1 Block 1 Plan 1025452

Further to our recent correspondence of December 23, 2014 and the RMWB reply correspondence of January 5, 2015 and follow up meetings with various RMWB representatives throughout January and February, our project team has had the opportunity to further debrief and discuss the remaining items and concerns raised by the RMWB with respect to the proposed Phase 2 land use amendment and subdivision application.



For reference, the following is a brief summary of the application process to date:

- March 2014 Outline plan amendment, redesignation and subdivision application filed
- July 2014 Response to circulation comments and revised application filed
- August 2014 Application put in abeyance pending resolution of issues with AT
- October 27, 2014 Memorandum of Agreement with Alberta Transportation executed
- November 18, 2014 Response to RMWB "additional comments" provided
- November 28, 2014 Review meeting with RMWB on additional comments held
- December 23, 2014 Additional response to issues/concerns provided
- January 5, 2015 RMWB Correspondence Received
- January and February 2015 Review Meetings with RMWB administration
- February 25, 2015 Final response to remaining issues provided

For ease of reference and to assist in bringing resolution to each of these items, we have summarized our understanding of the remaining concerns/issues with the revised application (Submitted July 11, 2014) and provided a comprehensive response. In support of our response to these remaining items, we have included supportive correspondence where referenced and an update figure set in support our outline plan amendment, redesignation and subdivision application as part of the Appendix.

Phase 2 Traffic Impact Assessment (Stantec, June 17, 2014)

Issue: The RMWB has requested that the Phase 2 Traffic Impact Assessment (June 17, 2014) trip generation assumptions for the Halliburton site be amended from an employee based methodology to acreage based assumption. The RMWB is concerned about the trip generation and its impact on the function and capacity of the Highway 63/Government Road intersection. The RMWB has confirmed and accepted that the request to revise the trip generation assumptions relates only to its impact on the Highway 63 and Government Road intersection and the LOS at build out of Phase 2. The RMWB has questioned the ultimate development plans of the Halliburton parcel and if the employment generation assumptions included within the TIA are adequate.

Response: Based on further discussions with our client and Alberta Transportation regarding this matter, our client is not prepared to update and submit a revised TIA relative to this request. An updated Phase 2 TIA was submitted in July 2014 utilizing trip generation assumptions consistent with the TIA prepared and developed and approved as part of the Phase 1 approval process. Trip generation assumptions for the Halliburton lands have been based on the anticipated ultimate number of employees as provided by Halliburton. Halliburton has confirmed in recent correspondence (Email correspondence - January 20, 2015) to our client that the employee generation numbers represent the envisioned ultimate build out of the site and remain a valid assumption for integration within the TIA. We view Halliburton's confirmation of employee levels for the site as directly contrary to the RMWB's statements that the employee generation assumed within the TIA represents an underestimation or only represents Halliburton's "initial development proposal."



As acknowledged in our recent discussions, the jurisdiction and control of the Government Road and Highway 63 intersection rests with Alberta Transportation. Correspondence from Alberta Transportation to the RMWB in support of the development of PCBP was provided on September 26, 2014 from the Andre Corbould, Deputy Minister. A copy of the Memorandum of Agreement and supportive explanation was provided to Bradley Evanson and Felice Mazzoni on November 11, 2014. We would note that as part of the negotiation of the MOU that the RMWB departed the negotiating table in August 2014 and left the negotiations of the MOU to Pacific and Alberta Transportation to arrive at a mutually acceptable agreement.

Under the terms of the Memorandum of Agreement, Stage 1 and Stage 2 of PCBP are approved by Alberta Transportation and allow for the development of up to 450 acres of land with two (2) at grade intersections at Government Road and Crown Avenue. It should be noted that the revised Phase 2 redesignation and subdivision application as submitted (July 11, 2014) to the RMWB is consistent with "Stage 1" of the approved MOU and in fact includes less land than specified or supported by Alberta Transportation as "Stage 1." All costs and obligations to undertake intersectional improvements with Highway 63 rest with Pacific Investments as per the terms of the MOU and would be conferred as an obligation through the development agreement process.

To further clarify Alberta Transportation's position in this regards, follow up correspondence from Landon Reppert (*Executive Director, Fort McMurray Branch*) indicating **support for the Phase 2 redesignation and subdivision application and traffic impact assessment submitted to rationalize this application was provided on November 27, 2014.** Lastly, Alberta Transportation has issued a roadside development permit for the ultimate configuration of the Highway 63/Government Road intersection to further outline the support for the Phase 2 application and proposed development. We have again further followed up with Alberta Transportation regarding this matter and in correspondence dated February 17, 2015 confirmed their jurisdiction with respect to the Highway 63 and Government Road intersection, noted their acceptance of the TIA and the issuance of a roadside development permit to allow development to proceed. As such, we cannot accept nor support the RMWB's request to revise the TIA based on the aforementioned factors.

Please refer to **Appendix 01** for supportive information and correspondence relative to this item.

Proposal: Notwithstanding the above referenced response and support from Alberta Transportation, our client acknowledges the RMWB general concerns with ensuring the future functionality of transportation improvements in order to support the ultimate development of Phase 2. It has been acknowledged through our discussions that trip generation may fluctuate higher or lower than the assumptions within the TIA which in turn could "balance out" as development of the park proceeds. Ultimately, trip generation will remain a function of actual development of the lands within the park with some developments generating more traffic than anticipated and some developments generating less traffic than anticipated.



While we are not prepared to undertake amendments or revise the TIA or to amend the scope or extent of the Phase 2 redesignation/subdivision application, our client is prepared to accept a condition of subdivision approval or a development agreement provision which would outline a phased subdivision endorsement/registration process for the Phase 2 subdivision application.

Under a phased subdivision endorsement/registration process, the extent of the Phase 2 land use amendment and subdivision application would remain as is, but the approval of the Phase 2 subdivision would be broken into a Phase 2 and Phase 2a. Phase 2 would consist of all lots as shown within the proposed plan of subdivision with the exception of proposed Block 3 – Lots, 3,4,5 and Block 1, Lot 16, 17. These lots and the associated road to provide access to these lots would be referred to as Phase 2a.

Upon satisfying all conditions of subdivision approval, Phase 2 would be endorsed and registered as per the normal subdivision approval process. The endorsement and registration of Phase 2a would remain contingent on the delivery of satisfactory traffic review report/analysis. This traffic review report/analysis would be completed at 75% sales and build out of Phase 2 and demonstrate that adequate infrastructure/intersection capacity exists to support the registration and development of Phase 2a. Under this approach, the RMWB would have the ability to control the registration of the Phase 2a via the endorsement process. The obligations and requirements relative to the Phase 2a endorsement could be dealt with as a special provision of the development agreement. This offer is a fair and reasonable approach in an attempt to resolve the current impasse relative to the TIA.

Please refer to **Appendix 03** supportive information relative to this item.

Road Network Classification

Issue: As part of Phase 2 redesignation and subdivision application, we have identified an overall road network classification which differs from the approved outline plan. The RMWB has requested an amendment to the outline plan and supportive information to rationalize the amendment.

Response: The Prairie Creek Business Park Outline Plan and Design Brief was approved by the RMWB on June 18, 2013 respectively. As part of this initial approval, a road network classification was integrated as part of the outline plan document and stemmed from initial traffic modelling completed by Bunt and Associates and interpreted by IBI in 2013. Since that time, development plans for the south half of PCBP have been further refined to support the logical subdivision and development of the land while respecting the overarching land use concept contained within the approved outline plan document. As part of this refined planning, we have identified an overall land use and road network plan to guide the development of the south half of PCBP.

In support of our more detailed assessment of the road network in the south half of Prairie Creek Business Park, a technical memorandum has been completed by Stantec and was submitted to the RMWB on January 12, 2015. This memorandum is based on traffic model developed by Stantec and has assessed total daily trips in the south portion of the business park to assess internal roadway requirements.

Please refer to **Appendix 02** and **Appendix 03** for supportive information relative to this item.



Road Network Cross Sections

Issue: The RMWB has requested that the proposed road network cross sections for arterial and collector roads be amended to support the Phase 2 redesignation application. The requested amendments by the RMWB include expansion to right of way requirements, provision of street trees, multi-use trails, provision of bioswale, and provision of snow storage lands.

Response: The Prairie Creek Business Park Outline Plan and Design Brief was approved by the RMWB on June 18, 2013 respectively. Since this time, the RMWB and our client have put different proposals on the table to come to terms on agreeable road standards that meet the RMWB requirements but also remain logical and cost efficient from our client's perspective. A fundamental goal of our client remains to provide appropriate, cost efficient infrastructure for the nature and purpose of the development. To put this issue into perspective, our clients preliminary estimation of capital costs to support the development of Phase 2 is approximately \$107 million dollars of which 55 million is anticipated for off-site infrastructure improvements and \$52 million for anticipate on site infrastructure.

To date, our client has put forth varying road standard alternatives which respect the initial intent and nature of the approval in place, but address the RMWB needs and desires. Based on the discussions to date, we have arrived at the following road sections which correspond to the proposed road network requirements. The proposed road cross sections are summarized below:

- Divided Arterial 46 m ROW, MUT, Bioswale, Street Trees
- Undivided Arterial 39 m ROW, MUT, Bioswale, Street Trees
- Collector 33 m ROW, MUT, Bioswale, Street Trees
- Modified Collector (Industrial Areas) 30 m ROW, Street Trees, Bioswale

We feel that the above road sections address the majority of the RMWB's request and can be supported by our client. In keeping with our client's goal relative to land affordability, and the **efficient expenditure of capital** on necessary infrastructure, we are proposing a modified collector standard for consideration and application within the eastern portions of the business park. The modified collector meets all traffic network requirements, includes bioswales and street trees but does not include a multi – use trail. The modified collector is proposed for application in areas of the park that will be dominated by large format industrial related development, with no pedestrian movements between sites. As such, our client is not willing to support the concept or cost of the provision of a multi-use trail which is land consumptive, would have little to no utilization and represents an unnecessary capital cost which in turn impacts the affordability and price point of developed land within the park. Furthermore, the provision of the MUT in this area would pass on an unnecessary annual operating and lifecycle cost to the RMWB for infrastructure which in our opinion is not warranted and has little rationale.

Please refer to **Appendix 03** for supportive information relative to this item.



Existing Utility Rights of Way and Future Treatment

Issue: The RMWB has expressed concern with the PCBP south half land use concept that shows portions of an existing utility right of way as potentially future municipal reserve. The RMWB is not supportive of dedication of these lands as future municipal reserve.

Response: The future treatment and dedication of lands encumbered by existing utility rights of way is not a matter that can be resolved or addressed through the Phase 2 redesignation and subdivision application process. The lands in question are currently outside the boundary of the Phase 2 application and the drawing in question clearly indicated that the dedication and treatment of URW lands is preliminary and subject to trilateral discussions involving the developer, encumbrance holders and the RMWB. These discussions will be required to arrive at a dedication and development scenario that works for all parties and is reasonably negotiated. We would also note that the lands in questions and future treatment may be impacted by master servicing plans currently under development by the RMWB. These master servicing strategies are looking at the potential future alignment of regional water and sanitary lines from Fort McMurray to Anzac. We have been in discussions with MMM group relative to alignment options which could include the utilization of existing lands encumbered by existing URW's. The outcome of these discussions and a preferred servicing plan will have an impact on the ultimate treatment and dedication of these areas.

Summary and Moving Forward

The aforementioned outline plan amendment, Phase 2 redesignation and subdivision application have been in process for approximately one (1) year. During this time, our client has expended significant time, energy and capital in an attempt to respond to and address the varying and evolving requests of the RMWB that have arisen through the review, circulation, re-circulation process of these applications. We have addressed items in a manner which has been thorough and reasonable but keeping with the spirit and intent to deliver a cost efficient, affordable project in accordance with the commitments made by our client at the time of purchase of the property.

During this time, or client has also responded to and addressed significant external factors such as the DRAFT Highway 63 Functional Plan which placed an approximate four month (4) delay on this application process. We would note that the RMWB was initially part of these discussions but eventually left the negotiating table and directed our client to work with AT to resolve concerns. The outcomes of these negotiations were a master agreement with Alberta Transportation and the full support of Alberta Transportation to proceed with the project and the TIA prepared to rationalize our Phase 2 application. As such, our client finds it difficult to accept the additional delays placed on the project by the RMWB relative to transportation matters especially within the context of the RMWB's departure from the MOU discussion.

Since then, we have worked with the RMWB to understand their concerns relative to the TIA and have proposed an approach to the subdivision approval process (i.e. phased registration) which allows the application as submitted to proceed but also provides RMWB future control relative the registration of the Phase 2a subdivision plan. An approach which we feel is very reasonable in light of the fact that AT has given full approval to the TIA and support to the Phase 2 application as proposed.



Lastly, we have had lengthy discussions, workshops and debates relative to road standards to try and convey our concerns and understand the RMWB position. Based on these discussions, we have arrived at a set of road standards which are above and beyond those contained in the design brief but also include a standard which we feel is reasonable and cost effective to apply in industrial areas. Finally, we have completed additional analysis to address requested amendments to the road network all to ensure that the proposed adjustments can be supported by the RMWB.

As such, we have now reached a point in the process where our client has exhausted all means to address RMWB concerns. In consideration of this and the information provided to date throughout the history of this application, we are thus formally requesting that the application review process be concluded and the land use amendment application proceeds to Council. We are requesting that in consideration of this response that the land use amendment application is assigned to RMWB Council for first reading in early April and that the public hearing is scheduled towards the end of April, 2015.

Sincerely,

Brown & Associates Planning Group

Nathan Petherick, RPP, MCIP Principal

CC:

Bradley Evanson, Acting Director of Planning, RMWB
Jeff Petrick, Pacific Investments and Development Ltd.
Dennis Doherty, Pacific Investments and Development Ltd.
Robb Honsberger, Pacific Investments and Development Ltd.
Brad Currie, Principal, Stantec Consulting

Encl:

- 01 Correspondence from AT, MOU, and Supplementary Correspondence
- 02 Stantec Memo January 12, 2015 Transportation Analysis
- 03 Supportive Outline Plan Amendment, Phase 2 redesignation and subdivision figures

Attachment 01 -

Correspondence from AT, MOU Memorandum and Supplementary Correspondence



Transportation
Delivery Services
Fort McMurray Region
Sulte 310 Twin Atria Building
4999 96 Avanue
Edmonton Alberta T6B 2X3
www.transportation.alberta.ca

February 17, 2015

Jeff Petrick, Communications Director Pacific Investments & Development Ltd. 223 – 17th Avenue, SE Catgary, AB T2G 1H5

Subject: Highway 63 Access to Prairie Creek Business Park

Thank you for providing a copy of the letter dated January 5, 2015 from the Regional Municipality of Wood Buffalo (RMWB) regarding your Prairie Creek Business Park development.

As we have discussed previously, the Memorandum of Agreement signed between Alberta Transportation and Pacific Investments and Development Ltd. (Pacific) outlines the requirements and responsibilities for access to Highway 63 from the development area. Based on the Traffic Impact Assessment submission and identified Highway 63 intersection improvements at Government Road Allowance, my staff have issued a development permit for Phase 2.

While the majority of the items identified in the January 5, 2015 letter from the RMWB are beyond the scope and mandate of Alberta Transportation, my staff and I are available to meet and discuss any Highway 63 access related items.

Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely.

Landon Reppert, P.Eng.

Regional Director

cc: Ron Fraser, Alberta Transportation

Brad Evanson, Regional Municipality of Wood Buffalo

Nothan Petherick

From:

Jeff Petrick <jeff@pacdev.com>

Sent:

November-27-14 1:42 PM

To:

Nathan Petherick

Subject:

Fwd: Prairie Creek - AT Support for Phase 2 Re-Designation/Subdivision

Sent from my iPhone. Please excuse brevity and typos:

Begin forwarded message:

From: Landon Reppert < Landon Reppert@gov.ab.ca>

Date: November 27, 2014 at 12:29:00 PM MST

To: Jeff Petrick <jeff@pacdev.com>

Cc: "Becker, Stu (Stu.Becker@stantec.com)" < Stu.Becker@stantec.com>, "Ron Fraser"

<Ron Fraser@gov.ab.ca>: Nitesh Gupta <nitesh.gupta@gov.ab.ca>

Subject: Prairie Creek - AT Support for Phase 2 Re-Designation/Subdivision

Good afternoon Jeff.

Further to our discussion last week, I am pleased to clarify my support for the Prairie Creek Phase 2 Re-Designation and Subdivision application, as submitted in July.

The MOA that Alberta Transportation and Pacific Investments and Development Ltd. (Pacific) executed clarifies the requirements and responsibilities for pacess to Highway 63 from the development area. Alberta Transportation is comfortable with what Pacific has provided in the TIA submission for this stage of Phase 2 and we have no requirement for additional engineering or assessment with respect to the traitic engineering.

Accordingly, my staff issued a development permit for Phase 2 based on Highway 63 intersection improvements at Government Road Allowance.

Should you have any questions, or require anything further, please do not hesitate to cantact me. Thanks, please let me know

Landon Reppert, P.Eng. Executive Director, Fort McMurray Branch Delivery Services Division Alberta Transportation Tell (780) 543-1826

Up-to-date road information, including traffic delays, is a click or a call away. Call 5-1-1 toll-free, visit 511 alberta to get on the road to safer travel.

http://511.alberta.ea/ab/en.html https://twitter.com/511Alberta

This email and any files transmitted with it are confidential and intended solely for the use of the

2 application and TIA
Assumptions as of November
27 2014



Fort McMurray Region
P.O. Box 9
6th Floor, 9915 Franklin Ave.
Fort McMurrray, Alberta T9H 2K4
Canada
Telephone: 780-743-7376
www.transportation.alberta.ca

Our File: 14-FM-220

November 25, 2014

Pacific Investments and Developments Ltd. Calgary, AB T2G 1H5

c/o: Mr. Stu Becker, Stantec

(send by email to: stu.becker@stantec.com)

Re: Roadside Development Permit Approval for Phase 2, Stage 1 development, Prairie Creek Business Park, Access via Highway 63/Government Road Allowance Intersection

The attached Roadside Development Permit No. 14-FM-220 is issued under the Highways Development and Protection Regulation authorizing the above noted development. This permit is subject to the conditions shown and should be carefully reviewed.

Issuance of this permit does not excuse violation of any regulation, bylaw or act which may affect the proposed project.

You are requested to address any concerns with the permit conditions with the undersigned at 780-743-7430.

Yours truly,

Ron Fraser, P. Eng. Operations Manager Phase 2 Roadside Development Permit Issues by Alberta Transportation.

Attachment

C.C.:

Gerry Lemay, Tariq Bashir, Landon Reppert



ROADSIDE DEVELOPMENT APPLICATION APPROVAL FOR DEVELOPMENT ADJACENT TO A PROVINCIAL HIGHWAY

PERMIT CONDITIONS: (Note: This permit is subject to the provisions of Section 11-19 inclusive of the Highways Development and Protection Act (Chapter H-8.5 2004), amendments thereto, and Highways Development and Protection Regulation (Alberta Regulation 326/2009) and amendments thereto).

- A. ACCESS CONDITIONS: (Note: All highway accesses are to be considered temporary. No compensation shall be payable to the applicant or his assigns or successors when the Department removes or relocates the access.)
- 1. Permit authorizes construction of the proposed intersection treatment at Highway 63/Government Road Allowance subject to final acceptance of the detailed design of this intersection by Alberta Transporation.
- 2. The applicant shall construct and maintain any highway access to the Operation Manager's satisfaction.
- The applicant is hereby designated as the prime contractor for this work and must follow applicable OH&S regulations.
- 4. Approval of companies having buried utilities shall be obtained prior to construction or upgrading.
- B. SET BACK CONDITIONS: (Note: Minimum set-backs usually allow for anticipated highway widening and construction of a service road parallel and adjacent to the highway).
- The proposed N/A is to be set back N/A metres from the highway property line.
 (house, barn, machine shed, etc.)
- The Department accepts no responsibility for the noise impact of highway traffic upon any development or occupants thereof.
- C. OTHER CONDITIONS:
- 1. This permit is issued subject to the approval of the Regional Municipality of Wood Buffalo

(County, MD, ID, Special Area, Town, Village)

- 2. This permit approves only the development contained herein, and a further application is required for any changes or additions.
- The Department is under no obligation to reissue a permit if the development is not completed before expiry of this permit.
- Trie MCI (780) 743-7430 shall be notified a minimum of two (2) working days before construction commencement.
- The Applicant shall not place any signs contrary to Alberta Regulation 326/2009. The separate "SIGN APPLICATION" form shall be submitted for any proposed sign.

	s hereby granted to Pacific Investments a					
development	in accordance with the plan(s) and specific	cations attached hereto and subject to the				
conditions sh	conditions shown above.					
If the develop	oment has not been carried out by the _300	th day of November 30, 2015				
	this permit lapses and the applicant must reapply for a new permit if they wish to proceed.					
SIGNED	SIGNEDPERMIT No_14-FM-220					
		FILE No14-FM-220				
Title	Operations Manager, P.Eng	Date November 25, 2014				
	(for Deputy Minister)					



September 26, 2014

Deputy Minister
2nd Floor, Twin Atrie Building
4999-88 Avenue
Edmonton, Alberta T68 2/3
Careda
Telephone 780-427-6912
Faz 780-422-6515
www.transportation.alberta.ca

Marcel Ulliac Interim Chief Administrative Officer 9909 Franklin Avenue Fort McMurray, AB T9H 2K4

Dear Mr. Ulliac:

Further to the application above noted development, we advise as follows.

An agreement in principle has been reached between Alberta Transportation and Pacific Investments & Development Ltd. for access to a portion of the development from Prairie Creek Business Park to Highway 63. The agreement will initially provide for two signalized intersections on Hwy 63 at Government Road and Crown Avenue that would facilitate approximately 400-450 acres of the proposed development. The parties will consult and reach an agreement on required access for the remaining portion of the Prairie Creek Business Park.

Based on this agreement in principle, Alberta Transportation supports all planning for Prairie Creek. Business Park proceeding as quickly as possible.

Alberta Transportation and Pacific Investments & Development Ltd. Intend to execute and deliver a copy of the access agreement to the RMWB as soon as possible.

In the meantime, Alberts Transportation staff are available to work with RMWB municipal planners on the basis that there is an access agreement in place.

In light of the history of the Prairie Creek Business Park planning process, Alberta Transportation is propared to devote the resources necessary to complete the planning process on an urgent basis. Alberta Transportation will support RMWB as required to complete any outstanding circulation and review of the land use and subdivision applications on an expeditions basis.

If you have any questions or concerns, please do not hesitate to contact my office.

Sincerely:

Andre Corbould Deputy Minister

cc: Dennis Dohorty, President, Pacific Investments and Development Ltd.

AT Support from Deputy Minister relative to Phase 2 application and PCBP noting access agreement is in place.



November 11, 2014

To: Felice Mazzoni, Director Of Planning, RMWB

Wayne McIntosh, Supervisor of Development and Technical Services, RMWB.

From: Dennis Doherty & Jeff Petrick

Re: Prairie Creek Business Park - Alberta Transportation Memorandum of Agreement

Enc.: Memorandum of Agreement (October 27, 2014); Phase 2 Resubmission package

Dear Sirs,

We are pleased to present the Memorandum of Agreement (MOA) that Pacific Investments & Development Ltd. has now completed with Alberta Transportation (October 27, 2014), with Deputy Minister Andre Courbold representing AT during meetings on the Agreement. The MOA represents the opportunity for the entirety of Prairie Creek Business Park to be built in stages and without delay from transportation authorities.

The following summary of the MOA has been included to provide an initial understanding of the substance and context of the Agreement:

Two at-grade intersections with Highway 63, at Government Road and Crown Avenue will provide for the first ~450 acres of development, and are unconditionally approved by Alberta Transportation in the Memorandum of Agreement, dated October 27, 2014.

The first two Stages of development will utilize the approved yield of 450 developable acres through the two at-grade intersections, which are designed to be substantially the same in terms of design. The Government Road/ Highway 63 intersection is substantially built at the time of writing, with an estimated \$4 Million more required to complete the intersection to its ultimate functional configuration. (Please note the westerly access off of this intersection is being negotiated with Alberta Transportation, who may decide to close the access, and who will notify the *RMWB* when the determination has been made.)

The remnant developable acres (+/- 386 acres) are approved for development using a grade-separated improvement at King Way intersection, which is the most northern access, and the last to be developed in the phasing plan. Pacific has initiated work with Stantec at this time to develop an "overall" TIA to account more specifically for the terms of the Agreement, especially for the design of the grade-separated improvement required at King Way. The development of the future "overall" TIA by Stantec is a mostly a means to identify a specific design for the King Way access, and does not affect the approved status of the Government Road or the Crown Avenue at-grade intersections.

The Agreement provides for potential change to the plan for Highway 63: Should Alberta Transportation undertake to build an interchange at Crown Avenue before the developer undertakes to build the King Way access, the exact costs that would have been put into the grade-separated access at King Way will be directed to AT's Crown Avenue Interchange instead

Phase 2 Applications & Re-submission in 2014

Please note Pacific originally submitted Phase 2 Outline Plan Amendment, Land Use and Subdivision Applications to Planning in March of this year. The Applications were circulated and comments were received in May, and Pacific resubmitted the complete package with comprehensive revisions on or about July 11. Following the resubmission of this application, Alberta Transportation indicated that due to the Highway 63 functional plan which was in progress, it did not support the proposed applications without an agreement in place relative to intersectional improvements with Highway 63. Based on AT's position. RMWB administration requested that Pacific work with AT to establish a long term agreement to address AT concerns and put the outline plan amendment, redesignation and subdivision applications "on hold."

In the last 3 to 4 months, Pacific worked with then Minister Ric Molver, and then the newly appointed Minister Wayne Drysdale through his Deputy Minister, Andre Courbold. On October 27, 2014, Pacific and AT signed the attached Memorandum of Agreement. Because the Agreement contains a specific confidentiality clause in which both AT and Pacific must consent in writing to disclose the Agreement with any 3rd Party, there has been a period within which conference call between Pacific and RMWB staff to review the status of the Phase 2 package. Planning and engineering staff appeared to be suspicious of the Agreement that has been signed with Alberta Transportation, which is understandable as the document's terms could only be verbally referenced by Pacific's consultants, but not materially demonstrated. The result of these recent discussions with planning and engineering administration have as a result been less than satisfactory. Pacific would like to start again by sharing this Agreement with yourselves, and for you to download its terms to those in your organization who have been assigned to work on Prairie Creek Business Park.

Pacific would suggest RMWB staff leverage the responsibility that Alberta Transportation has taken for Highway 63 along Prairie Creek Business Park, With the Agreement, Alberta Transportation has approved the framework to provide for near, intermediate and long term certainties for both the approving authorities and the developers. Regulatory and design requirements of the improvements will be adhered to through the agreed upon "Approved Methodologies" that are putlined in the Definitions section of the Agreement.

We appreciate any feedback or comments you could share with out team

Regards,

Dennis Doherty & Jeff Petrick
Pacific Investments & Development Inc.

Cc Marcel Ulliac, Acting CAO, RMWB; Stu Becker, Transportation, Stantec

MEMORANDUM OF AGREEMENT

BETWEEN

PACIFIC INVESTMENT GP LTD.

(hereinafter described as "Pacific")

-and-

HER MAJESTY THE QUEEN IN RIGHT OF ACBERTA as represented by the MINISTER OF TRANSPORTATION

(bereinafter described as "the Minister")

BACKGROUND

WHEREAS pursuant to Section 2(2) of the Highways Development and Protection Act. R.S.A. 2004, title to all provincial highways is vested in the Crown in Right of Alberta;

AND WHEREAS pursuant to Section 3 of the Highways Development and Protection Act, all provincial highways in the Province of Alberta are subject to the direction, countd and management of the Minister, including the north-south highway in northern Alberta known as Provincial Highway No. 63 ("Highway 63");

AND WHEREAS, Pacific is the registered owner of certain lands located within the Regional Municipality of Wood Buffalo in the Province of Alberta and intends to proceed with the development of those lands as a commercial development to be known as the Prairie Creek Business Park, which borders Highway 63;

AND WHEREAS the proposed Prairie Creek Business Park is a "development" requiring a permit from the Minister pursuant to Section 4 of the Highways Development and Protection Regulation, Alta Reg. 326/2009;

AND WHEREAS the Minister is willing to provide Pacific with the required authorizations and permits subject to the terms and conditions as set forth in this Agreement;

AND WHEREAS, the parties have determined that proper access to the Prairie Creek Business Park will require the construction of points of access located at Government Road Allowance, Crown Avenue and King Way to ensure proper access and to ensure the safe operation of Highway 63 for the protection of the travelling public;

1

MOW THEREFORE, in consideration of the following terms and conditions, the Minister and Pacific agree as follows:

L Definitions and Interpretation

In this Agreement the following terms shall have the following meanings, respectively:

"Agreement" means this agreement including Schedule "A", which is attached and forms part of this agreement;

"Access" means the access to and from the Development from Highway 63 to be located at Government Road Allowance, Crown Avenue and King Way;

"Approved Methodologies" means professionally developed and industry approved methodologies and related technical information set out in the Traffic Impact Assessments that have been provided to the Minister, all as updated by Pacific from time to time, in addition to any new Traffic Impact Assessments that may be prepared by Pacific and delivered to the Minister.

"Development" means the Prairie Creek Business Park located on the Lands comprising approximately 780 developable acres;

"Effective Date" means the effective date of this Agreement, which is the date this Agreement is executed by the Minister,

"HDP Regulation" means the Highways Development and Protection Regulation, Alta. Reg. 326/2009;

"Lands" means the lands described as Plan 1025452, Block 1, Lot 1, containing 431 Hectures (1,065,02 acres) More or Less, Excepting thereour: Road Plan 1025453-34.2 Hectures (84,51);

"Parties" or "Porty" mean the Minister and Pacific or either of them;

"Specifications" means all specifications and requirements imposed or required by the Minister with respect to transportation improvements and include, but are not limited to.

- Standard Specifications for Highway Construction—Edition 15, 2013 as supplemented by Specification Amendments for Highway and Bridge Construction— Edition 14, 2010.
- (ii) Specifications for Bridge Construction, Edition 15, 2013,
- (iii) Engineering Consultum Guidelines for Highway and Bridge Projects, Transportation—Volume 1, 2011 and Volume 2, 2013.
- (iv) Environmental Construction Operations Plan (ECO Plan) Framework, May 2005,

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- (v) Design Guidelines For Brosion and Sediment Control for Highways, Merch 2003 (Revised May 2003).
- (vi) Traffic Accommodation in Work Zones Edition 1, 2008,
- (vii) Alberts Transportation Design and Construction Bulletins.
- (viii) Alberta Transportation Highway Geometric Design Guide,
- (ix) Alberta Transportation Roadside Design Guide, November 2007, and
- (x) Highway Capacity Menual (HCM), 2000;

"Stage) and Stage 2" means the development of that part of the Lands identified in Schedule "A":

"Stage I and Stage 2 Development Permit" means a development permit issued by the Minister pursuant to the HDP Regulation for the development of Stage 1 and Stage 2;

"Stage 3" means the development of all or part of the remaining part of the Lands following completion of Stage 1 and Stage 2, as identified in Schedule "A";

"Stage 3 Development Permit" means a development permit issued by the Minister pursuant to the HDP Regulation for the development of all or part of Stage 3.

2. Stage 1 and Stage 2 Development

- 2.1 The Minister hereby authorizes the construction of Stage 1 and Stage 2 of the Development as a "development" pursuant to Section 4 of the HDP Regulation. The Minister shall provide the Stage 1 and Stage 2 Development Permit to Pacific following receipt and approval of the design and construction schedule for the Access at Government Road Allowance and at Crown Avenue.
- 2.2 Upon issuance of the Stage 1 and 2 Development Permit, Pacific may commence Stage 1 and Stage 2 of the Development and proceed to develop the maximum number of acres identified in Schedule "A" pursuant to the conditions of the Stage 1 and 2 Development Permit.
- 2.3 The Parties acknowledge and agree that the Stage 1 and 2 Development Pennit applies to Stage 1 and Stage 2 only and to the maximum number of acres identified in Schedule "A" and that Pacific must apply for separate development permits for Stage 3 of the Development.
- 2.4 Pacific shall be responsible at its sole cost for the construction and installation of the Access to be located at Government Road Allowance and Crown Avenue to provide access to Stage 1 and Stage 2.
- 2.5 The Government Road Allowance and Crown Avenue Access shall be designed, installed and constructed in accordance with the Specifications.

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L Stage 3 Development

- 3.1 Pacific may apply at any time for a Stage 3 Development Permit, provided that it is acknowledged and agreed that the Minister shall issue a Stage 3 Development Permit only after being reasonably satisfied that the following requirements have been mer:
 - (a) Pacific has provided to the Minister all relevant technical information developed in secondance with the Approved Methodologies, including the design and construction schedule for the Access proposed to accommodate Stage 3;
 - (b) the Access proposed to accommodate Stage 3 in consistent with the Approved Methodologies and the Specifications; and
 - (c) the King Way Access, together with the Crown Avenue Access and the Government Road Allowance Access, provides access to the Development consistent with the Approved Methodologies for a period of 20 years from the issuance of the final Stage 3 Development Permit.
- 3.2 In the event the proposal for Access does not meet the requirements set out in Section 3.1, following consultation with Pacific, the Minister may issue a Stage 3 Development Permit for a leaser area of developable acres such that the Stage 3 of the Development complies with the requirements set out in Section 3.1.
- 3.3 In the event the Minister issues a Stage 3 Development Permit under Section 3.2, Pacific may apply at any time for a Stage 3 Development Permit for the remainder of the Development, provided that the requirements set out in Section 3.1 are met.

4. King Way Access

- 4.1 Pacific will be responsible at its sole cost for the design, construction and installation of the King Way Access to provide access to the Development.
- 4.2 The King Way Access will be designed, installed and constructed in accordance with the Specifications.
- 4.3 The King Way Access may be completed any time after the Stage 3 Development Permit has been issued by the Minister, provided that the Access is designed, installed and constructed in appondance with the Specifications.

S. General Terms and Conditions

5.1 Each Party (each a "Recipient") shall maintain in confidence any confidential information provided by or on behalf of the other Party (the "Disclosing Party") in the course of the performance of this Agreement. The Recipient shall not disclose any such confidential information to any third party nor use such confidential information for any purpose other than the purpose for which it was provided or the performance of the Recipient's obligations hereunder, without the prior written consent of the Disclosing Party. For certainty, when used herein, "confidential information" shall not include any information; (a) known to the Recipient prior to it being provided by or on behalf of the Disclosing Party; (b) which, at the time of

af

disclosure, is in the public domain; or (c) obtained by the Recipient from a third party who did not receive it in confidence directly or indirectly from the Disclosing Party or its representatives. In the event that Recipient is required to disclose the Disclosing Party's confidential information pursuant to any Applicable Law or an order from a court of competent jurisdiction, Recipient shall only disclose such portion of the confidential information that it is legally required to disclose, and shall use all reasonable efforts to obtain confidential treatment for any confidential information so disclosed. Recipient shall promptly notify the Disclosing Party of the required disclosure and any relevant information in respect thereto so that the Disclosing Party may take appropriate steps to protect such confidential information from such disclosure.

5.2 Either Party may, by notice in writing, appoint a representative to act on its behalf in matters pertaining to this Agreement.

Notices or communications required or desired to be given pursuant to this Agreement may be given to the Minister by delivery to or by mail addressed:

Regional Director, Furt McMurray Region Alberta Transportation 3rd Floor, Twin Atria Building 4999 – 98 Avenue Edmonton, Alberta, T6B 2X3

Notices or communications required or desired to be given pursuant to this Agreement may be given to Pacific by delivery to or by mail addressed.

Fresident
Pacific Investments & Development Ltd.
223-17th Avenue S.E.
Calgary, AB 72G 1B5

Bither party may change its address by advising the other party in writing.

Proof of the giving of any notice not sent by registered mail shall be on the party giving the same. Notices mailed shall be decimed to have been given at the time they would be delivered in the ordinary course of mailing.

- 5.3 The Parties agree to give this Agreement a fair and reasonable interpretation and application and, when required to negotiate with fairness and candor for any modifications or alterations thereof for the purpose of carrying out the intent of this Agreement and rectifying any omission in any of these provisions.
- 5.4 This Agreement contains the entire agreement of the Parties concerning the subject matter of this Agreement and no other understandings or agreements verbal or otherwise exist between the Parties.
- 5.5 No waiver of any breach of a covenant or provision of this Agreement shall take effect or be binding upon a Party unless it is expressed in writing. A waiver by a Party of any breach shall not limit or affect that party's rights with respect to other or future breach.

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- 5.5 Each Party agrees to from time to time and all times hereafter, without further consideration, do and perform all such further acts and execute and deliver all such further assignments, notices, release and other documents and instruments as may reasonably be required to more fully effect or assure the rights and obligations of the parties as provided herein.
- 5.7 Pacific shall not be an agent of the Minister for any purpose and have no authority to bind the Minister in any manner. The Minister shall not be an agent of Pacific for any purpose and have no authority to bind Pacific in any manner.
- 5.8 Pacific shall not assign, transfer or dispose, in whole or in part, of this Agreement or any of the rights and privileges conferred hereby without first obtaining the written consent of the Minister, which consent may not be unreasonably withheld.
- 5.9 Pacific acknowledges and agrees that at any time prior to the completion of the Interchange if Pacific transfers its interest in the Development to a third party, Pacific will notify the Minister no less than 30 days prior to such transfer taking effect and will assign this Agreement to the transferee of Pacific's interest.
- 5.10 This Agreement may be executed in counterparts, in which case the Parties acknowledge and egree that (i) the counterparts together shall constitute one Agreement; and (ii) communication of execution by fax transmission or e-mailed in PDF former shall constitute good delivery.

6. Term and Termination

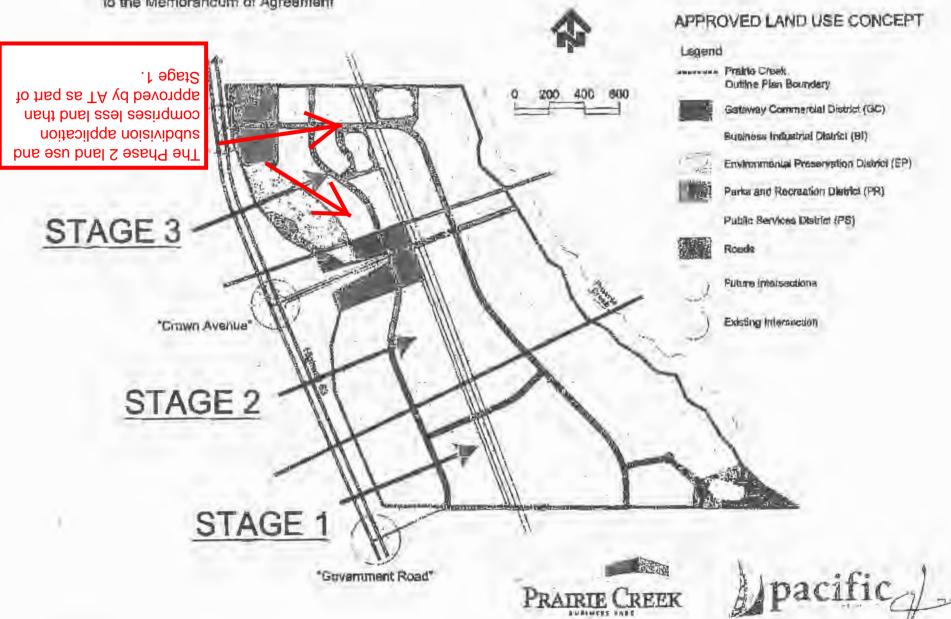
- 6.1 The term of this Agreement shall be from the Effective Date and will expire upon the completion of the Access, unless the Agreement is terminated sooner.
- 6.2 Either party may terminate this Agreement by notice in writing to the other party providing no less than six months' notice.
- 6.3 Termination of this Agreement shall not affect any permit that may have been issued by the Minister pursuant to the HDP Regulation.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the 27 day of 2 708 K. 2014.

HER MAJESTY THE QUEEN in Right of Alberta as represented by	PACIFIC INVESTMENT GP LIMITED
the Minister of Transportation	Name:
Per Andre Corpould, Deputy Minister of Fransportation	Authorized Representative:

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SCHEDULE "A" to the Memorandum of Agreement



Attachment 02 -

Stantec Technical Memorandum to Rationalize Road Network Classification





To: Brad Currie From: Mustapha Zayoun, EIT

Red Deer AB Office Edmonton (Devonian) AB Office

File: 1135 11659 Date: January 12, 2015

Reference: Prairie Creek Roadway Classification

As requested by Pacific Investments, we have prepared a traffic model and forecasted what the ultimate total daily trips will be in the south portion of Prairie Creek at full build out. This analysis was completed to support the July 2014 outline plan amendment and phase 2 redesignation. The purpose of this exercise is to utilize these daily traffic trips in order to properly classify the internal roadways in the Prairie Creek Phase 2 including Government Roadway and the south portions of Regal Drive and Monarch Boulevard.

Only trip generations from the south half of the business park, south of Crown Avenue was considered and analyzed as it pertains to the initial phase (phase 2) approved by Alberta Transportation. This phase assumes that both Crown Avenue and Government Roadway will be in operation.

METHODOLOGY

A TIA was completed for the entire Prairie Creek development in late 2012 that analyzed an older land use concept. Trip rates for the highway commercial and business industrial developments were derived using a blend of land uses from ITE's Trip Generation. The total daily trip generations, area developed and average per hectare trip rate used in the previous TIA are shown in the following table.

Development	Daily Trips	Total Area (ha)	Trip Rate (per ha)
Highway Commercial	23,776	21.87	1087
Business Industrial	30,214	297.72	101

Based on these trip rates, the total daily trip generation for the revised plan is shown in the following table. Only daily trips were considered for this analysis.

Development	Trip Rate (Per ha)	Area (ha)	Daily Trips
Highway Commercial	1,087	10.65	11580
Business Industrial	101	213.85	21703
Total		224.50	33283

Technical Memo Rationalizing Road Network Classification Adjustments -January 2015.



January 12, 2015 Brad Currie Page 2 of 3

Reference: Prairie Creek Roadway Classification

Following the previous TIA, internal trips from the commercial to business industrial developments were assumed to be 5% of total commercial trips. A trip reduction of 4.5% for transit was applied to all land uses. All generated trips other than internal trips, are assumed to travel on Highway 63. Pass-by trips are assumed to be 25% of the total Highway Commercial trips and are evenly split between north and south. All other trips (external primary trips) were distributed assuming 90% to/from the north and 10% to/from the south as per the previous TIA. The breakdown of trips is shown in the following table.

	Highway Commercial		Business Industrial	
Total Trips		11580	<u> </u>	21703
Pass-by Trips	25.0%	2895	0.0%	0
Internal Trips	5.0%	5 7 9	2.7%	579
Non-Vehicular mode split	4.5%	521	4.5%	951
External Primary Trips	65.5%	7585	93.0%	20173

TRANSPORTATION ASSESSMENT

The development trips have been assigned to the road network using Vistro software. Based on Regional Municipality of Wood Buffalo Engineering Servicing Standards and Development Procedures, Average Daily Volumes (ADV) of 1,000 to 5,000 can be accommodated by collector roads in industrial/commercial areas. Traffic volumes between 5,000 and 12,000 will warrant an undivided arterial and volumes of 12,000 up to 30,000 will warrant a divided arterial road. Traffic volumes on the road network are shown in the attached Figure 1.

For the portion of Government Road between Highway 63 and Regal Drive with an ADV of 8,300 and the southern portion of Regal Drive between Government Road and the first collector to its north with an ADV of 5,800, an undivided arterial road is recommended.

For the partion of Monarch Boulevard from Government Road to the first collector south of Crown Avenue with ADVs ranging from 700 to 4,200 a collector road is recommended.

STANTEC CONSULTING LTD.

Mustapha Zayoun Traffic Engineer-In-Training

Phone: (780) 917-8084

Mustapha.zayoun@stantec.com

Rhonda Shewchuk, P.Eng. Transportation Associate

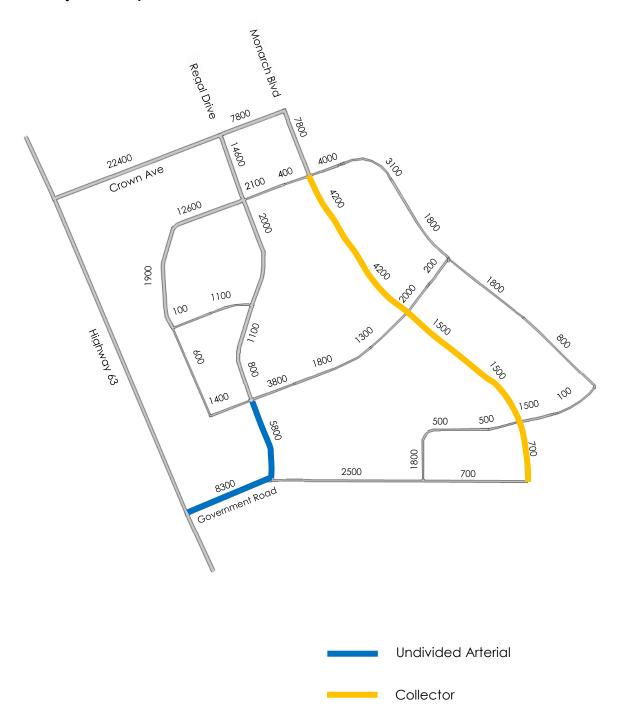
Phone: (780) 969-2096

Rhonda.shewchuk@stantec.cam

Attachment: Figure 1 - Projected Daily Traffic Volumes



Figure 1 – Projected Daily Traffic Volumes



Attachment 03 -

Supportive Outline Plan Amendment, Phase 2 Redesignation and Subdivision Figures

- Figure 1 Phase 2 Regional Context
- Figure 2 Phase 2 Highway 63 and 881 Corridor ASP Policy Context
- Figure 3 Phase 2 Approved Outline Plan Context
- Figure 4 Phase 2 Existing Site Conditions
- Figure 5 Phase 2 Site Photos
- Figure 6 Outline Plan Amendment Phasing Plan
- Figure 7 Outline Plan Amendment Road Network Classification
- Figure 8 Outline Plan Amendment Road Network Cross Section Divided Arterial
- Figure 9 Outline Plan Amendment Road Network Cross Section Undivided Arterial
- Figure 10 Outline Plan Amendment Road Network Cross Section Collector
- Figure 11 Outline Plan Amendment -Road Network Cross Section Modified Collector
- Figure 12 Phase 2 Redesignation
- Figure 13 Phase 2 Tentative Plan of Subdivision
- Figure 14 Phase 2 Subdivision Phasing
- Figure 15 Phase 2 Road Network and Access Arrangements
- Figure 16 Phase 2 Fire Smart Development Setback Requirements

Memo



To: Brad Currie From: Mustapha Zayoun, EIT

Red Deer AB Office Edmonton (Devonian) AB Office

File: 1135 11659 Date: May 28, 2015

Reference: Prairie Creek Roadway Classification

As requested by Pacific Investments Inc, we have prepared a traffic model and forecasted what the ultimate total daily trips will be in Prairie Creek Business Park at full build out. The purpose of this exercise is to utilize these daily traffic trips in order to properly classify the internal roadways in the overall Prairie Creek Business Park.

At full build out, there will be three intersections along Highway 63 providing access into the park, they include; Crown Avenue, Government Road, and King Way.

METHODOLOGY

The highway commercial trip rates used in this analysis were obtained from the ITE Trip Generation Manual while trip rates for business industrial developments were derived using a blend of land uses from ITE's Trip Generation Manual (Light Industrial and Warehousing). Based on these trip rates and the latest land use concept, the total daily trip generation for the most up to date concept plan is shown in the following table. Only daily trips were considered for this analysis.

Development	Trip Rate (Per ha)	Area (ha)	Daily Trips
Highway Commercial	1,150	25.41	29,206
Business Industrial	101	287.82	29,070
Total		313.23	58,276

Internal trips from the commercial to business industrial developments were assumed to be 5% of total commercial trips. A trip reduction of 4.5% for transit was applied to all land uses. All generated trips other than internal trips, are assumed to travel on Highway 63. Pass-by trips are assumed to be 15% of the total Highway Commercial trips. All other trips (external primary trips) were distributed assuming 90% to/from the north and 10% to/from the south. The breakdown of trips is shown in the following table.

	Highway Commercial		Business	Industrial
Total Trips		29,206		29,070
Pass-by Trips	15.0%	4,380	0.0%	0
Internal Trips	5.0%	1,460	5.0%	1,460
Non-Vehicular mode split	4.5%	1,314	4.5%	1,308
External Primary Trips	75.5%	26,432	90.5%	26,302



May 28, 2015 Brad Currie Page 2 of 3

Reference: Prairie Creek Roadway Classification

TRANSPORTATION ASSESSMENT

The development trips have been assigned to the road network using Vistro software. Based on Regional Municipality of Wood Buffalo Engineering Servicing Standards and Development Procedures, Average Daily Volumes (ADV) of 1,000 to 5,000 can be accommodated by collector roads in industrial/commercial areas. Traffic volumes between 5,000 and 12,000 will warrant an undivided arterial and volumes of 12,000 up to 30,000 will warrant a divided arterial road. Traffic volumes on the road network are shown in the attached **Figure 1**.

STANTEC CONSULTING LTD.

Mustapha Zayoun, EIT Traffic Engineer-In-Training

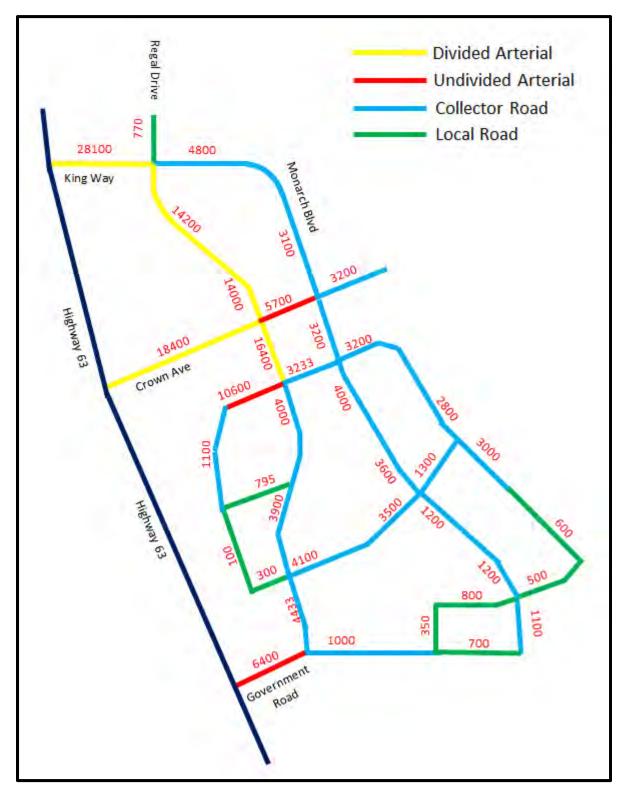
Phone: (780) 917-8084

Mustapha.zayoun@stantec.com

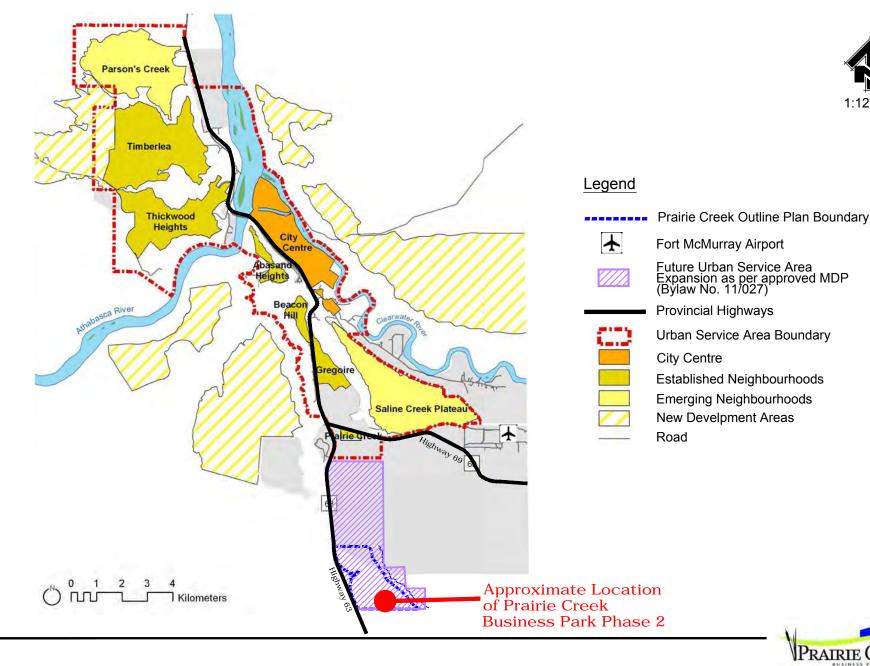
Attachment: Figure 1 - Projected Daily Traffic Volumes



Figure 1 - Projected Daily Traffic Volumes









Regional Context





Bylaw 12/041 Schedule A



Phase 2 - Rezoning and Subdivision Application

Bylaw 12/041 Schedule B

Figure 2

Highway 63/881 Corridor ASP Policy Context

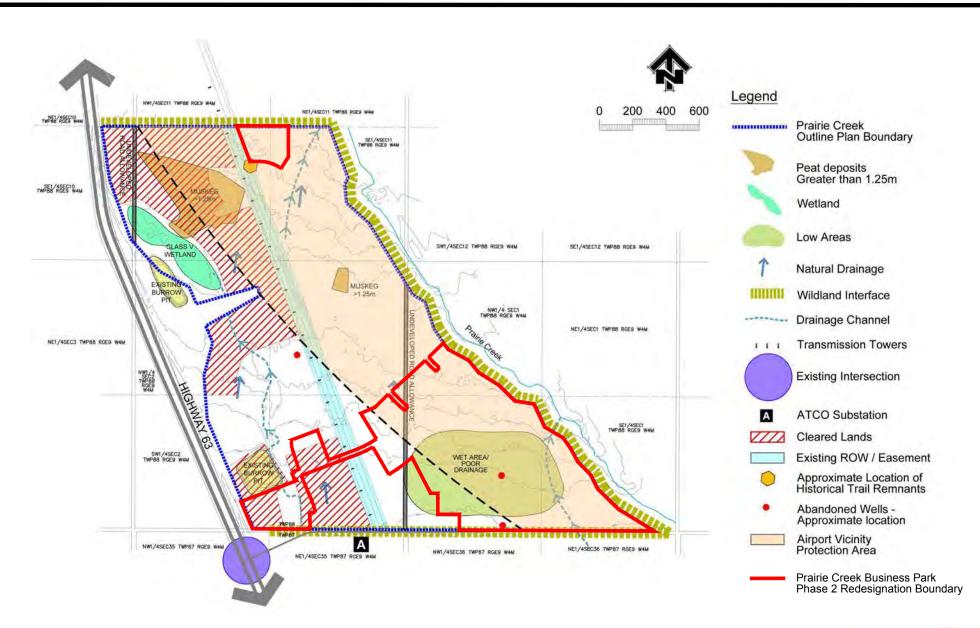


Figure 3

Approved Outline Plan Context

February 2015

Subdiv\Drawing CAD Files\Figures\1597 fig FEB2015.dwg Layout:OP Context





Existing Site Conditions







Site Photos



Figure 6

Outline Plan Amendment - Phasing Plan

February 2015

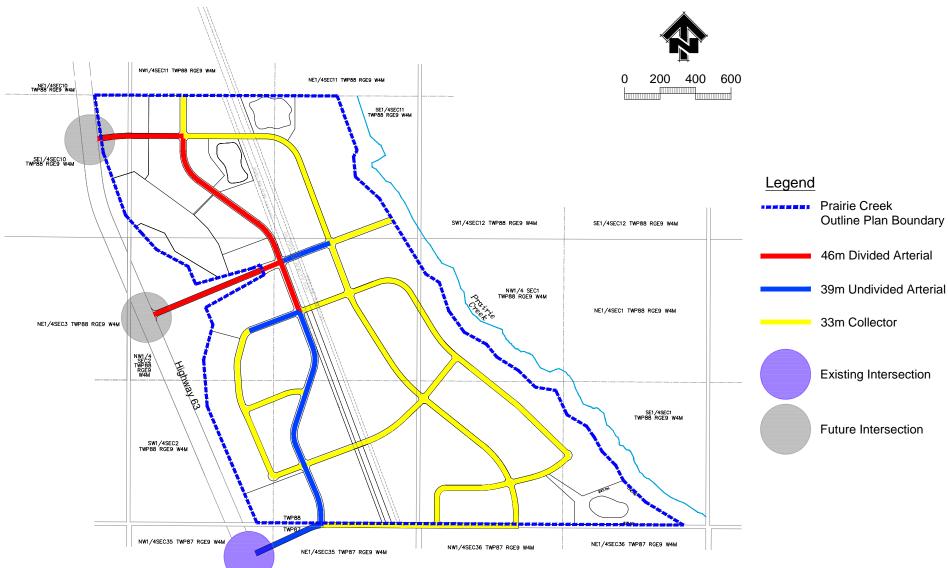


Figure 12

Proposed Road Network Hierarchy

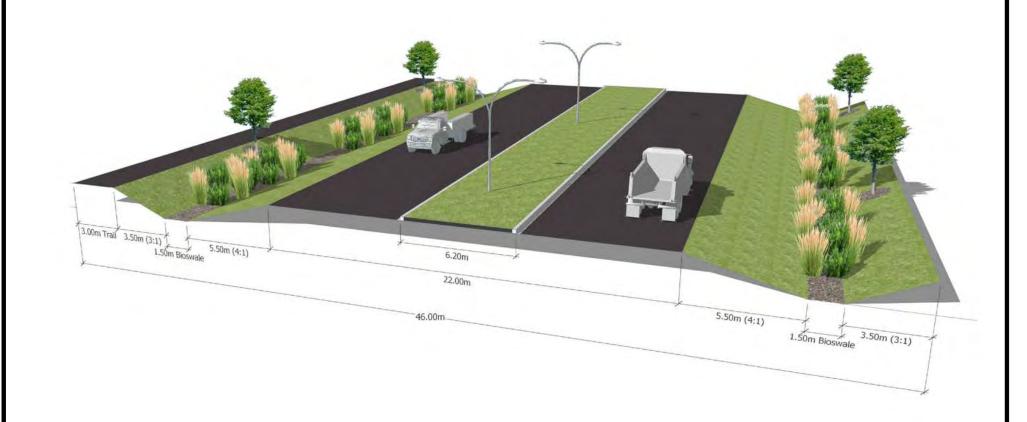




Figure 8





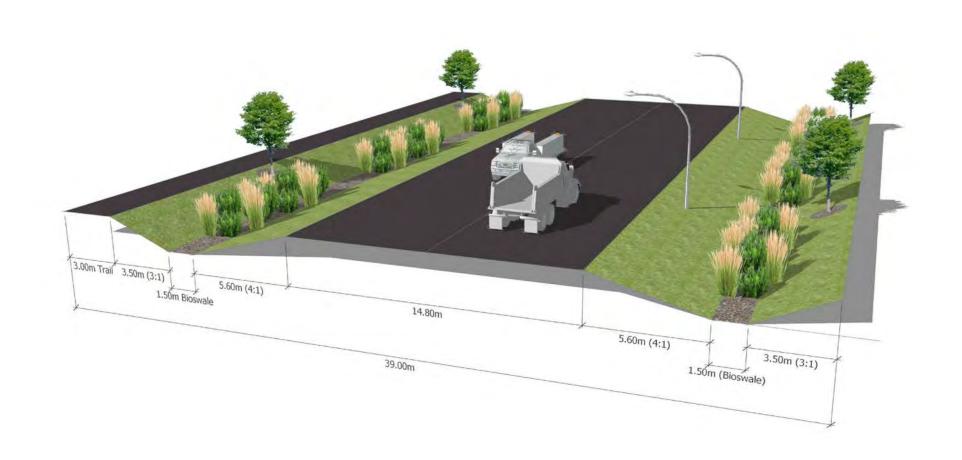




Figure 9



Outline Plan Amendment - Road Network Cross Section Undivided Arterial

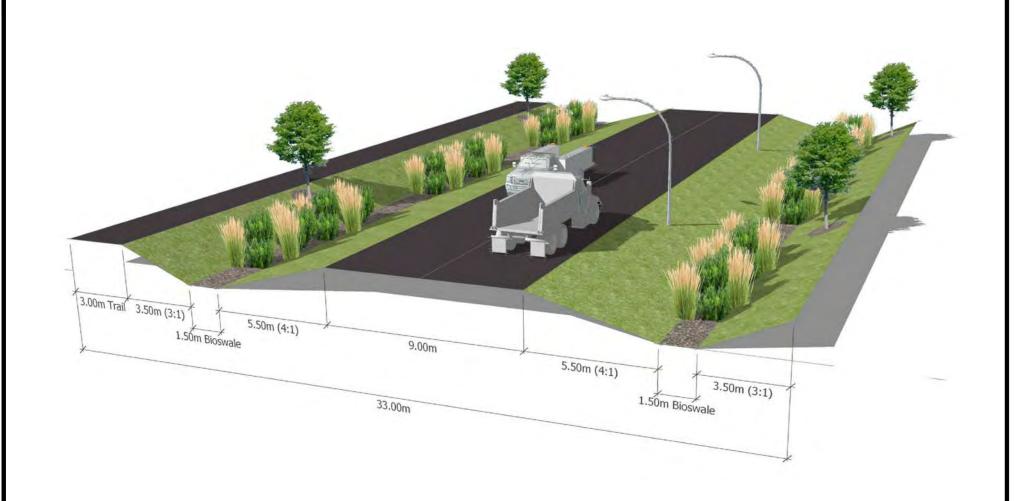
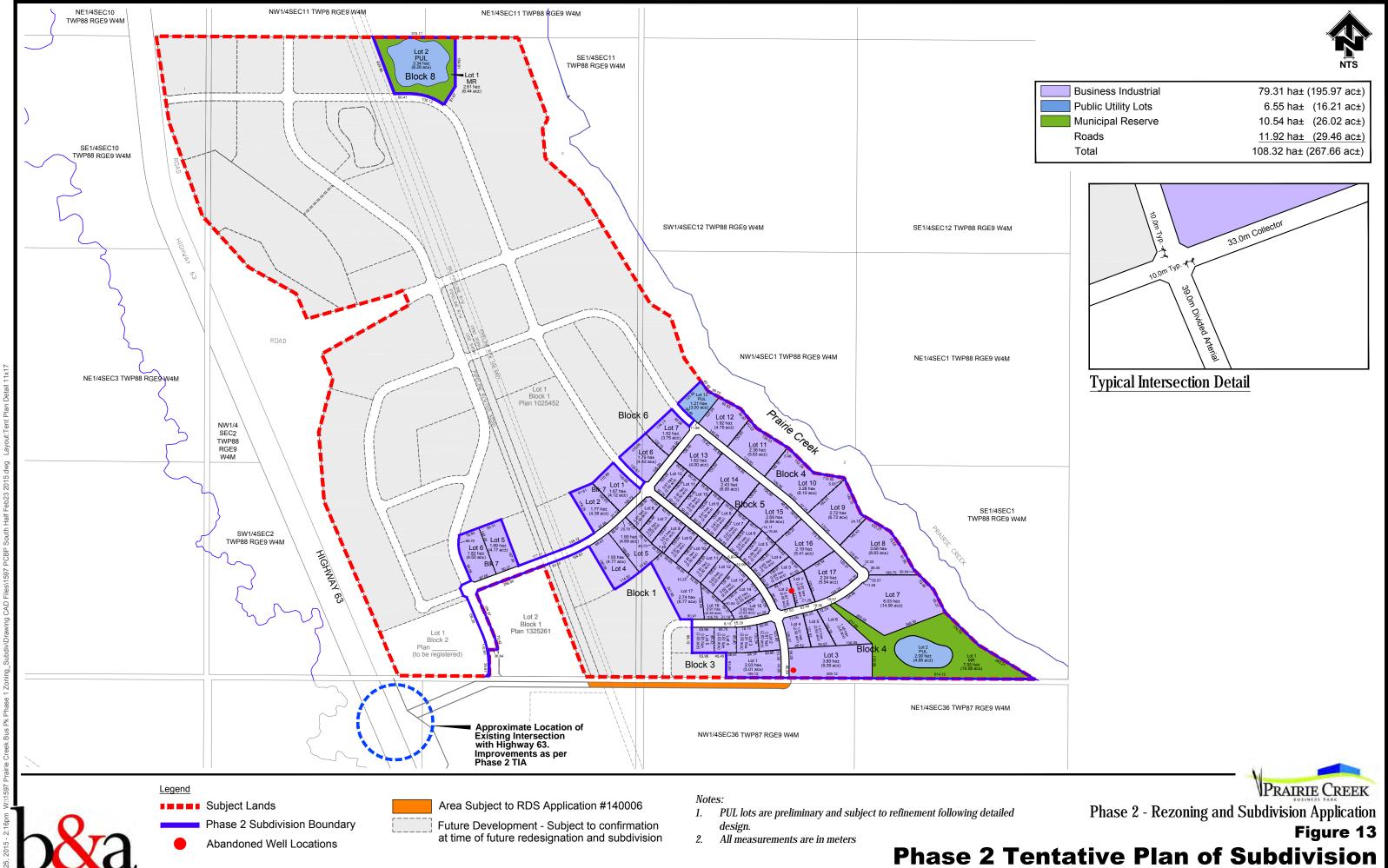




Figure 10

Outline Plan Amendment - Road Network Cross Section Collector





February 2015

at time of future redesignation and subdivision



Phase 2 - Rezoning and Subdivision Application Figure 14

Phase 2 Subdivision Phasing

February 2015



Figure 16

Phase 2 Fire Smart Development Setback Requirements

