



## **Council Meeting**

Jubilee Centre Council Chamber  
9909 Franklin Avenue, Fort McMurray

Tuesday, September 22, 2015  
6:00 p.m.

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## **Agenda**

### **In Camera Session** (5:00 p.m. – 6:00 p.m.)

- Government Relations Strategy  
(In Camera pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act.)
- Legal Matter  
(In Camera pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act.)

### **Call To Order**

### **National Anthem** (Hannah Keller)

### **Adoption of Agenda**

### **Minutes of Previous Meetings**

1. Minutes from Council Meeting - September 15, 2015

### **Bylaws**

2. Bylaw No. 15/022 - Land Use Bylaw Text Amendment Gateway District - Quarry Ridge
  - 1st reading (proposed date for public hearing, 2nd and 3rd reading - October 13, 2015)

### **Reports**

3. Oversight Committee Recommendation - Wood Buffalo Housing & Development Corporation Request for Approval of Financing Terms and Conditions for Siltstone Place and Venture Terrace  
- delegations
4. Timberlea Sewer Backups – Financial Support for Impacted Homeowners  
- delegations

### **Councillors' Motions**

5. Conklin Mutliplex Project  
- delegations
6. Governance Review  
- delegations
7. Land Planning and Development Advisory Committee Appointments  
- delegations

### **Adjournment**

**Unapproved Minutes of a Meeting of the Council of the Regional Municipality of Wood Buffalo held in the Council Chamber at the Municipal Offices in Fort McMurray, Alberta, on Tuesday, September 15, 2015, commencing at 6:00 p.m.**

**Present:** M. Blake, Mayor  
T. Ault, Councillor  
L. Bussieres, Councillor  
J. Cardinal, Councillor  
S. Germain, Councillor  
K. McGrath, Councillor  
P. Meagher, Councillor  
J. Stroud, Councillor  
C. Tatum, Councillor  
A. Vinni, Councillor

**Absent:** J. Chadi, Councillor

**Administration:** M. Ulliac, Chief Administrative Officer  
D. Leflar, Chief Legislative Officer  
A. Rogers, Senior Legislative Officer  
J. Brown, Supervisor, Legislative and Administrative Support  
A. Hawkins, Legislative Officer

**Call To Order**

Mayor Blake called the meeting to order at 6:00 p.m.

**National Anthem**

**Adoption of Agenda**

Moved by Councillor P. Meagher that the Agenda be adopted as presented.

**Notice of Motion**

Councillor S. Germain served the following notice of motion which will be brought forward for consideration at the September 22, 2015 Council Meeting:

“THAT the Government of Alberta be requested to perform an inspection of the Regional Municipality of Wood Buffalo with regard to any matters connected to its governance function and the activities of the Mayor and Councillors, in accordance with Section 571(1)(b) of the Municipal Government Act.”

Councillor S. Germain served the following notice of motion which will also be brought forward for consideration at the September 22, 2015 Council Meeting:

“THAT the Chief Administrative Officer be requested to take all necessary steps to ensure that no further work is done on, or in support of, construction of the Conklin Multiplex project until Council has been advised of the amounts of

anticipated contributions by the provincial and federal governments, by way of capital or operating grants, or lease payments, or through any other mechanism.”

Voting occurred on Councillor P. Meagher’s motion:

CARRIED UNANIMOUSLY

### **Minutes of Previous Meetings**

#### **1. Minutes from Council Meeting - September 8, 2015**

Moved by Councillor J. Stroud that the Minutes of the Council meeting held on September 8, 2015 be approved as presented.

CARRIED UNANIMOUSLY

### **Public Hearings and Related Reports**

#### **2. Bylaw No. 15/021 - Land Use Bylaw Amendment - Election Sign Provisions**

(6:05 p.m. – 6:23 p.m.)

Mayor M. Blake declared the Public Hearing opened at 6:05 p.m.

**Brad Evanson, Director, Planning and Development**, explained this amendment is being brought forward to ensure that the criteria for election signs is consistent with the Canadian Charter of Rights and Freedoms. The only Land Use Bylaw provisions relating to election signs that will remain, relate to the time period during which election signs can be posted, and that no development permit is required. It was confirmed that if this amendment passes, election signs will be regulated through the temporary signs provisions of the Land Use Bylaw.

It was requested that Administration create a communication for potential election candidates to inform them of the current sign regulations regarding what can and cannot be done relative to election signs, while offering guidelines for safe placement of signs.

Mayor M. Blake declared the Public Hearing closed at 6:21 p.m.

Moved by Councillor P. Meagher that Bylaw No. 15/021, being an amendment to Land Use Bylaw No. 99/059 be read a second time.

CARRIED UNANIMOUSLY

Moved by Councillor A. Vinni that Bylaw No. 15/021 be read a third and final time.

CARRIED UNANIMOUSLY

### **Reports**

#### **3. 2017 Alberta 55 Plus Games Bid**

(6:24 p.m. – 6:50 p.m.)

Moved by Councillor J. Stroud that the Regional Municipality of Wood Buffalo advise the Alberta Ministry of Culture and Tourism

of its intent to submit a bid to host the 2017 Alberta 55 Plus Games.

Exit and return

Councillor K. McGrath left the meeting at 6:24 p.m. and returned at 6:26 p.m.

**Carole Bouchard, Director of Community Services; and Monica Lance, Manager of Community Strategies**, confirmed, that consultation with a number of community groups, resulted in a majority supporting making a bid for these Games. It was also noted that the 2017 Alberta 55 Plus Games would involve a combination of summer and winter sports.

**Diane Slater, resident**, spoke in support of the initiative while suggesting that when a host committee is established, they need to be made aware of the value of shopping locally in order to sustain the local business community and the community as a whole.

**Luana Bussieres, Executive Director St. Aidan's Society and Jason Beck, Executive Director, Justin Slade Youth Foundation**, spoke in support of this initiative, advising Council of their interest in including an inter-generational component, showcasing both youths and seniors within the Region as part of the Games.

In keeping with prior discussion of Council, it was again requested that Administration explore, from a collaborative perspective, at any and all possible events aligning with the Municipality's Strategic Plan which can promote the Municipality as a sports and recreation destination.

Discussion occurred regarding the economic impacts resulting from hosting various Games in the community. It was requested that Administration provide Council with an economic assessment/analysis specifically related to hosting of the 2015 Western Canada Summer Games, as soon as possible.

CARRIED UNANIMOUSLY

**4. Parkade Feasibility on Lands Owned by the Municipality**

(6:50 p.m. – 7:35 p.m.)

Moved by Councillor P. Meagher that the findings of the initial downtown parkade feasibility analysis be presented to the Land Planning & Development Advisory Committee for consideration through its Council established mandate to identify and assess options for redevelopment of municipally owned lands in the downtown core, with recommendations to be included in the Committee's final report to Council on November 24, 2015.

Concern was raised relative to the recommendation that the Land Planning & Development Advisory Committee would report back to Council as opposed to reporting to the Land Planning and Transportation Committee.

Exit

Councillor K. McGrath left the meeting at 7:20 p.m.

Motion Recess

A motion recess occurred from 7:22 p.m. to 7:30 p.m.

Moved by Councillor A. Vinni that Administration bring forward an amendment to the Land Planning and Development Advisory Committee Bylaw No. 15/020, to have the Committee report to the Land Planning and Transportation Committee  
CARRIED UNANIMOUSLY

Voting then occurred on Councillor P. Meagher's motion

CARRIED UNANIMOUSLY

**5. Economic Information Session**

(7:37 p.m. – 7:47 p.m.)

Moved by Councillor J. Stroud that the Economic Information Session Council Report be accepted as information.

**Jeff Penney, Director, Economic Development**, spoke on this matter, noting that in addition to the public Economic Information Sessions, Council and the Executive Team will have an opportunity to interact and have a more focused dialogue with the presenters.

CARRIED UNANIMOUSLY

**6. Confederation Way Sanitary Sewer Bypass Project – Associated Sewer Backups**

(7:47 p.m. – 9:29 p.m.)

Moved by Councillor J. Stroud that the Confederation Way Sanitary Sewer Bypass Project – Associated Sewer Backups Council Report dated September 15, 2015 be accepted as information.

**Kevin Scoble, Executive Director, and Darcy Dragonetti, Director, Environmental Services**, and **Amie McGowan, Manager, Operational Excellence** came forward to address Council on this matter.

Mr. Scoble gave a lengthy technical presentation, including background and historical information, regarding the Confederation Way Sanitary Sewer Bypass Project. The presentation also addressed both the July 12, 2015 event (intense rain storm) and the August 30, 2015 event (watermain break) which both caused sewer backups, including next steps to be taken in both cases.

Exit and return

Councillor S. Germain left the meeting at 8:35 p.m. and returned at 8:37 p.m.

**Diane Slater, resident**, spoke to the human perspective of both events, noting that Council should strive to provide quality of life for its residents. She mentioned the financial hardship faced by some of the residents affected by either event and recommended that consideration be given to providing financial support to the affected residents. Ms. Slater further suggested that Council consider establishing a small committee of forward-thinking, intuitive persons to work with municipal staff of the same mindset to discuss current challenges and make recommendations to Council.

**Garth Booker, resident**, came forward and raised concerns and/or questions with respect to how the sewer is moved from one system to another; open manholes during construction; and work strategies, such as parallel work vs sequential work. He also suggested that running different tests on the model could help more accurately determine which residences are inside the impacted zone.

**Alisa Unruh and Dave Scantland, residents**, came forward and spoke to how their lives and home business have been negatively impacted by the watermain break which resulted in their water being shut off numerous times, equipment in front of the house blocking off access and the street being shut down. They also questioned the experience and abilities of the contractor in this type of work, and requested that local residents be apprised of what is happening by way of hand delivered notice. It was further requested that Administration review this whole situation and work towards increasing efficiencies to expedite the work required in such a manner as to minimize the impacts on local residents.

**Skyler White, resident**, came forward to speak specifically to the July 12, 2015 event, outlining what he witnessed on the morning of the event. He noted concern for residents having to pay large amounts of money for something resulting from what he perceives to be negligence on the part of the contractor.

**Debbie Hahn, resident**, addressed Council and noted that although there are separate issues within this subject matter, her concerns are specifically related to the lack of municipal response during a crisis situation where residents were displaced from their homes due to raw sewage in basements; and the financial hardships faced by the area residents. Ms. Hahn also suggested that Administration look at engaging residents to be part of further investigation in this matter, specifically the residents who made presentations this evening.

Moved by Councillor T. Ault that Administration report back to Council next week with a recommendation for financial support for residents affected by the July 12 and August 30 floods.

CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that the Confederation Way Sanitary Sewer Bypass Project – Associated Sewer Backups Council Report dated September 15, 2015 be accepted as information.

CARRIED UNANIMOUSLY

### **Adjournment**

Mayor M. Blake declared the meeting adjourned at 9:30 p.m.

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Mayor

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Chief Legislative Officer







<b>Subject: Bylaw No. 15/022 Land Use Bylaw Text Amendment Gateway District - Quarry Ridge</b>
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<b>APPROVALS:</b>
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<p>Bradley Evanson, Director Jeff Penney, acting Executive Director Marcel Ulliac, Chief Administrative Officer</p>
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### **Administrative Recommendations:**

1. THAT Bylaw No. 15/022, being a Land Use Bylaw Text Amendment specific to the Gateway District, be read a first time; and
2. THAT the required public hearing be held on October 13, 2015.

### **Summary:**

The Regional Municipality of Wood Buffalo received an application on December 4, 2014 for a text amendment to Section 210: Gateway District of the Land Use Bylaw.

The text amendment restructures the Gateway District for a focus on a greater mix of commercial uses while maintaining high quality urban design principles along a highly visible corridor.

The authority to amend the Land Use Bylaw is vested with Council under the *Municipal Government Act*.

### **Background:**

The Gateway District in the Land Use Bylaw was created to provide for mixed use commercial and residential development at Quarry Ridge. However, recent market feasibility analysis reflects the need for a broader range of highway-oriented commercial uses and negates the potential for residential development for this particular site and district. An amendment is therefore required to help facilitate predominantly vehicle oriented commercial development, such as auto dealerships.

Stantec Consulting Ltd. on behalf of QR Shops Ltd. has applied for a text amendment to the Gateway District. The Gateway District is currently applied to one parcel, Quarry Ridge. Therefore, the change in zoning does not impact other parcels of land. The text amendment will address the purpose statement, the land uses and site development regulations.

The Open House for the proposed text amendment was hosted at the local office of Stantec Consulting Ltd. on May 25, 2015. The written notice to the adjacent property owners was mailed on May 5, 2015 and no objections were received.

### **Rationale for Recommendations:**

The removal of residential use is appropriate given the following factors: 1) the site is fairly isolated from services like schools and parks, 2) it is primarily a highway environment, and therefore more suited to commercial uses, 3) major residential subdivisions are currently underway in Parsons Creek and Saline Creek, and are expected to satisfy most residential demand in the near future, 4) current market conditions do not favour the multi-unit housing that would have been accommodated on-site.

The proposed Gateway District text also incorporates several built form regulations, which address the siting, massing and architectural treatment of buildings. These regulations shall ensure a visually enhanced urban design within highway oriented developments. The proposed Gateway District is intended to bridge from the current Land Use Bylaw No. 99/059 to the draft Land Use Bylaw that administration is putting forward in the near future.

Furthermore, the provision of additional commercial services is supported by various municipal documents, including the Commercial and Industrial Land Use Study (CILUS) and the Business Inventory Gap Analysis. The Municipality is still providing only half of the commercial square footage than is provided in other comparable communities. This amendment would work towards filling that gap.

Although there is currently no Area Structure Plan governing the area, the site falls under the Established Neighbourhood designation in the Municipal Development Plan (MDP). This designation (Policy U.1.2) promotes intensification in targeted areas, specifically vacant and underutilized land. It states that such neighbourhoods should provide an increasingly greater mix of uses. The proposal to amend the Gateway District to accommodate more commercial uses is in keeping with this goal of the Municipal Development Plan.

Administration supports the proposed Land Use Bylaw text amendment and recommends that Bylaw No. 15/022 is given first reading to allow for scheduling of a public hearing.

### **Strategic Plan Linkages:**

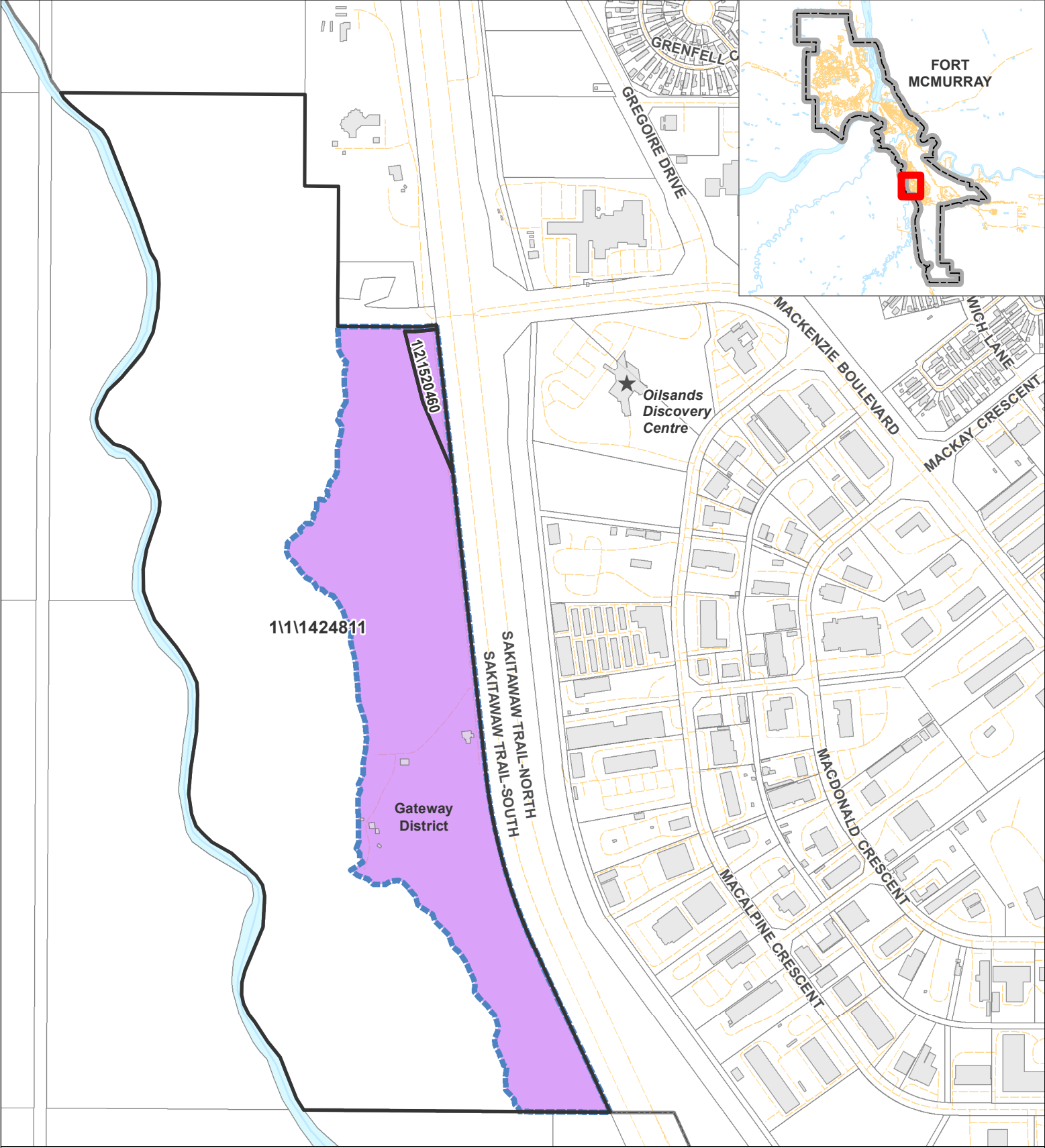
Pillar 2 – Building Balanced Regional Services  
Pillar 3 – Building a Vibrant Economy Together  
Pillar 4 – Building an Effective Land Strategy

### **Attachments:**

1. Subject Area Map
2. Bylaw No. 15/022

SUBJECT AREA MAP  
Lot 1, Block 2, Plan 152 0460 and  
portion of Lot 1, Block 1, Plan 142 4811

Attachment 1



- Subject\_Area
- Roadways
- Subject\_Parcels
- Landmarks
- Survey\_Parcels
- Water\_Bodies

1 cm = 80 meters





**BYLAW NO. 15/022****A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AMEND LAND USE BYLAW NO. 99/059**

**WHEREAS** Section 639 of the *Municipal Government Act* requires every municipality to enact a Land Use Bylaw;

**AND WHEREAS** Section 191 (1) of the *Municipal Government Act* authorizes Council to adopt a bylaw to amend a Land Use Bylaw;

**NOW THEREFORE** the Regional Municipality of Wood Buffalo, in open Council assembled, enacts as follows:

1. Bylaw No. 99/059, the Land Use Bylaw, is hereby amended by deleting the existing text from Section 210 GD Gateway District, and inserting the following:

**“210.1 Purpose**

The purpose of this District is to provide for predominantly vehicle oriented commercial development along high volume, high visibility corridors. Developments approved under this District will be of a high standard in terms of architectural design, use of materials, use of signage and public art, landscaping and the relationship between buildings, structures and open spaces.

**210.2 Use Table**

<b>Permitted Uses</b>	<b>Discretionary Uses (DO)</b>	<b>Discretionary Uses (MPC)</b>
<ul style="list-style-type: none"> <li>• Animal Service Facility, Minor</li> <li>• Business Support Facility</li> <li>• Casino</li> <li>• Hotel up to a height of 14.0m</li> <li>• Drinking Lounge, Minor</li> <li>• Equipment Rental</li> <li>• Fleet Service</li> <li>• Medical Clinic</li> <li>• Liquor Store</li> <li>• Automotive/Recreational Vehicle Sales and Rental</li> <li>• Nightclub</li> <li>• Parking lot/Structure</li> <li>• Personal Service Facility</li> <li>• Public Utility</li> </ul>	<ul style="list-style-type: none"> <li>• Animal Service Facility, Major</li> <li>• Hotel with a height of 14.0m or greater</li> <li>• Drinking Lounge, Major</li> <li>• Food Service, Drive-in or Drive-Through</li> <li>• Essential Public Service</li> <li>• Funeral Home/Crematorium</li> <li>• Office (maximum floor area of 5000m<sup>2</sup>)</li> <li>• Public Use Commercial Entertainment Facility</li> <li>• Automotive and Equipment Repair</li> </ul>	<ul style="list-style-type: none"> <li>• Adult Entertainment Facility</li> </ul>

<b>Permitted Uses</b>	<b>Discretionary Uses (DO)</b>	<b>Discretionary Uses (MPC)</b>
<ul style="list-style-type: none"> <li>• Commercial Recreation Facility, Indoor</li> <li>• Food Service, Major Restaurant</li> <li>• Food Service, Minor Restaurant</li> <li>• Retail Store, General</li> <li>• Retail Store, Convenience</li> <li>• Service Station, Major</li> <li>• Service Station, Minor</li> </ul>	<ul style="list-style-type: none"> <li>• Religious Assembly</li> </ul>	

### 210.3 Site Provisions

In addition to the General Regulations contained in Part 5, the following standards shall apply to every development in this district.

	<b>Site Standard</b>
<b>a) Lot Area (minimum):</b>	0.5 ha
<b>b) Lot Width (minimum):</b>	30.0m
<b>c) Front Yard Setback (minimum):</b>	4.5m
<b>d) Side Yard Setback (minimum):</b>	6.5m where the lot is adjacent to a residential district 4.5m in all other cases
<b>e) Rear Yard Setback (minimum):</b>	6.5m where the lot is adjacent to a residential district 4.5m in all other cases
<b>f) Building Height (maximum):</b>	30.0m for Hotel 14.0m in all other cases
<b>g) Landscaping (minimum):</b>	10%
<b>h) Floor Area Ratio (maximum):</b>	1.5 May be exceeded to a maximum of 2.5 as per section L20.5c

### 210.4 Additional Regulations

- Loading, outdoor storage or garbage facilities are not permitted in a front yard setback or a setback visible from a public street corridor.
- Within the Urban Service Area, highway setback required under Section 63.1 (Bylaw No. 99/059) may be reduced to 10.0m with approval from Alberta Transportation.
- There shall be a minimum 2.5m barrier free sidewalk along active at-grade frontages.

- d) The layout of the site, structures, and parking areas shall facilitate the movement of pedestrian and vehicle traffic through the use of safe barriers such as landscaping, separated walkways, and raised crosswalks.

### **210.5 Additional Regulations for Discretionary Uses**

- a) In addition to the setback requirements of this District, the Development Officer may, as a condition of approval, require an additional setback for that portion of a Hotel that exceeds 14.0m in height in order to protect the amenity and privacy of development in any adjacent or abutting residential district. The Development Officer shall not require a total yard greater than the height of the building.
- b) The Development Officer may attach conditions to all permitted and discretionary uses regarding the size, location, screening and landscaping of the outdoor display areas and storage areas, to ensure that development is compatible with the appearance of surrounding developments.
- c) An application for a Hotel with a height of 14.0m or greater may exceed a Floor Area Ratio of 1.5 to a maximum of 2.5 provided that a Traffic Impact Assessment and Servicing Studies support the proposed density based on infrastructure capacity and shall be at the discretion of the Development Authority.

### **210.6 Siting**

Direct access to transit stops or stations should be provided in the site at convenient locations and shall be connected to pedestrian infrastructure.

### **210.7 Massing**

- a) The maximum building length shall be 80.0m.
- b) Where a High-Rise tower is part of a Hotel development, the tower:
  - i) Shall have a podium of 2-3 storeys;
  - ii) Shall be setback a minimum of 3.0m from any street-facing façade of the podium;
  - iii) Shall have a maximum floor plate of 750.0m<sup>2</sup>. More than one tower is permitted on one podium provided there is a separation distance of at least 20.0m;
  - iv) Shall be oriented and designed to limit shadows on parks, schools and open spaces.
- c) Where a High-Rise bar building is part of a Hotel development, the building:
  - i) Shall have a podium of 2-3 storeys;
  - ii) Shall have a setback of a minimum of 3.0m from any street-facing façade of the podium;

- iii) Stepbacks from non-street facing facades of the podium may be required at the discretion of the Development Authority;
- iv) Shall be oriented and designed to limit shadows on parks, schools and open spaces.

#### **210.8 Architectural Elements**

- a) The building face of all development shall be articulated by recession and/or architectural projections at a minimum of 20.0m intervals.
- b) Building design shall positively address the arterial and/or highway frontage through architectural detail, materiality and articulation of the building façade and/or landscape treatment facing these public street corridors.
- c) Blank walls facing public street or public spaces shall not be permitted.
- d) Building entrances shall be easily accessible by pedestrian traffic and clearly defined through the use of architectural elements.”

2. This Bylaw comes into effect when it is passed.

READ a first time this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2015.

READ a second time this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2015.

READ a third and final time this \_\_\_\_\_ day of \_\_\_\_\_, A.D.2015.

SIGNED and PASSED this \_\_\_\_\_ day of \_\_\_\_\_, A.D.2015.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Legislative Officer



**Subject: Oversight Committee Recommendation - Wood Buffalo  
Housing & Development Corporation Request for Approval  
of Financing Terms and Conditions for Siltstone Place and  
Venture Terrace**

**Oversight Committee Recommendation:**

THAT Wood Buffalo Housing & Development Corporation (WBHDC) be authorized to secure financing to a maximum of \$33,700,000 for the Siltstone Ridge project and \$3,400,000 for the Venture Terrace project for an amortization period not to exceed 25 years, on the best commercial terms that WBHDC is able to negotiate.

**Background:**

The Wood Buffalo Housing & Development Corporation presented the proposed financing terms and conditions for Siltstone Place and Venture Terrace to the Oversight Committee on September 17, 2015, requesting that the terms and conditions be submitted to Council for approval. At that meeting, the Oversight Committee passed the following resolution:

“THAT the Financing Terms and Conditions for Siltstone Place and Venture Terrace be recommended to Council for approval.”

**Attachments:**

1. Oversight Committee Unapproved Minutes – September 17, 2015
2. Oversight Committee September 17, 2015 – Wood Buffalo Housing and Development Corporation Briefing Note and PowerPoint presentation.



**Unapproved Minutes of a Meeting of the Oversight Committee held in the Council Chamber at the Municipal Offices in Fort McMurray, Alberta, on Thursday, September 17, 2015, commencing at 4:00 p.m.**

**Present:** C. Tatum, Chair  
J. Stroud, Councillor

**Absent:** S. Germain, Councillor

**Administration:** D. Leflar, Chief Legislative Officer  
A. Rogers, Senior Legislative Officer  
S. Harper, Legislative Officer

**Call to Order**

A. Rogers, Senior Legislative Officer, called the meeting to order at 4:01 p.m.

**1. Adoption of the Agenda**

Moved by Councillor J. Stroud that the Agenda be adopted as presented.

CARRIED UNANIMOUSLY

**New and Unfinished Business**

**2. Appointment of Chair and Vice Chair**

(4:02 p.m. – 4:05 p.m.)

A. Rogers called for nominations for the position of Chair.

Councillor J. Stroud nominated Councillor C. Tatum for the position of Chair, and Councillor C. Tatum accepted the nomination. Councillor S. Germain, while not in attendance, had previously indicated that he would let his name stand for either the position of Chair or Vice Chair. A vote occurred, and Councillor C. Tatum was declared Chair. She assumed the Chair at 4:04 p.m.

Nominations were then held for the position of Vice Chair. Chair C. Tatum nominated Councillor J. Stroud and she accepted the nomination. A vote occurred, and Councillor J. Stroud was declared Vice Chair.

**3. Wood Buffalo Housing and Development Corporation re: Approval of Financing Terms and Conditions for Siltstone Place and Venture Terrace**

(4:06 p.m. – 4:25 p.m.)

Bryan Lutes, President/CEO; and Randy Stefanizyn, Chair, of the Wood Buffalo Housing and Development Corporation, provided a presentation on the Financing Terms and Conditions for Siltstone Place and Venture Terrace.

Moved by Councillor J. Stroud that;

- The Wood Buffalo Housing & Development Corporation presentation be accepted as information; and
- The Financing Terms and Conditions for Siltstone Place and

Venture Terrace be recommended to Council for approval.  
CARRIED UNANIMOUSLY

**4. Governance Discussion**  
(4:26 p.m. – 4:32 p.m.)

D. Leflar, Chief Legislative Officer, reviewed the Oversight Committee mandate as contained in the Standing Council Committees Bylaw No. 15/019, and discussed some of the functions of the Committee, such as review and approval of Key Performance Indicators in relation to the Strategic Plan.

**5. Next Meeting Date**  
(4:32 p.m. – 4:33 p.m.)

Moved by Councillor J. Stroud that the next meeting of the Oversight Committee be scheduled for October 22, 2015 at 4:00 p.m.

CARRIED UNANIMOUSLY

**Adjournment**

As all scheduled business matters had been concluded, Chair C. Tatum declared the meeting adjourned at 4:34 p.m.

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Chair

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Chief Legislative Officer

Wood Buffalo Housing & Development Corporation

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## **BRIEFING NOTE TO COUNCIL**

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**ISSUE:           APPROVAL OF THE TERMS AND CONDITIONS FOR FINANCING  
SILTSTONE RIDGE AND VENTURE TERRACE**

**BACKGROUND:**

Wood Buffalo Housing & Development Corporation (WBHDC) was authorized by Council Resolution of April 10, 2012 (Attachment 3) to enter into construction and long term financing for the Siltstone Ridge project.

The Operating Protocol Principles require that the terms and conditions of financing be approved by Council

**CURRENT ISSUES REQUIRING APPROVAL OF COUNCIL**

WBHDC needs Council to approve by resolution the following for Siltstone Ridge:

1.       THAT Council approve the terms and conditions of the Siltstone Ridge long term financing as detailed in Attachment 1.

The current mortgage on the Venture Terrace rental project is due for renewal. The Operating Protocol Principles require that the terms and conditions of financing be approved by Council.

WBHDC needs Council to approve by resolution the following for Venture Terrace:

1.       THAT Council approve the terms and conditions of the Venture Terrace long term financing renewal as detailed in Attachment 2.

**RECOMMENDATION**

THAT Council approve the terms and conditions of financing for Siltstone Ridge and Venture Terrace, as per the attached term sheets.

**SUBMITTED BY:**           Bryan Lutes  
**DATE:**           September 2015



## **Wood Buffalo Housing and Development Corporation**

### **Mortgage Renewal Terms**

#### **Siltstone Ridge**

The Siltstone Ridge construction loan is a temporary financing facility which needs to be converted to a long term takeout mortgage. The mortgage is CMHC insured.

Principal Amount	Not to exceed \$33,700,000.00
Mortgage Term	Not to exceed 10 years
Mortgage Type	Closed
Mortgage Rate	Fixed
Interest Rate	on the best commercial terms that WBHDC is able to negotiate
Amortization Period	Not to exceed 25 years

## **Wood Buffalo Housing and Development Corporation**

### **Mortgage Renewal Terms**

#### **Venture Terrace**

The Venture Terrace mortgage will mature on January 1<sup>st</sup>, 2016 at which time the balance outstanding will be \$3,374,980.25. The current mortgage is CMHC insured.

Principal Amount	Not to exceed \$3,400,000.00
MortgageTerm	Not to exceed 10 years
Mortgage Type	Closed
Mortgage Rate	Fixed
Interest Rate	on the best commercial terms that WBHDC is able to negotiate
Amortization Period	Not to exceed 25 years



REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

OFFICE OF THE MAYOR  
MELISSA BLAKE

April 17, 2012

Bryan Lutes, President  
Wood Buffalo Housing and Development Corporation  
9011-9915 Franklin Avenue  
Fort McMurray, AB T9H 2K4

Dear Mr. Lutes:

Thank you for your presentation at the regular Council meeting on April 10, 2012 regarding the Siltstone Ridge, Stone Creek Subdivision, Parcel 'F' Project.

Your participation is appreciated. Following your presentation, as business arising, Council unanimously passed the following resolution.

- THAT the Wood Buffalo Housing and Development Corporation be authorized to enter into a construction and long-term take out mortgage for Siltstone Ridge, as detailed in Attachment 1 (Briefing Note to Board of Directors, dated February 22, 2012); and
- THAT the financial information contained in Attachment 1 remain confidential, pursuant to section 16 of the Freedom of Information and Protection of Privacy Act, until such time as the business risk is removed.

Once again, thank you for your presentation.

Sincerely,

Melissa Blake  
MAYOR

APR 20 2012



APPROVED at a meeting of the  
Board of Directors on February 29,  
2012.

  
ARIANNA JOHNSON, Secretary



## Wood Buffalo Housing & Development Corporation

### BRIEFING NOTE TO BOARD OF DIRECTORS

#### ISSUE: Siltstone Ridge, Stone Creek Subdivision Parcel "F"

#### BACKGROUND:

The Corporate underlying Strategic Goal is to create "access to housing" for our designated community.

#### DISCUSSION:

##### 1. Project Description

This project is the construction of three apartment buildings and 35 townhouses in the Stone Creek subdivision (Parcel F) on a 7.51 acre lot. The Corporation, through an affordable land grant from the province, owns the land. The project will be added to Wood Buffalo Housing & Development Corporation's rental pool.

##### 2. Project Economics

The economics of the project are as follows:

- i) Land:
  - a. the land was granted to the Corporation for the sum of \$1.00 in 2011;
  - b. The estimate value of this parcel at time of transfer is \$16,000,000;
  - c. The Corporation will complete the project in 2013.
- ii) Buildings:
  - a. Site will include all services, paving and landscape requirements;
  - b. Rental units will be transferred to Family Housing when completed;
  - c. The unit mix will include:
    - (a) 14 – 635 sq. ft. one bedroom units;
    - (b) 58 – 850 sq. ft. two bedroom units;
    - (c) 68 – 1000 sq. ft. 3 bedroom units;
    - (d) 35 – 1100 sq. ft. townhouse units.

##### 3. Project Costs

1.	Land (costs of servicing the site)	\$ 318,000
2.	Development (soft) Site Costs	\$ 7,910,000
3.	Est. construction costs (including contingency)	\$51,722,000
	TOTAL Project Costs	\$59,950,000

#### 4. Project Financing

The project is predicated upon a total capital cost not to exceed \$59,950,000. The Province has provided grant funding of \$150,000/door for a total of \$26,250,000.

Construction financing not to exceed \$36,400,000. The construction loan will be converted to a long term mortgage not to exceed \$33,700,000 at the completion of the project. All funds will be sourced using a competitive market approach.

#### 5. Construction

Construction will take approximately 18 months to complete from the starting date, estimated to be May, 2012.

#### RECOMMENDATIONS:

1. **That the Board of Directors** approves the commencement of Siltstone Ridge located on Parcel F subject to:
  - a. Receipt of an acceptable construction financing not to exceed \$36,400,000 and a long term takeout financing not to exceed \$33,700,000;
  - b. Receipt of a Construction Tender within the proposed capital budget for the Project.

AND

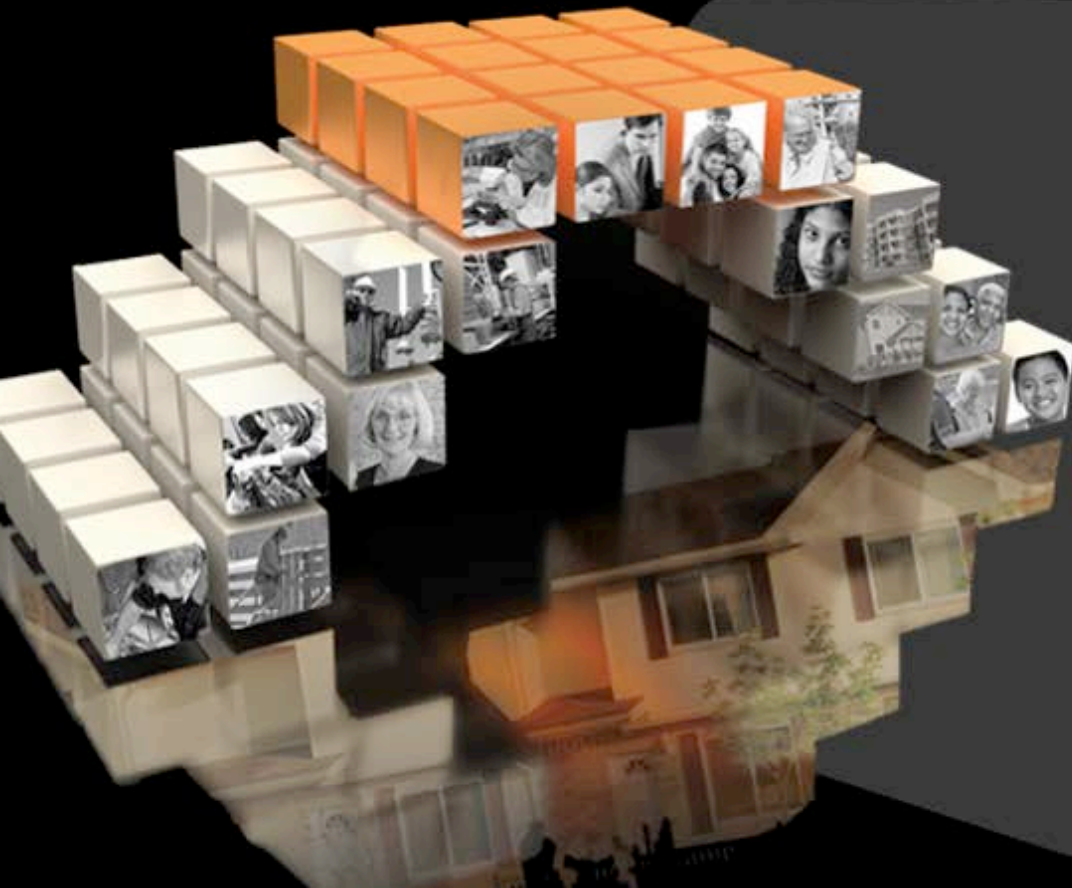
2. **That the Board of Directors** authorize the signature of the Construction Contracts and loan documents when received by the appropriate signatories and seal as applicable.

AND

3. **That the Board of Directors** direct the President to present to Council to seek permission to borrow
  - a. For construction not to exceed \$36,400,000;
  - b. For long term take out mortgage not to exceed \$33,700,000.

**SUBMITTED BY:** David Peters

**DATE:** February 22nd, 2012



# 2016 BUDGET 2017/18 PROJECTIONS



## **2016 BUDGET**

## **2017/18 PROJECTIONS**

### **Economic Outlook**

- Oil prices expected to remain low in 2016 gradually increasing in 2017 & 2018
- GDP expected to decline in 2015, stabilizing in 2016
- Interest rates are expected to remain low in 2016 with June CPI Alberta at 1.7%
- Alberta economy expected to slow as new oil & gas development is put on hold
- Cost increases are expected to moderate in RMWB
- Market vacancy rates are expected to rise into 2016 resulting in lower rents
- Demand for affordable housing will continue, with increases in 2017 & 2018



## **2016 BUDGET**

## **2017/18 PROJECTIONS**

### **Highlights**

- Weighted average WBHDC rents are 13.7% below Spring 2015 CMHC rates
- No development projects are anticipated in 2016, 2017 or 2018
- 1368 units total: 1218 Gap, 54 Lodges, 96 Community Housing
- Siltstone Project completed in Q4 2015
- No cash subsidy is required from the Regional Municipality of Wood Buffalo



# 2016 BUDGET

# 2017/18 PROJECTIONS

## Operating Statement (000's)

	2016	2017	2018
Operating Revenue			
Rental Revenue	\$19,260	\$21,303	\$23,927
Other Revenue	12,277	12,314	12,473
Total Operating Revenues	31,537	33,617	36,400
 Total Operating Expenses	 36,213	 36,281	 36,625
 <b>Operating Deficit</b>	 <b><u>(\$4,676)</u></b>	 <b><u>(\$2,664)</u></b>	 <b><u>(\$225)</u></b>
 Add Amortization	 4,414	 4,425	 4,441
Less Loan Repayments	(3,683)	(3,928)	(4,061)
Less Capital Expenditures	(786)	(325)	(251)
Less Capital Maintenance Reserves	(1,050)	(1,320)	(1,525)
Add Board Apportionment from Reserves	6,000	4,000	2,000
 <b>Residual Cash</b>	 <b><u>\$219</u></b>	 <b><u>\$188</u></b>	 <b><u>\$379</u></b>



**Subject: Timberlea Sewer Backups – Financial Support for Impacted Homeowners**

**APPROVALS:**

Kevin Scoble, Deputy Chief Administrative Officer  
Marcel Ulliac, Chief Administrative Officer

**Administrative Recommendation:**

THAT a decision on providing financial support in addition to or in lieu of compensation through the Municipality's insurer, for residents affected by the July 12, 2015 sewer back-up flooding in the Timberlea area, be deferred until (a) a detailed engineering investigation and proximate cause analysis with respect to the July 12, 2015 storm event is complete and delivered to Council; and (b) the Municipality's insurer has made a determination as to whether it will pay claims relating to that event.

**Summary:**

At the September 15, 2015 regular Council meeting Administration made a report to Council on the status of the investigation into sewer backups that occurred in Timberlea at the time of the severe rainfall event of July 12, 2015, as well as the sewer backups that resulted from a water line break on August 30, 2015. Following presentations by Administration and by several delegations from the public, Council passed the following resolution:

**"THAT Administration report back to Council next week with a recommendation for financial support for residents affected by the July 12 and August 30 floods."**

[POST MEETING NOTE: It has not yet been formally determined what position the insurer will take with respect to homeowner claims arising from the August 30, 2015 incident, but we do have confirmation that all such claims will be paid if the insurer is persuaded that our contractor was negligent, after which our insurer will pursue the contractor's insurer for reimbursement. We also know that on the basis of information presently available, it appears very likely that the contractor would be found negligent. This means that the homeowners impacted on August 30 are very likely to be fully compensated by insurance for damages attributable to that incident, and accordingly the remainder of this report will focus only on the July 12 incident.]

In response to Council's request as set out in the above Motion, Administration recommends that a Council decision on providing financial support, in addition to or in lieu of compensation that may become available to affected residents through the Municipality's insurer, be deferred until:

- (a) the results of the engineering investigation and "proximate cause analysis" of the July 12 storm event are known; and
- (b) the Municipality's insurer has decided whether it will pay the claims of affected residents.

The basic principle applied by the Municipality and its insurer in handling claims, is that compensation should be paid where it is clear that the Municipality is legally liable, but should not be paid if there is no clear evidence of liability. There are advantages to adhering to this principle, and disadvantages to departing from it. In the case of the July 12 storm event the technical issues are especially complex and causation is therefore not easily determined. Administration accordingly recommends that the engineering analysis be completed, and that the Municipality's insurer be allowed to consider that analysis and its own investigations in deciding whether our insurance policy will respond to the claims, before a decision is made on additional compensation. Any other course of action risks a loss of coverage from our own insurer, puts us at a disadvantage in defending claims should it ultimately be determined that the Municipality may not be liable, and risks paying money that can never be recouped if it eventually is determined that insurance would have made those payments.

Should Council choose not to follow Administration's recommendation, this Council Report also includes two alternatives under which payments to affected residents would be made before the matter of liability has been determined and without regard to the potential for our own insurer to compensate.

### **Discussion and Rationale for Recommendation:**

In order to decide whether to make a change to the normal process of handling claims of this kind it is important to understand the following key considerations underlying the normal process:

- (a) the situation with respect to insurance coverage, both for the affected homeowners and the Municipality, and
- (b) the recourse available to a homeowner who has either no insurance coverage at all, or coverage inadequate to compensate for all of their loss.

The Municipality's insurance coverage will respond to and pay homeowners' claims in this situation, if the insurer is satisfied that the proximate cause of the damage was an act or omission amounting to negligence on the part of the Municipality or any other person for whom the Municipality is responsible vis-à-vis the claimants [for example, a consultant engineer or a contractor]. If the Municipality's insurer pays out any or all of the homeowners' claims, but is satisfied that some other person's act or omission was the true root cause of the damage, the insurer retains the right to commence legal action against that other person to recover the amounts it paid to homeowners. [This is known as a "subrogated claim" which nominally is brought by the Municipality, but is really an insurer's claim for which the insurer has full control of the legal action.] As with any legal action it is the Court that will ultimately decide if there is negligence, and therefore liability, on the part of any defendant.

Homeowners' insurance policies sometimes have "full coverage" for this kind of damage [subject to deductible of course, and also subject to the matters discussed in the next paragraph] but in this particular area of Timberlea that is typically not the case. In fact, to our knowledge, homeowners who do have this kind of insurance coverage are usually "capped" at anywhere from \$15,000 to \$30,000, regardless of how much damage they have suffered. When a homeowners' insurer pays out a damage claim, they too retain the right to bring a "subrogated claim" against the party they consider truly responsible for the damage, to recover the amount paid to their policyholder. In this case, we have already been put on notice of 22 such subrogated claims from insurers who are asserting that the Municipality is responsible, and legally liable, for the damages. That represents about a third of the



total number of claims to date [65], and in many cases we still do not know whether the homeowner has insurance, and if so to what limit, so there will almost certainly be more such claims in the future.

It is also important to bear in mind that homeowner policies that do have sewer backup coverage, not only most frequently cap the dollar amount payable, but also often restrict coverage to cleanup and structural damage and will not cover loss to contents arising from the flooding. Nor will they typically cover loss of rental income where a homeowner has a basement suite that is damaged to the point where the tenant has to move out. This is in stark contrast to the Municipality's own insurance coverage which is much broader and will respond to these additional claims – provided of course that our insurer is persuaded that the Municipality has been negligent, which at this point is not yet determined.

Where does all of this leave a homeowner who either has no insurance coverage at all for this kind of loss, or whose insurance policy has a “cap” significantly lower than the amount of the damage suffered? The answer is that such a homeowner has a right to make a claim, and if necessary bring legal action, for whatever portion of their loss is not covered by their own insurance policy [if any]. This includes not only dollar amounts above the insurance “cap” but also losses of a kind that are not covered at all, as discussed above – i.e., loss of contents and loss of rental income. If the Municipality and/or its insurer were to decide to deny liability on the ground that we are not convinced there was any negligence, homeowners who disagree with that conclusion could sue for their losses either individually or collectively by way of a representative or class action. And the Court would decide.

With all of the above in mind, Administration recommends that the established process be allowed to continue to its conclusion, before Council makes any decision that could result in payment of monies to impacted homeowners that is beyond or outside the potential or actual insurance coverage under either their own policies or the Municipality's policy. The essential rationale for this recommendation is the cumulative impact of the disadvantages to making payments immediately. If monies are paid now, before the engineering investigation and analysis is complete, and before the Municipality's insurer has made a determination as to whether it will pay the claims, then:

1. The Municipality's ability to defend these claims in the future or seek compensation from other responsible parties will be compromised, since the payments will be seen as an admission of guilt regardless of any disclaimer.
2. The Municipality's insurer may refuse to pay legal costs of defending future lawsuits, or of pursuing third parties [such as consultant engineers or contractors] for joint liability -- which they would otherwise be obligated to pay or pursue -- again on the ground that the Municipality's voluntary payments have jeopardized the insurer's ability to litigate effectively or even to make compromises with homeowners' insurers.
3. The Municipality's insurer may use the risk created under 1. above as a reason to deny the very broad compensation for homeowners' losses that would otherwise have been available [discussed above] because the insurer's ability to be successful in a subrogated claim will be compromised.

4. The Municipality will have paid out monies for which it may later turn out that insurance coverage is available. If the money is paid out now by the Municipality directly, before a finding of liability has been made, it will be very difficult to convince the insurer to reimburse such payments later.
5. Any chance of negotiating a deal with the Municipality's insurer, for shared cost of paying out claims due to the complexity of the factual background and the consequent difficulty of drawing conclusions about negligence, will most likely be lost forever.

Administration is aware of and sympathetic to the hardship and impact experienced by many of our residents as a result of the sewer backups into their homes on July 12, 2015. However, for the reasons outlined above, the fiscally prudent course of action would be for the RMWB to wait and see whether a significant expenditure of money might be absorbed by the Municipality's insurer rather than having to be borne by the general taxbase.

Nevertheless, recognizing that Council may prefer to provide immediate relief to the affected homeowners, and as an act of good faith and measure of compassion towards those who have been impacted by this extraordinary event, Administration has identified an alternative of creating a Contingency Fund for the purpose of supplementing the coverage provided by homeowners' insurance policies, or substituting for such coverage where it does not exist. Two different levels of support have been considered, in this context, as set out in the following section.

#### **Alternatives:**

The following were considered as alternatives to Administration's recommendation of deferring a decision on financial assistance to impacted homeowners beyond or in lieu of the payments that are or may be available through applicable insurance coverage:

1. Create a contingency fund drawn from Emerging Issues Reserve to assist the homeowners in the Timberlea area that were impacted by the sewer back-up that occurred on July 12, 2015 with funding per individual property up to a maximum of \$25,000 upon submission of a standard insurance industry proof of claim form, and execution of a waiver of future claims [meaning that the homeowner would have to agree not to sue the Municipality, in exchange for receiving payment out of the fund]. The funding would not be a duplication of amounts already paid by homeowners' insurers, but rather would function as a "top-up" of those amounts where necessary to cover the whole amount of the loss subject to the \$25,000 maximum.
2. Create a contingency fund drawn from Emerging Issues Reserve to assist the homeowners in the Timberlea area that were impacted by the sewer back-up that occurred on July 12, 2015 with funding per individual property up to a maximum of \$40,000 upon submission of a standard insurance industry proof of claim form, and execution of a waiver of future claims [meaning that the homeowner would have to agree not to sue the Municipality, in exchange for receiving payment out of the fund]. The funding would not be a duplication of amounts already paid by homeowners' insurers, but rather would function as a "top-up" of those amounts where necessary to cover the whole amount of the loss subject to the \$40,000 maximum.

[The Deputy Chief Administrative Officer, who owns and lives in an affected property, would not be eligible for payment under either of these alternatives due to his involvement in both the engineering investigation and the development of policy options for Council's consideration.]

**Budget/Financial Implications:**

- Administration's recommended alternative has no immediate budget or financial implications, and would allow for a more precise estimate of such implications after all the facts are known and analyzed, and after we know what position our insurer is going to take.
- Alternative #1 above has been analyzed for cost implications on the assumption that potentially as many as 100 claims may eventually be forthcoming [there are 65 received to date, ranging in value from \$15,000 to \$50,000.] Under this alternative, even bearing in mind that an estimated 25% to 50% of homeowners will have insurance coverage for at least a part of their loss, it is projected that most of the claims will be at or very close to the \$25,000 maximum, which equates to a total payout cost of \$2.5 million. Additional estimated handling costs for field visits, documentation & negotiation would be approximately 10% of the average claim cost. **The estimated total contingency fund drawn from the Emerging Issue Reserve would be \$2.75 million.**
- Alternative #2 above has been analyzed for cost implications on the assumption that potentially as many as 100 claims may eventually be forthcoming [there are 65 received to date, ranging in value from \$15,000 to \$50,000.] Under this alternative, bearing in mind that 25% to 50% of homeowners will have insurance coverage for at least a part of their loss, it is projected that the average claim will be about \$30,000, which equates to a total payout cost of \$3 million. Additional estimated handling costs for field visits, documentation & negotiation would be approximately 10% of the average claim cost. **The estimated total contingency fund drawn from the Emerging Issue Reserve would be \$3.30 million.**



**Subject: Conklin Multiplex Project****Recommendation:**

THAT the Chief Administrative Officer be requested to take all necessary steps to ensure that no further work is done on, or in support of, construction of the Conklin Multiplex project until Council has been advised of the amounts of anticipated contributions by the provincial and federal governments, by way of capital or operating grants, or lease payments, or through any other mechanism.

**Summary and Background:**

At the September 15, 2015 Council Meeting, Councillor Germain served notice that the following recommendation would be submitted for consideration at the September 22, 2015 regular Council Meeting:

“THAT the Chief Administrative Officer be requested to take all necessary steps to ensure that no further work is done on, or in support of, construction of the Conklin Multiplex project until Council has been advised of the amounts of anticipated contributions by the provincial and federal governments, by way of capital or operating grants, or lease payments, or through any other mechanism.”

In accordance with Procedure Bylaw 14/025, the motion is now before Council for consideration.



**Subject: Governance Review****Recommendation:**

THAT the Government of Alberta be requested to perform an inspection of the Regional Municipality of Wood Buffalo with regard to any matters connected to its governance function and the activities of the Mayor and Councillors, in accordance with Section 571(1)(b) of the Municipal Government Act.

**Summary and Background:**

At the September 15, 2015 Council Meeting, Councillor Germain served notice that the following recommendation would be submitted for consideration at the September 22, 2015 regular Council Meeting:

“THAT the Government of Alberta be requested to perform an inspection of the Regional Municipality of Wood Buffalo with regard to any matters connected to its governance function and the activities of the Mayor and Councillors, in accordance with Section 571(1)(b) of the Municipal Government Act.”

In accordance with Procedure Bylaw 14/025, the motion is now before Council for consideration.







## **Subject: Land Planning and Development Advisory Committee Appointments**

### **Selection Committee Recommendation:**

THAT John Mulhall, public-at-large, be appointed to the Land Planning and Development Advisory Committee effective immediately to October 31, 2016.

### **Summary:**

The Selection Committee, which is comprised of Councillors Bussieres, Meagher and Vinni, has made a recommendation pertaining to a vacancy that has occurred on the Land Planning and Development Advisory Committee (LPDAC). In keeping with the established bylaw, the appointment of individuals to the LPDAC must be approved by Council.

### **Background:**

Members were appointed to the newly established LPDAC on August 25, 2015. Since then there has been a resignation from the Committee, therefore, a public-at-large vacancy now exists. During the Selection Committee's meeting on August 17, 2015, when all applications for appointment to the LPDAC were reviewed, there were waitlisted individuals identified in the event that mid-term vacancies arise. The Selection Committee is recommending the appointment of John Mulhall to fill this vacancy.

### **Rationale for Recommendation:**

The appointment of a replacement member to the Land Planning and Development Advisory Committee is necessary to ensure the continued viability of this Committee.

### **Strategic Plan Linkages:**

Pillar 1 – Building Responsible Government

Pillar 3 – Building a Vibrant Economy Together

Pillar 4 – Building an Effective Land Strategy

