

SALE OF LAND BELOW MARKET VALUE - CHAPPELLE

Recommendation

That the sale of surplus road right-of-way, as set out in Attachment 1 of the November 27, 2024, Financial and Corporate Services report FCS02585, on the terms and conditions outlined in Attachment 2 of the November 27, 2024, Financial and Corporate Services report FCS02585, be approved, and that the agreement be in form and content acceptable to the City Manager.

Requested Action		Decision required	
ConnectEdmonton's Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work to achieve our strategic goals.		n/a	
City Plan Values	n/a		
City Plan Big City Move(s)	n/a	Relationship to Council's Strategic Priorities	Conditions for service success
Corporate Business Plan	Managing the corporation		

Executive Summary

- Administration is recommending Executive Committee approval for the sale of surplus, City-owned roadway land at less than market value.
- As per the *Municipal Government Act*, the City must advertise proposed City land sales that are below market value and subsequently have it approved by the appropriate Council Committee following a petition period. The proposed land sale was advertised in accordance with the *Municipal Government Act*. The City did not receive sufficient petitions during the 60 day petition period, as such Executive Committee can approve the proposed transfer.

REPORT

On January 26, 2015, a landowner dedicated a portion of development land in the Chappelle neighbourhood as road right-of-way, for the purpose of road construction. In June 2024, Administration determined that a portion of the dedicated land (approximately 410 square

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meters), as shown in Attachment 1, was surplus to the City's requirements. Administration is seeking Executive Committee approval to transfer the surplus roadway land back to the original landowner for \$1 per the terms and conditions outlined in Attachment 2.

Administration recommends this sale as it follows a standard practice to return surplus land that was dedicated through subdivision (for roadway purposes) to the original owner at nominal value. This practice has been in place and followed by Administration since 2007 when Administration and members of the development industry agreed on a set of principles (Attachment 3) to handle these specific situations. Such transfers are subject to approval by the appropriate Council Committee as they are outside of Administration's delegated authority.

Next Steps

If the recommendation is approved, Administration will execute the Sale Agreement and continue progressing the Road Closure Bylaw to public hearing.

Budget/Financial Implications

If Executive Committee approves this transfer, there would be no gain or loss recognized upon sale. A market value sale of this land was not considered within the development of the 2023-2026 Operating Budget so a below market value sale would not impact the operating performance reporting of Land Enterprise.

Legal Implications

As per the *Municipal Government Act*, the City must advertise proposed City land sales that are below market value and subsequently have them approved by the appropriate Council Committee following a petition period. The proposed land sales were advertised in accordance with the *Municipal Government Act*. The City did not receive sufficient petitions during the petition period, so Executive Committee can approve the proposed transfer.

Section 35 of City Bylaw 16620 (City Administration Bylaw) enables the City Manager to approve agreements for disposition of a fee simple interest in land for fair market value or more, up to certain monetary limits. Approval is sought as the proposed dispositions are below fair market value.

Community Insight

As per sections 70, 231(9) and 606 of the *Municipal Government Act*, the City advertised the proposed below market value sale of the subject property to the Buyer for two consecutive weeks, August 20, 2024, and August 27, 2024, in the Edmonton Journal. The City did not receive sufficient petitions during the petition period, so Executive Committee can approve the proposed transfer.

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GBA+

Identity factors were not considered in this land transfer process.

Environment and Climate Review

This report was reviewed for environmental and climate risks. Based on the review completed no significant interactions with the City's environmental and climate goals were identified within the scope of this report.

Attachments

1. Site Plan
2. Sale Agreement Terms and Conditions
3. Principles Surrounding the Disposal of Surplus Road Right-of-Way