

# Commencement of Expropriation of Lands

## City Centre Redevelopment

### Recommendation:

That Executive Committee recommend to City Council:

That City Council, in its capacity as the Expropriating Authority under the *Expropriation Act*:

1. Approve the commencement of the expropriation process to acquire the interests in land shown on Attachment 1 and legally described in Attachment 2 of the Corporate Services report 2012COL006.
2. Authorize Administration to enter into agreements pursuant to section 30 of the *Expropriation Act* (Section 30 Agreement) with the owner or owners of any interests outlined in Attachment 2 of the Corporate Services report 2012COL006, where the owner is willing to consent to the expropriation of its interest by the City.

### Report Summary

**City Council approval is required to commence the expropriation process or to enter into Section 30 Agreements with willing parties to acquire the interests in land as outlined in Attachment 2 of this report.**

### Report

At the May 16, 2012, City Council meeting, City Council gave three readings to Bylaw 16033 - A Bylaw to adopt the City Centre Area Redevelopment Plan.

At the July 17, 2012, City Council meeting, Council received Sustainable Development report 2012SC0778 "Quarterly Update of the Redevelopment of the City Centre Airport" for information.

Bylaw 16033 - A Bylaw to adopt the City Centre Area Redevelopment Plan provides a planning policy to guide the future redevelopment of certain lands within the Edmonton Municipal Airport neighborhood (Subject Lands). This Area Redevelopment Plan is based on a vision that the Subject Lands will be redeveloped and will be used to build a world-class, sustainable and family-oriented community for 30,000 residents.

The Area Redevelopment Plan provides a land use planning framework for future development and anticipates the Subject Lands will be redeveloped through public and private sector initiatives with first stages of the development anticipated to begin in 2013 or 2014.

The City of Edmonton is the fee simple owner of the Subject Lands. The right to use, occupy, possess and/or legally encumber the Subject Lands has been given to a number of persons and/or corporations through leases, sub-leases, licenses, security interests, utility rights of way, etc. Individually and collectively these interest holders and/or persons with potential rights of use,

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occupation, or possession will be referred to as a “Property Interest(s) or Property Interest Holder(s)”. The terms of and length of each Property Interest Holder’s right to use part or all of the Subject Land varies with each interest, with the shortest ending in 30 days to the longest Property Interest ending in 2052.

The first step in carrying out the Area Redevelopment Plan is to acquire the exclusive use and possession of those portions of the Subject Lands that are presently incompatible with the Area Redevelopment Plan.

Redevelopment will be completed in a number of stages. The proposed staging for the Area Redevelopment Plan (Attachment 3) has been developed by the City Centre Redevelopment Team through consultation with Perkins + Will, and with input from a group of builders and land development engineers on planning, servicing and market analysis.

The staged sequencing identifies those areas within the Subject Property that can be serviced relatively easily to provide parcels that are readily marketable. Detailed design of Stage 1, Phase I would begin in 2013 with construction commencing in late 2013 or 2014. The Stage 1 area includes:

- a significant component of the central park, including the southern storm water management pond
- the first stage of residential development in the west district
- potential mixed use retail development in the High Street area

Staging of residential development on the east side of the park is linked directly to the timing of construction of the two LRT Stations, as the LRT creates the opportunity for Transit Oriented Development. The residential and retail densities in proximity to a station influence the parking requirements and circulation around the future buildings.

The Area Redevelopment Plan does not contemplate the use of the Subject Lands as an airport. Carrying out the Area Redevelopment Plan directly impacts airport operations and therefore precludes the use of the Subject Lands for aviation purposes. In order to proceed and begin to carry out the Area Redevelopment Plan, the City needs to acquire the Property Interests that are not compatible with the Area Redevelopment Plan and the staged sequencing for redevelopment.

One hundred ninety eight Property Interest Holders are outlined specifically in Attachment 2 but are generally described as follows:

- 27 Leases
- 19 Subleases
- 11 Utility Rights of Way
- 53 Caveats
- 6 aircraft parking licences
- 4 vehicle parking licences
- 2 vehicle storage leases
- 2 licences
- 5 security interests
- 1 amending agreement
- 68 additional potential users

On September 5, 2012, letters were mailed to property interest holders and potential property interest holders

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informing them that Administration is seeking approval to commence expropriation of certain property interests in the subject lands and further advising them of their ability to request to speak to Executive Committee.

Some limited discussions/negotiations with the Property Interest Holders of the head leases have occurred. Administration will attempt to reach negotiated agreements with all affected Property Interest holders. Only where a negotiated agreement cannot be reached will the matter proceed to the Land Compensation Board for a decision.

### Policy

The policy for this report falls under the *Expropriation Act* of Alberta.

### Corporate Outcomes

The Way We Grow  
The Way We Move

### Budget/Financial Implications

Funding will be through Land Enterprise Retained Earnings with interim financing from the City's Working Capital.

### Legal Implications

Expropriation is a legal right conferred upon expropriating authorities such as municipalities to acquire land or an interest in land from a party who might otherwise be unwilling to sell it in order to fulfill various specified purposes. Section 14(2)(b) of the *Municipal Government Act* gives Council the right to acquire land by expropriation in order to carry out an area redevelopment

plan, whether undertaken alone or in conjunction with another person.

Expropriation of the interests outlined in Attachment 2 must be carried out in compliance with the requirements set out in the *Expropriation Act*. The *Expropriation Act* gives affected Property Interest Holders certain legal rights including entitlement to receive certain types of compensation.

The *Act* gives affected Property Interest Holders the right to object to the intended expropriation and to have an Inquiry Officer appointed by the Province to conduct an inquiry into whether the intended expropriation is fair, sound and reasonably necessary in order to achieve the City's objectives.

Should an inquiry hearing occur, the Inquiry Officer will produce a report. This report shall be considered by Council who may approve or disapprove the proposed expropriation with any modifications it considers proper.

Section 30 of the *Expropriation Act* allows an owner or Property Interest Holder, through a written agreement with the City, to consent to the expropriation (thereby avoiding an inquiry hearing) subject to the condition that compensation shall be determined by the Land Compensation Board if the parties cannot reach an agreement. A Section 30 Agreement enables the City to acquire possession of the interest in land at a date agreeable to both parties and may contain other terms as the parties may agree.

The City is obliged to follow all of the steps prescribed in the *Expropriation Act* and the City, unless there has been an

agreement, to the contrary, typically obtains title to the property within 120 days of the commencement of the taking (i.e. filing of expropriation notice at Land Titles). It takes at least a further 90 days for the City to obtain vacant possession.

The *Expropriation Act* also governs the City's proposed payment of compensation to a Property Interest Holder and empowers the Land Compensation Board to determine the amount of compensation payable if the Property Interest Holder and City cannot reach an agreement.

Approval to commence this expropriation is not approval for final closure of the airport, that step, if it is to be taken, would require a separate resolution from Council in the future with input from the Edmonton Regional Airport Authority.

### Justification of Recommendation

1. Commencement of expropriation proceedings is required in order to ensure vacant possession of the subject lands in a timely manner to facilitate the implementation of the Area Redevelopment Plan and to facilitate the actual commencement of construction.
2. Utilizing Section 30 Agreements, where the Property Interest Holders are willing, will enable the City to acquire possession within acceptable time limits while leaving the Property Interest Holders their rights to compensation under the *Expropriation Act*.

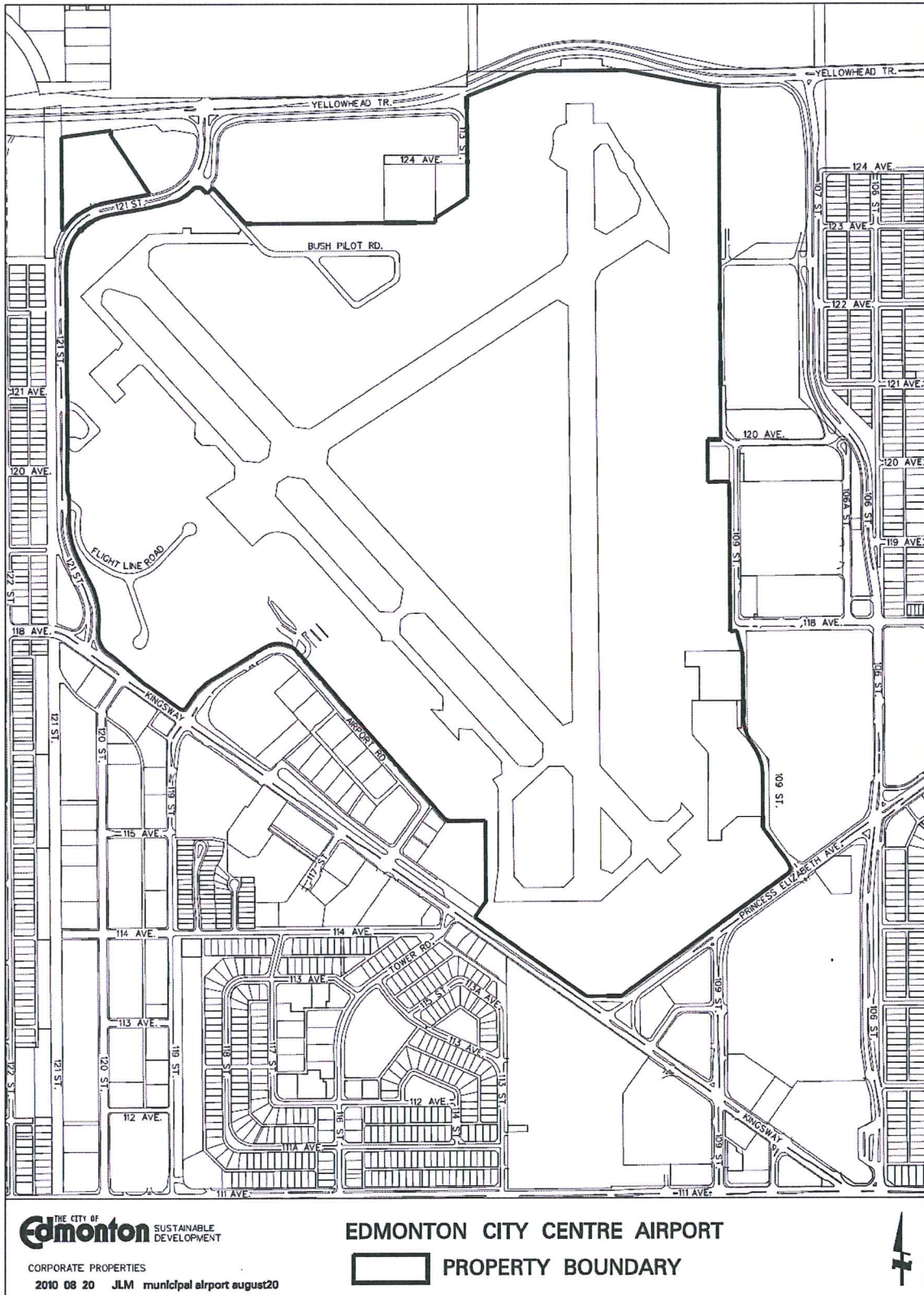
### Attachments

1. Map of Edmonton City Centre Airport
2. Description of Registered and Unregistered Interests Required
3. City Centre Redevelopment Proposed Staging Plan

### Others Reviewing this Report

- R. G. Klassen, Sustainable Development
- R. Boutilier, Transportation Services

Attachment 1 – Map of Edmonton City Centre Airport



## Description of Registered and Unregistered Interests Required

The **CITY OF EDMONTON** is the registered owner of an estate in fee simple in the North Alberta Land Registration District, Land Titles Office, under Certificate of Title Number 992 303 040+1 and legally described as

DESCRIPTIVE PLAN 9220135  
 BLOCK 6A  
 LOT 2  
 CONTAINING 216.54 HECTARES (535.08 ACRES) MORE OR LESS  
 EXCEPTING THEREOUT: HECTARES (ACRES) MORE OR LESS  
 A) PLAN 9925701 ROAD 0.003 0.01  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

ATS REFERENCE: 4; 24; 53; 17; W  
 ATS REFERENCE: 4; 24; 53; 18  
 ATS REFERENCE: 4; 24; 53; HB  
 ESTATE: FEE SIMPLE

And municipally known as the City Center Airport Lands (the "Subject Lands")

Authorization is being sought to commence expropriation of the following known registered and unregistered, rights, titles and interests in part or all of the Subject Lands, including without limitation any other rights, titles, and interest or interests, either expressed or implied to part or all of the Subject Lands, as may become known to the City of Edmonton as the expropriating authority:

**REGISTERED INTERESTS in the North Alberta Land Registration District, Land Titles Office, under the following registration numbers and names including but not limited to:**

Registration Number	Nature of Registered Interest	Name
3164PU	Lease	Edmonton Flying Club
556RD	Lease	Edmonton Flying Club
892 019 880	Lease	Mantilla Industries Limited
952 192 825	Amending Agreement	Affects Instrument: 892019880
872 232 141	Caveat	Hamilton Aviation Ltd.
892 036 167	Caveat	745294 Alberta Ltd.
892 036 859	Caveat	Province of Alberta Treasury Branch
892 160 332	Caveat	689799 Alberta Ltd.

892 331 627	Caveat	Canadian Helicopters Limited
902 107 143	Caveat	Hamilton Aviation Ltd.
902 282 081	Caveat	Shell Canada Products Limited
912 020 200	Caveat	Imperial Oil Limited
912 089 650	Caveat	Interhome Energy Inc,
912 289 224	Caveat	A.M.E Aeroworks Services Ltd.
952 316 748	Caveat	Shell Canada Products Limited
952 316 749	Caveat	Shell Canada Products Limited
952 316 750	Caveat	Shell Canada Products Limited
962 081 513	Caveat	Edmonton Regional Airports Authority
982 014 897	Caveat	Airco Aircraft Salvage Ltd.
982 026 588	Caveat	Celtic Land Developments Corp.
982 146 178	Caveat	Hangar 11 Corp.
982 257 019	Caveat	Mifaco Inc.
982 257 020	Caveat	Mifaco Inc.
002 083 934	Caveat	Gibralt Capital Corporation
002 083 935	Caveat	Gibralt Capital Corporation
002 086 315	Caveat	Edmax Real Estate Inc.
002 107 134	Caveat	The Canada Life Assurance Company
002 107 135	Caveat	The Canada Life Assurance Company
002 112 270	Caveat	Gibralt Capital Corporation
002 126 373	Caveat	The Canada Life Assurance Company
012 057 847	Caveat	The Board of Trustees of the Edmonton School District No. 7
012 106 120	Caveat	Canadian Western Bank
012 106 121	Caveat	Canadian Western Bank
012 124 362	Caveat	Canadian Western Bank
012 194 310	Caveat	Imperial Oil Limited & McColl-Frontenac Petroleum Inc.
012 353 085	Caveat	Edmonton Flying Club
022 227 777	Caveat	Clarica Life Insurance

		Company
022 227 778	Caveat	Clarica Life Insurance Company
022 227 779	Caveat	Clarica Life Insurance Company
022 227 780	Caveat	Clarica Life Insurance Company
022 227 781	Caveat	Clarica Life Insurance Company
032 147 296	Caveat	Geographic Air Survey Ltd.
042 256 267	Caveat	Centennial Flight Center Inc.
072 020 970	Caveat	Venture Financial Group
072 020 971	Caveat	Venture Financial Group
082 184 272	Caveat	01XXXXXXXXXX
082 184 273	Caveat	1380192 Alberta Ltd.
082 184 274	Caveat	1380192 Alberta Ltd.
082 204 218	Caveat	Servus Credit Union Ltd.
082 204 219	Caveat	Servus Credit Union Ltd.
082 290 870	Caveat	Morningstar Air Express Inc.
092 284 282	Caveat	Business Development Bank of Canada
092 458 624	Caveat	Business Development Bank of Canada
112 103 764	Caveat	Ducey Avionics Ltd.
112 329 048	Caveat	Consolidated Civil Enforcement Inc.
112 392 023	Caveat	Hamilton Aviation Ltd.
122 116 362	Caveat	689799 Alberta Ltd.
5580FI	Utility Right of Way	Grand Trunk Pacific Railway
7250NW	Utility Right of Way	Atco Gas and Pipelines Ltd.
2818PF	Utility Right of Way	Atco Gas and Pipelines Ltd.
2819PF	Utility Right of Way	Atco Gas and Pipelines Ltd.
5554PD	Utility Right of Way	Atco Gas and Pipelines Ltd.
5555PD	Utility Right of Way	Atco Gas and Pipelines Ltd.
7817PS	Utility Right of Way	Atco Gas and Pipelines Ltd.
892 233 313	Utility Right of Way	Telus Communications (Edmonton) Inc.
002 025 187	Utility Right of Way	Epcor Water Services Inc.
002 025 188	Utility Right of Way	Epcor Water Services Inc.
112 250 745	Utility Right of Way	Epcor Water Services Inc.



**AND**

**UNREGISTERED INTERESTS known at this time and as follows including but not limited to:**

<b>NAME</b>	<b>NATURE OF KNOWN INTEREST</b>
Gordon Hunter Family Trust	Aircraft Parking licence
Thomas Aircraft Maintenance	Office Lease
Thomas Aircraft Maintenance	Aircraft Parking licence
997252 Alberta Ltd	Aircraft Parking licence
997252 Alberta Ltd	Parking licence
Harv Air Services Ltd	Office Lease
CorpAv Inc	Lease
RS Line Contr. Co. Ltd.	Licence
Shell Canada Products	Office Lease
Shell Canada Products	Licence
Clean Harbours Energy and Industrial Services Corp.	Sublease
EZ Air Inc	Sublease
Advanced Paramedic Ltd	Sublease
Edmonton Motors Limited	Vehicle Storage Lease
Eriksen Nissan Ltd	Vehicle Storage Lease
Tein Lung Tae Kwon Do Club	Parking Licence
Canadian Helicopters Limited	Lease
The Bank of Tokyo Canada	Mortgage
Airco aircraft Charters	Land lease
Celtic Land Development Corp	Land lease
Hanger 11 Corp	Land Lease
Hanger 11 Corp	Parking licence
Canada Air R.V.	Approved subtenant
Shamrock Aviation Press	Approved subtenant
Centennial Flight Centre Inc.	Building Lease
AME Aeroworks Ltd.	Sublease Caveat
Morningstar Air Express	Office Lease
Canadian Utilities Limited	Office Lease
Canadian Utilities Limited	Hangar Licence
Province of Alberta Treasury	Mortgage

Branches	
Nav Canada	Lease
1222663 Alberta Ltd.	Land lease
Mifaco Inc	Land Lease
Ducey Avionics	Sublease caveat
Global Edmonton	Sublease
Hamilton Aviation	Lease
Erinn Kimball o/a Western Canadian Oilsands	Sublease
Western Air Rescue Ltd	Sublease
Alberta Central Air Ambulance Ltd.	Sublease
Geographic Air Survey	Sublease
McEwen's Aviation Services Inc	Sublease
Imperial Oil	Land Lease
Interhome Energy	Sublease caveat
Hamilton Aviation	Lease
McEwen's Aviation Services	Sublease
Imperial Oil	Land Lease
Interhome Energy	Sublease caveat
Gibralt Capital Corporation	Lease
Clarica Life Insurance Company	Mortgage
Gibralt Capital Corporation	Lease
Gibralt Capital Corporation	Parking Lease
Edmonton Public School Board	Sublease Caveat
Shell Canada Products	Lease
Imperial Oil Limited	Land Lease
Daniel Klemke Foundation	Land lease
689799 Alberta Ltd	Sublease caveat
745284 Alberta Ltd	Lease
Confederation Life Insurance Company	Mortgage
Zeebest Plastics of Canada Inc.	Indemnitor
Denile Industries Ltd	Sublease
InfiniAir	Potential User
Sky Limit Charter Service	Potential User
The Workers' Compensation Board	Potential User
Epic Photography	Potential User
Briskal Systems Ltd.	Potential User

Celtic Homes Inc	Potential User
Aircore Industries Ltd	Potential User
Alpha Aviation Fuel	Potential User
Instant Storage	Potential User
U-Haul	Potential User
Pro-Land Asset Management Corp	Potential User
Pro-Land Developments Corp	Potential User
Business Care Corp	Potential User
KutWERKS Corp	Potential User
Venture Financial Corp	Potential User
Instant Storage (Edmonton) Inc	Potential User
Insite Wholestic Health	Potential User
A.R.V. Leasing Corp. and Auto Buy Corp.	Potential User
AC Millennium Corp	Potential User
E-Tray (Edm) Corp	Potential User
AirStart Corp	Potential User
ARV Development Corp	Potential User
ARV Manufacturing Corp	Potential User
ARV Leasing Corp	Potential User
KitPLANE Corp	Potential User
Dynamic Composites Inc	Potential User
E-Boxen Inc	Potential User
Randall Industries Ltd	Potential User
Life Synergy Inc	Potential User
(AMMS) Advanced Mobile MRI Inc	Potential User
Media Mainline	Potential User
AutoBuy Leasing Corp	Potential User
Canadian Airline Pilots Association	Potential User
IntegraAir	Potential User
SmartSky/Northern Sky Aviation	Potential User
Novex Helitrades	Potential User
Can-West Corporate Air Charters	Potential User
Shanghai 456	Potential User
Wok's Up Express	Potential User
Cessna Pilot Centre	Potential User
Global Remote Sensing	Potential User

Air Spray (1967) Ltd	Potential User
Airco Aircraft Charters	Potential User
Air Misikew	Potential User
McEwan's Fuels and Fertilizers	Potential User
Can-West Corporate Air Charters Ltd	Potential User
Foster Aircraft Maintenance Ltd	Potential User
Enterprise Rent-a-Car	Potential User
Mocan	Potential User
Foster Aircraft Maintenance	Potential User
Geographic Air Survey	Potential User
BP Energy Canada	Potential User
Kenn Borek Air	Potential User
Millar Western	Potential User
Enbridge	Potential User
Eveready Industrial Services Corp	Potential User
1135460 Alberta Ltd	Potential User
ATCO Gas	Potential User
Gateway Aviation	Potential User
KMC Mining Ltd	Potential User
Klemke Mining Corporation o/a KMC Mining	Potential User
Safety Mining	Potential User
Morningstar Air Express	Potential User
Mutual Propane	Potential User

02XXXXXXXXXX	Aircraft Parking licence
03XXXXXXXXXX	Aircraft Parking licence
04XXXXXXXXXX	Potential User
05XXXXXXXXXX	Potential User
06XXXXXXXXXX	Potential User
07XXXXXXXXXX	Potential User

City Centre Redevelopment Proposed Staging Plan

