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Presented by: Robin Benoit, Director Engineering Services

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4/24/2017	1	City Council	approved	Pass

TAMRMS#: B06

Campbell Road Park & Ride Land Purchase & Revised Cost Estimate

Presented by: Robin Benoit, Director Engineering Services

RECOMMENDATION(S)

1. That the April 24, 2017 Agenda Report entitled "Campbell Road Park & Ride Land Purchase & Revised Cost Estimate" be received as information.
2. That the City Manager be authorized to execute an agreement to purchase the property known as Lot 2, Block 1, Plan 122 4335 (approximately 29.66 acres) from the Province of Alberta, for an amount not to exceed \$6,000,000.

PURPOSE OF REPORT

To authorize the City Manager to purchase land from the Province of Alberta for the construction of a Transit Centre and Park and Ride, and to update Council on the progress of the project to date.

COUNCIL DIRECTION

Through the 2016 Budget process Council passed the following motion:

(PM68-2016)

Modify Campbell Park and Ride Project Charter such that \$6,000,000 be used to purchase and own land from the Province while maintaining the project cost at \$30,000,000 thereby reducing the scope.

On September 3, 2013 Council made the following motion:

(C406-2013)

That Administration report back to Council with a project update including construction cost estimates, financing options and the status of land lease negotiations by the end of the second

quarter of 2014.

BACKGROUND AND DISCUSSION

Land Purchase

The past number of years, Administration has been negotiating with the Province of Alberta and the City of Edmonton to either lease or purchase property along Campbell Road for the construction of a Transit Centre and Park and Ride. In November 2015, the Province agreed to sell a parcel of land (approximately 29.66 acres) to the City of St. Albert ("CoSA"), subject to the City of Edmonton ("CoE") consenting to St. Albert owning land within the City of Edmonton. (As per section 72(1)(a) of the MGA.)

On March 7, 2017 Edmonton City Council provided the required consent subject to certain conditions set out by agreement between the two cities in contemplation of future plans to extend Light Rail Transit (LRT) to the site.

The major highlights of this agreement include:

1. A 30-year "option to purchase", in favour of the City of Edmonton, which may be exercised
 - if CoSA seeks to sell the site (or a portion thereof),
 - if CoSA fails to commence development of the park and ride facilities within 5 years of ownership,
 - if CoE needs the land to accommodate Edmonton's future LRT expansion plans, or anytime, and for any reason, between years 25 and 30.
2. The option to purchase price is based on CoSA's original cost to purchase the land from the Province.
3. A 69-year "right of first refusal", in favour of CoE takes effect upon the expiry of the 30-year Option to Purchase term. The right of first refusal allows the the City of Edmonton the right to match any acceptable third party offer to purchase the land from CoSA.
4. The requirement that CoSA buy the land from the Province by December 31, 2017.

With this agreement and CoE Council's consent now in place, CoSA is able to proceed with purchase of the land from the Province.

Project Update

The new Campbell Road Transit Centre and Park & Ride facility is proposed to be located on a newly created parcel of land removed from Alberta Transportation's Transportation and Utility Corridor (TUC) just south the Anthony Henday, east of St Albert Trail and west of Campbell Road. The parcel of land is 12 hectares in size and will provide for an exceptional park and ride facility for the residents of St Albert and has potential for future expansion.

Administration have been working with the City of Edmonton and Transit Services group to develop the attached concept plan. As presented, this concept is the most preferred by all stakeholders and addresses all needs. The plan allows for future expansion of parking, the bus terminal and allows for

connection to the City of Edmonton's LRT system at some point in the future.

The initial phase of the of the project constructed by the City of St. Albert will allow for:

- An initial 800 surface level parking stalls, estimated 500 paved, 300 gravel.
- The property will accommodate an additional 1,100 future surface level parking stalls.
- A drop off area known as a "Kiss and Ride".
- Bus Terminal that will accommodate 12 buses with future expansion to 16.
- A warm-up shelter located with the bus terminal.
- There will be room for a future concession to enhance the riders experience, though under the agreement with the City of Edmonton, any operative commercial lease would be limited to a year-to-year arrangement.
- Upgraded traffic control on Campbell Road.

The newly created parcel does require rezoning which falls under the jurisdiction of the City of Edmonton. We have been working closely with the City of Edmonton to rezone the parcel to a Public Utility Zone from it current Agricultural Zone. The rezoning is scheduled to be finalized by the end of August 2017.

At the time of writing this report, Engineering Services was in the process of requesting proposals from consultants for the detailed design, tender and construction management services. The schedule is to complete the rezoning and design work by early 2018, tender in 2018, and complete construction in 2019.

In 2013 Council was provided a report entitled *Updated Cost Estimate for Park and Ride*. the basis of that report was to identify that the original scope submitted to the GreenTRIP fund did not recognize some soft costs and that the City would have to purchase the land from Albert Government at fair market value. Council direction at that time was to maintain the original \$30,000,000 budget which resulted in reducing the 1,600 parking stall lot to what is estimated today at 800 stalls, 500 paved and 300 gravel. Through concept planning all features such as the bus terminal and parking have space set aside for growth.

The purpose of Table 1.0 below provides an update of the current estimates with a comparison to past estimates. The differences between past estimates to today's is the concept layout has changed, identified land purchase value, reduced parking scope to ensure original budget is maintained and better understanding of site conditions.

Table 1.0: Updated Preliminary Cost Estimates for Campbell Park & Ride

As this is a Class 5 estimate, based on only a concept plan, the contingency represents approximately 25% which is consistent with the recommendations from the Capital Project Cost and Process Review report previously presented to Council and currently in the process of being implemented. Administration's intent is to fully maximize the GreenTRIP grant funding for this project and if the contingency is not fully expensed the funds will be allocated to provide more paved parking at the site.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

The City of St. Albert has been in negotiation with the Province of Alberta and the City of Edmonton

for the purchase of the property. The background portion of this in this report highlights those negotiations.

St. Albert Administration has been in communication with various departments within the City of Edmonton including, transit planning, legal, development, engineering and operations.

IMPLICATIONS OF RECOMMENDATION(S)

Financial:

Currently Council has approved funding for the purchase and construction of the Transit Centre Park and Ride in the amount of 30 million dollars. Funding for this project included \$20 million from GreenTRIP and 10 million from MSI.

There will be additional operating costs to operate and maintain the facility and parking lot. Some of these costs will be offset by the existing costs to operate the Village Transit Station. Administration has estimated the net additional operating cost (ongoing) to be approximately \$52,000. There may be some transitional costs anticipated for approximately one year until the Village station is decommissioned (is estimated at \$40,000). Administration is also assuming our existing tenant at the Village Transit Station would want to operate out of the new facility. That arrangement still must be negotiated. These additional budget dollars will be incorporated into the 2019/2020 budget depending on when the park and ride construction is completed and scheduled to be opened.

Transit bus routing and operations will also be effected as the new station will impact local and commuter routes. Commuter routes will be shorter, while local connectors will be a bit longer. This is required to be developed and is being considered while administration is working on the new route local route structure.

Legal / Risk:

The terms of the City of Edmonton's consent are as outlined above. Again, these conditions apply only if St. Albert purchases the land from the Province. The agreement outlining these conditions is the result of months of negotiations between the two parties, which included review and consideration by the parties' respective legal staff. If St. Albert City Council wishes for staff to re-visit or re-negotiate those conditions, there would be further delay, including the requirement for a revised consent request.

If Council approves the recommendation to move forward, the terms and conditions of the land purchase agreement with the Province will be reviewed and considered by Legal Services staff.

Program or Service:

Approval of the land purchase and construction of the park and ride will allow for expansion and increased ridership of Transit. It will allow greater opportunity for St. Albert and area residents to utilize transit for commuter service into Edmonton and other centers in the Capital Region. Transit riders have expressed significant concern of parking stall availability at current facilities and as such this project will alleviate those pressures.

Organizational:

None at this time.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 Council could choose not to authorize administration to purchase the property, however the City would then not be able to construct the park and ride and as such would forfeit \$20,000,000 in GreenTRIP funding for its construction.

Alternative 2 Council could direct administration to change the scope of the project, however by doing so it will impact the budget for construction and possibly effect grant funding.

STRATEGIC CONNECTIONS

Social

3.0 We believe in the strength of our neighbourhoods, ensuring that there is a diverse range of housing and transportation options available to all. Strategies include:

3.3. Promote a transit network that enables the City of St. Albert to achieve its economic, social and environmental objectives by making transit a convenient and competitive mode of transportation. Below are excerpts for you to consider and get you started (please delete what is not applicable).

Built Environment

1.0 We are connected to one another by a safe, effective and accessible transportation network that supports public and active modes of movement. Strategies include: 1.1. Provide for the safe and efficient movement of goods and people within the community to work, school and home.

1.2. Establish sustainable priorities for the City's investment in transportation and infrastructure for the future and within the region.

2.0 We believe community is about people and we design our neighbourhoods to make it easy for people to connect to one another through parks, trails, public transportation and community spaces.

2.1. Promote sustainable neighbourhoods and transportation choices through progressive urban and transportation planning initiatives.

3. We plan and manage the growth of our city so future generations can inherit the same strong, vibrant community we've enjoyed.

3.1. Ensure that the provision of civic facilities, parks and open spaces is responsive to demographic, cultural, leisure and protective services trends.

3.2. Ensure that adequate resources are in place for significant facilities that support community growth and enhancement.

3.3. Plan for and implement roadway enhancements to address the transportation needs of St. Albert as its population grows.

3.4. Ensure that municipal utilities and services are provided in an efficient, economic, coordinated, and timely manner relative to the desired development of the city.

Report Date: April 24, 2017

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Committee/Department: Development Services

General Manager: Gilles Prefontaine

City Manager: Kevin Scoble