

City of Regina and Regina Board of Education Central Collegiate Land Exchange

Date	June 10, 2020
To	Executive Committee
From	Financial Strategy & Sustainability
Service Area	Land & Real Estate
Item No.	EX20-21

RECOMMENDATION

The Executive Committee recommends that City Council:

1. Approve the Letter of Understanding (LOU) and the terms contained therein with the Regina Board of Education to resolve the Central Collegiate Land Exchange Agreement (CCLEA)
2. Authorize Administration to carry out the necessary steps to complete the land exchange
3. Require Administration to report back on any substantive changes to the terms and conditions of the LOU.
4. Approve the recommendations at its June 24 meeting.

ISSUE

Officials from the Regina Board of Education (RBE) have approached City Administration seeking resolution to the City's outstanding obligations and liability with respect to the Central Collegiate Land Exchange Agreement (CCLEA). The City of Regina is required to transfer 4.017 hectares of land to satisfy the requirements of the CCLEA. The following report has been prepared to update City Council on the discussions that have been occurring between Administration and the RBE, and to identify the lands Administration proposes to transfer as well as the associated actions that will be taken to protect the current use and long-term interest the City has in these lands.

IMPACTS

The CCLEA agreement was executed by the Mayor and City Clerk on May 14, 1987 and binds the City to transfer certain lands to RBE for school purposes. It has been an outstanding liability for the City that will be extinguished upon the proposed transfer of land to the RBE.

The impact to the City and the users of these lands is minimal for the following reasons:

- 1) Of the six locations where land will be transferred, three locations are encumbered by easements to the extent that no development is permitted, therefore the use of the land will not change.
- 2) The remaining three locations will require additional joint use agreements and/or other registered land titles instruments to protect the City's interests and assets, which the RBE is in agreement with.
- 3) If the RBE chooses to dispose of any of these lands proposed to be transferred, the City will have a right of first refusal to purchase the properties and/or any future consolidated parcels which is consistent with the existing arrangements with RBE.
- 4) Any future development on any of the sites would be subject to regulatory approvals by the City, which would include a public process if rezoning is required.

In summary, the proposed land transfers will not change the current use. Additional agreements will ensure the current use and rights of first refusal will protect the City's long-term interest, but at the same time will allow the City to satisfy a long-outstanding obligation to the RBE. A draft Letter of Understanding, attached as Appendix G, details what is required to protect the City's interest in the subject lands.

The CCLEA states that the costs to provide the land to RBE are the responsibility of the City. These costs are estimated to be approximately \$100K and will be funded from the Dedicated Land Reserve.

With the consent of the RBE, the City could negotiate a cash settlement/payout to satisfy its obligations under the CCLEA as opposed to the land transfers. The City estimates the value could be \$6.8 million.

COMMUNICATIONS

Formal communication will be issued to RBE advising of Council's decision.

DISCUSSION

The Central Collegiate Land Exchange Agreement -1987 (CCLEA) offered the City 1.25 hectares (ha) of land at 2231 Scarth Street (the Central Park land) in exchange for 5.017 ha of land to be provided to the RBE at a future point in time.

Over the past 30 years, only 1 ha of land (the Jack MacKenzie Elementary School) has been credited towards the outstanding agreement leaving 4.017 ha of land owed to RBE.

In 2018, *The Planning and Development Act, 2007* was amended requiring municipalities to provide municipal reserve for new schools, if needed, which eliminated the need for RBE to acquire land for new schools. Previous to the amendment of the Act, school boards were required to purchase land for their schools.

Discussions have taken place over the last year to mutually satisfy this agreement and remove the City's outstanding liability under the contract. Through these discussions, the City and RBE have identified 4.017 ha of City-owned or controlled lands as shown on the attached aerial photos (Appendices A-F):

- Rosemont School	0.814	Generic Parcel
- WF Ready School	1.353	Public Reserve
- Jack MacKenzie School*	1.04	Municipal Reserve
- Glen Elm School	0.53	Generic Parcel
- Grant Road School	0.181	Municipal Reserve
- Dieppe School	0.099	Generic Parcel
Total	4.017 ha	

*This land is in addition to the original 1 ha of land provided at the Jack MacKenzie School.

Transfers involving Municipal Reserve and Public Reserve will require approvals from City Council and the Province to complete road allowance closures, subdivisions, re-zonings, caveats, easements, transfers and property classification changes. These transfers are estimated to cost \$100,000, the majority of which consists of City planning and process costs. Because the agreement provided dedicated land for the City, the Dedicated Lands Reserve will be used to fund these expenses.

Once a formal agreement has been reached, these land transfers will satisfy the terms and requirements of the 1987 agreement in full, removing an outstanding financial obligation valued at approximately \$6 million. The timeline to complete all transactions is estimated to take 12 to 18 months. Joint Services Agreements between the City and the RBE will also be updated as a result. Settlement of this agreement is a strategic step in maintaining relations with RBE.

The RBE Administration has briefed their Board on this file and the state of discussions and are awaiting City Council's concurrence. The Board is aware of the six proposed parcels and understands there will be no change in land use other than ownership.

NEXT STEPS

Administration will enter into a Letter of Understanding with the Regina Board of Education. Pursuant to that a formal agreement will be drafted by the City Solicitor and executed after which the processes required for the land transfers will begin.

DECISION HISTORY

The CCLEA was executed by the RBE and City of Regina on May 14, 1987. The agreement is legally binding until it is satisfied.

The recommendations in this report require City Council approval.

Respectfully Submitted,



Shauna Szdel, A. Exec. Dir., Financial Strategy & Sustainability

Respectfully Submitted,



Barry Lacey, Exec. Director, Financial Strategy & Sustainability

Prepared by: Keith Krawczyk, Manager, Real Estate

ATTACHMENTS

- Appendix A - Rosemont Community School
- Appendix B - Jack MacKenzie School
- Appendix C - Glen Elm School
- Appendix D - Grant Road School
- Appendix E - Dieppe School
- Appendix F - W.F. Ready School
- Appendix G Draft Letter to RBE