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BRIEFING NOTE

Land Purchase and Dewdney Avenue Interchange Preliminary Design

ISSUE:

The preliminary design and land use requirements of the Dewdney Avenue Interchange required revisions to the GTH Master Land Use Plan and 2012-13 Business Plan.

RECOMMENDATION:

It is recommended that;

1. the GTH not proceed with the purchase of the two parcels of land identified in the 2012-13 Business Plan and remove the \$4.26 million from the budget forecast.
2. That MHI be directed to assemble these parcels as soon as possible to ensure the property is protected for the West Bypass corridor and Dewdney Avenue Interchange requirements.
3. That MHI and the GTH work together to design a free flow connection between the GTH and the West Regina Bypass.

BACKGROUND:

The initial draft of the GTH Master Land Use Plan developed by our planning consultant identified two parcels of land outside the current GTH footprint as the primary location for a free flow access to the West Regina Bypass and the GTH's commercial service hub (which includes a truck staging area).

Based on the recommendations in the draft Master Land Use Plan, the GTH included the assembly of this land as part of the 2012-13 business plan. At that time the GTH was forecasting \$2.2 million to acquire the two parcels of land based on previous appraisals.

In the process of acquiring the two parcels, the GTH learned that a prospective buyer had registered an interest on title based on a conditional sales agreement. Given these interests, the GTH was not able to move forward with an offer to purchase these parcels until the interest on title was removed (ie the sale was complete). The GTH has also learned that the possibility of achieving a sale agreement within our budget was unlikely. The current appraised price for these parcels is estimated to be between \$15,000 and \$20,000 per acre (approx \$4.26 million) and it is expected that an offer to purchase based on this value will be refused by the owners.

In addition to the financial constraint, MHI has provided new information about the preliminary design and land use requirements for the Dewdney Avenue interchange. The design is estimated to consume the majority of the two identified parcels for construction of the interchange and eliminates a direct free flow access to the West Regina Bypass.

Based on MHI's preliminary design and land use requirements, the initial location for the commercial service hub is no longer compatible or feasible and a new location within the existing

GTH footprint has been identified. Given this information, the GTH's Master Land Use Plan was modified to ensure alignment with the regional transportation infrastructure plans lead my MHI.

The GTH has concerns with the preliminary design of the Dewdney Avenue interchange as it does not provide direct free flow access to the GTH footprint. MHI has recently engaged an engineering firm (Associated Engineers) to conduct an analysis of this design to determine how it could be improved to better meet the needs of the region. Officials from MHI and the City of Regina are on the Steering Committee for the review process and the GTH has been listed as a stakeholder and will be part of the Steering Committee's consultations.

ANALYSIS/IMPLICATIONS:

Right now the GTH has forecasted \$4.26M to purchase these parcels but has recommended to the Board of Directors that we not proceed with the purchase given the uncertainty in the land that will be available for development after the interchange is designed. The secondary issue is the financial resources required to obtain the property will create a high risk of exceeding the GTH's current \$40 million borrowing limit.

CONFIDENTIAL/SENSITIVE INFORMATION:

This briefing note does contain confidential and sensitive information.