
REPORT NAME

Undeveloped Road Closure Policy Direction

BACKGROUND

On October 10, 2023, Council participated in a workshop that outlined the implications and challenges of completing road closures. The following is a review of the highlights of that report:

- Undeveloped road allowance is a significant untitled land asset for Leduc County and falls into two categories, original road allowance and road plan.
- Road closure is a long process, which requires involved referrals, advertising, closure bylaw, approval of Alberta Transportation, and then subsequent consolidation and registration if the undeveloped road allowance is sold.
- In order for a road allowance to be leased or sold, the closure process must be completed.
- A further review of the time commitment from county staff would suggest a minimum of 80 to 100 hours depending on the complexity of the situation.
- Administration can utilize a “license to occupy” authorized through the *Alberta Traffic Safety Act*, Section 13(1)(o) as an alternative to the road closure process. This allows for the municipality to issue a license or permit that is terminable on 30 days’ notice for the temporary use of a road allowance but does not require the closure process to be complete or grant ownership of the road allowance. This allows for the road allowance to be utilized for agriculture purposes.

Land Management Strategy Guiding Principles:

- Leduc County will adhere to all land management legislation policies as outlined in the *Municipal Government Act*.
- County owned land should be utilized based on its highest and best use meeting the criteria of
 - being physically possible
 - legally permissible
 - financially feasible
 - achieving maximum productivity
- The current and future use of land supports the municipal services needs and reviews various master plans to support those recommended needs and outcomes.
- Evaluating the disposition or retention of municipal land mitigates any possible municipal liability.
- Consider land management strategies that will position Leduc County to respond appropriately to future development growth.

Learnings from previous road closure applications:

- Alberta Transportation can refuse the closure after Council approval if they deem there may be provincial future need.
- Road closures to bodies of water are denied by Alberta Transportation.
- Lengthy referral process and extensive staff time to forward the process along.
- The seller and buyer have a different perspective on the market value of the road allowance.

Submitted by: Karen Burnand, Manager of Assessment Services

Reviewed by: Renee Klimosko, General Manager, Financial and Corporate Services

Date: 03/28/24

- Revenue for most road closures are nominal and range from \$2,000.00 to \$7,000.00 per acre.

Land stewardship in perpetuity:

While the title to any and all roads in a municipality, other than a city, is vested in the Crown, the municipality has the direction, control and management of all roads within the municipality. Maintaining the ownership of undeveloped road allowance allows for possible future use. This may range from temporary use for work space or road construction in the future to respond to possible growth. This is an issue of considering the possibility of what may happen in the future. Leduc County is always a “price taker” when we purchase land for road development. While it may seem that a particular road will never need to be built or the landscape makes it seem impossible to construct a road, “never” is a long time and Leduc County will likely look very different in 50 years. Road closure and sale of undeveloped road allowance is generally for the benefit of an individual property owner. The proceeds of the sale are also usually nominal and insignificant in terms of where those proceeds could be spent for the benefit of the ratepayers at large.

Possible Policy Direction

1. The first and preferred undeveloped road utilization option is “license to occupy”.

Benefits of this option:

- Allows for land to be utilized at the current highest and best use achieving maximum productivity (agriculture, occasional access)
 - Minimizes costs to rate payers
 - Mitigates the lengthy referral process thereby reducing red tape for ratepayers
 - Minimizes extensive staff time to forward the closure process along
 - Maintains the concept of a policy that benefits all Leduc County residents versus an individual ratepayer
 - Leduc County maintains ownership for future use, growth and development
2. Closure, consolidation and lease or sale could be considered in specific circumstances as listed below:
 - Closure, sale and consolidation that increases land use efficiency and promotes effective planning and development
 - Structural encroachment on a road allowance that is difficult to move (i.e. residence with a basement)
 - Block access to highly disruptive pedestrian areas where there is a chronic issue with multi-person gatherings where trash and other biological hazards damage the allowance.

Introduce a higher fee to complete a road closure that is more reflective of actual cost:

Currently we have a \$2,000.00 application fee and a \$100.00 legal transfer fee. \$150.00 of advertising fees are included in the \$2,000.00 application fee.

Closure, consolidation and lease or sale would have a non-refundable \$10,000.00 application fee plus the fair market value of the land. Approximate costs would account for:

Submitted by: Karen Burnand, Manager of Assessment Services

Reviewed by: Renee Klimosko, General Manager, Financial and Corporate Services

Date: 03/28/24

Survey fees	\$4,000.00
Legal costs for agreements and registration	\$2,000.00
Applicable advertising	\$ 500.00
Staff time (80 hours @ \$43.75/hour)	\$3,500.00

Benefits of this option:

- Maximizes land development potential and supports planning and development best practices
- Allows for policy flexibility to address unique situations
- Accounts for cost recovery of the process

Other considerations:

In the event that options 1 and 2 are not viable, the 60 foot road allowance would be maintained and adjacent property owners would be required to maintain separate fences and the road allowance would be an unoccupied buffer zone.

Next steps:

Administration will take feedback from this workshop to develop a policy that will provide clear direction for the administration of undeveloped road allowance.