

**CITY OF MELFORT  
COMMITTEE OF THE WHOLE  
April 5, 2019**

Minutes of the Committee of the Whole meeting held on Friday, April 5, 2019, in the City Hall Council Chambers, Melfort, Saskatchewan, commencing at 12:01 p.m.

**PRESENT:** COUNCIL: Councillor Mitchell, Deputy-Mayor; Mayor Lang and Councillors Benson, George, Phillips and Hoenmans.

STAFF: R. Danberg, City Manager; S. Peterson, City Treasurer; B. Lutz, Director of Development, Planning & Community Relations and H. Audette, City Clerk.

The Committee of the Whole meeting was closed to the public due to the fact that the items on the agenda are included in the list of exemptions found in Part III of *The Local Authority Freedom of Information and Protection of Privacy Act*.

1. Sale of Land
2. Personnel – Performance Appraisal

The meeting adjourned at 12:41 p.m.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**DETAILED INTERNAL ADMINISTRATIVE NOTES  
WITH RESPECT TO THE  
CITY OF MELFORT  
COMMITTEE OF THE WHOLE  
April 5, 2019**

Detailed Administrative Notes of the Committee of the Whole meeting held on Friday, April 5, 2019, in the City Hall Council Chambers, Melfort, Saskatchewan, commencing at 12:01 p.m.

**PRESENT: COUNCIL:** Councillor Mitchell, Deputy-Mayor; Mayor Lang and Councillors Benson, George, Phillips and Hoenmans.

**STAFF:** R. Danberg, City Manager; S. Peterson, City Treasurer; B. Lutz, Director of Development, Planning & Community Relations and H. Audette, City Clerk.

**SALE OF LAND**

The majority of Council were in favour of amending the Sale of Dedicated Land Bylaw 2019-06 to sell the section of MR4 Municipal Reserve at a cost of \$6,500.00, equating to \$5,000.00 per acre. The Clerk will contact Community Planning to determine whether the City needs to repeat the public notification process for an amended bylaw. The approval of the subdivision plan will be subject to Council approval of a servicing agreement with the developer.

The City Manager confidentially advised Council of a potential proposal coming from the Saskatchewan Water Ski Association for the establishment of a provincial training centre at the City reservoir.

The meeting adjourned at 12:41 p.m. and all management staff left the meeting, with the exception of the City Manager.

**PERFORMANCE APPRAISAL – CITY MANAGER**

**CITY OF MELFORT  
COMMITTEE OF THE WHOLE**

**Friday, April 5, 2019  
12:00 noon  
City Hall Council Chambers**

**AGENDA**

**In-Camera Session:**

1. Sale of Land
2. Personnel – Performance Appraisal

CONFIDENTIAL

Play  
Melfort

City of Melfort  
Administration

# MEMO

**DATE:** March 28, 2019

**TO:** Ryan Danberg, City Manager

**FROM:** Brent Lutz, PCED  
Community Development Manager

**RE:** Sale of MR Land to MI Developments

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## BACKGROUND

The City received a plan of proposed subdivision from MI Developments to create 5 new lots in the Creek Side neighborhood. Below is a synopsis of the sequence of events concerning this matter:

1. MI Developments submitted a subdivision application to Community Planning.
2. Community Planning forwarded application to City of Melfort for comment.
3. Original Plan of Proposed Subdivision did not comply with zoning bylaw. Some of the resulting parcels were smaller than the minimum allowed in the zoning bylaw.
4. A revision to the bylaw was requested to reduce the minimum size of the lots from 2,700 sq m to 1,620 sq m and reduce the setback from 50 feet to 25 feet.
5. In order to revise the minimum standard an amendment to the zoning bylaw was needed which included public notification and a hearing before the change could be considered by council.
6. At the hearing there was opposition voiced by local property owners to the reduction in the minimum size of the lots in the R1b zone.
7. The applicant opted to revise the application to enlarge the lots to meet the existing minimum standard eliminating the need for this zoning bylaw amendment and the need for a public hearing.
8. The revised application proposed that the City sell approximately 1.3 acres of MR Land to MI Development so that there would be sufficient area for all of the lots to meet the existing R1b zoning regulations.
9. The sale of MR Lands by the City and the rezoning from MR to R1b required amending the zoning map. This requires a zoning amendment bylaw resulting in a public notification and a hearing to consider the change.
10. The hearing for amending the zoning map to change MR land to R1b land was held and some residents appeared voicing their opposition to the subdivision and the creation of 5 new lots. No comments were received concerning the matter of reducing the amount of MR Land by rezoning 1.3 acres from MR to R1b.
11. Council tabled the matter for further consideration.

## ISSUES

### 1. Sale of 1.3 acres of MR Lands

- a) Loss of MR Land – Currently there is 7.15 acres of dedicated MR Lands in this neighborhood. The Creekside neighborhood has a total of 35.82 acres and Community Planning required a minimum dedication of 10% MR Lands when they approved the initial subdivision. By reducing the MR Lands in the neighborhood by 1.3 acres there will still be 5.85 acres of MR Land which is well above the minimum required dedication of 3.85 acres.
- b) Loss of Shelter Belt - If the MR Land is sold and incorporated into the proposed new residential lots, the loss of the existing trees planted along the perimeter of the lots could change the appearance of the neighborhood. Administration would recommend that any sale of the MR Lands include a caveat registered on title requiring the trees be maintained or replaced in the future. In addition, the Developer has committed to plant additional trees along the rear property line of the newly created lots to provide further visual break.
- c) Compensation - The proponent requested that the land be returned for no compensation. The justification for returning it at no cost was that the Developer initially provided it to the City at no cost in the original subdivision plan. The Developer has always maintained if the matter of compensation was a determining factor that he would not be averse to paying something for the land. The Developer has subsequently provided correspondence offering payment if the City determines that compensation is desirable. He has offered an amount equal to \$5,000 per acre. Any sale proceeds must be placed in a dedicated Municipal Reserves land account. We have a comparable land sale from 2011 whereby the City sold approximately 4 acres of land to MI Developments for the sum of \$4,000 per acre.

### 2. Subdivision creating 5 new lots

- a) Lot Size - The proposed new lots will exceed the 2,700 sq m minimum size for R1B zone and will meet all the minimum setback requirements. These lots are approximately 4 times the size of standard city lots.
- b) Traffic - Traffic along Creekside Drive will not be significantly increased as a result of the creation of the 5 new lots since 4 of the 5 lots will have approaches off Reservoir Drive. There will be a slight increase of traffic along Reservoir Drive from the 4 new lots fronting it. Because the lots in a R1b neighborhood have a standard setback of 50', there is very little concern about vehicles backing out of the approaches into traffic along Reservoir Drive.
- c) Servicing Agreement – The Developer would be responsible for all onsite services required to service the 5 new lots. Consideration of the need for future paving of Reservoir Drive would need to be addressed. We could register a caveat on the property requiring payment for the proportionate cost of paving Reservoir Drive in the future.

## **OPTIONS**

### **Land Sale Agreement**

1. Approve the sale of MR Land for no compensation with a caveat that the trees be retained or replaced in the future. The Developer committed more MR Land than required by legislation in the original subdivision at no cost to the City.
2. Approve the sale of land for the sum offered by MI Developments of \$6,500 equal to \$5,000 per acre with a caveat that the trees be retained or replaced in the future. Funds would be retained in a Municipal Reserve account for future MR development.
3. Refuse to sell and rezone the land. Selling the MR Land will reduce the amount of MR Lands in the neighborhood and could change the nature of the neighborhood.

### **Plan of Proposed Subdivision**

1. Approve the Plan of Proposed Subdivision. – Grant approval with a caveat that should the City ever pave Reservoir Drive in the future the newly created lots will be responsible for frontage charges for pavement. The resulting subdivision will create 5 additional lots and does not significantly change the nature of the neighborhood.
2. Reject the Plan of Proposed Subdivision. - The plan will change the intended nature of the neighborhood.

## **FINANCIAL IMPLICATIONS**

Any compensation for the sale of lands would be placed in a reserve for future municipal reserves. The creation of 5 additional lots in the neighborhood, once fully developed, would result in approximately \$20,000 annually in additional municipal tax revenue compared to if the additional lots are not created.

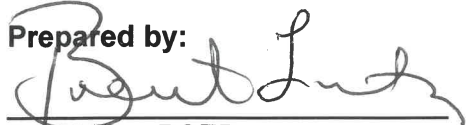
## **RECOMMENDATION**

Present the matter to Council for consideration and decision.

## **ATTACHMENTS**

1. Correspondence of March 28, 2019 from MI Developments concerning Land Sale Agreement.
2. Correspondence of March 28, 2019 from MI Development concerning Subdivision Application.
3. Map of neighborhood showing existing MR Lands.

**Prepared by:**



Brent Lutz, PCED  
Community Development Manager

**Concurrence:**



Ryan Danberg  
City Manager

Creekside Neighborhood with MR Land highlighted and outlining proposed land sale.





# MI DEVELOPMENTS LTD.

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MELFORT, Saskatchewan  
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March 28, 2019

City of Melfort  
P.O. Box 2230  
MELFORT, Saskatchewan  
S0E 1A0

**CONFIDENTIAL**

Attn: Brent Lutz

Re: **Subdivision of Block 2, Plan 102042582**  
Our File No. 42212.2

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We write regarding our application for re-acquisition of a portion of the surplus Municipal Reserve at Creekside Community.

During our original discussions with City Administration about this matter, we indicated our willingness to consider paying something for the portion of the Municipal Reserve we were requesting. We understood at the time that Administration and the Community Services Committee did not consider that any payment was necessary. Consequently, we did not include an offer of payment with our request for transfer.

However, we understand the question of payment for the Municipal Reserve may now raise some concern for Council.

Therefore, we wish to expressly offer the sum of \$6,500.00 for the property. This is calculated from 0.526 hectares or 1.3 acres at \$5,000.00 per acre. It would be payable on transfer.

We hope this will remove remaining obstacle to our plans for further development at Creekside Community.

Yours truly,

MEL ANNAND  
MA/cw



# MI DEVELOPMENTS LTD.

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March 28, 2019

City of Melfort  
P.O. Box 2230  
MELFORT, Saskatchewan  
S0E 1A0

Attn: Brent Lutz

Re: **Subdivision of Block 2, Plan 102042582**  
Our File No. 42212.2

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This letter is a follow-up to our request for re-acquisition and re-zoning of a portion of the Municipal Reserve at Creekside Community. We understand that third reading of the necessary bylaws will be considered at the regular Council Meeting on April 8, 2019, following the Public Hearing held on March 11, 2019.

As you know, we first submitted a Proposed Plan of Subdivision for Creekside in 2018 which included five new lots and a new roadway. After hearing objections from some Creekside residents, we withdrew that Plan and the accompanying application for re-zoning. We revised the Plan to eliminate the roadway and incorporate part of the Municipal Reserve into new larger lots than in the first Proposed Plan of Subdivision.

The revised Proposed Plan of Subdivision now complies with the existing R1B – Low Density Residential zoning. The only bylaw required is to transfer the Municipal Reserve portion to MI Developments Ltd. and include it in the R1B zoning.

To be clear, we believe that the issues for consideration on April 8, 2019 are:

- I. Bylaw approval to transfer the requested portion of the Municipal Reserve to MI Developments Ltd.
- II. Bylaw approval to apply the existing zoning of R1B – Low Density Residential to that portion of the Municipal Reserve. This is the existing zoning for the Creekside Community Residential Area.

III. Approval of the Creekside MI Developments Ltd. Application for Subdivision to create new lots at Creekside Community.

Please note that these are different issues than those raised in our first Proposed Plan of Subdivision filed with you in December 2018. These new issues do not involve any change in the existing R1B – Low Density Residential zoning that applies to Creekside.

Issue No. I

You previously received information from Meridian Surveys and MI Developments Ltd. that MID originally transferred 2.81 hectares to the City of Melfort as part of the original subdivision of this property. At that time, the regulations required that we provide the City of Melfort with only 1.609 hectares of Municipal Reserve Property. Therefore, we actually provided a surplus of 1.282 hectares. We are now requesting the return of 0.526 hectares from the Municipal Reserve to accommodate our new subdivision plan. After the return of this property to MI Developments Ltd. we would still have provided a surplus 0.756 hectares of Municipal Reserve area at Creekside Community. We hope that the prior allocation of excess property as Municipal Reserve will justify the return of a portion of the excess Municipal Reserve to us at this time without compensation.

We asked that the MR4 transfer be without compensation because the Municipal Reserve allocation in the original plan significantly exceeded the minimum requirement. The remaining Municipal Reserve in the area will still exceed the minimum. Further, we have established and maintained all of the trees in the Municipal Reserve at our expense and will continue to do so.

Issue No. II

This Bylaw for the zoning of the former Municipal Reserve Property as R1B is required to give some zoning description to this former reserve property. It is logical that the same zoning of R1B – Low Density Residential be applied to make this area consistent with the adjacent lot zoning.

Issue No. III

The approval of the MI Developments Ltd. Proposed Plan of Subdivision dated January 2, 2019 is requested. As you are aware, this Proposed Plan of Subdivision creates five new lots at Creekside Community. The Proposed Plan of Subdivision incorporates the former Municipal Reserve property into the new lots.

We wish to make the point that this process of creating new lots by an Application for Subdivision does not change any of the current zoning requirements for these lots in the R1B – Low Density Residential zoning. In other words, all of the existing zoning requirements in the Creekside Community area will remain the same for the new lots as they are for the existing lots. We are not asking for any change in the Creekside Community zoning regulations.

We would like to repeat the following points about the Proposed Plan:

1. The resulting lots will be approximately two-thirds of an acre in size, which is roughly four times the size of the largest lots available from the City of Melfort. This size is similar to some of the smaller lots on Blackacre Bay but will have the advantage of a more rectangular shape.
2. The new lots will have the same frontage width as the existing lots in Block 2 at 150 feet or more.
3. The location of homes on the new lots will remain the same as the presently constructed homes with a setback of approximately 65 to 75 feet and with homes roughly centered on the lot.
4. The existing building guidelines, including construction styles and materials, will remain the same in order to continue the aesthetic appearance of the neighborhood.
5. Existing and newly created lots will be serviced by the new raw water irrigation line which should be operational this summer.
6. The shelterbelt on the east side of Block 2 will be maintained and protected by a restrictive covenant. The covenant will only allow the removal of trees necessary for a driveway.
7. We will be installing a new tree row along the back-property line separating the new lots. This will create greater visual separation between the lots.

We have received and reviewed the submission made at the Public Hearing on March 11, 2019. We understand that some of the residents of the area resubmitted material dated January 7, 2019 that had been previously submitted to Council **when a different subdivision proposal was under consideration**. We offer the following comments with respect to the points raised in the January 7, 2019 submission (which we first received from the City on March 14, 2019).

#### I. The Proposed Changes Would Negatively Affect Their Investments

First, there are no specifics as to what exactly would negatively affect any investment. We suggest that the transfer of the Municipal Reserve Property and rezoning of it as R1B – Low Density Residential will not have any effect on the investments in Creekside Community.

Second, the only other change that could theoretically affect investments at Creekside Community would be the addition of five new lots. We suggest that the addition of these lots will not affect existing lot owner investments. The new lots will comply with the existing R1B Low Density Residential zoning requirements. The new lots will be slightly smaller than the existing five lots, changing from approximately one acre to 2/3 of an acre (0.43 hectares to 0.28 hectares). However, we suggest that the change in the size of these

lots by such a small amount will not affect the value of surrounding property. In fact, the price per square meter of the ten new lots will actually be higher than the price per square meter on the lots that have already been sold, as demonstrated on the accompanying table.

If anything, the pricing of the new lots should support and increase the value of the property on the other lots in Creekside Community.

Third, the shelter belt located on the Municipal Reserve will in fact be preserved by Restrictive Covenants on the lots before they are sold. There will be little physical change to the shelter belt other than small openings made for driveway access.

## II. Original Design

The objectors point to the original concept of Creekside Community including country space, rural life, acreages, naturally open space and rural home space. They suggest that the new lot sizes do not follow this original vision. We suggest in response that the new lot sizes are entirely consistent with the original vision for Creekside Community. There are already other lots in Creekside Community equal to or smaller than the 2/3 of an acre in the proposed new lots. The new lots of 2/3 of 1 acre are consistent with the original vision.

The objectors suggest that the changes in the lot sizes will affect "our space, our view, local traffic etc." We suggest in response that there will be no change in the space surrounding the existing homes at Creekside Community. As a result of the required setbacks of any homes built on the newly subdivided lots, the space between existing homes and new homes across the street will remain the same as under the original subdivision plan. The building set-backs from the street will not change. Likewise, there will never be new homes any closer behind or beside the existing homes. There will be no change in the space around existing homes in Creekside Community.

The objectors also suggest that their view will be affected. We suggest in response that the only change in view will be from the front of the existing homes where it may be possible that they will be able to see two homes where they would previously see only one. We suggest that this is not a sufficient reason to deny the subdivision approval. We will be making every attempt to visually isolate the homes in the new subdivided lots by planting a row of trees between the backyards.

The objectors also suggest that they will be affected by local traffic. We suggest in response that there will be no additional traffic on Creekside Drive as a result of the new subdivision plan. The additional lots will have access directly onto Reservoir Drive, with the exception of the most northerly lot which will have access onto Creekside Drive. The residents of these new lots would have a shorter and more direct distance to travel by using Reservoir Drive, and not Creekside Drive. We suggest that there will be no significant local traffic change on Creekside Drive.

We also wish to point out the inconsistency of the objectors' argument that the Subdivision Application should be rejected because it creates smaller lots. The existing subdivision plan at Creekside Community already contains lots of similar or smaller size to the new lots. We suggest that the Subdivision Application should not be rejected simply because the new lots are smaller than those occupied by the objectors.

### III. Restrictive Covenant Registered on Land Titles

We suggest that the existence of the Restrictive Covenant and its restriction on subdivision is not a legal matter for determination by the City of Melfort. If there is a legal issue here, it is between the Developer, MI Developments Ltd., and the lot owners. It is our position that the restriction on subdivision is a restriction in favour of and enforceable by the Developer. We suggest that it is a restriction that can be waived by the Developer with respect to its own property.

### IV. Decrease in Property Value

The objectors state "it is a fact that when the density of an area is increased, the value of property in that area decreases." We suggest that this is not a fact. The objectors offer no proof of this alleged fact. On the contrary, we suggest that the value of property, that is, the value of raw land, increases as the intensive use of the land increases. If anything, we suggest that the subdivision and creation of lots of 2/3 of an acre in size may actually increase land value in the area, as mentioned above. Please see the attached table illustrating how the per square meter value of the new lots will be higher than the per square meter cost of lots to the existing owners.

We respectfully ask for your approval of the necessary Bylaws and the Application for Subdivision. We suggest that the significant economic benefit to the City from increased tax revenue overrides the objections of a small number of residents.

We remain committed to creating a special development that is unique in Melfort and Northeast Saskatchewan.

Yours truly,



MEL ANNAND

MA/cw

Enclosure

# Creekside Community Subdivision

## PRICE PER SQUARE METER

### Block 1 - Ravine Side

Block	Lot #	Hectares		Acres	Price	Price/Sq Meter
1	1	0.39	SOLD	0.975	\$	26.90
	2	0.41	SOLD	1.025	SOLD	28.02
	3	0.56	SOLD	1.400	SOLD	23.02
	4	0.68	SOLD	1.700	SOLD	18.95
	5	0.52	SOLD	1.300	SOLD	22.10
	6	0.47	SOLD	1.175	SOLD	
	7	0.58	SOLD	1.450	SOLD	
	8	0.42	SOLD	1.050	SOLD	
	9	0.45	SOLD	1.125	SOLD	29.98
	10	0.47	SOLD	1.175	SOLD	26.57
	11	0.43		1.075	134,900.00	
	12	0.43	SOLD	1.075	SOLD	

### Block 2 - Road Side

Block	Lot #	Hectares		Acres	Price	
2	6		SOLD	-	\$	24.45
	7	0.46		1.150	104,900.00	
	8		SOLD	-	SOLD	24.27
	9	0.38		0.950	94,900.00	
	10	0.22		0.550	84,900.00	
	11	0.36		0.900	94,900.00	
	12	0.33		0.825	94,900.00	
	13	0.30		0.750	99,900.00	
	14	0.36		0.900	94,900.00	
	15	0.27	SOLD	0.675	SOLD	35.15
	16	0.27		0.685	94,900.00	35.15
	17	0.27		0.683	89,900.00	33.30
	18	0.28		0.695	89,900.00	32.10
	19	0.27		0.685	89,900.00	33.30
	20	0.28		0.688	94,900.00	33.90
	21	0.28		0.695	84,900.00	30.32
	22	0.27		0.685	79,900.00	29.59
	23	0.28		0.688	79,900.00	28.54
	24	0.28		0.693	79,900.00	28.54
	25	0.28		0.700	94,900.00	33.90

January 3, 2019 - Prices subject to change without notice.

**Price does not include GST**