

Municipality of East Ferris

Report to Council

Report No.: PLAN-2019-005 Date: Nov. 12, 2019
Originator: Greg Kirton, Manager of Planning and Economic Development
Subject: Road Allowance and Shoreline Road Allowance Fee Calculations / Amendment to Fees and Charges By-law.

RECOMMENDATION

1. That the Municipality of East Ferris Fees and Charges By-law be amended to include an option to have the applicant request that the Municipality obtain an appraisal to determine the land value for road allowances and shoreline road allowances that exceed 60 m (200 ft.) in frontage.
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BACKGROUND

The Municipality of East Ferris adopted a new fees and charges by-law on June 11, 2019, which included an amendment to the method used to calculate the purchase price for unopened road allowances and shoreline road allowances. The amendment was done in order to bring the Municipality's approach to road allowances in line with other communities within the province.

Through the processing and evaluation of a request to close and purchase a shoreline road allowance, made under file LSRA-2019-04, it has come to our attention that there may be a need to allow for flexibility in determining the value of a road allowance in certain circumstances. Namely, shoreline road allowances adjacent to lots that form peninsulas or other similar irregular features tend to have a disproportionate ratio of shoreline road allowance to lot area in comparison to more standard rectangular shaped lots. Further, these types of lots often tend to have larger stretches of shoreline that are comprised of unbuildable or substandard land.

Following the Planning Advisory Committee meeting and subsequent Council meeting, staff were directed to explore options for how to deal with unique scenarios and how to allow for some flexibility in calculating land value in these exceptional circumstances. The goal is to allow for a case by case evaluation of individual applications when it makes sense to do so, while not undermining our fees and charges by-law on more standard, generally regular shaped lots.

Staff are of the opinion that including a cut off length of 60 m (200 ft.) before individual appraisals and exceptions may be done is appropriate and that standard rates should apply for road allowance closures with lesser frontages. This avoids unnecessary administrative work and

potential controversy on smaller lots where road allowance values are lower and generally proportionate to the lot. The main goal of this amendment is to address larger lots that have many hundreds of feet of frontage where the road allowance starts to become less valuable per square foot.

Based on the current fees and charges by-law, at \$0.75/square foot, a standard 20 m (66 ft.) wide road allowance purchase cost works out to approximately \$5,000 per 30 m (100 ft.) of frontage.

OPTIONS

1. Option 1
That the Municipality of East Ferris Fees and Charges By-law be amended to include an option to have the applicant request that the Municipality obtain an appraisal to determine the land value for road allowances and shoreline road allowances that exceed 60 m (200 ft.) in frontage.
 2. Option 2
That the Municipality of East Ferris Fees and Charges By-law be amended to reduce the \$0.75/square foot fee for road allowances and shoreline road allowances.
 3. Option 3
That the Municipality of East Ferris Fees and Charges By-law be amended to include an option to have the applicant request that the Municipality receive an appraisal to determine the land value for all road allowances and shoreline road allowances.
 4. Option 4
That no action be taken and no amendments to the Municipality of East Ferris Fees and Charges By-law be made.
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FINANCIAL IMPLICATIONS

The costs associated with an appraisal would be taken out of the \$1,000 deposit that is required to be paid by the applicant at the start of the road allowance closure process. There would be no additional financial obligation on the part of the Municipality, apart from some additional staff processing time that would be required. Although some additional staff time would be needed, it is not a significant amount of time and only required on a small number of applications.

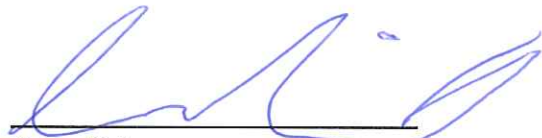
Another consideration is that it is likely that appraisals will result in lower sale prices than the calculation at our fees and charges by-law rate; however, the intention is to sell the unused road allowance for fair market value and not extreme profit so this should not be of concern.

RECOMMENDATION


It is recommended that the Municipality of East Ferris Fees and Charges By-law be amended to include an option to have the applicant request that the Municipality obtain an appraisal to determine the land value for road allowances and shoreline road allowances that exceed 60 m (200 ft.) in frontage.

Respectfully Submitted,

I concur with this report,
and recommendation



Greg Kirton



Jason H. Trottier, BBA, CPA, CMA

Manager of Planning and
Economic Development

CAO/Treasurer