

Prime properties valued at \$21M

BY DAVID HUTTON, THE STARPHOENIX DECEMBER 16, 2011

The final pieces of the River Landing property puzzle now have a price: \$20.8 million.

The City of Saskatoon lays out its five-year plan to sell the four remaining pieces of vacant land - all west of the Idylwyld Freeway surrounding the Saskatoon Farmers' Market - in a report headed Monday to city council along with a \$3-million budget hike for the public portion of the signature riverfront development.

The price of a 1.4-acre site west of the farmer' market at Avenue C and 19th Street formerly slated for an eco-housing project has jumped to \$3.97 million from \$1.5 million four years ago, according to the updated appraisal. The site will go to market next year so the city can test the demand in the private sector, said Sandi Schultz, the city's special projects manager.

"That will determine what the appetite is and how many (developers) are in the marketplace that are ready to step forward," Schultz said. "That will be a really significant indicator."

The city is proposing selling two pieces of land on Avenue A South in tandem. One is a small site that currently includes MTS Allstream, a telecommunications firm, and is valued at \$1.34 million, and the other is a 1.8-acre site with a riverfront view across Sonnenschein Way valued at \$8.3 million.

When combined, the land is valued at \$10.2 million, the report says.

City administration suggests taking the combined 2.25-acre site to market in 2014 with the potential for a long-term stay hotel, offices, a restaurant and pub, and condos.

After that, the 1.7-acre, \$6.7-million river view site directly south of the farmers' market would hit the market in 2016. The land once housed the A.L. Cole power plant, which was decommissioned in 1983. The city has left open what will go on the site, though a residential tower with retail on the street level is contemplated.

The historic pumphouse building overlooking the river, the last remnant of the power station, will be leased from the city as a potential pub-restaurant, wine bar or coffee shop once there is enough activity and parking in the area to make it viable, Schultz said.

The appraisals have increased significantly as River Landing has built out. The \$30-million River Centre, a five-storey office tower, is well underway, the \$84-million Rемаi Art Gallery of Saskatchewan is set to begin construction next year and Victory Majors Investment Corp.'s \$200-million hotel-condo-office project is expected to begin construction by summer. The public infrastructure along the riverbank is becoming a "destination," Schultz said.

"The public infrastructure itself has driven an increase in the land prices and it's also done that for land in the downtown," Schultz said. "With the excitement of the River Centre, the art gallery, the (Victory Majors project), there is just so much opportunity here."

All of the bids will have to be above the appraised price, which could change before the properties hit the market. The city is being less prescriptive on what has to be built on these sites after consultation with the private sector, Schultz said. The developer will have to meet direct control guidelines and architectural controls that are being reworked, but not a set of strict parameters around what should be included in proposals.

"It will be up to a proponent to really meet what the vision is for the site," Schultz said.

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