

BOARD ORDER NO. MGB 018/11

FILE: AN10/CALG/C-01

IN THE MATTER OF THE Municipal Government Act being Chapter M-26 of the Revised Statutes of Alberta 2000 (Act).

AND IN THE MATTER OF an application by The City of Calgary, in the Province of Alberta, to annex certain territory lying immediately adjacent thereto and thereby its separation from the Municipal District of Foothills No. 31.

BEFORE:

Members:

H. Kim, Presiding Officer
W. Kipp, Member
F. Wesseling, Member

MGB Staff:

R. Duncan, Case Manager

SUMMARY

After examination of the submissions from City of Calgary (City), Municipal District of Foothills No. 31 (MD), affected landowners, and other interested parties, the Municipal Government Board (MGB) makes the following recommendation for the reasons set out in the MGB report, shown as Appendix C of this Board Order.

The Lieutenant Governor in Council orders that

- (a) effective January 1, 2011, the land described in Appendix A and shown on the sketch in Appendix B is separated from the Municipal District of Foothills, No. 31 and annexed to The City of Calgary,
- (b) any taxes owing to the Municipal District of Foothills, No. 31 at the end of December 31, 2010 in respect of the annexed land are transferred to and become payable to The City of Calgary together with any lawful penalties and costs levied in respect of those taxes, and The City of Calgary upon collecting those taxes, penalties and costs must pay them to the Municipal District of Foothills, No. 31,

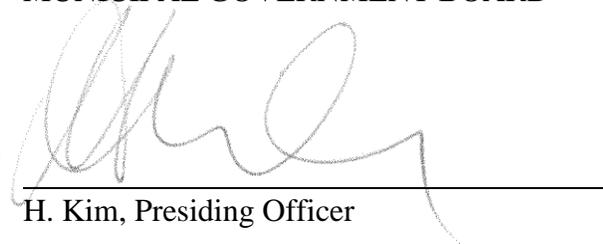
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- (c) the assessor for The City of Calgary must assess for the purposes of taxation in 2012 and subsequent years the annexed land, any assessable improvements to it and any non-exempt businesses operating on the annexed land.

Dated at the City of Edmonton, in the Province of Alberta, this 3rd day of March 2011.

MUNICIPAL GOVERNMENT BOARD



H. Kim, Presiding Officer

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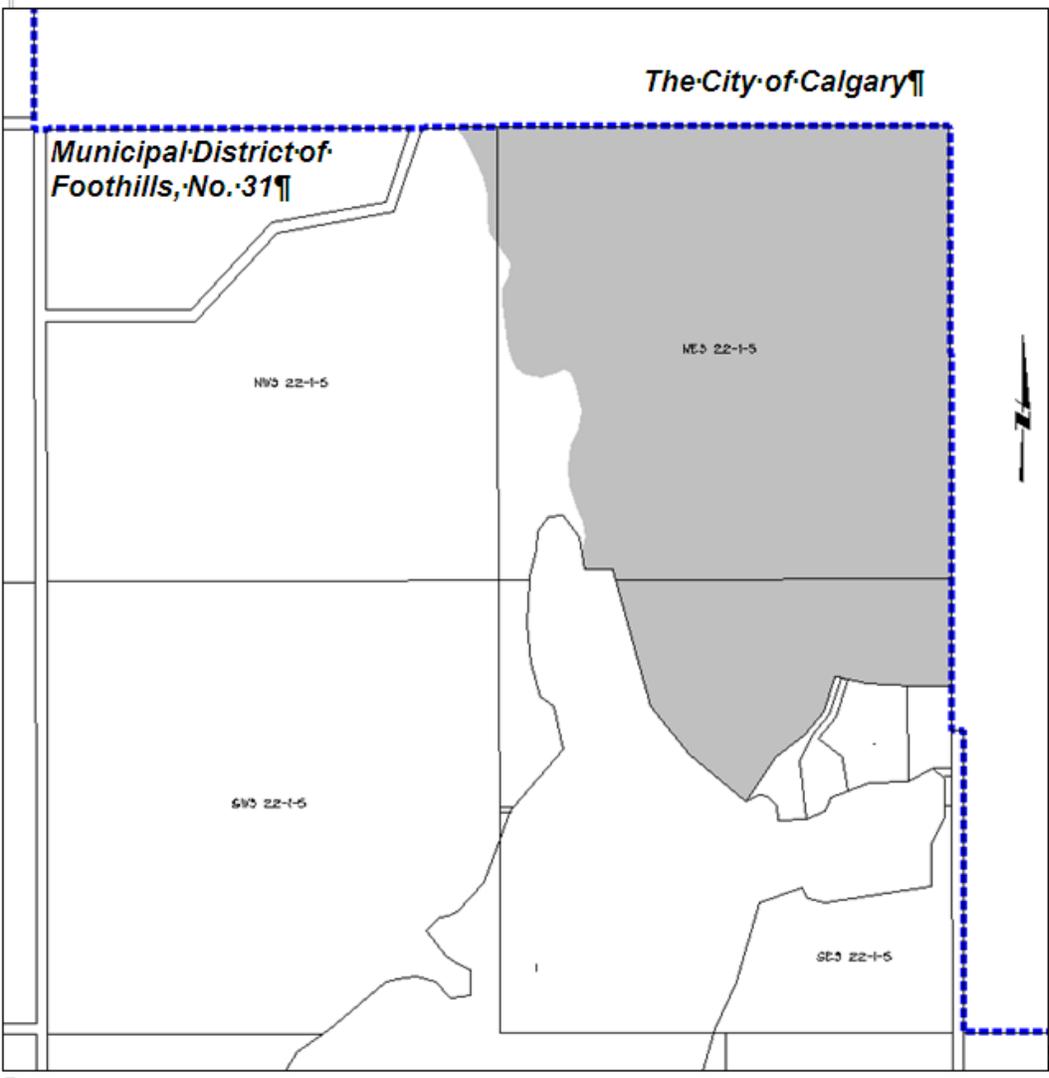
APPENDIX A

**DETAILED DESCRIPTION OF THE LANDS SEPARATED
FROM THE MUNICIPAL DISTRICT OF FOOTHILLS, NO. 31 AND ANNEXED TO
THE CITY OF CALGARY**

ALL OF PLAN 101 3290, Block 1, LOT 1.

APPENDIX B

A SKETCH SHOWING THE GENERAL LOCATION OF THE AREAS ANNEXED TO THE CITY OF CALGARY



- Legend
- Existing City Boundary
 - Annexation Area

APPENDIX C

**MUNICIPAL GOVERNMENT BOARD REPORT
TO THE MINISTER OF MUNICIPAL AFFAIRS
RESPECTING THE CITY OF CALGARY PROPOSED ANNEXATION OF
TERRITORY FROM THE MUNICIPAL DISTRICT OF FOOTHILLS NO. 31**

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Executive Summary

[1] This annexation application is part of an agreement that resolved an intermunicipal dispute between The City of Calgary (City) and the Municipal District of Foothills No. 31 (MD). On May 14, 2009 the MD approved the Sirocco Area Structure Plan (ASP) for the future subdivision and development of approximately 939 acres (360 hectares) in the northwest portion of the MD adjacent to the City's boundary. The City filed an appeal of the ASP under section 690 of the *Municipal Government Act* (Act). The municipalities entered into mediation in accordance with the Act, and successfully achieved an agreement that addressed the mutual interests of both municipalities. The terms of this agreement were subsequently delineated in a Memorandum of Understanding (MOU) that was executed on November 25, 2009. Under the terms of the MOU, the City committed to making application for "Cell 1" of the Sirocco lands, which are the subject of this annexation application.

[2] On January 25, 2010, the MGB received the notice of intent from the City. On August 4, 2010 the MGB received an application from the City to annex approximately 176 acres (71.6 hectares) of land from the MD. Accompanying the application was a letter from the City requesting the MGB to proceed with its consideration of the proposed annexation and a cheque for the required fee.

Objections Received

[3] Two letters of objection were received from area landowners. These objections concern growth projection, lifestyle, bylaw, compensation and environmental issues. In accordance with section 120(3) of the Act, the MGB held a public hearing on October 28, 2010 to receive information, evidence and argument regarding the proposed annexation. During this hearing the MGB received presentations from the City, the MD, a representative of the affected landowners, and other affected persons.

Recommendation

[4] After reviewing all the written and oral submissions, the MGB recommends that the annexation be approved as applied for by the City with an effective date of January 1, 2011.

Reasons

[5] The MGB finds that the annexation request by the City is reasonable and that the concerns of the affected parties have been given proper consideration.

[6] The detailed analysis and reasons of the MGB are contained in Part VI of this report.

Part I Introduction

[7] On May 14, 2009 the Municipal District of Foothills No. 31 (MD) approved the Sirocco Area Structure Plan (ASP). This ASP provided for the future subdivision and development of approximately 939 acres (360 hectares) in the northwest portion of the MD adjacent to The City of Calgary (City) boundary. The lands in the northeastern portion of the ASP (Cell 1) were within the area designated as a primary urban growth corridor in the Municipal District of Foothills/City of Calgary Intermunicipal Development Plan (IDP). After reviewing the ASP the City was of the opinion that the ASP conflicted with the terms of the IDP. On June 10, 2009, the City filed an appeal regarding the Sirocco ASP Bylaw under section 690 of the *Municipal Government Act* (Act). Subsequent to the City's appeal, the two municipalities entered into mediation in accordance with the Act. The mediation process was successful and the parties achieved an agreement that resulted in a Memorandum of Understanding (MOU) executed on November 25, 2009 by the City's Mayor and the MD's Reeve. Under the terms of the MOU, the City would make application to annex Cell 1 of the Sirocco lands and the MD would make application to annex the undeveloped portion of Spruce Meadows land within the City's boundaries. Upon submission of both annexation applications to the MGB, the City would withdraw its appeal of the ASP.

[8] On January 25, 2010 the Municipal Government Board (MGB) received the notice of intent from the City. On June 10, 2010 the City and the MD executed an annexation agreement with respect to the subject Sirocco ASP lands. On August 4, 2010 the MGB received an application from the City to annex approximately 176 acres (71.6 hectares) of land from the MD. Accompanying the application was a letter from the City requesting the MGB to proceed with its consideration of the proposed annexation and a cheque for the required fee. On August 5, 2010 the MGB received a letter from City withdrawing the section 690 appeal.

[9] The MGB received correspondence from an area landowner objecting to the City's proposed annexation of the Sirocco area. An additional objection was contained in the City's annexation application. In accordance with section 120(3) of the Act, the MGB held a public hearing on October 28, 2010 to receive information, evidence and argument on the annexation proposal.

[10] The following report outlines the role of the MGB, provides a brief overview of the City's annexation application, summarizes the public hearing of October 28, 2010, and provides a recommendation to the Minister of Municipal Affairs (Minister) regarding this matter.

Part II Role of the MGB, the Minister and the Lieutenant Governor in Council

[11] Pursuant to section 116 of the Act, a municipality seeking annexation must first initiate the process by giving written notice to the municipal authority from which the land is to be annexed, the MGB and any other local authority the initiating municipality considers may be

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affected. The notice must describe the land proposed for annexation, set out the reasons for the annexation and include proposals for consulting with the public and meeting with the landowners. Once the notice of intent has been filed, the municipalities involved with the proposed annexation must negotiate in good faith. If the municipalities are unable to reach an agreement, they must attempt mediation to resolve the outstanding matters.

[12] At the conclusion of the negotiations, the initiating municipality must prepare a report. This report must include a list of issues that have been agreed to by the two municipalities and identify the issues, if any, upon which the two municipalities have not been able to reach agreement. If the municipalities were unable to negotiate an annexation agreement, the report must state what mediation attempts were undertaken or, if there was no mediation, give reasons why there was none. The report must also include a description of the public consultation process and provide a summary of the views expressed during this process. The report is then signed by both municipalities and if not, the municipality that did not sign may provide their reasons for not signing.

[13] The report is then submitted to the MGB and, pursuant to section 119, becomes the annexation application if the initiating municipality indicates in the report that it wishes to proceed with the annexation. If the MGB is satisfied that the affected municipalities and public are generally in agreement, the MGB notifies the parties of their findings and unless there are objections filed with the MGB by a specific date, the MGB will make its recommendation to the Minister without holding a public hearing. If an objection is filed, the MGB must conduct one or more public hearings.

[14] The MGB has the authority to investigate, analyze and make findings of fact about the annexation, including the probable effect on local authorities and on the residents of an area. If a public hearing is held, the MGB must allow any affected person to appear and make a submission. After hearing the evidence and submissions from the parties, the MGB must prepare a written report of its findings and recommendations and send it to the Minister. The Minister has the authority to accept in whole or in part or completely reject the findings and recommendations made by the MGB. The Minister may bring a recommendation forward for consideration to the Lieutenant Governor in Council (LGC). After considering the recommendation, the LGC may order the annexation of land from one municipality to another.

Part III Annexation Application

[15] The application submitted to the MGB on August 3, 2010 by the City identified that the annexation request was a result of the agreement reached between the two municipalities in the MOU subsequent to successful mediation of the intermunicipal dispute. A summary of the application follows.

Growth Direction

[16] The proposed annexation will enable efficient, contiguous urban development of the lands. The proposed annexation area is adjacent to the current City boundary and adjoins the lands contained within the City's West Macleod Area Structure Plan. This will enable the proposed annexation area to be effectively developed as part of an integrated urban community. This location will easily allow the City's existing municipal infrastructure, such as transportation, water and sewer services, to be extended to the proposed annexation lands.

Future Southern Regional Sector Residential Development

[17] The City's Municipal Development Plan (MDP) includes a number of policies related to the management of growth. One such policy states the City is to maintain a 30 year supply of developable land for all uses within its jurisdiction. The City also seeks to maintain a 15 year supply of planned land "to support a healthy, competitive land market throughout the city." As a result, the City seeks to manage growth on both a city-wide and sector basis.

[18] The land absorption rates and future need for developable and planned lands within the City are monitored through a number of documents. The **Accommodating Growth 2009-11: Coordinating Municipal Capital Investment** document includes five, ten and fifteen-year population forecasts for new areas. The **Suburban Residential Growth 2010-2014** report examines residential land demand and supply for the coming five-year period. This report identifies whether a sufficient supply of readily developable land exists, in a variety of locations, to facilitate competitive land and housing markets. As of April 2009, the City estimated that it has approximately 14,220 hectares of potential residential land. When applied against growth forecasts, this provides the City with approximately a 33 to 36 year supply, which is sufficient for the policies of the MDP.

[19] While the City currently has an adequate supply of potential residential land on a city-wide basis, the proposed annexation will supplement the land supply in the south sector. The City estimates that this sector will account for 20 percent of its residential growth in both the short and long term. As of April 2009, there was an estimated 2,790 hectares of undeveloped land for residential uses in the south sector, which under current population projections, represents approximately a 32 to 36 year land supply. The proposed annexation would increase the potential residential land supply by approximately 71.6 hectares.

[20] Unfortunately, a number of factors related to the Providence lands greatly reduce the potential for residential development in the south sector, so the actual available land supply is much less than expected. The Providence lands, located on the western side of the south sector, are approximately 1,480 hectares in size and are expected to accommodate about 78,600 people at full build out. The development of these lands is unlikely to proceed until a number of key considerations have been addressed, including the start of construction of the southwest portion

of the Stoney Trail ring road and the extension of sewer lines from the Pine Creek Wastewater Treatment Plant. Both these major projects are significant constraints to development. Further, the Providence lands are at the end of the utilities extension area and are expected to be developed in the medium to long term. When these lands are excluded from the available land inventory, there is only an estimated 15 to 17 years of potential residential land in the south sector. The proposed annexation would add an additional 71.6 hectares of land and extend the land supply in the south sector to an estimated 16 to 18 years.

Overview of Servicing

[21] The South Macleod Regional Context Study will need to be revised as a result of the proposed annexation and an ASP will need to be prepared prior to development. The annexed lands can be accommodated as either part of the West Macleod ASP or through a future ASP that would include the land to the east of the annexation area. Under the current approved plan, the West Macleod community will include a mix of housing types, efficient transit connections and a variety of local commercial/retail services. It is anticipated that once developed the Macleod region would include a range of residential homes, commercial development and public services such as parks.

[22] The development of the proposed annexed land would require planning for the provision of urban infrastructure. This would include the incorporation into the City's transportation network and the extension of waterworks, sanitary and storm sewer infrastructure.

Transportation Infrastructure

[23] The City collaborates with the Province of Alberta and neighbouring jurisdictions in the development and implementation of major transportation infrastructure in areas bordering the City limits. It is intended that this partnership will continue when planning future transportation improvements within and bordering the proposed annexation area. The City currently has processes in place to prioritize planned transportation infrastructure in response to its overall growth. The Transportation Infrastructure Investment Program (TIIP) translates the long-range network development plan into a program of improvements for implementation over the coming years.

[24] A number of specific planned improvements for the annexation area and other nearby lands are expected to be required as land in the south sector develops. An internal road network will be required in the proposed annexation lands that will access the City's transportation network. In the immediate vicinity of the proposed annexation lands, development of major roads adjacent on the east and north will be required.

[25] In the wider area, the development of the annexation lands will be supported by improvements to both 210 Avenue S and 194 Avenue S with interchanges at the intersection

with Macleod Trail. These upgrades and interchanges are not currently scheduled under TIIP sources of funding. Connections from Provincial Highway 22X and both Sheriff King Street and Spruce Meadows Way will also require improvement and are expected to be funded by adjacent developers. Upgrades to Provincial Highway 22X are also anticipated with the timing and nature of upgrades subject to the Southwest Calgary Ring Road (Highway 201/Highway 22X) Functional Planning Study jointly being undertaken by the Province of Alberta and the City.

[26] Public transportation also forms an important component of the Calgary Transportation Plan. The annexation lands will be provided with bus service in concert with development. In addition, a Light Rapid Transit (LRT) station is planned for development near 210 Avenue South extending the South LRT line to the West Macleod ASP lands.

Water Servicing

[27] The proposed annexation lands are within the Lower Sarcee Pressure Zone, the exact boundary of which will be established at the Outline Plan/Land Use Amendment stage. The lands will be serviced from the pump station and feedermain already proposed in the West Macleod ASP and no additional City-funded infrastructure is required to service them.

Sanitary Sewer Servicing

[28] The proposed annexation lands will be serviced by the West Pine Creek Sanitary Trunk which encompasses a servicing catchment of 6,119 hectares, including the West Macleod ASP. No additional City-funded infrastructure beyond this is required to service the annexation lands.

Storm water Management

[29] The proposed annexation lands naturally drain toward Pine Creek or Radio Tower Creek (a tributary of Pine Creek). Stormwater management for the lands will adhere to the criteria specified in the Pine Creek Drainage Study (2007) and Alberta Environment water quality requirements.

Intermunicipal Plans

[30] The Municipal District of Foothills/City of Calgary IDP was adopted by the two municipalities in 1998. The IDP identifies a primary urban growth corridor for the City, described as “the best opportunities for the most efficient and economical urban development to the south of the current city limits.” The lands proposed for annexation are fully within the primary urban growth corridor identified in the IDP and the City considers it appropriate to annex the subject lands to protect them from premature development.

[31] The proposed annexation aligns with the Calgary Metropolitan Plan (CMP) and will support its implementation. The CMP was approved by the member municipalities of the Calgary Regional Partnership in June 2009 and commits local municipalities to pursuing common strategic directions at the metropolitan level. The purpose of the CMP is to determine how and where population growth in the Calgary region will occur in order to accommodate the anticipated population growth of 1.6 million people over the next 60 to 70 years.

[32] The CMP includes a regional settlement pattern, which is intended to minimize the future human footprint and build on existing communities. The proposed annexation is situated in an area identified by the CMP as a “Compact Urban Node”, which is designed to achieve a minimum density of eight to ten units per gross residential acre, and higher densities where achievable. It also supports the CMP policy that development within “Compact Urban Nodes” should be built out in a contiguous and connected manner.

Affected Agencies

[33] Alberta Transportation (AT) submitted a letter advising that the annexation lands were well removed from any existing and/or future provincial transportation network with all access to the network being indirect by way of the local road system. As such AT did not anticipate that the proposed annexation would have any appreciable impact on the provincial highway network. Therefore, AT has no objections/concerns with the proposed annexation.

[34] There were no submissions from any other agencies.

Fiscal Accountability

[35] A Financial Analysis Report was prepared by Nichols Applied Management to investigate the fiscal impacts of the proposed annexation on both the City and the MD. The Report considered the relevant financial situation of the City and MD as well as identified comparative financial indicators and summarized the financial impact of the proposed annexation on the municipalities, school jurisdictions and property owners. The proposed annexation is relatively small, roughly 71 hectares of land with a farmland assessment of only \$44,400. This area has no dwelling units, population, or roadways. The Report identifies the MD will lose \$423 in tax revenue, while the City will gain \$643. Both municipalities have healthy assessment bases and low mil rates, so the proposed annexation is not expected to significantly impact the financial condition of either the City or the MD. The impact on the property is restricted to the difference in farmland property tax rates between the two municipalities, which amounts to a 50% increase but a small amount (\$220) in absolute terms. There are no dwelling units on the property; therefore, the impact on the school jurisdictions is minimal.

Assessment and Taxation

[36] There will be no provision for transition of annexed lands, as the affected landowner is in favour of the proposed annexation. The City will assess and tax the land and improvements on the annexation lands on the same basis as other lands and improvements in the City upon annexation.

Compensation Considerations

[37] The municipalities agreed that the MD will not be entitled to compensation from the City in connection with the annexation application.

Public Consultation

[38] The public consultation undertaken was in accordance with the proposal included with the formal notice of intent sent to the MD, the MGB and the local authorities. It consisted of website information, a public open house and non-statutory public hearings of both Councils of the City and MD.

[39] A dedicated webpage was set up on the City website with information posted at regular intervals and following key milestones throughout the annexation application development process. Updates included information on the public open house, frequently asked questions and contact information of key personnel. The City intends to maintain the site and continue to update it to inform the public of future steps in the process.

[40] A public open house was held on March 10, 2010 at the DeWinton Community Hall. The date, time and location were posted on the City and MD websites for one month prior to the event. Public Notice advertisements were published in the **Calgary Herald** on March 1, 2010 and in the **Okotoks Western Wheel** on February 24 and March 3, 2010. Invitations were also mailed to landowners in the vicinity of the annexation lands. Approximately 50 people attended in addition to City and MD staff and political representatives. A number of questions regarding the proposed annexation were answered, with areas of interest including the issue of financial compensation, future land use and the proposed forms and density of future development, timing of development and areas of future possible annexations that may be proposed by the City.

[41] City Council held a non-statutory public hearing on April 12, 2010. Notification was by posting on the City website and by advertisement in the **Calgary Herald** on March 18 and 25, 2010 and the **Okotoks Western Wheel** on April 7, 2010. Two members of the public addressed Council at the hearing, one in favour and one opposed. The person opposed raised concerns regarding the anticipated form and density of development should the annexation proceed. At the conclusion of the hearing, City Council carried a motion authorizing the annexation.

[42] MD Council held a non-statutory public hearing on the proposed annexation on April 8, 2010. Notification was by posting on the MD website and by advertisement in the **Okotoks Western Wheel** on March 24 and 31, 2010. Written notice was also provided to residents within the notification area. Three members of the public addressed Council at the hearing, two in favour and one opposed. The person objecting expressed general concerns to the proposed annexation. At the conclusion of the hearing, MD Council approved a resolution supporting the annexation.

Part IV Public Hearing

[43] As a result of the objections, and in accordance with section 120(3) of the Act, the MGB held a public hearing on October 28, 2010 to receive information, evidence and argument on the proposed annexation. In accordance with section 122 of the Act, hearing notifications were published in the **Calgary Herald**, **Calgary Sun** and **Okotoks Western Wheel** newspapers the weeks of October 4 and 11, 2010. In addition to this, hearing notices were mailed to all affected landowners and other known interested parties on September 7, 2010. The letters incorrectly stated that the hearing was to take place on October 28, 2009 instead of October 28, 2010. To mitigate the error, the MGB Case Manager contacted the known parties and the representatives of the affected landowners to advise them of the typographical error.

[44] The following summarizes the submissions of the City, the MD and the affected parties received by the MGB at the October 28, 2010 public hearing.

City Presentation

[45] The presentation by the City representatives emphasized that the north and east side of the lands being proposed for annexation were contiguous with the City's current boundary. Because of this location, the annexation area was within the primary urban growth corridor of the IDP. Municipal services, such as transportation, water, wastewater and drainage, could easily be extended to these lands. In addition, public transit plans call for the construction of a LRT station near 210th Avenue South, which can service this area.

[46] The City stated that the two municipalities conducted open houses and held non-statutory public hearings. Concerns raised by the public included quality of life issues, compensation, future land uses, timing of development and possible future annexations. The two municipalities attempted to address citizens' concerns wherever possible. It was noted that the owner of the land was in favour of being annexed.

[47] The City identified that the current IDP was passed in 1998. Both municipalities agree that the IDP needs to be updated; however, the timing and methodology is unknown at this point.

[48] The City also submitted that the Open Space section of the IDP identifies extensive natural areas within the plan boundaries and recognizes their ecological value and recreational potential may be negatively affected by inappropriate development. Both municipalities are committed to the policies in the IDP for environmental protection, and the Sirocco ASP had measures for protection of the open space. The City representative stated that these provisions would be included in any future ASP if the lands were annexed to the City. A creek forms part of the boundary of the proposed annexation area, but both jurisdictions will continue to cooperate to protect the creek and other environmentally sensitive areas as contemplated in the IDP.

MD Presentation

[49] The MD representative expressed the support of the MD Council for the City's annexation application. The MGB was informed that members of MD Council sitting as the Intermunicipal Committee with the City oversaw all aspects of the annexation agreement and were in attendance at all public consultation opportunities. After the open house the MD received two letters of concern and both were provided to the Intermunicipal Committee and to Council at the public hearing. Consequently, after considering the existing IDP, the Intermunicipal Committee's motion of support for the annexation and hearing from the members of the public, the MD Council voted to support the annexation application.

Landowner Presentation

[50] Mr. Jay German, Project Manager with United Communities spoke on behalf of both landowners. Mr. German explained that the lands within the proposed annexation area were being developed as a joint venture of United Communities and the Duffin family. He stated that the Duffin family had owned the land since 1956 and had used it primarily for agricultural purposes. The Sirocco golf course was opened in 2004 and planning for the adjacent residential lands commenced shortly thereafter. The resulting Sirocco ASP was adopted by the MD in May 2009 and had included detailed servicing, transportation, planning, urban design and public consultation review. Since the time the City filed its intermunicipal dispute appeal, the landowners have been supportive of the proposed annexation. They have followed closely the progress of the negotiations between the two municipalities and have participated in all public open houses and hearings. Mr. German contends that the lands are a logical extension of the City limits and the environmentally sensitive area is a logical border. The landowners that are the most directly affected fully support the proposed annexation.

Other Public Presentations

Dr. Phil Langill

[51] Dr. Philip Langill, Director of the University of Calgary's Rothney Astrophysical Observatory (RAO) located approximately 20 kilometres west of the subject lands, spoke as an

affected party. Dr. Langill's interest in the annexation proposal relates to the MD's Dark Skies Initiative, an MD bylaw that had been adopted in consideration of the RAO's need for dark skies. He explained that ambient light caused by encroaching development is a problem in that it reduces astrophysical observation in the region. He stressed the importance of the measures in the MD's bylaw to balance the need for light for safety and the dark skies necessary for the activities of the RAO. He asked that the provisions in the MD Bylaw be protected if the City were to have jurisdiction over the lands.

[52] In response to Dr. Langill's presentation, the MGB was informed by Mr. German that the City has an ambient light policy similar to that of the MD. Moreover, the City will only allow certain types of light standard designs in an effort to minimize light leakage.

Gail Burton

[53] Ms. Gail Burton, the owner of country residential property located approximately two kilometres south of the annexation lands, spoke against the proposed annexation. Ms. Burton stated that the City already has a 20 to 30 year land supply and should not be considering additional urban expansion when it is having problems managing its current sprawl. She stated that the City is having major problems dealing with its existing infrastructure, is draining dwindling water resources and is planning higher density development on lands that can barely support the current uses. She stressed that the proposed annexation may allow higher population densities on basically arid lands and will require more services. Ms. Burton asserted that if this annexation proceeds it will encourage other large landowners and developers in the area to consider higher density developments, creating an incredible demand on diminishing water resources and severely impacting ground water sources.

[54] Ms. Burton identified that the City is not workable in that it is very difficult to get in and out of - and not just during rush hours. She stated that there are a large number of automobile accidents that probably would not have happened if the City road systems were better planned and constructed. She argued that the City has not done a good job with the lands already under its jurisdiction and expressed concern that problems currently experienced in the City, such as traffic congestion and accidents as well as crime and vandalism, would expand into the MD. Ms. Burton suggested that the City should clean up its own problems before attempting to annex more land. Further, she implied that the annexation agreement is unfair to the MD, as the MD is giving up 176 acres with a potentially good tax base to the City for 136 acres.

[55] Ms. Burton informed the MGB that she was also in opposition to the Sirocco ASP as originally planned, but prefers it to a higher density urban subdivision that will occur if the annexation were to proceed.

Submissions from other area landowners not present at the hearing

[56] Ms. Burton presented a petition signed by fourteen other area landowners in which they opposed the annexation for the reasons stated in her presentation.

[57] A letter from another area landowner opposed to the City's annexation application, but not present at the hearing was entered. Ronald Laurie Henderson, owner of a country residential parcel approximately two kilometres south and two kilometres east of the annexation lands, wrote that in 2005 and 2007, the City annexed approximately 5,600 and 25,000 acres respectively. Most of this land is still undeveloped with a projected 38 year supply of land for the City. The City has not demonstrated a need for these additional lands and annexation is not justified. Mr. Henderson further stated that it was unreasonable for the City to have an effective veto over land outside their jurisdiction by claiming a buffer area over which the City can impose development plans.

Summary by MD

[58] In summary, the MD representative stressed the level of cooperation between the two municipalities regarding the City's annexation application. She indicated that the MD looked forward to working with the City in the future to update the IDP and requested the MGB to support the City's annexation request.

Summary by City

[59] In conclusion, the City representatives stated that the proposed annexation is supported by both municipalities as well as the owner of the land. The annexation agreement between the two municipalities clearly demonstrates a high degree of cooperation. Moreover, the proposed annexation conforms to the fifteen annexation principles as identified in Board Order MGB 123/06.

[60] The City representatives noted that the same concerns expressed by Ms. Burton were brought forward to the MD during the public hearing. After considering the concerns, the MD elected officials decided to support the annexation.

Part V MGB Recommendation

[61] After reviewing the submitted documentation and hearing from the City, the MD and the affected landowners, the MGB finds the annexation application to be reasonable. Therefore, the MGB recommends the annexation of the land identified in the City's annexation application with an effective date of January 1, 2011.

Part VI Reasons

[62] The MGB acknowledges that this annexation is part of the solution developed by the two municipalities to resolve the intermunicipal dispute filed by the City. The City's annexation of the Sirroco Cell 1 and the MD's annexation of the Spruce Meadows land clearly demonstrates that the two municipalities negotiated in good faith during the intermunicipal dispute mediation process to develop a local solution to a local issue. Although the concurrent annexations will resolve the intermunicipal appeal, the MGB is considering and processing both annexations separately and on their own merits.

[63] Although the IDP is somewhat dated, the annexation being proposed by the City is within the urban growth corridor. The MGB heard that the two municipalities have agreed to update the IDP, although the process and timing has not been established as yet. The MGB finds the adherence to the existing IDP and the commitment by both municipalities to update the IDP clearly demonstrates intermunicipal cooperation and illustrates the attempts that have and will be made to ensure coordinated growth and development for both municipalities. Moreover, the public consultation requirements of the Act for passing new IDP bylaws will provide an opportunity for affected landowners and the public to voice their concerns regarding revisions to the growth areas

[64] The MGB accepts that the constraints to the Providence lands will reduce the amount of available lands within the City in the short to medium term. The construction of the southwest portion of the Stoney Trail ring road and the extension of sewer lines from the Pine Creek Wastewater Treatment Plant are major projects that will delay the development of the Providence lands. The proposed annexation area will supplement the City's short and medium term land requirements while the planning continues for these major projects.

[65] The MGB finds that the City can provide the required municipal services to the proposed annexation area. An amendment to the West Macleod ASP or a separate ASP can allow integrated plans to be developed for the provision of water, wastewater, and stormwater services to the annexed lands. Water is available from the pump station and feedermain proposed in the West McLeod ASP. Wastewater services can be provided through the West Pine Creek Sanitary Trunk. The City collaborates with the neighbouring jurisdictions to develop major transportation infrastructure in areas bordering the proposed annexation area, which should allow the seamless integration of the transportation networks of the annexed area into the overall plan of the City and the region.

[66] The MGB acknowledges the need to protect the environment. The MGB heard that the creek that acts as the boundary for the proposed annexation area will be afforded protection through City policies and Alberta Environment Regulations as development occurs. The existing IDP has provisions that will protect key features from inappropriate development. The MGB understands the concerns identified at the hearing regarding the raw water supply and the need to

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protect surface water areas; however, issues such as these are within the jurisdiction of Alberta Environment. The MGB notes that despite numerous annexation notices being published in the local newspapers, no objection was received from Alberta Environment.

[67] The MGB finds the proposed annexation will have minimal financial impact on either of the municipalities. The Nichols Applied Management Financial Analysis Report provided by the City identifies that the proposed annexation will cause the tax revenues for the City to increase by \$643, while the tax revenues for the MD will decrease by \$423. In light of this, the MGB agrees that no revenue sharing or compensation is warranted. Furthermore, the MGB finds that minimal tax revenue gain by the City cannot be construed in any way as simply a tax initiative.

[68] The proposed annexation area is within the CMP's "Compact Urban Node", which is designed to achieve a minimum density of eight to ten units per gross residential acre, and higher densities where achievable. The MGB notes that the CMP was developed by the Calgary Regional Partnership (CRP), an organization established by the municipalities in the Calgary area to resolve regional issues through inter-municipal cooperation. Although the CRP includes 15 member municipalities, the MD is not currently a member of the CRP nor is it a signatory of the CMP. The MGB also notes that the Minister has not endorsed the CMP as a regional plan. However, the MGB accepts that the higher density requirements of the CMP align with the reduction of the human footprint objective of the Alberta Land Use Framework. Moreover, the annexation area is within the IDP's, growth corridor, which is intended to provide the most efficient and economical urban development to the south of the City limits. As such, the anticipated density levels conform to the IDP and may supplement the mix of housing types in the City's West Macleod ASP. Therefore, the MGB accepts that the density levels being proposed for the annexation area are reasonable.

[69] The MGB agrees the proposed annexation will have a minimal impact on other institutions. None of the four school boards responded to the request for comments from the City or the MGB's notice of hearing. Correspondence within the annexation application from AT identifies that AT has no objection to the proposed annexation. The MGB understands that the that the City has street lighting standard development practices in place and believes that these will address the ambient light issue brought forward by Dr. Langill of the University of Calgary RAO.

[70] The MGB finds that the consultation process followed by both municipalities was sufficient for this application. The City placed annexation information on its website and updated it at regular intervals. Representatives from both municipalities participated in a series of open houses and non-binding public hearings. The public and the affected landowners were provided opportunities to comment on the proposed annexation and were able to discuss concerns with representatives from both municipalities at various stages of the application development process.

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[71] During the hearing the MGB heard concerns from area landowners regarding crime and vandalism moving from the City to the MD, the amount of road congestion within the City, the inability to access City Councillors, and City expenditures. The MGB finds that these are local matters and are beyond the scope of the MGB to address as part of an annexation recommendation. With regard to the overcrowding and the maintenance costs associated with the use of MD roads, the MGB understands that access to and from the proposed annexation area will be onto the existing roads adjacent to the east (48 Street South West) and north (210 Avenue South West) of the proposed annexation area. The MGB notes that the maps contained in the annexation application show these roads are already within the City's boundary, so the overcrowding and maintenance costs associated with increased traffic on MD roads should be minimal.

[72] The MGB agrees that agricultural land should not be prematurely fragmented; however, the MD had already approved the Sirocco ASP which would have allowed the subdivision and development of the lands being proposed for this annexation. As the City has withdrawn its intermunicipal dispute appeal, the MGB no longer has the jurisdiction to consider altering the ASP.

[73] The MGB finds no reason to believe either municipality exerted undue influence on the other municipality when developing the annexation agreement that resolved the intermunicipal dispute and led to the concurrent annexation applications.

Summary

[74] The MGB finds that the City's annexation application is reasonable. The land being requested is a logical extension of established growth patterns and the annexation agreement was able to resolve the intermunicipal dispute. The efforts of the municipalities to negotiate an agreement and the commitment to update the IDP clearly demonstrate a high level of intermunicipal cooperation. The public consultation process conducted by the municipalities was satisfactory. Both municipalities held open houses and both Councils conducted non-statutory public hearings to consider input from the affected parties when determining if the annexation should be pursued. The directly affected landowners are in favour of the proposal. Growth patterns and availability of servicing and infrastructure support development of these lands in advance of other parcels within the City's land inventory. As such, the MGB recommends approval of the proposed annexation as requested with an effective date of January 1, 2011.