Alliance Exploration Agreement

Made this _____ day of _____, 20_____

Between:

Strathcona County
(the "County")

-and-

City of Fort Saskatchewan
(the "City")

1. Background

    a. The City and the County entered the Boundary Accord in 2001 and the Common Bonds Agreement in 2012;

    b. Pursuant to the Common Bonds Agreement the City and the County created an Inter-municipal Relations Committee (IMRC);

    c. In 2015 the City advised the County that it was contemplating annexation of a portion of the County;

    d. Intermunicipal discussions regarding that proposed annexation by the City have been summarized and those include formulas to assess preparation for growth. Attached as Schedule 1 to this Agreement is the summary of those discussions which will be included in the Common Bonds Agreement by an amendment to that Agreement.

    e. The County concluded it can support annexation of an area shown in Schedule 2 to this Agreement subject to certain terms and conditions. Entering and performing this Agreement is one of those conditions.

    f. IMRC has as one of its responsibilities the pursuit of strategies for collaboration between the two municipalities with the objective of creating a strong sub-region within the Alberta Capital Region.

    g. It is a shared goal of the City and the County to gather the necessary factual information and data specific to the two municipalities to allow an informed analysis of the options for governance and service delivery.

2. Aim and Purpose

The County and the City agree to explore in good faith and document a range of options available to the municipalities for governance, growth management and delivery of services to their communities.

The exploration shall include, but is not limited to, consideration and analysis of the data from the following perspectives:

A. Impact upon efficiencies, effectiveness and economics.

a. Effect upon taxes; risk to industrial tax base growth;

b. Effect upon financial strength and ability to fund services and infrastructure;

c. Effect upon service delivery, levels of services and types of services including but not limited to: utilities, roads, transit, emergency services, recreational amenities and services;

d. Effect upon use of resources (physical, human, financial);

e. Identity and history of the municipalities;

f. Sub-region pressures (internal and external) to the municipalities including collaboration and benefit to sub-region;

g. Effect upon growth, economic development, management of agricultural resources; and

h. Effect upon representation of residents at municipal governance level.

B. Outcomes

The analysis is to identify the positives and negatives of the options for governance and service delivery, including reflecting impact upon efficiencies, effectiveness and economics.

3. General Outline of Process Methodology

IMRC shall have the responsibility to move forward with the process of exploration pursuant to this Agreement. IMRC is directed to start the exploration process by gathering the relevant data for each municipality regarding governance and business functions, processes and resources (physical, human and financial). Once assembled, the data is to be analysed from the perspective of the spectrum of possible options for governance and service delivery, including levels of service. The object of the analysis should identify the positives and negatives of each option.

IMRC shall meet as often as is required to move this process to completion within the timeline as set out herein. The Technical Committee, created pursuant to the Common Bonds Agreement, shall provide support to the IMRC and may utilize other staff from each municipality as necessary and required.

IMRC will meet to discuss a pre-determined topic or issue. The Technical Committee and/or consultants will initiate the discussion by providing a report on the topic or issue. After discussion by the IMRC, the matter may be referred to the Technical Committee and/or consultants for a further report.

The municipalities agree to the initial scheduling of topics and issues at the IMRC as follows, recognizing that adjustments to the schedule may be needed. For the purposes of this section, "forms of governance" shall include both municipal corporate structures and service delivery models.

- October 2018: Identification of alternate forms of governance and an exploration of the corresponding pros and cons
- December 2018: Services and service delivery under alternate forms of governance
- January 2019: Finances and taxes under alternate forms of governance
- March 2019: History and identity under alternate forms of governance
- May 2019: Optimizing growth and quality of life under alternate forms of governance
- June 2019: Sub - regional pressures under alternate forms of governance
- September 2019: Political context and alternate forms of governance
- November 2019: Other topics and issues of interest related to alternate forms of governance, including any matters identified and still outstanding under ss.2A, above.
- December 2019: Final wrap – up of topics and issues exploring alternate forms of governance

The IMRC shall direct consultants to provide reports on topics and issues, as necessary. The consultants to be utilized shall be jointly agreed upon by the municipalities prior to the December 2018 IMRC meeting referred to above. The municipalities may agree to use other consultants for a particular topic or issue throughout the term of this Agreement. The Technical Committee working with their respective administrations shall make any necessary procurement arrangements to have matters referred to consultants commencing at the December 2018 meeting and throughout the term of this Agreement. The Technical Committee will be responsible for providing data as requested by or required by the consultants retained to support the work under this Agreement. The consultants will be jointly retained by both municipalities through a procurement process if required.

In approving the terms of reference for consultants IMRC shall consider:

- the tasks, including the gathering of data from the municipalities;
- the analysis of the data in the context of the options for governance and service delivery identified by IMRC.

4. Deliverables

   Reports from the consultants to be compiled for consideration by IMRC;

   Report with recommendations to be prepared for presentation by IMRC for consideration by each Council that identifies positives and negatives of the options analyzed and considered by IMRC.

5. Timeline

   The proposed timeline for the work by the IMRC necessary to prepare and present a report to the Council of the City and the Council of the County is by or before the end of 2019. The parties will use best efforts to complete the work within that timeframe or as soon as reasonably possible thereafter.

6. Facilitation

   The IMRC is authorized to utilize a facilitator to assist in carrying out the exploration and analysis of the options, the relevant issues for each option and the outcomes, including the positives and negatives. The parties shall take all necessary steps to agree on and have in place the facilitator for the October 2018 IMRC meeting and thereafter for the term of the Agreement.

7. Progress Reporting

   IMRC representatives of each municipality are responsible to report the status of the work under this Agreement to their respective Councils on a regular basis.

8. Funding

   Joint grants will be pursued, including the Alberta Communities Partnership Agreement Grant. Strathcona County will take the lead to submit applicable grant application(s).

   Any additional costs of retaining consultants will be shared equally by the two municipalities, to a maximum total of $200,000 ($100,000.00 per municipality), unless otherwise agreed to by the municipalities. The maximum total is in addition to any costs of facilitation as described in section 6 of this Agreement, which shall also be shared equally by the municipalities.

9. Administrative Support & Sharing Information

   Each municipality will contribute to the administrative support required for the implementation of this Agreement.

Direct liaison and full disclosure of information (including hard and soft data) between the municipalities as required, is authorized. All discussions and information sharing is considered WITHOUT PREJUDICE unless otherwise agreed to by each municipality as directed by respective municipal councils.

All information provided under this Agreement shall remain the property of the municipality providing the information, shall be kept confidential and shall not be used for any purpose other than the work to be done under this Agreement.

Except as required by law, or as otherwise mutually agreed to by the municipalities, work done under the umbrella of this Agreement is to be considered CONFIDENTIAL except as between the municipalities.

Both municipalities understand and agree that unless the final report is agreed to and approved by both municipalities, the final report and any other reports prepared pursuant to this Agreement shall remain confidential and the reports and the information contained in the reports shall not be made available to the public or used for any other purpose. Information provided by one municipality to the other shall be returned, upon request.

Notwithstanding the need for confidentiality, intermunicipal and municipal public engagement may from time-to-time be useful. Such engagement will be mutually determined and agreed upon, as required, by the municipalities.

Messaging to the media regarding this Agreement and the associated exploration and reporting shall be reviewed and agreed to by both municipalities. Any public statements shall require the approval of both municipalities.

10. Limitation

- To the extent tasks imposed on IMRC by this Agreement are inconsistent with Common Bonds Agreement or the Boundary Accord, the Common Bonds Agreement and the Boundary Accord are amended by this Agreement.

- This Agreement does not extinguish any rights or obligations that either municipality has under existing or future legislation or agreements, unless there is explicit agreement to subordinate such rights.

11. Permission to Plan

From the date of this Agreement, the County accepts that the City will take steps to include the area shown in Schedule 2 in planning documents adopted by the City, recognizing such provisions will not be operative prior to the effective date of the annexation.

12. Conclusion

The City and the County agree and commit to proceed diligently in good faith with the work required by this Agreement. The work is to be viewed as a priority by IMRC, the Technical Committee and the administrative support.

Signed this ___ day of _____, 2018 at _____, Alberta,

STRATHCONA COUNTY	CITY OF FORT SASKATCHEWAN
Per: _____	Per: _____
Rod Frank, Mayor	Gale Katchur, Mayor
Per: _____	Per: _____
Rob Coon, Chief Commissioner	Troy Fleming, City Manager

Schedule “1”

Growth Planning Framework

Shared growth planning for the sub-region of Fort Saskatchewan/Strathcona County

An appendix to the Common Bonds Agreement

September 11, 2018

DEFINITIONS

Average Household Size: The average amount of people assumed to occupy a dwelling unit.

Assumed Land Percentages: The assumed percentage of developable land that will be utilized by a type of land use (including commercial, institutional, municipal reserve, public utility, and residential).

Current Land Supply: The amount of years until the land within a municipality's boundaries is fully developed.

Expansion Lands: The amount of gross land necessary beyond one municipality's current boundaries necessary to return a municipality to the Optimum Land Supply amount.

Forecasted Additional Population: The amount of additional people forecasted to reside within the municipality in a set period.

Forecasted Growth Rate: The average growth rate forecasted to be maintained for many years into the future.

Indicators: a set review period for assessing growth against the triggers.

Intermunicipal Relations Committee (IMRC): A committee consisting of representatives from both municipalities established through the Common Bonds Agreement with the responsibility of identifying specific opportunities for cooperation and collaboration and to action those opportunities.

Land Supply: The amount of years until an area of land is fully developed.

Minimum Land Supply Threshold: The agreed upon minimum Land Supply amount that should be available within a municipality.

Optimum Land Supply: The amount of land a municipality's Current Land Supply within their jurisdiction should be returned, once a trigger is met.

Processes: The actions necessary to restore the municipality's Land Supply to an agreed upon amount after it has been concluded that the triggers have been met.

Short-Term Growth Rate: The average actual growth rate from recent years.

Triggers: an assessment to determine when the process to prepare for growth should be initiated.

1.0 PURPOSE

1.1: Growth Planning Framework Purpose

The City of Fort Saskatchewan and Strathcona County recognize the need to prepare for growth as a sub-region. Although autonomous in decision making, both municipalities must consider the connections between each other, identifying common interests and addressing the impacts of actions and implications of decisions with their neighbour (Common Bonds Agreement, 2012).

We share a common responsibility to provide quality communities and excellent service, not just for today's residents but for future residents as well. As such, both municipalities have agreed to jointly and proactively assess how we can best serve our residents and prepare for growth as representatives of our sub-region.

Following the 2001 annexation discussions, the municipalities entered a Boundary Accord agreement. The agreement included a condition that neither Fort Saskatchewan or Strathcona County would "initiate or support any action or proceeding to annex lands within the boundaries of [the other municipality] or seek amalgamation with [the other municipality] during the term of this agreement, from the effective date of January 2, 2002 to December 31, 2031, unless mutually agreed to by both parties". Through the 2014 – 2018 discussions, the municipalities have mutually agreed to initiate the process to annex lands and to engage in discussion of how collaborative approaches to growth, delivery of services and governance of the region may be enhanced and realized. This agreement was reached in the hope of replacing the 2031 date with an improved methodology to prepare for growth which would consider the unpredictable fluctuations associated with growth.

This Growth Planning Framework has been created as an appendix of the Common Bonds Agreement. In 2012, the municipalities entered the Common Bonds Agreement as an intermunicipal cooperation agreement to strengthen the positive relationship between the two municipalities. Under the direction of this Agreement, joint philosophies and principles were defined which led to the development of agreed upon method for calculating growth needs.

This Framework is intended to define the commitment and the process for ensuring each other's goals, objectives, and needs are never a surprise to the other. Through those discussions, representatives from both municipalities can identify current circumstances that influence decisions, analyze if growth triggers have been met, and establish action when necessary. The attachments following the Framework are intended to document the discussions of the day.

The representatives at the table at the time of this Framework's development were committed to representing the best interests of the region. They recognized that growth goes beyond jurisdictions and good representation relies upon communication and collaboration. This Framework is intended to continue that work and to maintain a shared commitment to accommodating our regional success.

2.0 BACKGROUND

2.1 Boundary Accord 2001

The Boundary Accord is an agreement regarding land management that was entered into by both municipalities on October 4, 2001. The agreement sought "to ensure the long-term stability of their respective boundaries to better provide long range planning, fiscal management, and delivery of services…". The objectives identified by both municipalities at the time the Boundary Accord was signed have not changed.

A condition of support for the annexations in 2001 was that neither municipality would "…initiate or support any action or proceeding to annex lands within the boundaries of [the other municipality] or seek amalgamation with [the other municipality] during the term of this agreement, from the effective date of January 2, 2002 to December 31, 2031, unless mutually agreed to by both parties". Through extensive discussions and analysis, the municipalities mutually agreed to initiate the process to annex lands and to engage in discussion of how collaborative approaches to growth, delivery of services and governance of the region may be enhanced and realized. This agreement was reached in the hope of replacing the 2031 date with a new methodology for assessing growth needs that considers the unpredictable fluctuations associated with growth.

2.2 Common Bonds Agreement 2012

The Boundary Accord laid out an obligation to "prepare an Intermunicipal Communication Protocol and further define the criteria for moving through the stages of intermunicipal issue resolution process" (Boundary Accord, 2001). The Common Bonds Agreement was approved in 2012 as an intermunicipal cooperation agreement to strengthen the positive relationship between the two municipalities. The Common Bonds Agreement recognizes that as adjacent neighbours, the two municipalities can realize advantages from working together on interconnected matters to benefit the region and reduce the likelihood of conflict between the jurisdictions.

The Common Bonds Agreement includes protocols that guide both municipalities as they plan and work together and defines the criteria for both municipalities to move through the stages of an intermunicipal issue resolution process in a collaborative manner.

The Common Bonds Agreement provided the foundation for development of this Growth Planning Framework. Through the establishment of facilitated growth discussions, representatives from both municipalities were engaged in developing a solution. The Common Bonds Agreement will continue to provide the procedure to reach consensus as to how best prepare for growth.

2.2.1 Joint Philosophy and Principles

The Common Bonds Agreement establishes principles and processes to direct communication around intermunicipal issues. This process includes the exercise of defining a joint philosophy and principles to establish common grounds and to focus conversations on the shared interests of our sub-region. As such, the facilitated growth discussions defined our joint philosophy and principles in regards to growth preparation as follows:

Philosophy:

Growth is consistent with the Edmonton Metropolitan Region Growth Plan (and other Provincial legislation and plans). This includes the Guiding Principles established in the Edmonton Metropolitan Region Growth Plan (attachment Y).

Principles:

1. Growth is influenced by other levels of government, other municipalities, the Alberta Industrial Heartland and external economic drivers or conditions.
2. Growth can happen in different ways.
    i. Growth occurs differently and reflects the unique characteristics of each municipality.
    ii. Growth occurs in all sectors.
3. Growth benefits the region.
4. Growth is respectful of each other's existing developments and taxation base.
5. Both municipalities acknowledge the impacts of growth on each other and their ability to plan. (Independence comes with responsibility).
6. Coordinated growth plans manage infrastructure and other efficiencies, including service delivery.
7. Growth is contemplated over the long term.
8. Growth is managed by agreed to triggers and agreed upon processes.
9. The triggers and processes used to address regional growth are:

a. efficient (municipal partners first, outside assistance only when needed);
b. evidence based;
c. based on agreed methodologies; and
d. built on long-term, positive dialogue between the two municipalities.

This Framework is intended as a commitment to consult and cooperate to address growth and to prepare for future needs. Through ongoing conversations rooted in an understanding of our shared interests, we can define how problems will be solved in a manner that respects our individual identities.

3.0 METHODOLOGY

3.1 Indicators, Triggers & Processes

Both municipalities agree that as autonomous entities each municipality should have the ability to accommodate opportunities that align with their strategic objectives and promote the interests of our shared sub-region. To objectively assess needs and land supply, a combination of *indicators, triggers,* and *process* were developed:

> ***Indicators*****:** set the review period for assessing growth against the triggers.
>
> ***Triggers*****:** assess when the process to prepare for growth should be initiated. The primary trigger is the Minimum Land Supply Threshold which is the minimum amount of developable land each municipality should have available within their jurisdiction at any given time. When the land supply within a municipality's boundaries is less than Minimum Land Supply Threshold, the process to restore the municipality's land supply should be initiated.
>
> When considering the Minimum Land Supply Threshold, decision makers should consider the duration necessary to convert non-developed land into space which can be occupied, which includes consideration for the time necessary to gather data, consult stakeholders, adjust boundaries, plan, and construct.
>
> ***Processes*****:** are the actions necessary to restore the municipality's land supply to an agreed upon amount after it has been concluded that the triggers have been met.

The intent of these *indicators, triggers,* and *processes* is to empower the municipalities to determine their outcomes as the leaders most familiar with our sub-region. Other processes exist to address growth pressures, but the desire remains to maintain significant decision making at the local level.

To assess current and future growth needs, three formulas to calculate the Current Land Supply, Additional Population, and Expansion Lands were developed. The formulas to calculate these assessments are described below. The attachments to this Framework captures the results of a review.

3.2 Current Land Supply Trigger

To assess a municipality's current growth supply, the municipality's Current Land Supply should be calculated and assessed against the Minimum Land Supply Threshold. During the 2014-2018 discussions, the Intermunicipal Relations Committee (IMRC) established a Minimum Land Supply Threshold at 15 years.

The Current Land Supply estimate should be based on projections, using short-term data from recent years to assess the current trend for population increases. As the estimate is based on the short-term trends, averaging the growth rate from recent years was considered the best means to determine the Short-Term Growth Rate. Seven years was considered optimum during the 2014-2018 discussions, as generally the duration is long enough to capture the highs and lows of market fluctuations but short enough to reflect current trends.

To calculate the Current Land Supply certain variables need to be reviewed and ultimately agreed upon. These variables include:

- Percentage for overheads (roads, municipal reserve, public utilities, and institutional land base);
- Density Target for the remaining land supply within the municipality's boundaries, as determined by the Edmonton Metropolitan Regional Board;
- Average Household Size; and
- Short-Term duration for determining the Short-Term Growth Rate.

Furthermore, to calculate the Current Land Supply certain data is needed. This data includes:

- Gross Available Land;
- Commercial Available Land;
- Industrial Available Land;
- Undevelopable Overheads such as future and arterial road expansions, future or existing power line or pipeline rights-of-way; and
- The Growth Rates for years within the Short-Term duration.

Table 1: Current Land Supply Formula Variables and Data Needed.

Variables to Review:			**Data Needed:**		
Overheads			Gross Available Land:	___	ha
Roads:	___	%	Commercial Available Land:	___	ha
Municipal Reserve:	___	%	Industrial Available Land:	___	ha
Public Utilities:	___	%	Undevelopable Overheads:	___	ha
Institutional Land Uses:	___	%	Short-term Growth Rate:		
Density Target:	___	du/ndha	Year 1:	___	%
Average Household Size:	___	ppl/du	Year 2:	___	%

Short-term Duration:	___ years	Year 3:	___	%
		Year 4:	___	%
		Year 5:	___	%
		Year 6:	___	%
		Year 7:	___	%
		Current Population:	_____	ppl

CURRENT LAND SUPPLY FORMULA STEPS:

Gross Available Residential Land: Calculated by determining the Gross Available Land and subtracting Commercial Land, Industrial Land, and Undevelopable Overheads such as arterial road rights-of-way, environmental reserve, industrial buffers, rail/pipeline/power line rights-of-way, and future planned pipeline expansions.

Gross Available Residential Land *= Gross Available Land – Commercial Land – Industrial Land – Non-Developable Overheads*

Net Available Residential Land: Calculated by subtracting from Gross Available Residential Land the assumed percentage of land to be absorbed by Roads, Municipal Reserve, Public Utilities, and Institutional Land Uses.

Net Available Residential *= Gross Available Residential Land x (1 – Roads % – Municipal Reserve % – Public Utilities % – Institutional Land Uses %)*

Additional Population at Buildout: Calculated by multiplying Net Available Land by the Current Density Target. The results are then multiplied by the agreed to Average Household Size.

Additional Population at Buildout = *Net Available Residential Land x Density Target x Average Household Size*

Average Annual Population Increase: Calculated by averaging the growth rate for the previous 7 years and multiplying the current population by that Short-term Growth Rate.

Average Annual Population Increase = *(Year 1 + Year 2 + Year 3 + Year 4 + Year 5 + Year 6 + Year 7) / 7 x Current Population*

Current Land Supply: Calculated by dividing the Additional Population at Buildout by the Average Annual Population Increase.

Current Land Supply *= Additional Population at Buildout / Average Annual Population Increase*

TRIGGER ASSESSMENT: If the Current Land Supply is less than the Minimum Land Supply Threshold, the trigger has been met. Proceed with the Additional Population and Expansion Land formulas to determine the land supply necessary to return the municipality to the Optimum Land Supply.

3.2 Additional Population Process

To prepare for growth, an estimate of how many additional people will live in the municipality in the future is needed.

To calculate the Additional Population, certain variables need to be agreed upon. These include:

- Duration (how many years into the future the land is anticipated to last); and
- Forecasted Growth Rate.

Furthermore to calculate the Additional Population, certain data is needed. This data includes:

- The Current Population.

Table 2: Additional Population Formula Variables and Data Needed.

Variables to Review:			Data Needed:		
Optimum Land Supply:	___	years	Current Population:	_____	ppl
Forecasted Growth Rate:	___	%			

ADDITIONAL POPULATION FORMULA STEPS:

Future Population: Calculated by multiplying the Current Population by 1 + Forecasted Growth Rate to an exponent of the duration of which the Optimum Land Supply is anticipated to last.

Future Population *= Current Population x (1 + Forecasted Growth Rate) ^ Optimum Land Supply*

Additional Population: Calculated by subtracting the Current Population from the Future Population.

Additional Population *= Future Population – Current Population*

3.3 Expansion Lands Process

When a municipality's Current Land Supply is below the Minimum Land Supply Threshold, the process to return the municipality's Land Supply to an agreed upon amount should be initiated. This amount is referred to as the Optimum Land Supply. During the 2014-2018 discussions, the IMRC set the Minimum Land Supply Threshold at 15 years' worth of developable land and the Optimum Land Supply at 30 years' worth of developable land.

Most often, to return a municipality to the Optimum Land Supply amount expansion lands will be needed. Expansion Lands refers to the lands necessary beyond one municipality's current boundaries to return a municipality to the Optimum Land Supply amount.
The Current Land Supply estimate should be based on forecasts, using long-term assumptions as opposed to short-term data.

To calculate the Expansion Lands, the Gross Developable Land needs to be calculated. To calculate the Gross Developable Land, certain variables need to be reviewed and ultimately agreed upon. These variables include:

- Average Household Size; and
- Assumed Land Percentages for each land use including commercial, institutional, municipal reserve, public utility, and residential.

Furthermore to calculate the Gross Developable Land, certain data is needed. This data includes:

- Additional Population (as determined through Attachment X);
- Density Target for the remaining land supply within the municipality's boundaries, as determined by the Edmonton Metropolitan Regional Board;
- Density Target for the lands beyond the municipality's boundaries, as determined by the Edmonton Metropolitan Regional Board;
- Net Available Residential Land (as calculated under Section Y: Land Supply);
- New Dwelling Units (as calculated under Section Y: Land Supply);

Once the Gross Developable Lands is calculated, any Undevelopable Lands that is logical to include with the Gross Developable Lands should be added. Adding the Gross Developable Lands with the appropriate Undevelopable Lands provides the final Expansion Lands amount. Undevelopable Land may include:

- Environmental Reserve; and
- Developed Lands, including:
    - Pipeline/Power/Utility Rights-of-Way;
    - Future Pipeline Corridor Expansions:
    - Existing Road Rights-of-Way;

- Rail Rights-of-Way; and
- Country Residential Developments.

Table 3: Expansion Lands Formula Variables and Data Needed.

Variables to Review:			Data Needed:		
Average Household Size:	___	ppl/du	Additional Population:*	_____	ppl
Assumed Land Percentages:			Current Density Target:	___	du/ndha
Commercial:	___	%	Future Density Target:	___	du/ndha
Institutional:	___	%	Net Available Residential Land:**	___	ha
Municipal Reserve:	___	%	Environmental Reserve:	___	ha
Public Utility:	___	%	Developed Lands:	___	ha
Residential:	___	%	Pipeline/Power/Utility Rights-of-Way:	___	ha
			Future Pipeline Corridor Expansions:	___	ha
			Existing Road Rights-of-Way:	___	ha
			Rail Rights-of-Way:	___	ha
			Country Residential Developments:	___	ha
			Provincially Owned Lands:	___	ha
			Boundary Rounding:	___	ha
**Calculated within Additional Population* ***Calculated withing Land Supply*					

EXPANSION LANDS FORMULA STEPS:

New Dwelling Units: Calculated by dividing the Additional Population by the Average Household Size.

New Dwelling Units *= Additional Population / Average Household Size*

New Dwelling Units Beyond Boundaries: Calculated by subtracting Net Available Residential Land multiplied by Current Density Target from New Dwelling Units.

New Dwelling Units Beyond Boundaries *= New Dwelling Units –*
(Net Available Residential Land x Current Density Target)

Net Residential Land Beyond Boundaries: Calculated by dividing New Dwelling Units Beyond Boundaries by the Future Density Target.

Net Residential Land Beyond Boundaries *= New Dwelling Units Beyond Boundaries /*
Future Density Target

Gross Developable Land Beyond Boundaries: Calculated by dividing Net Residential Land Beyond Boundaries by the Assumed Residential Land Percentage.

Gross Developable Land Beyond Boundaries *= Net Residential Land Beyond Boundaries /*
Assumed Residential Land Percentage

Expansion Lands: Calculated by adding together Gross Developable Land Beyond Boundaries, Environmental Reserve, Developed Lands and Boundary Rounding.

> ***Gross Land Beyond Boundaries*** *= Gross Developable Land Beyond Boundaries + Environmental Reserve + Developed Land + Boundary Rounding*

4.0 IMPLEMENTATION

When it has been determined that a trigger has been met, work should be initiated to restore the municipality's land supply back to the Optimum Land Supply amount.

While alternative processes do exist, the most commonly used process to provide a municipality with additional room for growth is an annexation application through the Municipal Government Board (MGB). Where an application is presented to the MGB, both municipalities shall strive to ensure the case presented to the MGB is built upon an agreed upon approach to resolution. Ideally as leaders of the region, the case would be vetted and supported prior to the hearing process and both municipalities would agree and defend the conclusions reached.

Where an annexation process is undertaken, the municipality inheriting lands from the other will strive to ensure any mitigation efforts to reduce the impacts to landowners are considered and implemented when beneficial. Determining impacts and mitigating efforts would ideally be done through public consultation.

5.0 CONCLUSION:

Through the Common Bonds Agreement, both municipalities worked together to determine the best strategy to prepare for growth. This work resulted in stronger collaborative relationships and greater potential for efficiencies between both municipalities.

The Boundary Accord allows alternatives to the 2031 date when mutually agreed to by both parties. Through many conversations, *indicators, triggers,* and *processes* have been established to better account for changes in growth needs and assessments of current circumstances.

The representatives at the table during this Framework's development were committed to representing the best interests of the region. They recognized that growth goes beyond jurisdictions and good representation relies upon communication and collaboration. This Framework is intended to continue that work and to maintain a shared commitment to accommodating our regional success.

6.0 REFERENCES:

Strathcona County/Fort Saskatchewan. October 4, 2001. *Strathcona County/Fort Saskatchewan Boundary Accord Agreement.* (Page 6)

Strathcona County/City of Fort Saskatchewan. June 27, 2012. *Common Bonds Agreement: Intermunicipal Cooperation Plan and Protocols*. (Page 1)

ISL Engineering & Land Services. November 2015. *Fort Saskatchewan Growth Study.* (Page 16)

ATTACHMENT 1

Edmonton Metropolitan Region Growth Plan Guiding Principles

1. Collaborate and coordinate as a Region to manage growth responsibly. We will work together to create a Region that is well managed and financially sustainable with a shared commitment to growing responsibly and achieving long-term prosperity.

2. Promote global economic competitiveness and regional prosperity. We will foster a diverse and innovative economy that builds upon our existing infrastructure and employment areas, and our strengths in energy development to achieve sustained economic growth and prosperity.

3. Achieve compact growth that optimizes infrastructure investment. We will make the most efficient use of our infrastructure investments by prioritizing growth where infrastructure exists and optimizing use of new and planned infrastructure.

4. Ensure effective regional mobility. Recognizing the link between efficient movement of people and goods and regional prosperity, we will work towards a multi-modal and integrated regional transportation system.

5. Recognize and celebrate diversity of communities, and promote an excellent quality of life across the Region. In planning for growth, we will recognize and respond to the different contexts and scales of communities, and provide a variety of housing choice with easy access to transportation, employment, parks and open spaces, and community and cultural amenities.

6. Wisely manage prime agricultural resources. In the context of metropolitan growth, we will ensure the wise management of agricultural resources to continue a thriving agricultural sector.

7. Protect natural heritage systems and environmental assets. We will practice wise environmental stewardship and promote the health of the region's biodiversity, ecosystems, watersheds, and environmentally sensitive areas.

ATTACHMENT 2

Documenting Discussions (2014-2018)

As per the Growth Planning Framework, the IMRC gathered to discuss preparing for growth from 2014 - 2018. The following provides a summation of the circumstances at the time of the discussions, and action items identified where collaborative efforts would support goals and objectives that are in the best interest of our shared sub-region.

Triggers Calculations:

To maintain awareness of each other's circumstances, both municipalities agreed to use the IMRC to assess preparedness for growth. To do so, the following calculations were completed:

Current Land Supply:

To assess Fort Saskatchewan's current preparedness for growth, the municipality's Current Land Supply was calculated and assessed against the Minimum Land Supply Threshold. A Minimum Land Supply Threshold refers to the agreed upon minimum Land Supply amount that should be available within a municipality. During the 2014-2018 discussions, the IMRC established a Minimum Land Supply Threshold of 15 years.

The Current Land Supply calculation is based on the short-term trends. Averaging the growth rate from recent years was considered the best means to determine the Short-Term Growth Rate. During the 2014-2018 discussions, the IMRC considered seven years optimum as generally the duration is long enough to capture the highs and lows of market fluctuations but short enough to reflect current trends.

Below is a summary of the variables agreed upon and data collected to inform the Current Land Supply calculation.

Table 1: Current Land Supply Formula Variables and Data.

Variables:			Data:		
Overheads			Gross Available Land:	965.1	ha
Roads:	20	%	Commercial Available Land:	18.6	ha
Municipal Reserve:	10	%	Industrial Available Land:	572.5	ha
Public Utilities:	5	%	Undevelopable Overheads:	86.9	ha
Institutional Land Uses:	7	%	Short-term Growth Rate:		
Density Target:	28	du/ndha	Year 1:	2.1	%
Average Household Size:	2.55	ppl/du	Year 2:	7.5	%

Short-term Duration:	7 years	Year 3:	6.5	%
		Year 4:	4.7	%
		Year 5:	5.4	%
		Year 6:	2.2	%
		Year 7:	3.9	%
		Current Population:	25,533	ppl

Current Land Supply Formula Steps:

Gross Available Residential Land: Calculated by determining the Gross Available Land and subtracting Commercial Available Land, Industrial Available Land, and Undevelopable Overheads such as arterial road rights-of-way, environmental reserve, industrial buffers, rail/pipeline/power line rights-of-way, and future planned pipeline expansions.

Gross Available Residential Land *= Gross Available Land – Commercial Available Land – Industrial Available Land – Undevelopable Overheads*

Gross Available Residential Land *= 965.1 ha – 18.6 ha – 572.5 ha – 86.9 ha*

Gross Available Residential Land *= 287.1 ha*

Net Available Residential Land: Calculated by subtracting from Gross Available Residential Land the assumed percentage of land to be absorbed by Roads, Municipal Reserve, Public Utilities, and Institutional Land Uses.

Net Available Residential *= Gross Available Residential Land x (1 – Roads % – Municipal Reserve % – Public Utilities % – Institutional Land Uses%)*

Net Available Residential *= 287.1 ha x (1 – 20% – 10% – 5% – 7%)*

Net Available Residential *= 166.518 ha*

Additional Population at Buildout: Calculated multiplying Net Available Land by the Current Density Target. The results are then multiplied by the agreed to Average Household Size.

Additional Population at Buildout = *Net Available Residential Land x Density Target x Average Household Size*

Additional Population at Buildout *= 166.518 ha x 28 du/ndha x 2.55 ppl/du*

Additional Population at Buildout *= 11,889.4 ppl*

Average Annual Population Increase: Calculated by averaging the growth rate for the previous 7 years and multiplying the Current Population by that Short-term Growth Rate.

Average Annual Population Increase = *(Year 1 + Year 2 + Year 3 + Year 4 + Year 5 + Year 6 + Year 7) / 7 x Current Population*

***Average Annual Population Increase** = (3.9% + 2.2% + 5.4% + 4.7% + 6.5% + 7.5% + 2.1%) / 7 x 25,533 ppl*

***Average Annual Population Increase** = 1178 ppl*

Current Land Supply: Calculated by dividing the Additional Population at Buildout by the Average Annual Population Increase.

***Current Land Supply** = Additional Population at Buildout / Average Annual Population Increase*

***Current Land Supply** = 11,889 ppl / 1178 people/year*

***Current Land Supply** = 10.09 years*

TRIGGER ASSESSMENT:

Minimum Land Supply Threshold: 15 years

Current Land Supply: 10.09 years

Additional Population

To prepare for growth, an estimate of how many additional people will live in the municipality in the future is needed.

Below is a summary of the variables agreed upon and data collected to inform the Additional Population calculation.

Table 2: Additional Population Formula Variables and Data.

Variables:			Data:		
Optimum Land Supply:	30	years	Current Population:	25,533	ppl
Forecasted Growth Rate:	2.53	%			

Additional Population Formula Steps:

Future Population: Calculated by multiplying the Current Population by 1 + Forecasted Growth Rate to an exponent of the duration of which the Optimum Land Supply is intended to last.

***Future Population** = Current Population x (1 + Forecasted Growth Rate) ^ Optimum Land Supply*

***Future Population** = 25,533 ppl x (1 + 2.53%) ^ 30*

***Future Population** = 54,029 ppl*

Additional Population: Calculated by subtracting the Current Population from the Future Population.

Additional Population *= Future Population – Current Population*

Additional Population *= 54,029 ppl – 25,533 ppl*

Additional Population *= 28,496 ppl*

Expansion Lands

When a municipality's Current Land Supply is below the Minimum Land Supply Threshold, the process to return the municipality's Land Supply to an agreed upon amount should be initiated. The agreed upon amount is referred to as the Optimum Land Supply. At the time this Framework was prepared, the Inter-Municipal Relations Committee set the Minimum Land Supply Threshold at 15 years' worth of developable land and the Optimum Land Supply at 30 years' worth of developable land.

Most often, to return a municipality to the Optimum Land Supply amount expansion lands will be needed. Expansion Lands refers to the lands beyond one municipality's current boundaries necessary to return a municipality to the Optimum Land Supply amount.

The Expansion Lands calculation is based on forecasts, using long-term assumptions as opposed to short-term data.

Below is a summary of the variables agreed upon and data collected to inform the Expansion Lands calculation.

Table 3: Expansion Lands Formula Variables and Data.

Variables:			Data:		
Average Household Size:	2.55	ppl/du	Additional Population:*	28,496	ppl
Assumed Land Percentages:			Current Density Target:	28	du/ndha
Commercial:	20	%	Future Density Target:	35	du/ndha
Institutional:	7	%	Net Available Residential Land:**	166.518	ha
Municipal Reserve:	10	%	Environmental Reserve:	198.20	ha
Public Utility:	25	%	Developed Lands:		
Residential:	38	%	Pipeline/Power/Utility Rights-of-Way:	9.97	ha
			Future Pipeline Corridor Expansions:	15.89	ha
			Existing Road Rights-of-Way:	37.26	ha
			Rail Rights-of-Way:	0	ha
			Country Residential Developments:	11.11	ha
			Provincially Owned Lands:	58.15	ha
			Boundary Rounding:	132.08	ha

**Calculated within Additional Population*
***Calculated within Land Supply*

Expansion Lands Formula Steps:

New Dwelling Units: Calculated by dividing the Additional Population by the Average Household Size.

***New Dwelling Units** = Additional Population / Average Household Size*

***New Dwelling Units** = 28,496 ppl / 2.55 ppl/du*

***New Dwelling Units** = 11,174.902 du*

New Dwelling Units Beyond Boundaries: Calculated by subtracting Net Available Residential Land multiplied by Current Density Target from New Dwelling Units.

***New Dwelling Units Beyond Boundaries** = New Dwelling Units –*
(Net Available Residential Land x Current Density Target)

***New Dwelling Units Beyond Boundaries** = 11,174.902 du – (166.518 ha x 28 du/ndha)*

***New Dwelling Units Beyond Boundaries** = 6512.398 du*

Net Residential Land Beyond Boundaries: Calculated by dividing New Dwelling Units Beyond Boundaries by the Future Density Target.

***Net Residential Land Beyond Boundaries** = New Dwelling Units Beyond Boundaries /*
Future Density Target

***Net Residential Land Beyond Boundaries** = 6512.398 du / 35 du/ndha*

***Net Residential Land Beyond Boundaries** = 186.0685 ha*

Gross Developable Land: Calculated by dividing Net Residential Land Beyond Boundaries by the Assumed Residential Land Percentage.

***Gross Developable Land Beyond Boundaries** = Net Residential Land Beyond Boundaries /*
Assumed Residential Land Percentage

***Gross Developable Land Beyond Boundaries** = 186.0685 ha / 38%*

***Gross Developable Land Beyond Boundaries** = 489.65 ha*

Gross Land: Calculated by adding together Gross Developable Land Beyond Boundaries, Environmental Reserve, Developed Lands, and Boundary Rounding.

***Gross Land Beyond Boundaries** = Gross Developable Land beyond Boundaries + Environmental Reserve + Developed Land + Boundary Rounding*

Gross Land Beyond Boundaries *= 489.65 ha + 198.20 ha + 132.39 ha + 132.08 ha*

Gross Land Beyond Boundaries *= 952.32 ha*

Triggers Assessment:

Land Supply: 10.32 years
Minimum Land Supply Threshold: 15 years

Additional Population: 23,516 people

Expansion Lands: 952.32 ha

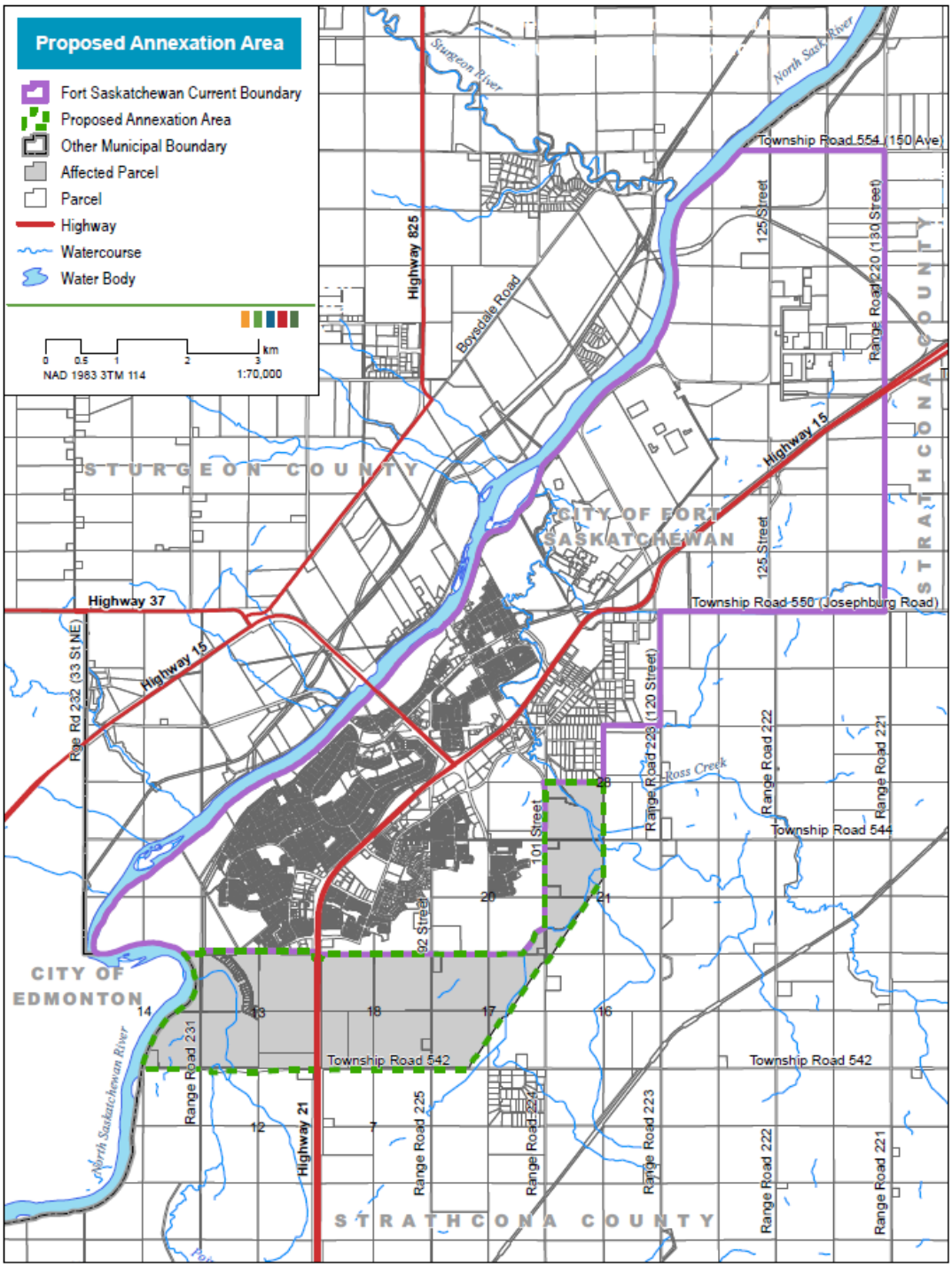
Actions:

1. An annexation application for the lands shown in the attached map be presented to the Municipal Government Board.

2. Both municipalities agree to engage in discussion of how collaborative approaches to growth, delivery of services and governance of the region may be enhanced and realized.

Schedule “2”

Map of Proposed Annexation Area and Description of Area



List of Legal Descriptions for Lands within the Proposed Annexation Area

A	Portion of SE 29-54-22-W4M within Road Plan 872 2128
B	All of SW 28-54-22-W4M including: Lots 1A and 2A, Plan 902 0569 Adjacent Government Road Allowances to the west and the south
C	Portion of W½ 21-54-22-W4M north and west of Right-of-Way Plan 792 1434, also including: Lot 1, Plan 932 3480 Area 'A' (Substation Site), Plan 122 1687 Lot A, Plan 772 3007 Adjacent Government Road Allowance to the west
D	Portion of S½ 24-54-23-W4M including: Portion of SW 24-54-23-W4M (metes and bounds) Portion of Right-of-Way Plan 5815RS (Power Line Right-of-Way) south of a line produced from the north boundary of Road Plan 042 1351 Road Plan 042 1351 in two parts Portion of Road Plan 3536AU Portion of Fort Saskatchewan Settlement Government Road Allowance south of a line produced from the north boundary of Road Plan 042 1351 Portion of Road Plan 822 1665 south of a line produced from the north boundary of Road Plan 042 1351
E	Portion of SE 20-54-22-W4M south and east of the north and west boundary of Right-of-Way Plan 902 0154, also including: Portion of SE 20-54-22-W4M (metes and bounds)
F	Portion of Section 14-54-23-W4M south and east of the right bank of the North Saskatchewan River, also including: Portion of SE 14-54-23-W4M (metes and bounds) Portion of the adjacent Government Road Allowance to the south, east of the right bank of the North Saskatchewan River
G	All of Section 13-54-23-W4M, also including: All those lands within Subdivision Plan 752 1001 Portion of Road Plan 3536AU Portion of SE 13-54-23-W4M (metes and bounds) Portion of Road Plan 822 1665 south of a line offset 50 m from the most northerly limit of NE 13-54-23-W4M Adjacent Government Road Allowances to the west and the south

H	All of Section 18-54-22-W4M, also including: Lots 1 and 2, Block 1, Plan 072 7005 Lot 1, Block 1, Plan 062 2015 Portion of Road Plan 822 1665 south of a line offset 50 m from the most northerly limit of NW 18-54-22-W4M Portion of the adjacent Government Road Allowance to the west, south of a line offset 50 m from the most northerly limit of NW 18-54-22-W4M Adjacent Government Road Allowance to the south
I	All of NW 17-54-22-W4M, also including: Lot 1, Plan 892 2284 Adjacent Government Road Allowance to the west
J	Portion of NE 17-54-22-W4M north and west of Right-of-Way Plan 822 1180
K	Portion of NW 16-54-22-W4M north and west of Right-of-Way Plan 792 1434, and north of Right-of-Way Plan 822 1180, also including: Portion of the adjacent Government Road Allowance to the west, north of a line produced along the north boundary of Right-of-Way Plan 822 1180
L	Portion of SW 17-54-22-W4M north and west of Right-of-Way Plan 162 1125, also including: Portion of the adjacent Government Road Allowance to the south, west of a line produced along the north and west boundary of Right-of-Way Plan 162 1125 Adjacent Government Road Allowance to the west
M	Portion of SE 17-54-22-W4M north and west of Right-of-Way Plan 822 1180, and north and west of Right-of-Way Plan 162 1125
N	Portion of N½ 12-54-23-W4M within Road Plan 487TR
O	Portion of NW 7-54-22-W4M within Road Plan 852 1637