

# Sturgeon County Annexation (2017)

Terms of Reference



**MARCH 2017**



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# Sturgeon County Annexation 2017

## Terms of Reference



### Background

In 2014, St. Albert City Council and Sturgeon County Council signed a Memorandum of Understanding (MOU) outlining a protocol to work together to address concerns of mutual interest along the shared boundaries. This included principles for future land use, infrastructure planning, and boundary discussion between the two municipalities. Based upon these quarterly discussions, St. Albert City Council and Sturgeon County Council signed a Memorandum of Agreement (MOA) to negotiate boundary adjustment on February 28, 2017. The MOA sets in motion the formal process for the two municipalities to begin negotiations on the terms of a future annexation of land from Sturgeon County to the City of St. Albert. The MOA sets out the potential maximum land area that can be annexed and the collaborative approach that will be taken.

### Goals and Objectives

As outlined within the MOA, the goal of the Sturgeon County Annexation is to allow for future growth that is consistent with Capital Region Board Growth Plan and to achieve economical servicing requirements. This will be achieved through future study of the agreed upon maximum study area, as outlined within the MOA.

To ensure a successful annexation is achieved and the City and the County have agreed to the following Right Growth Principles:

- Financial Responsibility,
- Infrastructure Efficiency,
- Boundary Definition,
- Complete and Unique Communities in a Sub-Region,
- Community Character,
- Inform Region Policy,
- Time Horizon,
- Joint Communication, and
- Environmental Sensitivity.

These principles will serve to underpin the objectives of the annexation. The objectives of the annexation are to:

- Adhere to the annexation legislative requirements and the Municipal Government Board (MGB) Annexation Procedure Rules,
- Administrate an annexation process that reflects the Right Growth Principles,
- Enable future sustainable development that reflects the City's needs,
- Receive written consent (or a signed negotiation report) from Sturgeon County,
- Ensure consultation with impacted parties including authorities and impacted landowners, and to
- Effectively communicate the process, rationale, impacts and opportunities to the public.

## Project Management / Coordination

The Sturgeon County Annexation (2017) will be managed and overseen by Development Services. The Planning Branch is responsible for the project management and administration of the annexation application. Intergovernmental Affairs is responsible for administering the Intermunicipal Affairs Committee and the recommending sub-committee known as the Negotiation Committee.

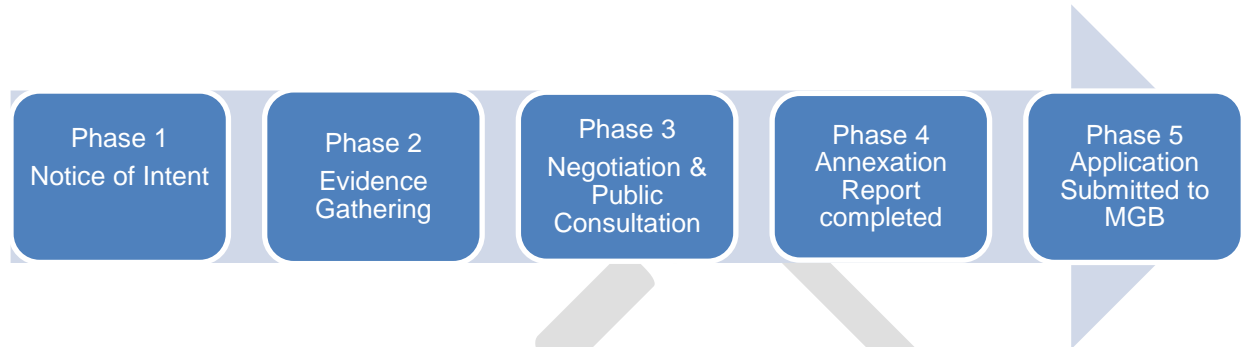
Additional internal support is required throughout the process, as important insight and expertise from Taxation and Assessment, Finance, Legal, Communications, Environmental Services, Engineering and Utilities are anticipated. Based upon the scope and budget outlined within the TOR that Administration from the listed departments will be able to participate on internal stakeholder committees and provide expert review of submitted technical documents, based on their area of expertise (as discussed below). While this TOR assumes that external consultants will produce technical documents, it does not allocate additional resources for St. Albert to review and administer them.

External support for this project will be required to develop and assemble supportive documentation for the final Annexation Report. This will include the following deliverables;

- Public Consultation Plan and Report Findings,
- Ecological Assessment,
- Fiscal Impact Analysis,
- Transportation Studies,
- Infrastructure and Servicing Reports,
- Comprehensive Growth Management Studies, and
- Legal Descriptions/Survey.

In addition, external support for the project will require outside legal counsel and an external facilitator/mediator for the Negotiation Committee.

## Project Workplan



### Phase 1: Prepare Notice of Intent to Annex

Staff and legal counsel are required to prepare a Notice of Intent to Annex lands from Sturgeon County. In addition to the submission to the Municipal Government Board, notification of the proposed annexation must be sent to:

- Sturgeon County
- The board of trustees of the local school district(s) or division(s).
- Any regional health authorities.
- Any regional services commissions
- Alberta Transportation
- Public utility operator providing services to the initiating municipality and the area proposed for annexation
- Irrigation districts.

During Phase One, the creation of a detailed project plan is required. This project plan will include the identification of the project scope, stakeholder groups, negotiation committee, deliverables, and associated project timelines. The project manager will develop the associated Invitation to Tenders (based upon the Growth Management Study) that will provide the supportive documentation to inform the final Annexation Report (see section Project Management). During this Phase, the project manager will ensure that a communications strategy and public consultation plan are developed and incorporated into the larger project.

### Phase 2: Evidence Gathering / Background Studies

Based upon the Memorandum of Understanding, the City of St. Albert is responsible for the development of the supportive documents to accompany the final Annexation Report. It is

anticipated that this will require supportive documentation prior to moving forward with negotiations and agreements. The supportive technical documents will provide the foundation of future development and levy development, as such, they will be comprehensive in their scope. Based upon the timelines, it is anticipated that Phase 2 will take approximately 18 months to complete, and the background studies will be completed in the following order:

- Undertake a comprehensive growth management study, for both St. Albert and Sturgeon County, including both residential and non-residential needs.
- Undertake a legal survey with associated legal descriptions.
- Complete supportive technical documents, including but not limited to transportation studies, infrastructure servicing, and ecological assessment.
- Determine linear assessments and mineral rights.
- Conduct a Fiscal Impact Assessment, which looks at both the impacts on the City of St. Albert and on Sturgeon County.
- Consult and report discussion with Alberta Transportation, and any listed impact authority.
- Development of a propose taxation scheme for incorporation of rural lands into St. Albert mill rate.
- Compilation of the findings of each of these reports.

### Phase 3: Public Consultation and Negotiation

As legislated criteria, annexations require significant public consultation. As such, prior to submission of an annexation report and negotiation between the City and the County, information regarding the annexation will be provided to the public. Public consultation sessions will be held to gather input and to identify any issues/concerns from affected residents and stakeholders. While the majority of the Phase 3 work will occur after Phase 2, it should be anticipated that ongoing public consultation and negotiation will occur throughout the project.

- Development of a Public consultation plan, and associated Public Awareness Campaign, including advertisement of public open houses in the St. Albert Gazette and Morinville Free Press.
- Development of an internal stakeholder committee to provide insight, direction, technical support, and review of background studies to support the annexation project (Taxation and Assessment, Finance, Legal, Communications, Environmental Services, Engineering, Intergovernmental Affairs and Utilities).
- Hosting public consultation sessions (at various stages of the project) where impacted parties can provide input and highlight issues/concerns they may have.
- Develop mitigating measures, if possible.
- Meet with private land owners to obtain letters of consent on annexation terms.

- Complete report outlining the public consultation process, findings, and proposed mitigation.

During Phase 3, ongoing negotiation between the City and the County will be administered. As per the MOA, the City and County will administer the negotiation of the annexation through a subcommittee of the Intermunicipal Affair Committee. Through an agreed upon third party facilitator, the Negotiation Committee will discuss items which achieve the MOA identified strategic interests:

- City of St. Albert: to be able to plan for future growth consistent with the Capital Region Board Growth Plan and to achieve economical servicing requirements.
- Sturgeon County: to secure the City of St. Albert's support for a land use plan, including the determination of an effective density of the Sturgeon Valley Special Study Area; and to negotiate joint servicing options outside of the annexed lands.

These negotiations will reflect the findings of the Background Research and Studies, the Public Consultation, and the MOA strategic interests.

#### Phase 4: Annexation Report

Subject to discussions between the Negotiation Committee and drafting of the corresponding Terms of Annexation, completion of the final Annexation Report will occur. This report will be the fundamental basis for the annexation. Should the annexation remain uncontested, and upon completion of the Annexation Report, a public information session will be held to communicate the findings and Terms of the Annexation.

#### Phase 5: Annexation Application

Upon completing the necessary public consultation and background studies to support the annexation, the City of St. Albert will submit the annexation application to the Municipal Government Board. Dependant the negotiation outcomes, there are two distinct paths that can occur. These will be highlighted within the Risk Section. Should the annexation remain uncontested between the two municipalities, the MGB will hold a public consultation session. If no objections are received, the Board will prepare a report and recommendation, which will be forwarded to the Minister of Municipal Affairs, followed by an Order in Council from the Province regarding the outcome.

## Project Budget and Timeline

### Budget

Due to the size and scale of this project, additional temporary resources are required to support this project. As the Project Management of this annexation will be coordinated out of the Planning Branch, a temporary Senior Planner and a Planning Technician are required to support this project. In addition, to support the Negotiation Committee, an outside facilitator/mediator

is required. It is anticipated that the administrative support will be required throughout the lifespan of the project, which is anticipated at 3 years.

In addition to the staffing requirements, specialized technical reports are required to support this annexation application. These include, but are not limited to: engineering reports, environmental assessments, legal surveys, and financial assessments, growth management plans, and proposed amendments to existing statutory documents. These studies will be extensive, as they will need to support both Sturgeon County's and the City of St. Albert's strategic interests.

**Staffing Support Budget Costs**

Temporary Senior Planner (Project Manager)	\$155,000/yr	\$465,000.00
Temporary Planning Technician	\$110,000/yr	\$330,000.00
Facilitator Contract	\$20,000/yr	\$60,000.00
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		<i>\$855,000.00</i>

**Deliverables Budget Costs**

Growth Management Study – St. Albert and Sturgeon County		\$125,000.00
Legal Survey – Legal Descriptions		\$15,000.00
Transportation Study		\$550,000.00*
Infrastructures Servicing Report (including Drainage Assessment)		\$550,000.00*
Ecological Assessment		\$125,000.00
Fiscal Impact Assessment		\$100,000.00
Public consultation plan, Awareness Campaign, and Consultation Sessions		\$125,000.00
Negotiation Report		\$50,000.00
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		<i>\$1,640,000.00</i>

**Additional Expenses Budget Costs**

Legal Fees (~250 hours)		\$100,000.00
Annexation Report Compilation		\$50,000.00
Annexation Application Fee – depends on the size of the annexation		\$2500.00
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		<i>\$152,500.00</i>

**Total Costs (not including compensation or Board Hearings) **\$2,647,500.00****

\* Costs incurred within this process will reduce the need for future studies on these lands when developing future statutory plans (by the municipality). These studies will undertake the short, medium, and long-term infrastructure needs, will reflect proposed development staging (as outlined within the growth management study), and address the strategic interests of St. Albert and Sturgeon County.



**Project Timeline (To be refined as outlined within the Project Plan)**

As outlined within the below timeline, it is anticipated that an uncontested annexation will take approximately 3 years to complete. This timeline was build upon input from past annexations. This timeline assumes that the annexation remains uncontested, that negotiations do not impact timelines, and timely direction/input from both Administration and Council (of both Sturgeon County and St. Albert).

Project Timeline	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Month	Notice of Intent	Evidence Gathering	Public Consultation and Negotiation	Annexation Report	Annexation Application Submittal
February 2017					
March 2017					
April 2017					
May 2017					
June 2017					
July 2017					
August 2017					
September 2017					
October 2017					
November 2017					
December 2017					
January 2018					
February 2018					
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November 2019					
December 2019					

## Project Risks

With all projects, there are events or conditions that can have a significant impact to the project objectives, timelines, and budgets. It is important that these risks be identified at the start of the project, to help mitigate any concerns should they arise. Should these following concerns arise, Administration will update Council, highlight the concerns, convey the impact, and provide alternative solutions to address the problem.

### Contested Annexation

This Terms of Reference assumes that the Annexation between Sturgeon County and the City of St. Albert will remain an uncontested annexation. Should the annexation become contested between the municipalities, there will be additional time and costs. Other parties can also contest the annexation (individual landowners), and this TOR assumes that there will be some opposition to this annexation from impacted parties. However, this TOR assumes that this opposition will be minimal and have little impact on the proceedings. However, should negotiation and mitigation measures fail, and/or there is significant opposition from impacted parties (City of Edmonton), additional costs (which are not assumed within the timeline and budget) will occur in the following areas:

- Legal fees
- Facilitator fees
- Unscheduled board hearings
- Increased public consultation sessions and public awareness

### Scope Creep

With a project of this scale and within a political environment, there may be additional considerations that were not anticipated at the time of writing this TOR. As the aim of the project is to ensure sustainable development for both municipalities, project costs could escalate due to change in direction and priority. It is important that Administration highlight these impacts to both the Intermunicipal Affairs Committee and the Negotiation Committee, when there are concerns that may impact the budget and timelines.

### Timely Decisions

With increasing timelines, comes increasing costs. Any impact to the timelines (Council direction, negotiation impacts, lack of data, etc.) will require additional project resourcing, specifically regarding the temporary positions and facilitating costs.

### Changes to Council Composition

As 2017 is an election year, it is anticipated that the Council's of both Sturgeon County and the City of St. Albert will have different members. If there is a significant change to the Council composition of either municipality, priorities may be adjusted to reflect the input of the new members.

### Internal Resourcing Capacity

This TOR assumes that the Annexation Project is a corporate priority project. As such, this TOR assumes that resources from internal departments are available to support the annexation project as outlined. However, due to varying corporate and department priorities, staffing challenges may occur throughout the duration of the project which may impact the schedule and budget.

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