

# **2024 ANNEXATION APPLICATION: City of Spruce Grove**

**AN24/SPRU/C-01**

# Executive Summary

The City of Spruce Grove and the Town of Stony Plain agree to the City's proposed annexation and have entered into an Annexation Agreement (**Appendix K**). The affected landowners do not oppose the annexation proposal (see consent and acknowledgement forms in **Appendix J**).

This report summarizes the annexation area analysis (see **Sections 1.1** and **1.2**), annexation rationale (see **Section 2**), negotiations between the City and the Town, public and agency engagement (see **Section 3**) and how this annexation proposal meets the intent of the 15 Annexation Principles (see **Section 2.7**). All technical and supporting documentation is referenced and/or is found in the Appendices herein.

The City of Spruce Grove has been proactive in planning ahead for its long-term growth and successfully annexed approximately eight quarter sections of land from Parkland County in 2021 to return Spruce Grove's land supply to approximately 30 years.<sup>1</sup>

While the 2016 annexation Growth Study (**Appendix A.1**) targeted a 50-year supply land acquisition from Parkland County and the Town of Stony Plain, ultimately the land from Stony Plain was not considered in the last annexation application.

Since the 2016 Growth Study, significant residential development has occurred in the northwest sector of the city, and Spruce Grove is experiencing substantial growth pressure and transportation demand, rekindling annexation discussions with the Town of Stony Plain.

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<sup>1</sup>Spruce Grove Growth Study Addendum, ISL Engineering and Land Services Ltd., 2019, found in **Appendix A.2** herein.

Growth in the northwest sector of the city has occurred at approximately two times the rate of growth of the city as a whole. Existing land use and transportation planning documents identify the importance of Boundary Road within the sector's transportation network, highlighting the need to upgrade Boundary Road to an urban standard in response to strong population growth and added traffic pressures on the existing network.

The Town of Stony Plain is not planning to upgrade Boundary Road in the near future. Further, servicing lands adjacent to Boundary Road within the Town is more cost-effective and efficient by way of extension of existing services from Spruce Grove.

Therefore, the City of Spruce Grove is seeking approval for the annexation of Boundary Road and a portion of the adjacent lands within the Town. The total area is approximately 9.56 ha. The City's need to complete the timely upgrade of Boundary Road along with its connection to Grove Drive will result in increased safety for residents, enhanced development potential of the adjacent lands, and the inclusion of affected landowners that requested to be part of the annexation.

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# 1

# Introduction & Context

The City of Spruce Grove (the City) has been proactive in planning ahead for its long-term growth and successfully annexed approximately eight quarter sections of land from Parkland County in 2021 to return Spruce Grove's land supply to approximately 30 years.<sup>2</sup>

While the 2016 annexation Growth Study (**Appendix A.1**) targeted a 50-year supply land acquisition from Parkland County and the Town of Stony Plain, representing approximately 22 quarter sections, ultimately the land from Stony Plain was not considered in the last annexation application.

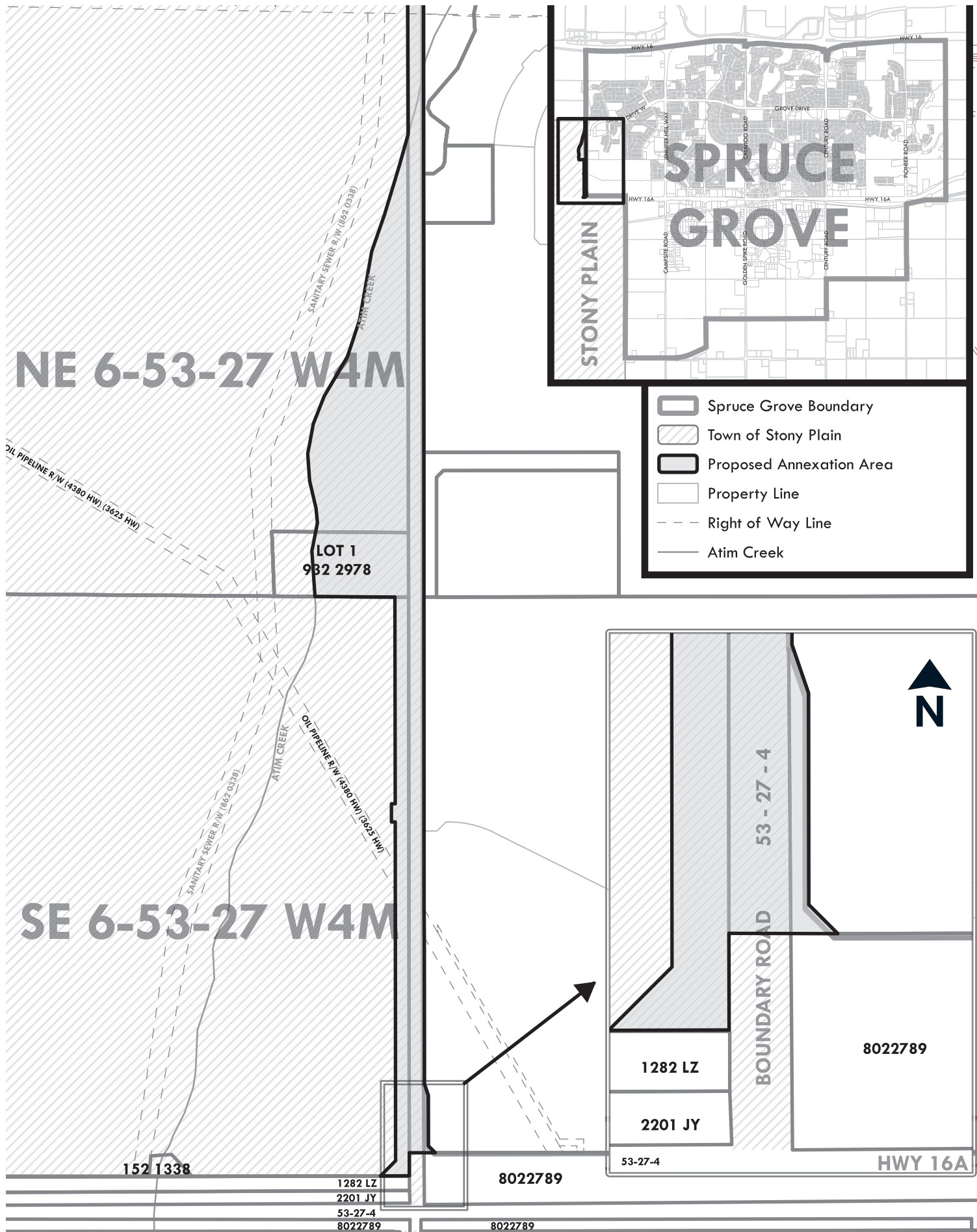
Since the 2016 Growth Study, significant residential development has occurred in the northwest sector of the city and Spruce Grove is experiencing substantial growth pressure and transportation demand, rekindling annexation discussions with the Town of Stony Plain (the Town).

The proposed Annexation Territory is shown in **Figure 1 – Annexation Territory**. The Territory comprises the Boundary Road right-of-way (ROW) from the north boundary of NW 6-53-27-W4M south to its intersection with Highway 16A as well as approximately 9.56 ha of land.

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<sup>2</sup> Spruce Grove Growth Study Addendum, ISL Engineering and Land Services Ltd., 2019, found in **Appendix A.2** herein.

**FIGURE 1 — Annexation Territory**





# 1.1 Land Use Context

## 1.1.1 Edmonton Metropolitan Region Board

The City of Spruce Grove is a member of the Edmonton Metropolitan Region Board (EMRB) and is subject to the policies of the EMRB's Growth Plan. The Growth Plan promotes responsible growth, the integration of land use and infrastructure, compact and contiguous development and complete communities to manage growth regionally.

The proposed annexation meets the Growth's Plan's intent for responsible growth by improving existing infrastructure (Boundary Road) to accommodate existing planned development within approved Area Structure Plans that identify Boundary Road as a critical piece of the transportation network, allowing the logical extension of existing services to land that will be contiguous with the City's boundary and existing development, and supporting a future development area that can support a mix of housing types, improved access and future transit routes.

## 1.1.2 Local Land Use Policies

### 1.1.2.1 Municipal Development Plan

The City's Municipal Development Plan (MDP), *The Shape of Our Community* (**Appendix B**), supports an orderly, timely and agreed upon process for annexation with its neighbours, and identifies the following key considerations for pursuing annexation:

1. Justifiable and mutually agreeable growth rates,
2. Availability and costs of servicing,
3. Adequacy of transportation systems to accommodate new development,
4. Land ownership patterns,
5. Minimizing premature consumption of prime agricultural land,
6. Local support,
7. Logical extension, and
8. Agricultural mill rates.

The proposed annexation addresses the relevant criteria listed above. Specifically, the City and the Town agree that growth rates in the northwest sector are higher than those of the City overall, the lands proposed to be annexed are more cost-effectively serviced by the logical extension of City services, the development of Boundary Road is critical to the successful full build-out of the northwest sector, the landowners are generally supportive of the annexation, and tax protection for landowners has been negotiated in the Annexation Agreement.

### 1.1.2.2 Area Structure Plans (ASPs)

The West and West Central Area Structure Plans (ASPs) apply to the lands within Spruce Grove adjacent to the eastern edge of the Annexation Territory. These ASPs are found in **Appendix C.1** and **Appendix C.2** respectively.

The West ASP anticipates a population at full build out of almost 15,000 people. The Development Concept identified Grove Drive connecting to Boundary Road just north of the existing Catholic Church on Boundary Road, as shown in **Figure 2** – West ASP Development Concept.

The West Central ASP applies to land south of the West ASP and north of Highway 16A, between Boundary Road and Jennifer Heil Way. The ASP anticipates a population of 4,167 at full build out and show one transportation connection to Boundary Road, as shown in **Figure 3** – West Central ASP Development Concept.

Together, the two ASPs are anticipated to generate a residential population of just over 19,000 at full build out. Both ASPs depend on the development of Boundary Road for the success of the proposed transportation networks, highlighting the need to improve Boundary Road to an urban standard to support the development of complete communities with safe, effective transportation networks.

FIGURE 2 — West ASP Development Concept

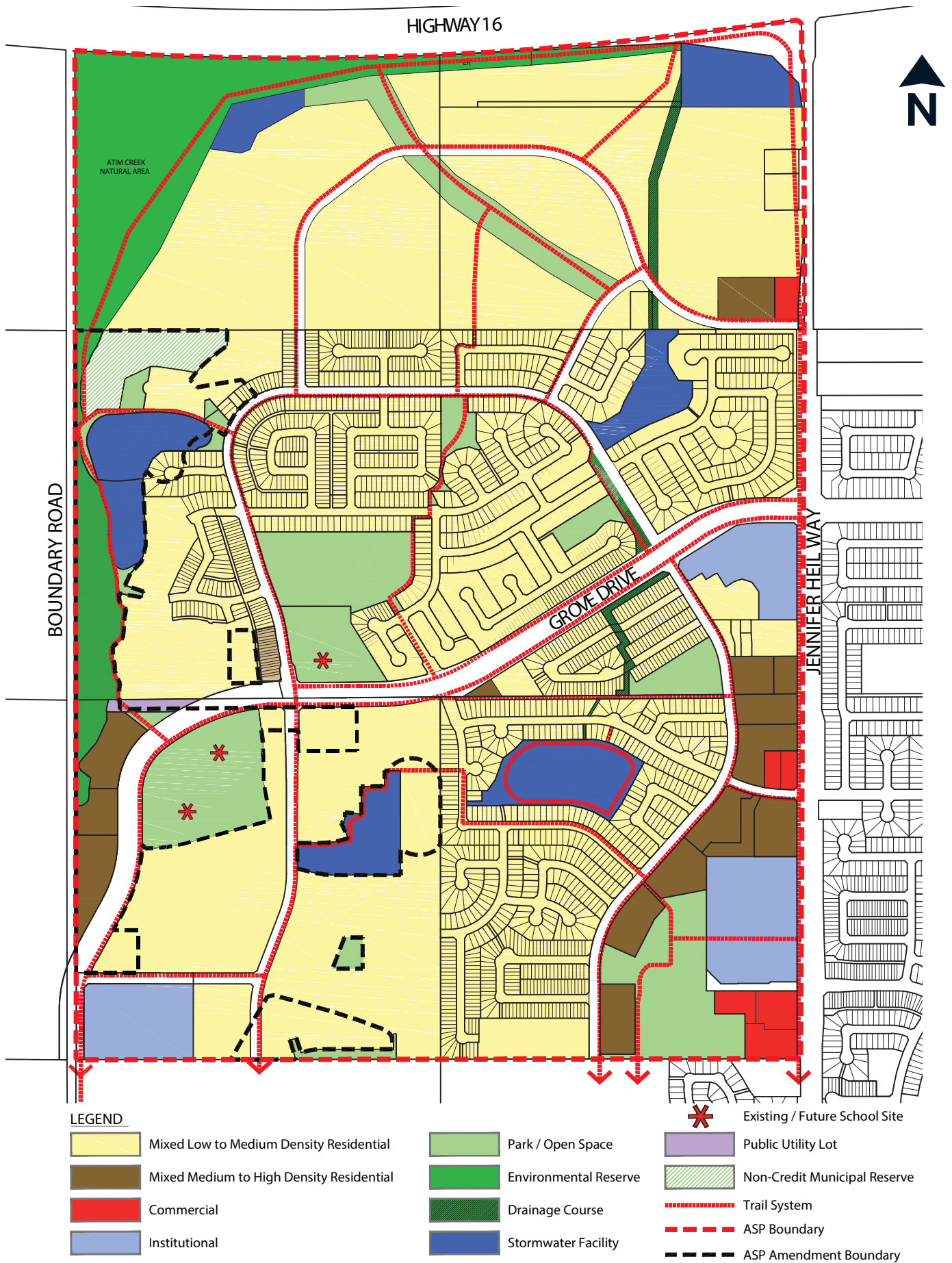
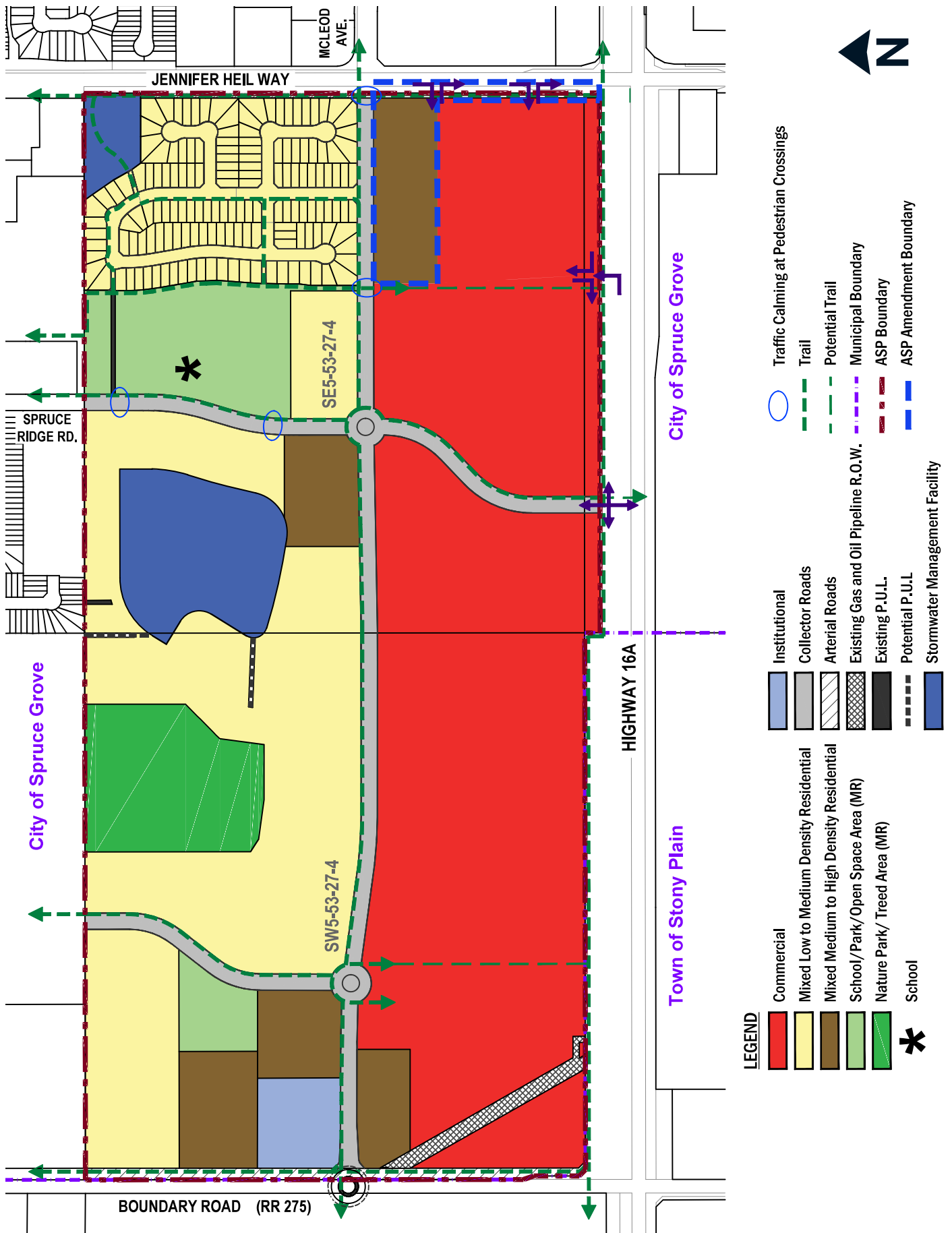


FIGURE 3 — West Central ASP Development Concept



## 1.2 Environmental Context

### 1.2.1 Waterbodies

Atim Creek runs along a portion of the western boundary of the proposed Annexation Territory as shown in **Figure 1**. Atim Creek is an environmentally significant waterbody which supports a varied habitat along its course. It is also an important inflow source for Big Lake, located northeast of Spruce Grove.

According to the Parkland County Environmental Conservation Master Plan (ECMP) found in **Appendix D**, Atim Creek has very high environmental sensitivity with moderate susceptibility to:

- groundwater contamination,
- drainage alteration,
- loss of riparian vegetation,
- Erosion, and
- diminished water quality.

Therefore, the ECMP recommends management strategies including:

- Maintain riparian vegetation and enhance riparian buffers.
- Encourage landowners and agricultural operators to use best management practices to enhance riparian vegetation and protect creeks.
- Adopt best practices for cultivated areas around the upper reaches of the creek to minimize the impact to the creek.
- Maintain creek bed to ensure spawning grounds remain intact.
- Limit access to riparian areas to minimize disturbances.
- Minimize barriers to wildlife movement.

## 1.2.2 Vegetation

Riparian habitat and adjacent woodland along Atim Creek offer habitat for wildlife and linkages between habitat blocks and should be conserved.<sup>3</sup>

A search of the Alberta Conservation Information Management System (ACIMS) database revealed three non-sensitive plant element occurrences in 6-53-27-W4M (**Appendix E**) including *Gratiola neglecta* (clammy hedge-hyssop) and *Conocephalum salebrosum* (cat-tongue liverwort).

## 1.2.3 Fish, Wildlife & Avian

A search of Alberta's Fish and Wildlife Management Information System (FWMIS) database revealed a report (**Appendix E**) citing occurrences of the following fish species in Atim Creek: Fathead Minnow, Lack Chub, Brook Stickleback and White Sucker. The report also identified the area as being within sensitive raptor range for Bald Eagle.

The Alberta Conservation Information Management System (ACIMS) database search did not identify any sensitive wildlife occurrences, although it is reasonable to assume deer, moose and smaller mammals frequent the wildlife corridor offered by Atim Creek.

A search of Alberta's Landscape Analysis Tool (LAT) showed the area of the Annexation Territory is within the range of Sharp Tail Grouse and Bald Eagle (**Appendix E**).

# 1.3 Transportation Context

## Stony Plain Transportation Master Plan

Stony Plain's Transportation Master Plan (TMP) (**Appendix F**) speaks to the future development of Boundary Road benefitting primarily the City of Spruce Grove in the shorter term as the Town is not expected to develop the lands west of Boundary Road until the distant future. Therefore, the Town's TMP concludes, the future upgrades to Boundary Road should be undertaken in partnership with the City of Spruce Grove.

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<sup>3</sup> Parkland County Environmental Conservation Master Plan, O2 Planning & Design Inc., 2014, found in **Appendix D** herein.



## Northwest Road Network

The City's 2024 integrated Transportation Master Plan (iTMP) (**Appendix G**) identifies key road network improvements, including Boundary Road, to accommodate increased traffic volumes.

Grove Drive is one of Spruce Grove's main east-west arterial roadways. Boundary Road is a two-lane rural roadway that is paved to the Holy Trinity Catholic Church and then unpaved to its northern limit. Boundary Road extends from Highway 16A north to its intersection with Atim Creek. Ultimately, Grove Drive is planned to connect to an upgraded Boundary Road via roundabout intersection (see **Figure 4** – Integrated Transportation Master Plan – Network Concept).

Grove Drive currently terminates in the northwest sector, so until a connection to Boundary Road is constructed, all ingress and egress from that sector is eastward via Grove Drive at its single intersection at Jennifer Heil Way.

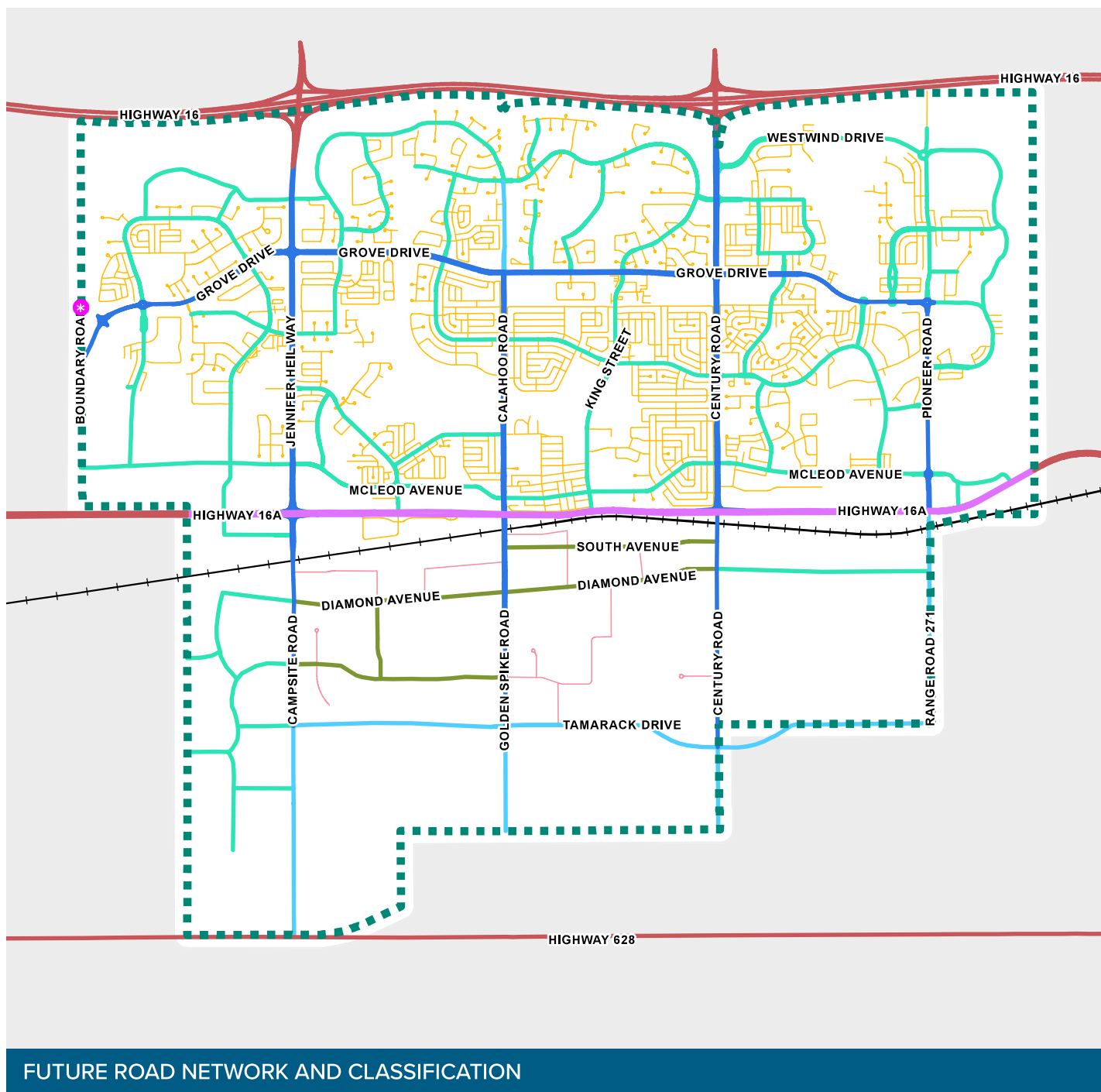
This single ingress/egress point increases risk to residents in the event of disaster or emergency, which is another factor in pursuing annexation of the Boundary Road right-of-way (ROW) and a portion of adjacent lands. Connecting to and upgrading Boundary Road allows Boundary Road to absorb additional traffic volumes generated from full build-out of the northwest sector, and in the meantime offers an alternative ingress/egress for residents and emergency personnel.

Improvements to Boundary Road are identified as a near-term project in the iTMP, with the first two phases being to upgrade Boundary Road to a two-lane arterial. However, the ultimate design for Boundary Road is a four-lane arterial from Grove Drive to Highway 16A, with the final two lanes of the northern leg between McLeod Road and Grove Drive being considered once traffic volume along Jennifer Heil Way warrants the upgrade.<sup>4</sup>

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<sup>4</sup> integrated Transportation Master Plan, McElhanney, 2024, found in **Appendix G** herein.

FIGURE 4 — Integrated Transportation Master Plan — Network Concept



- Provincial Highway
- Urban Highway
- Divided Arterial
- Undivided Arterial
- Residential/Commercial Collector
- Industrial Collector
- Residential/Commercial Local
- Industrial Local
- Railways
- Municipal Boundary
- ✱ Potential Boundary Road upgrade and connection, pending Annexation approval.



## Grove Drive & Boundary Road Functional Plan

The City has undertaken the development of a functional plan for Grove Drive and Boundary Road, found in **Appendix H**. In summary, the functional plan:

- identifies that the Town of Stony Plain suggested the lands to the east of Atim Creek geographically should be within the City of Spruce Grove jurisdiction.
  - Atim Creek limits access from Stony Plain to these lands, which renders them difficult to develop from access management, infrastructure extension, construction, and monetary perspectives;
- identifies that the Town supports annexation, and the parties agree that a Memorandum of Agreement is required to begin the annexation process;
- recommends Spruce Grove obtain the complete ROW for Boundary Road to its northern limit; and,
- identifies that developing Boundary Road to urban standards will meet long term traffic demands while providing a safe, efficient, and cost-effective arterial roadway for the City of Spruce Grove.

The functional plan supports the rationale for annexation and suggests the Town and the City agree over the need for the City to assume jurisdiction for Boundary Road.

# 2 Annexation Rationale & Supporting Information

## 2.1 Population & Growth

### 2.1.1 Growth Rate

The 50-year period between 1966 and 2016 saw an annual rate of growth of 8.4%, bringing the population from 580 people in 1966 to 33,640 in 2016.<sup>5</sup>

In the seven-year period between 2016 and 2023, there was a population increase of 5,345 people, representing average annual growth of 2.3% and annual rate of growth of 2.1%.

By comparison, in the northwest sector of the city, representing census enumeration areas 101 and 102<sup>6</sup>, there was a population increase of 1,874 people, representing a 33% increase in population and an annual rate of growth of 4.1%.

Based on this data, it is apparent the northwest sector's rate of growth is approximately double that of the annual rate of growth of the city for the same period.

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<sup>5</sup> *Spruce Grove Growth Study*, ISL Engineering and Land Services Ltd., December 2016, in **Appendix A.1**.

<sup>6</sup> See *Map 1: Enumeration Areas, Spruce Grove Growth Study*, ISL Engineering and Land Services Ltd., December 2016, found in **Appendix A.1** herein.

## 2.1.2 Population Projection

Considering the annexation rationale is largely based upon the need for Boundary Road to be developed to an urban standard and connected to Grove Drive in order to support growth in the northwest sector of the City of Spruce Grove, the population projection discussion below likewise focuses on growth in the northwest sector.

The West and West Central Area Structure Plans provide policy and growth direction for the northwest sector of the city. The ASPs project a combined full build-out population of just over 19,000. As of 2023, the remaining build-out population for the West ASP is estimated at 5,760 and for the West Central ASP estimated at 3,215<sup>7</sup>.

At an annual rate of growth of 4.1% in the northwest sector, this sector's full build out population of about 19,000 is expected to be realized by 2039, or within 15 years from now, as demonstrated in **Table 1** – Northwest Sector Population Growth Projection below.

TABLE 1 – Northwest Sector Population Growth Projection

Year	Starting Population	Growth Rate (%)	Increase	New Population
2023	9,712	4.1	398	10,110
2024	10,110	4.1	415	10,525
2025	10,525	4.1	432	10,956
2026	10,956	4.1	449	11,405
2027	11,405	4.1	468	11,873
2028	11,873	4.1	487	12,360
2029	12,360	4.1	507	12,867
2030	12,867	4.1	528	13,394
2031	13,394	4.1	549	13,943
2032	13,943	4.1	572	14,515
2033	14,515	4.1	595	15,110
2034	15,110	4.1	620	15,730
2035	15,730	4.1	645	16,375
2036	16,375	4.1	671	17,046
2037	17,046	4.1	699	17,745
2038	17,745	4.1	728	18,472
2039	18,472	4.1	757	19,230
2040	19,230	4.1	788	20,018

<sup>7</sup> The Shape of Our Community, Spruce Grove's MDP, Background Report found in Appendix C of the MDP document, found in **Appendix B** herein

## 2.2 Municipal Servicing

The 2016 Growth Study identified that servicing of the proposed Annexation Territory would be more cost-effective through the City than through the Town.

### Sanitary Services

To service from Stony Plain, a wastewater sewer would have to cross under Atim Creek, and a lift station would need to be constructed to empty flows into the Town's existing wastewater main. The Growth Study shows the proposed Annexation Territory is serviceable by a gravity sewer system from Spruce Grove, which would be much more cost-effective.

### Water Services

To service from Stony Plain, the Growth Study suggests water would need to be extended across the Atim Creek ravine from the west, or across Highway 16A from the south.

Given the distance services would need to be extended, greater than 0.8km, it is likely that the water main servicing the northern end of the Annexation Territory would need to loop back and tie into the Town's system by way of crossing the ravine a second time, which is inefficient and costly.

### Stormwater

The Growth Study suggests that with provincial approval, stormwater from the annexation area may be released into Atim Creek.

In conclusion, the 2016 Growth Study identifies that servicing of the proposed Annexation Territory would be more cost-effective via the City than via the Town.



## 2.3 Fiscal Impact

Nichol's Applied Management Inc. prepared a fiscal impact analysis in support of the annexation application, found in **Appendix I** of this report.

### 2.3.1 Short-Term Municipal Revenue-Expenditure Impacts

The impacts of the proposed annexation on the City's and the Town's taxable assessment are that the City would gain approximately \$1,091,766 in taxable assessments and the Town would lose \$1,092,841 taxable assessments.

In terms of municipal revenue-expenditure impacts for the City, the associated tax revenue from the annexed properties is approximately \$6,900 (2023) annually and the expenditures would be approximately \$350,000 in road design services and \$9,056,350 in road construction costs. Annual road maintenance costs post-construction completion is estimated to be \$22,800. Additionally, the one-time cost associated with the purchase of the agricultural land from landowners for the Boundary Road ROW will be immediate.

The Town of Stony Plain will see an immediate decrease of \$1,092,841 in taxable assessment, resulting in an approximate decrease of \$6,900 in tax revenue. However, the Town will see an annual \$10,000 reduction in overall transportation-related costs by transferring maintenance responsibility to the City for Boundary Road.

### 2.3.2 Long-Term Fiscal Impacts

#### 2.3.2.1 City of Spruce Grove

The long-term fiscal impacts were assessed from a 'with' and 'without' the proposed annexation approach. Under both scenarios, "the City's financial position as reflected in its tax levels is projected to remain stable over the long term, with required tax rates remaining relatively level in real terms."<sup>8</sup> In other words, the annexation is not expected to have a detrimental affect on the City's overall fiscal situation.

#### 2.3.2.2 Town of Stony Plain

The long-term fiscal impacts of annexation on the Town were assessed using the 'with' and 'without' annexation approach.

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<sup>8</sup> *Fiscal Impact Analysis of the City of Spruce Grove's Proposed Annexation*, Nichol's Applied Management, September 2024, page 9, found in **Appendix I** herein.

Since the Annexation Territory is a small area of land with limited taxable assessment, the transfer of the territory to the City would result in a relatively small decrease in the Town's overall assessment base, but this is offset by the annual costs saving in road maintenance. The net impact on the Town's long-term mill rates and overall fiscal situation is expected to be negligible.<sup>9</sup>

### 2.3.2.3 Annexed Properties

In the long term, access to City services (i.e., water and sanitary) through annexation could facilitate redevelopment of the current rural residential lands. However, in the absence of annexation, future redevelopment opportunities would likely be limited due to servicing constraints.

Overall, the long term impacts with annexation would be to support redevelopment of the annexed properties and the long term impacts without annexation would be to limit redevelopment opportunities.

## 2.4 Emergency Services

It is expected that improvements to Boundary Road would support improved response times to developments adjacent to Boundary Road as well as improved response time by Stony Plain mutual aid partners in case of an emergency, including fire.

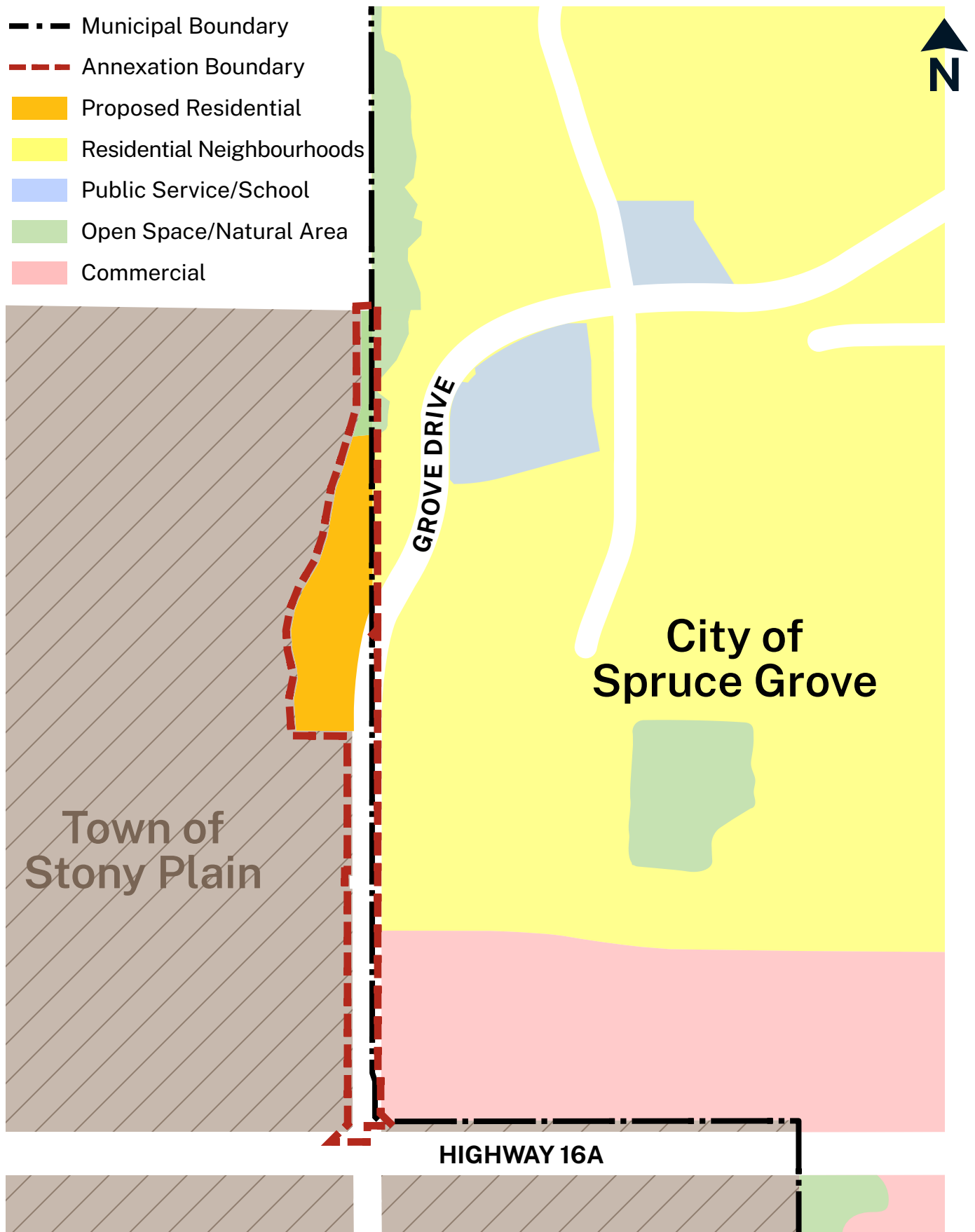
## 2.5 Future Land Use

It is anticipated that most of the non-road ROW lands within the Annexation Territory once annexed would be identified in the City's MDP for future neighbourhood development, which would include primarily residential and some neighbourhood commercial uses. The riparian lands along Atim Creek would be surveyed and identified as Open Space and Natural Area, destined for Environmental Reserve designation via the development process and maintaining its ecological integrity (see **Figure 5** – Future Land Use).

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<sup>9</sup>Fiscal Impact Analysis of the City of Spruce Grove's Proposed Annexation, Nichol's Applied Management, September 2024, page 9, found in **Appendix I** herein.

FIGURE 5 — Future Land Use



## 2.6 Landowner Consents

The City solicited signed consent and acknowledgement forms from the affected landowners, attached in **Appendix J**. All landowners verbally expressed support of the annexation during recent in-person landowner meetings and provided signed consent and acknowledgement forms.

## 2.7 Annexation Principles

The Province of Alberta's former Municipal Government Board (MGB) created 15 Annexation Principles with which to consistently review and assess annexation applications. The list below demonstrates how this proposed annexation addresses all 15 annexation principles, as applicable.

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**01** **Annexations that provide for intermunicipal cooperation will be given considerable weight. Cooperative intermunicipal policies in an intermunicipal development plan will be given careful consideration, weight and support so long as they do not conflict with Provincial policies or interests.**

- ➔ The City of Spruce Grove and the Town of Stony Plain are both members of the EMRB and as such are not required to have an intermunicipal development plan. Regardless, numerous documents cited in this report reference the municipalities' agreement to the logic of Boundary Road being developed by Spruce Grove. Further, the City and the Town mutually agree to the proposed annexation as evidenced by the signed Annexation Agreement found in **Appendix K**.

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**02** **Accommodation of growth by all municipalities (urban or rural) must be accomplished without encumbering the initiating municipality and the responding municipality's ability to achieve rational growth directions, cost effective utilization of resources, fiscal accountability and the attainment of the purposes of a municipality described in the Act.**

- ➔ The annexing of Boundary Road will support Spruce Grove's growth by enhancing the existing transportation network for the northwest sector of the community. Further, the annexed properties will be afforded the opportunity to develop sooner and in a more cost-effective manner with access to City municipal services and an improved transportation network. Servicing the Annexation Territory from the Town of Stony Plain is not cost-effective. Through the annexation the Town sheds the fiscal responsibility for Boundary Road and for extending services to its far eastern boundary, allowing the Town to focus on more cost-effective and efficient growth contiguous to its existing developed areas.

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**03** An annexation or annexation conditions should not infringe on the local autonomy given to municipalities in the Act unless provisions of the Act have been breached or the public interest and individual rights have been unnecessarily impacted.

- ➔ The City and the Town agree to the annexation, and all required actions per the Municipal Government Act have been undertaken, as reported herein in **Section 3** that follows and as evidence by the signed Annexation Agreement in **Appendix K**.

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**04** An annexation must be supported by growth projections, availability of lands within current boundaries, consideration of reasonable development densities, accommodation of a variety of land uses and reasonable growth options within each municipality (initiating and responding municipality).

- ➔ The primary driver of the proposed annexation is improved transportation access for existing and projected population within already planned areas of the City of Spruce Grove rather than acquiring additional lands to support expected growth.
- ➔ The overarching policy documents guiding development in the city's northwest sector, as well as the 2024 iTMP, identify the importance of Boundary Road to support the successful functioning of the city's transportation network.
- ➔ The growth history shows the northwest sector of Spruce Grove is growing at a rate that is almost double that of the rest of the city, accelerating the need for improvements to Boundary Road and connection to provide alternative ingress/egress to the northwest sector.
- ➔ The Town of Stony Plain was not positioned to undertake the development of Boundary Road to accommodate the City's needs and agreed to the annexation.

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**05** An annexation must achieve a logical extension of growth patterns, transportation and infrastructure servicing for the affected municipalities.

- ➔ Recent growth rates demonstrate the northwest sector of Spruce Grove is growing at a rate that exceeds that of the rest of the city, accelerating the need to develop Boundary Road from a rural road standard to an urban road standard to improve vehicular circulation and support continued development of the sector.
- ➔ Additionally, lands adjacent to Boundary Road within Stony Plain cannot be cost-effectively serviced from Stony Plain. It is more cost effective and efficient to service the Annexation Territory from Spruce Grove as the services will run within the Boundary Road ROW once developed.

- ➔ The proposed annexation supports the continuation of growth in Spruce Grove and supports the logical extension of growth patterns within Spruce Grove to the Annexation Territory via the connection to and development of Boundary Road as shown in **Figure 5**.

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**06 Each annexation must illustrate a cost effective, efficient, and coordinated approach to the administration of services.**

- ➔ The City of Spruce Grove and the Town of Stony Plain agree to coordinate the transition of jurisdiction of the Annexation Territory pursuant to the signed Annexation Agreement, found in **Appendix K**.

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**07 Annexations that demonstrate sensitivity and respect for key environmental and natural features will be regarded as meeting provincial land use policies.**

- ➔ The annexation analysis identifies the ecological importance of Atim Creek. It is anticipated that the riparian lands within the Annexation Territory will be surveyed and designated as Open Space and Natural Areas in the City's MDP at the time of subdivision, and ultimately designated as Environmental Reserve.

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**08 Coordination and cost effective use of resources will be demonstrated when annexations are aligned with and supported by intermunicipal development plans, municipal development plans, economic development plans, transportation and utility servicing plans and other related infrastructure plans.**

- ➔ The City of Spruce Grove's MDP, iTMP, Grove Drive and Boundary Road Functional Plan, and 2016 Growth Study all support and/or demonstrate that annexation supports the efficient use of services and developable urban land. Additionally, the Town's TMP also identified that Boundary Road would be best upgraded by Spruce Grove.

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**09 Annexation proposals must fully consider the financial impact on the initiating and responding municipality.**

- ➔ The Fiscal Impact Analysis prepared by Nichol's Applied Management (**Appendix I**) concludes the short and long term impacts of annexation on both the City and the Town are negligible.



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**10**     **Inter-agency consultation, coordination and cooperation is demonstrated when annexations proposals fully consider the impacts on other institutions providing services to the area.**

- ➔ Further to **Section 3** herein, all relevant agencies were notified and provided opportunities to comment on the proposed annexation. Comments received are captured in this report and will be taken into consideration during applicable phases of future development.

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**11**     **Annexation proposals that develop reasonable solutions to impacts on property owners and citizens with certainty and specific time horizons will be given careful consideration and weight.**

- ➔ Most of the affected landowners expressed a keen desire to be brought into the City of Spruce Grove through the annexation. One affected landowner was indifferent to the annexation proposal yet provided consent. Negotiations with the Town led to a signed Annexation Agreement that includes provisions in Part 5.0 of the Agreement affording affected landowners tax protection through 2050.

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**12**     **Annexation proposals must be based on effective public consultation both prior to and during any annexation hearing or proceedings.**

- ➔ The City of Spruce Grove offered two public events and made information available through social media and a project webpage for members of the public to learn about and engage with the annexation proposal, as detailed in **Section 4** herein. Spruce Grove also met individually with affected landowners.

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**13**     **Revenue sharing may be warranted when the annexation proposal involves existing or future special properties that generate substantive and unique costs to the impacted municipality(s) as part of the annexation or as an alternative to annexation.**

- ➔ There are no special properties contained within the Annexation Territory.

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**14** Annexation proposals must not simply be a tax initiative. Each annexation proposal must have consideration of the full scope of costs and revenues related to the affected municipalities. The financial status of the initiating or the responding municipality(s) cannot be affected to such an extent that one or the other is unable to reasonably achieve the purposes of a municipality as outlined in section 3 of the Act. The financial impact should be reasonable and be able to be mitigated through reasonable conditions of annexation.

- ➔ As discussed in **Section 2.3** herein, the fiscal impacts, including taxable assessment and related tax revenue, do not preclude either municipality from achieving its municipal purpose pursuant to the Act.

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**15** Conditions of annexation must be certain, unambiguous, enforceable and be time specific.

- ➔ The City of Spruce Grove and the Town of Stony Plain have signed an Annexation Agreement found in **Appendix K**, and recommend the annexation conditions be as follow:
- That the annexation come into effect as of January 1, 2025.
  - That for taxation purposes in 2025 and subsequent years up to and including the 2050 tax year:
    - The land in the Annexation Territory and the assessable improvements to it must be assessed by the City on the same basis as if they had remained in the Town;
    - The land in the Annexation Territory and the assessable improvements to it must be taxed by the City in respect of each assessment class that applied to the lands in the Annexation Territory and the assessable improvements to it using the tax rate established by the Town or by the City, whichever is lower; and
    - The City will use best efforts to collect the aforementioned taxation and remit the same to the Town.
  - That there is no compensation payable to the Town of Stony Plain by the City of Spruce Grove as a result of the annexation.

# 3

## Report on Negotiation

Section 118(1) of the MGA states:

118(1) On conclusion of the negotiations, the initiating municipal authority must prepare a report that describes the results of the negotiations and that includes

- (a) a list of the matters agreed on and those on which there was no agreement between the municipal authorities,
  - (a.1) if there were matters on which there was no agreement, a description of the attempts to use mediation and, if mediation did not occur, the reasons for this,
- (b) a description of the public consultation processes involved in the negotiations, and
- (c) a summary of the views expressed during the public consultation processes.

This section addresses MGA section 118(1) (a – a.1) and the **Section 4** addresses MGA section 118(1)(b-c).

### 3.1 Negotiation Activity

The following **Table 2** – Negotiation Meetings Summary summarizes the dates and topics discussed during negotiation meetings between the City of Spruce Grove and the Town of Stony Plain.

TABLE 2 – Negotiation Meetings Summary

Date	Attendees	Meeting Topics
March 7, 2024	<b>City</b> Dean Screpnek, <i>City Manager</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Tracy Chiloyko, <i>Executive Assistant</i> <b>Town</b> Tom Goulden, <i>CAO</i>	<ul style="list-style-type: none"> <li>Landowner notifications</li> <li>Proposed open house</li> <li>Town road access</li> <li>Town Council concerns</li> <li>Mediation options</li> <li>Context for annexation</li> </ul>
April 15, 2024	<b>City</b> Dean Screpnek, <i>City Manager</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Tracy Chiloyko, <i>Executive Assistant</i> <b>Town</b> Tom Goulden, <i>CAO</i>	<ul style="list-style-type: none"> <li>Update from Town Council</li> <li>Cost estimates to service Annexation Territory</li> <li>Continued and future road access</li> <li>Annexation territory</li> <li>Servicing responsibilities</li> <li>Road design standard/costs</li> <li>Information sharing</li> </ul>
May 6, 2024	<b>City</b> Dean Screpnek, <i>City Manager</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Vicki Dodge, <i>Planning Consultant</i> Tracy Chiloyko, <i>Executive Assistant</i> <b>Town</b> Tom Goulden, <i>CAO</i> Jeneane Grundberg, <i>Legal Counsel</i>	<ul style="list-style-type: none"> <li>Town Council update</li> <li>Costs of future development</li> <li>Uncontested annexation preferred by both parties</li> <li>Atim Creek management</li> <li>Annexation rationale</li> <li>Town preference for Annexation Territory</li> <li>Continued road access by Town</li> <li>Town meetings with landowners</li> <li>Public consultations</li> <li>Servicing cost responsibilities</li> <li>Annexation Territory</li> <li>City discussions with landowners</li> <li>Pipeline restrictions</li> </ul>

Date	Attendees	Meeting Topics
May 8, 2024	<b>City</b> Dean Screpnek, <i>City Manager</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Tracy Chiloyko, <i>Executive Assistant</i>	<ul style="list-style-type: none"> <li>■ Annexation agreement</li> <li>■ Road access and apportioning future development costs</li> <li>■ Road details in annexation agreement</li> </ul>
	<b>Town</b> Tom Goulden, <i>CAO</i> Jeneane Grundberg, <i>Legal Counsel</i>	<ul style="list-style-type: none"> <li>■ Annexation application timing</li> <li>■ Town meeting with landowners</li> <li>■ Boundary Road development permits from ATEC</li> <li>■ Potential annexation agreement</li> </ul>
September 9, 2024	<b>City</b> Dean Screpnek, <i>City Manager</i> Jamie Doyle, <i>General Manager of Sustainable Growth &amp; Development Services</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Vicki Dodge, <i>Planning Consultant</i> Tracy Chiloyko, <i>Executive Assistant</i>	<ul style="list-style-type: none"> <li>■ Annexation agreement principles</li> <li>■ Annexation Territory preferred by Town</li> <li>■ Amendment to NOI</li> <li>■ Annexation appeals by landowners/ residents</li> <li>■ Revised NOI to Councils</li> <li>■ Road construction</li> <li>■ Future open house with new Annexation Territory</li> </ul>
	<b>Town</b> Tom Goulden, <i>CAO</i> Jeneane Grundberg, <i>Legal Counsel</i>	

## 3.2 Matters of Mutual Agreement

As outlined in the Annexation Agreement, **Appendix K**, the following matters found mutual agreement:

- Annexation territory (Schedule A-1 of **Appendix K**)
- Those issues addressed in:
  - Part 2.0 Purpose,
  - Part 3.0 Mutual Cooperation,
  - Part 5.0 Assessment and Taxation,
  - Part 6.0 Compensation Payable to the Town,
  - Part 7.0 Additional Considerations Arising from Negotiation,
  - Part 8.0 Status of Past Agreements,
  - Part 9.0 Termination of this Agreement,
  - Part 10.0 Notices,
  - Part 11.0 Dispute Resolution, and
  - Part 12.0 General.

Additionally, the following matters are held in mutual agreement outside of the Annexation Agreement, and may be subject to separate agreements outside of the annexation process:

- The location and design of future intersections with Boundary Road.
- The collection and remittance of funds from benefitting landowner(s) of the West Lands for direct access to Boundary Road (see Schedule A-6 in the Annexation Agreement, found in **Appendix K** herein).

### 3.3 Landowner, Public & Agency Consultations

The following **Table 3** – Consultation Events Summary summarizes the dates of the public and landowner consultation undertakings of the City of Spruce Grove, as well as the views expressed during each event. Proof of advertisement for the two open houses is found in **Appendix L**.

TABLE 3 – Consultation Events Summary

Date	Event Type	Parties	View Expressed
March 18, 2024	Affected Landowner meeting	<b>Landowners</b> Landowner (SE 6)  <b>City Staff</b> Carol Bergum, <i>Director of Planning &amp; Development</i> Christina Kortmeyer, <i>Senior Long Range Planner</i>	<ul style="list-style-type: none"> <li>No concerns with proposed annexation</li> </ul>
May 2, 2024	Affected Landowner meeting	<b>Landowners</b> Landowner (NE 6) Landowner (Lot 1 part of NE 6)  <b>City Staff</b> Carol Bergum, <i>Director of Planning &amp; Development</i> Karen Majeau, <i>Senior Development Officer</i>	<ul style="list-style-type: none"> <li>ER/MR lands and Atim Creek sensitive areas</li> <li>Road construction impact concerns</li> <li>Compensation for land</li> <li>Access concerns</li> <li>Bridge over Atim Creek wants to be retained</li> <li>Seed invasion from construction equipment</li> <li>Municipal services access</li> <li>Tax &amp; assessment process</li> <li>Future zoning and non-conforming uses</li> </ul>
May 22, 2024	Open House	Members of the public and some affected landowners  <b>City Staff</b> Carol Bergum, <i>Director of Planning &amp; Development</i> Christina Kortmeyer, <i>Senior Long Range Planner</i> Vicki Dodge, <i>Planning Consultant</i>	<ul style="list-style-type: none"> <li>Wanted access to engineering personnel to answer technical questions</li> </ul>

Date	Event Type	Parties	View Expressed
May 22, 2024	On-Site Meeting with Affected Landowners	<b>Landowners</b> Landowner (NE 6) Landowner (Lot 1 part of NE 6) <b>City Staff</b> Carol Bergum, <i>Director of Planning &amp; Development</i> Rae-Lynne Spila, <i>Municipal Engineer</i>	<ul style="list-style-type: none"> <li>Walking tour of affected landowner property with landowner representatives</li> <li>Discussed how land is used, showed areas of environmental sensitivity along Atim Creek</li> <li>Identified areas that could be impacted by road widening</li> </ul>
July 31, 2024	Affected Landowner meeting	Members of the Public and Landowners <b>City Staff</b> Jamie Doyle, <i>General Manager</i> Carol Bergum, <i>Director of Planning &amp; Development</i> Mark Hussey, <i>Director of Engineering</i>	<ul style="list-style-type: none"> <li>Provided annexation proposal details to landowners</li> <li>Indicated proposed road alignment</li> <li>Gathered feedback from landowners</li> </ul>
August, 2024	Affected Landowner meeting	<b>Landowners</b> Landowner (NE 6) <b>City Staff</b> Carol Bergum, <i>Director of Planning &amp; Development</i> Mark Hussey, <i>Director of Engineering</i>	<ul style="list-style-type: none"> <li>Future access points</li> <li>Revised annexation proposal</li> <li>Future development plans for landowner's land</li> <li>Future servicing</li> </ul>
October 16, 2024	Open House	Members of the public and some affected landowners <b>City Staff</b> Christina Kortmeyer, <i>Senior Long Range Planner</i> Vicki Dodge, <i>Planning Consultant</i>	<ul style="list-style-type: none"> <li>General questions about what is proposed</li> <li>Questions about timing of road construction</li> </ul>
October 28, 2024	Affected Landowner meeting	<b>Landowners</b> Landowner (SE 6) <b>City Staff</b> Jamie Doyle, <i>General Manager</i> Christina Kortmeyer, <i>Senior Long Range Planner</i> Robin Pedlar, <i>Manager of Land Development</i>	<ul style="list-style-type: none"> <li>Wanted additional land included to support servicing</li> <li>Servicing is dependant on adjacent developer so is ok with proposed boundary as is</li> <li>Wants future access to Boundary Road</li> <li>Offsite levy inquiry</li> </ul>



Date	Event Type	Parties	View Expressed
November 6, 2024	Affected Landowner Meeting	<b>Landowners</b> Landowner (NE 6) Landowner (Lot 1 part of NE 6)  <b>City Staff</b> Christina Kortmeyer, <i>Senior Long Range Planner</i> Robin Pedlar, <i>Manager of Land Development</i>	<ul style="list-style-type: none"> <li>■ Required further information about road alignment and residential/farm access to their properties</li> <li>■ Wanted to know where services were coming from within the adjacent areas currently under development</li> <li>■ Expressed concern about farm equipment being able to navigate the new road with roundabouts</li> <li>■ Asked about tax implications and how assessment would work for the future</li> <li>■ Could their properties be included in an existing ASP by amendment</li> <li>■ Timeline for road construction start and progression from end of Grove Drive westward towards Boundary Road</li> <li>■ Possible land trade for land being acquired for road</li> <li>■ Wishing to acknowledge the family's long time farming heritage by including the Webber name within the future development of their properties</li> </ul>

Agencies were notified of the proposed annexation and invited to provide comments via the Notice of Proposed Annexation issued February 27, 2024, and the revised Notice of Proposed Annexation issued October 16, 2024 (**Appendix M**). Agency comments are summarized in **Table 4** – Agency Comments Summary below.

TABLE 4 – Agency Comments Summary

Agency	Comments
Trans Mountain Pipeline	<ul style="list-style-type: none"> <li>■ Confirmation of type and location of pipelines in the Boundary Road ROW</li> <li>■ Request to always maintain access to pipelines</li> <li>■ Request to enter into a road crossing agreement</li> <li>■ Proximity permit requirements</li> <li>■ Reminder of no permanent structures over ROW</li> <li>■ Reference phone numbers and guidelines for permitting and landscaping</li> <li>■ Site development best practices</li> <li>■ Request to be informed of future development</li> <li>■ Email correspondence on crossing agreements and requirements for working around the pipeline</li> </ul>
Alberta Transportation & Economic Corridors	<ul style="list-style-type: none"> <li>■ No objections to the proposed annexation</li> <li>■ Coordination among jurisdictions for future signalized intersection at Boundary Road/Hwy 16A would be required</li> </ul>

## 3.4 Consultation Communications

The following **Table 5** – Social Media Posts Summary summarizes the social media posts related to the annexation initiated by the City of Spruce Grove.

TABLE 5 – Social Media Posts Summary

Date	Content	Platform
February 23, 2024	Council agenda post, included the agenda item about the notice of annexation going to Council	Meta (Facebook)
February 26, 2024	Council agenda reminder post, included the agenda item about the notice of annexation going to Council	Meta (Facebook)
February 27, 2024	Update that the motion related to the NOI was passed	Meta (Facebook)
May 17, 2024	Inviting the public to the open house	Meta (Facebook)/ X (Twitter)
May 22, 2024	Reminder on the open house	Meta (Facebook)/ X (Twitter)
October 11, 2024	Council agenda post, included the agenda item about the revised notice of annexation going to Council	Meta (Facebook)
October 15, 2024	Council agenda reminder post, included the agenda item about the revised notice of annexation going to Council	Meta (Facebook)/ X (Twitter)

key communications with landowners. Redacted email and letter communication is found in **Appendix N**.

TABLE 6 – Landowner Email Communications Summary

Date	Purpose	Format	Content
February 29, 2024	Notification of Annexation	Registered Letter	<ul style="list-style-type: none"> <li>History of prior annexation</li> <li>Renewal of annexation from Stony Plain</li> <li>Expression of intent to consult</li> <li>Invitation to contact City with questions</li> </ul>
March 20, 2024	Meeting Follow Up	Email	<ul style="list-style-type: none"> <li>Provision of maps and mapping resources per landowner request</li> </ul>
October 15, 2024	Open House Reminder	Email	<ul style="list-style-type: none"> <li>Reminder of October 16 public open house</li> </ul>
October 16, 2024	Annexation Update	Registered Letter	<ul style="list-style-type: none"> <li>Notification with map of revised annexation boundary</li> </ul>
October 16, 2024	Annexation Update	Email	<ul style="list-style-type: none"> <li>Notification with map of revised annexation boundary</li> </ul>
October 22, 2024	Landowner Consent	Email	<ul style="list-style-type: none"> <li>Updated annexation boundary and request for landowner consent</li> </ul>
October 28, 2024	Meeting Follow Up	Email	<ul style="list-style-type: none"> <li>Provision of meeting minutes</li> </ul>
November 29, 2024	Meeting Follow Up	Email	<ul style="list-style-type: none"> <li>Provision of meeting minutes and additional answers to questions that couldn't be answered during the meeting held on November 6</li> </ul>

The following **Table 7** – Resident Telephone Communications Summary summarizes telephone communications with residents of both the City of Spruce Grove and the Town of Stony Plain with annexation inquiries.

TABLE 7 – Resident Telephone Communications Summary

Date	Party	Comment/Concern
April 25, 2024	Stony Plain resident	<ul style="list-style-type: none"> <li>Looking for information on annexation</li> <li>Was notified of May 22 open house</li> <li>Directed to City’s annexation webpage</li> <li>Open house format explained</li> </ul>
May 29, 2024	Citizen	<ul style="list-style-type: none"> <li>Concerned about Town and City amalgamation</li> <li>Annexation and amalgamation explained</li> <li>Provided annexation rationale</li> <li>Supportive of annexation to develop Boundary Road</li> </ul>

## 3.5 Effective Date of Annexation

The Parties agree that the effective date of annexation is January 1, 2025.

## 3.6 Matters of Disagreement & Mediation

There were no matters discussed where agreement was not reached, therefore no mediation was required.

## 3.7 Certification of Process

The MGA section 118(2) states:

**118(2)** The report must be signed by the initiating municipal authority and by the municipal authorities from which the land is to be annexed that are prepared to sign and must include a certificate by the initiating municipality stating that the report accurately reflects the results of negotiations.

The Parties signed a certificate of process confirming the validity of the Report on Negotiations contained herein, found in **Appendix O**.

# 4 Landowner Contact Information

Contact information for affected landowners is found in **Appendix P** attached herein, and current copies of the Certificates of Title are found in **Appendix Q**.

# Appendix A.1

## 2016 Growth Study

This report is available online:

<https://www.sprucegrove.org/government/development-and-land-use/growth-study/>

# **Appendix A.2**

## **2019 Growth Study Addendum**



# Appendix B

## The Shape of Our Community (MDP)

This report is available online:

<https://www.sprucegrove.org/government/reports-plans/municipal-development-plan/>

# Appendix C.1

## West Area Structure Plan

This report is available online:

<https://www.sprucegrove.org/government/reports-plans/area-structure-plans/>

# Appendix C.2

## West Central Area Structure Plan

This report is available online:

<https://www.sprucegrove.org/government/reports-plans/area-structure-plans/>

# Appendix D

## Parkland County Environmental Conservation Master Plan

This report is available online:

<https://www.parklandcounty.com/en/county-government/Reports,-Studies-and-Plans/Environmental-Conservation-Master-Plan.pdf>

# **Appendix E**

## **Environmental Database Reports**

# Appendix F

## Town of Stony Plain Transportation Master Plan

This report is available online:

<https://www.stonyplain.com/eBooks/64496791-d3a0-4fc2-83e0-0b0e5b7a8fbe.pdf>

# **Appendix G**

## **City of Spruce Grove 2024 Integrated Transportation Master Plan**



# **Appendix H**

## **Grove Drive and Boundary Road Functional Plan**

# **Appendix I**

## **Fiscal Impact Analysis**

# **Appendix J**

## **Landowner Consent & Acknowledgment Forms**

# **Appendix K**

## **Annexation Agreement**

# **Appendix L**

## **Open House Advertisements**

# **Appendix M**

## **Notices of Proposed Annexation**

# **Appendix N**

## **Landowner Communications**



# Appendix O

## Certification of Process

# **Appendix P**

## **Landowner Contact Information**

# **Appendix Q**

## **Certificates of Title**