

March 5, 2013

Brian Bowles
County Manager
County of Leduc
1101 – 5th Street
Nisku, AB T9E 2X3

Dear Sir:

RE: Formal Notice of The City of Edmonton Annexation Application

On 2013 March 5, Edmonton City Council authorized the City's Administration to proceed with a notice of annexation.

The purpose of this letter is to fulfil the requirements of Section 116 of the *Municipal Government Act* ("MGA") and to initiate an annexation application for the areas on the attached map. By copy of this letter, all affected authorities as required by Section 116 of the MGA have been notified.

NOTIFICATION

This notification is being sent to the County of Leduc (the municipal authority from which the land is to be annexed), to the Municipal Government Board, the Capital Region Board and all affected local authorities as defined in section 1(1)(m) of the MGA which includes the following:

- Town of Devon
- City of Leduc
- Parkland County
- Edmonton Public School Board
- Edmonton Catholic School District
- Black Gold Regional School Board
- St. Thomas Aquinas Catholic School Board
- Alberta Health Services Board
- Alberta Capital Region Wastewater Commission
- Capital Region Southwest Water Services Commission

DESCRIPTION OF LANDS TO BE ANNEXED

Appendix 1 contains a map and a description of the lands that are the subject of this proposed annexation. The City of Edmonton seeks to annex those lands outlined in blue on the map.

REASONS FOR THE PROPOSED ANNEXATION

Appendix 2 contains a summary of the reasons for the proposed annexation. A complete justification for the annexation will be provided as part of the report required under sections 118 and 119 of the MGA.

PROPOSALS FOR CONSULTING WITH THE PUBLIC AND LANDOWNERS

Appendix 3 contains the proposed public consultation program.

AUTHORIZATION

Appendix 4 includes a copy of the City Council decision with respect to this notice, which authorizes the City's Administration to proceed with the notice of annexation.

NEGOTIATION / MEDIATION COMMITTEE

In order to address the requirements of Section 117 of the MGA, members of a negotiation / mediation committee (political and administrative) will be appointed by City Council.

ADDITIONAL NOTICE TO THE MUNICIPAL GOVERNMENT BOARD

Appendix 5 contains an expanded list of authorities that may be affected by the proposed annexation. These additional authorities have not been copied on this letter but are listed as required by Section 6.1 of the Municipal Government Board's Annexation Procedure Rules (effective January 1, 2013).

Should you have any further questions with respect to the proposed annexation, please contact Peter Ohm at 780-496-6215 or peter.ohm@edmonton.ca.

Yours truly,

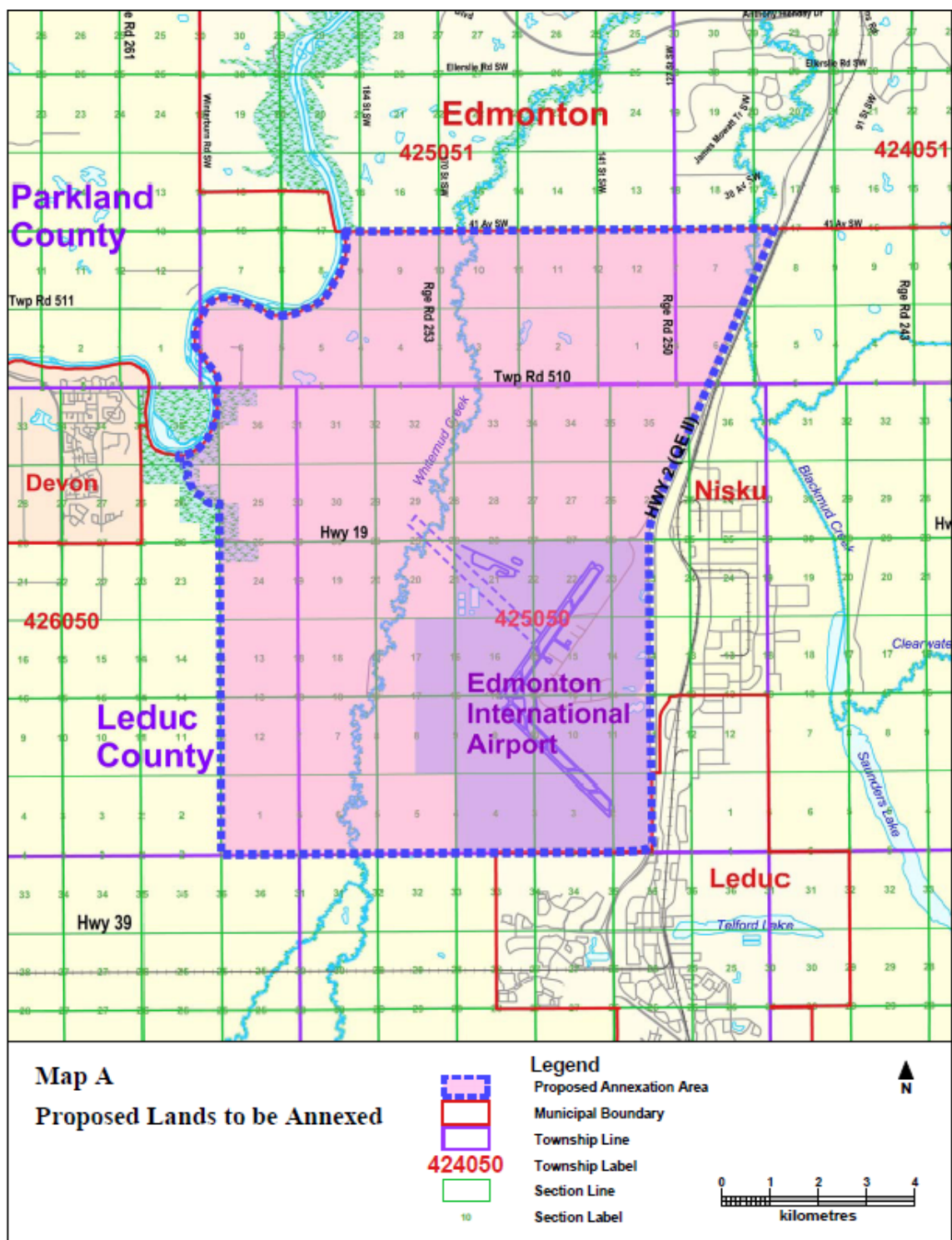
S.C. Farbrother, MCIP, RPP, MA
City Manager

SF/jj

Enclosures

c: Ken Lesniak, Chairman/Executive Officer, Municipal Government Board
Doug Lagore, Chief Executive Officer, Capital Region Board
Tony Kulbisky, Chief Administrative Officer, Town of Devon
Paul Benedetto, City Manager, City of Leduc
Pat Vincent, Chief Administrative Officer, Parkland County
Edgar Schmidt, Superintendent of Schools, Edmonton Public School Board
Joan Carr, Superintendent, Edmonton Catholic School District
Dr. Norman Yanitski, Superintendent, Black Gold Regional Schools
Jamie McNamara, Superintendent, St. Thomas Aquinas Roman Catholic School
Division
Stephen H. Lockwood, Q.C., Board Chair, Alberta Health Services Board
Tom Hutchison, Board Chair, Alberta Capital Region Wastewater Commission
Don Bartlett, Chairman, Capital Region Southwest Water Services Commission

APPENDIX 1
DESCRIPTION OF LANDS TO BE ANNEXED



DESCRIPTION OF LANDS TO BE ANNEXED

The lands proposed for annexation to the City of Edmonton are described on the attached map forming part of Appendix 1, including all titles and road plans that lie within listed Sections unless otherwise stated, and are described as follows:

Township 51, Range 26, West of the 4th Meridian:

All of those portions of Section 1 lying east of the right bank of the North Saskatchewan River.

Township 51, Range 25, West of the 4th Meridian:

Sections 1, 2, 3, 4, 9, 10, 11, 12, and all of those portions of Sections 5, 6, 7, 8 lying east and south of the right bank of the North Saskatchewan River.

Township 51, Range 24, West of the 4th Meridian:

All of those portions of Sections 6, 7, 8 lying west of the western boundary of the Queen Elizabeth II Highway (Highway 2) right-of-way.

Township 50, Range 26, West of the 4th Meridian:

Sections 1, 12, 13, 24, 25, 36.

All of those portions of the northeast quarter of Section 26 lying east of the middle thread of an unnamed creek running through the northeast quarter of Section 26 with the said middle thread intersecting the south boundary of the northeast quarter of Section 26 1881 feet more or less easterly from the south west corner of the northeast quarter of Section 26 and intersecting the north boundary 396 feet more or less easterly from the northwest corner of the northeast quarter of Section 26.

All of those portions of the east half of Section 35 lying east and south of the right bank of the North Saskatchewan River.

Township 50, Range 25, West of the 4th Meridian:

Sections 5, 6, 7, 8, 9, 10, 15, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, 34, and all of those portions of Sections 11, 14, 23, 26, 35, 36 lying west of the western boundary of Queen Elizabeth II Highway right-of-way, and all of those portions of Sections 3, 4 lying north of Township Road 500 (65 Avenue in the City of Leduc), and all of those portions of Section 2 lying west of the western boundary Queen Elizabeth II Highway right-of-way and north of Township Road 500 (65 Avenue).

Queen Elizabeth II Highway (Highway 2)

All of those portions within the Provincial Highway roadway right-of-way from the south boundary of the City of Edmonton at 41 Avenue SW to the north and west boundary of the City of Leduc.

APPENDIX 2

ANNEXATION JUSTIFICATION

Section 116(2)(b) of the *Municipal Government Act* (“MGA”) requires, as part of a written notice of a proposed annexation, that the notice “set out the reasons for the proposed annexation”. The following is an **overview** of the context and major reasons why the City of Edmonton is pursuing annexation of the lands identified on the map of proposed annexation areas. Further and more detailed annexation justification will be provided as part of the report to be prepared describing the results of the annexation negotiation / mediation, and public consultation processes.

The annexation justification is based on three categories: provision of an adequate land supply for an orderly long term growth, strategic and policy based needs and interests, and regional planning and growth coordination.

1. Provision of an adequate land supply for orderly long term growth

At a high level, annexation of this area is required to provide Edmonton with an appropriate long term supply of developable land. This will enable Edmonton to continue as a strong central city, which is beneficial to the region as a whole.

The land within the annexation area is needed so that Edmonton can support and manage growth. Growth in Edmonton varies by sector, with the southwest sector growing by approximately 1,500 units on average annually, with the remaining land in the southwest amounting to a 16-year supply of residential development based on current rate of absorption. Maintaining a contiguous supply of residential lands in this high growth corridor is a logical and rational extension of development trends and demand for the southwest growth corridor. It is estimated that lands deemed suitable for residential uses between 41 Avenue SW and the airport will be fully planned and substantially developed within 35 years.

Edmonton was second in population growth among census metropolitan areas in Canada at 12.1% from 2006 to 2011; Calgary was first at 12.6%. The City of Edmonton is expected to continue growing at a robust pace, projecting to increase its population from 817,000 in 2012 to 1.4 million over the next 35 years, with much of this growth occurring in suburban areas. Growth outside of Edmonton’s city limits has been happening at a faster pace than within Edmonton over the last 30 years (since the last annexation), and thus reducing Edmonton’s population share within the Capital Region from 75% to 70%. This diffusion of population is counter-productive to a strong central city which ultimately limits the success of the region as a whole.

Sustainable growth requires a mix of residential, commercial and industrial lands to ensure complete and strong communities and to provide a sufficient source of tax revenue to support this model. The supply of business employment lands in the south part of Edmonton is quickly diminishing, with approximately a 10-year supply.

The Edmonton International Airport (referred to as “the airport”) is a key regional asset and crucial to the long term viability of the City of Edmonton. This major transportation hub provides an important transportation service and also acts as a key economic entity which should be integrated into the strong central city it serves. In addition to seeking business employment lands to assist in the funding of residential growth in the southwest sector, Edmonton is well positioned to facilitate the development of business spinoffs surrounding the airport and to add momentum to the growth that the airport has experienced in the past several years.

2. Strategic and policy based needs and interests of the City of Edmonton

Annexation of these land is required so that the strategic and policy based needs and interests of the City of Edmonton are maintained and achieved.

The City of Edmonton has been developing a series of strategic plans to ensure an integrated and holistic approach toward building a strong central city. The City of Edmonton plans for urban growth in ways that ensure new development are economically, environmentally and socially sustainable. New development takes place as infill redevelopment and through developing new neighbourhoods as complete communities and by meeting or exceeding the residential density targets set out in the Capital Region Growth Plan. Edmonton does not support urban sprawl developments, such as country residential, as it compromises the opportunity for efficient future urban growth.

The Municipal Development Plan, *The Way We Grow* was passed by City Council in 2010. This is the guiding document that directs Edmonton’s growth and development for the next 30 years, and includes the following policy and objective themes that accommodate growth from both within and outside the city limits:

- Achieve a balance between residential, industrial, commercial institutional, natural and recreational land in the city through land development policies and decisions (MDP Policy 3.2.1.3).
- Ensure there is a sufficient land available to sustain economic opportunities (MDP Policy 3.2.1.2).
- Ensure a combination of single family and multi-family housing development potential is available for the next 30 years, and planning for growth in a way that meets or exceeds the Capital Region Plan’s density target (MDP Policy 3.2.1.1 and MDP Objective 8.1.7).

- Plan for growth and major infrastructure and service provision with our intermunicipal and regional planning partners, within the framework of the Capital Region Growth Plan (MDP Objective 8.1.6).
- Plan for growth in the Capital Region based on an integrated and effective transportation system and an integrated approach to land use planning (MDP Objective 8.1.1).

Besides *The Way We Grow*, the City's other strategic plans also provide direction towards building a strong central city. These include:

- *The Way We Move*: contains policies that integrates the transportation network with surrounding land uses, provide a range of transportation choices, and work with our regional partners to facilitate expansion of the transportation system where it crosses municipal boundaries.
- *The Way We Green*: contains policies to ensure the protection and sustainability of key ecological features and networks within Edmonton and across jurisdictions.
- *The Way We Live*: provides direction ensuring that Edmonton maintains a high standard of quality of life.
- *The Way We Prosper* and *The Way We Finance* have not yet been approved by City Council. *The Way We Prosper* is proposed to provide a policy and strategic framework to ensure that Edmonton can continue to grow as a prosperous, competitive world city. *The Way We Finance* is proposed to provide a policy and strategic framework for City Council and Administration, addressing Edmonton's financial sustainability and development of a long-range financial plan.

The City of Edmonton is proposing annexation to meet both future residential and industrial/commercial needs and to achieve a balance of housing and employment by location. It is expected that lands immediately south of 41 Avenue SW to approximately Township Road 510 will provide significant residential development with some commercial and business industrial development thus providing a healthy mix of uses. This area will also have the improved long term capability of being serviced by high order transit; such as light rail transit that would provide a link between downtown, residential neighbourhoods and the Edmonton International Airport, which would allow for a healthy mix of housing choices.

For the area south of Township Road 510, development should be focused on industrial and commercial activity due to its favourable proximity to the airport. There will be an opportunity to integrate business, commercial and industrial activity with the airport and Port Alberta making this area a key economic hub for the region, province and Western Canada linking Edmonton's entire economic region with the resources to the north and to North American and global destinations and markets. By including the airport in the annexation, Edmonton will be able to seamlessly integrate infrastructure and services,

such as arterial roads, light rail and drainage, into the airport lands with future development surrounding the airport.

The majority of lands proposed for annexation are unfragmented and can be more easily urbanized and serviced by tying into existing services. In addition, it provides the City increased jurisdiction and environmental stewardship over the lands within the North Saskatchewan River Valley and Ravine System including Whitemud and Blackmud Creeks. Those creeks will also provide key stormwater management for future development within the application area and to the east of QE II Highway.

3. Regional Planning and Growth Coordination

A long term land supply of land for the growth and development of the south west sector is being sought due to the high development pressures within the southwest sector of Edmonton, along with increasing development pressures and fragmentation along the border areas of Leduc County. Further, many of the constraints and impacts associated with a growing regional form, and concerns with long term protection of established growth corridors are eliminated through the City of Edmonton annexing the subject lands.

To minimize the regional footprint, the Capital Region Growth Plan concentrates new urban growth to six Priority Growth Areas (PGAs). The southwest portion of Edmonton shares PGA Cw with Leduc County and has a density target are 30-40 dwelling units per net residential hectare. Further to the south is PGA E, which includes the Edmonton International Airport. This annexation proposal encompasses both priority growth areas. Through land use policies and guidelines, suburban neighbourhoods in Edmonton's southwest sector already achieve the density targets. Edmonton has the resources, capacity and experience to facilitate the robust rate of development with municipal services to an urban standard, as currently being experienced in Edmonton, and is expected to continue south of 41 Avenue SW. Future development south of 41 Avenue SW would be expected to connect to Edmonton's infrastructure once those services are installed at the current municipal boundary with Leduc County.

To facilitate regional growth and plan development in an orderly and efficient manner as contemplated in the MGA, the Capital Region Growth Plan was developed and approved in 2010 and can be summarized by six core principles. The City of Edmonton is best equipped to accommodate future development pressures and achieve the Capital Region Growth Plan's core principles in the following ways:

- 1) *Protect the environment and resources:* Edmonton's policies through *The Way We Green* ensure that natural areas and ecological systems are protected from encroaching development.

- 2) *Minimize regional footprint*: Edmonton's has a history of facilitating higher intensity developments compared to its municipal neighbours, concentrating those developments in areas serviced by transit.
- 3) *Strengthen communities*: Edmonton already currently implements the policies to support this principle, such as providing affordable housing options and mechanisms to create inclusive communities.
- 4) *Increase transportation choices*: Edmonton would facilitate implementation of key transportation infrastructure projects such as the QE II/41 Avenue SW interchange, extension of 170 Street as an urban highway connecting to the airport, and LRT type service to the airport.
- 5) *Ensure efficient provision of services*: Edmonton has the capacity, experience and financial capabilities to service the greenfield lands in PGAs Cw and E to an urban standard and provide services to future residents and businesses.
- 6) *Support regional economic development*: a portion of the land within this application would be utilized to support industrial activity, take advantage of its proximity to the airport and position the City of Edmonton and Capital Region as a global competitor.

Conclusion

This **overview** of the three categories of need forms the initial justification for the proposed annexation boundary to facilitate negotiations and mediation with the County of Leduc and for public consultation. Further and more detailed annexation justification will occur as part of the annexation negotiations and public consultation processes, providing the basis for the City of Edmonton's annexation application to the Province of Alberta.

APPENDIX 3

PROPOSED PUBLIC CONSULTATION PROGRAM

Section 116 (2) (c) (i) and (ii) of the Municipal Government Act (MGA) requires that the notice for an annexation must include proposals for consulting with the public and meeting with the owners of the land to be annexed and keeping them informed about the progress of the negotiations. The following public consultation program is proposed in order to meet this requirement.

1. Website

A website has been set up in order to provide affected property owners and the general public with easy access to information. The website utilizes a Frequently Asked Questions format and includes a mechanism for contacting staff representatives from the City of Edmonton. A link to the County of Leduc has been included. Presently, a map of the proposed annexation boundaries is on the website.

2. Mailing Lists

Three mailing lists will be set up. The first is a list of landowners within the annexation boundary. The second list includes those landowners within a specified distance from the boundaries of the annexation areas. The third list is comprised of members of the public and other parties who have expressed an interest in annexation.

3. Open Houses

Open House sessions will be planned at locations as follows:

- First Open House session – proposed for Spring 2013 (April/May) for the purposes of presenting the City of Edmonton's application, outlining the process of annexation, and solicit comments from affected landowners and other stakeholders.
- Second Open House session – proposed for Fall 2013/Winter 2014 for the purposes of presenting progress of the inter-municipal negotiation and mediation process, and any conditions of annexation that have been agreed in principle.
- Third Open House session (optional) – proposed for Winter/Spring 2014 for the purposes of presenting progress since the previous open house, new conditions of annexation agreed upon and potential timing of formal application of annexation.

The proposed open house dates are subject to the pace of progression of negotiations with Leduc County. Additional open houses may be scheduled throughout the negotiation/mediation process if required.

A compilation of all interests and concerns will be set up in order to document different issues and how they are dealt with. Email correspondence will be employed as much as possible for purposes of communication. However, it is recognized that not all interested parties may wish to communicate electronically. In those instances, communication by telephone and letter will be undertaken.

4. Newsletter Mail Outs*

Three direct mail outs are envisioned to individuals on the mailing lists during the public consultation processes:

- Mail out Number 1 will be sent in April 2013. The purpose is to inform landowners and interested parties of The City's decision to proceed with an annexation proposal, inform recipients of open house dates, and provide contact information including the website address.
- Mail out Number 2 will be sent after the negotiation and mediation process has been substantially completed to inform landowners and interested parties of the outcome of the inter-municipal negotiating process and the dates of further open houses.
- Mail out Number 3 will be sent out to inform landowners and interested parties of the annexation decision made by the Province of Alberta. The package will include any updated information regarding the implementation of the annexation decision.

*Note: additional update mail outs may be sent out throughout the negotiation / mediation process if required, particularly if there are any time delays.

Newspaper Ads

All open houses will be advertised in the Edmonton Journal and newspapers within the County of Leduc, City of Leduc, and Town of Devon.

Summary of the Public Consultation Program

A summary will be included in the report to the Municipal Government Board as required in Sections 118 and 119 of the MGA.

APPENDIX 4

AUTHORIZATION

On March 5, 2013, City Council passed the following Motions:

1. That annexation of the land identified in Attachment 1 of the March 5, 2013, Sustainable Development verbal report, be initiated and that written notice of the proposed annexation be given pursuant to section 116 of the *Municipal Government Act*.
2. That the March 5, 2013, Sustainable Development verbal report and presentation remain private pursuant to sections 24, 25 and 27 of the *Freedom of Information and Protection of Privacy Act*.

APPENDIX 5

ADDITIONAL NOTICE TO THE MUNICIPAL GOVERNMENT BOARD

Section 6.1 of the Municipal Government Board's (MGB) Annexation Procedure Rules (effective January 1, 2013) requires that written notice to the MGB under section 116(1)(b) of the Municipal Government Act (MGA) must be accompanied by a list of the authorities that the City of Edmonton believes may be affected by the proposed annexation. The following list of authorities is provided in order to meet this requirement.

List of affected authorities that notice has been provided to by copy of this letter, as required by the MGA:

- County of Leduc
- Municipal Government Board (MGB)
- Town of Devon
- City of Leduc
- Parkland County
- Edmonton Public School Board
- Edmonton Catholic School Board
- Black Gold Regional School Board
- St. Thomas Aquinas Roman Catholic School Board
- Alberta Health Services
- Alberta Capital Region Wastewater Commission
- Capital Region Southwest Services Commission

List of authorities that may be affected, as required by the MGB's Annexation Procedure Rules:

- Alberta Transportation
- AltaGas Utilities Inc.
- ATCO Electric
- ATCO Gas
- Direct Energy Regulated Services
- ENMAX Energy Corporation
- EPCOR Distribution and Transmission Inc.
- EPCOR Energy Inc.
- Fortis Alberta Inc.
- TransAlta Utilities Corporation

