

**Agenda Item: D.6**

Request for Decision

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| **Title** | **St. Albert Annexation Report on Negotiations Endorsement** |
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| **Proposed Motion** | 1. That Council accept the City of St. Albert’s Annexation Report on Negotiations as information and authorize the Chief Administrative Officer to sign the associated Certificate of the Report on Negotiations, provided as an attachment to the November 24, 2020 Request for Decision. 2. That Attachment 2 of item D.6 of the November 24, 2020 Regular Council meeting agenda remain confidential pursuant to section 24 (advice from officials) of the *Freedom of Information and Protection of Privacy Act*. |
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| **Administrative**  **Recommendation** | Administration recommends that Council accept the Annexation Report on Negotiations as information. Administration additionally recommends that Council authorize the Chief Administrative Officer (CAO) to sign the associated Certificate of the Report on Negotiations. |
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| **Previous Council Direction** | September 22, 2020 Regular Council Meeting  Motion 438/20: That Council authorize the Mayor and Chief Administrative Officer to sign the negotiated St. Albert Annexation Agreement, provided as an attachment to the September 22, 2020 Request for Decision.  September 22, 2020 Regular Council Meeting  Motion 439/20: That Council direct Administration to engage with the City of St. Albert regarding continued communications and support to residents whose lands are subject to annexation. |
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| **Report** | Background Information   * As part of the annexation application, the City of St. Albert (the City) is submitting a negotiation report to the Municipal Government Board (MGB). This document, which is approximately 750-pages in length, includes a certificate requiring the signature of Sturgeon County’s Chief Administrative Officer (CAO), indicating the County confirms the report accurately reflect the results of negotiations with respect to the annexation.   + The full Negotiation Report has been saved in the Council Secure Content Locker for Council review.   + A portion of the Negotiation Report has been attached to this RFD, outlining the negotiation and consultation process details (see CONFIDENTIAL Attachment 2 – Negotiation Report – Appendix “N” and Appendix “P”). The City of St. Albert has requested this report remain confidential. Therefore, should Council wish to discuss specific elements of the report, a motion to move into closed session should be raised. * Section 118 of the *Municipal Government Act* outlines mandatory provisions the City must address in a negotiation report. Requirements include description of the results of the negotiations with a list of the matters agreed on between the two municipal authorities (and if there are matters in which no agreement could be reached). The report must also include a description of the public consultation processes involved in negotiations and a summary of the views expressed during the public consultation processes. * In the description of the results of negotiation within the Negotiation Report, there are no matters listed as “not agreed to between the City and the County.” However, there are 12 matters listed as agreed to by the County and the City that are not to be included in the annexation order. See page 30 of the attached Negotiation Report excerpt. Other Negotiation Report highlights include:   + Listing of the 56 individual engagement actions/activities undertaken as part of the public consultation process.   + Identification of areas of concern by the public and stakeholders, including associated responses.   + A summary of consent status from the 249 unique sets of landowners within the annexation area (representing 173 parcels of land). In terms of opposition, the City is aware that there are landowners from three separate parcels that may or likely will oppose the annexation (based on feedback received in November 2019). * Three areas of outstanding concerns, stemming from public engagement, have been identified in the report as requiring additional consideration. The report indicates these matters will be addressed in the coming week by the City. Outstanding concerns include:   + Impacts of City-implemented road bans on agricultural lands,   + Details on utility franchise fees, and   + The potential for loss of incentives for home-based businesses in the annexation area. * The Negotiation Report also contains comprehensive information on all public consultation processes and associated materials, such as:   + Media Content and News Releases;   + Frequently Asked Questions;   + Annexation Newsletters;   + 2018 Open House Content;   + 2019 Interviews Content;   + 2019 Open House Content;   + 2020 Virtual Engagement Events Content;   + City’s Annexation Website Content;   + Correspondence; and   + Stakeholder Engagement Content. * Prior to submission of required application materials to the MGB, the City may make final (non-substantive) adjustments to its annexation application report(s)/package; this would be done in consultation with County officials. It is expected that the City’s MGB submission will be finalized in early December 2020. * Negotiations between the City and the County have been ongoing for nearly three years. At the conclusion of negotiations, in Fall 2020, membership of the County’s Annexation Negotiation Committee included Mayor Hnatiw, Deputy Mayor Toms, and Councillor Bokenfohr (who also served as Vice Chair). The Committee received administrative support from the CAO, Director of Development and Strategic Services, and other members of Administration. * In February 2017, Sturgeon County and the City of St. Albert signed a Memorandum of Agreement (MOA) as a first step in exploring a boundary adjustment. The MOA acknowledges key annexation principles, including an agreed upon collaborative approach consistent with the City and County’s Joint Growth Boundary Study conducted in 2016. * Negotiations remained ongoing between 2017 and the Fall of 2020. This included a rigorous process undertaking complex and technical study reviews and evaluations, adjustments to the proposed annexation area, development of transitional policies and supports for residents living in the proposed annexation area, agreement on County compensation, establishment of a framework to address sub-regional transportation and infrastructure servicing policies, and provisions limiting future annexation. * On September 22, 2020, Sturgeon County Council passed a motion endorsing the St. Albert Annexation Agreement (Motion 438/20). As an uncontested annexation, the Annexation Order in Council could become effective as early as January 2022.   External Communication   * Extensive consultation has occurred with landowners and residents within the annexation area over a three-year time period, which also included comprehensive public consultation efforts. * Communications on the outcomes of the broader annexation application submission will be led by the City of St. Albert, as the applicant, with input from Sturgeon County.   Relevant Policy/Legislation/Practices:   * Section 118 (Report on Negotiations) of the *Municipal Government Act* * Division 6 (Annexation) of the *Municipal Government Act* * St. Albert / Sturgeon Memorandum of Agreement, 2017 |
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| **Implication of Administrative Recommendation** | Strategic Alignment:   * **Strong Local and Regional Governance –** Directing the CAO to sign the Certificate of the Report on Negotiations will progress the City of St. Albert’s Annexation Application as an uncontested submission to the MGB, which promotes regional collaboration and strengthens the intermunicipal relationship between the County and the City. * **Planned Growth and Prosperity –** Protecting and advancing the County’s annexation interests is critical to the County’s long-term planned growth and prosperity, and to the ongoing success of both municipalities as they grow together.   Organizational:   * There is no organizational impact to directing the CAO to sign the Certificate of the Report on Negotiations.   Financial:   * Enabling an annexation to proceed as uncontested will be a less costly and faster process for the County and the City than a contested annexation. |
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| **Alternatives Considered** | Council could choose not to direct the CAO to sign the Report on Negotiations Certificate. |
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| **Implications of Alternatives** | Strategic Alignment:   * **Strong Local and Regional Governance –** The County has committed to support an uncontested annexation process, which would have a positive effect on regional governance in addition to minimizing organizational costs and resources.   Organizational:   * Not signing the Certificate of the Report on Negotiations will result in additional staff resource requirements, as the annexation negotiation process may need to be reopened. * If Council does not direct the CAO to sign the Certificate of the Report on Negotiations under the desire of progressing the annexation as “contested”, materials describing the associated rationale must be developed by the County and submitted to the MGB.   Financial:   * The annexation agreement includes a clause to the effect of the City compensating the County the sum of $600,000 as a one-time payment following annexation. No additional direct costs or revenues to the County are anticipated at this time as a result of annexation. Should the County decide not to sign the Certificate of the Report on Negotiations, the application will likely become a ‘contested annexation,’ and compensation by the City to the County could be reevaluated. |
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| **Follow up Action** | Sign the Certificate of the Report on Negotiations and submit to the City of St. Albert for inclusion in the final annexation application submission to the MGB (CAO’s Office, November 2020). |
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| **Attachment(s)** | 1. Negotiation Certificate 2. CONFIDENTIAL - Annexation Negotiations Report (Appendices N and P) |
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| **Report Reviewed by:** | Jennifer Lavallee, Manager, Corporate Planning and Intergovernmental Services  Travis Peter, Director, Development and Strategic Services  Reegan McCullough, County Commissioner – CAO |

**Strategic Alignment Checklist**

**Vision:** *Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.*

**Mission:** *Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.*

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| **Focus Areas** | **Not consistent** | **N/A** | **Consistent** |
| **Planned Growth and Prosperity** |  |  |  |
| *We encourage varied and integrated enterprises that enhance our strong economic*  *base, while balancing the needs of the community and natural environment.*  *(Strategic Plan and MDP pg. 36)* |  |  |  |
| * *Supports a strong thriving business environment to strengthen our economic foundation* |  |  |  |
| * *Plans for responsible growth through the MDP and regional growth plan.* |  |  |  |
| * *Manages growth for current and future developments through:*   + *transparent bylaws, policies and processes to enable responsible land development* |  |  |  |
| * + *targeting growth around existing and identified future growth areas* |  |  |  |
| **Maintain and Enhance Strong Communities** |  |  |  |
| *We are committed to a safe and viable community, where our residents are*  *provided with access to opportunities and quality of life.*  *(Strategic Plan and pg. 27 MDP)* |  |  |  |
| * *Provides access to programs and services that have a positive impact on residents’ quality of life* |  |  |  |
| * *Provides access to safe and reliable infrastructure assets* |  |  |  |
| * *Supports the safety of people and property* |  |  |  |
| **Strong Local and Regional Governance** |  |  |  |
| *We promote consistent and accountable leadership through collaborative and*  *transparent processes (Strategic Plan and pg. 27 MDP)* |  |  |  |
| * *Provides effective leadership and management consistent with Strategic Plan, MDP, master plans, bylaws, policies, community engagement* |  |  |  |
| * *Considers fiscal stability and sustainability* |  |  |  |
| * *Fosters collaborative intergovernmental partnerships* |  |  |  |
| **Community Identity & Spirit** |  |  |  |
| *We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan and MDP pg. 27)* |  |  |  |
| * *Promotes and/or enhances residents’ identification with Sturgeon County* |  |  |  |
| * *Support and/or collaborate with voluntary organizations in the region* |  |  |  |
| **Environmental Stewardship** |  |  |  |
| *We foster a healthy environment and minimize our impact on ecosystems. (Strategic Plan and MDP pg. 27)* |  |  |  |
| * *Plans and partnerships that minimize environmental impact on natural areas* |  |  |  |
| * *Provides awareness of environmental issues impacting the County* |  |  |  |