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Annexation Report

City of Airdrie and Rocky View County
September 2011

ANNEXATION APPLICATION REPORT

Proposed annexation by the City of Airdrie from Rocky View County

Prepared in accordance with sections 118, 119, and 120 of the Municipal Government Act

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1. INTRODUCTION

The City of Airdrie and Rocky View County have been involved in two distinct and separate Annexation processes to date. The first annexation process culminated in 2003 with the annexation of 2,873 acres of land into Airdrie's corporate boundaries. Due to rapid growth that outstripped original projects, the City subsequently initiated a second annexation process in March 2010 of 11,040 acres of land located adjacent to the existing north, west and east boundaries of the City. An additional 1,600 acres (10 quarter sections) of land was added since then to the northern boundary of the Annexation Territory. This land was added as a result of the early consultation process to reflect contiguous land ownership patterns and provide for a more desirable future edge condition between the two municipalities by aligning the northern boundary with Township Road 274. As identified in Schedule A, the proposed Annexation Territory consists of 12,640 acres (approximately 5,115 hectares) of land located adjacent to the existing north, west and east Airdrie boundary.

While large annexations are uncommon in Alberta, both municipalities have agreed to pursue such an annexation due to a number of identified benefits. Primary among them is the desire to limit incremental annexations that result in increased uncertainty and costs for both municipalities and landowners. Alternatively, it was determined that large annexations allow for more effective long term land use planning, growth management and infrastructure development.

This Annexation process involved a year-long mediated negotiation process between the City and the County through a jointly appointed Inter-municipal Annexation Negotiation Committee (IANC). The IANC consulted with the public at large and affected stakeholder groups to ensure that issues were identified and resolved through negotiations. The process culminated with the approval of the Mediation Report (Negotiation Report) by Airdrie Council on May 2, 2011 and Rocky View Council on May 17 2011. Following approval, City and County staff have jointly developed this Annexation Application including the Annexation Agreement.

2. MUNICIPAL GOVERNMENT ACT OVERVIEW

The City of Airdrie formally initiated annexation according to the requirements of Section 116 of the Municipal Government Act by sending written notice of intent to annex to Rocky View County on March 1, 2010. A copy of this notice was sent to the Municipal Government Board and affected local authorities as required by the Act. Copies of the notice is included in Appendix 1 of this Application.

An Inter-municipal Annexation Negotiating Committee (IANC) was established with political and administrative representation from both municipalities and a Mediator was appointed by the Province. The IANC provided leadership throughout the process by consulting with the public, determining an Annexation Territory, negotiating an Annexation Agreement, and involving key stakeholders such as affected landowners and public agencies. The IANC held a total of 11 meetings between April 2010 and May 2011.

The Annexation Agreement deals with matters related to both the annexation approval process and the implementation of the approved annexation. The purpose of the Annexation Agreement is to address the interests of the two municipalities and the affected landowners and residents with the Proposed Annexation Territory.

The Annexation Agreement was created by administration from both municipalities with legal support and was based upon the Mediation Report (Negotiation Report) as well as issues arising from the non-statutory public hearings held by both Councils. The Mediation Report, which is attached to the Council Reports in Appendix 3 and 4 of this Application, was approved by the City of Airdrie Council at a public hearing on May 2nd, 2011 and by Rocky View County Council at a public hearing on May 17th, 2011. The final Annexation Agreement was approved on September 6th, 2011.

The purpose of this report is to satisfy the requirements of Sections 118, 119, and 120 of the Municipal Government Act and to formally request annexation as outlined in the attached Annexation Agreement with an **effective date of December 31, 2011**.

SECTIONS 118(1)(A) AND 118(A)(A.1): MATTERS AGREED UPON AND NOT AGREED UPON

The matters upon which the two municipalities have agreed are addressed in the Annexation Agreement. There are no outstanding matters of disagreement between the two municipalities with respect to this annexation application.

The City of Airdrie and Rocky View County request that the Municipal Government Board recommend to the Lieutenant Governor in Council that Parts 1 through 9 and Parts 11 through 16 of the Annexation Agreement, including all of the proposed assessment and taxation conditions of Part 3, be incorporated within the Annexation Order.

SECTIONS 118(1)(B) AND 118(1)(C): PUBLIC CONSULTATION

The annexation process has included a public consultation program in accordance with Sections 118(1)(b) and 118(1)(c) of the Municipal Government Act. The IANC approved and directed the public consultation program which included two open houses, three focused consultation sessions, press releases, and direct correspondence with all affected landowners, residents, and public agencies. Every effort has been made to address all concerns raised by members of the general public and the affected landowners, residents, and public agencies. A summary report of the public consultation program is provided in Section 4 of this Report with original documentation provided in Appendix 5 and 9.

SECTIONS 118(2) AND 119: SIGNATURES, CERTIFICATE, AND DISPOSITION

The appropriate officials from the City of Airdrie and Rocky View County have signed this Application. A certificate has been completed by the City of Airdrie and Rocky View County confirming that this submission accurately reflects the results of the annexation negotiations.

As required in Section 119 of the Municipal Government Act, copies of this Application have been sent to Rocky View County and other appropriate authorities including Alberta Transportation, Rocky View Schools and local utility providers.

SECTION 120: GENERAL AGREEMENT

The City of Airdrie and Rocky View County have undertaken an inter-municipal and public consultation process in accordance with the annexation provisions of the Municipal Government Act. Throughout the inter-municipal negotiation and public consultation process, official notices have been provided to all affected landowners and authorities within the Proposed Annexation Territory. Records of those notices are included in Appendix 5 and 9.

Given that the City of Airdrie has not received signed consents from all affected landowners, this annexation application is not uncontested. The City of Airdrie has received written notification of objection from landowners requesting inclusion from outside of the Proposed Annexation Territory. As it is likely that objections will be filed with the Municipal Government Board, the City of Airdrie and Rocky View Country request that a public hearing be held at the earliest possible date after submittal of this Application.

3. ANNEXATION APPLICATION CHECKLIST

The following Annexation Application Checklist identifies how all requirements needed for the submittal of the annexation application to the Municipal Government Board (MGB) have been met.

Requirements		Joint (Airdrie/Rocky View) Responses	
1.	Application Fee: \$4,200	Y	A cheque for \$4,200 is enclosed in a sealed envelope at the front of the application.
2.	An up-to-date map showing the location of the existing municipal boundary and the proposed municipal boundary, with each parcel to be annexed identified by legal land description.	Y	Schedule 1- Annexation Territory Map, is included at the beginning of this Application and shows the location of the existing and proposed municipal boundary. All legal descriptions in the Annexation Territory are listed in Appendix 10 of this Application.
3.	Excerpts from any Municipal Development Plan or other Statutory Plan. (IDP, LUB)	Y	Relevant excerpts from both municipalities' statutory plans have been summarized in Section 5 of this Report. Complete copies of relevant statutory plans are included in Appendix 6 of this Application. They demonstrate how the proposed annexation application aligns with both City and County plans and policies.
4.	A description of the intended uses for the annexation area. Including a general description of how the area can be serviced with water, sewer, storm sewer and other related municipal services.	Y	A Comprehensive Growth Study for the Proposed Annexation Territory is summarized in Section 6 of this Report and included in full in Appendix 6. It provides justification for how this Annexation meets the growth needs of Airdrie for the next 50 years. It additionally indicates the projected demand for residential, commercial and industrial uses over the time horizon. Due to the large size of the annexation and diverse group of affected stakeholders, the specific future land uses have not been determined at this time. It is the intent of the City to consult with affected stakeholders as part of its Municipal Development Plan update process and provide direction on land use, development and staging as part of this update. An Infrastructure Needs Assessment for the proposed annexation territory is summarized in Section 6 of this Report and included in full in Appendix 6. It provides information pertaining to the logical extension of

			infrastructure and transportation networks to the proposed annexation territory. It will form the basis of more detailed infrastructure and transportation planning efforts in the future.
5.	The written consent (or signed negotiation report) of the municipality from which the land is to be annexed.	Y	This Annexation Application was jointly prepared by staff from both municipalities. A joint signature page is included at the end of the Annexation Report confirming the Application's accuracy and written consent.
6.	If an uncontested application (see item #4 on the page 3), the signed written consent of each landowner whose land is intended to be annexed, and a statement that there are no known objections from the general public (also include the following information regarding public consultation if such consultation occurred).	N	Letters received by the City of Airdrie and Rocky View County indicates that multiple parties intend to contest this annexation application. These letters and responses have been provided in Appendix 9. As a result of these objections, this application is not deemed to be uncontested.
7.	If not uncontested (i.e. no signed consents from the landowners), the results of the public consultation process, including identification of what concerns were raised and if they were resolved, how and with what conditions.	Y	Section 5 of this Report summarizes the Communication and Public Consultation activities pursued in this annexation process. Copies of all relevant documentation from the Communication and Consultation process can be found in Appendix 5 and 9 of this Application.
8.	Clear identification of which boundary roads are to be included or excluded in the annexation (please ensure map clearly reflects this).	Y	As stated in Section 5 of this Report and illustrated in Schedule G of the Annexation Agreement (Appendix 2), all boundary roads are included in the proposed annexation territory.
9.	Up to date copies of land title certificates for each parcel proposed to be included in the annexation (the certificate must have been issued within the last 6 months).	Y	Copies of land title certificates for all parcels in the Annexation Territory are included in Appendix 10 (separate binder).
10.	A list of the names and mailing addresses of each	Y	A complete list of land owners and mailing addresses for the Annexation Territory is included in Appendix 10 of this

	landowner (with their corresponding parcel identified) and any other party known to have an interest in the annexation proposal.		Application.
11.	The proposed effective date of the annexation. *Please see attached information bulletin.	Y	The Annexation Agreement (Appendix 2) indicates a proposed effective date of December 31, 2011. Greater explanation on this matter is provided in Section 5 of this Report.
12.	Identification of whether any special conditions are requested, such as assessment and taxation provisions, compensation or revenue sharing. *Please see attached bulletin.	Y	Conditions on Taxation, Assessment and Compensation were agreed to by both parties and stated in the Annexation Agreement (Appendix 2). Revenue-sharing is not contemplated in this Annexation.
13.	Reference to any other relevant matter which arose during the annexation process prior to submission of the formal application.	Y	Appendix 3 and 4 of this Application includes all Council Agendas, Minutes, Reports and Presentations relating to Annexation for both municipalities. Section 6 of this Report summarizes this information and highlights issues identified in the Public Hearings held by both Councils.
14.	Other information that may be required once the application is reviewed by the Board.	Y	<p>This Annexation process adheres to all 15 Annexation Principles identified in MGB Order 123/06. This Section provides a summery table with joint responses for each principle.</p> <p>Upon submittal of the Annexation Application to the Province of Alberta, all contents of the application, will be made available to the public at both City and County Offices and on the Annexation website www.airdrieannex.ca</p> <p>Additionally, letters will be sent to all land owners in and adjacent to the annexation territory and any who had requested inclusion in this Annexation.</p>
15.	Confirmation of involvement of other public interests – AIT, Schools, Reg. Serv. Com., etc	Y	Letters were sent to all relevant public interests. A summary of this can be found in Section 5 of this Report. Copies of all letters and responses can be found in Appendix 9 of this Application.

4. ANNEXATION PRINCIPLES

In the absence of criteria authorized by the Municipal Government Act and in order to address the various issues raised by the affected parties, landowners and interest groups, the Municipal Government Board (MGB) annexation principles were adhered to through this Annexation Process. The table below lists each principle and provides a joint response to each of them. This is intended to assist the MGB to determine completeness and quickly navigate the rest of the application for relevant information. .

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

This annexation process has been a co-operative effort by both municipalities. It began with measures taken since the 2003 annexation to increase the level of co-operation between the two municipalities. In early 2010, when the current annexation process was initiated, there was acknowledgement by both municipalities that the process should be respectful of each municipality's long term growth needs. Additionally, the proposed annexation adheres to the current provisions of the Airdrie/Rocky View IDP (Appendix 8) and Section 10 of the Annexation Agreement (Appendix 2) indicates that an update to the current IDP will be pursued subsequent to this Annexation becoming effective.

- 2. 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.**

A key principal of the annexation negotiation process and Annexation Agreement (Appendix 2) is the desire to accommodate both municipalities' long term growth needs through this annexation. In the case of Airdrie, this annexation allows the City to secure a 50 year land supply and allows Airdrie to develop long term plans for its growth and expansion. In the case of Rocky View, this annexation ensures that the Balzac Growth Node is protected (Schedule 1). Therefore, the Proposed Annexation acknowledges the need for the City to secure its long term land supply needs to the north east and west of the current City boundary while recognizing the County's ability to develop to the south of the City's current boundaries.

- 3. 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 conditions agreed upon as part of the proposed annexation, as indicated in the Annexation Agreement (Appendix 2) are intended to respect the local autonomy provided for under the Act by retaining flexibility for current and future City policy makers while also providing greater certainty to the landowners of the Proposed Annexation Territory. The Annexation Agreement has been thoroughly reviewed by both municipalities legal counsel to ensure that it addresses this principle.

- 4. 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 Airdrie Comprehensive Growth Strategy (CGS), originally prepared in 2008 and updated in 2010 and 2011, provides growth projections for the City, identifies availability of lands within the current boundaries and projects for future growth needs. It represents the primary justification for the size of the proposed annexation as a 50+ year land supply for Airdrie. A summary of the CGS is provided in Section 4. The 2011 version of the study can be found in Appendix 6.

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

The Infrastructure Needs Assessment for the proposed annexation territory is included in Appendix 6. It provides information pertaining to the logical extension of infrastructure and transportation networks to the proposed annexation territory. It will form the basis of more detailed infrastructure and transportation planning efforts in the future.

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

The Annexation Agreement outlines the details regarding transitioning between the two municipalities for planning and other municipal services. Furthermore, the Financial Impact Assessment provides information on the City's ability to maintain the existing level of service in the Proposed Annexation Territory. It demonstrates that while there is some minor short term costs attributed to the change in jurisdiction, these costs are relatively minor in nature and will not unduly burden existing ratepayers in the City of Airdrie.

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

The Airdrie Ecological Inventory Expansion and Environmental Best Practices Report 2009 provides information relating to sensitive environmental features in the Proposed Annexation Territory and will form the basis of future environmental and land use planning efforts. It includes detailed mapping on the type and location of critical environmental systems in the Proposed Annexation Territory. A summary of this report can be found in Section 7. The complete report can be found in Appendix 6.

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

The proposed annexation is in alignment with both municipalities' statutory plans and policy documents. These plans, which include Inter-municipal Development Plans, Municipal Development Plans, Land Use Bylaws and Area Structure Plans were reviewed

and the analysis is summarized in Section 7 of this Report. Original copies of all plans and supporting documentation can be found in Appendix 6 and 8 of this Application.

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

The IANC identified the need for a Financial Impact Assessment to accompany the Mediation Report (Negotiation Report). As a result, staff from both municipalities jointly prepared a Financial Impact Assessment on how the Proposed Annexation would affect both municipalities. The findings from this Assessment are summarized in Section 8 of this Report and a full copy of the FIA can be found in Appendix 7.

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

Public Interest stakeholders that are impacted by this Proposed Annexation have been provided with information regarding the status of the Proposed Annexation on regular basis. No issues or formal concerns have been raised by such stakeholders through the public consultation process. It is anticipated that as part of the transition planning efforts that will occur upon the Proposed Annexation becoming effective, Airdrie and Rocky View will work collaboratively to address any issues that arise. Please refer to Appendix 9 for copies of letters sent to public interest stakeholders as part of this annexation process.

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.

It is the intent of Airdrie and Rocky View to ensure a seamless transition between jurisdictions for all residents and businesses in the Proposed Annexation Territory. To this end, a number of conditions were agreed to in the Annexation Agreement (Appendix 2). They address issues ranging from taxation and assessment to regulations and service delivery. The conditions ensure that affected residents and businesses can continue to operate with minimal impact on taxes, municipal service levels and regulations.

Through the consultation process, number of acreage communities (i.e. Hamilton Greens, Croxford Estates, Buffalo Rub, Yankee Valley Estates) provided suggestions and requested clarification on specific future planning decisions relating to land use and timing of development. The IANC and both Council's agreed that these issues were best addressed through Airdrie's statutory policy amendment processes (MDP, LUB etc.). As part of these processes, Airdrie is committed to consulting with affected residents and providing clear direction on policies relating to land use and transition planning around existing acreage communities, as stated in Section 10.6 of the Annexation Agreement.

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

An extensive Public Consultation process was undertaken during the annexation negotiation process. The IANC informed the public through the web, letters, print media and radio and sought feedback through Open Houses, Focused Consultation Sessions and Feedback forms.

At every IANC meeting careful consideration was given to all issues identified in the consultation process and conditions were crafted to address such issues in the Annexation Agreement (Appendix 2). Section 5 of this Report provides a more detailed summary of the Public Consultation Process. For complete documentation please refer to Appendix 5 and 9.

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.

Both municipalities agreed that revenue sharing was un-necessary and will not be sought as part of this annexation.

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.

A joint Financial Impact Assessment (FIA) was undertaken as part of this annexation process and addresses the requirements of this principle. This document was presented to both Councils and the public as part of the non-statutory public hearings. A summary of the scope and findings of the FIA can be found in Section 7 of this Report and the complete Assessment can be found in Appendix 7.

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

The Annexation Agreement (Appendix 2) reflects the conditions agreed to as part of this annexation negotiation process by both municipalities. The language and content of the agreement was developed to ensure conditions were enforceable, easy to understand and had adequate detail to aid in implementation.

5. ANNEXATION AGREEMENT

The Annexation Agreement was developed by staff from both municipalities and was based on the Mediation Report (Negotiation Report) presented to both Council's and the public as part of the non-statutory public hearings as well as issues arising during those hearings. The Mediation Report was provided as part of the Council package and can be found in Appendix 3 and 4 of this Application. A detailed explanation of the issues arising from the non-statutory public hearings and the response is provided in Section 6 of this Report. The Annexation Agreement has been reviewed by legal counsel for both municipalities to ensure conformance with the Act and consistency with the Annexation Principles identified by the Municipal Government Board. The Annexation Agreement is provided in Appendix 2 of this Application. The following provides a summary of the key areas of agreement identified in the Annexation Agreement.

EFFECTIVE DATE OF ANNEXATION

Rocky View County and the City of Airdrie have proposed an effective date of December 31st, 2011 in the Annexation Agreement (Section 2 of the Agreement). This date was proposed as a result of the method the Province uses to determine education tax requisitions for each municipality.

The education taxes owed to the Province by each municipality is determined by the previous year's assessment as of December 31st. If the effective date of annexation is December 31st of a given year, only one year of education taxes would be affected. However, if the effective date of annexation is any date other than December 31st, two years of education taxes would be affected.

As the education requisition from the Province lags by one year Rocky View County would be 'billed' for education taxes for the lands that have been annexed. In order to adjust for the annexed lands, Rocky View County and the City of Airdrie have agreed to use under/over levies in order to balance the requisition so each municipality is paying the appropriate amount of education taxes to the Province without affecting municipal tax rates reflective of the land change resulting from Annexation.

Rocky View County and the City of Airdrie would prefer to employ this method for only one year following the effective date of annexation rather than two and are therefore requesting that an effective date of December 31st be considered.

TAXATION

To provide certainty and minimize the financial impacts of the annexation on landowners both municipalities agreed to maintain the same level of taxation for the same level of service for 30 years on agricultural properties and 20 years on all other properties in the proposed annexation territory. In effect, the taxes for such properties would be pegged to Rocky View rates for the prescribed period or until the property seeks land-use re-designation or connection to municipal water or sewer infrastructure.

MUNICIPAL SERVICING AND SERVICE LEVELS

Currently Rocky View provides agricultural support services to agricultural operations in the Proposed Annexation Territory. It was agreed that these services will continue to be provided by Airdrie. Airdrie may chose to engage Rocky View on an as needed basis (fee based) in areas where expertise is needed.

Existing residences in the Proposed Annexation Territory are not connected to municipal water or sewer services. It was agreed that existing private water and sewer systems would continue to operate. Airdrie will use development as the primary mechanism to extend municipal water and sewer to un-serviced areas in the Proposed Annexation Territory. Garbage collection would continue to operate on the same basis as it did under County jurisdiction, until such time that Airdrie determines the feasibility of extending the service to the Proposed Annexation Territory.

PLANNING AND DEVELOPMENT TRANSITION

To address concerns from residents, and ensure a seamless transition, certain planning and development transition conditions were agreed to by both parties. It was agreed that Rocky View Land Use Bylaw regulations would apply on an interim basis until Airdrie adopts comparable regulations. Additionally, all existing development that was legally approved would be 'grandfathered' as 'legally non-conforming uses'.

For applications that are pending at the time of annexation taking effect, it was agreed that they will be transferred to the City with 50% of the application fees.

Businesses in the Proposed Annexation Territory would be required to obtain a Business License by January 30 of the following year, or 90 days following the date of annexation, whichever is longer. It was further agreed that all businesses operating in the County on renewable Development Permits would be required to renew their permits through Airdrie's Development Permit process.

MUNICIPAL ASSETS & ROADWAYS

The Proposed Annexation Territory includes a number of municipal assets. It was agreed that all municipal reserve parcels, intervening municipal roadways and boundary roadways would be transferred from Rocky View to Airdrie. As a consequence of the Proposed Annexation, the scheduled improvements to Range Road 292, from Highway 566 north to Yankee Valley Boulevard, were deferred from 2011 to 2012 by Rocky View County. Therefore, it was agreed that Airdrie would share in the cost of maintaining Range Road 292 for 2011.

It was further agreed that the upgrade of Range Road 292 would occur in 2012, regardless of the effective date of annexation and that the costs associated with this upgrade would be shared between Rocky View and Airdrie.

Rocky View County also had scheduled improvement to Range Road 13, from Yankee Valley Boulevard north to Highway 567. It was agreed that those improvements would proceed in 2011 as planned and the County would debenture the costs of those improvements at Airdrie's request with the intent that the debenture would be transferred to Airdrie upon the effective date of annexation.

COMPENSATION

Negotiations around compensation focused on the County's desire to recoup the costs of investments made in road infrastructure in the Proposed Annexation Territory over the past 5 years. It was agreed that the City would reimburse the County for costs borne by the County for road improvement projects in the Proposed Annexation Territory whose life cycles extend beyond the effective date of annexation. The estimated cost of reimbursement when calculated using an effective date of December 31, 2011, includes improvements to Range Road 13, Range Road 291, Range Road 292, Big Hill Springs Road, Dickson Stevenson Road and Croxford Estates Road totaling \$1,634,837.90. This amount would need to be re-calculated if the effective date of annexation changes or if there are any boundary adjustments.

6. PUBLIC CONSULTATION

The public consultation process pursued by the IANC provided opportunities for affected landowners, stakeholders and members of the public to become informed about the rationale and implications of annexation as well as to express their point of view and identify areas of concern. Below is a summary of key activities that were undertaken as part of the Communication and Consultation Process. Copies of all the information that is outlined below can be found in Appendix 5 and 9.

WEBSITE

The annexation website was launched in late August 2010 and has been a key source of up-to-date information for the public. The website can be found at the following link www.airdrieannex.ca. It contains links to provincial resources, annexation process flow charts, maps, frequently asked questions and links to reports, studies, events and presentation material as they became available.

LETTERS AND FEEDBACK FORMS

Throughout the annexation process the City and County have provided regular communication through letter mail to residents and stakeholders in the annexation area. In some instances letters have been set to targeted groups to answer specific questions or concerns that were brought forward through the public consultation process.

Additionally, Feedback forms were provided through the website at the counter of each municipal office and at open houses. To date there have been 45 feedback forms returned to the City and County and the issues identified have been communicated to the IANC at which time their concerns were addressed by providing feedback to the landowner and, when possible, through provisions of the Annexation Agreement.

PRESS RELEASES AND NEWSPAPER ARTICLES

Joint Press Releases have been regularly provided to media outlets to keep the general public abreast of the current status of the annexation negotiations. Additionally, IANC members provided interviews to various news publications as per the negotiations protocols in order to enable greater transparency and information sharing.

FREQUENTLY ASKED QUESTIONS

A set of frequently asked questions was developed in August 2010 and has been continually kept up to date. The FAQ has been made available through the web and at both municipal offices and has been regularly sent out to residents in the annexation area as part of letter mail correspondence.

OPEN HOUSES

Two open houses were held on the 9th and 15th of September 2010. The sign-in forms indicate at least 228 individual attended both open houses. Taking into account those who did not sign in, the total attendance number is approximately 250. City and County staff and elected representatives fielded questions from attendees. In addition to the display boards, staff also provided copies of FAQ's and feedback forms to attendees.

A large number of attendees remained for several hours and engaged multiple staff/elected representatives. Listed below are key issues that were brought forth:

- a) Additional land: A number of individuals had requested that they be included in the annexation area.
- b) Land Use: A large number of attendees had questions regarding future land uses in the Proposed Annexation Territory.
- c) Acreage Communities: Some acreage residents inquired about the timing and triggers associated with extending city services to their communities and future land uses for lands adjacent to their communities.
- d) Pace of New Development: Many attendees were interested in how quickly development will occur in the Proposed Annexation Territory or when they could expect changes to their particular area.
- e) Air Park: Airpark representatives were present at both open houses and expressed strong support for the proposed annexation. Owners of adjacent lands expressed concerns about the impact of the Airpark on their development potential.
- f) Utilities and Other Service Providers: Some attendees were interested in the impact on gas, power, telecommunications, postal service and other services.

FOCUSED CONSULTATION SESSIONS

Based on the feedback gathered from the open houses more focused consultation sessions were held in late October and early November with the acreage communities in the Proposed Annexation Territory. Each session was designed to be as convenient in location and timing as possible for landowners in order to ensure the greatest number of individuals could attend.

The first session was held at Golden Rod Hall on October 20th, 2010 with the residents of the Buffalo Rub community and surrounding area. The session was attended by approximately 15 individuals.

The second session was held at Airdrie Airpark Clubhouse on October 27th, 2010 with the residents of the Yankee Valley Estates and surrounding area. The session was attended by approximately 45 individuals.

The third session was held at Genesis Place on November 3, 2010 with the residents of Hamilton Greens, Croxford Estates and surrounding area. The session was attended by approximately 25 individuals.

The attendees provided feedback on a wide range of issues ranging from annexation, transition planning and general concerns. Listed below is annexation related issues identified in these sessions and responses provided by the IANC to all landowners invited to the sessions regardless of attendance (in italics):

- 1) Information was requested on the reasons for the current annexation process involving Rocky View County and the City of Airdrie, being cooperative when compared to the previous annexation process, which was contested and combative.**

There have been a number of measures taken since the 2003 annexation to increase the level of cooperation between the two municipalities. In early 2010, when the current annexation process was initiated, there was acknowledgement by both municipalities that the process should be respectful of each municipality's long term growth needs. This formed the basis for the mediated negotiation process and has helped ensure continued collaboration between both parties.

2) Information was requested on the reasons for changes in the boundary and conditions of annexation.

Changes to the proposed annexation boundary were agreed upon on average to better reflect land ownership patterns, natural features, road infrastructure, and both the City's and County's growth needs. At this time the Annexation Negotiation Committee has agreed to make no further changes to the proposed annexation boundary.

3) Concerns were expressed over the uncertainty of future land use in the surrounding area.

As part of the annexation negotiation process, the Annexation Negotiation Committee has agreed that all existing uses will be grandfathered into the City of Airdrie. The regulations currently found in the Rocky View County Land Use Bylaw and other County Bylaws will either be used as is or comparable regulations will be adopted by the City for the proposed annexation area. Therefore at this time there is no change to land use under consideration.

Prior to any change in land use occurs within the proposed annexation area a series of public planning processes will need to be undertaken. This includes the development and adoption of Area Structure Plans by the City of Airdrie. The land use issues identified through the annexation consultation process will be revisited at this future stage and additional opportunities will be provided to provide input. Prior to any multi-family or non-residential development being built in the City, a Development Permit would be required by the City. As part of the Development Permit review process, City staff will encourage the developer to consult with affected residents, and the concerns of affected acreage communities will be addressed through conditions of approval. Ratepayers may appeal any development permit decision made by the City.

4) Concerns were expressed over the inclusion of the Rocky View School District/ City of Airdrie joint parcel in the proposed annexation area because this was the only parcel west of Range Road 13.

The inclusion of this ¼ section of land was intended to accommodate the long term educational infrastructure needs of the City of Airdrie and surrounding area. While we recognize that this is the only parcel west of Range Road 13, its prominent location at the intersection of Hwy 563 and Range Road 13 further enhances its ability to be developed as a future school site or public facility.

5) Attendees suggested that the issues within the acreage communities (i.e Yankee Valley Estates, Buffalo Rub, Croxford Estates and Hamilton Greens) are distinct from those of the acreages in the surrounding area.

The City of Airdrie and Rocky View County recognize acreage owners outside of acreage communities have distinct concerns. As we continue to consult the residents in the proposed annexation area in the future, we will ensure that these two distinct groups are equally accommodated.

6) Information was requested on process and triggers attached to connecting to City Services.

The City of Airdrie Water/Sewer Bylaw defines areas with private water and sanitary servicing systems as subserviced areas. Effectively, once municipal services are extended past such an area, there is a Bylaw requirement for the homeowner to tie-in. Usually this only applies to areas experiencing redevelopment or intensification.

The City will therefore work in coordination with the property owners to ensure municipal service connections are addressed when they become available in the area. However, the City could move toward requiring municipal connections for water/sewer if there were a legitimate public safety concern (eg. insufficient fire flow in a previously existing communal system or an environmental issue related to failing septic disposal).

7) Information was requested on the possibility of the Yankee Valley Estates communal water system being incorporated into the City's municipal water system.

In terms of how an existing communal water system would be integrated into the city water infrastructure, it is difficult to state with certainty at this point in time. Once City of Airdrie infrastructure was in place in a given area, the City will not maintain both the municipal system and a prior, private communal system.

At this time City staff would evaluate the characteristics of the communal system (age, condition, material, depth of cover, etc.) to see if it was technically sufficient and suitable to tie into the City's water system.

Without pre-determining the outcome, preliminary analysis reveals that the communal system may not be sized adequately to deliver fire flows (for fire protection) and have hydraulic characteristics supportive of fire hydrants. If it is determined that the system is not technically sufficient to tie into the City's water system, then the municipal water and sanitary sewer system would be extended with the decommissioning of the previously existing communal system.

8) Information was requested on the financial impacts, including property values and taxes, of annexation on acreage owners in the short, medium and long term.

The intent of both the City and County through the annexation negotiation process was to minimize the impacts on affected land owners. To this end, the Annexation Negotiation Committee has proposed to adopt Rocky View County municipal tax rates on an annual basis for 20 years for non-agricultural properties in the proposed annexation area. The marketplace will dictate property value no matter the jurisdiction.

9) Confirmation was requested on whether any agreement on taxes will be in writing.

Agreements on taxes will be provided in writing as part of the annexation application that the City of Airdrie intends to submit to the Province in early to mid 2011.

10) Information was requested that compares the City and County rates.

For the 2010 taxation period Rocky View County Municipal Tax rates are:

(1) Residential properties: 2.3201 mills;

(2) Farmland properties: 5.2203 mills

(3) Non-Residential properties: 6.9603 mills.

For the 2010 taxation period City of Airdrie Municipal Tax rates are:

(1) Residential properties: 4.02027 mills

(2) Non-residential properties: 7.45091 mills

It should be noted that municipal tax rates are fixed by each municipality on an annual basis.

11) Concerns were expressed over uncertainty attached to tax pegged to Rocky View County rates.

There is uncertainty with municipal taxes regardless of jurisdiction. The intent of the Annexation Negotiation Committee is to ensure that municipal taxes are consistent through a 30 year horizon for agricultural properties and 20 year horizon for all other properties.

12) Request for lower tax rate to apply if City of Airdrie tax rates were lower than Rocky View County.

There is no provision to this effect that has been agreed to by the Annexation Negotiation Committee.

13) Request for a reduction in taxes until city services become available.

The taxation provisions agreed to by the Annexation Negotiation Committee intend to maintain the current level of taxes and services for residents in the proposed annexation area. Therefore, the taxes are not intended to compensate for services that will not be provided to residents in the proposed annexation area.

14) Suggestion that compatible development should be clearly defined for this area.

Since land use changes are not being reviewed as part of this annexation process, regulations governing land use transition and compatible development will be addressed through City policies and procedures. At this time the City is updating its Municipal Development Plan and Land Use Bylaw, and will update policies and procedures relating to each concept in these documents. The residents in the annexation area can provide their feedback as part of the public consultation process for each project. Additionally, the Inter-municipal Development Plan between the City and County will be reviewed once the annexation process is completed.

- 15) Suggestion that if another building similar to Belron development (to the south of Hamilton Greens) was approved by the City there would likely be intervention at the Municipal Government Board annexation hearing by owners in this Croxford Estates/Hamilton Greens area.**

The City of Airdrie is committed to mitigating the impacts of development south of Croxford Estates and Hamilton Greens as part of the development review process. We recognize that as new development occurs, the community has requested enhanced transition planning. To this end the City will ensure that issues documented as part of the annexation consultation process and previous meetings with the community are taken into consideration in any future development review.

Listed below are annexation transition issues identified in focused consultation sessions and responses provided (in italics):

- 16) Concerns were expressed over safety impacts associated with the sudden change in speed limit when Veterans Blvd. transitions into Hwy 567(60 km/h to 100 km/h). Information requested on the possibility of the speed limit changing subsequent to annexation.**

Currently the highest speed limit for arterial roads (e.g. Veterans Blvd., Yankee Valley Blvd.) within the City of Airdrie is 60 km/h. The City of Airdrie Engineering Services and Public Works Departments has taken this matter into advisement and will review speed limits on roads in the proposed annexation area immediately after Annexation becomes effective.

- 17) Information was requested on the coulee adjacent to the Buffalo Rub community and the impact of annexation on the management of this natural feature.**

The City of Airdrie's Ecological Inventory Expansion and Environmental Best Practice Report, 2010 identifies this coulee as a significant environmental feature in the proposed annexation area. In is the intent of the City to ensure that this feature is adequately protected as part of any future land use and development planning effort.

- 18) Information was requested on how County Bylaw's will transition into City Bylaws. (In particular animals, noise, accessory buildings, fire pits and controlled burning.)**

The Rocky View County Bylaws and policies currently under effect for the proposed annexation area will either be used as is or comparable regulations will be adopted by the City. Currently the City and County are determining the approach to transitioning such bylaws and policies. As decisions are made on such matters information will be made available to the public.

- 19) Information was requested on changes in approach and scope of municipal enforcement.**

The scope of municipal enforcement varies between the City and County based on each bylaw and the context within which it is applied. Currently the City and County are determining the best approach to transitioning enforcement obligations. As decisions are made on such matters information will be made available to the public.

20) Information requested on a City initiated rezoning of land and its impacts on the property taxes in the proposed annexation area.

The City of Airdrie generally does not initiate land use re-designation (re-zoning) on any particular land unless the land is owned by the municipality. Approved land use re-designation applications are generally supported by approved Area Structure Plans or Area Redevelopment plans and are initiated by land owners.

21) Concern over rezoning of one individual lot within acreage community forcing increased taxation on adjacent properties.

The City of Airdrie generally does not support the re-designation of individual residential lots to a higher density residential district than the surrounding area unless supported by an adopted Area Redevelopment Plan. Such a plan would require extensive consultation with affected residents.

22) Information was requested about the current and future zoning of lands that surround the community and the timing of future development in the area.

Following annexation, the City will work in consultation with regional stakeholders, the general public, affected land owners and development interests to ensure that appropriate Area Structure Plans are adopted for the proposed annexation area. Any significant re-designation of land will therefore follow the land uses identified in such Area Structure Plans.

The IANC sent the above mentioned responses to individuals in the proposed annexation territory. Airdrie and Rocky View worked to address relevant transition planning issues through conditions of the Annexation Agreement, and will continue to work with impacted landowners and stakeholders to address remaining issues upon annexation becoming effective

NON-STATUTORY PUBLIC HEARINGS

At the conclusion of negotiations, Airdrie and Rocky View held non-statutory public hearings at each municipality in order to gauge public reaction to the results of the negotiations and determine if any adjustments were required. The City of Airdrie's hearing was held first on Monday, March 2nd. Rocky View County's hearing was held the following week on Tuesday, March 10th.

There were a few landowners who opposed the annexation that spoke to both Councils. At the City of Airdrie hearing, these landowners stated their concerns; however, Airdrie Council approved the Mediation Report (Negotiation Report) as presented without making any changes. Rocky View County Council heard the same concerns, however, the landowners submitted formal requests for changes and therefore, Rocky View County Council recessed the public hearing in order to convene the IANC to discuss whether any changes to the negotiations was warranted as a result of the concerns raised and if so, what changes would be made. The IANC met on Friday, March 13th. The hearing was recessed to Tuesday, March 17th.

There were two concerns expressed:

1. Landowners within the community of Yankee Valley Estates, a country residential community located east of the current City of Airdrie boundary, was concerned about transitioning the existing community to new uses and was opposed to industrial uses on the boundary of their community. These landowners wanted some level of certainty that transition issues would be addressed and submitted a petition to Rocky View County Council with other community members that supported this position. The landowners preferred the use of a bylaw or some other legal mechanism that could provide that level of certainty. The response from IANC members at the hearing was that Airdrie could not adopt a bylaw for lands that are not within their jurisdiction and the Annexation Agreement cannot fetter future Council decisions. IANC members suggested that more detail regarding Airdrie's future planning activities including landowner participation in those processes be outlined in more detail in the Annexation Application.
2. Two landowners who own the East ½ of 24-27-29-W4M and NE-13-27-29-W4M requested inclusion into the Proposed Annexation Territory citing consistency in aligning the Annexation Boundary with roads, specifically to align the boundary with Range Road 290. Furthermore, the landowner that owns NE-13-27-29-W4M also owns SE-13-27-29-W4M, which is included in the Proposed Annexation Territory, and was opposed to owning property in two jurisdictions.

Due to the short timeframe between the hearings and the time when the IANC met, the results of the discussion were presented to Rocky View County Council verbally. The following rationale was provided to Rocky View County Council on March 17th.

The IANC decided to not adjust the proposed boundary of the Proposed Annexation Territory for several reasons:

1. The final proposed boundary was presented to the public in September 2010. Landowners had a significant amount of time to submit boundary change requests to the IANC, of which several were received. The IANC considered them all and determined that no additional changes would be made as the Proposed Annexation Territory is already quite large. If the IANC were to adjust the Proposed Annexation Boundary at this time, all requests for boundary changes would need to be re-assessed and another call for landowners to submit requests would need to be made. The IANC agreed that due diligence had occurred and all landowners had an equal opportunity to recommend boundary changes throughout the negotiation process;
2. The road in question, Range Road 290, is an undeveloped road allowance and therefore does not pose the same form of physical barrier as other boundary roads; and
3. The landowners still have the opportunity to address the Municipal Government Board in writing or in person if a hearing is held.

Furthermore, in order to address the concerns of transitioning by the landowners of Yankee Valley Estates, the IANC decided on two changes:

1. To add a general clause to the Annexation Agreement identifying Airdrie's responsibility to consult all future Airdrie residents and businesses and will identify appropriate policies relating to existing country residential communities in the Proposed Annexation Territory (See Section 10.5 of the Annexation Agreement).
2. To add more detail to the Annexation Application regarding Airdrie's planning processes and opportunities for public input, as per the Municipal Government Act (Section 7).

These changes were presented verbally to Rocky View County Council on March 17th, at which time Rocky View County Council approved the Mediation Report (Negotiation Report) with the presented modifications.

7. PLAN REVIEW

The following section identifies how the proposed annexation aligns with Airdrie's and Rocky View's statutory plans, policies and strategic planning documents.

The following statutory and non-statutory plans have been summarized in this section:

1. Rocky View/Airdrie Inter-municipal Development Plan (IDP)
2. Rocky View County Municipal Development Plan
3. Rocky View County Balzac West Area Structure Plan (BWASP)
4. Rocky View County Land Use Bylaw
5. Airdrie Municipal Development Plan (City Plan)
6. Airdrie Land Use Bylaw
7. Airdrie Community Area Structure Plans (CASP)
8. Airdrie Council Strategic Direction
9. Airdrie Integrated Community Sustainability Plan (ICSP)

ROCKY VIEW/AIRDRIE INTER-MUNICIPAL DEVELOPMENT PLAN (IDP)

The current IDP was adopted in August 2001 prior to the commencement of the first annexation process between the City and County. It has subsequently been updated to reflect the new boundaries of the City and County.

Section 3.6 of the IDP addresses annexation and identifies the requirement of an agreement be reached prior to any application being submitted to the Province. It additionally references the need for strong justification for any annexation through a growth strategy and servicing strategy and provides guidance on the issues that need to be addressed in any annexation negotiation process. As shown through the Annexation Agreement and Supporting Documentation, these provisions were adhered to by both municipalities in this Annexation process. Furthermore, the Annexation Agreement indicates that a review of the current IDP will be undertaken after the Annexation becomes effective. A complete copy of the IDP can be found in Appendix 6.

ROCKY VIEW COUNTY MUNICIPAL DEVELOPMENT PLAN

Section 10.3 of the Rocky View MDP reiterates the policies of the IDP referencing the need for a strong justification in the form of a growth strategy by the annexing municipality. The complete Rocky View MDP can be found in Appendix 6.

ROCKY VIEW COUNTY LAND USE BYLAW C-4841-97

As per the Annexation Agreement, existing land use districts including Direct Control (DC) districts that exist in the proposed annexation territory will be transitioned into Airdrie's Land Use Bylaw. Upon the release of the Board Order, Rocky View County will provide Airdrie with a current Rocky View County Land Use Bylaw as of the effective date of annexation.

ROCKY VIEW COUNTY BALZAC WEST AREA STRUCTURE PLAN (BWASP)

As per the Annexation Agreement, the four quarter sections of the Balzac West Area Structure Plan (BWASP) within the Annexation Territory will no longer apply. Airdrie may need to initiate a formal process to rescind those portions of the BWASP for those lands. No other Plans will be affected by this annexation. A complete copy of the BWASP can be found in Appendix 6.

AIRDRIE MUNICIPAL DEVELOPMENT PLAN (CITY PLAN)

The Airdrie City Plan is a statutory growth management strategy that identifies future land use, urban form and growth patterns, and infrastructure development. It is guided a “triple bottom line” approach that ensures the City implements policies that are socially, environmentally, and fiscally sustainable thereby enabling residents to live today without compromising the needs of future generation. The City Plan consists of a cohesive set of policies that ensures both the City and County liaise on issues pertaining to transportation, infrastructure, the environment, and land use through the creation of an Inter-municipal Development Plan. Other issues needing compatible strategies identified in the City Plan include open space and school site acquisition:

The City Plan promotes developing city-wide and regional contiguous open space pathways and corridors. This interface allows for non-motorized traffic to commute and enjoy the naturalized pathway while conserving the ecological infrastructure. It also provides an opportunity for lands adjacent to Airdrie to enjoy a greater connection to the City’s recreation facilities, schools, and park system. It additionally ensures that Airdrie works with Rocky View County when opportunities for school site acquisition emerge and.

The City of Airdrie faces unprecedented population growth and economic expansion. From 2001 to 2006, Airdrie’s population increased 41.8% compared to Calgary who grew 13.4%, and Canada an average of 5.4% (Statistics Canada, 2006). As a result an update to the City Plan is underway for review and adoption in 2012. As it relates to the proposed annexation territory, Airdrie intends to use this update to provide greater clarity on land use, environmental protection and future development in the proposed annexation territory. As part of the update process, Airdrie will consult with residents and development interests in the proposed annexation territory. There will be particular emphasis placed on land use and transition planning around existing acreage communities. This should address some of the unresolved concerns brought forward by residents in these communities as part of this annexation process. A complete copy of the City Plan can be found in Appendix 6.

AIRDRIE LAND USE BYLAW B-09/2005

Airdrie’s Land Use Bylaw is a regulatory document that governs the use and development of land with Airdrie and divides the City into distinct Land Use districts. It further identifies administrative procedures to appeal, enforce, and amendment the ByLaw. As a result of annexation, new regulations that mirror existing Rocky View County regulations will be incorporated into the City Land Use Bylaw to effectively transition properties from the County to the City.

AIRDRIE COMMUNITY AREA STRUCTURE PLANS (CASPs)

CASP is a statutory plan adopted by the City to plan new communities that identifies site specific constraints and opportunities, major road and piped infrastructure, municipal reserve sites, open

space, and generalized land use. There are currently a number of built out Communities with CASP's in place for lands adjacent to the annexation area. Each CASP takes into consideration its urban form interface with the proposed annexation area. By providing compatible roadway infrastructure and open space connections to the annexation area, Airdrie ensures responsible development and efficient servicing to future communities.

The North West CASP provides two arterial roads and one open space connecting to the proposed annexation area. Veterans Boulevard NE, is one such arterial connection and extending west into Rocky View County. 8th Street is the second arterial and extends north from the City into Rocky View County and the proposed annexation territory. Nose Creek, is a significant water-body and ecological system that runs through Airdrie and extends north of the City into the proposed annexation territory. Two additional pedestrian linkages connect this CASP area to the proposed annexation territory to the north.

Abutting the North West CASP to the East is the North East CASP. Major arterial roads linking to the proposed annexation area include: Main Street extending north; Veteran's Blvd. exiting east, Range Road 292 extends north. The South East CASP has one relevant connection to the annexation area; Yankee Valley Blvd SE extending East into the proposed annexation Territory. The West Airdrie CASP provides a two lane roadway that abuts Rocky View County—First Ave NW. This access point links directly to the Central Business District. Furthermore, two park spaces front the proposed annexation territory and provide a connection to the regional pathway system.

As part of the Municipal Development Plan update process, Airdrie is considering changes to the Community Area Structure Planning process for the Annexation Territory. The changes being considered will allow for greater integration of CASP's with each other and with existing City Communities. Any such changes will involve a thorough consultation process.

AIRDRIE COUNCIL STRATEGIC DIRECTION

Council has been actively involved in managing the Airdrie's unprecedented growth. Airdrie has been a long standing chair of the Calgary Regional Partnership for a number of years. This past role has shaped Council's priorities, placing responsible growth, regional planning, and inter-municipal relationship building as a priority.

In 2008, Council identified comprehensive planning as important to achieving sustainable growth. In order to meet this priority, Airdrie developed an annexation strategy aimed at balancing growth and diversifying the assessment base. Relationship building with municipal neighbours was also a priority and promoted collaboration on public projects and plans. In 2009, responsible growth continued to be a priority for Council with the aim of balancing residential and non-residential development by encouraging specific business sectors to relocate to the City. The possibility of building a College/University campus within Airdrie was also identified. Annexation was identified in 2010 Council Priorities and administration was directed to engage Rocky View County in annexation negotiations to secure adequate lands to implement their Comprehensive Growth Strategy. In 2011, the annexation process continued, but Council identified planning for future lands responsibly as a key priority. Regional initiatives in transit, servicing, and waste management were also identified as key priority areas. The proposed Annexation is aligned with Airdrie Council Priorities since 2008.

AIRDRIE INTEGRATED COMMUNITY SUSTAINABILITY PLAN (ICSP)

Airdrie developed and adopted an Interim Integrated Community Sustainability Plan in 2009 to analyze and prioritize future actions to achieve long term community sustainability. Of the areas analyzed, urban form, economic development, and transportation, is relevant to the annexation process. The ICSP reinforces the need for Airdrie to develop diverse land-uses and balance a primarily residential tax base with more non-residential development. It additionally speaks to the added benefits of increasing local employment on reducing commuting time and transportation infrastructure between Airdrie and Calgary. As a result the proposed annexation territory was identified by Airdrie as an opportunity to pursue sustainability by attracting industrial and commercial business, retaining skilled workers, conserving contiguous areas of ecologically sensitive lands, and developing complete communities.

8. STUDIES SUPPORTING PROPOSED ANNEXATION

The following studies and reports have been included in Appendix 6 of the Annexation Application and summarized in this section:

1. Airdrie Comprehensive Growth Study
2. Rocky View County Growth Management Strategy
3. Airdrie Ecological Inventory Expansion and Environmental Best Practices Report
4. Infrastructure Needs Study for Proposed Annexation Lands

AIRDRIE COMPREHENSIVE GROWTH STRATEGY (CGS)

The City of Airdrie is one of the fastest growing municipalities in Alberta, having grown from 12,000 people to 39,822 people in the last twenty years. The Airdrie Comprehensive Growth Study (CGS) was prepared in light of this rapid growth with the purpose of identifying land demand and supply for the next 50 years. The CGS indicates that 1,509.30 acres of net developable land remains within Airdrie as of 2011. The majority of these lands are located in south Airdrie and due to servicing constraints these lands are not immediately available to be developed. It demonstrates that Airdrie does not have sufficient lands to accommodate its future long-term growth needs.

Population and employment projections the City's population will reach 109,000 people by 2057 with densities projected to increase from 5.98 units per acre (UPA) to 7.0 UPA in the same time period. Annual employment growth is expected to increase to 2.6% in the first thirty years, and then recede to 2.1% in 2057. Using population and employment forecasts, it is expected that an additional 3,320 acres of residential land will be required for 2037, and another 4,695.7 acres by 2057. Projections for future industrial land demanded is based on the 2008 industrial land per capita of 19 acres of developed land per 1,000 residents, which anticipates an additional 1,578.5 acres of industrial land will be needed by 2037, and 2,666.7 acres by 2057. Projections for future commercial land demanded is based on per capita calculations and an increase in an average 0.14 Floor-to-Area Ratio (FAR) in 2008 to 0.20 FAR by 2037, which indicates demand for an additional 379.1 acres of commercial land by 2037, and 839.2 acres by 2057.

The CGS concludes that the proposed annexation territory has adequate land to supply future land requirements for residential, commercial, and industrial land, while protecting environmentally sensitive areas, for the next 50 years.

ROCKY VIEW COUNTY GROWTH MANAGEMENT STRATEGY (GMS)

The Rocky View County Growth Management Strategy (GMS) is a non-statutory document that provides direction to the County regarding growth priorities. The GMS identifies the need for the County to concentrate growth to defined areas in business and community nodes in order to more efficiently provide services and to create complete communities. The GMS supports "triple bottom line" and "smart growth" principles.

The GMS map provides clear direction on where business and community growth nodes should occur. This plan clearly identifies Rocky View's intent for Balzac West to become a community growth node and for Balzac East to become a business area. Much of the development in the Balzac

East area has occurred or is planned to occur in the near future. Some site planning has occurred in the Balzac West area, but has not occurred as rapidly as Balzac East.

The proposed annexation territory respects Rocky View's growth plans south of the existing City boundaries as defined in the GMS.

ECOLOGICAL INVENTORY EXPANSION AND ENVIRONMENT BEST PRACTICES REPORT

The Ecological Inventory Expansion and Environment Best Practices Report enables Airdrie to effectively integrate and protect ecological and environmental systems within Airdrie and the proposed annexation territory. The report focuses on undeveloped land within City limits (33.5 km²) and the proposed annexation territory (45.61 km²) and identifies ecological features within this study area and provides best practice techniques for conserving and developing adjacent to these lands.

The study indicates that the proposed annexation territory land is primarily rural, with 89% being grass, pasture and cropland. Twelve ecologically significant areas were identified due to their concentrated distinct features, such as riparian corridors, wetlands, or natural grassland patches. Of these twelve hotspots, the report recognizes two contiguous areas in the South West, one in the North West, and one in the East, as high priority conservation areas. These key areas are adjacent to existing developed residential and commercial lands, making them vulnerable to future development pressures. The preservation of these lands will maintain the integrity of existing ecological infrastructure while offering opportunities to expand the City's existing parks and open spaces. Currently, these lands are in private stewardship. The report further identifies environmental best practices applied by municipalities in Alberta, and gaps and opportunities in Airdrie's existing policies. Most notable recommendations for the City include: integrating the new ecological inventory data for the growth area with existing municipal GIS data; acquiring riparian corridors and integrating these lands with existing open spaces; conserving all ridges and escarpments; encouraging naturalized landscaping in new development; zero net loss of wetlands; and situating Nose Creek as a central corridor for parks and open spaces.

In the summer of 2010, the IANC extended the proposed annexation territory by 0.5 miles north of the original study area (10 additional quarter sections) identified in this report. While the newly added lands are identified and analyzed in many areas of the report, detailed analysis that includes site visits have not been conducted for these lands. It is the intention of the City to undertake the same ecological analysis for these lands upon approval of this annexation application by the Province of Alberta.

ANNEXATION INFRASTRUCTURE NEEDS STUDY

In February of 2010, BSEI was retained by the City of Airdrie to prepare a study identifying the infrastructure required for the Proposed Annexation Territory. The Study incorporates the findings of the CGS and Ecological Inventory and provided the following:

- Wastewater volumes and flow rates, capacity of existing wastewater pumping stations and wastewater forcemains to the City of Calgary wastewater system; and wastewater servicing concept for the proposed annexation territory;

- Water demand projections, capacity of existing and proposed water supply, storage and distribution network for the existing City lands, and a water servicing concept for the proposed annexation territory;
- Review of Airdrie storm-water management policies; identification of utility corridors for water and wastewater infrastructure within proposed annexation territory and between Airdrie and Calgary; cost estimates for major water and wastewater infrastructure components required to service the proposed annexation territory;

The study concludes that it is feasible for Airdrie to service the proposed annexation territory over the 50 year planning horizon. The full study can be found in Appendix 8.

9. FINANCIAL IMPACT ASSESSMENT

The Financial Impact Assessment (FIA) was developed by staff from both municipalities at the request of the IANC. The complete report can be found in Appendix 7. It analyzes the financial impacts of the proposed annexation and associated compensation on both municipalities and makes this information available to both municipalities and the Alberta Municipal Government Board. This report presents the existing financial situation of both municipalities details direct costs from the annexation process and related impacts on operating and capital budgets for both municipalities.

The Assessment concludes that both municipalities will witness operating losses due to annexation. Rocky View will experience an annual operating loss of \$246,422 and Airdrie will experience an annual operating loss of \$204,364. Additionally Airdrie will experience a 23% reduction in uncommitted Operating Reserves needed to pay for the Compensation associated with this Annexation. This represents a minimal impact to both municipalities and conversely a large annexation such as this would provide greater development certainty to both municipalities and reduce the recurring costs of multiple smaller annexations.

10. LAND OWNERSHIP AND TITLES

Land owner names, civic addresses, legal descriptions and copies of Titles are provided in a separate binder Titled: "Land Owner Information" for Municipal Government Board consideration. This information will not be made public as per the requirement of Freedom of Information and Privacy Protection Act and therefore will not be included in this section or any other part of this Application that will be made public.

CERTIFICATE

Pursuant to Section 118(2) of the Municipal Government Act, the City of Airdrie and Rocky View County do hereby certify that this report, including all appendices, accurately reflects the results of the negotiations with respect to the annexation.

Dated at Calgary, Alberta, this 9th day of September, 2011.

CITY OF AIRDRIE



MAYOR



CITY CLERK

ROCKY VIEW COUNTY



REEVE



MUNICIPAL CLERK