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Barristers & Solicitors

How to Use the “A” Word in Polite Company

The Shift Toward a Collaborative Annexation Process

A Presentation to the CPAA Annual Planning
Conference, May 3, 2016

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Signs of the Times

Municipalities



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Service Demands/Growth Pressures



Viability Issues (Haves/Have Nots)



Limited Revenue Sources/Funding Parameters



Intermunicipal Disputes/Annexations



Growth Management Boards

Municipal Government Act Review

- Planning and Development
- Governance and Administration
- Assessment and Taxation



Intermunicipal Cooperation

OLD PARADIGM	NEW PARADIGM
Localized/bi-lateral	Sub-regional/Regional
Ad Hoc	Coordinated/Comprehensive
Informal	Formal
Voluntary	Mandated
Have's/Have Not's	Equity/Equality
Geopolitical Boundaries	Blurred Lines/Communities



Annexation

OLD PARADIGM	NEW PARADIGM
Urban Expansion/Rural Land Bank	Equal Rights to Grow
Urban Sprawl	Higher Densities
Pave Paradise	Preserve Farmland/Food Supply
Country Residential	'Rurban' Development
Ad Hoc	IDP's/Regional Growth Management Plans



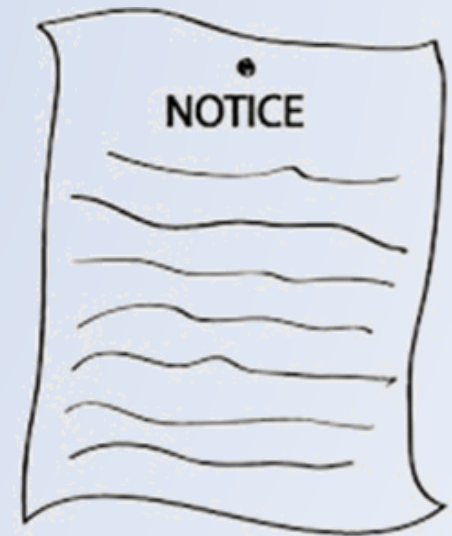
STATUTORY ROADMAP TO ANNEXATION



Annexation Process: Initiating Municipality

Written Notice (s. 116)

- To Local Authority from which land is to be annexed
- To MGB and “affected” local authorities:
 - municipalities;
 - regional health authority;
 - regional services commission;
 - school boards.
- Land description
- Reasons for annexation
- Proposals for public consultation and meetings with affected landowners



Strategies for Success

- ✓ Do the heavy lifting **long before** issuing Written Notice
- ✓ No surprises – municipality being annexed, affected authorities, landowners or the public
- ✓ Plan & develop evidence-based case
- ✓ Fiscal Impact Analysis – initiating and responding municipalities

Strategies for Success

- ✓ Joint Growth Study –both urban and rural growth
- ✓ Intermunicipal Development Plan – mutually beneficial/accommodate growth of all parties
- ✓ Identify urban expansion area and legitimate annexation triggers
- ✓ Public consultation process
- ✓ Landowner engagement process

Annexation Process: Initiating Municipality

Negotiation and Mediation (s. 117)

- Must directly negotiate in good faith
- Where negotiations fail, must attempt to mediate



Strategies for Success

- ✓ Establish annexation negotiation committee – Council/Administrative Support
- ✓ Engage a facilitator(s)
- ✓ Develop an Annexation Negotiations Protocol
- ✓ Meet, discuss, negotiate *in good faith* – it takes time...

Annexation Process: Initiating Municipality

Report on Negotiations (s. 118)

- Addressing the results of the negotiations
- Listing the matters agreed and disagreed upon
- Describing the public consultation process



Annexation Process: Initiating Municipality

Report on Negotiations – con't (s. 118)

- Summarizing views expressed during consultation
- Describing use of mediation (or reasons why not used)
- Signed by all participating municipalities or providing reasons for not signing

Strategies for Success

- ✓ Don't short-circuit the process
- ✓ Must attempt to mediate if negotiations fail
- ✓ Limit matters disagreed upon
- ✓ Jointly develop Report on Negotiations



Annexation Process: Initiating Municipality

Application (s. 119)

- Report is submitted to MGB and affected local authorities
- Report constitutes application for annexation



Annexation Process: Agreement

Notice is sent to (s. 120):

- Minister of Municipal Affairs
- Affected local authorities
- Other affected parties as required by MGB

Annexation Process: Agreement

If there are No Objections (s. 120)

- MGB makes recommendations to Minister without public hearing
- Considers principles, standards and criteria under s. 76 of the *MGA*, if enacted

Annexation Process: Agreement

If there are Objections (s. 120)

- MGB may investigate, analyze and make findings of fact
- MGB must conduct one or more public hearings



Annexation Process: Agreement

Contents of MGB Report (ss. 120 and 124)

- Consider the principles set out in s. 76 (if enacted)
- Recommendations on annexation
- Description of land
- Recommendations on revenue sharing and other terms or conditions (i.e. tax protection, land use, compensation, etc.)
- Copy of report to all affected municipalities where annexation is not recommended

Annexation Process: No Agreement

Notice must be sent (s. 121)

- To Minister
- Affected Local Authorities
- Other affected parties as determined by the MGB



Annexation Process: No Agreement

Public Hearings (s. 121)

- Any affected person may appear
- MGB may investigate, analyze and make findings of fact



Annexation Process: No Agreement

Notice of Hearings (s. 122)

- MGB must give notice of public hearings (advertised two weeks)
- MGB determines costs of the hearing

Annexation Process: No Agreement

MGB Report and Recommendations (ss. 123-124)

- Consider the principles set out in s. 76 (if enacted)
- Recommendations on annexation
- Description of land
- Recommendations on revenue sharing and other terms or conditions
- Copy of report to all affected local authorities where annexation is not recommended

Review by Provincial Cabinet

Review by Provincial Cabinet (ss. 125-128)

- May order annexation or notify initiating municipality of the refusal
- May require payment of compensation (or arbitration of compensation) dissolve a municipal authority, or address any matters referred to in s. 89

Strategy for Success

- ✓ Whether annexation is by agreement or not, MGB measures application against Annexation Principles
- ✓ Annexation application must be principled, evidence-based, rational and defensible.



Annexation Principles



Annexation Principles

The following annexations principles were adopted by the MGB in **Board Order 123/06**, an application by the City of St. Albert to annex certain lands from Sturgeon County:

1. Intermunicipal cooperation.
2. Accommodation of growth by all municipalities.
3. Recognition of local autonomy.

Annexation Principles

4. Land requirement considerations such as:
 - Growth projections,
 - Available lands within the current boundaries,
 - The variety of land uses, and
 - Reasonable growth options.
5. Logical extension of growth patterns, transportation and infrastructure services.
6. Cost effective, efficient and coordinated approach to the administration of services.



Annexation Principles

7. Sensitivity and respect for key environmental and natural features.
8. Alignment with statutory plans, infrastructure plans, and economic development plans.
9. Financial impact on the initiating and the responding municipalities.
10. Agency consultation.
11. Reasonable solutions to impact on property owners and citizens.

Annexation Principles

12. Public and landowner consultation process.
13. Justification for suggested intermunicipal revenue sharing/compensation.
14. Rationale to establish the annexation is not simply a tax initiative.
15. Conditions of annexation that are certain, unambiguous, enforceable and time specific.

Strategies For Success

- Willingness to collaborate
 - Reframe us vs. them mentality to win-win, mutually beneficial
 - Listen and learn from neighbours
 - Check ego at the door
 - Overcome/overlook historical grievances
 - Remember, it's about the people



Strategies For Success

- Capacity to collaborate
 - Identify the necessary resources (fiscal/personnel)
 - Engage experts/supplement internal capacity
 - Commit the time and energy necessary
 - Get invested and be engaged



Municipal Purposes

To provide **good government.**



To develop and maintain **safe and viable communities.**

To provide **services, facilities,** or other things necessary or desirable for the municipality



MGA, s. 3



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QUESTIONS?

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