

Q&A BACKGROUNDER

February 14, 2022

Notice of Intent to Annex issued

1. What is annexation?

Annexation occurs when the boundary of a municipality changes. It is a tool used by municipalities to realign jurisdictional boundaries to ensure a sufficient land supply for long-term development. Annexation is not a change in ownership of the land, simply a change in which municipality has responsibility for that land area.

In terms of The City of Red Deer, annexation would involve changing the border of The City to accommodate land for growth. This means that some areas located within County jurisdiction would be brought under City jurisdiction.

2. Are annexation and expropriation similar?

No. Expropriation involves a municipality taking over ownership of private land. Annexation, on the other hand, does not involve a change in land ownership; it is only a change in municipal boundaries.

3. What is the annexation process?

The Land and Property Rights Tribunal (LPRT) outlines the process and ultimately makes a recommendation to the province on the annexation. The process begins when one municipality submits a "Notice of Intent to Annex" to the LPRT. The municipality, The City of Red Deer in this case, must then consult with affected landowners, the public and other stakeholders.

The City must also work with the municipality it wishes to annex land from, which is Red Deer County in this case. Once this is completed, the annexing municipality will submit a report to the LPRT; the LPRT may hold a public hearing, and individuals will be allowed to appear before the LPRT to make comments. The Tribunal then prepares a report for the Minister of Municipal Affairs to consider, and a decision will be made by the provincial government (Order in Council) after considering the Tribunal's report.

4. What is the rationale for The City's growth?

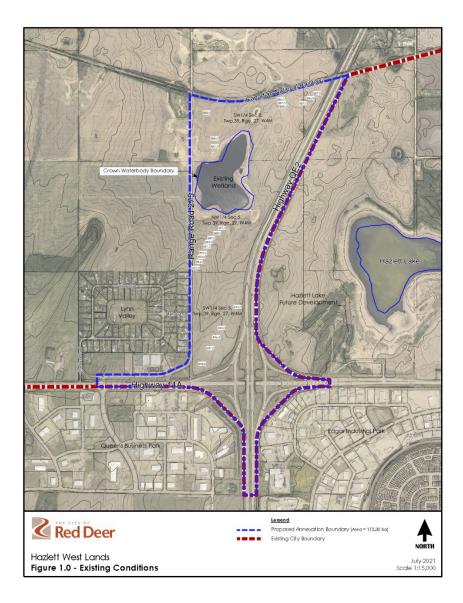
The Intermunicipal Development Plan's (IDP) land supply formula indicates Red Deer has a 17-year land supply. The IDP recommends The City have within its boundary a 30-to-50-year supply for growth purposes. The areas annexed will be used to accommodate future growth and development.

5. What is the area that will be annexed?

The land that is being annexed is an area of approximately 170 hectares in size, north of the Queen's Industrial Business Park and west of Highway QEII (see map below). The land is currently within Red Deer County.



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6. Why did we choose this area to annex?

The City is deficient in highway fronting commercial land. The City of Red Deer is mostly built-out to its western boundary and the remaining undeveloped lands along this boundary have already been planned for residential and industrial uses through the adoption of area structure plans.

The City is pursuing this small annexation to increase the supply of land fronting onto the Queen Elizabeth II Highway in order to accommodate future commercial development. Commercial development along Highway QEII leverages Red Deer's central location and contributes to expanding and diversifying Red Deer as an economic hub. This annexation is



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a precursor for a potential economic development opportunity to attract and retain business investments, create employment opportunities, and expand the local tax base.

7. Why such a small annexation at this time?

The City of Red Deer's populations projections and current land supply justify the need for a significantly larger annexation. However, in more recent years, Red Deer's growth has slowed from the previous years of exceptional growth. This small-scale annexation to only annex lands for which it has an immediate need is cost-effective and efficient. The City will continue to monitor the projected growth rates and land supply and will work with Red Deer County to develop a phased approach to future larger annexations.

8. How much will it cost to annex this area?

The immediate costs are limited and would start in 2023 and continue if the lands remained undeveloped. However, it's anticipated that development would begin shortly after annexation and the adoption of the required statutory plans. Therefore, there are anticipated costs in subsequent years of the budget, which will be presented in the 2023-2026 budget for Council's consideration.

9. What are the next steps in the annexation process?

The first step to initiate annexation will be to provide the notice to Red Deer County, the chair of the Land and Property Rights Tribunal's (formerly the Municipal Government Board), and the Minister of Municipal Affairs, among other authorities. This will trigger the start of the formal annexation process.

Once the annexation process has started, The City will enter into negotiations with Red Deer County and carry out the proposed landowner/public consultation program. These process steps will culminate with the Report on Negotiations, which will return to Council for endorsement before being submitted to the Land and Property Right Tribunal.

10. Where can I find out more information about this annexation?

More information about this small-scale annexation can be found on <u>www.reddeer.ca/annexation</u>. There residents will find information about the boundaries, how to request regular updates, and information about upcoming public engagement opportunities.