



REVISED AGENDA

INTERGOVERNMENTAL AFFAIRS COMMITTEE

May 14, 2020, 9:30 AM
IN THE COUNCIL CHAMBER

Members

Mayor N. Nenshi, Chair
Councillor G-C. Carra, Vice-Chair
Councillor G. Chahal
Councillor P. Demong
Councillor J. Farkas
Councillor R. Jones
Councillor E. Woolley

SPECIAL NOTES:

*Public are encouraged to follow Council and Committee meetings using the live stream
<http://video.isilive.ca/calgary/live.html>
Members will be participating remotely.*

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2020 April 02
5. CONSENT AGENDA
 - 5.1 DEFERRALS AND PROCEDURAL REQUESTS
None
 - 5.2 BRIEFINGS
None

6. POSTPONED REPORTS
(including related/supplemental reports)

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Federation of Canadian Municipalities (FCM) (Verbal), IGA2020-0475

7.2 Alberta Urban Municipalities Association (AUMA) (Verbal), IGA2020-0476

7.3 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2020-0479

7.4 Calgary Metropolitan Region Board (CMRB) - Governance Committee (Verbal), IGA2020-0480

7.5 Calgary Metropolitan Region Board (CMRB) - Land Use and Intermunicipal Servicing (Verbal), IGA2020-0482

7.6 Intermunicipal Committees (IMC) (Verbal), IGA2020-0552

7.7 Advocacy Update (Verbal), IGA2020-0537

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS
None

8.2 NOTICE(S) OF MOTION
None

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 CMRB Update (Verbal), IGA2020-0528
Held confidential pursuant to Section 21 (Disclosure harmful to intergovernmental relations) of the *Freedom of Information and Protection of Privacy Act*.

Review By: 2030 May 14

- 10.1.2 Consideration of Rocky View County's Application to Become a Specialized Municipality, IGA2020-0502
Report, and attachments 5 and 6 held confidential pursuant to Sections 21 (Disclosure harmful to intergovernmental relations), 23 (Local public body confidences) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

Review By: 2030 May 14

10.2 URGENT BUSINESS

11. ADJOURNMENT



MINUTES

INTERGOVERNMENTAL AFFAIRS COMMITTEE

**April 2, 2020, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Mayor N. Nenshi, Chair
Councillor G. Chahal (Remote Participation)
Councillor P. Demong (Remote Participation)
Councillor J. Farkas (Remote Participation)
Councillor R. Jones (Remote Participation)
Councillor E. Woolley (Remote Participation)
Councillor J. Gondek (Remote Participation)
Councillor J. Magliocca (Remote Participation)

ABSENT: Councillor G-C. Carra, Vice-Chair (Council Business)

ALSO PRESENT: A/General Manager C. Arthurs
Legislative Advisor L. Gibb
Legislative Advisor J. Palaschuk

1. **CALL TO ORDER**

Mayor Nenshi called the Meeting to order at 9:36 a.m.

2. **OPENING REMARKS**

Mayor Nenshi provided opening remarks.

To confirm Members of Committee present in Chamber and Report Participation:

ROLL CALL

Mayor Nenshi, Councillor Demong, Councillor Farkas, Councillor Jones, Councillor Magliocca, Councillor Woolley, Councillor Chahal

3. **CONFIRMATION OF AGENDA**

Moved by Councillor Woolley

That the Agenda for today's meeting be amended by adding an item of Urgent Business, Item 9.1 Covid-19 Response (Verbal), IGA2020-0428.

MOTION CARRIED

Moved by Councillor Woolley

That the Agenda for today's meeting be confirmed **as amended**.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

- 4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2020 March 19

Moved by Councillor Farkas

That the Minutes of the 2020 March 19 Regular Meeting of the Intergovernmental Affairs Committee be confirmed.

MOTION CARRIED

5. CONSENT AGENDA

- 5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

- 5.2 BRIEFINGS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 7.1 Federation of Canadian Municipalities (FCM) (Verbal), IGA2020-0418

Councillor Woolley presented a verbal update and was thanked by Committee.

- 7.2 Alberta Urban Municipalities Association (AUMA) (Verbal), IGA2020-0419

Councillor Demong presented a verbal update and was thanked by Committee.

- 7.3 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2020-0420

Mayor Nenshi presented a verbal update and was thanked by Committee.

8. ITEMS DIRECTLY TO COMMITTEE

- 8.1 REFERRED REPORTS

None

- 8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

- 9.1 Covid-19 Response (Verbal), IGA2020-0428

A document entitled "IG Request Tracker - April 1 (IGA)," was electronically distributed and displayed with respect to Verbal Report IGA2020-0428.

Committee, by general consent, postponed the remainder of this item to the Closed Meeting portion of today's meeting.

Moved by Councillor Woolley

That pursuant to Sections 21 (Disclosure harmful to intergovernmental relations) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, Committee move into Closed Meeting, in the Council Boardroom, at 10:15 a.m., to discuss confidential matters with respect to the following Item:

- 9.1. COVID-19 Response (Verbal), IGA2020-0428

ROLL CALL

Mayor Nenshi, Councillor Farkas, Councillor Gondek, Councillor Jones, Councillor Magliocca, Councillor Woolley, Councillor Chahal, Councillor Demong

MOTION CARRIED

Committee moved into Public Meeting at 10:47 a.m. with Mayor Nenshi in the Chair.

Moved by Councillor Jones

That Committee rise and report.

MOTION CARRIED

Administration in attendance during the Closed Meeting discussions with respect to Verbal Report IGA2020-0428:

Clerks: L. Gibb and J. Palaschuk. Advice: K. Cote, C. Arthurs, and D. Corbin. Observers: J. Clarke, H. Kathol, S. Deederly, A. McIntyre, M. Surgenor-Sands. Law: None.

Moved by Councillor Jones

That with respect to Verbal Report IGA2020-0428, the following be approved:

That the Intergovernmental Affairs Committee direct that the Closed Meeting discussions remain confidential pursuant to sections 21 (Harmful to intergovernmental relations), and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

10.2 URGENT BUSINESS

None

11. ADJOURNMENT

Moved by Councillor Chahal

That this meeting adjourn at 10:51 a.m.

ROLL CALL

Mayor Nenshi, Councillor Gondek, Councillor Jones, Councillor Magliocca, Councillor Woolley, Councillor Chahal, Councillor Demong, Councillor Farkas

MOTION CARRIED

The next Regular Meeting of the Intergovernmental Affairs Committee is scheduled to be held 2020 May 14 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

TO: Council
DATE: December 10, 2019
FILE: N/A
SUBJECT: Direction to proceed with Specialized Municipality Status process

DIVISION: All
APPLICATION: N/A

DIRECTION:

On March 26, 2019, Council directed Administration to analyze the benefits of becoming a specialized municipality and to report back to Council.

EXECUTIVE SUMMARY:

Rocky View County is classified as a Municipal District, which is primarily rural in nature as per the *Municipal Government Act* (MGA). Rural municipalities typically have lower tax rates and less services for rural residents. Over time, several areas of the County have become increasingly urbanized and will continue to grow; specifically Langdon, Harmony, East Balzac, and Conrich. Residents and businesses in these areas require or expect higher levels of service than the rural or country residential areas.

This has created a potential governance challenge, primarily with respect to taxation because tax rates are currently uniform across the municipality. This means that all residents and business are paying for services that may benefit a specific area. As a municipal district, the County is limited in creating differing assessment and taxation classes to address this issue.

The MGA provides a mechanism to address this governance challenge by allowing a rural municipality to change its status to a specialized municipality. Specialized status would provide tools for the County to identify urban service areas and potentially develop higher service levels supported by differential taxation, where appropriate. Specialized status requires approval of Cabinet through an Order in Council. To change the status, an application must be made to the Minister of Municipal Affairs, outlining why specialized status is necessary. The application must include a resolution from Council and a summary of the public consultation undertaken in support of the process.

A designation of specialized municipality has three main benefits for the County:

- 1. Urban Service Areas** – specialized municipal status would allow Council to identify the existing urban service areas that could have a different level of, or area-specific, services than other areas of the County, supported by different tax rates. This provides a better link between the request for services and the cost to provide them. Local residents, business owners, and/or Council could initiate the implementation of different urban service standards, supported by differential tax rates, depending on the needs of that particular urban service area. Urban and rural service areas have been identified in several specialized municipalities including: Lac La Biche County, Strathcona County, and the Rural Municipality of Wood Buffalo.
- 2. Grants / Programs** – Legal recognition of the County's urban and rural nature by an Order in Council allows the County to access urban grants or programs.
- 3. Recognition** – Specialized status helps to change the incorrect perception that the County is entirely rural and confirms the rights and associated obligations of the County with respect to developing urban areas.



Through the analysis, Administration has determined that becoming a specialized municipality would provide ratepayers and the County with the necessary tools to appropriately deliver services to residents and businesses. It is recommended that Council direct Administration to formally begin the process of applying to change the status of Rocky View County to Specialized Municipality, in accordance with Option #1.

¹ADMINISTRATION RECOMMENDATION:

Administration recommends Option #1.

BACKGROUND:

Rocky View County is currently classified as a Municipal District (Section 78 of the MGA), which applies to municipalities that have a population greater than 1000 and in which the majority of dwellings are on larger parcels of land. Municipal districts are typically rural in nature with extensive agricultural lands, and where most residents have similar needs with respect to municipal service delivery.

Rocky View County has a unique development pattern that includes a number of existing and approved urban areas, while maintaining a rural development pattern in the majority of the County. The County has approved plans for five hamlets, each with the potential to reach a population of at least 10,000. In addition, four regional business centres have been approved and are actively being developed.

Each of these areas is (or will be) distinct from each other and from the country residential and rural areas found elsewhere in the County. This development pattern will create unique governance challenges for Rocky View County. Residents and businesses in urbanized areas may request increased levels of service delivery that have not traditionally been provided to rural areas. Creation of a specialized municipality with identified urban service areas provides the residents and business in those areas a tool with which to request additional services through different tax rates. In doing so, it will not transfer the tax burden to residents in other areas of the county that will not receive those services. Under the current designation of Municipal District, there are limitations in the MGA with respect to assessment and taxation related to equity of service delivery.

DISCUSSION:

To address the unique governance challenge, Section 83 of the MGA allows for the creation of a specialized municipality. There are three primary reasons for the County requesting special municipality status: (1) the ability to create urban service areas in order to match cost to service levels; (2) the ability to access federal / provincial grants and other programs for urban centres; and (3) the need for external recognition that the County is not solely a rural municipality.

1. Urban Service Areas

The County has two urban development types: hamlets and regional business centres. Overall, these urban areas have differing levels of service demands than the rural areas, but the needs also differ between each urban area. As an example, service requirements in the hamlet of Langdon may be significantly different from those in Harmony. The assessment/taxation portions of the MGA that allow a municipality to pay for services have been designed to address homogenous municipalities (rural or urban) and do not recognize the existing regional variability within the County.

¹ **Administration Resource**

Amy Zaluski, Intergovernmental Affairs



MGA - Assessment and Taxation

The MGA approaches assessment within a municipality by distinguishing different types of properties (class and sub-class). It then mandates a uniform tax rate for similar classes across a municipality on the assumption that communities within that municipality receive a similar level of service. This approach does not recognize the regional variability of Rocky View County.

Non-residential assessment

The types of non-residential subclasses provided for in the MGA do not allow the County to differentiate between a rural business receiving no services and an urban business receiving services. It also does not distinguish between two urban businesses in different geographic areas receiving different services (e.g. transit / no transit).

Residential

The MGA allows municipalities to create multiple residential sub-classes, but does not allow them to be easily linked to a geographic area. Administration has explored adding a geographic tag to the assessment class. For example: sub-class Res – Urban (Glenbow). This ‘work around’ is not a desirable approach as it (i) adds red tape to the assessment process by creating multiple assessment classes, and (ii) is not transparent to the rate payer.

The ability to link tax rates to specific areas based on service levels is intuitively understandable to a rural ratepayer farming in the northwest of the County or an urban ratepayer living in Langdon, communities that are separated by a driving distance of over 100 kilometers.

The granting of specialized status does not obligate Council to apply different tax rates to an Urban Service Area. Administration anticipates that an increase in levels, supported by differential tax rates, would be examined through an engagement process initiated by local residents, business owners, and/or Council.

2. Grants

Previous Government of Alberta (GOA) grant programs were structured to recognize rural and urban areas. Specialized municipalities could take advantage of both urban and rural grant opportunities. In 2007, with the launch of the Municipal Sustainability Initiative (MSI) funding, the Province moved away from rural / urban grant programs to grants based on population. However, the MSI funding structure is under review, and if it changes to include recognition of development form, acknowledgement of the County as a rural / urban municipality is of value. The ability to identify formal urban settlements is also of value when applying for federal grants or any other programs related to urban service delivery.

3. Recognition

How a municipality portrays and brands itself is an important part of a municipality’s identity. In the Calgary region, the Town of Cochrane will officially remain a town even though its population (25,289) would allow it city designation. Likewise, the City of Chestermere (19,887) has elected to brand itself a city so that it can attract more business and investment.

The County confronts the perception of being a rural municipality when in fact it is providing both rural and urban services and should be recognized for this. The County is often challenged by adjacent urban municipalities that it is a ‘free rider’ obtaining services for its residents at no cost. The County disagrees with this criticism; nevertheless, the potential for

different tax rates provides another example of the County proactively looking for tools that allow it to address urban service requests.

Order in Council

A specialized municipality is created by an Order in Council (OC). The OC is drafted by the Province and is approved by Cabinet. The OC must describe the boundaries of the municipality, give the official name of the municipality, state the number of councillors, describe the district boundaries, and state how the chief elected official is determined (either vote of the electors or appointed by Council).

Central to an OC is the inclusion of “matters or conditions that govern the functions, powers and duties of the specialized municipality” (MGA S. 89(3d)). Administration recommends that the application for specialized status include the following:

1. The identification of five residential and four Urban Service Areas, including:
 - Balzac (west residential and east business areas);
 - Conrich (residential and business areas);
 - Glenbow hamlet;
 - Harmony hamlet;
 - Janet business area;
 - Langdon hamlet; and
 - North Springbank business area.
2. The recognition of Urban Service Areas as equivalent to a town for the purposes of program delivery and grant eligibility.
3. The ability of Council for each taxation year to pass a property tax bylaw, if appropriate, providing for different tax rates for property in an Urban Service Area and in a Rural Service Area.
4. In recognition of growth, the ability to establish new urban service areas and amend the boundary of an existing Urban Service Area, without a change to the OC.

As part of the application to Municipal Affairs, the Electoral Boundaries process must be completed as the OC must include the number of Councillors and electoral districts for the specialized municipality. Timing of the application for status change must be coordinated with the Electoral Boundaries project.

Consultation

Municipal Affairs has advised that public, intermunicipal, and stakeholder consultation is required as part of the application for a status change. Pending Council’s direction, Administration will prepare a public consultation strategy, in accordance with Policy C-191 (Public Participation Policy). The consultation process will begin early in 2020 and involve residents, business groups, and intermunicipal neighbours. Once consultation is complete, Administration will present the findings to Council and request direction to proceed with the application to Municipal Affairs.

Process and Timeline

Should Council approve Option # 1, the following steps will be taken:

1. Notify the Minister of Municipal Affairs of Rocky View County’s intent to apply for Specialized Municipality Status: December 2019.
2. Prepare Consultation Plan: December 2019 – January 2020.
3. Conduct public, stakeholder, and intermunicipal consultation: January – March 2020.
4. Present result of consultation to Council: April 2020



5. Submit application to Municipal Affairs, pending final Council direction and approval of electoral boundaries.

BUDGET IMPLICATIONS:

The estimated cost for public consultation is \$20,000, which would include materials, hall rentals, and staffing resources. This amount would be included in the 2020 budget, pending Council's decision on this item.

CONCLUSION:

The analysis has demonstrated that becoming a specialized municipality would provide residents and the County with the necessary assessment and taxation tools to appropriately deliver services to urban service areas. It is recommended that Council direct Administration to formally begin the process of applying to change the status of Rocky View County to Specialized Municipality, in accordance with Option #1.

OPTIONS:

- | | | |
|-----------|---|--|
| Option #1 | Motion #1 | THAT Administration be directed to begin the formal application process to change the status of Rocky View County from Municipal District to Specialized Municipality in accordance with the Municipal Government Act. |
| | Motion #2 | THAT the Reeve advise the Minister of Municipal Affairs that Rocky View County is exploring the merits of changing its status from municipal district to specialized municipality. |
| Option #2 | THAT alternative direction be provided. | |

Respectfully submitted,

Concurrence,

"Amy Zaluski"

"Al Hoggan"

Manager
Intergovernmental Affairs

Chief Administrative Officer

AZ/rp



ROCKY VIEW COUNTY

Chief Administrative Officer

March 26, 2020

Kelly Cote
Senior Strategist, Corporate Strategy
City of Calgary
P.O. Box 2100, Stn. M
Calgary, AB T2P 2M5

File# 0230

RE: Rocky View County Specialized Municipality Status Application

Dear Kelly,

Rocky View County is considering an application to Municipal Affairs to change our municipal status from Municipal District to Specialized Municipality. You are likely already aware of this application as the County has been discussing this at Intermunicipal Committee meetings, Calgary Metropolitan Region Board TAG meetings, and through informal channels.

The classification of a municipality, under Section 77 of the Municipal Government Act (MGA), is based on which definition best fits that municipality. In certain cases, when a municipality has characteristics of more than one type, and the tools in the MGA do not meet the specific needs, then Specialized Municipal status can be considered by the Minister of Municipal Affairs.

The County is seeking Specialized Municipality status as growth in Rocky View County has led to a pattern of development that includes growing urban-style hamlets, regional business centres, and traditional rural areas. As a result, this heterogeneous development pattern has led to differentiated service needs; the more urban areas of the County require higher levels of amenities and service, while the rural areas do not.

The main tool the County wishes to access through this proposed change is the ability to create different non-residential assessment classes in different areas of the County. For example, a gas station along the highway in a rural area of the County pays the same amount of taxes as a gas station in East Balzac, which is a developed area with extensive services. Specialized Municipal status would allow the County to create urban service areas and clearly link service delivery to assessment and taxation in those particular areas, allowing the County to better raise funds for services like transit and curbside garbage pick up, where necessary.

The County is proposing 5 residential urban service areas and 4 business urban service areas, in accordance with the attached map.

An important part of the application to Municipal Affairs is consultation with residents, business owners and municipal neighbours. Therefore, the County is requesting your feedback, questions or concerns about the County's potential application. If you support or have no concerns with our application, we would greatly appreciate correspondence stating that.

Kelly Cote
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The public engagement portion of this project is currently underway and Administration is targeting the end of May to return to Council with the results of the public, stakeholder and intermunicipal engagement. To meet this timeframe, we are respectfully requesting a response by May 4, 2020. If you would like to have a phone meeting or conversation prior to providing a response, I am happy to accommodate. Please contact me and we can arrange a convenient time.

For more information on this project, please visit the following link:
<https://www.rockyview.ca/Government/SpecializedMunicipality.aspx>. As stated, if you have any questions, please contact me at 403-589-6718 or azaluski@rockyview.ca.

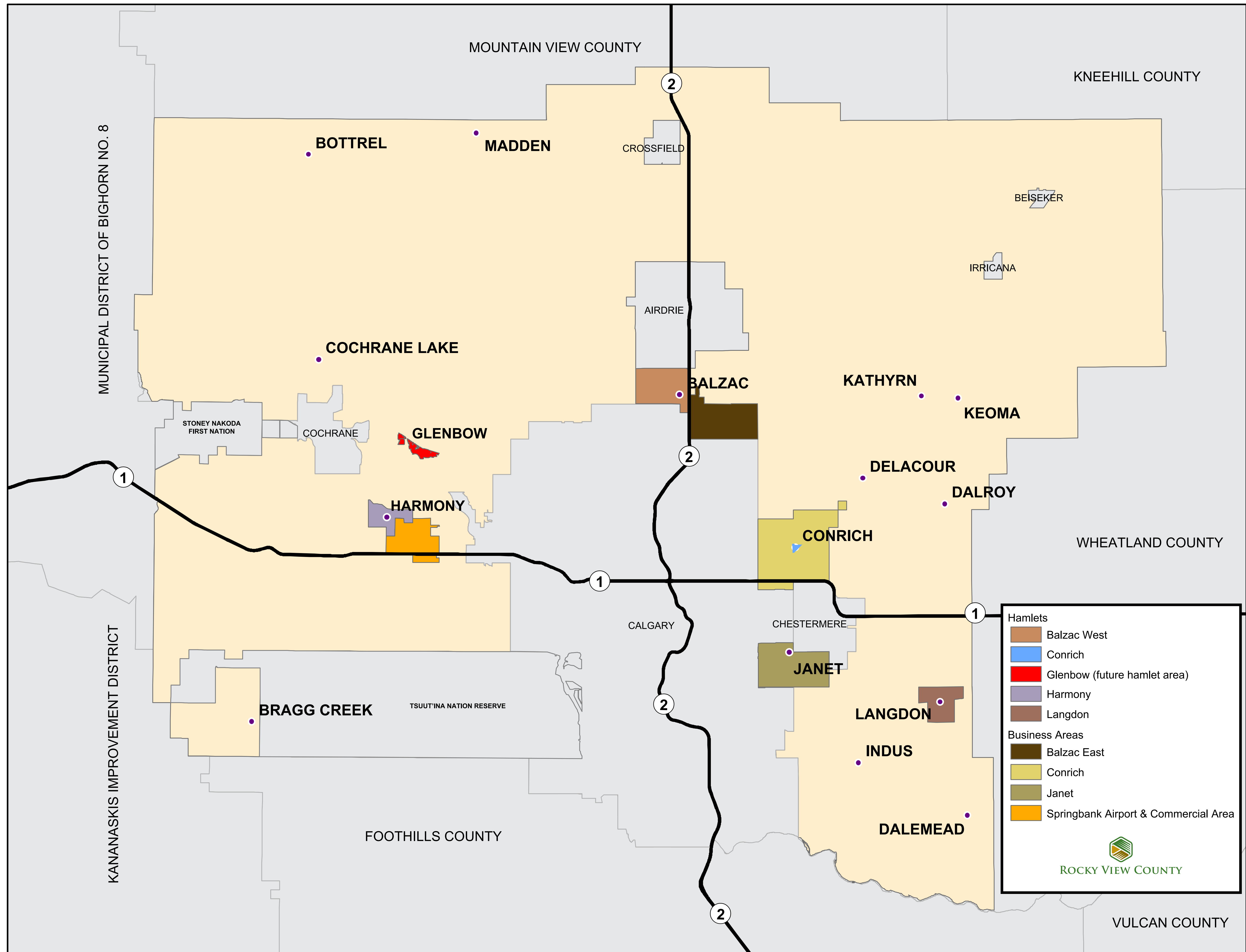
I look forward to hearing back from you on this important issue.

Yours sincerely,
Rocky View County



Amy Zaluski,
Intergovernmental Affairs Manager

Cc: Al Hoggan, Chief Administrative Officer




Hamlets

- Balzac West
- Conrich
- Glenbow (future hamlet area)
- Harmony
- Langdon

Business Areas

- Balzac East
- Conrich
- Janet
- Springbank Airport & Commercial Area


ROCKY VIEW COUNTY

Background – Specialized Municipalities in Alberta

1.0 Overview

The purpose of this Appendix is to provide an overview of the specialized municipalities in Alberta. **Table 1** provides an overview of the history of formation and status change, reasons for status change and other characteristics. **Table 2** provides an overview of the number of urban service areas established in each specialized municipality by Order in Council. It has been observed that all urban service areas consist of well-established and, in some cases, historic settlement areas. As currently understood at the time of writing, there is no precedent of an urban service area that constitutes planned lands without concentrated existing settlement.

Section 2.0 of this Appendix provides a short description of formation requirements and process considerations.

There are six specialized municipalities in Alberta. According to a Municipal Affairs website:

“Specialized municipalities are unique municipal structures that can be formed without resorting to special Acts of the Legislature. Often, specialized municipalities allow urban and rural communities to coexist in a single municipal government.”

The history of formation across the Province illustrates that, of the six specialized municipalities in Alberta, half of them involved amalgamations of urban and rural municipalities either concurrently or as a precursor to status change (Crowsnest Pass, Lac La Biche County and the RM of Wood Buffalo).

Two specialized municipalities in Alberta contain, urban municipal jurisdictions within their boundaries. It is notable that both examples include either a revenue sharing agreement (Mackenzie County) or a robust collaboration and coordination agreement (Strathcona County) with its urban neighbours. Rocky View County is a neighbour to seven urban municipalities. (Calgary, Cochrane, Chestermere, Airdrie, Crossfield, Irricana and Beiseker)

Table 1: Overview of Specialized Municipalities in Alberta

Municipality	Key Dates	Rationale & Key Facts
Municipality of Crowsnest Pass	<p>2008 (OIC1/2008 Status change from a town to a Specialized Municipality)</p> <p>1996 (OIC362/95) formed as a town by amalgamating The Municipality of Crowsnest Pass with ID No. 6)</p> <p>1979 (Crowsnest Pass Unification Act, Chapter C-39) Towns of Coleman, Blairmore, Villages of Bellevue & Frank and ID No.5 formed Municipality of Crowsnest Pass</p>	<p>Established as a specialized municipality 29 years after the primary amalgamation of 5 municipalities.</p> <p>No separate urban municipal entity</p> <p>2018 Population 5,589</p>
Municipality of Jasper	2001 (OIC279/2001) Jasper ID formed as specialized municipality	Specialized municipality status established 6 years after a process to

	<p>1995 (MO 373/95)</p> <p>ID No.12) Jasper National Park divided into two Improvement Districts</p> <p>Includes rural and urban service area</p>	<p>divide Jasper National Park into two jurisdictions.</p> <p>The rationale for specialized municipality status was to provide for the unique needs of residents living within the town site of Jasper.</p> <p>No other urban municipal entities located in boundaries.</p> <p>Different tax rates for the Town of Jasper and the rest of the municipality</p> <p>2018 population 4,590</p>
Lac La Biche County	<p>2018 (OC 259/2017) status change from Municipal District to Specialized Municipality</p> <p>2007 (OIC 332/2007) Formed as an MD by the amalgamation of the Town of Lac La Biche and Lakeland County</p>	<p>Specialized municipality status established 11 years after amalgamation of Town of Lac La Biche and Lakeland County</p> <p>Rural service area equivalent to a municipal district and urban service areas equivalent to a town.</p> <p>Adjustments to the service area boundaries, authority for differentiated tax rates across the urban and rural service areas, removal of a previous requirement for two separate tax rate bylaws, and a continuation of the current council and electoral ward structure</p> <p>2018 Population 9,531</p>
<p>Mackenzie County</p> <p>Formally MD of Mackenzie No.23</p> <p>Formally ID No.23</p>	<p>1999 (OIC 264/99) status change from MD to specialized municipality</p> <p>Agreements exist for the two urban municipalities that exist within boundary.</p>	<p>Evolution from improvement district, to municipal district to specialized municipality to address concerns about municipal government and management in a municipality that serves a number of unique communities in a very large territory</p> <p>Agreements with urban municipalities: Regional Service Sharing Agreement and IDP with the Town of High Level. County shares revenues from a service area (defined as a 40-kilometre radius around the Town) in exchange for provision of these services. An annual payment is equal to 25% for the property tax levied by the County against all properties in the service area or \$500,000, whichever is larger for any given year.</p> <p>In addition, the County funds the Town's capital projects at the following rates:</p>

		<ul style="list-style-type: none"> ▪ 20% for recreation projects; ▪ 30% for airport projects; and ▪ 50% for fire protection projects <p>The purpose of the IDP is to jointly control development in an area around the Town of High Level.</p> <p>County and Town of Rainbow Lake have a Revenue Sharing Agreement for provision of services to County residents based on % of property tax collected</p> <p>The Order in Council modified portions of the MGA relating to bylaws and resolutions for certain things require 2/3 of councillors present to vote in favour – procedures of the council of the new municipality, remuneration of councillors, property tax, changing number of councillors/boundaries of wards/ method of selection CEO, appointing/terminating CAO, adopting a budget, any other matter designated by the council</p> <p>2018 Population 12,512</p>
Strathcona County	1996 (OIC 761/95) Status change from MD to specialized municipality	<p>To provide for unique needs of a municipality that includes both a large urban center and significant rural territory.</p> <ul style="list-style-type: none"> ▪ Enactments applicable to a City apply to Sherwood Park ▪ Enactments applicable to a municipal district apply in the rural service area (program delivery, funding programs, grant eligibility, roads, culverts, ditches, drains, highways) <p>Robust intermunicipal agreement with Fort Saskatchewan to coordinate, collaborate and resolve disputes.</p> <p>\$12 billion worth of industrial projects completed, announced or under construction in Refinery Row on west side of Sherwood Park.</p> <p>2018 population 98,381</p> <p>2018 Sherwood Park population approx. 71,000</p>

Regional Municipality of Wood Buffalo	1995 (OIC 817/94) Amalgamated ID No. 143 and City of Fort McMurray to form a specialized municipality	<p>To provide for the unique needs of a municipality including a large urban centre and large rural territory with a small population.</p> <ul style="list-style-type: none"> For rural service area: program delivery/grant eligibility, roads, culverts, ditches, drains, and highways, deemed to be a municipal district For urban service area: program delivery/grant eligibility, roads, culverts, ditches, drains, highways, deemed to be a City <p>Differing Rates of Taxation: may by bylaw establish different rates of taxation for the urban service area and the rural service area for each assessment class or sub-class</p> <p>2018 population 111,687</p>
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(Source: Review of Provincial Orders in Council and <http://www.municipalaffairs.alberta.ca/cfml/MunicipalProfiles/basicReport/SMUN.PDF>)

Table 2: Summary of Urban Service Areas in Alberta

The following urban service areas were identified by Provincial Order in Council in the establishment of specialized municipality

Municipality	Number of Urban Service Areas	Area Name
Strathcona County	9	<p>Antler Lake</p> <p>Half Moon Lake (est. 1950s)</p> <p>North Cooking Lake</p> <p>Ardrossan</p> <p>Hastings Lake</p> <p>Sherwood Park (est. 1955)</p> <p>Collingwood Cove (1950's)</p> <p>Josephburg</p> <p>South Cooking Lake</p>
Regional Municipality of Wood Buffalo	8	<p>Anzac</p> <p>Fort MacKay (1912)</p> <p>Janvier South</p> <p>Conklin (early 1900s)</p>

		Fort McMurray (1870 Hudson Bay Post) Saprae Creek Fort Chipewyan (1788) Gregoire Lake Estates
Lac La Biche County	5	Beaver Lake Plamondon (1908) Hylo Venice Lac La Biche
Mackenzie County	3	Fort Vermillion (1788) La Crete (1914) Zama City

2.0 Formation and Consultation Requirements

A specialized municipality is created by an Order in Council (OC). The OC is approved by the Lieutenant Governor in Council on the recommendation of the Minister (s.96). The OC must describe the boundaries of the municipality, give the official name of the municipality, state the number of councillors, describe the district boundaries, and state how the chief elected official is determined (either vote of the electors or appointed by Council). Central to an OC is the inclusion of “*matters or conditions that govern the functions, powers and duties of the specialized municipality*” (MGA S.97 and 89(3d))

Section 94 of the MGA sets out the public consultation requirement for proposed specialized municipalities. The Minister may invite comments on the proposed municipality from:

- All local authorities that the Minister considers would be affected by the formation of the proposed municipality and from any other person the Minister considers necessary
- The public, and may conduct one or more meetings of the public to discuss the probable effects of the formation, and may hold a vote of these people who would be electors of the proposed municipality.



ALBERTA
MUNICIPAL AFFAIRS

Office of the Minister
MLA, Edmonton - South West

AR99186

To Mayors and Reeves,

Since my appointment as Minister of Municipal Affairs last spring, I have had the opportunity to travel to many communities within Alberta, to hear about your priorities and perspectives. I am very grateful for the way in which you have welcomed me into your communities and shared your thoughts with me. I have also had the pleasure of meeting with many of you during the fall conventions of the Alberta Urban Municipalities Association (AUMA) and Rural Municipalities of Alberta (RMA) and, again, I thank you for the gift of your time and wisdom.

One of the consistent messages I have heard over the past several months is concern regarding Intermunicipal Collaborative Frameworks (ICFs) and Intermunicipal Development Plans (IDPs) - both in terms of the challenges you are facing in building these frameworks and plans, and the challenges posed by the legislated deadline for completion of April 1, 2020.

Intermunicipal collaboration is a priority for me, and for the Government of Alberta; all Albertans benefit when our communities collaborate to share services, create efficiencies, and reduce overall costs for their residents. Therefore, my government colleagues and I agree that it is important to maintain the overall requirements for ICFs and IDPs.

We very much appreciate the work that many of you have done to date, but we also recognize that the current legislative requirements are overly complex and onerous. Based on your feedback, I am proposing important changes to the ICF process as well as IDP requirements. These changes will streamline and clarify the process for building ICFs and IDPs, and I believe will make it much easier for all of you to complete the process by April 1, 2020.

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Earlier this week, these changes were introduced to the Legislative Assembly as part of Bill 25, the *Red Tape Reduction Implementation Act*. The bill contains various amendments to reduce red tape affecting municipalities, with the most substantive changes focused on streamlining and clarifying the ICF/IDP requirements. In particular, I am proposing the following important changes:

- Simplifying reporting to the province;
- Enabling municipalities to adopt ICFs by resolution (or bylaw), to recognize the way in which many municipalities typically adopt cost-sharing agreements;
- Simplifying the process of developing an ICF, so municipalities can focus on discussing and reaching agreement on how to share services that benefit residents in both municipalities, instead of spending too much time on meeting specific process requirements that overcomplicate their discussions;
- Streamlining and clarifying the arbitration process, to more closely align ICF arbitrations with the standard provisions of the *Arbitration Act*, and to very clearly limit the scope of an arbitrator's authority; and
- Enabling municipalities to be exempted from the requirement to develop an IDP, where both municipalities agree that one is not necessary.

None of the proposed amendments will require municipalities to go back and make changes to already completed ICFs and IDPs. For those requiring further work, the proposed legislative changes will make it easier to get this work done. As you move forward, I would like to take this opportunity to remind you of a few key points in relation to ICFs:

1. The deadline of April 1, 2020 remains in place. I am expecting all municipalities to meet this deadline. I am prepared to consider short-term extensions of the deadline in exceptional circumstances, or where municipalities simply need an additional one to two months to be able to complete the process. However, beyond these exceptions, I do not intend to provide time extensions; I encourage all municipalities to act accordingly in order to avoid arbitration and retain local control of ICF content.
2. ICFs are about the cost sharing of services that benefit residents in more than one municipality. They are not about revenue sharing, and I do not support any attempt to leverage the ICF negotiations in an effort to extract a revenue sharing agreement.
3. I do expect municipalities to negotiate in good faith, and to make decisions based on concrete facts. If municipal residents utilize a service in meaningful numbers and/or account for a meaningful proportion of those service costs, I would expect the municipality to compensate the municipality providing those services accordingly.
4. Municipal Affairs will not be evaluating individual ICFs to determine whether they are "a good deal" or not. As Minister, my interest is that you have conversations with your neighbours about shared services, and reach an agreement that makes sense at the local level.

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I am optimistic that the legislative changes I am proposing will help ease the way for you to fulfill your legislated obligations to complete ICFs by April 1, 2020. However, the success of these negotiations depends on each of you, and your willingness to engage with your municipal neighbours respectfully and with an openness to reasonable compromise. A locally developed solution is always best, so I encourage all of you to take this opportunity to shape these agreements for yourselves, and for the overall betterment of your regions.

Yours very truly,

A handwritten signature in blue ink, appearing to read 'Kaycee Madu'.

Kaycee Madu
Minister

Attachment: Changes to the ICF and IDP requirements

cc: Alberta Urban Municipalities Association
Rural Municipalities of Alberta
Paul Wynnyk, Deputy Minister