EXECUTIVE SUMMARY

This report proposes a new Planning Referral and Dispute Resolution Agreement between Chestermere and Calgary. The agreement will enhance the relationship between the two municipalities providing for both circulation of planning documents and applications as well as a more robust dispute resolution protocol.

ADMINISTRATION RECOMMENDATION

That the Intergovernmental Affairs Committee recommends that Council adopt, by Resolution, the *Planning Referral and Dispute Resolution Agreement between Chestermere and Calgary,* in the Attachment.

RECOMMENDATION OF THE INTERGOVERNMENTAL AFFAIRS COMMITTEE, DATED 2014 DECEMBER 11:

That the Administration Recommendation contained in Report IGA2014-0797 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2012 October 15 Regular Meeting, Council approved IGA2012-0669 which approved the formation of The City of Calgary/Town of Chestermere Intermunicipal Committee and adopted The City of Calgary/Town of Chestermere Intermunicipal Committee Terms of Reference.

BACKGROUND

Calgary shares a 4.8 kilometre border with The Town of Chestermere along the eastern edge of the city. This shared municipal border was produced as a result of two recent annexations between The City of Calgary and Rocky View County (2007), and The Town of Chestermere and Rocky View County (2009). This border represents The City's first urban–to-urban interface presenting a unique opportunity to define how development in the area and the potential impacts on adjacent municipalities will be considered as part of future planning processes.

In 2010 the two municipal Administrations developed an interim circulation area and planning referral document (*Planning Referral Agreement*) to help evaluate the need for a more formal arrangement such as an intermunicipal development plan. The area was based on addressing common lands adjacent to the municipal border and areas along 17 Avenue SE a main transportation corridor between Calgary and Chestermere. By developing a staff protocol for circulations, the goal was to improve communication between the two Administrations and identify potential conflicts and impacts on planning matters in a proactive manner. While the *Planning Referral Agreement* was endorsed by Town of Chestermere Council it remained only an Administrative document for the City of Calgary. It was anticipated that this agreement would be superseded by a future Intermunicipal Development Plan between Calgary and Chestermere.

In 2012, The City of Calgary/Town of Chestermere Intermunicipal Committee (IMC) was created along with a terms of reference. As part of the IMC's ongoing work, the committee had a

number of preliminary discussions around the potential value of proceeding with the development of a City of Calgary-Town of Chestermere Intermunicipal Development Plan (IDP). This informal discussion led to the Town of Chestermere Council approving a motion at their 2014 February 03 Council meeting to direct Administration to prepare and report back to Council with the feasibility of an IDP between The City of Calgary and the Town of Chestermere and options for alternative processes.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration for both Calgary and Chestermere began to evaluate a potential IDP along with possible alternatives. Three options were developed by Administration and subsequently considered by the IMC. These are: (1) use of existing communication protocols, (2) a new intermunicipal development plan, and (3) a standalone planning referral and dispute resolution agreement.

The first option, use of existing communication protocols, would rely on the existing administrative Planning Referral Agreement for planning circulations and Municipal Government Act provisions for dispute resolutions. These options are currently available and are proving insufficient to the needs of either Calgary or Chestermere. In particular there are concerns that the existing agreement has not been endorsed by Calgary City Council and that there are no established protocols for addressing any intermunicipal disputes that may arise.

The second option, an intermunicipal development plan, would be the most comprehensive approach to addressing the Chestermere-Calgary interface and the relationship between the municipalities. However, as a statutory plan, there would be significant public engagement requirements and substantial investment of municipal resources. It would also take the greatest amount of time to prepare for the consideration of both Councils. Additionally both municipalities have recently approved, or are currently preparing area structure plans along the municipal boundary. Given the advancement of area structure plans and the resources required for the development of an IDP, the IMC felt that an IDP should not be pursued at this time.

In their discussion of a potential IDP, the IMC identified that there was a need to revisit the protocol for the intermunicipal circulation, review and comment on planning applications ("planning referrals") and to provide a stronger dispute resolution protocol to supplement formal provisions provided under the *Municipal Government Act (MGA)*.

The third option considered was a standalone planning referral and dispute resolution agreement. It is beneficial in that it addresses the immediate concerns of the IMC in a timely manner without a significant investment of resources by either municipality. It provides for both the circulation of planning applications and an enhanced dispute resolution protocol with greater flexibility than prescribed by the MGA. The proposed agreement is in alignment with the MGA.

At the 2014 June 25 IMC meeting, the members supported a recommendation that Administration develop a proposed agreement to address planning referrals and dispute resolution (option three).

Proposed Agreement

At the 2014 September 17 IMC meeting, Administration from The City and Chestermere jointly presented the Draft Planning Referral and Dispute Resolution Agreement between Chestermere and Calgary ("Proposed Agreement" in Attachment).

Section 1.0 of the Proposed Agreement provides for the circulation of planning applications and documents between Calgary and Chestermere. Examples of items to be circulated include statutory and non-statutory plans, land use redesignations, subdivision applications, and disposition of reserve and development permits. These circulations are essential to inform each other of planning activities occurring in each municipality.

The Proposed Agreement adds two additional sections: Enhanced Communications and Collaborative Planning (Section 2.0), and Dispute Resolution (Section 3.0). The Enhanced Communications and Collaborative Planning section is intended to provide for additional discussions for development adjacent to Conrich Road, which is the interface between the two municipalities. The Dispute Resolution section is largely modeled after the provisions of other intermunicipal development plans and provides an "escalation model" for intermunicipal disputes. This process includes administrative review, Intermunicipal Committee review, mediation, and lastly appeals under Section 690 of the *Municipal Government Act*.

Geographical Area

Map #1 of the Proposed Agreement outlines the geographic area it will cover; one section in each direction adjacent to the municipal boundary. The area extends westward along the 17th Avenue/Chestermere Boulevard corridor for the area between the Transportation and Utility Corridor and the municipal boundary. This is intended to provide greater coordination of this important intermunicipal transportation corridor. Changes to the geographical area in the future would require an amendment to the agreement.

Stakeholder Engagement, Research and Communication

The City of Calgary/Town of Chestermere Intermunicipal Committee provided direction and guidance in the development of the Proposed Agreement. Administrations for both The Town and The City contributed to the development of the Proposed Agreement.

Strategic Alignment

Section 1.3.2 of The City of Calgary Municipal Development Plan states:

Further issues of regional alignment may be determined through the joint preparation of Intermunicipal Development Plans (IDPs) for common boundary areas with regional neighbours (Rocky View County, the M.D. of Foothills and the Town of Chestermere). IDPs will be jointly defined and prepared in accordance with the MGA and include objectives specific to the needs of a defined IDP area, including administrative processes, infrastructure and transportation planning, land use interface issues, transition and interface of land uses between Calgary and developments in neighbouring municipalities, protection of growth areas and provisions for annexation.

The recommendations of this report support the direction of the MDP to address regional alignment. The need to develop a Town of Chestermere-City of Calgary IDP will continue to be assessed in future years.

Section 5.1.2 of the MDP includes the objective to "Maintain strong relationships with municipal neighbours, regional partners and key stakeholders within Calgary, to ensure that growth and change decisions reflect provincial and regional policies and the direction of the MDP and CTP."

Social, Environmental, Economic (External)

The Proposed Agreement will provide a framework for the municipalities to share information, collaborate and consider the impacts of development on the adjacent municipality. The Agreement enables both municipalities to better evaluate the social, environmental and economic impacts of proposed developments and initiatives. The Agreement also helps to provide a more predictable planning process for lands covered by the agreement.

Financial Capacity

Current and Future Operating Budget: None with this report

Current and Future Capital Budget:

None with this report

Risk Assessment

Should Council choose not to support the Proposed Agreement it would likely negatively impact the intermunicipal relationship between Chestermere and Calgary. It would also increase the likelihood of future appeals to the Municipal Government Board for dispute resolution. Such appeals can be time consuming and costly with the potential to negatively affect the reputation of The City.

Adopting the Proposed Agreement will commit Council to a potentially longer, more involved process in discussions and decision making with The Town.

REASON(S) FOR RECOMMENDATION(S):

The proposed Planning Referral and Dispute Resolution Agreement Between Chestermere and Calgary provides a robust solution to improving the working relationship between The City and The Town. It addresses both the need for Administration and Council communication as this important intermunicipal interface develops and evolves.

ATTACHMENT

Planning Referral and Dispute Resolution Agreement Between Chestermere and Calgary