



Terms of Reference

City of Calgary & Rocky View County – Prairie Economic Gateway initiative

The City of Calgary (The City) and Rocky View County (The County) are exploring a collaborative development opportunity to realize an inland logistics hub located within the County and potentially serviced by The City. This potential joint venture between the parties is intended to enable the development of an inland logistics hub, transload facility and associated spin-off businesses. Other key partners in this joint venture are CPKC Rail, Shepard Development Corp., and potentially other orders of government (provincial or federal).

This venture is known as the Prairie Economic Gateway initiative intended to create benefits through intermunicipal collaboration, joint planning, using innovative infrastructure funding models and creating mutually beneficial governance/financial arrangements. This includes both the initial planning and development of the site and the long-term sustainability and operation of the area. The parties are committed to interjurisdictional collaboration to spur economic growth for the benefit of residents and the business community without regard to municipal boundaries.

Purpose

The purpose of this Terms of Reference is to guide the Prairie Economic Gateway initiative between Rocky View County and the City of Calgary, which will support:

- (1) appropriate governance/financial arrangements for the development and servicing of the subject lands,
- (2) a mutually agreed-upon planning and development process, and
- (3) planning and construction of required infrastructure.

Principles

The principles that will guide successful outcomes for this project include:

Sharing interests, needs and concerns with each party toward a common understanding to facilitate mutually beneficial solutions to interests, needs and concerns;

Innovating to find creative solutions that meet the needs of all parties;

Understanding each other's growth aspirations by providing full disclosure and factual information;

Respecting each other's points of view and have honest interactions and realistic expectations;

Respecting which aspects of development planning and growth are of mutual interest and which areas are of single jurisdictional interest;

Supporting each other in finding mutually beneficial solutions; and

Communicating effectively to clarify any challenges and provide a clear and mutually supportive message to the public and media.

Final Draft: June 26, 2023



Background and Context

On September 17, 2021, The City gave notice to the Land and Property Rights Tribunal, The County and other local authorities, proposing to annex land from The County into The City. This precipitated the need, pursuant to the Municipal Government Act (MGA), for the two municipalities to enter good faith negotiations on annexation. The proposed annexation lands are located within The City's industrial growth area as per the Rocky View – Calgary Intermunicipal Development Plan (2012). After good-faith discussions that took place from September 2022 to June 2023, the parties have agreed to explore mutually beneficial joint planning and infrastructure arrangements to spur economic development, with a shared investment, shared benefit framework in lieu of annexation.

On December 20, 2022, the City passed a motion to pause the annexation process to enable the exploration of alternatives. The City may choose to resume the annexation process should it be determined that a collaborative model for development is not viable. The parties are committed to finding mutually beneficial arrangements and creating an innovative model for regional collaboration and service provision that may be applied to other areas in the future.

Goals

The goals of the Prairie Economic Gateway initiative are to complete the following three 'workstreams' that will allow for the realization of the inland logistics hub:

- 1) Achieve a mutually agreeable financial and governance model for the development and servicing of the area
 - a. Create a 'deal structure' acceptable to the City and County for funding necessary investments and sharing benefits arising from the proposed development.
 - b. Develop a governance structure to ensure future and ongoing cooperation on development, capital investment and servicing for this area.
- 2) Operationalize a joint planning framework to ensure orderly and efficient development of the area
 - a. Identify an approach to planning and development approvals that meets the interests of both parties and allows for the development of an inland logistics hub.
 - b. The County is the Subdivision/Development Authority for the area and will approve the resulting Area Structure Plan and planning/development applications, and is committed to enhanced collaboration with The City to ensure the development is a collaborative planning and servicing effort by The City and The County. Ensure that developmental impacts are sufficiently addressed.
- 3) Create an infrastructure funding framework to ensure the provision of environmentally sensible and cost-effective infrastructure
 - a. Evaluate the preferred solutions for hard and soft servicing considering the immediate and long-term needs of both municipalities and a triple-bottom line approach.
 - b. Create and implement an innovative funding model that benefits both parties, and may involve appropriate third-parties.

Geographical Study Areas

The City of Calgary and Rocky View County have identified that there are three areas of interest for this project. The parties have agreed to focus on the areas in concentric circles as applicable, starting with the smallest area and expanding as appropriate (driven by factors that may include servicing and infrastructure needs):

Final Draft: June 26, 2023



- 1) Draft Shepard ASP lands
- 2) City of Calgary industrial growth area – as defined in the Rocky View-Calgary Intermunicipal Development Plan
- 3) Further surrounding area as required

Project Organization & Governance

The governance structure for the Prairie Economic Gateway initiative shall be:

1. Elected Steering Committee (ESC): Rocky View County and the City of Calgary will employ a reformed Annexation Negotiation Committee (ANC) as the Elected Steering Committee for the Prairie Economic Gateway initiative. This Committee shall consist of the elected members of the former Annexation Negotiation Committee, as assigned by their respective Councils. By mutual consent, ESC members may invite Administration members to attend meetings to gain specific feedback and ensure accountability on areas of interest. The Senior Administration Steering Committee will attend ESC meetings as observers and to provide expertise to the ESC. Decisions of the ESC will be made by consensus and their duties will include:
 - a. Providing oversight and strategic direction to the Senior Administration Steering Committee;
 - b. Providing broad policy direction;
 - c. Assisting in identifying issues and opportunities with respect to Prairie Economic Gateway initiative;
 - d. Acting as a resource for both Administrations;
 - e. ESC may choose to engage the services of external facilitators should the need be identified;
 - f. Providing periodic updates to their respective Councils on the progress of Prairie Economic Gateway initiative; and
 - g. If necessary, providing dispute resolution.
2. Senior Administration Steering Committee: which will consist of the County's Director of Legislative and Intergovernmental Services and the City's Director of City & Regional Planning or their delegate(s). They will provide senior Administration-level direction to each working group. Decisions will be made by consensus and their responsibilities will include:
 - a. Review/approval of deliverables from the Prairie Economic Gateway Project Consultant and Working Groups;
 - b. Dispute resolution, if necessary;
 - c. Providing direction to the Prairie Economic Gateway Project Consultant and Working Groups;
 - d. Overall strategic direction;
 - e. Budget oversight;
 - f. Reporting to respective Executive Leadership Teams as necessary; and
 - g. Attending Elected Steering Committee meetings and providing updates to the Elected Steering Committee as necessary.

Final Draft: June 26, 2023



3. Prairie Economic Gateway Project Consultant: The City and County will work with a jointly selected consultant with the relevant expertise and capacity to operationalize the Prairie Economic Gateway initiative. The consultant will provide project management to Administration Working Groups and be responsible for all deliverables as outlined in NRFP #23-006 Rocky View County / City of Calgary Joint Proposed SE Industrial Corridor Initiative. The Prairie Economic Gateway Project Consultant will report to the Senior Administration Steering Committee and their responsibilities will include:
 - a. Project management of all 3 'workstreams' (financial/future governance, infrastructure, and planning);
 - b. Feasibility study and jurisdictional scan;
 - c. Development of a 'deal structure' for both municipalities and potential stakeholders, and the creation of a governance model to support it;
 - d. Consideration of existing levy structures and cost-recovery policies;
 - e. Presentations/updates/workshops to the Elected Steering Committee and City / County Council bodies as requested by the Senior Administration Steering Committee;
 - f. Final report on deliverables and next steps;
 - g. Maintaining meeting minutes, action items and project plans to ensure accountability; and
 - h. Other duties as required by the Senior Administration Steering Committee.
4. Administration Working Group(s): Given the wide-ranging nature of the Prairie Economic Gateway initiative, different Administrative-level Working Groups will be formed to deal with different aspects of the project. The City and County have tentatively identified three 'workstreams' that will require different types of expertise (planning, infrastructure, and finance/future governance). It is likely that additional departments may be called upon to support the project or different Working Groups as appropriate (i.e. economic development or communications professionals). Administration Working Groups will be coordinated by the Prairie Economic Gateway Project Consultant and accountable to the Senior Administration Steering Committee. Working Group responsibilities will include:
 - a. The establishment of a work plan for each project stream in collaboration with the Prairie Economic Gateway Project Consultant;
 - b. Timely delivery of milestones and deliverables, and sharing information as necessary to operationalize the Prairie Economic Gateway initiative;
 - c. Meeting as necessary to complete deliverables;
 - d. Regular review and completion of deliverables, as determined by Senior Administration Steering Committee;
 - e. Meetings shall have an agenda circulated in advance, and a record of the meeting including key items, actions and follow-up items shall be maintained;
 - f. Liaison with stakeholders, including general public and impacted landowners;
 - g. Regular communication with each other;

Final Draft: June 26, 2023



- h. Ensuring that there is an equitable distribution of Administrative resources and cost-sharing throughout the process of plan preparation and adoption; and
 - i. Other duties as required by the Senior Administration Steering Committee.
5. The respective Councils of each municipality will provide direction to the Elected Steering Committee, and be responsible for final review/approval of project outcomes.
 6. City of Calgary / Rocky View County Intermunicipal Committee: this is an advisory intermunicipal cooperation body, which will be informed through the process, and may play a governance role in the future, as determined by the Elected Steering Committee.

Cost Sharing

1. The parties agree that the costs associated with this project will be borne equally, unless otherwise agreed upon by the Elected Steering Committee.
2. The Senior Administration Steering Committee shall be responsible for monitoring costs and ensuring that expenditures are consistent with value-for-money principles.

Term

This Terms of Reference shall remain active until such time as the Elected Steering Committee agrees to conclude it.

Dispute Resolution

1. Both municipalities will enter into the project in good faith. They will rely on cultivating strong working relationships and a consensus-based process to complete the Prairie Economic Gateway initiative.
2. Elevation: Should a dispute arise at the Working Group level, it will be elevated to the Senior Administration Steering Committee for resolution. Should the Senior Administration Steering Committee be unable to resolve the issue within 30 days, it will be elevated to the Elected Steering Committee for resolution. Should the Elected Steering Committee be unable to resolve the issue, they may initiate Facilitated Discussions.
3. Facilitated Discussions: Should the Elected Steering Committee choose to initiate Facilitated Discussions, the initiating party shall notify the other party in writing, and will specify the nature of the dispute in the written notice (Notice of Dispute). The parties will use the Facilitators retained during the Annexation Negotiation Committee process, and the costs will be shared equally by the parties. The Facilitators will facilitate a discussion between the ESC members to resolve the issues outlined in the Notice of Dispute.
4. Mediation: If the parties do not resolve the dispute by way of Facilitated Discussion within thirty (30) days, the dispute may be referred to Mediation by either party. Any one of the Parties shall provide the other Party with written notice ("Mediation Notice") specifying the subject matters remaining in dispute, and the details of the matters in dispute that are to be mediated. The parties shall use the same Facilitators retained for Facilitated Discussion as Mediators. If the mediation is not completed within sixty (60) days from the date of receipt of the Mediation Notice, the dispute shall be deemed to have terminated and failed to be resolved by mediation. The cost(s) of any mediation shall be paid equally by both parties unless the Mediator deems otherwise, and therefore would indicate in their decision.
5. Termination: The Elected Steering Committee may determine to conclude the Prairie Economic Gateway initiative if the dispute cannot be resolved to the satisfaction of The City or The County.

Final Draft: June 26, 2023



Scope of Work and Anticipated Timelines

All parties have agreed that time is of the essence for this project. The Prairie Economic Gateway Project Consultant shall develop a workplan in conjunction with the Administration Working Groups, to be approved by the Elected Steering Committee at their earliest convenience. The parties shall adhere to the approved workplan, and the Senior Administration Steering Committee shall have the discretion to adjust the workplan as necessary. Any potential changes to the workplan will be discussed and approved by the Senior Administration Steering Committee.

Confidentiality Protocol

1. At each meeting, the participants shall have an agenda item that will determine the confidentiality of information at the end of the meeting. The following categories shall be applied to meeting information:
 - a. Non-Confidential (Chatham House Rule): participants are free to use or share the information received, but neither the identity or the affiliation of the speaker may be revealed
 - b. Internal: participants are free to use or share the information received, but only with members of their organization or consultants employed by their organization
 - c. Confidential: all discussions, summary notes, other records or information generated for the purposes of the discussion is kept confidential and only shared with attendees of the meeting.
2. Notwithstanding the above, Council members not at the discussions and/or members of the respective Administration(s) may be informed about the discussions in a closed session of Council on the condition that the information shared is kept confidential.
3. Any information that is in the public domain need not be considered confidential. However, the discussion of such information is to be considered confidential.

Communication Protocol

1. The parties may wish to communicate with or otherwise engage the public. The parties agree that the Senior Administration Steering Committee will be responsible for determining how best to do this and that any action to do so will be based on mutually agreed messages and methods. The respective Communications teams will be engaged to support the project as appropriate.

Final Draft: June 26, 2023