

THIS MEMORANDUM OF AGREEMENT (the "Agreement") made this ____ day of _____, 2019

BETWEEN:

CITY OF SPRUCE GROVE
(the "City")

- and -

PARKLAND COUNTY
(the "County")

MEMORANDUM OF AGREEMENT

WHEREAS:

- A. The City intends to annex from the County the lands identified in Schedule "A" hereto presently located within the boundaries of the County (the "Expansion Area");
- B. The City and the County have, in accordance with Section 117 of the *Municipal Government Act* (the "MGA"), held negotiations in an attempt to resolve the proposed annexation as well as other issues of concern to one or both of the parties;
- C. The City and the County have now reached an agreement in respect of the proposed annexation;

NOW THEREFORE in accordance with the terms and conditions hereinafter set forth, the City and the County agree as follows:

- 1. The City and the County agree that those lands identified in Schedule "A" of this Agreement as the Expansion Area shall be separated from the County and annexed to the City.
- 2. The City and the County agree that the annexation of the Expansion Area shall be effective on January 1, 2021 or such other date as may ultimately be determined by Order of the Lieutenant Governor in Council.
- 3. The County agrees that it shall fully support the annexation of the Expansion Area and that it shall not seek nor support any efforts to seek to have any portion of the Expansion Area excluded from the annexation by the City.
- 4. The City and the County agree that the annexation of the Expansion Area shall be subject to the following conditions:

Assessment and Taxation

- (a) For the purpose of taxation in 2021¹ and in each subsequent year up to and including 2051, the annexed land and the assessable improvements to it:
 - (i) must be assessed by the City on the same basis as if they had remained in County, and
 - (ii) must be taxed by the City in respect of each assessment class that applies to the annexed land and the assessable improvements to it using the lower of the tax rates established by the County and the City.
- (b) Where in any taxation year a portion of the annexed land:
 - (i) with the exception of the first parcel out for a homestead parcel, becomes a new parcel of land created,
 - (A) as a result of subdivision,
 - (B) as a result of separation of title by registered plan of subdivision, or
 - (C) by instrument or any other method that occurs at the request of, or on behalf, of the landowner, or
 - (ii) is redistricted, at the request of or on behalf of the landowner, under the City Land Use Bylaw to another district, or
 - (iii) is connected, at the request of or on behalf of the landowner, to water or sanitary sewer services provided by or on behalf of the City.

The protection in condition 4(a) ceases to apply at the end of that taxation year in respect of that portion of the annexed land and the assessable improvements to it.
- (c) If the protection in condition 4(a) ceases to apply to a portion of the annexed land in a taxation year, that portion of the annexed land and the assessable improvements to it must be assessed and taxed for the purposes of property taxes in the following year in the same manner as other property of the same assessment class in the City is assessed and taxed.

¹ Assuming the annexation, if approved, will be effective January 1, 2021.

5. The City shall prepare its Notice of Intention to Annex for the Expansion Area and serve it on the County no later than May 30, 2019. The City and the County shall conduct a joint open house with the affected landowners no later than June 15th, 2019. The City shall submit its Annexation Application to the County and the Municipal Government Board no later than December 31, 2019.
6. The City and the County agree that the provisions of this Agreement shall be part of the presentations made to the Municipal Government Board.
7. The City and the County agree that the normal rules relating to annexation as set forth in Section 135(1) of the MGA shall apply to the annexation of the Expansion Area by the County.
8. The City and the County agree that they shall fully support and recommend to the Municipal Government Board the matters set forth in this Agreement and the City and the County shall use reasonable efforts to convince the Municipal Government Board that the matters set forth in this Agreement should be included in the recommendations of the Municipal Government Board to the Minister of Municipal Affairs pursuant to Sections 120 or 123 of the MGA.
9. The City and the County agree that they shall take all reasonable steps to encourage the Lieutenant Governor in Council to issue an Annexation Order pursuant to Section 125 of the MGA which incorporates the intent of the provisions of this Agreement.
10. The City and the County agree that they will prepare a mutually agreeable joint statement to the press and public regarding this Agreement.
11. The City and the County agree that they will prepare a transition plan for the annexed area.
12. The City and County acknowledge that the issue of compensation, if any, payable by the City to the County has not been addressed in this Annexation Agreement. The parties undertake to settle that issue by way of a separate agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF SPRUCE GROVE

PARKLAND COUNTY

Per: _____
Mayor Stuart Houston

Per: _____
Mayor Rod Shaigec

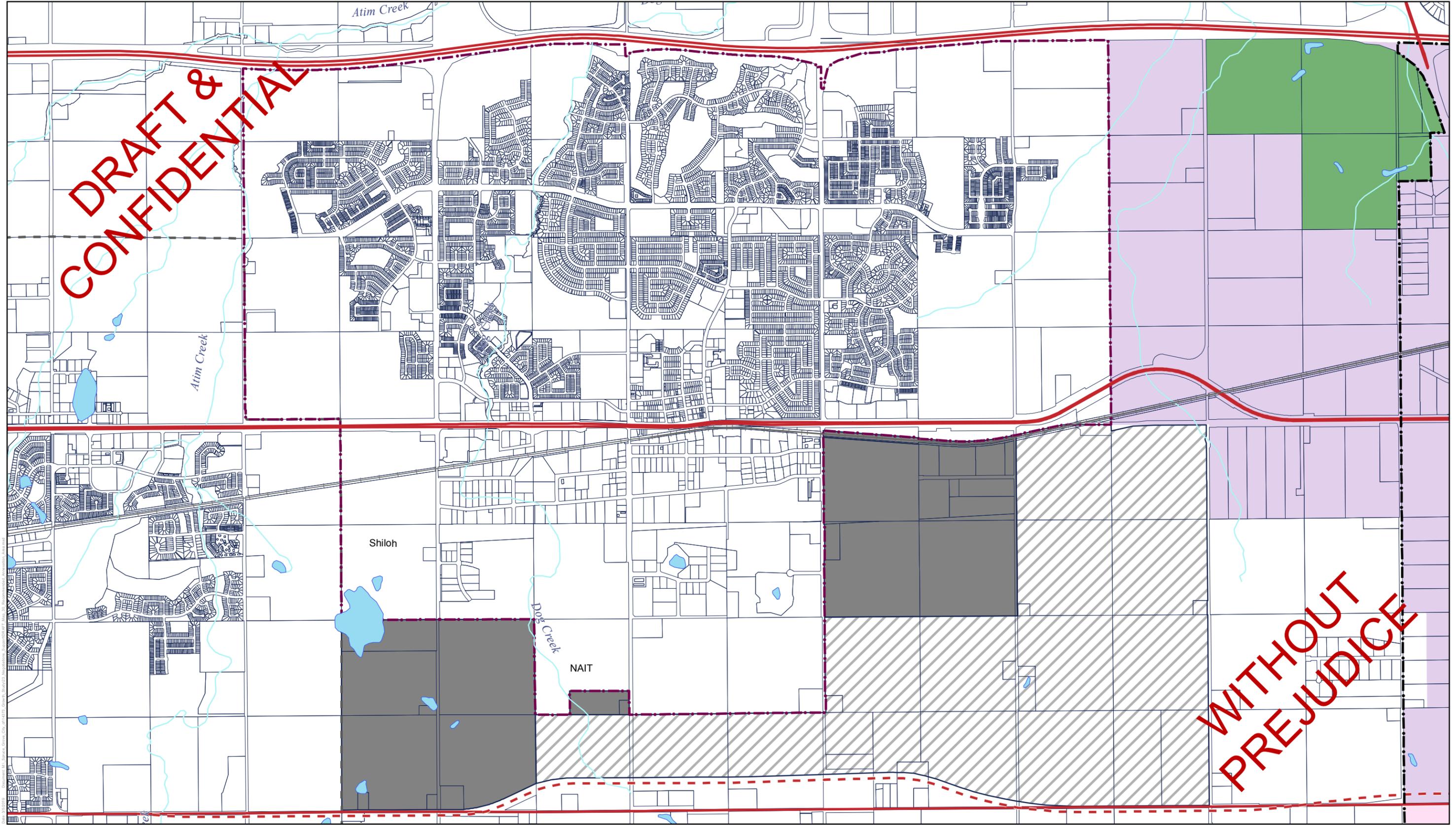
Per: _____
Robert Cotterill, CAO

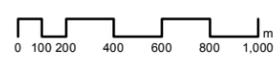
Per: _____
Mike Heck, CAO

SCHEDULE A
EXPANSION AREA

DRAFT &
CONFIDENTIAL

WITHOUT
PREJUDICE





* Excludes gross undevelopable lands including environmental reserve, pipelines, well setbacks, rail right-of-way, previously dedicated road allowances, etc.

1:30,000



GROWTH STUDY • MAP 30
RECOMMENDED 7 GROSS
DEVELOPABLE QUARTERS