



RM of Sherwood - Boundary Alteration Request

Date	February 1, 2023
To	Executive Committee
From	Financial Strategy & Sustainability
Service Area	Financial Strategy & Sustainability
Item No.	EX23-7

RECOMMENDATION

The Executive Committee recommends that City Council:

1. Approve the proposed boundary alteration between the City of Regina (City) and the RM of Sherwood (RM) to exclude approximately 24.1 acres of land from the City consisting of:
 - a. Blk/Par A-Plan 102335925 Ext 0 within the SW 21-17-20 W2 (approximately 21.6 acres or 8.8ha in size);
 - b. the portion of SW 21-17-20 W2, lying to the north of Blk/Par Z-Plan 96R05222 Ext 0 (approximately 2.5 acres or 1.0 hectare in size); and
 - c. the portion of General Road (Blk-Par S1-Plan 101942322 Ext 0) extending eastward from the current City boundary (collectively referred to as the "Annexation Lands" and shown in Schedule A) and include the lands within the boundaries of the RM, conditional on the payment of tax loss compensation as outlined herein;
2. Approve the payment of tax loss compensation in the amount of \$5,284.65 from the RM as financial settlement in consideration of the proposed boundary alteration;
3. Delegate authority to the Executive Director, Financial Strategy & Sustainability, or designate, to negotiate a municipal boundary alteration agreement with the RM, including any commercially relevant terms and conditions that do not substantially change what is described in this report and any ancillary agreements or documents required to give effect to the agreement;

4. Authorize the City Clerk to execute the municipal boundary alteration agreement and complementary resolution upon review and approval by the City Solicitor; and
5. Approve these recommendations at its meeting on February 8, 2023.

ISSUE

The City of Regina (City) and RM of Sherwood (RM) entered into a Memorandum of Understanding (MOU) for three municipal boundary alterations that support economic development and operational efficiencies in the Greater Regina Area.

In line with the MOU, the RM has requested a boundary alteration agreement and complementary resolution supporting the proposed annexation attached as Schedule B.

IMPACTS

Financial Impact

Financial compensation from the RM to the City for the proposed boundary alteration has been set at \$5,284.65 and is based solely on tax loss compensation using a rate of 15 times the taxes collected from the subject lands in 2021. The multiplier of 15 is consistent with previous annexations and the MOU.

The annexation includes a portion of General Road which eliminates future City expenses related to improving and maintaining that section of road.

Economic Impact

The proposed annexation permits two locally owned businesses, Brandt Industries and MF Enterprises, to expand current operations in the area. Expansion of these businesses is expected to result in significant capital investments, as well as employment growth both in short-term construction jobs and long-term operations.

Financial compensation received from the RM would be transferred to the General Fund Reserve.

Policy/Strategic Impact

The boundary alteration demonstrates effective regional collaboration between the RM and the City to support business growth in the Greater Regina Area.

Business growth aligns with Economic Development Regina's 2030 Growth Plan, and the strategic priority of economic prosperity. The collaborative manner with which the RM and City negotiated the terms of the proposed boundary alteration align with the strategic priority of operational excellence.

There are no accessibility, environmental, legal/risk or other impacts.

OTHER OPTIONS

None with respect to this report.

COMMUNICATIONS

The RM has provided public notice pursuant to the requirements of *The Municipalities Act*, including direct correspondence with the City and advertisements in the Leader-Post on December 9 and 16, 2022.

The City and RM have received letters of support for the boundary alteration from all impacted landowners and businesses.

DISCUSSION

The proposed boundary alteration is consistent with the MOU between the City and RM.

The boundary alteration was initiated at the request of Brandt Industries and MF Enterprises, two businesses currently operating on lands adjacent to the Annexation Lands in the RM. The businesses desire to expand existing operations, however due to physical barriers such as rail lines and roadways, the only vacant land is within the city. Brandt Industries and MF Enterprises have acquired ownership and an option to purchase the Annexation Lands to accommodate potential expansions. However, it is challenging and impractical for a business to obtain permits to expand and operate a facility that straddles a municipal boundary.

The potential expansion of these businesses is anticipated to bring capital investment and employment growth to the Greater Regina Area.

DECISION HISTORY

On January 25, 2023, through report CR23-6 City Council approved the City entering into a Memorandum of Understanding with the RM for this, and two other, boundary alterations between the RM and the City.

Respectfully submitted,



Chad Jedlic
Director
Economic & Business Development

Respectfully submitted,



Barry Lacey
Executive Director
Financial Strategy & Sustainability

ATTACHMENTS

Schedule A - Annexation Lands
Schedule B - RM Request and Notice to Annex