

CITY OF LETHBRIDGE

Order No. 16670

File No. 14(A)9

IN THE MATTER OF THE "Municipal Government Act":

AND IN THE MATTER OF THE "County Act":

AND IN THE MATTER OF an application by the Council of the City of Lethbridge, in the Province of Alberta, to annex certain territory lying immediately adjacent thereto and thereby its separation from the County of Lethbridge No. 26.

Pursuant to Section 20 of the Municipal Government Act, the Council of the City of Lethbridge, in the Province of Alberta, petitioned the Local Authorities Board for the Province of Alberta, for the annexation to the City of all that territory described in Schedule "B" attached hereto (hereinafter called "the said territory") which lies immediately adjacent to the City of Lethbridge, and thereby its separation from the County of Lethbridge No. 26, and in respect to which the Board held a public hearing into the matter on October 25 and 26, 1983.

Representing the City of Lethbridge were Mayor A.C. Anderson; M.F. Belich, Solicitor; D.S. Hudson, Solicitor; F. Michna, Planning Director; C.L. Sibbald, Agrologist; H. Harries, Economist and S.H. Hamilton, Director of Engineering Services.

Reeve R. Papworth, M. Welsh, Solicitor and S. Steinke, County Manager, appeared on behalf of the County of Lethbridge No. 26.

L. Smith, Director, presented the position of the Oldman River Regional Planning Commission.

Owner, Preferred Mortgage & Investment Corporation Ltd., was represented by John Haibeck and owner F.W. Malec appeared on his own behalf. Also 85 of the approximately 191 affected owners were present but did not make submissions. A letter on behalf of 247603 Alberta Ltd. was received expressing support for the proposed annexation. In a letter received by the Board on June 9, 1983, S. Denecky, on behalf of 24 land owners who own land immediately east of the said territory, requested that no hearing into the matter be held until a "joint (sic) Municipal Plan is in place".

Presentations opposing the annexation of the said territory to the City of Lethbridge were made by the Christian Farmers Federation of Alberta, represented by J. Kolk, Farmer, and J. Kolkman, Researcher, and by the Lethbridge Branch of the Alberta Institute of Agrolgists, represented by W. Harron, Agrolgist.

The City of Lethbridge's development began with the coal industry in the 1880's. The City has since evolved as the regional centre for southwestern Alberta, servicing a region extending west to the British Columbia boundary, south to the United States border, east to Taber and north to Vulcan, with an estimated trading area population of 128,000 persons.

In addition to its economic role as a regional retail and service centre, the City of Lethbridge acts as a major administrative, cultural, entertainment, retirement, educational and post-secondary educational centre for the region. The City is also a production and supply centre for the important regional agricultural industry.

Manufacturing production in the City of Lethbridge has grown from \$12.5 million in 1951 with 46 establishments to close to \$1 billion in 1981 with 82 establishments. The labour force in Lethbridge has grown at an annual rate of 16 per cent between 1976 and 1981 to approximately 24,000. While this rate of growth has been slower than that of other Alberta centres, the community is spoken of as "a relatively 'job rich' area" in the "Economic Study" by Woods Gordon.

Economic growth is projected to continue and improve for the City of Lethbridge and its region. While coal once held a dominant role in the City's development, its production was phased out by 1957. However, because of the metallurgical character of some of the coal, there has been renewed interest in the deposits. If the world economy recovers, there is speculation that coal operations will again take place.

Improvements to the region's irrigation works in storage, conveyance and crop delivery of water are projected to increase the acreage, yield and variety of agricultural production. There is the potential for locally processing more of the region's agricultural produce. The manufacturing of more lines of farm machinery to increase agricultural efficiency is also anticipated.

Projects planned, or now under way, in the City of Lethbridge that will enhance its economy are a regional hospital; improvements to the Lethbridge Community College and the University of Lethbridge; the redevelopment resulting from the railway relocation projects; the diversification of its industrial base with the development of a new Kawneer Company of Canada plant and one proposed by NorAtel.

The following appraisal of the City of Lethbridge is given in the "Economic Study" done for the City by Woods Gordon in 1982.

"Lethbridge is a success story in terms of its urban economy. It has a record of growth, job creation and opportunity. The community is justifiably proud of its prosperity, stability and its quality of life...."

The report does, however, go on to point out that the City of Lethbridge is developing considerably below its real potential. There is increasing competition for economic development and the report recommends a vigorous community program to ensure the City maintains or increases its share of economic development in the future. One step recommended was to annex sufficient land into the City's jurisdiction to ensure that it may quickly and positively respond to any industrial development opportunities that occur.

The City of Lethbridge has been studying the expansion of its boundaries since 1977 when the Oldman River Regional Planning Commission prepared a report entitled "Direction of Growth Policies". This report recommended that major residential development take place to the west and north of the City. In 1980, City Council adopted the General Municipal Plan by By-law No. 3573. A study for developers completed in 1980 by Stanley Associates Engineering Ltd., entitled "North Lethbridge Urbanization", reviewed the urbanization of lands

to the north of the City. This report pointed out that a new sanitary trunk line will be required to service this area.

In 1980 the City of Lethbridge commissioned Reid, Crowther & Partners Limited to conduct a study of the City's future territorial requirements. This report, entitled "City of Lethbridge Annexation Study" was completed in September, 1981, and recommended a larger area for annexation to the City than that contained within the said territory.

Upon receipt of the Annexation Study, contact was made by the City of Lethbridge with the County of Lethbridge No. 26 and following numerous meetings between the two parties, the smaller towns of the immediate region, and public hearings, an "accord" was arrived at by the two municipalities. This basically, as set out in the City's "Petition for Annexation", is as follows:

"Whereas these meetings between the County and the City have concluded with an accord in which the following matters were agreed upon; namely:

- (1) the establishment of a new boundary for the City which is that as applied for in this Petition;
- (2) the undertaking of a Joint General Municipal Plan in order to develop a strategy for development on the City's urban fringe;
- (3) a revenue stabilization agreement for a period of five years to offset certain revenue losses by the County;
- (4) the provision by the City of a water line to Sunset Acres country residential subdivision at the expense of the County;
- (5) the taxation of farmlands on the same basis as the County until such time as the lands are proposed for subdivision, or are required for future developments;"

The City of Lethbridge and the County of Lethbridge No. 26 have also adopted a Joint General Municipal Plan for the lands immediately outside the said territory and existing City boundaries.

For the purpose of the annexation application, a planning horizon of 25 to 40 years was used for population projections. While the City of Lethbridge has not received the full impact of the energy developments experienced by other communities in the Province of Alberta, neither has it experienced the effects of the "boom-bust" cycles. Growth in population has been relatively steady, from a population of 22,947 in 1951, to 40,856 persons in 1971, to 54,624 persons in 1981, to a population of 58,086 in 1983. While the average annual population growth rate since 1976 was 2.95 per cent, the growth rate in the last five years has exceeded 3 per cent per annum.

A variety of methods and scenarios were used in estimating future population projections. The Reid, Crowther and Partners Limited "City of Lethbridge Annexation Study" projected a population of 96,000 people residing in the City of Lethbridge by the year 2020. The "Economic Study" completed by Woods Gordon in 1982 estimated a population of 90,711 persons by the year 2001 and, at a annual growth of 2.6 per cent, a population of 137,880 persons by the year 2021 was projected by the City.

It is estimated that an increase in population of 83,256 between 1981 and 2021, at an average household size of 2.55 persons, would represent 32,649 households. Adopting an average of 5.9 houses per gross acre as the future density, it is estimated that such a population would require some 2,239.13 hectares (5,533 acres) of land to accommodate it. Consideration was given to a lead time requirement of 6 years and the need for a further 380.40 hectares (940 acres) to meet development needs immediately following the study period. The City also asked that a land bank of ten years supply of residential land of 634.14 hectares (1,567 acres) be established. This land reserve would help keep land prices down by increasing competition. In total, 3,253.67 gross hectares (8,040 acres) of land for residential use was requested.

In determining the amount of land required for commercial use, the City of Lethbridge indicated a need for 170.37 hectares (421 acres) by the year 2021. An additional 28.73 hectares (71 acres) are required for the 6 year lead time and 48.56 additional hectares (120 acres) for land bank purposes. The estimated total land requirement to the year 2021 for commercial use is 247.66 gross hectares (612 acres).

By using a historical average annual absorption of 20.23 hectares (50 acres) of land required to meet the City of Lethbridge's industrial land use needs, considering the 6 year lead time requirements and the desire to provide a land bank, it is estimated that a total of 1,133.12 hectares (2,800 acres) of land are needed within the City of Lethbridge's industrial land use requirements to the year 2021.

In total, it is estimated that for the City of Lethbridge to meet its various land use requirements to the year 2021, the City would require within its jurisdiction a total of 4,634.45 hectares (11,452 acres) of land not currently developed for urban purposes. The City has now, within its jurisdiction, the following undeveloped lands suitable for development:

Residential	953.44	gross hectares	(2,356	acres)
Commercial	53.41	" "	(132	")
Industrial	178.87	" "	(442	")
TOTAL	1,185.72	gross hectares	(2,930	acres)

However, there is a constraint to the development of the above areas. Approximately 352.08 hectares (870 acres) are undermined by the old coal mines and it is unknown if they may be safely developed for urban purposes.

Taking all the above factors into consideration, it is estimated the City of Lethbridge will require the following amounts of land outside its jurisdiction to meet its future land use requirements to the year 2021, namely:

Residential	2,551.14	gross hectares	(6,304	acres)
Commercial	194.25	" "	(480	")
Industrial	1,055.42	" "	(2,608	")
TOTAL	3,800.81	gross hectares	(9,392	acres)

In addition to the above, it is estimated that some 1,456.87 hectares (3,600 acres) are in the Oldman River valley and the Six Mile Coulee. These lands would be protected by and used to complete the City of Lethbridge's Urban Parks Master Plan which was approved by City Council April 27, 1983.

The question of soil types and their urbanization was dealt with by Alberta Agriculture.

The said territory, containing 5,640.87 hectares (13,938.89 acres), is located in three sectors namely: (a) the West Sector, (b) the North Sector and (c) the Southeast Sector. For ease of description, each sector will be discussed separately.

a) The West Sector:

The Oldman River follows a meandering course southward from the Village of Coalhurst to meet the St. Mary River at its southmost point. The river then flows northward, through the City of Lethbridge. That appendage portion to the south of Highway No. 3 has received the local designation of "the peninsula". It is in this area that the City has established its "West Lethbridge" urbanization and where the University of Lethbridge has been established.

That portion of the said territory in the West Sector, containing 3,154.51 hectares (7,794.96 acres), may be described as those lands to the south of Highway No. 3 and between one and one-half sections to the west of the present boundaries of the City. The western border of the said territory continues southward to meet the Oldman River. The southerly border follows the left bank of the river easterly and northerly until it meets the City boundary.

The west border of the said territory roughly follows the height of land separating the natural west and east drainage basins. The topography ranges from the river's 100 year flood plains, to steep banks, to the rolling agricultural lands at the top of the embankment. The land is mainly in agricultural production with some areas having the potential to be irrigated. Constraints to development are the river valley topography and flood plains, and those areas in the northeast part that have been undermined during past coal mining operations.

In 1969 the City of Lethbridge proceeded with servicing West Lethbridge with a sanitary sewerage and water distribution system. The facilities were designed with sufficient capacity to serve the entire drainage basin. There is a small area in the northeast of the West Sector which cannot be serviced by this system that would require separate consideration.

At present the City of Lethbridge is updating its Transportation Study. Currently the 6th Avenue bridge crossing the Oldman River provides six traffic lanes. Additional river crossings are projected.

While the majority of the West Sector is proposed for residential development, a small portion in the north part has been suggested as an "employment centre". This would be an extension to the current industrial uses at the "old mine" site.

b) The North Sector:

The east border of this sector is formed by the northerly extension of 43rd Street for 3.21 kilometres (2 miles), then west along section lines to the Oldman River. The east bank of the river upstream to the City of Lethbridge's boundary forms the west border, while the north, west and east boundaries of the City provide the south borders.

The North Sector, containing 1,320.88 hectares (3,263.97 acres) is relatively flat on the uplands with some gently rolling areas. Adjoining the Oldman River are flood plains on which a feedlot is located and from which gravel is being extracted. The land rises sharply from the flood plains to the uplands and in areas steep coulees penetrate the escarpment. At one time, coal mines were associated with the western portions, creating undermining and leaving deposits of orange shale. There is a divide of water sheds running north/south through Sections 17 and 20. Ground waters to the west of this ridge flow west, while those to the east flow east.

Established through the east half of Sections 16 and 21 is an irrigation canal. Portions of the uplands in the North Sector are irrigated, with other lands having the potential for irrigation. Approximately 80 per cent of the area is in agricultural production.

The City of Lethbridge, in 1980, serviced lands south of and immediately abutting the North Sector. For reasons of economy and to logically plan the future servicing of this area, off-site services were designed to accommodate the entire drainage district, which includes some three sections of land within the North Sector. As a result, all the off-site trunk services for sanitary sewerage and water supply and most of those for storm sewers are physically existing to service the North Sector. In addition, a five million gallon water reservoir to serve the entire north drainage basin is nearing completion.

It is proposed that those lands immediately north of the City of Lethbridge's existing industrial park in the northeast also be utilized for industrial purposes. The remaining uplands would be designated for residential uses, while the river valley would be incorporated into the Parks System.

c) The Southeast Sector:

The Southeast Sector, containing 1,165.48 hectares (2,879.96 acres) has its north and west borders established by the City of Lethbridge's south

and east boundaries. While following established section line boundaries, the southern border of the Southeast Sector attempts to establish the Six Mile Coulee as the limit to urban growth in this area. This Coulee is proposed as an open space corridor, extending to its junction with the Oldman River. The east border follows the west boundary of the north/south road allowance abutting the east side of Sections 15, 22 and 27.

The topography of the table areas of the Southeast Sector is relatively flat, with the exception of the intrusion of the Six Mile Coulee. Man-made constraints are Highway Nos. 4 and 5, the Canadian Pacific Railway line to Coutts and irrigation canals. The Southeast Sector has been subjected to a number of subdivisions for small holdings of varying sizes. Only four quarter sections remain intact and one is owned by land developers. In that portion abutting Highway No. 4, lots have been created on which there are commercial enterprises.

Because existing facilities are now at capacity and in order to provide the Southeast Sector with sanitary sewage and water, new utility trunk lines will have to be extended to service the said area. While the Southeast Sector does not include all the lands within the area's drainage basin, oversizing would be provided. As the County of Lethbridge No. 26 is considering the development of an industrial park in conjunction with the airport immediately to the south of the Southeast Sector, the City of Lethbridge anticipates recovery of a portion of these costs by extending the utilities to service such development.

The City of Lethbridge pointed out that there has been a historical preference for residing in the south portion of the City and the lands in the Southeast Sector would provide alternative choices of residences. Highway Nos. 4 and 5 would provide the City with needed highway commercial lands and permit the City to control development of lands that abut the highways to ensure that incompatible uses do not occur.

The economic impact of the annexation of the said territory on the City of Lethbridge was studied with the conclusion that the effects would be minimal to both the City and the County of Lethbridge No. 26. The City of Lethbridge currently is in a surplus position financially. The 1982 assessment totalled \$739,123,482.00 with a split of 66.83 per cent residential and 33.17 per cent non-residential. While the approved per capita debt is \$1,251.45, the actual is \$840.21 which represents a yearly debt charge as a percentage of total revenue of 8.98%. It was submitted that the City is in an excellent position to assume the increased economic burdens that may be associated with the addition of the said territory to its jurisdiction.

The petition of the City of Lethbridge lists the following objectives for developing its future growth strategy, which the annexation of the said territory would achieve:

- "(1) provide an opportunity for choice of locations in the City for residential, commercial and industrial growth.
- (2) ensure logical residential-employment area relationships as the City grows.
- (3) ensure the compatibility of land uses within the developed and developing portions of the City and its fringe area;"

Additional benefits, such as removing the lead time of the annexation process, illogical boundaries and ensuring that the County of Lethbridge No. 26 has stable boundaries so it may plan its industrial development without concern about the City's future expansion are outlined in "The City of Lethbridge Annexation Proposal". Further, this document stated that annexation would assist the City in achieving the main objective of its General Municipal Plan, which is:

"to encourage the development of new economic and employment opportunities, and overcome the overwhelming reliance of the City's industrial sector upon its agricultural base."

It was also stated that the annexation of the said territory to the City of Lethbridge will permit the City to provide greater choice, competition and flexibility in the supply of industrial, commercial and highway exposed lands, thus meeting the General Municipal Plan's objective and continue and improve the long-term economic health of the City and its sub-region.

At the March 14, 1983, County Council Planning Meeting, Council for the County of Lethbridge No. 26 reviewed the Annexation Petition of the City of Lethbridge and the following motion was adopted:

"MOVED that the annexation petition be filed for information, and that the City of Lethbridge be advised that a Joint General Municipal Plan has to be finalized prior to annexation taking place; and that there are proposals for further changes to the Joint General Municipal Plan pending, and that a copy of the correspondence to the City be forwarded to our Solicitor Mike Welsh and the Local Authorities Board."

It was pointed out by the County of Lethbridge No. 26 that if the said territory was annexed to the City of Lethbridge, the County would lose \$1,210,000.00 in assessment; \$196,000.00 in taxes, of which the municipal portion is \$117,000.00; and education grants of \$153,500.00. However, this would be partially offset by the reduction in expenses such as road maintenance (\$32,360.00) and construction (\$45,000.00) costs. To offset these losses in revenue, the City of Lethbridge has agreed to pay the County five annual payments of \$75,000.00. A Joint General Municipal Plan to establish a buffer strip of 4.82 kilometres (3 miles) and a committee of both municipalities to ensure its intent is achieved has been realized. The County accepted that the City is going to grow and anticipated that this method would permit both it and the City to achieve their respective goals in a conciliatory manner rather than through confrontation.

In support of the annexation of the said territory to the City of Lethbridge, the Council of the County of Lethbridge No. 26 passed the following resolution on October 25, 1983:

"NOW THEREFORE the County Council duly assembled this 25th day of October, 1983 hereby approves:

- 1) The presentation to be made to the Local Authorities Board on behalf of the County by Reeve R.W. Papworth.
- 2) In principle the Joint General Municipal Plan dated September, 1983.
- 3) That any farm lands (sic) to be annexed into the City continue to be taxed in accordance with the County's assessment practices and mill rates until such time as the lands are subdivided or taken out of agricultural production.
- 4) That in return, consideration for the County not opposing the City's annexation petition and in order to partially offset the County's present and future loss of tax assessment, the County will accept the sum of \$375,000.00 to be paid in five (5) equal annual installments commencing on the effective date of the order annexing the south east sector of the annexation area."

The Oldman River Regional Planning Commission has established a position authorizing the Executive Director to present his professional opinion on annexation applications within the Commission's jurisdiction. Accordingly, the Director made a submission to the Board opposing the application by the City of Lethbridge to annex to the City all the said territory.

In the "Conclusion" to the presentation, the following points were made on behalf of the Commission:

"The proposal to annex approximately 14,100 acres of land is, per capita, a larger proposal than that which occurred in the Edmonton area in 1980. This proposal appears to have little regard for the protection of either irrigated farm land or the lifestyles (sic) of rural people who will be

affected generations before necessary. It appears that this proposal represents a large amount of land that will be prematurely annexed, with all the problems that this represents to the region.

There are serious questions with regard to the entire process of calculating the land requirement, and the suitability of the time periods used. Is it legitimate to request land for development for 56 years, plus 6,100 acres of additional developable land? (This excludes 3,600 acres of river valley lands.)

Annexation of such a large scale and for such long time periods creates a number of problems previously discussed, such as reduced agricultural production. A major regional concern is the increased expectation for expansion of urban municipalities, and that a precedent may be set whereby it becomes common for municipalities to annex unreasonable amounts of land based on very long time periods. The proposal before the Local Authorities Board appears to be using the Edmonton annexation as a precedent. In view of the implication of such a large-scale annexation, it is felt that it is necessary for the Local Authorities Board to re-affirm (sic) its commitment to annexations of a more modest nature; for example, up to 20 years into the future.

In addition to the land required for a 20-year development period, an urban municipality can implement land use controls to protect areas for long-term growth through inter-municipal agreements such as joint general municipal plans. The two-step approach of providing land for up to 20 years, and an agreement to protect the fringe area is a strategy of growth that will provide for orderly urban growth and protect agricultural land until it is required for urban conversion."

In correspondence to the Board dated July 22, 1983, Alberta Agriculture made the following comments in respect to the application by the City of Lethbridge to annex the said territory:

- "1. For comparative purposes, the lands identified for annexation have been separated into three discreet blocks: 1) all lands west of the Oldman River; 2) lands east of the Oldman River but south of the existing city boundaries; and 3) lands east of the Oldman River and north of the city boundaries.
2. Canada Land Inventory (CLI) dryland agricultural capability ratings for the parcels under consideration are predominantly: 1) 55% class 3T, 20% class 2C, and 25% class 6T; 2) class 2C; and, 3) 80% class 2C and 20% class 6T.
3. CLI class 2 soils have moderately high to high levels of productivity for a fairly wide range of crops. CLI class 3 soils have fair to moderately high levels of productivity for a fair range of crops. CLI class 6 soils provide some sustained grazing for farm animals.
4. Based on Alberta Hail and Crop Insurance Corporation data for lands under cultivation, the areas proposed for annexation have the following dryland productivity ratings: 1) 60-64%; 2) 70-74%; and 3) 70-74%. As such, each of the three blocks of land identified for possible annexation are recognized as better agricultural lands. Further, all of the lands in question are currently in agricultural use.
5. Sections 19, 20 and 21, township 9, range 21 are little more than a mile from Section 32, township 9, range 21, which is occupied by a feedlot and rendering plant, on which more than \$600,000 of government funds were spent relocating it from Section 27, township 8, range 21, in 1973-74.

No objection is offered to the annexation of these lands if they are required for urban residential and industrial uses. From an agriculture point of view, the lands on the west side of the river are less productive than those on the east."

Alberta Transportation in correspondence to the Board dated July 4, 1983, made the following observations:

"This proposal would incorporate sections of Highways 3A, 4 and 5 into the City's corporate limits. From a highway management point of view, the Department would point out that once annexation takes place, the City must accept full responsibility for the upgrading and maintenance of these sections of highway which would be subject to the City's direction, control and management.

The Department supports the proposal of not including that section of Highway 3 traversing through Section 10-9-22-4. This section of Highway 3 should remain under the Department's jurisdiction as long as the north-half of Section 10-9-22-4 lies outside the City's limits."

Alberta Environment, in a letter to the Board dated October 21, 1983, expressed the following concerns:

"The annexation lands, with the possible exception of the large cattle feedlot in Section 12-9-22-W4M, do not appear to contain any noxious or undesirable agricultural or industrial developments that would provide an obvious conflict with future urban development.

A majority of the annexation area consists of either dryland or irrigated high capability agricultural land which will pose few physical constraints to residential or industrial development. However, in our opinion there is no pressing need or justification for converting the presently irrigated land to urban uses in Sections 16, 19, 20 and 21, Township 9, Range 21, West of the 4th Meridian. This land may be required in the distant future to accommodate City of Lethbridge growth, but in the foreseeable future growth should be directed to the dryland areas in West Lethbridge.

The shorelands and escarpment areas within the Oldman River Valley have very limited development potential due to steep, potentially unstable slopes and floodplain hazards. However, these lands do have considerable potential for extensive recreational and open space uses.

The Department would not have any major objection to the annexation as proposed with the exception of Sections 16, 19, 20 and 21 in Township 9, Range 21, West of the 4th Meridian."

F.W. Malec, an owner of lands within the North Sector, made a presentation submitting that his lands should not be annexed to the City of Lethbridge, as the City now has sufficient territory to meet its land use requirements.

The Lethbridge Branch of the Alberta Institute of Agrologists presented a brief at the hearing in which its position was summarized as follows:

"In summary, the Lethbridge Branch of A.I.A. is concerned with the loss of prime agricultural land through irreversible urban development. Expecting to replace good quality land that is lost now with low quality land in the future will lead to inefficient land use and higher food costs due to higher production costs.

Lethbridge is surrounded by good quality agricultural land, but city growth can be directed to preserve our better land for agriculture.

Urban development should be directed to lower quality land of the West Lethbridge Peninsula.

Secondly the north Lethbridge area should be developed.

Further development and fragmentation on the southeast should be discouraged by both the City and the County to avoid losing prime irrigation land.

Land within the boundaries of the city should be reserved for agricultural use until needed for development and not left idle.

A.I.A. supports the use of a comprehensive Joint Municipal Plan area in order to preserve agricultural land by orderly development of the urban fringe."

While not objecting to the City of Lethbridge growing, the Christian Farmers Federation of Alberta strongly opposed the urbanization of lands containing soils capable of high agricultural productivity. In this respect, the Federation suggested that urbanization be directed to the West Sector where the soils are poorer. It was submitted that the early inclusion of farm lands into an urban municipality frequently destroys the incentive to improve such lands, as urbanization is anticipated. Also because of the proximity to a concentrated population, there may be constraints to the type of agricultural activity carried on, such as feedlots and crop spraying. It was suggested that annexation to the City should be on the basis of a 20 year projection, rather than the longer term requested by the City.

The Board, having considered the evidence presented at the hearing, has reached the following conclusions:

1. That although the City of Lethbridge has not received the recent impact from resource developments of oil and gas that other Alberta urban centres have, it has witnessed a sustained growth in population and development through the 70's and into the 80's. The City has managed to grow from a population of 35,500 persons in 1960 to a population of 56,500 in 1982, with an annual growth rate of 3 per cent for the last five years. During this period the City has developed into a major industrial, agricultural, retail, educational and service centre in Western Canada with a record of growth, job creation, opportunity and prosperity. During this period, there has been an emphasis on providing a "quality of life" to its citizens as represented by its Park Systems and the recreational, cultural, religious, social, educational and medical facilities. The City, as witnessed by its established urban infrastructure and budgetary surplus, has been well managed and is in a good position to undertake future growth without such growth becoming a burden upon the residents.
2. That while future growth scenarios will be dependent to a large extent on outside influences such as the world economy, the City of Lethbridge is well situated to service a number of potential major developments in its region, one of which is coal development. With the upgrading of the region's irrigation works and the increase in the acreage brought under irrigation, there is the potential for growth in an intensive agricultural industry with additional new products to be processed locally. As expanding urban populations and industrial growth elsewhere reduce farm production in those areas, greater demands for local agricultural products of a larger variety should occur. The impact of the demise of the "Crow Rates" is unknown but may make locally produced agricultural and processed products more competitive nationally and on a world scale. All such developments may have a direct or indirect influence on the City of Lethbridge and its growth.
3. That while it is difficult to project what the population of an urban centre will be in 20 years, for longer periods it is mainly conjecture. There is a rational comparison to be made to the prairie City of Saskatoon that has had a similar social and economic base. It is noted that from a population of approximately 45-50,000 persons in the 40's, Saskatoon's population had grown to 134,000 persons in 1976 and an estimated population of 154,000 persons in 1982. The population estimate of 137,880 persons by the year 2021 for the City of Lethbridge does not appear unreasonable. Accordingly, the City of Lethbridge will require additional territory in its jurisdiction to meet its population and industrial growth requirements.
4. That the said territory located in the West Sector contains mainly Class 3 soils, may be readily serviced with utilities by the extension of and within the capacity of existing facilities. Land will become available for the extension of the Oldman River Valley Parks System. While portions in the northeast are undermined, there may be compatible urban

uses to which these lands may be put. The lands are mainly still in large agricultural units and not affected by the river valley, may be readily and economically developed for urban purposes and should be annexed to the City of Lethbridge.

5. That that portion of the said territory located in the North Sector provides a logical extension of existing residential and industrial land uses now within the City of Lethbridge. Utility capacity now exists to service this sector readily and in an economical manner. Lands will become available in the Oldman River Valley for the extension and protection of the City's urban parks system. The lands on the uplands are mainly in large agricultural units, are not affected by the river valley and contain few constraints to urban development. Accordingly, the North Sector should be annexed to the City of Lethbridge.
6. That the Southeast Sector presents itself as a conundrum. It contains Class 2 soils that may be irrigated. To develop the Sector for urban purposes will mean that a separate utility facility will have to be built. To be economical, such a facility will be designed to serve a drainage area not fully contained in the Southeast Sector, requiring additional cost. The availability of the excess capacity will, no doubt, in the future create a demand for further urban development to the southeast of the City of Lethbridge and the utilization of good soils.

Further, it is doubtful if development in the Southeast Sector can be delayed until urbanization of the other two sectors is complete. A demand for utilities has already been expressed by one developer and as this sector of the City has historically been preferred for residential purposes, it is to be anticipated that there will be a like demand from other developers in the sector.

A further factor is the number of small holdings, of which there are some 55 parcels of less than 80 acres and only 4 full quarter sections. Difficulties and delays are anticipated in establishing economic units for development.

However, the question of whether such land should be urbanized may have been decided when the lands in this sector were subdivided into parcels too small to provide an economical unit for farming other than in a limited way. Commercial developments also indicated a trend to urbanization.

The Board further recognizes that the two municipalities involved have engaged in extensive studies, hearings and negotiations and have concluded that the Southeast Sector is a logical extension to the City of Lethbridge and should be annexed. The Board accepts this judgement.

7. That the Board appreciates that much of the farmlands to be annexed by this Order to the City of Lethbridge will not be urbanized for some time and may not be within the projected time span and to grant assessment and tax considerations for such a period would be unwise. There should remain a potential inducement for a land owner within an urban municipality to develop such lands for urban purposes, otherwise poor planning and skip development may occur. Therefore, while in excess of current practices, tax and assessment considerations will be granted for a period of 10 years.
8. That while the planning process may proceed in respect to the future use of lands outside the jurisdiction of an urban municipality, development control is limited, there is limited flexibility and a lack of assurance that current off-site costs designed to service such lands may be recoverable in the future. If agricultural production is not curtailed until urbanization is imminent, there would appear to be only limited reasons why such lands cannot be located in an urban municipality. By establishing long term boundaries, the respective municipal jurisdictions will be better able to plan and make permanent improvements, knowing such improvements will not be interfered with during the improvements' estimated life. A longer planning horizon is not unreasonable for a larger municipality, and may be wise.

9. That the application by the City of Lethbridge petitioning the Local Authorities Board for an Order annexing the said territory to the City, and thereby its separation from the County of Lethbridge No. 26, should be GRANTED IN FULL.

THEREFORE, subject to the Lieutenant Governor in Council approving this Order or prescribing conditions that the Order is subject to and approving the Order subject to those conditions, or varying the Order and approving the Order as varied, IT IS ORDERED AS FOLLOWS:

- I. That there be annexed to the City of Lethbridge, in the Province of Alberta, and thereupon be separated from the County of Lethbridge No. 26 that territory described in Schedule "B" attached hereto.

(A sketch showing the general location of the annexed lands is attached as Schedule "A".)

- II. That any taxes owing to the County of Lethbridge No. 26 as at December 31, 1983, in respect of the aforementioned properties shall transfer to and become payable to the City of Lethbridge together with any lawful penalties and costs levied thereon in respect of any such taxes; however, upon the City of Lethbridge collecting any or all of such taxes, penalties or costs, such collection shall forthwith be paid by the City to the County of Lethbridge No. 26.

- III. That the assessor for the City of Lethbridge shall, in the year 1983, for taxation purposes in the year 1984, reassess the annexed lands and assessable improvements thereon, which are by this Order annexed to the City of Lethbridge so that the assessment thereof shall be fair and equitable with other lands and assessable improvements in the City of Lethbridge, and the provisions of the Municipal Taxation Act regarding the assessment roll shall mutatis mutandis apply to such assessment.

- IV. (A) Notwithstanding Clause III, all farm buildings as defined in the Municipal Taxation Act located on a parcel of land annexed by this Order to the City of Lethbridge shall be assessed and taxed as though they had remained in the County of Lethbridge for the period 1984 to 1993 inclusive, providing however:

(i) that if the parcel on which the buildings are located is subdivided this clause shall cease to have effect upon registration of the plan of subdivision;

(ii) that if the buildings no longer qualify as farm buildings as determined by the assessor for the City of Lethbridge this clause shall cease to have effect in respect of those buildings;

(iii) that if the Council of the City of Lethbridge, by Resolution, makes an application to the Board and establishes before the Board that, for good and sufficient reason, the provisions of Clause IV. (A) should be varied prior to the date established in Clause IV. (A), the Board may, by Order, reduce the period of time.

- (B) The owner of a parcel annexed by this Order, or other interested person, may apply to the Board for an extension of the period of time as established in Clause IV. (A) and the Board may, for good and sufficient reasons, order the provisions of Clause IV. be varied, extended or rescinded.

- V. That the Chief Provincial Assessor, appointed pursuant to the provisions of the Municipalities Assessment and Equalization Act, shall for taxation or grant purposes commencing in the year 1984, reassess or revalue, as the case may be, all properties that are assessable or subject to valuation under the terms of the Electric Power and Pipe Line Assessment Act and the Municipal and Provincial Properties Valuation Act, and which lie within the areas that are by this Order annexed to the City of Lethbridge, so that the assessment or valuation shall be fair and equitable with properties of a similar nature.

VI. That the effective date of this Order is the First (1st) day of January, 1984.

DATED and signed at the City of Edmonton, in the Province of Alberta, this 8th day of December, 1983.

LOCAL AUTHORITIES BOARD

CERTIFIED A TRUE COPY:

(SGD.) C. I. SHELLEY,
CHAIRMAN

Bruce
SECRETARY

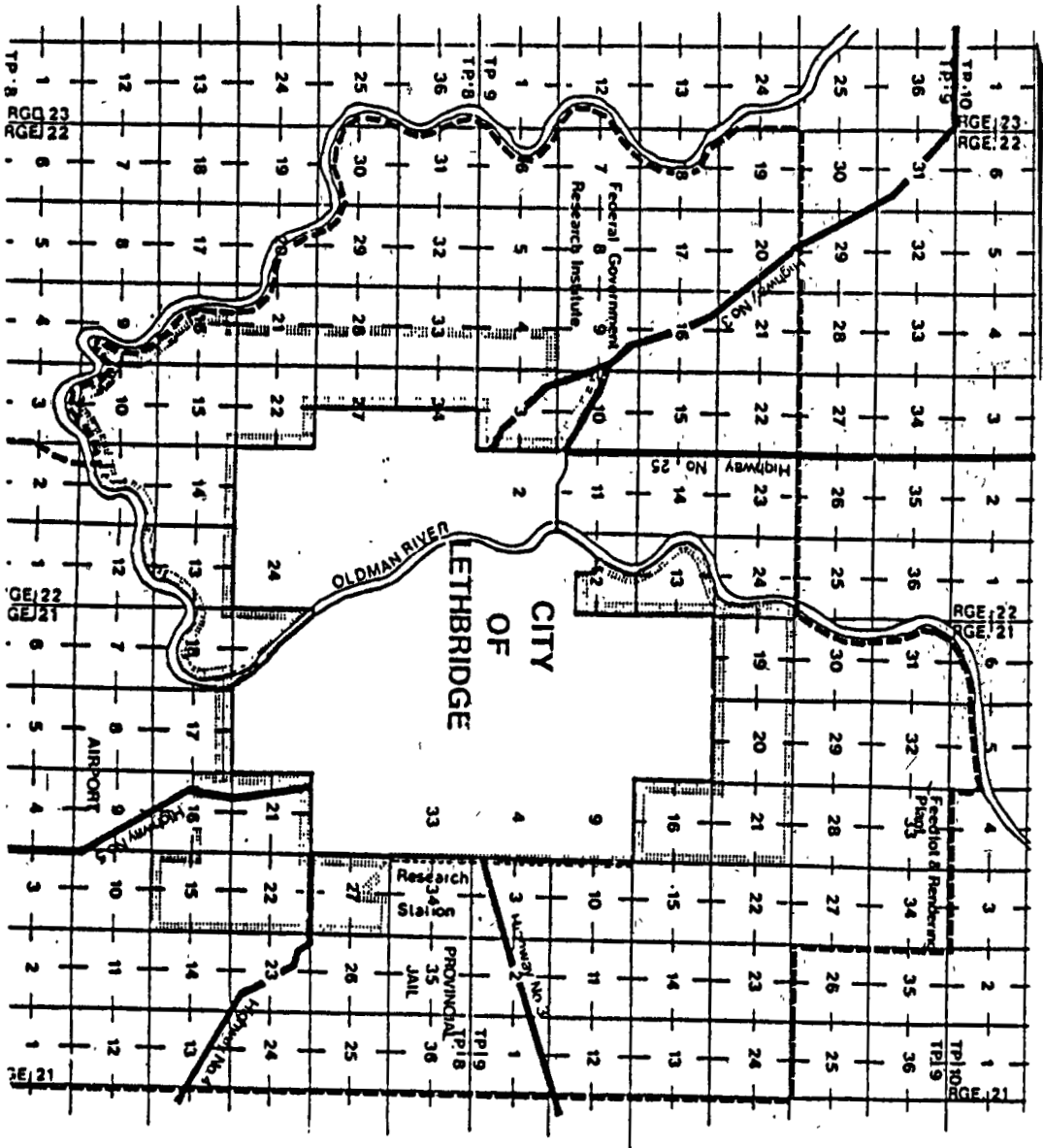
(SGD.) JOHN A. HAMMOND,
MEMBER

SCHEDULE "A"

A SKETCH SHOWING THE GENERAL LOCATION OF THE
AREAS AFFECTED BY BOARD ORDER No. 16670

EFFECTIVE DATE: JANUARY 1, 1984

-  AFFECTED AREA(S)
-  JOINT GENERAL MUNICIPAL PLAN AREA



SCHEDULE "B"

DETAILED DESCRIPTION OF THE TERRITORY SOUGHT FOR
AND ANNEXED TO THE CITY OF LETHBRIDGE

1. THE EAST HALF OF SECTION FOUR (4), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN.
2. ALL THAT PORTION OF THE SOUTH WEST QUARTER OF SECTION FOUR (4), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH EAST CORNER OF SAID QUARTER SECTION;
 THENCE WEST ALONG THE SOUTHERN BOUNDARY THEREOF SIXTY (60) FEET;
 THENCE NORTH AND PARALLEL WITH THE EASTERN BOUNDARY THEREOF THREE HUNDRED AND THIRTY (330) FEET; THENCE EAST AND PARALLEL WITH THE SAID SOUTHERN BOUNDARY SIXTY (60) FEET MORE OR LESS, TO SAID EASTERN BOUNDARY; THENCE SOUTH ALONG SAID EASTERN BOUNDARY TO THE POINT OF COMMENCEMENT.
3. ALL THAT PORTION OF WEST HALF OF SECTION TWO (2), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN, NOT WITHIN THE CITY OF LETHBRIDGE.
4. SECTION THREE (3), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN.
5. ALL THAT PORTION OF SECTION TEN (10), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN, DESCRIBED AS FOLLOWS:
 - (a) SOUTH HALF OF SECTION TEN (10) WHICH LIES TO THE SOUTHWESTERLY OF ROAD PLAN 5820 J.K.
 - (b) NORTH WEST QUARTER OF SECTION TEN (10) WHICH LIES SOUTHWESTERLY OF ROAD PLAN 5820 J.K., EXCEPTING THEREOUT RAILWAY PLAN R.Y. 157.
6. ALL THAT PORTION OF SECTION TWELVE (12), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN WHICH LIES TO THE EAST OF THE RIGHT BANK OF THE BELLY (OLDMAN) RIVER, AND NOT WITHIN THE CITY OF LETHBRIDGE.
7. ALL THOSE PORTIONS OF SECTIONS THIRTEEN (13) AND TWENTY-FOUR (24), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN WHICH LIES TO THE EAST OF THE RIGHT BANK OF THE BELLY (OLDMAN) RIVER.
8. ALL THAT PORTION OF FORTY-THIRD (43) STREET WITHIN SECTION THREE (3), IN TOWNSHIP NINE (9), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN, CONTAINED WITHIN PLANS OF SURVEY 791 1470 AND 801 1190.
9. ALL THAT PORTION OF SECTION NINETEEN (19), IN TOWNSHIP NINE (9), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN NOT WITHIN THE CITY OF LETHBRIDGE.
10. SECTIONS SIXTEEN (16), TWENTY (20) AND TWENTY-ONE (21), IN TOWNSHIP NINE (9), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.
11. SECTION TWENTY-SEVEN (27), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN, EXCEPTING THEREOUT THAT PORTION OF THE NORTH WEST QUARTER WHICH LIES NORTH AND EAST OF THE CANAL RIGHT-OF-WAY ON PLAN 811 0284 AND RAILWAY RIGHT-OF-WAY AS SHOWN ON PLAN R.Y. 23.
12. SECTIONS FIFTEEN (15) AND TWENTY-TWO (22), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.

13. THE NORTH HALF OF SECTION SIXTEEN (16), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.
14. ALL THAT PORTION OF SECTION TWENTY-ONE (21), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN NOT WITHIN THE CITY OF LETHBRIDGE.
15. THE NORTH HALF OF THE NORTH HALF OF SECTION SEVENTEEN (17), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.
16. ALL THAT PORTION OF SECTION EIGHTEEN (18), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN, DESCRIBED AS FOLLOWS:
 - (a) LYING NORTHERLY AND WESTERLY OF THE LEFT BANK OF THE BELLY (OLDMAN) RIVER.
 - (b) ALL THOSE PORTIONS OF THE NORTH HALF OF THE NORTH HALF OF SECTION EIGHTEEN (18), LYING EASTERLY OF THE LEFT BANK OF THE BELLY (OLDMAN) RIVER.
17. ALL THAT PORTION OF SECTION NINETEEN (19), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN, NOT WITHIN THE CITY OF LETHBRIDGE.
18. ALL THAT PORTION OF FORTY-THIRD (43) STREET WITHIN SECTION THIRTY-FOUR (34), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN, CONTAINED WITHIN PLANS OF SURVEY 791 1470 AND 801 1190.
19. ALL THOSE PORTIONS OF SECTIONS THREE (3), FOUR (4), TEN (10), ELEVEN (11), TWELVE (12), AND THIRTEEN (13), IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN LYING GENERALLY NORTHERLY AND WESTERLY OF THE LEFT BANK OF THE BELLY (OLDMAN) RIVER.
20. ALL THAT PORTION OF SECTIONS NINE (9) AND SIXTEEN (16) IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN LYING GENERALLY EASTERLY OF THE LEFT BANK OF THE BELLY (OLDMAN) RIVER.
21. SECTIONS FOURTEEN (14), FIFTEEN (15) AND TWENTY-TWO (22), IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN.
22. ALL THAT PORTION OF THE SOUTH HALF OF SECTION TWENTY-FOUR (24), IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN NOT WITHIN THE CITY OF LETHBRIDGE.
23. THE EAST HALVES OF SECTIONS TWENTY-ONE (21), TWENTY-EIGHT (28) AND THIRTY-THREE (33), IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN.
24. THE WEST HALVES OF SECTIONS TWENTY-SEVEN (27) AND THIRTY-FOUR (34), IN TOWNSHIP EIGHT (8), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN.

25. ALL GOVERNMENT ROAD ALLOWANCES INTERVENING AND ADJOINING THE ABOVE DESCRIBED TERRITORY, INCLUDING THAT NORTH SOUTH GOVERNMENT ROAD ALLOWANCE ADJOINING THE WEST BOUNDARIES OF SECTIONS THREE (3) AND TEN (10), IN TOWNSHIP NINE (9), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN AND SECTION THIRTY-FOUR (34), IN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN. EXCEPTING THEREOUT:
- (a) THAT EAST WEST ROAD ALLOWANCE ADJOINING THE NORTH BOUNDARY OF SECTION TWENTY-FOUR (24), IN TOWNSHIP NINE (9), RANGE TWENTY-TWO (22), WEST OF THE FOURTH MERIDIAN AND SECTIONS NINETEEN (19), TWENTY (20) AND TWENTY-ONE (21), WITHIN TOWNSHIP NINE (9), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.
 - (b) THAT NORTH SOUTH ROAD ALLOWANCE ADJOINING THE EAST BOUNDARY OF SECTIONS FIFTEEN (15), TWENTY-TWO (22) AND TWENTY-SEVEN (27) WITHIN TOWNSHIP EIGHT (8), RANGE TWENTY-ONE (21), WEST OF THE FOURTH MERIDIAN.

THE ABOVE DESCRIBED TERRITORY CONTAINS FIVE THOUSAND SIX HUNDRED FORTY AND EIGHTY-SEVEN HUNDREDTHS (5,640.87) HECTARES (13,938.89 ACRES), MORE OR LESS.