



2.0 Background

The current municipal boundary of Spruce Grove was established by a series of 14 boundary alterations – 12 annexations and 2 severances – since originally incorporating as a village on 1955. The City's most recent boundary adjustment occurred on January 1, 2007, which involved the annexation of 572 ha (1,413 ac) from the County generally east of Century Road between Highways 16 and 16A. That annexation was driven by the City's Policy No. 7001 that expresses a desire to maintain a 25-year supply for all core land uses (i.e. residential, commercial, industrial and public services). At that time, it was found that the City had greater than 25-year supplies of commercial and industrial, but had only an approximately 15-year supply of residential land based on an assumed average annual consumption of 30-35 ha (74-86 ac). Therefore, the purpose of that annexation was to replenish its residential land supply to beyond 25 years.

Since the 2007 annexation approval, Spruce Grove has grown at an unprecedented rate, exceeding the City's own expectations based on its development experiences leading up to 2007. Its growth has also exceeded the expectations established by the projections prepared for the Edmonton Metropolitan Region Board¹ in 2009 and revised in 2013. The higher than anticipated population growth, driven by a sustained strong provincial economy, resulted in the average annual land consumption of over 63 ha (156 ac) inclusive of all core land uses from 2005 through 2014 (see Table 15 within the Growth Study in **Appendix A**). Based on a medium-high population growth scenario and increased greenfield residential densities prescribed by the Edmonton Metropolitan Region Growth Plan, the Growth Study determined that, from 2014, Spruce Grove had a 23-year supply of residential land, a 26-year supply of commercial land, and a 20-year supply of industrial land (see Table 14 within the Growth Study in **Appendix A**). After factoring in unmotivated owners, the commercial land supply dropped to 12 years. Based on these findings, it was evident that the City once again required annexation to replenish its land supply to a minimum of 25 years for all core land uses in accordance with its annexation policy.

The City retained ISL Engineering and Land Services (ISL) to prepare the Growth Study in 2015. The Growth Study was finalized and accepted by City Council in December 2016. It identified 22 quarter sections in the County to accommodate future expansion to the south and southeast of the City's current boundary. It also identified approximately one-half of a quarter section to the west in the Town of Stony Plain. In total, the 22.5 quarter sections amounted to a 50-year land supply across all core land uses through to 2067. The City passed a resolution in January 2018 to begin negotiations with the County for the annexation of 22 quarter sections. The negotiations culminated in the Annexation Agreement signed in April 2019 for a reduced annexation of 8 quarter sections, enabling the City to replenish its land supply to 31 years for all core land uses. Negotiations with the Town regarding the one-half of a quarter in Stony Plain are currently on hold.

Discussion regarding the balance of the 14 quarter sections within the County that were identified in the Growth Study, or the remaining 20 years of identified future land supply, was paused in favour of further deliberations following the outcome of a forthcoming 50-year sub-regional planning exercise that will involve both the City and the County as well as the Town of Stony Plain. Therefore, another annexation of lands from the County may be initiated by the City sometime after the conclusion of the sub-regional planning exercise. The potential for this exists given that this annexation only replenishes the City's land supply to 6 years beyond its policy to maintain a 25-year supply.

¹ The Edmonton Metropolitan Region Board was previously known as the Capital Region Board.