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COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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Sep 29, 2021

APPLICANTS ATB FINANCIAL

RESPONDENTS ALBERTA FOOTHILLS PROPERTIES LTD.



DOCUMENT **FIRST REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS RECEIVER OF ALBERTA FOOTHILLS PROPERTIES LTD.**

August 30, 2021

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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FIRST REPORT OF THE RECEIVER

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INTRODUCTION

1. On May 17, 2021 (the “**Date of Appointment**”), FTI Consulting Canada Inc. (“**FTI Consulting**”) was appointed as receiver and manager (the “**Receiver**”) of all the assets, undertakings, and properties (the “**Property**”) of Alberta Foothills Properties Ltd. (“**AFPL**”, the “**Debtor**”, or the “**Company**”) pursuant to an Order of the Honourable Justice K.M. Eidsvik (the “**Receivership Order**”) pronounced in the Court of Queen’s Bench of Alberta Court File Number 2101-06388 (the “**Receivership Proceedings**”).
2. The Receivership Order authorized the Receiver, among other things, to manage, operate and carry on the Business of the Company, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.
3. The Receiver’s reports and other publicly available information filed in connection with the Receivership Proceedings are posted on the Receiver’s website at <http://cfcanda.fticonsulting.com/AFPL>.
4. The purpose of this report (“**First Report**”) is to provide this Honourable Court with:
 - (a) a summary of the activities of the Receiver since the Date of Appointment;
 - (b) a background and history of the Property, including the events leading up to the granting of the Receivership Order and the events that have occurred since the granting of the Receivership Order including the proposed rescinding of certain by-laws by the Town of Okotoks (the “**Town**”) that would affect the value and marketability of the Property; and
 - (c) the Receiver’s comments and recommendations.

TERMS OF REFERENCE

5. In preparing this First Report, the Receiver has relied upon audited and unaudited financial information, other information available to the Receiver and, where appropriate, the Company's books and records and discussions with various parties (collectively, the "**Information**").
6. Except as described in this First Report:
 - (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook; and
 - (b) The Receiver has not examined or reviewed financial forecasts and projections referred to in this First Report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook.
7. Future oriented financial information reported or relied on in preparing this First Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.
8. The Receiver has prepared this First Report in connection with the Receiver's Application on September 29, 2021. This First Report should not be relied on for other purposes.
9. Information and advice described in this First Report that has been provided to the Receiver by its legal counsel, MLT Aikins LLP (the "**Receiver's Counsel**"), was provided to assist the Receiver in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.

10. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

RECEIVER'S ACTIVITIES

Custody and Control

11. At the Date of Appointment, the Company did not have any leased premises or employees. The Receiver contacted the stakeholders of AFPL, including Drew Atkins, a corporate secretary and director of AFPL, Seth Atkins and Brian Lund as representatives of 1367809 Alberta Ltd. in its capacity as second lien lender ("**2L Lender**") to AFPL and representatives of ATB Financial ("**ATB**") in its capacity as first lien lender to AFPL, to advise that the Receivership Order had been granted and to take possession of the Company's Property in accordance with the terms of the Receivership Order.

Cash management and Books and Records

12. On the Date of Appointment, in accordance with the Receivership Order, the Receiver froze the AFPL's bank accounts (maintained for deposit only) and the Receiver set up its own banking facility for the Receivership Proceedings.

Statutory Notices

13. On May 27, 2021, the Receiver mailed the notice and statement of receiver in accordance with subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* to the Superintendent of Bankruptcy and to all known creditors of the Debtor.
14. The Receiver notified the Canada Revenue Agency ("**CRA**") of the Receiver's appointment and established new remittance accounts for the goods and sales tax arising subsequent to the Date of Appointment.

Website and Receiver Contacts

15. The Receiver established a website at <http://cfcanada.fticonsulting.com/AFPL>, where the Receiver will post periodic updates on the progress of the Receivership Proceedings, along with all publicly available information filed in connection with these Receivership Proceedings. The Receiver posted its Calgary office contact information including its phone number, fax number and e-mail address, for creditors, employees, interested parties and other stakeholders to contact the Receiver.

Insurance

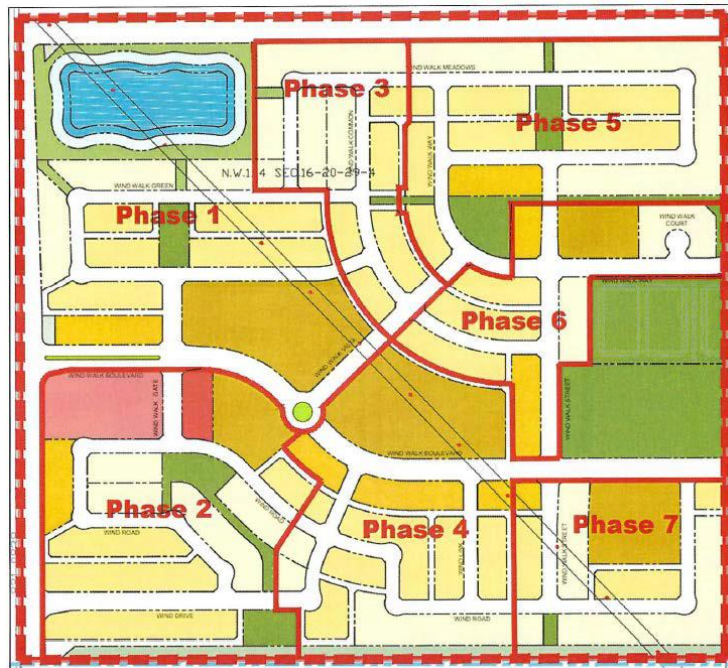
16. At the Date of Appointment, the Company's existing insurance policies had expired on August 5, 2020. The Receiver contacted the insurance provider to extend the coverage, however the existing providers were not willing to extend the coverage due to the Receivership Proceedings.
17. The Receiver has since replaced the Debtor's existing insurance policies with the same or similar coverage to July 8, 2022.

BACKGROUND

Wind Walk Development

18. AFPL is a corporation incorporated pursuant to the laws of the Province of Alberta and is owned 90% by 1367803 Alberta Ltd. o/a Holmes Communities and 10% by Infrastructure Development Group Inc. AFPL's primary asset comprises approximately 145 acres of land located at NW 16-20-29 W4M in Okotoks, Alberta (the "**Lands**").

19. The Town and the M.D. of Foothills (“**Foothills**”), along with AFPL, entered into litigation in respect of the proposed development of the Lands back in 2012. This litigation was ultimately resolved in favor of Foothills. After the conclusion of the litigation, AFPL moved forward with obtaining approval of its proposed development.
20. AFPL’s intended plan for the Lands included a 7-phase development referred to as the Wind Walk Development (the “**Wind Walk Development**”) which would consist of single and multi-family residential and commercial subdivision and development. Phase I of the Wind Walk Development was to comprise 86 single family residential lots, a townhouse parcel and one multi-family lot. A summary of the Wind Walk Development is presented below.



21. AFPL's unaudited financial statements as at July 31, 2020 indicated a net book value of fixed assets of \$22.1 million and long term debt of approximately \$22.9 million. A summary of AFPL's balance sheet is presented below.

| AFPL Balance Sheet (000s) | As of July 31, 2020 |
|---|---------------------|
| Fixed assets | 22,110 |
| Other Assets | 2,045 |
| Cash and cash equivalents | 4 |
| Total Assets | 24,159 |
| Long term debt and borrowings | 22,913 |
| Accounts Payable | 903 |
| Other current liabilities | (41) |
| Total Liabilities | 23,775 |
| Volker 1M Class C Shares | 1,000 |
| Kidco Class C Shares | 500 |
| Share Capital - Common | 0 |
| Dividends Paid | (116) |
| Retained Earnings | (1,000) |
| Total Shareholders Equity | 384 |
| Total Liabilities and Shareholder Equity | 24,159 |

22. The Receiver understands that there has been no significant development with respect to the Wind Walk Development and the majority of the book value of the fixed assets comprise the original purchase of the Lands plus various soft costs as summarized below:

- (a) Acquisition of the Lands in December 2009 for consideration of \$4.9 million (plus interest to closing);
- (b) Capitalized interest expense;
- (c) Acquisition of a water licence;
- (d) Legal advisors with respect to obtaining development plans;

- (e) Planning and engineering; and
 - (f) Internal and external consultants.
23. The Receiver understands that AFPL has the following secured creditors:
- (a) ATB, owed approximately \$13.9 million as at May 11, 2021; and
 - (b) 1367809 Alberta Ltd., owed approximately \$4.3 million as at June 30, 2021.
- collectively (the “**Secured Creditors**”)
24. Since the original acquisition in 2009, significant funds have been expended while attempting to prepare the Lands for development. Unfortunately, AFPL was ultimately unable to secure additional financing to complete the entire Wind Walk Development (estimated to be in excess of \$48 million in additional capital) or Phase 1 with an estimated cost of \$14.6 million.
25. By March 2018, AFPL breached the terms of the security held by ATB by, among other things, failing to make payments when due. Since that time, ATB entered into a series of forbearance agreements with AFPL.
26. Due in part to the defaults by AFPL with respect to certain of its secured loan obligations and the inability to sell the Lands or obtain additional financing, AFPL was ultimately placed into Receivership on May 17, 2021 upon application of ATB.
27. The Receiver was in the process of listing the Lands for sale, when on June 21, 2021, the Town’s counsel sent a letter to counsel for ATB advising that “the Town is considering rescinding the bylaw for the ASP which impacts the parcel of land owned by AFPL and the Town will also be considering a land use bylaw amendment changing the land use designation for this parcel”.

28. The Town has tabled, moved forward with a first and second reading and a public hearing with respect to Bylaws 19-21 and 20-21 (the “**Proposed Bylaws**”) which would have the effect of rezoning the Lands from residential property to urban or agricultural holdings and also rescinding the Wind Walk Area Structure Plan (the “**Wind Walk ASP**”). The Town deferred a final reading of the Proposed Bylaws until this application has been heard and determined.
29. The Town and the Receiver have agreed to seek advice and direction from this Honourable Court as to whether the Town’s actions with respect to rescinding the current bylaws and enacting the Proposed Bylaws is in contravention of the terms of the Receivership Order. Accordingly, this report has been prepared to provide:
- (a) The Court with the Receiver’s understanding of the factual background with respect to the Lands and the Wind Walk Development;
 - (b) A summary of the steps taken by the Receiver since its appointment to date including any discussions with the Town; and
 - (c) The Receiver’s views with respect to the potential affect on the value and marketability of the Lands if the Town enacts the Proposed Bylaws.

Wind Walk Development and the Town of Okotoks

30. The Receiver's understanding of the major milestones of the Wind Walk Development are set out below:
- (a) The Lands were acquired by AFPL in December 2009 for \$4.9 million;
 - (b) On August 11, 2010, Foothills County enacted the Wind Walk ASP pursuant to Bylaw 25/2010;
 - (c) The Lands were annexed by the Town on July 1, 2017, and AFPL updated, redeveloped and re-submitted the Wind Walk ASP to the Town for approval;
 - (d) On June 26, 2017, the Town approved the updated Wind Walk ASP pursuant to Bylaw 18-17;
 - (e) On August 21, 2017, Phase I of the Project received its Land Use Redesignation to Residential Medium Density, Multi-Unit Residential Narrow Lot Detached District, Residential Small Lot Detached District and Public Service District via Bylaw 19-17 and the outline plan (the "**Outline Plan**") was approved by the Town;
 - (f) On February 21, 2019, the Town's Municipal Planning Commission (the "**MPC**") approved the subdivision application for Phase I of the Project subject to various conditions; which was valid for a 1-year period and was subsequently extended to September 30, 2020. A copy of the MPC Decision is attached as Appendix "**A**";

- (g) During the period of February 2019 to September 2020, AFPL engaged several professional firms and consultants to prepare and submit detailed design documents to the Town in an effort to meet the conditions set out in the February 2019 subdivision application approval;
- (h) Final Phase I approval was never formally provided by the Town;
- (i) The Town, via email from Elaine Vincent dated September 2, 2020, indicated to AFPL that it would not support a further extension to the September 30, 2020 deadline citing, among other things, a lack of progress with respect to the development of the Wind Walk Development. A copy of email correspondence is attached as Appendix “B”;
- (j) The Receiver has not been made aware of further correspondence prior to the Date of Appointment between AFPL and the Town with respect to the Wind Walk Development or the potential of rescinding the ASP or land use designation for the Lands since the email dated September 2, 2020; and
- (k) During the period from about September 2020 to the Date of Appointment AFPL continued efforts to obtain sufficient financing to complete the Wind Walk Development and/or refinance its current debt. These restructuring efforts included a series of forbearance agreements with the ATB and listing the Lands for sale in August 2019. Ultimately, these efforts were unsuccessful and AFPL was placed into receivership on May 17, 2021.

Receiver's Correspondence with the Town

31. Following the granting of the Receivership Order, on May 28, 2021, the Receiver contacted Mr. Colin Gainer, Senior Planner for the Town, to advise of its appointment and the Receiver's proposed plan of action with respect to the Receivership Proceedings. The Receiver advised that its intended course of action would be continue the listing of the Lands and attempt to find a new buyer who would be in a better position to develop the lands which would be the best outcome for all stakeholders.
32. In the Receiver's preliminary discussions with the Town, it did not provide any indication that it was considering changes to the land use designation of the Lands or proposed changes that may impact the marketability of the Wind Walk Development.
33. Counsel to ATB received a letter dated June 21, 2021 (the "**June 21 Letter**") from counsel to the Town to notify that the Town was considering rescinding certain bylaws that would impact the Lands. A copy of the June 21 Letter is attached as Appendix "**C**". The June 21 Letter further stated that a public hearing to consider the Proposed Bylaws was anticipated to be held on July 19, 2021.
34. The Town ultimately proposed Bylaw 19-21 and Bylaw 20-21 which would rescind the Wind Walk ASP in its entirety and rezone the Lands from residential to urban or agricultural holdings. Copies of the First Reading Reports for Bylaw 19-21 and Bylaw 20-21 are attached as Appendix "**D**".
35. On July 13, 2021, the Receiver's legal counsel wrote to the Town's legal counsel advising of the Receiver's opposition to the Proposed Bylaws (the "**July 13 Letter**"). The July 13 Letter is attached as Appendix "**E**".

36. Also on July 13, 2021, the Receiver and the Lender made formal written submissions in opposition of the Proposed Bylaws. The correspondence submitted by the Receiver is attached as Appendix “**F**”.
37. On July 15, 2021, the Town’s MPC held a meeting where the MPC considered both Proposed Bylaws and decided to recommend the Proposed Bylaws to Town council. A condensed copy of the July 15, 2021 MPC meeting agenda relating to the Proposed Bylaws is attached as Appendix “**G**”.
38. The Receiver’s Counsel and counsel to the Lender made oral submissions in opposition to the Proposed Bylaws at the Public Hearing on July 19, 2021.
39. At the Public Hearing on July 19, 2021, the Town counsel, after hearing the objections from the Receiver’s Counsel and counsel to ATB, read the Proposed Bylaws for a first and second time, respectively; however, it reserved the third reading until further legal advice could be provided to counsel on the impact of the Receivership Proceedings on its ability to pass the Proposed Bylaws.

IMPACT ON SALES PROCESS

40. Subsequent to the Date of Appointment, the Receiver, in consultation with the Secured Creditors, determined that a selling agent should be retained to market the Lands to maximize the return for the stakeholders.
41. On May 21, 2021, the Receiver sent a request for proposals to market the Lands to several parties. After discussions with the ATB and the 2L Lender and considering the proposals, on June 15, 2021, the Receiver engaged NAI Advent (the “**Selling Agent**”) with a mandate to sell the Lands. The Selling Agent intended to launch the marketing and sales process (the “**Sales Process**”) in late June 2021.

42. Upon receiving the June 21 Letter, the Receiver discussed it with the Selling Agent, ATB, Mr. Atkins and representatives of the 2L Lender. Given the uncertainty surrounding the Proposed Bylaws, the Receiver postponed the launch of the Sales Process.
43. In the Receiver's discussions with the Selling Agent, Avison Young LLP ("**Avison Young**") and other stakeholders there is significant concern that the Proposed Bylaws may impair the value of the Lands due to the increased uncertainty surrounding the land use designation.

APPRAISED VALUE

44. Over the past several years, Avison Young prepared various appraisals on the Lands as summarized below:
 - (a) an appraisal for ATB effective October 18, 2019;
 - (b) an updated appraisal of the Lands effective September 12, 2020, at the request of FTI Consulting, in its capacity as financial advisor to ATB;
 - (c) an updated appraisal of the Lands effective April 21, 2021, for AFPL; and
 - (d) the Receiver engaged Avison Young to provide an updated appraisal of the Lands based on the hypothetical assumption that the Proposed Bylaws are passed (the "**August 26th Appraisal**");

(collectively, the "**Appraisals**").

45. A summary of the Appraisals is included in the Receiver's confidential supplement (the "**Confidential Supplement**") to this First Report due to the commercially sensitive nature of the information contained therein. The Receiver will be seeking a sealing order over the Confidential Supplement, subject to approval of this Honourable Court.

46. AFPL and CBRE Limited entered into an Exclusive Sale Listing Agreement in 2019, to market and solicit offers to purchase the Lands. The listing was later moved to NAI Commercial Real Estate Corp., operating as NAI Advent ("**NAI**") after the listing agent changed brokerages.

47. A summary of the listing history of the Lands is provided below:
 - (a) originally listed for sale in on or around December 17, 2019 for \$20 million;

 - (b) The listing price was reduced to \$17.5 million in September 2020; and

 - (c) The listing price was reduced to \$15.75 million in March 2021.

RECEIVER'S POSITION ON THE PROPOSED BYLAWS

48. The Receiver's position on the Proposed Bylaws are summarized in the July 13 Letter. However, the Receiver would highlight the following below.

No notice of the Proposed Bylaws

49. On May 28, 2021, the Receiver contacted Mr. Colin Gainer of the Town on a good faith basis to advise of its appointment and intention to conduct a sales process with respect to the sale of the Property. On June 14, 2021, without notice to the Receiver, at a Town Council Meeting (the "**June 14 Meeting**") the Town introduced Bylaw 20-21, which proposed to repeal Bylaw 18-17 and rescind the Wind Walk ASP. The meeting minutes from the June 14 Meeting indicate that Bylaw 20-21 was added to the June 14 Meeting by way of an amendment to the agenda and without notice to the Receiver or AFPL. Attached as Appendix "**H**" is a copy of the June 14 Meeting agenda, the June 14 Meeting amended agenda and the June 14 Meeting minutes.
50. At the June 28, 2021 Town Council Meeting (the "**June 28 Meeting**"), the Town further introduced Bylaw 19-21, which proposes to amend Land Use Bylaw 17-21 in order to rezone the Property from traditional neighborhood district, recreation and open space district and neighborhood core district to agriculture and land holdings district ("**ALHD**").

51. The Receiver notes the following:
- (a) While a deadline of September 30, 2020 was noted by the Town with respect to the approved subdivision application for Phase I, to the Receiver's knowledge, the Town took no further action with respect to rescinding or changing of the relevant bylaws of the Wind Walk Development. Almost 8 months elapsed before the Town opted to proceed with the Proposed Bylaws;
 - (b) The Proposed Bylaws do not affect any other entity or person and only affect AFPL as the sole owner of the Lands;
 - (c) With respect to the Proposed Bylaws, the Town has not provided any substantive reason and did not put forward (to the Receiver's knowledge) any basis for why it needs to rescind the Wind Walk ASP now, shortly after learning of the Receivership and the Receiver's proposed sales process; and
 - (d) The Town has also not provided any reason why the process to rescind the Wind Walk ASP was not done in January 2021 when the new 2021 MDP was introduced. The Town has not given any indication that it will suffer prejudice if it does not enact the Bylaws or if the Wind Walk ASP is left in place during the pendency of the receivership proceedings.

Town is proceeding with the Proposed Bylaws due to granting of Receivership Order

52. The Town appears to take action following the granting of the Receivership Order and the Town is using the Receivership Order as a substantive reason to proceed with the Proposed Bylaws, thus significantly altering the status quo for AFPL after the date of the appointment of the Receiver.

53. Specifically, the Receiver notes the following from a review of video recordings of Town council meetings that were held on June 14, 2021 (the “**June 14th Council Video**”) and on June 28, 2021 (the “**June 28th Council Video**”):

- (a) With respect to the June 14th Council Video, the Town reviews Bylaw 20-21 from approximately 4:14 to 4:22 and from approximately 4:17 to 4:19, Mr. Jeff Greene, Community Growth, Investment & Sustainability Director, Town of Okotoks, notes that “the opportunity before us today is because of circumstances with respect to the historic approvals of Wind Walk and the fact that these lands are in receivership at the moment, and that gives us the opportunity to introduce this and bring forward and have dialogue with the Receiver about what the Town believes is the way forward with the future planning with respect to this quarter section”. The June 14th Council Video can be found at the following link: https://pub-okotoks.escribemeetings.com/Players/ISISStandAlonePlayer.aspx?ClientId=okotoks&FileName=New%20Encoder_Regular%20Council%20Meeting_2021-06-14-03-05.mp4

- (b) With respect to the June 28th Council Video, the Town reviews Bylaw 19-21. At about 2:17 of the June 28th Council Video, a council member asks that consideration of the Lands re-zoning “is coming forward for us to rezone because there has been changes in the ownership of that land, correct, and that opens up the opportunity for us to relook at that whole parcel as a whole, is that correct?”. Mr. Green states the following in response to the question: “...a change of ownership has certainly taken place as a result of foreclosure by the Alberta Treasure Branch and they have appointed a Receiver”. Mr. Greene further states that the Town has not historically supported the Wind Walk Development and from a land use and geographical perspective, Mr. Greene felt there is a benefit to the Town in relooking at the design of the entire Wind Walk Development community. The June 28th Counsel Video can be found at the following link: https://pub-okotoks.escribemeetings.com/Players/ISISStandAlonePlayer.aspx?ClientId=okotoks&FileName=New%20Encoder%20Regular%20Council%20Meeting_2021-06-28-04-06.mp4

Affect on value

54. As noted above, AFPL invested significant capital attempting to advance the Wind Walk Development. The Receiver understands that a significant portion of funds amounting to approximately \$24 million have been expended on the Wind Walk Development by AFPL, and which amount has been funded by secured loans advanced by ATB and the 2L Lender, and others. As significant portion of those funds were advanced on the basis of the approvals obtained under the Wind Walk ASP.

55. It is the Receiver's view, that the combined effect of the Proposed Bylaws would significantly reduce any certainty that a potential purchaser would be able to develop the Lands, either as contemplated under the Wind Walk ASP or at all. This has the potential to significantly reduce the value of the Land in the Sales Process contemplated by the Receiver. This negative affect on the value of the Land is supported by the following:
- (a) The Receiver's discussions with the Selling Agent; and
 - (b) the value set out in the August 26th Appraisal (which assumed the Proposed By-laws are enacted) which is significantly lower as compared to earlier appraisals and also the last listing price of the Land.

Receivership Order

56. It is the Receiver's view that the insolvency of AFPL should not provide a basis for the Town to enact the Proposed Bylaws and change the land use designation of the Property. AFPL remains a valid and subsisting legal entity and its Property is specifically preserved by the terms of the Receivership Order. Furthermore, there has been no change in the ownership of the Lands.
57. It is improper and incorrect to invoke the granting of the Receivership Order as giving the Town any additional rights to take steps against AFPL that the Town did not take prior to the Receivership Order.
58. The Receiver understands that the Town's proposal to pass the Proposed Bylaws is a significant point of concern for the creditors of AFPL, who may be significantly prejudiced by the passing of the Proposed Bylaws.

59. The Receiver does not believe that the Town is being materially prejudiced if the Proposed Bylaws are not enacted and the Receiver has the ability to market the land with the current bylaws in place (as they were at the date of the granting of the Receivership Order).
60. The Town would not be prohibited from any steps it determines is necessary in respect of the Lands after the completion of the receivership process and the discharge of the Receiver.


CONCLUSIONS AND RECOMMENDATIONS

61. The timing of the Proposed Bylaws has created significant uncertainty with respect to the value of the Lands and caused a significant delay in launching the Sales Process by the Receiver.
62. Based on discussion with various stakeholders and the August 26th Appraisal, the Proposed Bylaws, if successful, have the potential to significantly reduce the value of the Lands, thereby reducing the recoveries for stakeholders in the Receivership Proceedings.
63. In the Receiver's view the uncertainty surrounding the Proposed Bylaws will impede its ability to realize on the Property and maximize value for AFPL stakeholders.

64. In the Receiver's view the stay of proceedings afforded by the Receivership Order should preserve the status quo as it relates to the Lands in order to allow for the Receiver to market and solicit offers in respect of the Property. This would also allow a potential purchaser to engage in discussions with the Town in respect of the Proposed Bylaws before they have been passed to determine if there are any other steps that could be taken to address any concerns the Town might have with the Wind Walk Development.

All of which is respectfully submitted this 30th day of August 2021.

FTI Consulting Canada Inc.
in its capacity as Receiver of Alberta Foothills
Properties Ltd.



Deryck Helkaa, LIT
Senior Managing Director
FTI Consulting Canada Inc.

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “A” – MPC Decision



Planning Services
planning@okotoks.ca
Phone: (403) 938-8903
Fax: (403) 938-7387

February 22, 2019

Our File No.: D11-WI2

Tronnes Geomatics
6135 – 10 Street SE
Calgary AB T2H 2Z9

Attention: Stephen Tronnes

NOTICE OF DECISION: Wind Walk Phase 1

PROPOSED SITE PORTION OF NW¼ 16-20-29 W4M

The Municipal Planning Commission on February 21, 2019 approved the subdivision application for Wind Walk Phase 1 (D11-WI2) subject to the following conditions:

1. The Plan of Subdivision shall be in the form approved by the Subdivision Authority on February 21, 2019.
2. The registered owner of the land being subdivided shall enter into a Subdivision Servicing Agreement pursuant to Section 655 of the *Municipal Government Act* to address, among other things, the construction of all services to the satisfaction of the Town of Okotoks; the payment of all applicable off-site levies; and the submission of performance securities in the amount and form required by the Town of Okotoks.
3. Prior to entering into a Subdivision Servicing Agreement, the registered owner of the land being subdivided must:
 - a. submit engineering design drawings acceptable to the Municipal Engineer and consistent with the Town of Okotoks General Design and Construction Specifications;
 - b. submit updated transportation analysis detailing the traffic control measures required by this phase and timing of intersection improvements;
 - c. submit a noise analysis for the impact of Highway 783 on the lots within this phase and recommended noise mitigation measures acceptable to the Municipal Engineer; and
 - d. submit a uniform fencing design for the interface of this phase and Highway 783 and Highway 7 acceptable to the Town.
4. Prior to endorsement of the Plan of Subdivision, the registered owner of the land being subdivided must:
 - a. submit landscaping design plans acceptable to Town, which will include details on landscaping within public roads and municipal reserve parcels;
 - b. enter into an Optional Amenity Agreement with the Town for the management of any community entrance features on public lands;

- c. submission of architectural controls; and
 - d. pay any outstanding property taxes levied against the subdivision lands.
5. Concurrent with the registration of the Plan of Subdivision, the registered owner of the land being subdivided must:
- a. grant and register all such plans and agreements as are required to effectively grant to Okotoks all necessary utility rights of way, temporary access and/or easements including but not limited to those required for water, sewerage, transportation, interim road connections, irrigation, drainage including overland drainage, fuel, electric power, heat, telecommunications and waste management works and undertakings;
 - b. register a Restrictive Covenant against Lots 21, 24 to 41, Block 1 and Lots 16 and 18, Block 2 prohibiting the removal and/or alteration to any chain-link fencing – including among other alterations a change in the style or height of the fence – but allowing for gate access;
 - c. register a Restrictive Covenant against Lots 13 to 21, Block 1 prohibiting the removal or alteration of any Developer installed fencing, including among other alterations a change in the style or height of the fence(s) and the placement of gates;
 - d. register a Restrictive Covenant against Lots 13 to 21, Block 1 prohibiting direct access to Highway 783;
 - e. register a deferred reserve caveat against the balance of the parent parcel that is not subject of this subdivision plan; and
 - f. register, by caveat against the lots created by registration of the plan of subdivision, the Subdivision Servicing Agreement pursuant to Section 655 of the *Act*.

REASONS FOR DECISION

1. Wind Walk Phase 1 [D11-WI2] complies with the Okotoks Municipal Development Plan, the Wind Walk Area Structure Plan, and the Wind Walk Outline Plan approved by the Municipal Planning Commission on June 15, 2017;
2. Wind Walk Phase 1 [D11-WI2] complies with all the uses listed with the districts that are the subject of this phase within the Okotoks Land Use Bylaw 40-98; and
3. Subdivision conditions included in this approval ensure compliance of Wind Walk Phase 1 [D11-WI2] with Town of Okotoks subdivision development policies, standards and practices.

The applicant is expected to ensure that his client is fully advised as to the effect of this notification.

In accordance with the *Municipal Government Act*, an appeal from this decision or conditions attached thereto may be commenced by:

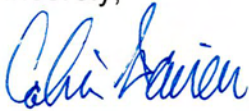
- (a) the applicant,
- (b) a government department who was to receive a referral of the application under the subdivision and development regulation, or
- (c) the School Authority with respect to reserve,

by filing written notice of the appeal with the Municipal Government Board within fourteen (14) days of receipt of this memorandum.

The date of receipt of this memorandum is deemed to be seven (7) days from the date of this Notice of Decision.

General direction with regard to the next steps and the approved tentative plan are enclosed for review. If you would like to inspect the report or minutes, have any questions on the decision or require additional information, please call 403-938-8903.

Sincerely,



Colin Gainer,
Subdivision Officer

cc School Authorities
Christ the Redeemer Catholic Separate Regional
School Division No. 3
Foothills School Division No. 38
Conseil scolaire du Sud de l'Alberta

Public Utilities
TELUS Communications
ATCO Gas
ATCO Pipelines
Fortis Alberta Inc.
Altalink
Shaw Cablesystems
Epcor Water Services

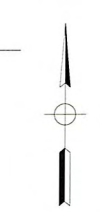
Provincial Government
Alberta Transportation, Southern
District

Other Referrals
Alberta Health Services
Canada Post Corporation
Canadian Pacific Railway
Foothills County

NEXT STEPS

- The Developer submits Engineering drawings for the review and acceptance by Engineering Services and any other documentation required under the conditions of approval to complete the Subdivision Servicing Agreement;
- Once the Engineering is accepted the Subdivision Servicing Agreement is prepared and sent to the Developer for execution;
- The Developer executes the agreement and returns it to the Town for execution with the payment of Off-Site Levies due at execution, Letter of Credit and an Insurance Certificate as required under the agreement;
- Upon execution of the Agreement by the Town of Okotoks construction of the subdivision in accordance with the approval may commence;
- Prior to registration the local improvements must be completed to the satisfaction of the Municipal Engineer (Construction Completion Certificates issued or soon to be issued). Building permits for a maximum of 5 (contiguous) lots may be released at this time if the installation of shallow utilities are imminent;
- Preparation of the registration documents will commence by the Town upon submission of the registration package but will not be released until the servicing is completed as stated above and all prior to registration conditions of approval have been met;
- If the conditions of this approval are not met within one year of the date of the decision, it is void unless an extension to the approval is granted, pursuant to Section 657 of the *Municipal Government Act*. Furthermore, pursuant to the Water Allocation Policy and Administrative Guidelines, in the event that registered owner of the land being subdivided has not entered into a Subdivision Servicing Agreement pursuant to Section 655 of the Municipal Condition within the one year of date of decision, the assigned Development Capacity will be removed from the subdivision approval and made available for re-assignment by the Town;
- In accordance with Section 657 of the *Municipal Government Act*, if the plan of subdivision is not registered in the land titles office within one year after the date on which it is endorsed or within an extended period granted, the subdivision approval of the plan and the endorsement are void and the plan may not be accepted by a Registrar for registration.

REGISTRAR
LAND TITLES OFFICE
PLAN NO. _____
ENTERED AND REGISTERED
ON _____
INSTRUMENT NO. _____
A.D. REGISTRAR



TENTATIVE
TOWN OF OKOTOKS, ALBERTA

PLAN SHOWING SURVEY OF
SUBDIVISION
OF A PORTION OF
N.W.1/4 Sec.16, Twp.20, Rge.29 W. 4 M.
WITHIN
N.W.1/4 Sec.16, Twp.20, Rge.29, W. 4 M.

SCALE: 1:2000
BY: AZIZ M. DHARAMSHI, A.L.S., 2019

LEGEND
Distances shown are in metres and decimals thereof.
Distances shown on curved boundaries are Arc distances
Alberta Survey Control Markers are shown thus: found placed marked "POTB"
Stipulatory Iron Posts are shown thus: found placed marked "POTB"
Re-established position and left no marks shown thus:
Area referred to by this plan contains 16.07 ha (39.71 Ac.) and is outlined thus:
Geo-Reference Point shown thus:
Bearings are Grid and derived from GPS Observations
The Coordinate System used for this plan is:
Datum - North American Datum 1983
Projection - 3° Transverse Mercator
Reference Meridian - 114° West Longitude
Combined Scale Factor - 0.999732
Geo-Referenced point is an Alberta Survey Control Marker, grid coordinate: N. 5617917.646 E. 971.056

NOTES
All Roadway corner cuts are 4.50m and Lane corner cuts are 3.0m unless otherwise noted.
The Plan is comprised of the following types of lots:
R-14 x 27
R-15 x 59
R-3 x 2
MR x 2
PUL x 1

ABBREVIATIONS
ASCM Alberta Survey Control Marker
N North
S South
E East
W West
Sec. Section
Twp. Township
Rge. Range
M Meridian
Fd. Found
Pl. Placed
I.P. Iron Post
M.M. Marker
Ma. Marker Post
C.S. Countersunk
(R) Radial Bearing
R/W Right-of-Way
E. Est. Established
Res. Restored
Wit. Witness
R Radius
L Arc Length
M Metres
Ac. Acre
Spk. Spike
D.H. Drill Hole
C.N. Concrete Nail
m. Metres
RP Geo-Referenced Point

SURVEYOR
NAME: AZIZ M. DHARAMSHI, A.L.S.
SURVEYED BETWEEN THE DATES OF APRIL 18, 2017 AND _____, 2018
IN ACCORDANCE WITH THE PROVISIONS OF THE SURVEYS ACT.

REGISTERED OWNERS
ALBERTA Foothills Properties Ltd.

SUBDIVISION AUTHORITY
NAME: TOWN OF OKOTOKS
FILE NO. _____
DATE APPROVED: _____

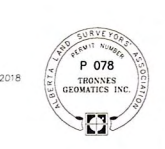
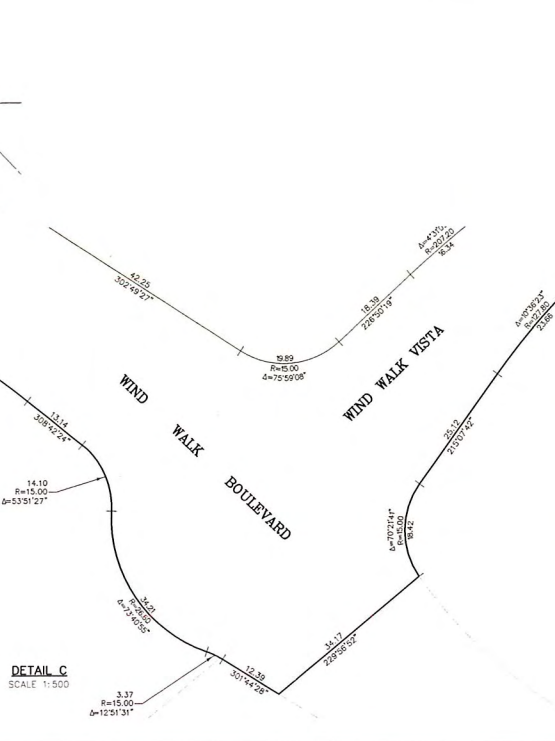
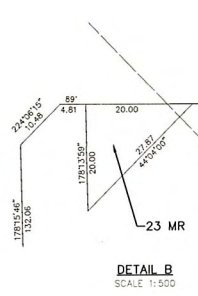
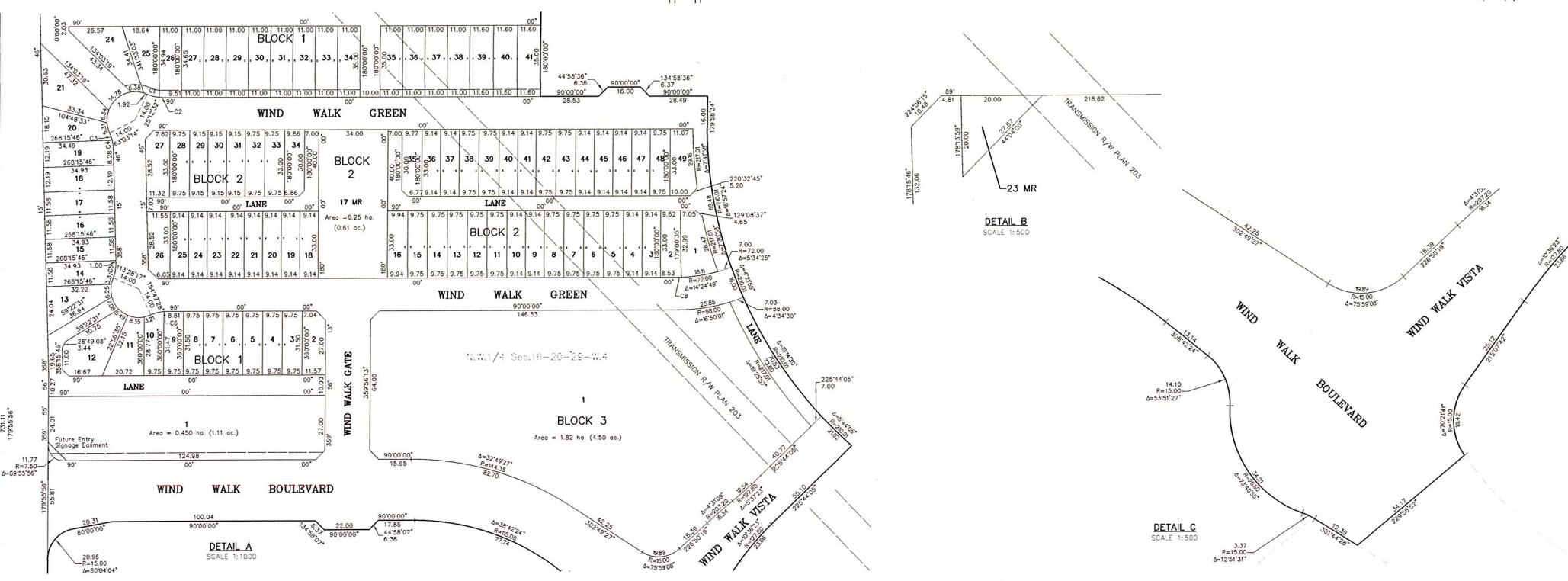
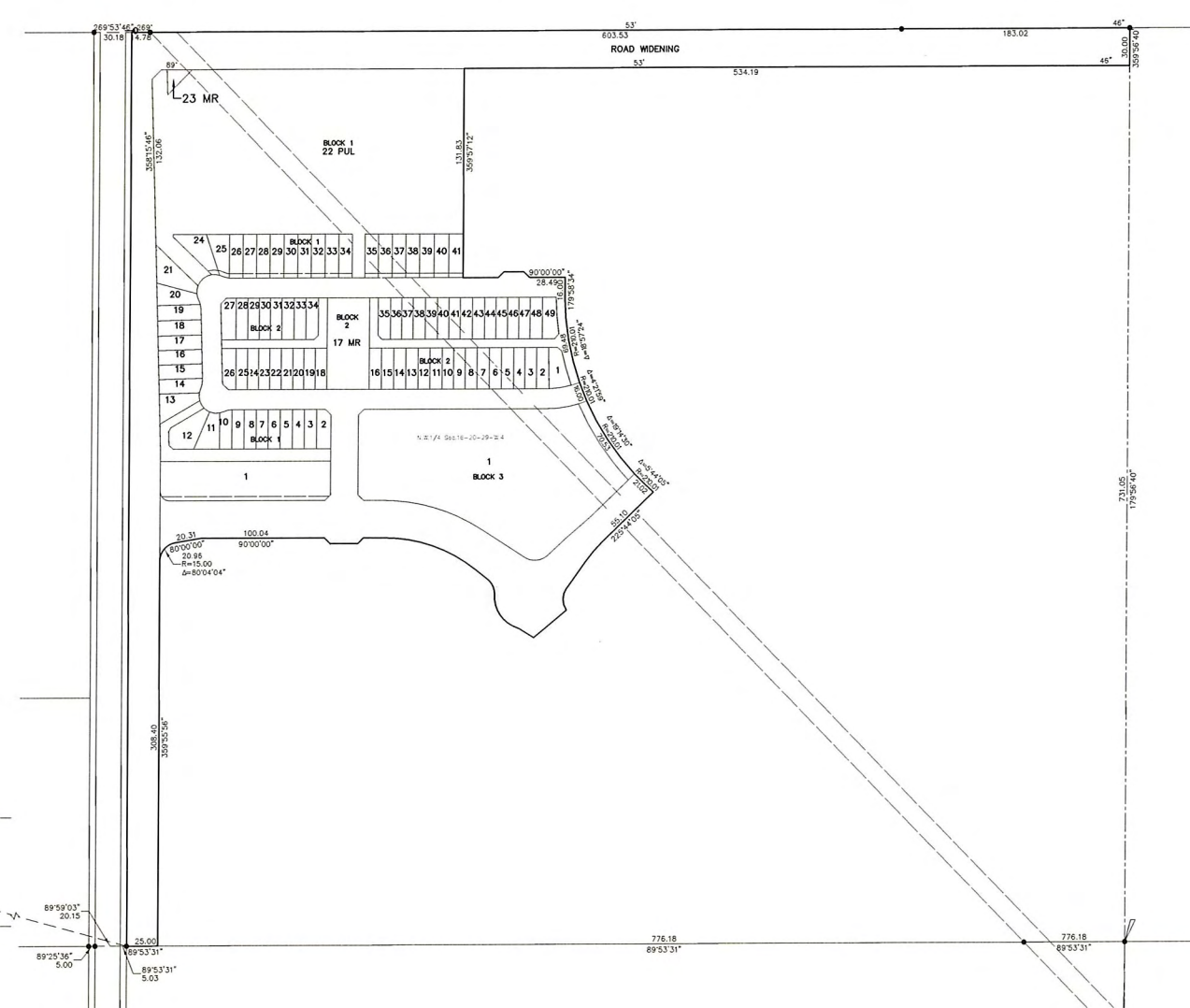
TOWN OF OKOTOKS APPROVED
BY THE MUNICIPAL PLANNING COMMISSION ON
FEBRUARY 21, 2019
Subject to the conditions contained in the Notice of Decision

| | |
|---------------------|---------|
| FILE NO. | D11-W12 |
| SUBDIVISION OFFICER | |

| AREA TABLE | | | |
|----------------|-----------|-----------|-------------|
| Block/Lot | Area (Ha) | Area (Ac) | Area (sq.m) |
| BLOCK1, LOT 1 | 0.428 | 1.061 | 4292.38 |
| BLOCK1, LOT 2 | 0.035 | 0.087 | 353.83 |
| BLOCK1, LOT 3 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 4 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 5 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 6 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 7 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 8 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 9 | 0.031 | 0.076 | 307.12 |
| BLOCK1, LOT 10 | 0.030 | 0.073 | 295.72 |
| BLOCK1, LOT 11 | 0.042 | 0.104 | 421.00 |
| BLOCK1, LOT 12 | 0.063 | 0.156 | 629.44 |
| BLOCK1, LOT 13 | 0.049 | 0.120 | 487.27 |
| BLOCK1, LOT 14 | 0.039 | 0.097 | 383.42 |
| BLOCK1, LOT 15 | 0.040 | 0.100 | 404.54 |
| BLOCK1, LOT 16 | 0.040 | 0.100 | 404.54 |
| BLOCK1, LOT 17 | 0.040 | 0.100 | 404.54 |
| BLOCK1, LOT 18 | 0.043 | 0.105 | 425.85 |
| BLOCK1, LOT 19 | 0.043 | 0.105 | 425.27 |
| BLOCK1, LOT 20 | 0.044 | 0.108 | 437.97 |

| AREA TABLE | | | |
|----------------|-----------|-----------|-------------|
| Block/Lot | Area (Ha) | Area (Ac) | Area (sq.m) |
| BLOCK2, LOT 20 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 21 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 22 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 23 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 24 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 25 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 26 | 0.035 | 0.088 | 354.48 |
| BLOCK2, LOT 27 | 0.038 | 0.094 | 380.04 |
| BLOCK2, LOT 28 | 0.032 | 0.080 | 321.75 |
| BLOCK2, LOT 29 | 0.030 | 0.075 | 301.95 |
| BLOCK2, LOT 30 | 0.030 | 0.075 | 301.95 |
| BLOCK2, LOT 31 | 0.030 | 0.075 | 301.95 |
| BLOCK2, LOT 32 | 0.032 | 0.080 | 321.75 |
| BLOCK2, LOT 33 | 0.032 | 0.080 | 321.75 |
| BLOCK2, LOT 34 | 0.032 | 0.079 | 320.84 |
| BLOCK2, LOT 35 | 0.032 | 0.079 | 317.96 |
| BLOCK2, LOT 36 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 37 | 0.030 | 0.075 | 301.62 |
| BLOCK2, LOT 38 | 0.032 | 0.080 | 321.75 |
| BLOCK2, LOT 39 | 0.032 | 0.080 | 321.75 |

| Curve Table | | | |
|-------------|--------|--------|-----------|
| Curve # | Length | Radius | Delta |
| C1 | 6.208 | 17.50 | 20°19'27" |
| C2 | 1.492 | 17.50 | 4°53'05" |
| C3 | 3.754 | 17.50 | 12°17'22" |
| C4 | 3.948 | 17.50 | 12°55'10" |
| C5 | 7.700 | 17.50 | 25°12'32" |
| C6 | 0.940 | 17.50 | 3°04'45" |
| C8 | 1.664 | 72.00 | 1°19'28" |



First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “B” – Email Correspondence from Elaine Vincent

From: [Browning, Cameron](#)
To: [Wilson, Brett](#)
Subject: RE: [EXTERNAL] RE: Update
Date: Monday, August 30, 2021 2:43:32 PM
Attachments: [FW EXTERNAL RE Update.msg](#)

This one?

Cameron Browning

+1.403.454.6037 T | +1.403.969.3720 M
cameron.browning@fticonsulting.com

From: Wilson, Brett <Brett.Wilson@fticonsulting.com>
Sent: Monday, August 30, 2021 1:55 PM
To: Browning, Cameron <Cameron.Browning@fticonsulting.com>
Subject: FW: [EXTERNAL] RE: Update

Can you send the original email from Brian dated September 3. We are attaching as an appendix to the report, so don't want the second part of his response from the September 9 email.

Regards,

Brett Wilson

+1 403.454.6033 T | +1 403.470.4054 M
brett.wilson@fticonsulting.com

From: Brian Lund <brian@financial-logic.com>
Sent: Wednesday, September 9, 2020 12:06 PM
To: Browning, Cameron <Cameron.Browning@fticonsulting.com>
Cc: Chiu, Ben <Ben.Chiu@fticonsulting.com>; drew atkins <drew.bland@me.com>; Drew Atkins <drew.bland@mac.com>; Seth Atkins <sethatkins@makeitright.ca>
Subject: Re: [EXTERNAL] RE: Update

Cameron:

Please see responses below.

Best regards,

Brian Lund
Managing Director
Financial Logic
✉ mailto:brian@financial-logic.com
(604) 916 1910

From: Cameron Browning <Cameron.Browning@fticonsulting.com>

Date: Thursday, September 3, 2020 at 10:18 AM
To: Brian Lund <brian@financial-logic.com>
Subject: RE: [EXTERNAL] RE: Update

Brian,

Is it possible to get management's comments on the first point regarding the Town of Okotoks not providing a further extension?

Wind Walk Phase 1 received its Land Use Redesignation to Residential Medium Density, Multi-Unit Residential Narrow Lot Detached District, Residential Small Lot Detached District, and Public Service District via Bylaw 19- 17 passed by Okotoks on August 21, 2017. Wind Walk received approval for its subdivision application for Phase 1 on February 22, 2019. This application approval was valid for 1 year. On March 11, 2020, Okotoks granted an extension of the subdivision application approval to September 30, 2020.

During the period of February 2019 and September 2020, AFPL engaged Tronnes Geomatics (survey), Jubilee Engineering (design), AiCEiM Construction (utilities) and Lim & Associates (landscape) to prepare and submit detailed design documents to Okotoks for Phase 1 in an effort to meet the conditions set out by Okotoks in the February 2019 subdivision application approval. This work was enabled via working capital provided by the Holmes Group, a significant shareholder in 1367803 Alberta Ltd. and AFPL, and by ATB Financial.

Three complete drafts of the detailed design for Phase 1 were submitted to Okotoks and comments were received on these draft designs. In parallel, utility designs were completed, reviewed by the respective utilities (Shaw, Telus, ATCO, Fortis) and are now ready for submission to Okotoks for utility line assignment. The most recent comments on the detailed design were received from Okotoks on March 25, 2020.

Mr. Greene's comment about limited progress during the extension period of February 2020 – September 2020 is a fair assessment from the perspective of a Town representative, however, it is our belief that re-initiating the final review and submission of final drawings from consultants would prompt a different perspective that would allow for the consideration of an extension as before. There are several attributes (multi-residential zoning and commercial space) of this project that the Town needs and wants that other developers would not and will not accommodate. AFPL was pursuing external financing during this period (Barbican Capital) and the Wind Walk lands were listed for sale with CBRE Limited in December 2019 per the terms of the December 2, 2019 forbearance extension provided by ATB Financial. The question for AFPL and its stakeholders became whether the advancement of Phase 1 to full approval and subdivision registration would increase the sale price of the Wind Walk lands by an amount greater than the cost of taking Phase 1 to full approval. As indicated in the cash flow forecast dated August 21, 2020, the estimated professional fees to take Phase 1 to approval are \$550,000 and the Off-Site Levies due at execution of the SSA and DCA (as referenced in Mr. Greene's responses below) are estimated at \$3.6M.

In short, AFPL's stakeholders have been faced with risk-reward decisions regarding providing

additional working capital to Wind Walk Phase 1 that is limited in options with a security first position requiring full payment that has also exited from construction loan commitments the project initially relied upon for financing.

For these reasons, the shareholders sought new financial restructuring at the same time as trying to advance the approvals to the most advanced stage possible with the funding available to ensure the current land value is as high as possible. Given the situation with the COVID19 pandemic and the poor fundamentals in the Alberta real estate market management is concerned that the perceived current value of the lands with pressure from creditors will not exceed the debt obligations of the secured positions and a foreclosure sale will drive the price down to a minimum and may result in losses for all parties. It is current management's position that time extensions are required to allow for increased demand in the lands, a better economic environment for the sale and/or development of the lands, and the possibility of re-financing which would be in the best interest of all parties to recover initial investments.

While the impending lapse of Wind Walk's approval for Phase 1 is not ideal, all of the above work remains valid and applicable to Phase 1. A re-application to Okotoks for Phase 1 presents, in AFPL's view, no policy risk. AFPL's approval for Wind Walk's Area Structure Plan and Outline plan remain in place and in force, as does Land Use Redesignation for Phase 1, and a reapplication for Phase 1 is an administrative matter.

Also, what are the estimated costs associated with re-applying for the points mentioned under the fourth point?

The cost of reapplication is approximately \$33,000.

Thanks,

Cameron Browning
+1.403.454.6037 T | +1.403.969.3720 M
<mailto:cameron.browning@fticonsulting.com>

From: Brian Lund <brian@financial-logic.com>
Sent: Thursday, September 3, 2020 7:00 AM
To: Browning, Cameron <Cameron.Browning@fticonsulting.com>; Chiu, Ben <Ben.Chiu@fticonsulting.com>
Cc: Seth Atkins <sethatkins@makeitright.ca>; drew atkins <drew.bland@me.com>; Drew Atkins <drew.bland@mac.com>
Subject: FW: [EXTERNAL] RE: Update

Cameron, Ben:

FTI's questions for the Town of Okotoks and replies from Jeff Greene, Director of Development Services via Elaine Vincent, Town CAO.

Best regards,

Brian Lund
Managing Director
Financial Logic
✉ <mailto:brian@financial-logic.com>
(604) 916 1910

From: Elaine Vincent <<mailto:evincent@okotoks.ca>>
Date: Wednesday, September 2, 2020 at 9:07 AM
To: Brian Lund <<mailto:brian@financial-logic.com>>
Cc: Jeff Greene <<mailto:jgreene@okotoks.ca>>
Subject: Fwd: [EXTERNAL] RE: Update

Hi Brian.

Jeff Greene is our Director of Development Services and he has committed to ensuring a timely response to your question in case more arise. I've included his email for future contact.

- The water service application expires at Sept. 30. Is an extension available?
An extension was already granted to Wind Walk (which expires on September 30th). Very little progress has been made on the subdivision during the extension, and therefore the Town will NOT support a further extension.

If the application period is extended is there an impact on the project's position in the queue?
No.

If so, how would that impact the timing for service delivery?
n/a

If an extension is not available, what is the timeframe for accepting and approving a new application including the service agreement, likely new queue position, and timing for service delivery?
There is no limitation in how long they need to wait to resubmit an application for subdivision. If they reapply, there is 20 day period to deem the application complete and a 60 day time period for consideration of approval. Once approved, Engineering Design Plans need to be accepted and then the Subdivision Servicing Agreement (SSA) will be prepared along with the Developer Contribution Agreement (DCA). The SSA speaks to the obligations for construction, including timelines; required performance securities; and timing on offsite levy payments. The DCA lays out costs of development, such as public facilities and water licences, that are not currently included within the Town's Offsite Levies. Additionally, under the terms of the Water Allocation System for Planning Approvals (WASPA) Policy and Guidelines, the developer is responsible for the additional costs of water licences that have been funded by other developers beyond the maximum amount the Town will fund. Essentially, this is an endeavour to assist developers that funded additional water licencing upfront.

The Town will endorse the subdivision for registration once all the pre-conditions have been met and construction is complete.

- In addition to site plan approval and the water service agreement, what other applications/approvals are required before construction can begin?

Phase 1 has land use in place, so in order to proceed all the conditions of the subdivision would need to be met and the subdivision would need to be registered. As far as the development of individual parcels, servicing would need to be installed (water, waste water, stormwater, transportation) to the site, stripping and grading permits need to be pulled, and individual sites (such as the R3 site in Phase 1) will require the approval of a development permit and building permit. Construction of the subdivision needs to be completed prior to registration and that registration needs to be complete prior to individual lot development permit/building permit approvals.

How long does it typically take the town to review a site plan and related plans?

Site plans and approvals for specific development sites takes approximately 3-4 months for multi-residential and commercial developments. That said, these timelines are largely Applicant driven and dependent on the completeness application submission, turnaround times for outstanding information or clarification as well as the level of potential variances or divergence from approved policies and regulations that are required. Subsequent to the DP, building permits can take 2-3 weeks depending on the scale of the project.

- What were the last three large-scale subdivisions approved and are you in the process of reviewing any others?

Recent large subdivisions phases would be D'Arcy Phase 2, Wedderburn Phase 1, and Wedderburn Phase 3. D'Arcy Phase 1 and Wedderburn Phase 1 have been constructed and are registered. Wedderburn Phase 3 is currently working through post approval conditions.

Thanks,

Cameron Browning
+1.403.454.6037 T | +1.403.969.3720 M
<mailto:cameron.browning@fticonsulting.com>

From: Elaine Vincent <<mailto:evincent@okotoks.ca>>
Sent: Tuesday, September 1, 2020 8:29 AM
To: Jeff Greene <<mailto:jgreene@okotoks.ca>>
Subject: FW: [EXTERNAL] RE: Update

The questions

From: Brian Lund <<mailto:brian@financial-logic.com>>

Sent: Tuesday, September 1, 2020 8:19 AM
To: Elaine Vincent <<mailto:evincent@okotoks.ca>>
Subject: FW: [EXTERNAL] RE: Update

Elaine:

The questions from FTI, per my previous email.

Best regards,

Brian Lund
Managing Director
Financial Logic
✉ <mailto:brian@financial-logic.com>
(604) 916 1910

From: Cameron Browning <<mailto:Cameron.Browning@fticonsulting.com>>
Date: Thursday, August 27, 2020 at 10:43 AM
To: Brian Lund <<mailto:brian@financial-logic.com>>
Subject: RE: [EXTERNAL] RE: Update

Brian,

These are the questions for the town planner. Again, we have some concerns with this approach, mostly that additional questions may be required as follow up and it would be simpler through direct communication with the CAO.

- The water service application expires at Sept. 30. Is an extension available? If the application period is extended is there an impact on the project's position in the queue? If so, how would that impact the timing for service delivery? If an extension is not available, what is the timeframe for accepting and approving a new application including the service agreement, likely new queue position, and timing for service delivery?
- In addition to site plan approval and the water service agreement, what other applications/approvals are required before construction can begin? How long does it typically take the town to review a site plan and related plans?
- What were the last three large-scale subdivisions approved and are you in the process of reviewing any others?

Thanks,

Cameron Browning
+1.403.454.6037 T | +1.403.969.3720 M
<mailto:cameron.browning@fticonsulting.com>

Confidentiality Notice:

This email and any attachments may be confidential and protected by legal privilege. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the e-mail or any attachment is prohibited. If you have received this email in error, please notify us immediately by replying to the sender and then delete this copy and the reply from your system. Thank you for your cooperation.

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “C” – June 21 Letter



Caron & Partners LLP | Lawyers
21st Floor, Fifth Avenue Place
2120, 237 – 4th Avenue SW
Calgary, Alberta, T2P 4K3
www.caronpartners.com
T: 403.262.3000
F: 403.237.0111

June 21, 2021

Delivered Via Email – mtomos@fasken.com

FASKEN
Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Suite 3400, 350 – 7th Avenue SW
Calgary, Alberta, T2P 3N9

JENNIFER D. SYKES
Direct Line: (403) 770-4005
Email: jsykes@caronpartners.com

Kim Barton, Legal Assistant
Phone: (403) 770-4007
Email: kbarton@caronpartners.com

Attention: Mihai Tomos

Our File:60889-000

Dear Mihai:

RE: ATB Financial v Alberta Foothills Properties Ltd. et al, Action No. TBD

As you know, I represent the Town of Okotoks with respect to the above matter. The purpose of this letter is to notify you that the Town is considering rescinding the bylaw for the Area Structure Plan which impacts the parcel of land owned by Alberta Foothills Properties Ltd., and the Town will also be considering a land use bylaw amendment changing the land use designation for this parcel. A public hearing for both bylaws is anticipated for July 19th, 2021, but I would be happy to discuss with you in advance should you have any questions or concerns.

Additionally, my client has reviewed their records and determined that the enclosed documents in its possession ought to be disclosed to the Receiver pursuant to the Receivership Order.

Please do not hesitate to contact me with respect to this matter.

Yours truly,

CARON & PARTNERS LLP

“Jennifer D. Sykes”

JENNIFER D. SYKES

JDS/kb

Enclosures

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “D” – First Reading Reports for Bylaw 19-21 and Bylaw 20-21



BYLAW 19-21 – LAND USE BYLAW AMENDMENT

Purpose

The purpose of Bylaw 19-21 is to amend Land Use Bylaw 17-21 to rezone portions of the property described as the NW ¼ of Section 16-20-29-4 from Traditional Neighbourhood District, Recreation and Open Space District and Neighbourhood Core District to Agriculture and Land Holdings District.

Readings

This Bylaw is ready for first reading only.

Report, Analysis and Financial Implications

The property described as the NW ¼ of Section 16-20-29-4 is the subject of an approved Area Structure Plan (ASP) known as the Wind Walk ASP (Bylaw 18-17).

In 2017, Bylaw 19-17 was passed which amended Land Use Bylaw 40-98 by rezoning portions of these lands - changing them from Urban Holdings District (UH) to Residential Medium Density Multi-Unit (R3), Residential Narrow Lot Detached (R1N) District, Residential Small to Detached (R1S) District, and Public Service District. The remainder of the site as designated by Bylaw 34-17 as Urban Holding (UH) District from Direct Control District 28 (Foothills County's Land Use Designation).

At the June 21, 2021 Town Council a New Land Use Bylaw 17-21 was adopted that replaced, in its entirety, Bylaw 40-98. The Wind Walk land use districts were replaced with new districts including: Traditional Neighbourhood District (TN), Recreation and Open Space District (ROS) and Neighbourhood Core District (NC) to Agriculture and Land Holdings District (ALH).

Administration recommends these lands be rezoned to ALH District so that following the preparation of a new ASP and a new Neighbourhood Structure Plan, appropriate land use re-designations can be brought forward for Council's consideration regarding whether the lands are suitable for the purpose intended and meet the strategic objectives of Town Council.

Strategic Plan Goals

| | | | |
|-------------------------------------|--|-------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | Manage Community Growth | <input type="checkbox"/> | Provide Strong Governance |
| <input checked="" type="checkbox"/> | Provide Quality Community Infrastructure | <input checked="" type="checkbox"/> | Healthy and Safe Community |
| <input type="checkbox"/> | Enhance Organizational Excellence | <input checked="" type="checkbox"/> | Foster Economic Vitality |
| | | <input type="checkbox"/> | Promote Environmental Excellence |

Public Hearing / Participation Strategy

A Public Hearing will be advertised in accordance with the *Municipal Government Act* and a hearing scheduled for July 19, 2021.

Alternatives for Consideration

Council could decide to not change the current land use designations on the property and continue to support the development of a conventional residential community on these lands.

CAO Comments

The current land use for this property was given in 2017 but has not been implemented and, in fact, has lost its water allocation due to the lengthy delays in development. As the new Municipal Development Plan is now the key governing document, this land use should be analyzed against this new criteria. Residential land use across Highway 7 at this point is not in the Town's best interest from an infrastructure development perspective and ongoing operational costs. It is recommended that the land be placed into Agriculture and Land Holding District until that land use planning can be completed.

Attachment(s)

1. Draft Bylaw 19-21

Prepared by:
Jeff Greene
Community Growth, Investment and Sustainability Director
June 22, 2021

BYLAW 19-21
A BYLAW IN THE TOWN OF OKOTOKS
IN THE PROVINCE OF ALBERTA
TO AMEND LAND USE BYLAW 17-21

WHEREAS pursuant to the provisions of Part 17, Division 5 of the *Municipal Government Act*, Revised Statutes of Alberta 2000, and amendments thereto (hereinafter called the *Act*) the Council of the Town of Okotoks (hereinafter called Council) has adopted Land Use Bylaw 17-21 (hereinafter called the Land Use Bylaw);

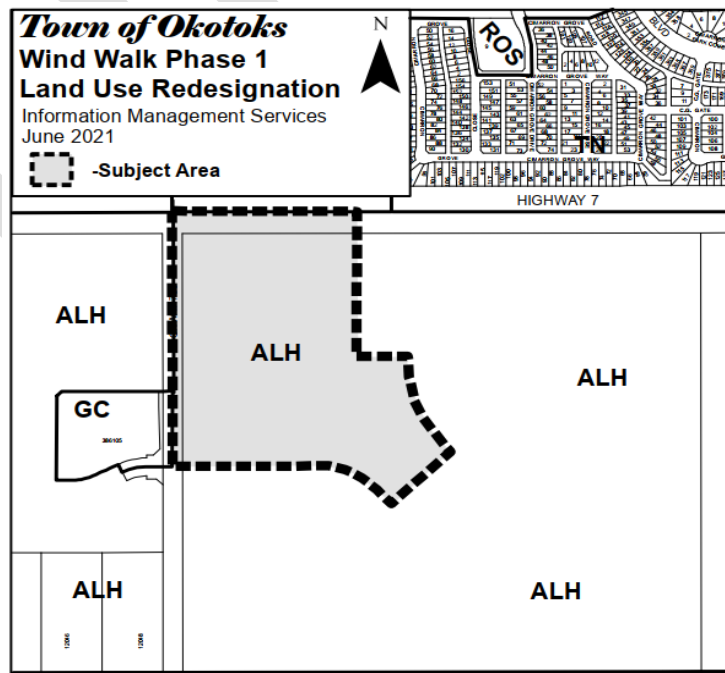
AND WHEREAS Council deems it necessary to amend the Land Use Bylaw by amending the land use designation of certain lands within the Town of Okotoks;

AND WHEREAS notice of the intention of Council to pass a bylaw has been given in accordance with Section 606 of the *Act*,

AND WHEREAS Council has held a public hearing as required by Section 692 of the *Act*,

NOW THEREFORE Council enacts that the Land Use Bylaw is amended as follows:

1. Map 2.1, Map 2.16 (Key Map 15), and Map 2.18 (Key Map 17), all within Section 2.1 LAND USE MAPS, are amended by redesignating approximately 7.88 hectares (27.34 acres) of the Northwest quarter of Section 16 Township 20 Range 29 West of the 4th Meridian from Recreation & Open Space District (ROS), Traditional Neighbourhood District (TN) and Neighbourhood Core District (NC) to Agriculture and Land Holdings District (ALH) as shown on the sketch map below:



This Bylaw shall come into full force and effect upon third and final reading, and Bylaw 17-21 and any amendments thereto are hereby amended upon this Bylaw coming into effect.

READ A FIRST TIME this day of , 2021.

READ A SECOND TIME this day of , 2021.

READ A THIRD TIME this day of , 2021.

Mayor

Chief Administrative Officer

Draft



Council
June 14, 2021

BYLAW 20-21 – A BYLAW TO RESCIND BYLAW 18-17

Purpose

The purpose of Bylaw 20-21 is to rescind the Wind Walk Area Structure Plan (ASP) Bylaw 18-17.

Readings

This Bylaw is ready for first reading only.

Report, Analysis and Financial Implications

The property described as the NW ¼ of Section 16-20-29-4 is the subject of an approved Area Structure Plan known as the Wind Walk ASP - Bylaw 18-17. This ASP promotes a conventional residential community across Highway 7. Administration recommends this area be redesigned in a manner that supports the strategic objectives of Town Council and is done in a manner that provides quality infrastructure, supports economic growth, and results in a safe and well designed community.

Strategic Plan Goals

| | | | |
|-------------------------------------|--|-------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | Manage Community Growth | <input type="checkbox"/> | Provide Strong Governance |
| <input checked="" type="checkbox"/> | Provide Quality Community Infrastructure | <input type="checkbox"/> | Healthy and Safe Community |
| <input type="checkbox"/> | Enhance Organizational Excellence | <input checked="" type="checkbox"/> | Foster Economic Vitality |
| | | <input type="checkbox"/> | Promote Environmental Excellence |

Public Hearing / Participation Strategy

A Public Hearing would be advertised in accordance with the *Municipal Government Act* and a hearing scheduled for July 12, 2021.

Alternatives for Consideration

Council could decide to not rescind the Wind Walk ASP - Bylaw 18-17 and continue to support the development of a conventional residential community on these lands.

CAO Comments

I support first reading of the Bylaw with notification to the current owners of this land.

Attachment(s)

1. Draft Bylaw 20-21

Prepared by:
Jeff Greene
Community Growth, Investment and Sustainability Director
June 11, 2021

**BYLAW 20-21
A BYLAW IN THE TOWN OF OKOTOKS
IN THE PROVINCE OF ALBERTA
TO RESCIND BYLAW 18-17**

WHEREAS pursuant to the provisions of Part 17 of the *Municipal Government Act*, Revised Statutes of Alberta 2000, and amendments thereto (hereinafter called the *Municipal Government Act*) the Council of the Town of Okotoks (hereinafter called Council) has adopted the Wind Walk Area Structure Plan through Bylaw 18-17;

AND WHEREAS Council deems it necessary to rescind the Wind Walk Area Structure Plan Bylaw;

AND WHEREAS notice of the intention of Council to pass a bylaw has been given in accordance with Section 606 of the *Municipal Government Act*;

AND WHEREAS Council has held a public hearing as required by Section 692 of the *Municipal Government Act*;

NOW THEREFORE Council enacts that the Wind Walk ASP Bylaw is amended as follows:

1. The Wind Walk Area Structure Plan Bylaw is rescinded.
2. This Bylaw shall come into full force and effect upon third and final reading.

READ A FIRST TIME this day of June, 2021

READ A SECOND TIME this day of , 2021

READ A THIRD TIME AND PASSED this day of , 2021

Mayor

Chief Administrative Officer

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “E” – July 13 Letter

July 13, 2021

VIA E-MAIL (jsykes@caronpartners.com)Caron & Partners LLP
2120, 237 4th Avenue SW
Calgary, AB T2P 4K3**Ryan Zahara**Direct Line: (403) 693-5420
E-mail: rzahara@mltaikins.comJoy Mutuku
Legal AssistantDirect Line: (403) 693-5403
E-mail: jmutuku@mltaikins.com**Attention:** Jennifer D. Sykes

Dear Ms. Sykes:

Re: Town of Okotoks' Proposed Rescission of Wind Walk Area Structure Plan

We are counsel to FTI Consulting Canada Inc., the Court-appointed receiver (the "**Receiver**") over the property, assets and undertakings of Alberta Foothills Properties Ltd. ("**AFPL**"), pursuant to the consent receivership order granted on May 17, 2021 (the "**Receivership Order**").

We are writing further to your correspondence to legal counsel to ATB Financial dated June 21, 2021 and our subsequent call regarding this matter.

We are writing regarding Bylaw 19-21 and Bylaw 20-21 (the "**Bylaws**"), as proposed by the Town of Okotoks (the "**Town**"), which would rescind the Wind Walk Area Structure Plan (the "**Wind Walk ASP**") in its entirety. We have received notice that the Town will hold a public hearing to discuss the Bylaws on July 19, 2021 (the "**Hearing**").

The Receiver hereby advises that it will attend the Hearing and will make submissions opposing the Bylaws for the reasons set out below.

Background

Since December 15, 2009, AFPL has owned the parcel of land currently subject to the Wind Walk ASP, and which is legally described as the NW 1/4 of Section 16-20-29-4 (the "**Property**").

On August 11, 2010, Foothills County (formerly, the Municipal District of Foothills No. 31) ("**Foothills**") enacted the Wind Walk ASP pursuant to Bylaw 25/2010. The Town unsuccessfully opposed the Wind Walk ASP when it was initially approved, on the basis that it conflicted with the intermunicipal development plan in place at the time between the Town and Foothills.

In 2017, the Property was annexed into the Town, and AFPL updated, redeveloped and submitted the Wind Walk ASP to the Town for its approval. On June 26, 2017, the Town approved the updated Wind Walk ASP pursuant to Bylaw 18-17.

In January 2021, the Town adopted a new Municipal Development Plan (the "**2021 MDP**") to guide development of the Town until 2080.

On May 17, 2021, the Receiver was appointed as receiver over all of the property, assets and undertakings of APFL, including the Property subject to the Wind Walk ASP.

On May 28, 2021, the Receiver contacted Mr. Colin Gainer of the Town on a good faith basis to advise of its appointment and intention to conduct a sales process with respect to the sale of the Property. On June 14, 2021, without notice to the Receiver, at a Town Council Meeting (the "**June 14 Meeting**") the Town introduced Bylaw 20-21, which proposes to repeal Bylaw 18-17 and rescind the Wind Walk ASP. Bylaw 20-21 was not an item on the June 14 Meeting Agenda, and to date, the Town has not released the minutes of the June 14 Meeting. The Receiver requires the June 14 Meeting minutes to properly prepare for and present its position at the Hearing.

At the June 28, 2021 Town Council Meeting, the Town further introduced Bylaw 19-21, which proposes to amend Land Use Bylaw 17-21 in order to rezone the Property from residential to urban or agricultural holdings.

Receiver's Position on Bylaws

The combined effect of the Bylaws would significantly impact any certainty for any potential purchaser that it would be able to develop the Property, either as contemplated under the Wind Walk ASP or at all. This may significantly reduce the value of the Property in any contemplated sale by the Receiver.

The Town claims that the Wind Walk ASP should be completely rescinded, and a new ASP should be submitted so the Town can consider a new ASP in light of the 2021 MDP. The Town has not provided any substantive reason and did not put forward (to the Receiver's knowledge) any basis for why it needs to rescind the Wind Walk ASP now, shortly after learning of the Receiver's proposed sales process.

The Town has presented no information on how or why the Wind Walk ASP contravenes or is inconsistent with the 2021 MDP. The Town has also not provided any reason why the process to rescind the Wind Walk ASP was not done in January 2021 when the new 2021 MDP was introduced. The Town has not given any indication that it will suffer prejudice if it does not enact the Bylaws or if the Wind Walk ASP is left in place during the pendency of the receivership proceedings.

The Town has not provided any reason for why it cannot review the existing Wind Walk ASP in light of the 2021 MDP. Given that the Wind Walk ASP already contemplates being a "live document" open to reconsideration, rescinding the Wind Walk ASP in its entirety, without explanation, grossly prejudices AFPL and all of its creditors, including those lenders who advanced funds to AFPL on the basis of the Wind Walk ASP.

The Receiver understands that a significant portion of funds amounting to at least \$18,000,000 have been expended on the Property and this project to date by AFPL, and which amount has been funded by secured loans advanced by ATB and M. Holmes Holdings Ltd. Those funds were advanced on the basis of the approvals obtained under the Wind Walk ASP.

Receivership Order does not Enhance Town's Powers

We have been advised that Town Council has presented the receivership proceedings as an opportunity for the Town to reconsider the land use for the Property.

The insolvency of AFPL does not provide any basis for the Town to enact the Bylaws and change the land use designation of the Property. AFPL remains a valid and subsisting legal entity and its Property is specifically preserved by the terms of the Receivership Order. For example, paragraphs 9, 10, 11 and 12 of the Receivership Order specifically prevent parties from taking action against, or interfering with, AFPL's Property, as any such action fundamentally disrupts the receivership process and prejudices the valid commercial interests of AFPL's creditors. It appears to the Receiver that the Town's decision to enact the Bylaws may be in contravention of these paragraphs of the Receivership Order.

It is improper and incorrect to invoke the granting of the Receivership Order as giving the Town any additional rights to take steps against AFPL that the Town did not have prior to the Receivership Order.

The Receiver anticipates ATB Financial and the second-ranking lien holders attending the Hearing to make similar submissions in opposition to the Bylaws. The Receiver understands that the Town's proposal to pass the Bylaws is a significant point of concern for those creditors of AFPL, who will be significantly prejudiced by the passing of the Bylaws. The Receiver understands that these creditors could potentially seek damages from the Town for any negative impact from the enactment of the Bylaws on the value of the Property as a result of the passing of the Bylaws.

If the Bylaws are approved, we expect to obtain instructions from the Receiver to file an application to the Court of Queen's Bench for a declaration that the Bylaws are invalid or have been improperly enacted.

We invite the Town to reconsider the necessity and fairness of the Bylaws. We have significant concerns regarding the timing of the proposed Bylaws, the lack of notice to the Receiver in bringing forward the Bylaws (especially after the Receiver provided notice to the Town of its intention to sell the Property), the process by which the Bylaws were introduced at the June 14, 2021 meeting, the potential negative impact of the Bylaws on the estate of AFPL, and the timing of these actions by the Town as it relates to AFPL and its insolvency.

The Receiver is prepared to contest the Bylaws at the Hearing as outlined above, and, if instructed, at the Court of Queen's Bench, should the Bylaws be enacted.

MLT AIKINS

WESTERN CANADA'S LAW FIRM

Please do not hesitate to contact us should you wish to discuss further.

Yours truly,

MLT AIKINS LLP



For: Ryan Zahara

c: Kaitlin Ward, MLT Aikins LLP
Deryck Helkaa, FTI Consulting Canada Inc.

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “F” – Receiver’s Written Submissions in Opposition of the Proposed Bylaws

July 13, 2021

VIA E-MAIL (legislativeservices@okotoks.ca)

Town of Okotoks
Municipal Centre, 5 Elizabeth Street
Okotoks, AB T1S 2C1

To Whom it May Concern:

Re: Opposition to Bylaws 19-21 and 20-21

On May 17, 2021, FTI Consulting Canada Inc. was appointed as receiver and manager (the “**Receiver**”) over the property, assets and undertakings of Alberta Foothills Properties Ltd. (“**AFPL**”), pursuant to the consent receivership order (the “**Receivership Order**”) granted by the Court of Queen’s Bench of Alberta.

We are writing to submit our formal opposition to Bylaw 19-21 and Bylaw 20-21 (together, the “**Bylaws**”), as proposed by the Town of Okotoks (the “**Town**”), which would rescind the Wind Walk Area Structure Plan (the “**Wind Walk ASP**”) in its entirety and rezone the relevant property. We have received notice that the Town will hold a public hearing to discuss the Bylaws on July 19, 2021 (the “**Hearing**”).

The Receiver hereby advises that MLT Aikins LLP, its legal counsel, will attend the Hearing and will make submissions opposing the Bylaws for the reasons set out below.

Background

Since December 15, 2009, AFPL has owned the parcel of land currently subject to the Wind Walk ASP, and which is legally described as the NW 1/4 of Section 16-20-29-4 (the “**Property**”).

On August 11, 2010, Foothills County (formerly, the Municipal District of Foothills No. 31) (“**Foothills**”) enacted the Wind Walk ASP pursuant to Bylaw 25/2010. The Town unsuccessfully opposed the Wind Walk ASP when it was initially approved, on the basis that it conflicted with the intermunicipal development plan in place at the time between the Town and Foothills.

In 2017, the Property was annexed into the Town, and AFPL updated, redeveloped and submitted the Wind Walk ASP to the Town for its approval. On June 26, 2017, the Town approved the updated Wind Walk ASP pursuant to Bylaw 18-17.

In January 2021, the Town adopted a new Municipal Development Plan (the “**2021 MDP**”) to guide development of the Town until 2080.

On May 17, 2021, the Receiver was appointed as receiver over all of the property, assets and undertakings of APFL, including the Property subject to the Wind Walk ASP.

On May 28, 2021, the Receiver contacted Mr. Colin Gainer of the Town on a good faith basis to advise of its appointment and intention to conduct a sales process with respect to the sale of the Property. On June 14, 2021, without notice to the Receiver, at a Town Council Meeting (the “**June 14 Meeting**”), the Town introduced Bylaw 20-21, which proposes to repeal Bylaw 18-17 and rescind the Wind Walk ASP. Bylaw 20-21 was not an item on the June 14 Meeting Agenda, and to date, the Town has not released the minutes of the June 14 Meeting. The Receiver requires the June 14 Meeting minutes to properly prepare for and present its position at the Hearing.

At the June 28, 2021 Town Council Meeting, the Town further introduced Bylaw 19-21, which proposes to amend Land Use Bylaw 17-21 in order to rezone the Property from residential to urban or agricultural holdings.

Receiver’s Position on Bylaws

The combined effect of both Bylaw 19-21 and 20-21 would significantly impact any certainty for any potential purchaser that it would be able to develop the Property, either as contemplated under the Wind Walk ASP or at all. This may significantly reduce the value of the Property in any contemplated sale by the Receiver.

The Town claims that the Wind Walk ASP should be completely rescinded, and a new ASP should be submitted so the Town can consider a new ASP in light of the 2021 MDP. The Town has not provided any substantive reason and did not put forward (to the Receiver’s knowledge) any basis for why it needs to rescind the Wind Walk ASP now, shortly after learning of the Receiver’s proposed sales process.

The Town has presented no information on how or why the Wind Walk ASP contravenes or is inconsistent with the 2021 MDP. The Town has also not provided any reason why the process to

rescind the Wind Walk ASP was not done in January 2021 when the new 2021 MDP was introduced. The Town has not given any indication that it will suffer prejudice if it does not enact the Bylaws or if the Wind Walk ASP is left in place during the pendency of the receivership proceedings.

The Town has not provided any reason for why it cannot review the existing Wind Walk ASP in light of the 2021 MDP. Given that the Wind Walk ASP already contemplates being a “live document” open to reconsideration, rescinding the Wind Walk ASP in its entirety, without explanation, grossly prejudices AFPL and all of its creditors, including those lenders who advanced funds to AFPL on the basis of the Wind Walk ASP.

The Receiver understands that a significant portion of funds amounting to at least \$18,000,000 have been expended on the Property and this project to date by AFPL, and which amount has been funded by secured loans advanced by ATB and M. Holmes Holdings Ltd. Those funds were advanced on the basis of the approvals obtained under the Wind Walk ASP.

Receivership Order does not Enhance Town’s Powers

We have been advised that Town Council has presented the receivership proceedings as an opportunity for the Town to reconsider the land use for the Property.

The insolvency of AFPL does not provide any basis for the Town to enact the Bylaws and change the land use designation of the Property. AFPL remains a valid and subsisting legal entity and its Property is specifically preserved by the terms of the Receivership Order. For example, paragraphs 9, 10, 11 and 12 of the Receivership Order specifically prevent parties from taking action against, or interfering with, AFPL’s Property, as any such action fundamentally disrupts the receivership process and prejudices the valid commercial interests of AFPL’s creditors. It appears to the Receiver that the Town’s decision to enact the Bylaws may be in contravention of these paragraphs of the Receivership Order.

It is improper and incorrect to invoke the granting of the Receivership Order as giving the Town any additional rights to take steps against AFPL that the Town did not have prior to the Receivership Order.

The Receiver anticipates ATB Financial and the second-ranking lien holders attending the Hearing to make similar submissions in opposition to the Bylaws. The Receiver understands that the Town’s proposal to pass the Bylaws is a significant point of concern for those creditors of AFPL,

who will be significantly prejudiced by the passing of the Bylaws. The Receiver understands that these creditors could potentially seek damages from the Town for any negative impact from the enactment of the Bylaws on the value of the Property as a result of the passing of the Bylaws.

If the Bylaws are approved, we expect to file an application to the Court of Queen's Bench for a declaration that the Bylaws are invalid or have been improperly enacted.

We invite the Town to reconsider the necessity and fairness of the Bylaws. We have significant concerns regarding the timing of the proposed Bylaws, the lack of notice to the Receiver in bringing forward the Bylaws (especially after the Receiver provided notice to the Town of its intention to sell the Property), the process by which the Bylaws were introduced at the June 14, 2021 meeting, the potential negative impact of the Bylaws on the estate of AFPL, and the timing of these actions by the Town as it relates to AFPL and its insolvency.

The Receiver is prepared to contest the Bylaws at the Hearing as outlined above, and, if instructed, at the Court of Queen's Bench, should the Bylaws be enacted.

Please do not hesitate to contact us should you wish to discuss further.

Yours truly,

FTI CONSULTING CANADA INC.,
In its capacity as receiver of
Alberta Foothills Properties Ltd.



Deryck Helkaa

cc: Brett Wilson, FTI Consulting Canada Inc.

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “G” – MPC Meeting Agenda

THE TOWN OF OKOTOKS
MUNICIPAL PLANNING COMMISSION MEETING
AGENDA

Thursday, July 15, 2021
7:00 P.M.
7:00 PM via livestream

| | Pages |
|--|-------|
| 1. ADOPTION OF AGENDA | |
| 1.1. Call to Order | |
| 1.2. Additions and/or Deletions | |
| 1.3. Adoption | |
| 2. MINUTES OF PREVIOUS MEETING | |
| 2.1. Municipal Planning Commission Meeting - | 3 |
| 3. SUBDIVISION APPLICATIONS | |
| 4. DEVELOPMENT PERMIT APPLICATIONS | |
| 4.1. Development Permit Application 131-21 Address/Legal: 1–35 (Odd Numbers) Wolf Crescent (Preliminary Addresses) / Lots 1, Block 46, Plan 201 2058 Zoning: Residential Medium Density Multi-Unit (R3) District, Land Use Bylaw No. 40-98 Attached Houses (5 Buildings – 18 Units) with Attached Garages | 9 |
| 5. STATUTORY PLANS AND BYLAWS | |
| 5.1. Bylaw 27-21 The purpose of Bylaw 27-21 is to amend Land Use Bylaw 17-21 to address interpretation and clarification matters, increase the authority of the Development Officer, and increase flexibility of objects within setbacks. | 45 |

- 5.2. Bylaw 19-21 for Land Use Redesignation 54
Address/Legal: NW ¼ 16-20-29-W4M

To amend Land Use Bylaw 17-21 by revising Land Use Maps 2.1, 2.16, and 2.18 to redesignate approximately 7.88 hectares (27.34 acres) of the NW ¼ 16-20-29-W4M from Recreation & Open Space District (ROS), Traditional Neighbourhood District (TN), and Neighbourhood Core District (NC) to Agriculture and Land Holdings District (ALH).

- 5.3. Bylaw 20-21 to Rescind the Wind Walk Area Structure Plan 84
Address/Legal: NW ¼ of Section 16-20-29-4

To rescind the Wind Walk Area Structure Plan (Bylaw 18-17).

6. FURTHER BUSINESS

7. INFORMATION REGARDING DEVELOPMENT MATTERS

- 7.1. Development Permit Application List 113

- 7.2. Reports to Council 115

8. MONTHLY UPDATES

9. ADJOURNMENT



BYLAW 19-21 FOR LAND USE REDESIGNATION

PURPOSE

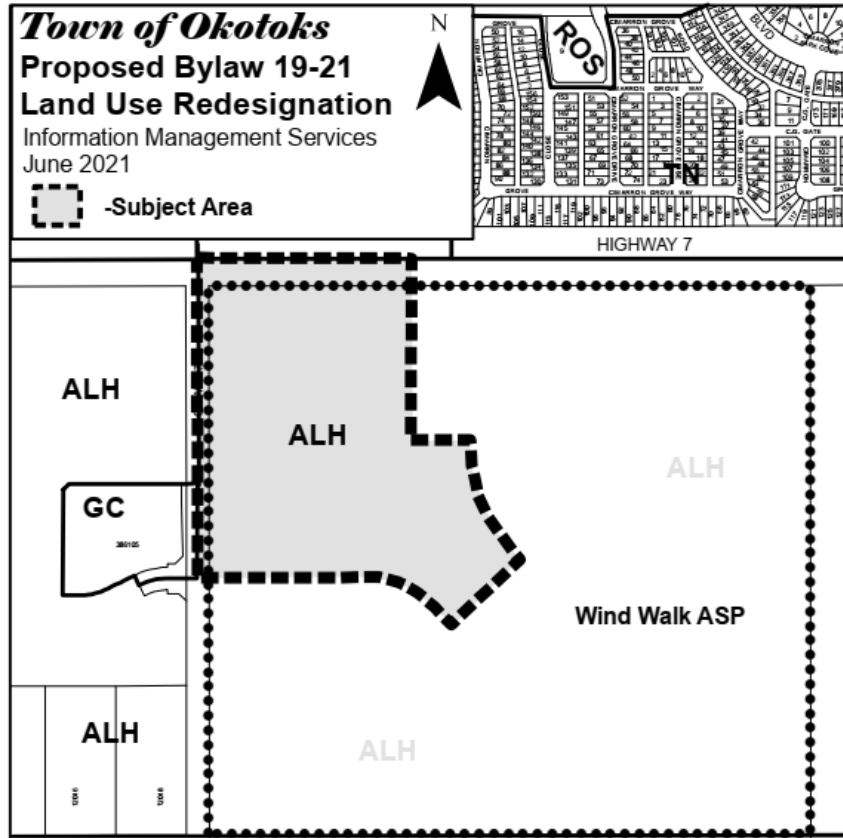
The purpose of Bylaw 19-21 is to amend Land Use Bylaw 17-21 by revising Land Use Maps 2.1, 2.16, and 2.18 to redesignate approximately 7.88 hectares (27.34 acres) of the NW ¼ 16-20-29-W4M from Recreation & Open Space District (ROS), Traditional Neighbourhood District (TN), and Neighbourhood Core District (NC) to Agriculture and Land Holdings District (ALH).

RECOMMENDATION

That Council be advised that the Municipal Planning Commission supports Bylaw 19-21 as presented.

REPORT

The subject property is described as a portion of NW ¼ 16-20-29-W4M (the Wind Walk lands). The lands are subject to the Wind Walk Area Structure Plan (Bylaw 18-17) and the non-statutory Wind Walk Outline Plan, which was approved by Municipal Planning Commission on June 15, 2017.



The subject lands were designated for urban development under Bylaw 19-17 to facilitate the development of Phase 1 of Wind Walk on July 17, 2017 and development capacity under the Water Allocation System was assigned to the area. The lands were redesignated from a Direct Control District under the Foothills County LUB to the Residential Medium Density Multi-Unit (R3), Residential Narrow Lot Detached (R1N) District, Residential Small to Detached (R1S) District, and Public Service (PS) District under Land Use Bylaw 40-98. Phase 1 received subdivision approval on February 21, 2019 and after no meaningful process on meeting the conditions of approval after the approval was extended, the subdivision approval and allocated development capacity expired on September 30, 2020. No subdivision agreement was entered into for the lands, nor has any payment towards the offsite levies or development contributions toward water licencing been made by the landowner. On May 17, 2021, the Wind Walk lands went into receivership.

On June 21, 2021, Council adopted Land Use Bylaw 17-21, which replaced previous Land Use Bylaw 40-98 in its entirety. The Wind Walk Phase 1 land use districts were replaced with the new districts of Traditional Neighbourhood District (TN), Recreation and Open Space District (ROS) and Neighbourhood Core District (NC) with the remainder of Wind Walk being designated Agriculture and Land Holdings District (ALH), which replaced the Urban Holdings (UH) District under Bylaw 40-98.

Administration recommends these lands be rezoned to ALH District so that following the preparation of a new ASP and a new Neighbourhood Structure Plan, appropriate land use re-designations can be brought forward for Council's consideration regarding whether the lands are suitable for the purpose intended and meet the strategic objectives of Town Council.

Strategic Plan Goals

| | | | |
|-------------------------------------|--|--------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | Manage Community Growth | <input type="checkbox"/> | Provide Strong Governance |
| <input type="checkbox"/> | Provide Quality Community Infrastructure | <input type="checkbox"/> | Healthy and Safe Community |
| <input type="checkbox"/> | Enhance Organizational Excellence | <input type="checkbox"/> | Foster Economic Vitality |
| | | <input type="checkbox"/> | Promote Environmental Excellence |

Policy Considerations

There are no conflicts or requirements pertaining to Bylaw 19-21 under the South Saskatchewan Regional Plan or the Calgary Metropolitan Region Growth Plan.

Intermunicipal Development Plan (Bylaw 12-16)

- *4.1.2 Referrals from the Town of Okotoks to Foothills County* – Bylaw 19-21 was circulated to Foothills County and a letter was received indicating the County has no comments or concerns with the bylaw.

Municipal Development Plan (Bylaw 2-21)

- *1.2.1 Maintain a supply of land for balanced growth* – The subject lands are not currently required to meet the minimum of five years of planned, serviced and subdivided residential land supply
- *1.2.2 Prioritize and sequence growth* – Prioritize growth in areas already serviced

Land Use Bylaw (17-21)

- *1.1(A) Land use changes* are to be evaluated using the LUB and the principles of the Municipal Development Plan and any other applicable statutory or non-statutory plans – re-designating the lands ALH District does not conflict with any plans for the area
- *3.4 Agriculture and Land Holdings Direct (ALH)* – The primary intent is to continue to support rural agricultural activities prior to transitioning to urban style Development, including provision for a variety of rural agricultural, country residential and supporting uses. The ALH District fits the state of the site as undisturbed farm lands with the intention of future urban development.

Water Allocation Policy (CMD-P-3.10)

- There is no capacity assigned to these lands. Assignment of capacity would require payment of water licensing costs and issuance of a Water Verification and Assignment Process Certificate

Public Hearing / Participation Strategy

Bylaw 19-21 received first reading by Council on June 28, 2021. A public hearing is being held on July 19, 2021. The public hearing was advertised in accordance with the *Municipal Government Act*.

Attachment(s)

1. Draft Bylaw 19-21

Prepared by:
Colin Gainer
Senior Planner
July 07, 2021

This Bylaw shall come into full force and effect upon third and final reading, and Bylaw 17-21 and any amendments thereto are hereby amended upon this Bylaw coming into effect.

READ A FIRST TIME this day of , 2021.

READ A SECOND TIME this day of , 2021.

READ A THIRD TIME this day of , 2021.

Mayor

Chief Administrative Officer

Draft



BYLAW 20-21 TO RESCIND THE WIND WALK AREA STRUCTURE PLAN

PURPOSE

The purpose of Bylaw 20-21 is to rescind the Wind Walk Area Structure Plan (Bylaw 18-17).

RECOMMENDATION

That Council be advised that the Municipal Planning Commission supports Bylaw 20-21 as presented.

REPORT

The property described as the NW ¼ of Section 16-20-29-4 is the subject of an approved Area Structure Plan (ASP) known as the Wind Walk ASP. The Wind Walk ASP was adopted as Bylaw 18-17 on June 26, 2017 to replace a previous ASP that was adopted by Foothills County prior to the lands being annexed by the Town of Okotoks.



The Wind Walk ASP is largely designed as a conventional residential neighbourhood and is physically separated from the existing developed areas of Okotoks by Highway 7. The plan was also designed under the context of the 1998 Municipal Development Plan

with a neighbourhood Outline Plan in contrast to the current Municipal Development Plan.

As no subdivision or development has occurred on the lands since the ASP was adopted, Administration recommends the ASP be rescinded to allow for the area to be redesigned in a manner that supports the strategic objectives of Town Council and is done in a manner that provides quality infrastructure, supports economic growth, and results in a safe and well designed community.

Strategic Plan Goals

| | | | |
|-------------------------------------|--|--------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | Manage Community Growth | <input type="checkbox"/> | Provide Strong Governance |
| <input type="checkbox"/> | Provide Quality Community Infrastructure | <input type="checkbox"/> | Healthy and Safe Community |
| <input type="checkbox"/> | Enhance Organizational Excellence | <input type="checkbox"/> | Foster Economic Vitality |
| | | <input type="checkbox"/> | Promote Environmental Excellence |

Policy Considerations

There are no conflicts or requirements pertaining to Bylaw 20-21 under the South Saskatchewan Regional Plan or the Calgary Metropolitan Region Growth Plan. There are no regional review requirements for rescinding an ASP.

Intermunicipal Development Plan (Bylaw 12-16)

- *4.1.2 Referrals from the Town of Okotoks to Foothills County – Bylaw 20-21* was circulated to Foothills County and a letter was received indicating the County has no comments or concerns with the bylaw.

Municipal Development Plan (Bylaw 2-21)

- *1.2.1 Maintain a supply of land for balanced growth* – The subject lands are not currently required to maintain the minimum 25 years of planned growth
- *1.2.2 Prioritize and sequence growth* – New growth areas are to be prioritized according to criteria that considers the Town’s strategic priorities, the logical, efficient and economic provision of services. In addition, the priority for new areas is employment generating land uses and mixed-use development
- *1.2.3 Provision of infrastructure and services* – The subject lands do not currently have deep servicing connections and extending services are significant costs
- *1.9 Adapt growth management to reflect changing local conditions* – delays in the development of the area indicate the need to re-evaluate the growth trends, cost benefits, and external forces affecting the subject area
- *2.1 Create new neighbourhoods that are livable and sustainable* – the Wind Walk ASP was not developed in the context of the MDP polices on neighbourhood design and ASP preparation and a new development area should be reflective of these provisions, including neighbourhood hubs, housing mix, and residential density.

Public Hearing / Participation Strategy

Bylaw 20-21 received first reading by Council on June 14, 2021. A public hearing is being held on July 19, 2021. The public hearing was advertised in accordance with the *Municipal Government Act*.

Attachment(s)

1. Draft Bylaw 20-21

Prepared by:
Colin Gainer
Senior Planner
July 07, 2021

**BYLAW 20-21
A BYLAW IN THE TOWN OF OKOTOKS
IN THE PROVINCE OF ALBERTA
TO RESCIND BYLAW 18-17**

WHEREAS pursuant to the provisions of Part 17 of the *Municipal Government Act*, Revised Statutes of Alberta 2000, and amendments thereto (hereinafter called the *Municipal Government Act*) the Council of the Town of Okotoks (hereinafter called Council) has adopted the Wind Walk Area Structure Plan through Bylaw 18-17;

AND WHEREAS Council deems it necessary to rescind the Wind Walk Area Structure Plan Bylaw;

AND WHEREAS notice of the intention of Council to pass a bylaw has been given in accordance with Section 606 of the *Municipal Government Act*;

AND WHEREAS Council has held a public hearing as required by Section 692 of the *Municipal Government Act*;

NOW THEREFORE Council enacts that the Wind Walk ASP Bylaw is amended as follows:

- 1. The Wind Walk Area Structure Plan Bylaw is rescinded.
- 2. This Bylaw shall come into full force and effect upon third and final reading.

READ A FIRST TIME this 14th day of June, 2021

READ A SECOND TIME this day of , 2021

READ A THIRD TIME AND PASSED this day of , 2021

Mayor

Chief Administrative Officer

First Report of FTI Consulting Canada Inc.,
In its capacity as Receiver of Alberta Foothills Properties Ltd.
August 30, 2021

Appendix “H” – June 14 Meeting Agenda, June 14 Meeting Amended Agenda, June 14 Meeting Minutes



THE TOWN OF OKOTOKS REGULAR COUNCIL MEETING AGENDA

Monday, June 14, 2021

1:00 PM - In Camera Session (Closed to Public)

3:00 PM - Public Session via Live Stream

Pages

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. IN CAMERA ITEMS

(At Council's discretion, this portion of the meeting may be closed to the public if a matter to be discussed is within one of the exceptions to disclosure in Division 2 of Part I of the *Freedom of Information and Protection of Privacy (FOIP) Act*.)

3.1. Commercial Land Strategy (FOIP s. 24(1)(a)(g))

3.2. Legal Opinion (FOIP s. 24(1)(a) and 27(1)(a)(c)(iii))

3.3. Storage Space (FOIP s. 16(1)(c)(iii))

3.4. Citizen Member Appointments (FOIP s. 17(4)(d)(f) and 17(5)(f)(i))

4. DELEGATIONS / QUESTION PERIOD BY THE PUBLIC - 3:00 P.M. OR (6:00 P.M. by prior arrangement)

Requests to present live via remote access during this portion of the meeting can be made up until 12:00 noon the day of the Council Meeting.

Written submissions for this portion of the meeting must be received no later than 12:00 noon the Wednesday prior to the Council Meeting.

5. MOTION(S) ARISING FROM IN CAMERA

6. MINUTES OF PREVIOUS MEETING

6.1. Regular Council Meeting - May 25, 2021

5

7. CHIEF ADMINISTRATIVE OFFICER'S REPORT

15

8. BUSINESS

8.1. Commercial and Industrial Growth Study 24

Recognizing that one of Council's Strategic Priorities is to Foster Economic Vitality, the Community Growth, Investment and Sustainability Division has been investigating the nature of the commercial and industrial market in Okotoks to assist in being able to position the Town most effectively at attracting employment uses to the Town.

8.2. Removing the Name "Dewdney" from Dewdney Park 47

Removing the name "Dewdney" from Dewdney Park as a step towards reconciliation, and respect for the residential school children is provided to Council for consideration.

8.3. Calgary Metropolitan Region Growth Plan 50

A summary of the approved regional Growth Plan, Servicing Plan, and Regional Evaluation Framework by the Calgary Metropolitan Board is provided to Council as information.

8.4. Cat Shelter Opportunities 283

Council directed Administration to contact the City of Calgary and determine if there is an opportunity to partner on a facility for housing of cats found at large.

8.5. Alberta Urban Municipalities Association 2021 Resolution 305

The Alberta Urban Municipalities Association 2021 draft resolution regarding the expansion of authority to support affordable housing is provided for approval.

8.6. Financial Reserves Policy 309

The draft Financial Reserves Policy GP-F-2.5 is provided to Council for approval.

8.7. First Quarter Variance Report 326

The 2021 First Quarter Variance Report is provided to Council for information.

9. BYLAWS

9.1. Bylaw 18-21 - Borrowing Bylaw 334

The purpose of Bylaw 18-21 is to authorize the incurring of indebtedness to finance upgrades to the Waste Water Treatment Plant Phase 2 project within the Town of Okotoks for \$7.000 Million.

10. NOTICES OF MOTION

11. MOTIONS RE NOTICES

12. CORRESPONDENCE FOR ACTION

- 12.1. Jonahatan Weal, Director, Business Development, Southland, Re: Support for Ebus Service BC to Alberta - May 25, 2021 338
- 12.2. Kelly Carter, Chief Executive Officer, Lifesaving Society - Re: National Drowning Prevention Week Proclamation - May 28, 2021 340

13. COUNCILLOR INQUIRIES AND SUGGESTIONS**14. COUNCIL REPRESENTATIVE REPORTS****15. STATUTORY / NON-STATUTORY HEARING(S) - 7:00 P.M.**

Due to COVID-19 members of the public are unable to physically attend Statutory Public Hearings. Written submissions received by 12:00 P.M. on Wednesday, June 9, 2021 regarding Bylaw 17-21 - New Land Use Bylaw from members of the public have been included in the agenda package. Submissions received after this and up until 7:00 P.M. on June 14, 2021 will be summarized and read during the Hearing. Requests to appear live and provide comment via remote access during the Hearing will be accepted up until 12:00 P.M. on June 14, 2021.

After Administration has fully reported on the Bylaw, a 30 minute break will be announced to provide an opportunity to anyone wishing to respond to new information that has arisen from the report by Administration. Responses will only be received for the duration of the break via email using the submit button on okotoks.ca or to legislativeservices@okotoks.ca. Responses will be summarized and noted after the break.

- 15.1. Bylaw 17-21 - New Land Use Bylaw 342
- The purpose of Bylaw 17-21 is to provide a new, comprehensive, and updated Land Use Bylaw for the Town of Okotoks.

16. BYLAWS / BUSINESS RELATING TO HEARING(S)

- 16.1. Bylaw 17-21 - New Land Use Bylaw
- Depending on the outcome of the Public Hearing, this Bylaw is ready for second and third readings.

17. RESPONSES TO COUNCILLOR INQUIRIES AND SUGGESTIONS

- 17.1. Councillor Sands - Safety Messaging During Nesting Season 787
- 17.2. Councillor Thorn - Rich's Playground Upgrade 788

18. CORRESPONDENCE FOR INFORMATION

- 18.1. Sandra Kitchen, Deputy Clerk-Council Services, Town of Kingsville, Re: Resolution Regarding Bill C-21 - March 25, 2021 790

| | | |
|---------|---|-----|
| 18.2. | Correspondence to the Honourable Kaycee Madu, Minister of Justice and Solicitor General, Re: Support for the RCMP | |
| 18.2.1. | Mayor John Rimmer, Village of Caroline - May 4, 2021 | 792 |
| 18.2.2. | Mayor Donna Buchinski, Town of Falher - May 20, 2021 | 793 |
| 18.2.3. | Mayor Janet Jabush, Mayerthorpe - May 25, 2021 | 795 |
| 18.2.4. | Mayor Scott Schroeder, Village of Milo - May 25, 2021 | 796 |
| 18.2.5. | Mayor Gentry Hall, Town of Stavely - May 26, 2021 | 798 |
| 18.2.6. | Reeve Craig Lukinuk, Smoky Lake County - May 31, 2021 | 799 |
| 18.2.7. | Chair Dave Schebek, Improvement District No. 9 - May 31, 2021 | 801 |
| 18.2.8. | Mayor Jim Wood, Red Deer County - June 4, 2021 | 802 |
| 18.3. | Marigold Library System, Re: Marigold Report and Financial Statements to December 31, 2020 - May 21, 2021 | 804 |
| 18.4. | Shannon Stubbs, Member of Parliament Lakeland, Re: Bill C-21 - May 28, 2021 | 859 |
| 18.5. | Shelly Armeneau, Office Manager, Calgary Metropolitan Region Board, Re: Correspondence to the Minister of Municipal Affairs and CMRB Board with the Regional Evaluation Framework document - June 1, 2021 | 861 |
| 18.6. | Foothills Okotoks Recreation Society Financial Statements for the year ended December 31, 2020 - June 2, 2021. | 872 |
| 18.7. | Greg Clark, Chair, Calgary Metropolitan Region Board, Re: Prioritized Transportation Improvements - June 3, 2021 | 886 |
| 18.8. | Doug MacPherson, Mayor, Town of Claresholm, Re: Walk to Breathe - June 7, 2021 | 899 |

19. BOARD AND COMMITTEE MINUTES

| | | |
|-------|--|-----|
| 19.1. | Family and Community Support Services Committee - June 2, 2021 | 900 |
| 19.2. | Finance and Audit Committee - June 9, 2021 | 906 |
| 19.3. | Municipal Planning Commission - May 20, 2021 | 909 |
| 19.4. | Okotoks Public Library Board - April 8, 2021 | 915 |
| 19.5. | United Way / Okotoks Partnership Committee - May 11, 2021 | 920 |

20. ADJOURNMENT



THE TOWN OF OKOTOKS REGULAR COUNCIL MEETING AGENDA

Monday, June 14, 2021

1:00 PM - In Camera Session (Closed to Public)

3:00 PM - Public Session via Live Stream

Pages

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. IN CAMERA ITEMS

(At Council's discretion, this portion of the meeting may be closed to the public if a matter to be discussed is within one of the exceptions to disclosure in Division 2 of Part I of the *Freedom of Information and Protection of Privacy (FOIP) Act*.)

3.1. Commercial Land Strategy (FOIP s. 24(1)(a)(g))

3.2. Legal Opinion (FOIP s. 24(1)(a) and 27(1)(a)(c)(iii))

3.3. Storage Space (FOIP s. 16(1)(c)(iii))

3.4. Citizen Member Appointments (FOIP s. 17(4)(d)(f) and 17(5)(f)(i))

4. DELEGATIONS / QUESTION PERIOD BY THE PUBLIC - 3:00 P.M. OR (6:00 P.M. by prior arrangement)

Requests to present live via remote access during this portion of the meeting can be made up until 12:00 noon the day of the Council Meeting.

Written submissions for this portion of the meeting must be received no later than 12:00 noon the Wednesday prior to the Council Meeting.

5. MOTION(S) ARISING FROM IN CAMERA

6. MINUTES OF PREVIOUS MEETING

6.1. Regular Council Meeting - May 25, 2021

6

7. CHIEF ADMINISTRATIVE OFFICER'S REPORT

16

8. BUSINESS

- 8.1. Commercial and Industrial Growth Study 25
- Recognizing that one of Council's Strategic Priorities is to Foster Economic Vitality, the Community Growth, Investment and Sustainability Division has been investigating the nature of the commercial and industrial market in Okotoks to assist in being able to position the Town most effectively at attracting employment uses to the Town.
- 8.2. Removing the Name "Dewdney" from Dewdney Park 48
- Removing the name "Dewdney" from Dewdney Park as a step towards reconciliation, and respect for the residential school children is provided to Council for consideration.
- 8.3. Calgary Metropolitan Region Growth Plan 51
- A summary of the approved regional Growth Plan, Servicing Plan, and Regional Evaluation Framework by the Calgary Metropolitan Board is provided to Council as information.
- 8.4. Cat Shelter Opportunities 284
- Council directed Administration to contact the City of Calgary and determine if there is an opportunity to partner on a facility for housing of cats found at large.
- 8.5. Alberta Urban Municipalities Association 2021 Resolution 306
- The Alberta Urban Municipalities Association 2021 draft resolution regarding the expansion of authority to support affordable housing is provided for approval.
- 8.6. Financial Reserves Policy 310
- The draft Financial Reserves Policy GP-F-2.5 is provided to Council for approval.
- 8.7. First Quarter Variance Report 327
- The 2021 First Quarter Variance Report is provided to Council for information.

9. **BYLAWS**

- 9.1. Bylaw 18-21 - Borrowing Bylaw 335
- The purpose of Bylaw 18-21 is to authorize the incurring of indebtedness to finance upgrades to the Waste Water Treatment Plant Phase 2 project within the Town of Okotoks for \$7.000 Million.
- This Bylaw is ready for first reading only.

- 9.2. Bylaw 20-21 - To Rescind Wind Walk Area Structure Plan Bylaw (AS AMENDED ADDITION) 339

The purpose of Bylaw 20-21 is to rescind the Wind Walk Area Structure Plan (ASP) Bylaw 18-17.

This Bylaw is ready for first reading only.

10. NOTICES OF MOTION

11. MOTIONS RE NOTICES

12. CORRESPONDENCE FOR ACTION

- 12.1. Jonahtan Weal, Director, Business Development, Southland, Re: Support for Ebus Service BC to Alberta - May 25, 2021 341

- 12.2. Kelly Carter, Chief Executive Officer, Lifesaving Society - Re: National Drowning Prevention Week Proclamation - May 28, 2021 343

13. COUNCILLOR INQUIRIES AND SUGGESTIONS

14. COUNCIL REPRESENTATIVE REPORTS

15. STATUTORY / NON-STATUTORY HEARING(S) - 7:00 P.M.

Due to COVID-19 members of the public are unable to physically attend Statutory Public Hearings. Written submissions received by 12:00 P.M. on Wednesday, June 9, 2021 regarding Bylaw 17-21 - New Land Use Bylaw from members of the public have been included in the agenda package. Submissions received after this and up until 7:00 P.M. on June 14, 2021 will be summarized and read during the Hearing. Requests to appear live and provide comment via remote access during the Hearing will be accepted up until 12:00 P.M. on June 14, 2021.

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- 15.1. Bylaw 17-21 - New Land Use Bylaw 345

The purpose of Bylaw 17-21 is to provide a new, comprehensive, and updated Land Use Bylaw for the Town of Okotoks.

16. BYLAWS / BUSINESS RELATING TO HEARING(S)

- 16.1. Bylaw 17-21 - New Land Use Bylaw

Depending on the outcome of the Public Hearing, this Bylaw is ready for second and third readings.

17. RESPONSES TO COUNCILLOR INQUIRIES AND SUGGESTIONS

- | | | |
|-------|---|-----|
| 17.1. | Councillor Sands - Safety Messaging During Nesting Season | 794 |
| 17.2. | Councillor Thorn - Rich's Playground Upgrade | 795 |

18. CORRESPONDENCE FOR INFORMATION

- | | | |
|---------|---|-----|
| 18.1. | Sandra Kitchen, Deputy Clerk-Council Services, Town of Kingsville, Re: Resolution Regarding Bill C-21 - March 25, 2021 | 797 |
| 18.2. | Correspondence to the Honourable Kaycee Madu, Minister of Justice and Solicitor General, Re: Support for the RCMP | |
| 18.2.1. | Mayor John Rimmer, Village of Caroline - May 4, 2021 | 799 |
| 18.2.2. | Mayor Donna Buchinski, Town of Falher - May 20, 2021 | 800 |
| 18.2.3. | Mayor Janet Jabush, Mayerthorpe - May 25, 2021 | 802 |
| 18.2.4. | Mayor Scott Schroeder, Village of Milo - May 25, 2021 | 803 |
| 18.2.5. | Mayor Gentry Hall, Town of Stavely - May 26, 2021 | 805 |
| 18.2.6. | Reeve Craig Lukinuk, Smoky Lake County - May 31, 2021 | 806 |
| 18.2.7. | Chair Dave Schebek, Improvement District No. 9 - May 31, 2021 | 808 |
| 18.2.8. | Mayor Jim Wood, Red Deer County - June 4, 2021 | 809 |
| 18.3. | Marigold Library System, Re: Marigold Report and Financial Statements to December 31, 2020 - May 21, 2021 | 811 |
| 18.4. | Shannon Stubbs, Member of Parliament Lakeland, Re: Bill C-21 - May 28, 2021 | 866 |
| 18.5. | Shelly Armeneau, Office Manager, Calgary Metropolitan Region Board, Re: Correspondence to the Minister of Municipal Affairs and CMRB Board with the Regional Evaluation Framework document - June 1, 2021 | 868 |
| 18.6. | Foothills Okotoks Recreation Society Financial Statements for the year ended December 31, 2020 - June 2, 2021. | 879 |
| 18.7. | Greg Clark, Chair, Calgary Metropolitan Region Board, Re: Prioritized Transportation Improvements - June 3, 2021 | 893 |
| 18.8. | Doug MacPherson, Mayor, Town of Claresholm, Re: Walk to Breathe - June 7, 2021 | 906 |

19. BOARD AND COMMITTEE MINUTES

- | | | |
|-------|--|-----|
| 19.1. | Family and Community Support Services Committee - June 2, 2021 | 907 |
|-------|--|-----|

| | | |
|-------|---|-----|
| 19.2. | Finance and Audit Committee - June 9, 2021 | 913 |
| 19.3. | Municipal Planning Commission - May 20, 2021 | 916 |
| 19.4. | Okotoks Public Library Board - April 8, 2021 | 922 |
| 19.5. | United Way / Okotoks Partnership Committee - May 11, 2021 | 927 |

20. ADJOURNMENT



**TOWN OF OKOTOKS
ADOPTED MINUTES
FOR THE REGULAR COUNCIL MEETING
HELD MONDAY, JUNE 14, 2021
VIA VIDEOCONFERENCE**

**COUNCIL MEMBERS
PRESENT**

Deputy Mayor Rockley
Councillor Christophers
Councillor Heemeryck
Councillor Sands
Councillor Thorn
Councillor Watrin

**COUNCIL MEMBERS
ABSENT**

Mayor Robertson

**ADMINISTRATION
PRESENT**

Elaine Vincent, Chief Administrative Officer
Patty Huber, Legislative Services Administrator

1. CALL TO ORDER

Deputy Mayor Rockley called the meeting to order at 1:05 p.m. and provided a traditional land acknowledgment.

2. ADOPTION OF AGENDA

MOTION 21.C.251

By Councillor Thorn

That the agenda for the June 14, 2021 Regular Council Meeting be adopted as presented.

Carried

3. IN CAMERA ITEMS

MOTION 21.C.252

By Councillor Heemeryck

That the meeting go In Camera as the matters to be discussed during this portion of the meeting are within one of the exceptions to disclosure in Division 2 of Part I of the *Freedom of Information and Protection of Privacy (FOIP) Act* at 1:07 p.m.

Carried Unanimously

3.1 Commercial Land Strategy (*FOIP* s. 24(1)(a)(g))

In Attendance

Deputy Mayor Rockley

Councillors Christophers, Heemeryck, Sands, Thorn, and Watrin

Chief Administrative Officer Elaine Vincent

Chief Financial Officer Ralph Ettenauer

Director of Community Growth, Investment & Sustainability Jeff Greene

Director of Community Health & Safety Susan Laurin

Director of Operations & Utilities Chris Radford

Community Growth & Investment Manager Colleen Thome

Legislative & Policy Services Manager Cathy Duplessis

Development Planner Craig Davies

IT Support Analyst Trevor Laboucane (arrived at 1:40 p.m.)

Thin Air Consultants Greg Hart and Bob Tomes

Legislative Services Administrators Patty Huber and Janice Storch

3.2 Legal Opinion (*FOIP* s. 24(1)(a) and 27(1)(a)(c)(iii))

3.3 Storage Space (*FOIP* s. 16(1)(c)(iii))

3.4 Citizen Member Appointments (*FOIP* s. 17(4)(d)(f) and 17(5)(f)(i))

In Attendance

Deputy Mayor Rockley

Councillors Christophers, Heemeryck, Sands, Thorn, and Watrin

Chief Administrative Officer Elaine Vincent

Chief Financial Officer Ralph Ettenauer

Director of Community Growth, Investment & Sustainability Jeff Greene

Director of Community Health & Safety Susan Laurin

Director of Operations & Utilities Chris Radford

Legislative & Policy Services Manager Cathy Duplessis

IT Support Analyst Trevor Laboucane

Legislative Services Administrators Patty Huber and Janice Storch

MOTION 21.C.253

By Councillor Christophers

That the meeting come out of In Camera at 3:02 p.m.

Carried Unanimously

4. DELEGATIONS / QUESTION PERIOD BY THE PUBLIC

None

5. MOTION(S) ARISING FROM IN CAMERA

MOTION 21.C.254

By Councillor Heemeryck

That the agenda for the June 14, 2021 Regular Council Meeting be amended by adding the following item:

9.2 Bylaw 20-21 - To Rescind Bylaw 18-17 - Wind Walk Area Structure Plan
Carried Unanimously

MOTION 21.C.255

By Councillor Christophers

That authorization be provided to lease Town owned land to the Okotoks Oilers Athletic Association at the rates contained within In Camera report 3.3.

Carried Unanimously

MOTION 21.C.256

By Councillor Christophers

That Kayley Dalziel and Ryden Thomas be appointed to the Family and Community Support Services Committee for one year terms ending June 30, 2022.

Carried Unanimously

6. MINUTES OF PREVIOUS MEETING

6.1 Regular Council Meeting - May 25, 2021

MOTION 21.C.257

By Councillor Watrin

That the minutes of the Regular Council Meeting held May 25, 2021 be adopted as presented.

Carried Unanimously

7. CHIEF ADMINISTRATIVE OFFICER'S REPORT

Elaine Vincent, Chief Administrative Officer, reviewed the report containing information from Corporate Support; Community Growth, Investment & Sustainability; and Community Health & Safety.

MOTION 21.C.258

By Councillor Watrin

That the Chief Administrative Officer's Report for June 14, 2021 be received as information.

Carried Unanimously

MOTION 21.C.259

By Councillor Thorn

That June be proclaimed as Recreation and Parks Month in the Town of Okotoks on an annual basis.

Carried Unanimously

8. BUSINESS

8.1 Commercial and Industrial Growth Study

Jeff Greene, Community Growth, Investment & Sustainability Director, reviewed the report containing the issue that recognizing that one of Council's Strategic Priorities is to Foster Economic Vitality, the Community Growth, Investment & Sustainability Division has been investigating the nature of the commercial and industrial market in Okotoks to assist in being able to position the Town most effectively at attracting employment uses to the Town.

MXD Development Strategists Principal Andrew Fayn was in attendance to provide the Okotoks Commercial & Industrial Growth Study presentation.

MOTION 21.C.260

By Councillor Heemeryck

That the Commercial and Industrial Growth Study report be received as information.

Carried Unanimously

8.2 Removing the Name "Dewdney" from Dewdney Park

Kathy Coutts, Museum & Archives Specialists, reviewed the report containing the issue that removing the name "Dewdney" from Dewdney Park as a step towards reconciliation, and respect for the residential school children is provided to Council for consideration.

Deputy Mayor Rockley requested that the Acting Mayor assume the Chair.

Acting Mayor Christophers assumed the Chair at 4:12 p.m.

MOTION

By Deputy Mayor Rockley

That approval to remove "Dewdney" from Dewdney Park be provided.

Deputy Mayor Rockley requested the motion be withdrawn.

Acting Mayor Christophers inquired if there were any objections and the motion was withdrawn with the unanimous consent of Council.

MOTION 21.C.261

By Councillor Heemeryck

That consideration of the "Removing the Name "Dewdney" from Dewdney Park" report be postponed up to eight (8) weeks to allow time to consult with the indigenous community regarding the renaming of Dewdney Park.

Carried Unanimously

Deputy Mayor Rockley resumed the Chair at 4:31 p.m.

Break at 4:32 p.m. Reconvene at 4:40 p.m.

8.3 Calgary Metropolitan Region Growth Plan

Michelle Grenwich, Planner, reviewed the report containing the issue that a summary of the approved regional Growth Plan, Servicing Plan, and Regional Evaluation Framework by the Calgary Metropolitan Board is provided to Council as information.

MOTION 21.C.262

By Councillor Sands

That the Calgary Metropolitan Region Growth Plan report be received as information.

Carried Unanimously

8.4 Cat Shelter Opportunities

Peter Stapley, Municipal Enforcement Manager, reviewed the report containing the issue that Council directed Administration to contact the City of Calgary and determine if there is an opportunity to partner on a facility for housing of cats found at large.

MOTION 21.C.263

By Councillor Heemeryck

That the report be received as information.

Carried Unanimously

8.5 Alberta Urban Municipalities Association 2021 Resolution

The Alberta Urban Municipalities Association 2021 draft resolution regarding the expansion of authority to support affordable housing is provided for approval.

MOTION 21.C.264

By Councillor Thorn

That the draft resolution regarding the 'Expansion of Authority to Support Affordable Housing' be approved and submitted to the Alberta Urban Municipalities Association for consideration at the 2021 convention as recommended by the Governance and Priorities Committee.

Carried Unanimously

8.6 Financial Reserves Policy

Ralph Ettenauer, Chief Financial Officer, reviewed the report containing the issue that the draft Financial Reserves Policy GP-F-2.5 is provided to Council for approval.

MOTION 21.C.265

By Councillor Thorn

That the Financial Reserves Policy GP-F-2.5 be approved as amended to incorporate interest as discussed by Council.

Carried Unanimously

MOTION 21.C.266

By Councillor Sands

That the consolidation of the Health Spending Account, Benefit Program Contingency, and Policing Reserve Accounts be approved and the amounts currently in the three Reserve Accounts be added to the General Operating Reserve Account, as recommended by the Finance and Audit Committee.

Carried Unanimously

8.7 First Quarter Variance Report

Ralph Ettenauer, Chief Financial Officer, reviewed the report containing the issue that the 2021 First Quarter Variance Report is provided to Council for information.

MOTION 21.C.267

By Councillor Sands

The 2021 First Quarter Variance Report be received as information as recommended by the Finance and Audit Committee.

Carried Unanimously

9. **BYLAWS**

9.1 Bylaw 18-21 - Borrowing Bylaw

Ralph Ettenauer, Chief Financial Officer, reviewed the report containing the issue that the purpose of Bylaw 18-21 is to authorize the incurring of indebtedness to finance upgrades to the Waste Water Treatment Plant Phase 2 project within the Town of Okotoks for \$7.000 Million.

MOTION 21.C.268

By Councillor Watrin

That Bylaw 18-21 be read a first time.

Carried Unanimously

9.2 Bylaw 20-21 - Rescind the Wind Walk Area Structure Plan Bylaw 18-17

Jeff Greene, Community Growth, Investment & Sustainability Director, reviewed the report containing the issue that the purpose of Bylaw 20-21 is to rescind Bylaw 18-17 - Wind Walk Area Structure Plan.

MOTION 21.C.269

By Councilor Thorn

That Bylaw 20-21 be read a first time.

Carried Unanimously

10. **NOTICES OF MOTION**

None

11. **MOTIONS RE NOTICES**

None

12. CORRESPONDENCE FOR ACTION

12.1 Jonathan Weal, Director, Business Development, Southland, Re: Support for Ebus Service BC to Alberta - May 25, 2021

MOTION 21.C.270

By Councillor Sands

That correspondence item 12.1 be received as information and that a request be sent to Southland to provide more information.

Carried Unanimously

12.2 Kelly Carter, Chief Executive Officer, Lifesaving Society - Re: National Drowning Prevention Week Proclamation - May 28, 2021

MOTION 21.C.271

By Councillor Thorn

That July 18 to 24, 2021 be proclaimed National Drowning Prevention Week in the Town of Okotoks.

Carried Unanimously

Break at 5:35 p.m. Reconvene at 7:08 p.m.

15. STATUTORY / NON-STATUTORY HEARING(S)

15.1 Bylaw 17-21 - New Land Use Bylaw

Deputy Mayor Rockley opened the Public Hearing for Bylaw 17-21 - New Land Use Bylaw at 7:09 p.m.

Colin Gainer, Senior Planner, reviewed the report containing the issue that the purpose of Bylaw 17-21 is to provide a new, comprehensive, and updated Land Use Bylaw for the Town of Okotoks.

Melissa Ayers, Plateia Planning, was in attendance to provide a presentation regarding Bylaw 17-21.

Council asked questions of Administration and the Consultant and the questions were answered.

Deputy Mayor Rockley called on Gary Waters to make his presentation. Council asked questions of Gary Waters and the questions were answered.

Deputy Mayor Rockley called on Rob Arsenault to make his presentation. Council asked questions of Rob Arsenault and the questions were answered.

Deputy Mayor Rockley called on Blair Hann to make his presentation. Council asked questions of Blair Hann and the questions were answered.

Deputy Mayor Rockley called on Kelvin Siemens to make his presentation.

Council asked Administration to provide a summary of submissions received after 12:00 p.m. on June 9, 2021 to 7:00 p.m. on June 14, 2021.

Administration provided a response that two submissions were received in response to Bylaw 17-21 and read the submissions into the record.

Deputy Mayor Rockley called for a 30-minute break to provide an opportunity for members of the public to submit responses to new information that may have arisen from Administration’s report.

Break at 8:22 p.m. Reconvene at 8:52 p.m.

Deputy Mayor noted that two submissions were received during the break and read the submissions into the record.

Council asked questions of Administration and the questions were answered.

MOTION 21.C.272

By Councillor Heemeryck

That the Public Hearing for Bylaw 17-21 close at 9:41 p.m.

Carried Unanimously

16. BYLAWS / BUSINESS RELATING TO HEARING(S)

16.1 Bylaw 17-21 - New Land Use Bylaw

MOTION 21.C.273

By Councillor Sands

That Bylaw 17-21 be read a second time with the addition of amendments proposed by Administration in the document titled “First Reading Version with Proposed Amendments” in the agenda package.

Carried Unanimously

MOTION 21.C.274

By Councillor Heemeryck

That the Council meeting proceed past 9:45 p.m. to finish the business of the agenda.

Carried

Break at 9:56 p.m. Reconvene at 10:06 p.m.

MOTION 21.C.275

By Councillor Thorn

That all maps pertaining to 370007 40 Street East (Portion of NW ¼ 22-20-29-W4M) and 40029 370 Avenue East (Portion of NE ¼ 22-20-29-W4M) in Bylaw 17-21 be changed from Natural Areas District (NA) to Agricultural & Land Holdings District (ALH).

Carried Unanimously

MOTION

By Councillor Thorn

That the phrases “shall be constructed of wire mesh” pertaining to deer deterrent fencing options in Bylaw 17-21 be removed.

Councillor Thorn requested the motion be withdrawn.

Deputy Mayor Rockley inquired if there were any objections and the motion was withdrawn with the unanimous consent of Council.

MOTION 21.C.276

By Councillor Heemeryck

That Bylaw 17-21 as amended be read a third time and passed.

Carried Unanimously

17. RESPONSES TO COUNCILLOR INQUIRIES AND SUGGESTIONS

17.1 Councillor Sands - Safety Messaging During Nesting Season

17.2 Councillor Thorn - Rich's Playground Upgrade

MOTION 21.C.277

By Councillor Sands

That the Responses to Councillor Inquiries and Suggestions be received as information.

Carried Unanimously

18. CORRESPONDENCE FOR INFORMATION

- 18.1 Sandra Kitchen, Deputy Clerk-Council Services, Town of Kingsville, Re: Resolution Regarding Bill C-21 - March 25, 2021
- 18.2 Correspondence to the Honourable Kaycee Madu, Minister of Justice and Solicitor General, Re: Support for the RCMP
 - 18.2.1 Mayor John Rimmer, Village of Caroline - May 4, 2021
 - 18.2.2 Mayor Donna Buchinski, Town of Falher - May 20, 2021
 - 18.2.3 Mayor Janet Jabush, Mayerthorpe - May 25, 2021
 - 18.2.4 Mayor Scott Schroeder, Village of Milo - May 25, 2021
 - 18.2.5 Mayor Gentry Hall, Town of Stavely - May 26, 2021
 - 18.2.6 Reeve Craig Lukinuk, Smoky Lake County - May 31, 2021
 - 18.2.7 Chair Dave Schebek, Improvement District No. 9 - May 31, 2021
 - 18.2.8 Mayor Jim Wood, Red Deer County - June 4, 2021
- 18.3 Marigold Library System, Re: Marigold Report and Financial Statements to December 31, 2020 - May 21, 2021
- 18.4 Shannon Stubbs, Member of Parliament Lakeland, Re: Bill C-21 - May 28, 2021
- 18.5 Shelly Armeneau, Office Manager, Calgary Metropolitan Region Board, Re: Correspondence to the Minister of Municipal Affairs and CMRB Board with the Regional Evaluation Framework document - June 1, 2021
- 18.6 Foothills Okotoks Recreation Society Financial Statements for the year ended December 31, 2020 - June 2, 2021.
- 18.7 Greg Clark, Chair, Calgary Metropolitan Region Board, Re: Prioritized Transportation Improvements - June 3, 2021
- 18.8 Doug MacPherson, Mayor, Town of Claresholm, Re: Walk to Breathe - June 7, 2021

MOTION 21.C.278

By Councillor Christophers

That Correspondence for Information items 18.1 to 18.8 be received as information.

Carried Unanimously

13. COUNCILLOR INQUIRIES AND SUGGESTIONS

None

14. COUNCIL REPRESENTATIVE REPORTS

None

19. BOARD AND COMMITTEE MINUTES

- 19.1 Family and Community Support Services Committee - June 2, 2021
- 19.2 Finance and Audit Committee - June 9, 2021
- 19.3 Municipal Planning Commission - May 20, 2021
- 19.4 Okotoks Public Library Board - April 8, 2021
- 19.5 United Way / Okotoks Partnership Committee - May 11, 2021

MOTION 21.C.279

By Councillor Sands

That the minutes of the Family and Community Support Services Committee dated June 2, 2021; the Finance and Audit Committee dated June 9, 2021; the Municipal Planning Commission dated May 20, 2021; the Okotoks Public Library Board dated April 8, 2021; and the United Way/Okotoks Partnership Committee dated May 11, 2021 be received as information.

Carried Unanimously

20. ADJOURNMENT**MOTION 21.C.280**

By Councillor Watrin

That the June 14, 2021 Regular Council Meeting adjourn at 10:49 p.m.

Carried Unanimously