

To: COUNCIL

Meeting Date: 6/17/2025

Subject: **Boundary Adjustment Between the Township of North Dumfries and the City of Cambridge**

Submitted By: David Calder, City Manager

Prepared By: David Calder, City Manager

Report No.: 25-014-OCM

File No.: C11

Wards Affected: All Wards

RECOMMENDATION(S):

THAT Cambridge Council receive the minutes of the Joint Public Meeting held on January 28, 2025, to consider the proposed City of Cambridge annexation of lands in the Town of North Dumfries;

AND THAT the Council of the City of Cambridge enact a by-law to confirm its support for the proposed restructuring proposal as contained in the draft Boundary Adjustment Agreement set out in Appendix “A”, and to confirm all procedural requirements were complied with in considering the restructuring proposal and draft Boundary Adjustment Agreement;

AND THAT the Council of the City Cambridge forward the restructuring proposal and draft Boundary Adjustment Agreement to the Region of Waterloo for approval pursuant to subsection 173 (1) of the Municipal Act, 2001;

AND FURTHER THAT the City of Cambridge submit the restructuring proposal and Boundary Adjustment Agreement package to the Minister of Municipal Affairs and Housing for approval pursuant to subsection 173 (1) of the Municipal Act, 2001.

EXECUTIVE SUMMARY:

Purpose

The purpose of this report is to seek Council approval of the restructuring proposal and the associated Boundary Agreement between the City of Cambridge and the Township of North Dumfries to affect the annexation of certain lands as a minor boundary

adjustment from the Township to the City. Upon approval, a land survey will be completed, and the approval of the Region of Waterloo Council will be requested followed by a submission to the Minister of Municipal Affairs and Housing.

Key Findings

A Boundary Adjustment Agreement has been negotiated between the City of Cambridge and the Township of North Dumfries. Approval of the agreement is necessary to move to the next step in the approval process by seeking the approval of boundary proposal adjustment by the Region of Waterloo Council.

Financial Implications

As identified in the Boundary Adjustment Agreement, there are a number of financial implications for both the City and the Township. The agreement provides for a lump sum payment to the Township of \$3.5 million for lands identified as the “West Lands” and for lands identified as the “South Lands” compensation to the Township of \$200 per unit created through the issuance of building permits calculated annually.

STRATEGIC ALIGNMENT:

☒ Strategic Action

Objective(s): PLANNING FOR GROWTH - Provide for a mix of development, uses and amenities in order to meet the needs of a changing and diverse population

Strategic Action: Not Applicable

OR

☐ Core Service

Program: Not Applicable

Core Service: Not Applicable

BACKGROUND:

A joint public meeting was held in the City of Cambridge Council Chambers with all relevant Council members attending on behalf of each of the City of Cambridge and the Township of North Dumfries. Notice of the public meeting to consider the proposed restructuring was provided by publication in local newspapers of general circulation, by the printed public agenda and on the City’s website.

Three members of the public appeared at the public meeting to make deputation on the restructuring proposal and written comments were also provided in the agenda package. The minutes of the Joint Public Meeting held on January 28, 2025, are contained as an attachment to this report.

The Boundary Adjustment impacts three (3) properties currently in the Township of North Dumfries as follows: West Lands, South Lands and Blair & Esther Lands as visually identified in Appendix “B”.

ANALYSIS:

Process

The process for a Boundary Adjustment is well defined in Provincial Legislation, specifically section 173 of the Ontario Municipal Act. The City and Township have complied with all procedural requirements to consider the boundary adjustment and the subsequent Boundary Agreement. The next steps include obtaining the approval of the Council of the Region of Waterloo, followed by the approval of the Minister of Municipal Affairs and Housing. The Minister will provide any approval of the boundary adjustment by Ministerial Order.

Once approved, there will be several transitional matters to implement as outlined in Appendix “C” - Boundary Adjustment Agreement which is attached.

EXISTING POLICY / BY-LAW(S):

There is no existing policy/by-law. Rather, the current municipal boundaries were established in the by-law creating the Region of Waterloo in 1973. There have been other municipal boundary adjustments in other municipalities in the Region over the years. A by-law will be required to confirm the Council’s support of the Boundary Adjustment Agreement.

FINANCIAL IMPACT:

As noted, there are a number of financial impacts associated with the boundary adjustment, and they are contained in the Boundary Adjustment Agreement. Funding is available through the Tax Rate Reserve Fund for the lump sum payment of \$3.5 million and the balance of required funding can be covered within existing operating budgets. These are negligible costs for the lands in a rural district of existing residential lots, whose existing property boundaries straddle the Township / City, in order to bring the total portion of each property into the City boundary.

PUBLIC VALUE:

Collaboration:

Collaboration has involved working with the staff of the Township of North Dumfries to negotiate a Boundary Adjustment Agreement. In addition, the public was provided an opportunity to comment on the proposed boundary adjustment and agreement at a joint public meeting held in January.

Engagement:

The public was provided an opportunity to comment on the proposed boundary adjustment and agreement at a joint public meeting held in January.

ADVISORY COMMITTEE INPUT:

Not applicable.

PUBLIC INPUT:

The Council of the City of Cambridge and the Council of the Township of North Dumfries held a Joint Public Meeting on January 28, 2025, to consider the proposed City of Cambridge annexation of lands for the Township of North Dumfries. The public was provided an opportunity to provide input through public delegations as well as written correspondence received at the Joint Public Meeting.

INTERNAL / EXTERNAL CONSULTATION:

The city's internal legal division was the lead in drafting the Boundary Adjustment Agreement. The city's planning division provided expertise on the land use planning issues and assisting with boundary identification. Finance, along with some outside retained financial advice ensured fair compensation for the lands being annexed.

CONCLUSION:

The effect of the restructuring proposal is that upon approval by the Minister of Municipal Affairs and Housing the subject lands will no longer be part of the Township of North Dumfries and will become part of the City of Cambridge. In addition, the conditions as contained in the Boundary Agreement between the City of Cambridge and the Township of North Dumfries will be in force and effect.

REPORT IMPACTS:

Agreement: **Yes**

By-law: **Yes**

Budget Amendment: **No**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 25-014-OCM Appendix A - Draft Boundary Adjustment Agreement
2. 25-014-OCM Appendix B – Location Maps
3. 25-014-OCM Appendix C – Minutes – Joint Public Meeting – January 28, 2025
4. 25-014-OCM Appendix D – By-law to Confirm Support for Minor Restructuring Proposal and authority to enter into the Boundary Adjustment Agreement with the Township of North Dumfries