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Abstract

This thesis examines a protracted planning process in the Saskatoon city-region. More specifically, it examines the planning process which occurred between 1992 and 2004 regarding a residential housing development on The Willows Golf Course. This thesis reveals that the protracted planning process was the result of several factors including: the fragmented character of governance; the planning and development policies and decision-making process in the Saskatoon city-region; the multiplicity of actors; and the political dynamics that arose in an intermunicipal conflict between the City of Saskatoon and the Rural Municipality of Corman Park.

The thesis concludes that this case study provides some important lessons for both governments and planners in the Saskatoon city-region as well as other city-regions on opportunities and obstacles for improving planning processes. The first major lesson is that problems emerge when an innovative proposal lands in the context of an antiquated policy framework that cannot adequately deal with it. The second major lesson is that the current regional planning mechanisms are not conducive to comprehensive long-term planning for the city-region. The third lesson is that in some cases the opposition is to changes to the traditional decision-making processes as much as it is to the proposed project. The fourth major lesson is that timely and effective communication is very important for determining character of the political dynamics surrounding a development proposal. Miscommunication can create problematic political dynamics. The fifth major lesson is that economic considerations are inextricably tied to the politics of planning and development.

This study concludes with two major recommendations. The first recommendation is that in order to overcome the negative outcomes of fragmented governance systems, formal structures and protocols must be improved to ensure that municipalities continue to communicate effectively with one another in difficult circumstances created by increasing development pressure, especially when they are likely to disagree on a particular development proposal. The second recommendation is that given that there is no guarantee that neighbouring municipal governments can always reach agreement between them, legitimate and efficient dispute settlement mechanisms are required both at the regional level and at the provincial level.
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I must also thank the community stakeholders who agreed to participate in this process and contributed a great deal to the telling of The Willows Residential Development story. Furthermore, I must acknowledge and thank my friends and family for their understanding and assistance throughout this process. To my many preliminary draft editors, Greg Thomarat, Rachel Clare, Rhiannon Stromberg, Ashley Metz, my greatest thanks. To my colleagues in the Department of Political Studies graduate program, your friendship will not be forgotten no matter where life may take you. Thank you!
Dedication

This thesis is dedicated to Kevin, Alan, JoAnn, Michelle, Greg and Rufus, my family.
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Chapter 1: Introduction

1.1 Introduction

In 1992 and 1999 two different owners and developers attempted to receive approval from the City of Saskatoon to construct an urban-residential housing development on The Willows Golf Course lands, which were then located within the boundaries of the Rural Municipality (RM) of Corman Park. The first development proposal was denied, the second was approved after years of negotiations. Construction of the residential golf course development did not get underway until 2004. The protracted timeline of the negotiations was the result of several factors including the moderately fragmented character of governance within the city-region; the planning and development policies and decision-making processes in the Saskatoon city-region; the multiplicity of actors; the technical rationality required of planning and development policy-making; as well as the political dynamics which evolved into a full-blown intermunicipal conflict for the first time in the history of the Saskatoon city-region. The examination of the Willows Residential Development (WRD) case study provides important lessons for governments and planners in the Saskatoon city-region as well as other city-regions on opportunities and obstacles for improving planning processes, policies, and intermunicipal political dynamics in the context of fragmented city-region governance and increasing growth and development pressures.

The City of Saskatoon is located along the banks of the South Saskatchewan River in central Saskatchewan approximately 225 kilometres north of the United States border and approximately 300 km from the provincial borders of Alberta and Manitoba.\(^1\) Saskatoon is the largest city in the province and is quickly growing with a current population of 212,000 residents. The Saskatoon city-region (census metropolitan area) has a population of over 235,000 residents and the City of Saskatoon is now planning for future growth up to 400,000 people. In addition, Saskatoon is the most cost effective place to live in Western Canada.\(^2\) In 2005, Saskatoon’s Gross Domestic Product (GDP) was ranked as one of the highest in the country at 5.1 percent. Saskatoon and Regina

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\(^2\) Ibid.
together are considered one of the nine ‘hub cities’ in Canada.³

The City of Saskatoon is surrounded by the RM of Corman Park. There are ten organized hamlets and five larger urban communities within the district of Corman Park including Osler, Langham, Dalmeny, Warman and Martensville. There are nearly 300 rural municipalities in Saskatchewan but Corman Park is the most densely populated with over 8,000 residents. It also comprises one of the largest land masses of these rural municipalities. Corman Park offers proximity to the City of Saskatoon and to all of the city’s urban amenities, while having access to masses of pristine land prime for upscale residential development.⁴ The two municipalities have a long-standing tradition of working together to coordinate planning and growth in the region.

Fragmentation in Saskatchewan is horizontal in that there are many municipalities operating within a single-tier system. The province has approximately 1,000 municipal entities. This is the second highest number of such entities in Canada and the lowest average population per entity.⁵ Joint policy agreements, special service commissions, boards and agencies are commonly mechanisms used to minimize the adverse effects of fragmentation and have enabled well-coordinated planning and development for years.⁶ Governance is fragmented in the Saskatoon city-region primarily between Saskatoon City Council and Corman Park Council.⁷ The Saskatoon District Planning Commission (SDPC) was established to coordinate planning and development on a region-wide basis. The SDPC provided a system of checks and balances which enabled the two municipal councils to manage growth, mitigate risk and coordinate planning and development at the regional level for over fifty years.

³ Saskatoon Regional Economic Development Authority, “Saskatoon Shines: It’s in the Numbers!” (Saskatoon: Tourism Saskatchewan), 1-2.
The remainder of this introductory chapter consists of several sections outlining the following: the background and core themes, the main objectives and research questions, the theoretical perspectives, the politics of planning in Western Canada, the value of this thesis, the methodology used in producing this thesis, and an overview of the chapters.

1.2 Background and Core Themes

Despite fragmented governance structures in Saskatchewan, the planning systems in the Saskatoon city-region have worked to manage and coordinate growth and development efforts successfully since 1956. The SDPC was created in 1956 and has long served as a forum for intermunicipal cooperation between the two municipal councils. In fact, the SDPC has been recognized and revered across the country for its many planning innovations and achievements. Special service commissions in fragmented single-tier municipal governance systems, such as the SDPC, are a form of further horizontal fragmentation which work to deliver services across municipal boundaries. This fragmentation is horizontal in that the SDPC requires the full participation of both municipalities in order to function. Some vertical fragmentation also exists because in addition to the two municipal governments the provincial government also has a regulatory and oversight role in planning and development in this city-region. During the WRD negotiations, the Saskatoon city-region faced pressure due to growth and increasing demand for the delivery of services across municipal boundaries. As development pressures increased, the urban-rural fringe region was faced with challenging issues such as disparities in the quality of municipal services, competition for development, increasing urbanization of a rural area, and competition for tax revenues. The result was intermunicipal competition and conflict between the City of Saskatoon and the RM of Corman Park between 1992 and 2004.

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11 Ibid., 9.
The intermunicipal conflict which arose over the WRD forced a change in the approach to dealing with fragmentation in the Saskatoon city-region. The WRD proposal and subsequent negotiations challenged the fundamental principles and philosophies which had guided planning, development, and intermunicipal relations in the Saskatoon city-region for years. This dissertation will glean a greater understanding of the issues faced by the respective municipal governments, illustrate the short and long-term implications of the WRD negotiations and highlight the key policy changes for planning, development and intermunicipal relations which came about as a result. Thus, this thesis will analyze the policies, processes and politics related to the WRD from 1992-2004. The discussion will be based around four core themes which emerged during the negotiations: first, the modification of city-region planning policies aimed at optimizing economic development opportunities for the Saskatoon city-region, and in particular the proposal to construct a residential housing development on a golf course; second, the difficulties presented by the adjudication of the annexation request for intermunicipal relations; third, appropriate tax loss compensation for annexation; and fourth, service delivery across municipal boundaries.\(^\text{12}\)

1.3 Objectives and Research Questions

The central objectives of this thesis are to provide an overview of both provincial and municipal policies related to planning, development and annexation; to provide an overview and analysis the planning and development decision-making processes in the Saskatoon city-region which pertained to the WRD; and to provide an overview and analysis of the political dynamics surrounding the WRD, focusing on the interactions between and among governmental and non-governmental stakeholders, and the interests and imperatives which influenced such interactions. In keeping with these objectives, the central research questions are as follows:

1. Which provincial and local government policies pertained to annexation, planning and development for The Willows Residential Development?
2. What was the nature of the decision-making processes and the political dynamics during Phase I of the development project?
3. What was the nature of the decision-making processes and political dynamics during Phase II of the development project?
4. What was the nature of the decision-making processes and political dynamics during Phase III of the development project?
5. What lessons can be drawn from this development project regarding the challenges in planning in a moderately fragmented city-region and the ways to address those challenges.

1.4 Theoretical Perspectives

In explaining the political dynamics related to various types of decisions made in a city-region, including planning decisions, one is confronted with an array of theoretical perspectives. Three such theoretical perspectives have particular application for this case study, they include: policy networks theory, liberal pluralism, and urban regime theory. Each of these perspectives, as well as the insights they provide regarding the roles and interests of various governmental and non-governmental actors and the dynamics between them is explained below.

1.4.1 Policy Communities and Networks

The first theoretical perspective is policy networks and policy communities theory.13 A policy community, according to Wilks and Wright includes “all actors or potential actors with a direct or indirect interest in a policy area or function who share a common ‘policy focus,’ and who, with varying degrees of influence shape policy outcomes over the long run.”14 A policy network refers to the specific relationships and interactions between actors concerned with a particular policy issue. Several policy networks may exist within a given policy community. Policy networks vary in size and accessibility, often according to the influence of the stakeholders and the policy fields

they are interested in. Members of policy communities have a variety of interests and may therefore be members of a number of policy networks simultaneously.\textsuperscript{15}

Policy communities and networks in Canadian city-regions may include, but are not limited to, elected and appointed members of various governments, members of the business sector, members of labour unions, and members of the non-profit sector, members of various other civic groups, and members of the media.\textsuperscript{16} Many of these members of governmental and non-governmental organizations played a role in the WRD negotiations, though by no means equally. As subsequent chapters reveal the degree of involvement was a function of the real and perceived effect that the development was likely to have on any of them. Similarly, in the case of individual residents a key consideration was the physical location of their homes in relation to the proposed project and the scope of the potential effect on them.\textsuperscript{17} Residents both in the city and the rural municipality were relatively silent on the proposed development largely because they did not believe that they would have been affected directly by the proposed development.\textsuperscript{18}

Models of policy networks are useful in explaining the configuration of the vast array of interests which can shape public policy, planning and development decisions\textsuperscript{19} However, one of its shortcomings is that it does little to explain the factors which shape both the preferences of the stakeholders and the political dynamics between and among them within fragmented city-regions. Liberal pluralism and regime theory are more useful in this regard.

\textbf{1.4.2 Liberal Pluralism}

The second theoretical perspective which has application for our understanding of the WRD is liberal pluralism.\textsuperscript{20} Liberal pluralism is widely used to explain city politics in Canadian city-regions. This theory focuses on the interaction between members of societal groups and members of political institutions in the study of urban governance. These institutions are considered a central facet of an individual’s ability to hold elected

\begin{flushleft}
\textsuperscript{15} Lightbody, \textit{City Politics, Canada}, 265-66.
\textsuperscript{16} Ibid., 274-285.
\textsuperscript{17} Ibid., 283.
\textsuperscript{18} City of Saskatoon, City Planning Branch, September 2006, “Organizational Overview & Planning Roles: A Guide to City Planning and Development in Saskatoon,” 27.
\textsuperscript{20} Lightbody, \textit{City Politics, Canada}, 269.
\end{flushleft}
officials to account.\textsuperscript{21} At the heart of pluralist thought is a central concept to understanding the political dynamics of the WRD,\textsuperscript{22} “that it is the very multiplicity of vibrant group interests which ensures that no one segment in any community prevails in every functional public policy arena forever.”\textsuperscript{23} According to liberal pluralists the multiplicity of interests reinforces democratic local governance. This is further predicated on the openness and accessibility of government decision-making processes. Between elections, it is the access to decision-making processes by interested stakeholders which holds municipal councils to account. In contrast, a closed process makes it much more difficult to hold municipal decision-makers accountable.\textsuperscript{24}

Liberal pluralism depicts local governments as neutral arbiters who respond to societal interests and pressures and formulate policy accordingly. From a liberal pluralist perspective, planning decisions are deemed to be a function of societal interests and pressures as mediated by governments. The role of governments in the decision-making process is to find a constructive compromise by facilitating negotiations through consultations with the various stakeholders and the community at large.\textsuperscript{25} It is because of this emphasis on governments performing mediating roles among the various interests in their communities that liberal pluralism is referred to as the ‘consensus-building’ perspective. From a liberal pluralist perspective, therefore, government planners are concerned with serving an array of public and private interests, including the interests of land owners and of the community at large.\textsuperscript{26} Liberal pluralism also explains the traditional focus of municipal governments on service delivery and explains the rationale behind the “retarded development of political awareness at the municipal level.”\textsuperscript{27} Furthermore, this theory explains the deliberate and calculated decision-making at the municipal level as well as the political and technical rationale which guide community planning.

\textsuperscript{21} Ibid., 112.
\textsuperscript{23} Lightbody, \textit{City Politics, Canada}, 266.
\textsuperscript{24} Ibid.
\textsuperscript{25} Ibid., 267-269.
\textsuperscript{26} Hodge, \textit{Planning Communities}, 367.
\textsuperscript{27} Feldman, Lionel D. and Katherine A. Graham, 1979 \textit{Bargaining for Cities: Municipalities and Intergovernmental Relations an Assessment}, (Toronto: Harcourt Brace Canada), 7.
planning processes.  

1.4.3 Regime Theory

The third major theoretical perspective is regime theory. Regime theory is based on the power elite school of community power perspectives. A governing regime consists of a powerful and dominant set of government actors who are either acting according to their own interests and values, or the interests and values of a small group of influential stakeholders with whom they are closely connected. Urban regime governance is characterized by deals brokered between small groups of prominent individuals who have access to political and economic resources. The theory further suggests that this is an effective means to achieving policy objectives. Urban regimes take advantage of backroom deals, provide logistical or financial support for achieving specific policy objectives in order to maximize immediate gains, and for the benefit for the community at large. According to this perspective, planning decisions are deemed to be a function of the interests and ideological orientations of the particular governing regime. In contrast to liberal pluralism, regime theory suggests that it is appropriate for local decision-making to be slightly removed from the democratic process. This theory is thus particularly useful in explaining governance in fragmented city-regions.

Urban regime theory focuses on the positive outcomes from decision-making via policy networks. In fragmented city-regions urban regimes can be incredibly effective in directing public policy by taking advantage of the divisions in governance and transcending the numerous policy networks. Urban regime theory highlights the cooperative and informal relations between public and private stakeholders. Public decision-makers may work in formal partnerships with private stakeholders (most often the business elite) to make policy and implement government decisions. “Put simply, [in an urban regime] policy is accomplished through the actions of public figures and private individuals working in tandem to reduce conflict and cut deals on small advantages for all concerned.

29 Lightbody, City Politics, Canada, 289.
30 Ibid., 267-269 and 289.
31 Ibid., 77-78.
32 Coleman and Skogstad. Policy Communities, 2.
33 Lightbody, City Politics, Canada, 289.
Private conversations arrange the possible, public officials make the law. In abeyance of authoritative public leadership... councils have abdicated direction in order to muddle along with *pro forma* decisions and increasingly symbolic choices. They have chosen to leave to the influential private actors the basic task of adapting the community to work within a complex, challenging new world order.”

Urban regimes can also take the form of informal arrangements worked out behind closed doors between influential decision-makers. This is particularly the case in the absence of strong political leadership. Urban regimes may be effective in times when municipal financial resources are limited, or when the regular negotiation and consultations processes have failed to resolve disputes. Urban regimes provide additional resources to government by relying on the expertise, prestige and capacity of professionals in a given policy network. Backroom politics and negotiations provide effective means to ‘satisficing’ various public policy goals in exchange for the support of private interest groups. Satisficing solutions are a unique form of compromise in that they sacrifice public policy goals in order to satisfy the appropriate interest groups.

Urban regime theory critics claim that regimes are not governing bodies, but rather that they are “non-governing coalitions.” By garnering just enough support from the policy community, urban regimes may only make the system appear to work. In addition, governing regimes can be described as either open or closed depending on size and the amount of transparency and the degree of public access to the decision-making process. Some critics of urban regimes go so far as to define the governing clique as an oligarchy where power over public policy-making is influenced by a very small number of individuals. Good government requires open and accessible decision-making processes. Unfortunately, political power considerations and prevalent value systems can easily dominate the agenda in closed systems of governance. Professional judgements such as planning and development decision-making may be easily influenced by the value

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34 Ibid., 92.
37 Lightbody, *City Politics, Canada*, 290.
systems or interests of governing regimes. Finally, in urban regimes councils may expect that the administration defend in technical terms the policy directions of the council no matter how value-laden the decisions actually are.\textsuperscript{39} In response to these criticisms urban regime governance might also be defined as “the capacity [of a group of governmental or non-governmental actors] to act collectively to accomplish public policy goals.”\textsuperscript{40}

There are several types of urban regimes. One type which is known as passive urban corporate regime consists of property development and real estate interests who tend to dominate planning and development policy-making at the municipal level. In this case the role of the local municipality is limited to facilitating the development.\textsuperscript{41} The second type of regime is known as the progressive regime. Progressive regimes “represent the interests of an assemblage of middle- and lower-class neighbourhood groups…committed to a progressive platform of expanded services and protected residential opportunities for diverse income levels.”\textsuperscript{42} The third type of regime is known as an activist corporate regime where the municipality maintains control for the initiation of development projects, but is more open to private development proposals.\textsuperscript{43} During the WRD negotiations the City of Saskatoon’s position evolved from a progressive regime toward that of a small activist corporate regime where the municipality maintained control for the initiation of development projects but was more open to private development proposals.\textsuperscript{44}

\textbf{1.4.4 Technical and Political Rationality in Community Planning}

This section briefly examines the interplay and importance of political and technical rationality in local planning and development decision-making. The study of planning and development policy-making must focus both on technical rationality and political rationality.\textsuperscript{45} The reason for this is that invariably both types of rationality enter into the decision-making processes. Planning refers to the decisions of government connected to the spatial and physical characteristics of a municipality, which involves the

\begin{itemize}
\item \textsuperscript{39} Ibid., 98.
\item \textsuperscript{40} Graham, et al. Urban Governance in Canada, 26.
\item \textsuperscript{41} Lightbody, City Politics in Canada, 112.
\item \textsuperscript{42} Leo, Christopher. 1995. The Subordination of the Local State: Development Politics in Edmonton (Winnipeg: Institute of Urban Studies),3.
\item \textsuperscript{43} Ibid., 10-11.
\item \textsuperscript{44} Ibid.
\item \textsuperscript{45} Fish, “Winning the Battle and Losing the War,” 96.
\end{itemize}
development, adoption and implementation of development plans. In such decision-making processes those involved in planning must take into account the technical aspects of planning. This includes matters such as the development of the physical environment, technological considerations such as water and sewage treatment, as well as legal and regulatory matters. A major role of planners is to provide advice on such technical matters to municipal councils in response to development proposals.

However, planning is also a political endeavour since planners are constantly under pressure from councils, lobby groups, and citizens to make the best decisions within their jurisdiction. The reality is that as long as fundamental planning decisions are made by governments, community planning and development will be value-laden processes. The political dimensions of planning are a central aspect of this case study. The reason for this is that the crux of the WRD conflict was the issue of annexation which has long been one of the most controversial political issues facing local decision-makers. Annexation involves incorporating lands from the jurisdiction of one municipality into another jurisdiction (consolidation), and is usually applied in “neighbouring rural municipalities undergoing urban development.” Annexation was deemed most appropriate course of action for accommodating pressures for urban development in the South Sector of Corman Park, and provided an alternative to the traditional coping mechanism of increasing horizontal fragmentation via intermunicipal joint agreements or special service commissions. The objective of annexation proposals may also be to proactively designate lands for the future growth and development of an urban area into an adjacent rural area. Since annexation is at the heart of this case study, it is essential that the planning and development considerations of the WRD are discussed in a political context while still acknowledging and taking into account the technical considerations of municipal planners.

47 Hodge, Planning Communities, 370-71.
50 Lightbody, City Politics, Canada 84-85.
1.5 Value of Thesis

The analysis of the WRD contributes to existing academic literature and sheds light on the practical political processes that work to regulate development in spite of fragmented governance in the Saskatoon city-region. The thesis contributes to the empirical and theoretical literature on policy networks and regime theory in fragmented city-regions in Canada. There are at present no major case studies pertaining to the politics of planning, annexation and development either in the Saskatoon city-region or Saskatchewan, so this case study will address a lacuna in the literature. This study will also contribute to practical discussions regarding the efficiency and effectiveness of fragmented planning and development decision-making in the Saskatoon city-region.\(^5^1\)

Another development initiative which reveals issues similar to those of The Willows Residential Development project is the Five Corners development project (APPENDIX A). This is important because the protracted character of another major development initiative within the City of Saskatoon suggests that improvements in the planning and development processes may be needed. One case of a protracted timeline for planning and development in a fragmented planning system may not provide sufficient evidence that the local policies or processes may hinder efficient decision-making. However, when other cases emerge with similarly protracted timelines, fragmented planning jurisdictions, where horizontal fragmentation is evident in the existence of intermunicipal joint agreements and special service commissions, and furthermore where similar value systems tended to hinder private development, it may indicate that the system needs to be reviewed and possibly reformed. Evidence highlighted in the Five Corners and the WRD case studies provide considerable incentives for municipal decision-makers to re-examine certain policies, processes, and political dynamics which contribute changes and delays in planning and development decision-making within the Saskatoon city-region. Planning and development policy amendments, compounded by horizontal fragmentation and intermunicipal political dynamics will have short-term and long-term impacts for the physical development, growth, character and sustainability of the Saskatoon city-region which must be

\(^5^1\) Coleman and Skogstad, Policy Communities, 30.
considered by decision-makers.

1.6 Methodology

The information for this thesis has been collected from three major sources including primary sources, secondary sources, and interviews. Information for chapter two which focuses on provincial and local policies has been collected by review of existing provincial legislation, city bylaws, city-region planning policy statements, procedural documents and local council meeting minutes. The information for chapters three, four and five, which focus on the decision-making processes and political dynamics surrounding Phase I, Phase II and Phase II of the WRD, has been drawn from key documents and interviews. For that purpose, key documents were collected from relevant stakeholders and interviews were conducted with key government and non-government actors involved in the three phases of the WRD initiative.52

1.7 Overview of Chapters

Chapter two, entitled Saskatchewan Policies for Annexation, Subdivision Planning and Development provides an overview of the policies related to the annexation of land in the Saskatoon city-region that were in effect during the WRD negotiations. Policies examined in this chapter include the Planning and Development Act 1983, the Urban Municipalities Act 1984, the Rural Municipalities Act 1989, the Saskatoon Planning District Development Plan, the City of Saskatoon Development Plan. It also includes a review of the South Sector of the Saskatoon Planning District. This chapter will provide the framework for discussion in terms of the policies pertaining to the WRD.

Chapter three, Phase I of Saskatoon’s Willows Residential Development (1992-1994) examines the nature and dynamics of the decision-making process during Phase I of the WRD. This chapter reveals that the process was relatively closed involving mainly representatives of the Saskatoon City Council and members of the administration. Neither pro or anti-development community groups nor any individuals were speaking either for or against the development. Moreover this chapter reveals that during this phase the proponents of the development were the developers and the opponents were the RM of Corman Park and the City of Saskatoon. It also reveals that the major arguments made by

the proponents were economically motivated whereas the major arguments made by the opponents were technical in nature. Moreover, the urban regime could be characterized as progressive in nature.

Chapter four, *Phase II of the Saskatoon Willows Residential Development (1997-2001)* reveals that the process during Phase II was more open than it had been in Phase I. Those involved included the City of Saskatoon, the RM of Corman Park, the District Planning Commission, Dundee Developments, the new owners of the Golf Course Lands, Working Ventures Capital Corporation as well as members of the policy community. The business community and members of the construction industry lent their support to the WRD proposal, whereas the Saskatoon Public School Board opposed the proposal. Moreover, this chapter reveals that the developers and the owners were once again the proponents of the project, while the RM of Corman Park maintained its position in opposition to the project. The policy choice of the City of Saskatoon in this phase of the negotiations was that of “non-decision.”[^53] City Council was not willing to make a formal decision regarding the WRD due to the clear opposition of the RM of Corman Park. The major arguments of the proponents were that the project would stimulate growth and prosperity in the Saskatoon city-region. The major arguments of the opponents were again technical in nature. During this phase, the City of Saskatoon undertook comprehensive studies which eventually supported the position of the developers and the business community.

The fifth chapter, *Phase III of Saskatoon’s Willows Residential Development (1999-2004)* provides an overview of the annexation and tax loss compensation negotiations. The nature and dynamics of the decision-making processes examined in Phase III reveal a regime change, in that the process slowly opened up to include the policy network which formed around the WRD and the City of Saskatoon’s process evolved from a progressive regime to an active corporate regime. The stakeholders involved in Chapter three remained the key decision-makers and the process continued to be dominated by the City of Saskatoon. This chapter reveals an evolution in the urban regime in that it shifted away from Corman Park in favour of the developers (who were in favour of a passive corporate regime). The drawbacks of the city-dominated negotiations

[^53]: Lightbody, *City Politics, Canada*, 84-85.
and the importance of the vested interests of the stakeholders in formulating their respective positions on the WRD project were also revealed.

Chapter six, the *Conclusion*, provides a summary of the key findings and an explanation of the lessons learned from this case study regarding various issues and options related to policies, processes and governance in fragmented city-regions. It also provides recommendations on reforms in order to ensure that governance and development in city-regions is improved in the future. Likewise, the chapter will lay out what can be gained from further study of city-region governance and planning and development in Saskatchewan.
Chapter 2:
Saskatoon City-Region Policies for Annexation, Subdivision Planning and Development

2.1 Introduction

This chapter provides an overview of planning and development policies in the Saskatoon city-region as they pertained to The Willows Residential Development (WRD) from 1992 to 2004. Planning and development legislation, policies and processes provided the framework for decision-making processes for the WRD. These policies also underlie the technical rationality which provided the framework for the negotiations. The discussion will be framed within the provincial statutory context and will take into consideration the applicable bylaws of the City of Saskatoon, the RM of Corman Park, and the joint Saskatoon Planning District. There are two primary objectives for this chapter. The main objective is to discuss the scope of local authority pursuant to the provincial legislation which guided the decision-making process for the WRD. The second objective is to consider the administrative procedures which guided the application of these policies in the Saskatoon city-region and to discuss their contribution to the protracted timeline of the WRD decision-making process from 1992-2004.

2.2 Statutory Context

The responsibility of provincial governments for municipalities is provided in the Canadian Constitution. Section 92 (2) of the British North America Act, 1867 states explicitly that urban affairs are under provincial jurisdiction.\(^\text{54}\) Provincial governments have the authority to establish, alter and amalgamate municipalities. The provinces also determine the nature and scope of the governance powers of municipalities and the means by which they can raise, invest and spend their revenues.\(^\text{55}\) In this sense, municipalities are “creatures of the provinces.”\(^\text{56}\) This provincial power is akin to vertical fragmentation or a hierarchy of powers which rests final authority for legislating planning and development goals at the provincial level.\(^\text{57}\) This provides order to the fragmentation and formal processes for resolving intermunicipal disputes.

\(^{55}\) Feldman and Graham, Bargaining for Cities, 5.
\(^{56}\) Ibid., 5.
\(^{57}\) Diamant and Pike, The Structure of Local Government, 31-34.
The Province of Saskatchewan provides the legislation which governs the Saskatoon city-region. The Government of Saskatchewan Planning and Development Act, 1983 is of particular importance to the WRD case study as because it provided the statutory basis for planning and development authority at the local, regional, and provincial levels. During the timeframe of the WRD negotiations from 1992-2004 the political and economic powers, as well as the structure and systems of governance in Saskatchewan’s municipalities were provided for in the Urban Municipalities Act, 1984 and the Rural Municipalities Act, 1989 (which were later repealed and replaced by the Cities Act, 2003 and the Municipalities Act, 2004).58 These statutes will each be considered in relation to the WRD in the following section.

2.2.1 Planning and Development Act, 1983

The Planning and Development Act, 1983 had considerable application for the WRD decision-making process. The Act established the structures and systems of planning and development authority in Saskatchewan. This includes assigning the approval powers and authorities to the Saskatchewan Municipal Board. It provided the Municipalities of the RM of Corman Park and the City of Saskatoon with the authority to adopt Development Plans and Zoning Bylaws. The Act assigned subdivision approval authority to cities and provided them with the authority to amend their own development plans by adopting bylaws. Lastly, the legislation provided municipalities with the option of establishing joint planning commissions in order to facilitate intermunicipal cooperation in areas where more than one council might have had an interest in planning and development decision-making.

The Saskatchewan Planning and Development Act, 1983 delegated planning and development powers and responsibilities to the appropriate jurisdictions. This legislation conferred certain powers to the province in Sections 11 through 13. The Minister and the Department of Government Relations (formerly Urban Affairs) were empowered to deal with the coordination of planning and development in areas of provincial concern. The Department was required to provide the policy framework for planning policy statements such as Development Plans and Zoning Bylaws. However, the Department of

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Government Relations subscribed to the principle that matters of local interest are best dealt with by the local authorities. Nevertheless, provincial planners often assist small municipalities with technical planning issues. Thus the province can have influence over local matters, and the local councils make the final decisions. Thus, specific planning and development policies were generally developed, amended and administered by municipalities after having received ministerial approval for the initial Development Plan and Zoning Bylaw.\(^5^9\)

Similarly, several sections of the Saskatchewan *Planning and Development Act, 1983* outlined the rights and responsibilities of municipalities for controlling planning, land use, and authorizing development and subdivision permits. The Act required municipalities to adopt a basic planning statement or a Development Plan. As such, the City of Saskatoon and the RM of Corman Park Development Plans served as guidelines for the respective municipalities. They assisted the councils in meeting provincial and intermunicipal objectives as well as setting their own planning goals. The development plans guided the municipal councils in decision-making, identifying development opportunities, potential planning problems and community needs. The Act also established the right of municipalities meeting certain requirements to establish a Municipal Planning Commission whose role is to advise the local council on all planning matters.\(^6^0\) The Act required that development plans take into consideration the planning interests and intentions of the surrounding municipalities and cooperate with those municipalities. The Act also gave councils the right to adopt Zoning Bylaws which enabled them to enforce their policies.\(^6^1\) Cities in Saskatchewan were also delegated the authority to approve subdivision applications themselves, whereas other urban and rural municipalities had to make subdivision applications to the Saskatchewan Department of Government Relations.\(^6^2\) Moreover, the Act prescribed that the preparation of development policies should involve all interested stakeholders, and provided a policy

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\(^{61}\) Ibid.

framework to ensure that the community was informed of councils’ policy directions. The purpose of the information sharing guidelines was to create a level of certainty for developers which would be conducive to investment and development.\(^6^3\)

Furthermore, the Saskatchewan *Planning and Development Act, 1983* provided the legislation which guided development plan amendments. In the case of the WRD proposal, the proposed development did not comply with the City of Saskatoon or the Saskatoon Planning District Development Plans and Zoning Bylaws, which will be discussed in detail later on in this chapter. Therefore, the development was initially denied by City Council. The *Act* gave the developers an alternative course of action in that they had a right to seek an amendment to the Development Plan. Section 59 of the *Act* gave City Council the right to amend their Development Plan and Zoning Bylaws to accommodate a development if it was considered to be desirable for the municipality. A development plan amendment could be adopted by council by way of a bylaw.\(^6^4\) If Council refused the proposed Development Plan amendment, the *Act* also provided the developers with the right to appeal the decision. If the amendment application was denied, it could then be presented to the municipalities’ Development Appeals Board. If it was still unsuccessful, the developers then had the option of presenting their case to the Planning Appeals Committee of the Saskatchewan Municipal Board.\(^6^5\) These formal avenues provided hierarchical order to the system of horizontal fragmentation in the Saskatoon city-region.

Lastly, the *Act* also allowed either the minister or two councils to establish joint planning commissions. This provision was intended to provide a formal mechanism for intermunicipal cooperation.\(^6^6\) This right was also provided for in the *Urban Municipalities Act* and the *Rural Municipalities Act*. The *Planning and Development Act* Sections 119 through 124 stipulated that municipalities could enter into agreements for joint land use, planning and development in a region where planning concerns affected more than one municipality. A joint planning district would come into affect upon

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approval of the Minister of Government Relations. Once approved, the respective municipalities could establish a district planning commission, such as the Saskatoon District Planning Commission. This commission was subsequently delegated the power to make procedural rules, appoint consultants or advisory committees, and hire employees. The commission was also assigned the responsibility for preparing a development plan for the district, which thereafter had to be approved by the applicable municipal councils. The respective councils were then required to adopt the necessary zoning bylaws in order that the development plan might be implemented.67 The Saskatoon Planning District and the Saskatoon District Planning Commission were formed to facilitate intermunicipal cooperation in the Saskatoon city-region.

2.2.1 Urban Municipalities Act, 1984

The repealed Urban Municipalities Act, 1984 provided the guidelines for the consideration of the WRD annexation proposal by the City of Saskatoon. This Act gave urban municipal councils, such as the City of Saskatoon, certain law-making powers and the authority to pass bylaws. However, the power to alter municipal boundaries remained the jurisdiction of the Province, and the Province thereby stipulated certain prerequisites for municipal boundary alterations. In the case of the WRD, for example, an application for the annexation of the Southeast Sector of Corman Park was made by the City of Saskatoon at the request of the developers, Dundee Developments. The original application to the province was made without a having a complementary resolution from the affected rural municipality, Corman Park.

The Urban Municipalities Act Section 13 provided the guidelines for the application for annexation of The Willows lands into the City of Saskatoon. The Act required first that Saskatoon City Council apply for an alteration of a municipal boundary to the Saskatchewan Department of Government Relations. The Act also stipulated that certain prerequisites be met in the application. First, that the council making the application should have published its intention to alter the municipal boundary in the newspaper of the affected municipality for two weeks. Second, the council making the application was required to deliver notices to landowners, businesses, councils, and the boards of all the school divisions affected by the proposed alteration. This notice had to

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include a map designating the proposed boundary changes, the reasons for the proposed alteration, and a statement that any objections can be made to council within four weeks of the publication of the notice. Third, if any objections were received by the council making the application, it would be required to hold a public meeting. Finally, if a complementary resolution had been agreed upon with the other affected municipalities, the council could submit its application to the Minister of Government Relations. On the other hand, if no complementary resolution could be agreed to, the application had to be submitted to the Saskatchewan Municipal Board. The completed application was also required to include a map indicating the proposed alteration, and if applicable a written copy of the minutes of the public meeting, along with a copy of any other written communications pertaining to the proposed boundary alteration. The Minister or the Saskatchewan Municipal Board could then approve or reject the application based on the information provided.\textsuperscript{68}

The \textit{Urban Municipalities Act} Section 325.1 had further application for the WRD proposal in that it provided guidelines for the resolution of intermunicipal disputes. Such a dispute arose between Corman Park and the City of Saskatoon over the WRD, the annexation of The Willows lands and the annexation tax loss compensation. The \textit{Act} stipulated that the dispute could be referred to a mediator by either party. A mediator could be agreed upon or could alternatively be appointed by the Department of Justice’s Manager of Mediation Services. The mediator’s role was to assist the various parties in finding a complementary resolution to the dispute within sixty days. All mediation sessions and negotiations therein were required to be held in confidence. Unfortunately, in the case of the WRD intermunicipal dispute, mediation did not assist the municipalities in resolving the conflict. Due process provided in the \textit{Act} thereby called for the matter to be referred to the Saskatchewan Municipal Board for a hearing and compulsory ruling.\textsuperscript{69} Nevertheless, the Department of Government Relations was reluctant to resort to this course of action, and instead referred the matter back to the respective councils one last time. Eventually, Corman Park accepted the City of Saskatoon’s offer for annexation tax loss compensation in exchange for a complementary resolution. Thereafter, the Municipal

\textsuperscript{69} Ibid., 227-228.
Boundary Committee of the Saskatchewan Municipal Board received and approved the annexation application.

2.2.3 Rural Municipalities Act, 1989

The *Rural Municipalities Act, 1989* provided the RM of Corman Park with the authority to pass bylaws that were in the best interest of the community. The *Rural Municipalities Act* also contained provisions for entering into agreements with other municipalities where they had a common interest. This was the case for the Saskatoon Planning District. 70 As such, the Rural Municipality of Corman Park was afforded and applied its authority to participate in the District Planning Commission in the Saskatoon city-region. 71 The *Act* also provided the municipality with the right to withdraw from such an intermunicipal agreement and the joint planning commission, but there existed considerable incentives not to do so. Section 10 also contained provisions for the alteration of rural municipal boundaries. According to the *Act*, the Minister of Government Relations had the power to “withdraw any area from a municipality” or to “annex to a municipality any area adjacent to it,” without any provision for a complementary resolution between the two municipalities. This was an important distinction from the *Urban Municipalities Act*. However, since it was a city boundary that was in question, the *Urban Municipalities Act, rather than the Rural Municipalities Act*, governed the actions of the City of Saskatoon.

2.3 Municipal Policies

The *Planning and Development Act, 1983* provided the Saskatoon Planning District, the RM of Corman Park and the City of Saskatoon with the authority to enact development plans and other related policy statements. These bylaws, related policies, and applicable procedures are discussed in the following section as they related to the WRD.

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71 Note that by the time the complementary resolution between Corman Park and the City of Saskatoon was agreed upon in February 2003, the *Cities Act, 2003* had come into affect, replacing the former *Urban Municipalities*’ legislation. Therefore the final application for the alteration of the municipal boundary of the City of Saskatoon was made in accordance with this legislation. The difference between the new and repealed legislation lies outside the scope of this dissertation.
2.3.1 Saskatoon Planning District Development Plan

The Saskatoon Planning District governed planning and development decision-making in the Saskatoon city-region. The lands governed by the District Planning Commission were located in Corman Park between two and six kilometres outside of the City of Saskatoon “where the RM and the City have a joint interest in managing land use and development.”72 The RM and the City had a long history of intermunicipal cooperation in the area which started with the establishment of the joint planning district in 1956. Both municipalities had agreed that “the purpose of the Planning District is to effectively manage the rural/urban fringe surrounding Saskatoon in a cooperative and collective manner between the City of Saskatoon and the RM of Corman Park...”73 In 1983, the most recent Saskatoon Planning District Development Plan was adopted and the last review of the policy that had application for the WRD was completed in 1996.74 The Willows Golf Course was located in the Southeast sector of the Saskatoon Planning District within the limits of the RM of Corman Park and had not been identified as an area for future growth in the Saskatoon Planning District Development Plan. This section will outline the principal elements of the planning and development policies which had application for the WRD proposal.

Three of the policies contained within the Saskatoon District Development Plan had application for the WRD proposal. The first two policies were contained in section 4.2 of the Development Plan which stated that multi-parcel residential subdivisions, such as the WRD, would only be permitted under the following categories:

a) A country residential subdivision which shall be limited to a density between 16 (Bylaw #23/00, Approved February 15, 2001) and 40 lost per 64.8 ha (160 acres) but in any case the property shall not be less that 32.4 ha (80 acres); and

72 City of Saskatoon, City Planning Branch “District Planning : the Saskatoon Planning District” (available online at www.saskatoon.ca/org.city_planning/land_use_policy/development/), retrieved November 18, 2005.
74 The City of Saskatoon Future Growth Study, 2000 recommended a comprehensive review of the Saskatoon Planning District Development Plan policies and Zoning Bylaws, which has since got underway.
b) A comprehensively planned and integrated recreational and residential subdivision which shall be limited to a maximum of 241 lots…

In regards to the first policy, the WRD proposed higher than regulation density for lots located in the Saskatoon Planning District. They proposed larger than normal urban lots, but smaller than normal rural lots in order to accommodate a unique upscale housing development. In regards to the second policy, the WRD proposed the development of 300 lots within the first phase of the development and an additional 300 in the second phase which exceeded the maximum number of lots in the Saskatoon Planning District.

In consideration of the third policy, the Saskatoon District Development Plan stated in section 4.2 that “Multi-parcel country residential subdivisions shall not be permitted: a) within 1.6 km (1 mile) of the City.” The objective of this ‘buffer zone’ policy, as it was often referred to, was a point of contention between the City of Saskatoon and the RM of Corman Park. Corman Park maintained that multi-parcel developments were not permitted in the jurisdiction of Corman Park in order to maintain the agricultural and rural character of the municipality and that likewise the policy was intended to provide a greenbelt around the City of Saskatoon. Corman Park suggested from the outset that “We have adhered to this position despite considerable disadvantage to both these landowners [within the buffer zone] and Corman Park [therefore] should this development proceed it would become almost impossible to deny other applications for multi-parcel residential developments adjacent to the City limits.” In contrast, the City of Saskatoon maintained that the underlying objective of the policy was also to prevent sprawl, which might result from urban style developments within the jurisdiction of the rural municipality. The City posited that buffer zone was intended to grow along with the population of the City. City officials suggested that the buffer zone “was

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75 City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan (Schedule A to Bylaw No. 75/95), 7.
77 City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan, 7.
80 Confidential Interview #1 (Interview with the author), August 2, 2006 and Confidential Interview #2 (Interview with the author), August 3, 2006.
originally created to prevent encroachment on the outskirts of Saskatoon by developments in Corman Park,” in effect to prevent Corman Park form ‘boxing the city in.’

Dundee, on the other hand, chose the approach of annexation to have the WRD proposal approved due to its perception that the buffer zone policy had never been applied to annexations, and that the buffer zone would be re-evaluated as the City Limits grew. The WRD negotiations highlighted certain weaknesses in the planning and development policy arena such as this. There exist many concerns regarding appropriateness and long-term effectiveness of special service commissions such as the SDPC for coping with horizontal fragmentation in single-tier municipal systems.

2.3.2 RM of Corman Park Development Plan

Corman Park had its own Development Plan and Zoning Bylaws. However, because The Willows lands were located in the Southeast sector of the Saskatoon Planning District the Corman Park Development Plan did not have jurisdiction. Still, these planning documents cannot conflict with one another as Corman Park’s approval is required to enact both documents. Thus, the RM remained opposed to the WRD proposal and annexation because it contravened several of the rural municipality’s planning objectives. It was the responsibility of Corman Park Council to uphold the policies iterated in the Development Plan and likewise, it was responsibility of the Administrator (a professional planner) to carry out the instructions of Council in accordance with Section 13.2 of the Plan. The RM of Corman Park Development Plan outlined procedures for the evaluation of annexation proposals by urban municipalities. It read as follows:

10.2.3. The Municipality will evaluate annexation proposals by all urban municipalities within the Municipality. The Municipality will consider the impact of the annexation:
   a) on the adjacent rural land uses;

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81 Dundee Development Corp. (Correspondence to the Reeve and Members of Council of the RM of Corman Park), January 24, 2002, 5.
82 Ibid.
83 Diamant and Pike, The Structure of Local Government, 32.
84 City of Saskatoon, City Planning Branch “District Planning: the Saskatoon Planning District” (available online at www.saskatoon.ca/org.city_planning/land_use_policy/development/), retrieved November 18, 2005.
85 RM of Corman Park, Schedule A to Bylaw No. 8/94: RM of Corman Park No. 344 Development Plan (RM of Corman Park), 1-31.
86 Ibid., 26.
b) on the agricultural productivity of the area;
c) on the relationship of annexed land to the particular community’s growth strategy, Basic Planning Statement or Development Plan;
d) on the financial effect of the annexation on the Municipality.\(^87\)

This framework provided the rationale for Corman Park’s objection to the WRD proposal for annexation of The Willows Lands. The WRD was problematic to Corman Park in that it would impact on adjacent agricultural and rural land uses. It would also impact Corman Park’s growth strategy since the Southeast sector had not been identified as an area of future growth of the City of Saskatoon in the *Future Growth Study*. Lastly, Corman Park objected to the WRD due to the fact that the annexation of The Willows lands would have a significant financial impact on Corman Park in the form of lost tax revenues. For these reasons, the *Future Growth Study* had forewarned that the rural municipality would be vehemently opposed to annexation of the Southeast Sector lands due to the potential loss of tax revenues.\(^88\)

Furthermore, the Corman Park Development Plan had also included provisions for multi-parcel country residential subdivisions in Section 5.2.3. There were four categories of multi-parcel development which might have been permitted by the RM of Corman Park Development Plan. However, the WRD proposal had proposed an urban style residential golf course community with considerable servicing requirements, whereas the Corman Park Development Plan only provided for rural style developments. In addition, Corman Park had historically resisted development pressures in the Southeast sector of Corman Park and had consistently applied the Saskatoon Planning District Development Plan in doing so. One last policy statement illustrated the position of Corman Park in this regard, namely the *South Corman Park Sector Plan Study*. This study was conducted after Phase I of the WRD proposal. It addressed the history of high development pressures in the Southeast sector of Corman Park. The report clearly supported the buffer zone policy because it assisted the municipality in promoting the agricultural character of the land. This policy direction was further supported by public

\(^{87}\) Ibid., 21.
\(^{88}\) City of Saskatoon, Community Services Department, “Future Growth Study 1999,” June 2000, 34.
feedback resulting from the report and was reflected in the actions of Corman Park Council regarding the WRD proposal and annexation negotiations.  

### 2.3.3 City of Saskatoon Development Plan and Related Policies

The City of Saskatoon’s decision-making processes for the WRD were governed by specific policies and administrative procedures. The *City of Saskatoon Development Plan*, the subdivision policies therein, procedures for development plan amendments, annexation procedures and conventions, the recommendations of *Future Growth Studies* and *Five-Year Land Development Programs* and the land bank are discussed in the following section in terms of their application to the WRD.

The *City of Saskatoon Development Plan* was the overarching policy statement of the City for planning, development and land use. The Development Plan is regularly reviewed in order to appropriately control growth and development in the City of Saskatoon. Several of the City of Saskatoon’s Development Plan policies were considered in the evaluation of the WRD proposal. First of all, for Phase I of the WRD proposal the 1993 *Development Plan* provided the policy guideline. Neighbourhoods provide the fundamental building blocks for development in the City of Saskatoon.

Neighbourhoods shall be the basic unit of residential development, and form the building blocks from which the overall residential community is created. Neighbourhoods are generally designed to contain a population of about 5000 people, and shall be efficient to service and maintain over the long term. In the case of new neighbourhoods, a neighbourhood concept plan must be approved by Council prior to the neighbourhood being subdivided or developed.  

The WRD was unique in that it proposed an entirely new form of neighbourhood which the City could not approve immediately within any existing policy context. The proposal was denied because it was “… not a typical neighbourhood development and accordingly, [did] not conform to the *City of Saskatoon Development Plan*.” This was due to the fact that the Development Plan did not have a subdivision category for residential golf course communities and required that all development proposals be organized into residential

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90 City of Saskatoon, Planning Department, 1992. *City of Saskatoon Development Plan: Schedule A to Bylaw No. 6771*, 9.
91 City of Saskatoon, City Planning Branch, “Willows Golf Resort: Annexation of Golf Course and Adjacent Lands” (Communication from the City Planner to the Board of Administration), 1.
neighbourhoods.\textsuperscript{92} This was also the case for the subsequent development proposal for that area. The 1997 \textit{Development Plan} provided the policy guideline for the evaluation of Phase II of the WRD proposal in 1999. Again, the City of Saskatoon did not have a subdivision category for residential golf course communities and therefore the proposal was denied in April 2000. As of March 2000, a new Development Plan had been adopted, but it still had no category for residential golf course community subdivisions. Eventually the developers themselves initiated the process for policy change as the City of Saskatoon seemed reluctant to initiate the process. On July 16, 2001 City Council approved a development plan amendment which provided a subdivision category for residential golf course communities.\textsuperscript{93}

The City of Saskatoon adopted development plan amendment procedures to supplement those which were contained in the provincial statutes. The \textit{Planning and Development Act} Section 59 provided that an urban municipality with subdivision approval authority could adopt amendments to its development plan by means of a bylaw.\textsuperscript{94} Such an amendment application could be initiated by any outside stakeholder such as a developer, or by the City of Saskatoon itself. The City of Saskatoon’s procedures for development plan amendment applications were as follows: first, the application was received by the Planning Department along with an application fee of $300, and a signed agreement that the applicant pay the associated advertising costs estimated at $1,400 to $1,700. Second, the implicated Community Association, Ward Councillor and Community Consultant were informed by the Planning Department. Third, the proposed amendment was reviewed by the City Planning Department and any other interested civic departments. Fourth, the recommendation of the City Planner was then passed to the Municipal Planning Commission (MPC) for review and subsequent recommendation to City Council. Fifth, once City Council agreed in principle with the recommendation of the MPC and the City Planner, a draft bylaw was prepared by the City Solicitor and advertised in the local newspaper for three weeks. Finally, at the opening of the next City Council meeting a public hearing was convened. At that City

\textsuperscript{92} City of Saskatoon, Planning Department, 1992. \textit{City of Saskatoon Development Plan: Schedule A to Bylaw No. 6771}, 4.

\textsuperscript{93} City of Saskatoon, City Council. “Council Meeting Minutes: Request for Annexation – Willows Golf Course Community,” October 16, 2001, Appendix 3, 1

\textsuperscript{94} Government of Saskatchewan, \textit{Planning and Development Act, 1983}, 12.
Council meeting, council could resolve to postpone, approve or deny the proposed development plan amendment. In the case of Dundee Developments’ proposal to amend the City of Saskatoon Development Plan, after over one year of inquiry into golf course communities in Western Canada, the City of Saskatoon approved the amendment.

The City of Saskatoon had several procedures, policy statements, annexation programs, and policy conventions which guided growth and development in the Saskatoon city-region. Over the years the City of Saskatoon had developed specific procedures in order to coordinate growth with the surrounding municipality of Corman Park. In general, annexation requests proceeded according to these guidelines. External annexation requests were reviewed by the City of Saskatoon Planning Department. Proposals for annexation were evaluated in light of the existing Development Plan, Plan Saskatoon, the Future Growth Study and the Five Year Development Program. “In 1996, the City initiated Plan Saskatoon, which included a citywide public participation process focused on updating the Development Plan and Zoning Bylaw—Saskatoon’s two main public policy tools used to manage growth and development” In light of this recent planning policy review, the City could be quite confident in denying any proposals for annexation which did not conform to the Development Plan.

In response to private annexation requests, the City Planning Department would consider the application of each of the aforementioned policy statements in a report which would be referred to the Planning and Operations Committee. At the Planning and Operations Committee meeting three options would be considered; approve the request in accordance with the City Planner’s review, postpone and negotiate the proposal further with the stakeholders, or deny the request. If the report of the Planning Department was adopted, the Committee would instruct the Administration to proceed with ironing out the details of the development servicing requirements and the annexation tax loss compensation. This included achieving a complementary resolution with the municipality

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95 City of Saskatoon, City Planning Branch “Amendment to the City of Saskatoon Development Plan” (Application Form), 2.
96 For further information see City of Saskatoon, Community Services Department, Populace: A Semi-Annual Publication of Demographic and City Planning Information, 8, 1, Spring 2006.
in question. The City of Saskatoon’s January 2001 *Golf Course Communities* report noted that in accordance with the provincial legislation

…requests for annexation must be agreed to by all municipalities affected. Annexation requests affect both the City of Saskatoon and the RM of Corman Park boundaries. Where there is no agreement, the annexation request is automatically submitted to the Saskatchewan Municipal Board for a decision.97

If a verbal agreement could be reached with the respective municipality, the City of Saskatoon would submit a formal request to respective municipal council to annex the lands in question. After the formal decision of the municipal council in questions was received by the City Planner, the Planner would make a recommendation to City Council regarding the annexation of the lands. Finally, once all of these tasks were completed, City Council could submit a formal application for annexation to the Minister of Government Relations or the Municipal Boundaries Commission of the Saskatchewan Municipal Board.98

In spite of these existing policies and procedures, the annexation negotiation process may not always go as planned. In the case of the annexation of The Willows lands in the Southeast sector of Corman Park, the rural municipality was opposed to the annexation. Therefore, finding a complementary resolution was an incredibly contentious issue. The intermunicipal dispute over the annexation tax loss compensation was difficult and protracted. The City of Saskatoon meeting minutes illustrated the difficulties:

The compensation offered is far more than has been offered in any past situation. The City traditionally has offered 5 times the tax loss for agricultural land and 10 times the tax loss for commercial and industrial sites. In addition, the RM is also seeking some form of ongoing revenue sharing on the incremental tax. The Administration is not prepared to recommend entering into such an arrangement.99

Previous annexation compensations had conventionally been calculated based on this formula. However, Corman Park deemed this compensation to be insufficient for The

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98 City of Saskatoon, Planning Department “Procedures Manual” (Subject: Annexation of Land into (out of) Corporate Jurisdiction), 3-4.
Willows lands. The City of Saskatoon thus presented a second compensation offer of 22.5 times the previous year’s taxes, which Corman Park eventually accepted. This second formula was normally used in cases of treaty land entitlements with Aboriginal peoples in Saskatchewan.\(^{100}\) Since these compensation formulas had only been established as conventions by the City of Saskatoon to compensate other stakeholders, there was no guarantee that they would continue to be accepted in every case. As the WRD case study illustrates, the annexation compensation policy convention was more problematic for the City of Saskatoon than had been anticipated.

The *Five Year Land Development Program* had traditionally assisted the City in coordinating annexations with Corman Park. The program projected developments and associated servicing requirements for the next five years on an annual basis to enable the City of Saskatoon to prepare the Capital Budget. In order to determine the number of lots to be serviced within the year, the City Planning Department considered the previous sequencing of developments and the economic conditions for that year. The City then forecasted land servicing requirements for the next five years based on those calculations.\(^{101}\) The program contained a map designating the areas to be annexed, a legal description of those lands, and names and titles of all the legal land owners in those areas.\(^{102}\) The report of the City Planner from 1993 stated clearly that one of the main reasons that it had denied the WRD proposal was due to the fact that it had not been identified in the Five Year Land Development Program.\(^{103}\)

The *City of Saskatoon Future Growth Study* was another policy statement which assisted the City of Saskatoon in making a decision regarding the WRD proposal. This is an important City document as it outlined the strategy for managed city growth. Servicing is a major determinant of this. Development plans are only intended to accommodate a certain population threshold.\(^{104}\) The 1993, 1997 and 1999 Development Plans took into account growth of the City of Saskatoon to a population of 270,000 residents. The City of

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\(^{100}\) Confidential interview #1 (Interview with the author), November 5, 2005.

\(^{101}\) City of Saskatoon, Planning Department, 1988. *City of Saskatoon Development Plan: A Backgrounder* (Saskatoon), 11.

\(^{102}\) City of Saskatoon, Planning Department “Procedures Manual” (Subject: Annexation of Land into (out of) Corporate Jurisdiction), 1-2.

\(^{103}\) Ibid., 3-4.

\(^{104}\) City of Saskatoon, Planning Department, 1988. *City of Saskatoon Development Plan: A Backgrounder* (Saskatoon), 8.
Saskatoon *Future Growth Study* was published in 2000 after a comprehensive review which took place in 1998-1999. It indicated that development policies were needed to accommodate population growth up to 400,000 residents within the next 20-30 years. This study had significant implications for the evaluation of the WRD proposal. For Corman Park, the study was of particular importance because it had recommended against annexing any of the Southeast sector lands. This was due to several reasons. For instance, there were already multi-parcel developments in the area in a country style setting. In addition, there would likely be opposition from the land owners in the area. Finally, it would result in a significant loss to Corman Parks’ tax base. However, one of those factors changed in that the landowners actually initiated annexation of The Willows lands. It is interesting to note that this study had recommended that further inquiry into the impact of the study for the Saskatoon Planning District and the buffer zone be considered.

Crosby Hanna & Associates, Landscape Architects and Planners were commissioned by the City of Saskatoon in March 2001 to examine these outstanding issues. The *Future Growth Study: Saskatoon Planning District Review* began with the study of the Southeast sector lands of Corman Park, where The Willows golf course was located. This investigation was expedited due to the fact that the WRD was on the table. In contrast to the original report, this study recommended in favour of the WRD proposal and in favour of annexation of the Southeast sector lands into the City of Saskatoon. This represented a fundamental policy shift for planning and development in the City of Saskatoon. The study reiterated that the buffer zone policy had been traditionally adhered to by both the City of Saskatoon and the RM of Corman Park. However, it also noted that in response to changing development needs, housing trends, and in order to accommodate growth, the buffer zone would have to be adjusted over time. Furthermore, it also noted that the buffer zone policy was only one of many growth management tools. The study

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106 City of Saskatoon, “Future Growth Study 1999,” 34.
107 Ibid., 6.
elaborated that adjustments to the boundary should not be taken lightly, but rather evaluated with “considerable care and attention... [and] tools that display administrative fairness are essential if urban containment boundary adjustment is to be fair for all parties.”\textsuperscript{110} This recommendation guided the City of Saskatoon’s actions in the years that followed, whereas Corman Park continued to be guided by the \textit{Future Growth Study}.

Another matter of concern for Corman Park, as well as some private sector stakeholders, was that the City of Saskatoon held a unique position in terms of planning and development in the Saskatoon city-region in that the City of Saskatoon had been the primary land developer in the region as a result of the “Land Bank.” Cities normally depend on private companies to plan and construct new subdivisions. Similarly, developers usually have a significant influence on urban growth patterns and development of cities due to the fact that they decide where to build. Therefore, city councils generally try to accommodate developers and try not to inflict undue or untimely administrative procedures which may hinder development or otherwise deter investment in the community.\textsuperscript{111} However, some critics believe that because the City of Saskatoon is itself a major land owner and has been the primary developer in the Saskatoon city-region for years, its municipal planning and development policies and procedures have traditionally favoured the City rather than private businesses as developers.\textsuperscript{112} Furthermore, public property asset management can be a highly fragmented endeavour in itself. Some have suggested that privatization or commercialization of the City of Saskatoon’s Land Bank should be considered in order to keep the market climate in the City of Saskatoon competitive and relevant for today’s market demands.\textsuperscript{113} The Land Bank has influenced the formulation of planning and development policies in the Saskatoon city-region, and likewise it had considerable implications for the WRD decision-making process.\textsuperscript{114} The Land Bank policy was a contentious matter for several

\textsuperscript{110} Ibid., 24.
\textsuperscript{111} Akkerman, Avi. “The Land Development Process,” (Urban Land Use Planning Geography 422.3 Class Handout), 8.
\textsuperscript{112} Confidential interview #3, (Interview with the author) December 2005, and Confidential interview #2, (Interview with the author), November, 2005.
\textsuperscript{114} The Land Bank has been supported by the City of Saskatoon since the Great Depression. Many people defaulted on their mortgages and taxes across Canada, and the Cities would repossess the homes. Other cities in Canada quickly resold these houses, whereas the City of Saskatoon considered it a long term
stakeholders in the Saskatoon city-region who felt that it impeded efficient and effective residential and commercial real estate development.

Lastly, the City of Saskatoon had a historical commitment to intermunicipal cooperation in the city-region. This policy was reflected in the City of Saskatoon Development Plan which stated:

The City of Saskatoon shares the Region with several urban and rural municipalities, First Nations, and other authorities, both within and outside the City Limits. The operations of the City and these other jurisdictions have major influences on each other. In recognition of this principle, the City of Saskatoon will continue to seek and maintain mutually beneficial relationships with all nearby municipalities and other jurisdictions in the implementation of this Plan and the on-going objective of regional cooperation.¹¹⁵

This policy statement was quoted in numerous documents throughout the decision-making process, and was difficult to disregard. In order to justify the approval of the WRD and annexation in spite of Corman Park’s objections, the City of Saskatoon suggested that planning policies required review from time to time. But all the same, the City of Saskatoon maintained that “we value our long-term relationship with the RM of Corman Park and hope that will continue. As we grow, there will be points of contention, but through dialogue, we will both remain committed to each other’s goals.”¹¹⁶ This contradictory messaging by the City of Saskatoon was a source of consternation for Corman Park.

¹¹⁵ City of Saskatoon, City Planning Branch, “Re: Request for Annexation – Willows” December 7, 1999, 5.
¹¹⁶ City of Saskatoon, Office of the City Manager, City of Saskatoon, “Re; Annexation – The Willows,” (Communication to RM of Corman Park), November 22, 2001, 3.
2.4 Conclusion

The objective in this chapter has been to provide an overview of the planning and development policies and procedures in the Saskatoon Planning District as they pertained to the WRD. The information presented in this chapter revealed that the major stakeholders involved in the WRD initiative were operating within a policy framework contained in provincial and municipal statutory and regulatory instruments. The chapter revealed that the policy framework and related administrative procedures provided considerable constraints for the private developers. The chapter also enumerated the policies and conventions which provided the foundation for both Corman Park’s and the City of Saskatoon’s respective positions. Despite the history of intermunicipal cooperation between the City of Saskatoon and the RM of Corman Park which was “the envy of most other major municipal jurisdictions,”117 there were considerable differences in the arguments provided by each of them regarding the application of these policies in their efforts to justify their respective interests. The following chapters will discuss the decision-making processes and political dynamics regarding the WRD proposals from 1992 to 2004.

Chapter 3:  

3.1 Introduction

The purpose of this chapter is to provide an overview of phase I of The Willows Residential Development from 1992 to 1994. In examining the decision-making processes and political dynamics during Phase I, this chapter reveals that the negotiations were relatively closed and involved only the City of Saskatoon and the owners of The Willows Golf Course lands. Neither pro nor anti-development community groups nor any individuals advocated either for or against the development. It also reveals that the major arguments put forth by the proponents of the WRD did not meet the technical standards of the City of Saskatoon Planning Department.

3.2 The First Willows Residential Development Proposal (1993)

The Willows Golf and Country Club was a 36-hole golf course and multi-purpose clubhouse owned by The Willows Golf Corporation (WGC).\textsuperscript{118} After conducting preliminary consultations with the City of Saskatoon planning staff, the WGC submitted a preliminary development application to the City in 1992 with more in depth consultations ensuing shortly thereafter.\textsuperscript{119} In March of 1993, the WGC presented a 23 page document to Saskatoon City Council proposing the construction of a residential golf course community around the periphery of the golf course called The Willows Residential Development (WRD) in conjunction with an annexation proposal.\textsuperscript{120} The WGC proposed the construction of 300 single and multi-family units in the first phase of the development, and an additional 300 units in the second phase of the development. The financing for the project would be provided through independent contracts with builders and $15 million dollars would be invested into the WGC by persons participating in the immigrant investors through the International Capital Corporation

\textsuperscript{118} Dundee (Communication to the RM of Corman Park), January 24, 2002, 1.
\textsuperscript{119} Note that both WRD proposals were presented to the City of Saskatoon, despite the fact that The Willows lands were located outside the jurisdiction of the City limits at the time, under the premise that the residential development proposals warranted annexation of the lands in order to provide appropriate servicing for the urban style developments. Therefore the proposals were considered in the context of the associated annexation proposals, and jurisdiction was not a deciding factor in either case.
\textsuperscript{120} City of Saskatoon, “City Council Minutes,” November 8, 1993, 24.
The WRD proposal provided an assessment of the market situation, a topographical and geographical site analysis, a development concept, a transportation impact study, and an assessment of the servicing requirements. The WGC, as proponents of the project, suggested that the development would have a positive impact on the City of Saskatoon in that it would stimulate economic growth through job creation and attract retired people, executives and their capital to the Saskatoon city-region. The WGC proposed that the City of Saskatoon amend its current development plan to include a residential golf course community subdivision, adopt Direct Control District zoning bylaws, as well as annex The Willows land in order to accommodate the proposed development. The WGC suggested using a shared revenue formula for annexation compensation at a rate of $55 thousand per year for a period which was to be negotiated between the City of Saskatoon and the RM of Corman Park.

3.3 Key Stakeholders

There were four stakeholders in Phase I of the WRD, but only two were directly involved in the closed decision-making process.

3.3.1 City of Saskatoon

The first stakeholder was the City of Saskatoon which was also the primary decision-maker. The position of the City’s administration was that City Council should deny the WRD proposal and annexation of The Willows land, which it did on November 8, 1993. City Council based this decision on a report submitted by the Director of Planning and Development. There were four problems identified with the WRD proposal related to the existing City of Saskatoon planning policies including the Development Plan, the five-year land development program known as the Future Growth

121 Willows Golf Corporation, Willows Residential Development (Proposal for development and annexation presented to the City of Saskatoon), March 1993, 20.
122 Ibid., 1-18.
123 Ibid., 18.
124 Note that a Direct Control District is defined as an area “where it is considered desirable to exercise particular control over the use and development of land and buildings within a specific area...” For further information see City of Saskatoon, Planning Department, 1992. City of Saskatoon Development Plan: Schedule A to Bylaw No. 6771, 79.
125 Ibid., 6-7.
126 Ibid., 18.
128 City of Saskatoon, City Planning Branch, “Willows Golf Resort: Annexation of Golf Course and Adjacent Lands” (Communication from the Director of Planning and Development to the Board of Administration) October 20, 1993, 1-3.
Another important consideration was the tradition of intermunicipal cooperation with the RM of Corman Park. Quite possibly, the reputation of the WGC owners and investors factored into the decision given that the immigrant investment program was being scrutinized at the time for alleged irregularities.130

3.3.2 Willows Golf Corporation

The second stakeholder was The Willows Golf Corporation (WGC) which owned The Willows Golf Course and Country Club from 1988 to 1993. The WGC acted as the developer and proponent of the project in phase I of the WRD proposal. Two residents of Saskatoon; Reginald Schafer and Richard Leibel owned equal shares of the company.131

The Willows lands were located in the Southeast sector of Corman Park. The construction of the golf course was completed in 1991 and the resort was opened to the public in 1992. Subsequently, in March of 1993, the WGC submitted the WRD proposal to Saskatoon City Council, thus acting as initiator of the decision-making process.132

3.3.3 Rural Municipality of Corman Park

The third stakeholder in Phase 1 of the WRD was the RM of Corman Park. Although the WGC was located in the Saskatoon Planning District, the WRD proposal was presented to City Council under the assumption that the City would annex the land and subsequently approve the development proposal. Therefore, neither the RM of Corman Park nor the Saskatoon District Planning Commission was consulted on the WRD proposal, even though they would have to be consulted on the annexation. Nonetheless, the position of Corman Park was an important consideration for the City of Saskatoon. The main reason for this is that the two municipal councils had a mutual agreement regarding appropriate developments within the Saskatoon Planning District and the concept of a residential housing development had not been approved by the two councils.133

3.3.4 International Capital Corporation

The fourth stakeholder was the investor in the proposed project, International Capital Corporation (ICC). The ICC was an investment firm directed by Reginald Schafer and Richard Leibel, owners of the WGC from 1988-1993. Schafer acted as president of ICC and Leibel was the organization’s solicitor.\textsuperscript{134} The ICC raised $17.5 million through an immigrant investment fund in the late 1980s under the Government of Canada’s business immigration program. Over one hundred individuals from Hong Kong and Taiwan invested $150 thousand each into the fund in exchange for Canadian visas.\textsuperscript{135} The ICC in turn invested the majority of this money into The Willows Golf Corporation.\textsuperscript{136}

3.4 Phase I Decision-Making Processes and Political Dynamics

In preparation of the WRD proposal, the WGC consulted with the City of Saskatoon Administration. In April 1992, the WGC began informal discussions with the City of Saskatoon Planning Department regarding their planning and development policies, and with the Engineering Department regarding servicing requirements for a residential golf course community. In June of 1992, the WGC submitted a preliminary request for development approval to the City of Saskatoon Planning Department. Thereafter, in September and November of 1992, several meetings took place between the City of Saskatoon Planning and Development Committee (now known as the Planning and Operations Committee) and the WGC. However, no definitive decisions were made during these meetings due to the fact that it was not within the jurisdiction of the Saskatoon City limits.\textsuperscript{137} Instead, the Planning and Development Committee communicated to the developers the servicing requirements and development policies which had not been addressed in the preliminary proposal.\textsuperscript{138}

Over one year later, in March 1993, the WGC submitted a more thorough WRD proposal to Saskatoon City Council. The purpose of this document was to address all of the development policies and servicing requirements which had been identified in the

\textsuperscript{137} Confidential interview #5 (Interview with the author), November 2005.
\textsuperscript{138} Willows Golf Corporation, 1-5.
preliminary meetings with the City of Saskatoon. In this proposal, the WGC suggested that the housing development would be exceptional and unique, and would therefore justify amendments to the City of Saskatoon Five Year Development Plan and annexation of The Willows land.\textsuperscript{139} The proposal stated that “[the WRD] does not represent a serious conflict with proposals of the five-year plan - it is simply not provided for…”\textsuperscript{140} The WGC suggested that the City of Saskatoon would “gain significant benefit from annexing The Willows and approving the proposal,”\textsuperscript{141} and for that reason it should have been inclined to make the necessary policy amendments and commence negotiations with the RM of Corman Park in order to accommodate this development.

The WGC attempted to address the City of Saskatoon’s development plan policies in the document. The WGC provided an area structure plan describing how the development would provide services to the community.\textsuperscript{142} Such a detailed area structure plan was not required, but was provided by the developers nonetheless. The WGC confirmed with the Saskatoon school boards that there would be enough space at the existing schools to accommodate increases in student population, at the time the school boards agreed.\textsuperscript{143} Lastly, the WGC consulted with planning professionals to ensure that the proposed development would successfully meet the requirements of the City of Saskatoon Development Plan. In its consultation with the policy community, the WGC double checked regulatory requirements, the market potential of the development, the possible impacts for the Saskatoon city-region, as well as the feasibility of the project.\textsuperscript{144} The City of Saskatoon’s interpretation of the WRD proposal was not so optimistic.

City Council received the WRD proposal on March 29, 1993 and subsequently referred it to the City of Saskatoon Department of Planning and Development for review. After the technical review had been completed, the City Planner referred the final report back to City Council.\textsuperscript{145} The October 20, 1993 report of the Director of Planning and Development identified several problems with the WRD proposal. The City of Saskatoon

\begin{itemize}
\item[139] City of Saskatoon, “Council Meeting Minutes,” November 8, 1993, 1.
\item[140] Willows Golf Corporation, 19.
\item[141] Willows Golf Corporation, 2.
\item[144] Akkerman, 2.
\end{itemize}

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Administration recommended that the WRD proposal should be denied, and on November 8, 1993, City Council concurred.\footnote{Ibid., 1-27.} The evaluation of the WRD proposal took approximately six to eight months, which was typical for such initiatives.\footnote{Ibid., 2-3.}

In contrast with the WRD proposal, the report of the City Planner stipulated several technical justifications for not approving the WRD. The report indicated that the “proposal [was] not a typical neighbourhood land-development and accordingly, did not conform to the policies of the City of Saskatoon Development Plan. The development is not proposed as a neighbourhood and would not conform to normal neighbourhood design standards.”\footnote{Ibid., 24.} Section 2.2.9 of the 1992 City of Saskatoon Development required that developments be organized into neighbourhoods.\footnote{City of Saskatoon, Planning Department, 1992. City of Saskatoon Development Plan: Schedule A to Bylaw No. 6771, 4.} The report also stated that although the WRD was “not typical,” it was not “truly unique.”\footnote{Ibid., 24.} The WRD was not considered “truly unique,” because another residential golf course community development had recently been approved in Corman Park, and there were numerous other special lots already under construction in Saskatoon which met the same market demand that the WRD proposed to fill. The City of Saskatoon considered that the WRD would be in direct competition with its development projects, and should therefore be denied.\footnote{City of Saskatoon, “Council Meeting Minutes,” November 8, 1993, 2.} In addition, the WRD did not conform to the existing planning policies. It had not been included in the original five-year land development program, and would therefore require special approval from City Council who was not inclined to give special approval to this “ad hoc”\footnote{City of Saskatoon, Land Development Branch (Communication to the City Planning Branch), November 30, 1999, 2.} development proposal. The existing Saskatoon District Development Plan and the City of Saskatoon Development Plan policies precluded multi-parcel developments within the 1 mile (1.6 km) ‘buffer zone,’ where The Willows Golf Course was located.\footnote{City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan,” 8.} Also, the report indicated that the City of Saskatoon had neither the will nor the resources to undertake additional development projects at that time.\footnote{Ibid.} This was
due to the fact that the development around the periphery of the golf course and the proposed low lot-density lots would result in high servicing costs. The Engineering Department indicated that it had the capacity to service the WRD, but estimated that it would cost between $600 and $900 thousand, which was considered too high at the time.\textsuperscript{155} Finally, in contrast to the WRD proposal, the City of Saskatoon felt that the major costs associated with the development would be borne by the City, not the WGC.\textsuperscript{156}

### 3.4.1 Decision-Making Processes

During Phase I the City of Saskatoon employed a technical rationale and cautious decision-making style in the evaluation of the WRD proposal. This is a common characteristic of planning and development decision-making in a progressive urban regime.\textsuperscript{157} The closed decision-making regime enabled the City of Saskatoon to deny the WRD proposal without having to explicitly address any of the political issues at hand. The regime could be characterized as “progressive, [it] advocate[d] control of development, expanded services and protected residential opportunities.”\textsuperscript{158} The WRD proposal was denied in light of the City of Saskatoon Development Plan. In other similar cases, the City of Saskatoon had taken extraordinary measures to approve large development projects not included in the Five Year Land Development Program, but were otherwise in accordance with the overarching formal Development Plan. This policy precedent may have given the WGC reason to believe this would be the case for the WRD, but only if it could be accommodated by the Development Plan.\textsuperscript{159} However, the City of Saskatoon was not inclined to use such measures for The Willows.\textsuperscript{160}

The proposal to construct a residential development on a golf course was unprecedented in the Saskatoon city-region. The response from the City Planner was technical and circumspect.\textsuperscript{161} Due to the exceptional character of the WRD proposal, it required that the decision-makers exercise discretion and make a judgement call. For that reason, the decision was not left to only one administrator, but was considered by the

\textsuperscript{155} Willows Golf Corporation, 1.
\textsuperscript{156} City of Saskatoon, “Council Meeting Minutes,” November 8, 1993, 3.
\textsuperscript{157} Howlett, “Policy Development,” 175.
\textsuperscript{158} Leo, The Subordination of the Local State, 11.
\textsuperscript{159} Willows Golf Corporation, 4-19.
\textsuperscript{160} Romanelli and Marchand. The Delegation of Planning Responsibilities in Canada, 31-32.
\textsuperscript{161} Ibid., 232-233.
Planning Department, the Engineering Department and City Council. The fact that the WRD proposal required that the responsibility for the decision be shared rendered it a discretionary administrative decision rather than a routine administrative decision.

3.4.2 Political Dynamics

Political considerations may have also influenced the decision to deny the WRD proposal. In 1989, before The Willows Golf Course had even been built, the CBC television program “The Fifth Estate” reported that in Western Canada the ICC was misappropriating funds from the immigrant investment program. The RCMP fraud investigation commenced in Saskatchewan in 1992, around the same time that the WRD was first pitched to the City of Saskatoon. The RCMP investigation was highly publicized and implicated both WGC owners in the misappropriation of investor immigrant funds through the ICC. ICC raised over $17 million in investments through the immigrant investor fund, $15 million of which had been invested directly into the WGC. The implication of the WGC owners in the RCMP investigation may have provided the City of Saskatoon decision-makers with another reason to deny the WRD proposal.

In light of the political character of the WRD proposal, the restrictive planning policies and decision-making processes characteristic of a progressive regime may have assisted the City of Saskatoon in achieving its policy objectives without having to address the substantive issues at hand. First, the terminology in the report of the City Planner made a very subtle distinction between “not typical” and “unique” in order to justify the decision. Second, the report considered developments that were outside of the

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166 Leibel was acquitted of fraud and theft charges in 2001, for more details refer to Adam, Betty Ann. “Leibel Cleared of Fraud, Theft: Jury Acquits on Four Charges,” Saskatoon Star Phoenix, April 14, 2001, A1. Schafer was found guilty of fraud in 2000, for more details refer to Perreaux, Leslie, “Judge Considers House Arrest for Schafer: Crown Seeks 4-6 Year Term on Fraud Conviction,” Saskatoon Star Phoenix, June 7, 2000, A8.
167 Note that progressive regimes are typically supported by New Democratic voters. For further information see Leo, The Subordination of the Local State, 1-12.
168 Howlett, “Policy Development,” 174-175.
jurisdiction of the City of Saskatoon Development Plan. A golf course community, known as the River Hills Project located in Corman Park, was deemed to be in direct competition with the WRD proposal. However, the River Hills Project was located outside of the City Limits where the Saskatoon Planning District Development Plan had jurisdiction.  

Finally, the WGC wanted The Willows land to be annexed and assumed that it would be approved. Therefore WGC submitted its WRD project proposal to the Saskatoon City Council. However, The Willows land was actually located in the Saskatoon Planning District. Therefore, the Saskatoon District Planning Commission should have been consulted in the consideration of the development proposal. There is no indication that this occurred.

3.5 Conclusion

In Phase I of the WRD proposal the decision-making processes employed by the City of Saskatoon emphasized public interests over the private interests of the WGC. First, the decision to deny the WRD in Phase I was based largely on technical rationality. It was a decision made by City Councillors and administrators based on relatively strict adherence to the existing planning and development policies. Second, the proposed WRD annexation, development plan amendment and direct control district zoning regulation amendments proposed by the developer in the application would have all required extraordinary measures which the City of Saskatoon was not prepared to take given the political climate within which the proposal was made. The decision-making processes utilized in Phase I of the WRD may have been appropriate for that case, but set a policy precedent which hindered development and led to intermunicipal competition in the Saskatoon city-region in Phase II of the WRD project.

170 Smith, 231.
171 Ibid., 234.
172 Confidential interview #3 (Interview with the author), November 2005.
Chapter 4:
Saskatoon’s Willows Residential Development:
Phase II Development Plan Amendment (1997-2001)

4.1 Introduction

The purpose of this chapter is to provide an overview of the development plan amendment for The Willows Residential Development (WRD) from 1997 to 2001. In examining the nature and dynamics of the decision-making processes during Phase II this chapter reveals that the process was relatively closed in that it involved only representatives from the City of Saskatoon, the RM of Corman Park, and the Saskatoon Planning District. Pro-development community groups began to emerge in the form of a policy network. Moreover, this chapter reveals that during Phase II The Willows Golf Course landowners and the contracted developers, Willows Development Corporation, emerged as the major proponents of the WRD whereas Corman Park emerged as the major opponent.

4.2 The Second Willows Residential Development Proposal (1999)

After the WRD immigrant fund debacle of 1992-1994, The Willows Golf Corporation (WGC) went into receivership. The original WRD proposal had been presented to Saskatoon City Council in March of 1993, but shortly thereafter it was withdrawn by the WGC bankruptcy trustee. In April 1993, The Willows Golf Course was sold to Working Ventures Canada Fund for $5 million. In June 1994 Working Ventures began informal consultations with the City of Saskatoon to determine the best way to get a residential development at The Willows Golf Course approved. After conducting preliminary investigations, Working Ventures determined that professional developers would be better suited to navigate the planning and development approval processes. In 1997 Working Ventures and Dundee signed an equal joint venture agreement aimed at constructing a residential development at The Willows Golf Course. The joint venture agreement was called The Willows Development Corporation (WDC).

From 1997 to 1999, Dundee Developments conducted extensive market research and informal consultations with the City of Saskatoon regarding the feasibility of the

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174 Confidential Interview #3 (Interview with the author), January 24, 2006.
WRD in terms of the Saskatoon city-region planning policies. On June 29, 1999 Dundee Developments submitted a short formal application to the City of Saskatoon to annex the Northwest sector lands (comprising Hampton Village) and the Southeast sector lands (comprised of The Willows land) in order to accommodate residential developments. In July of 1999 Dundee Developments submitted *The Willows: Proposal for Annexation to the City of Saskatoon* to City Council. This was a much more comprehensive report regarding the proposed annexation of the Southeast sector lands which addressed the fact that the sector not been included in the City of Saskatoon’s designated areas of future growth. This document suggested that since The Willows lands were adjacent to the Saskatoon City Limits their annexation could accommodate the servicing requirements of the WRD and would represent a logical extension of the southward boundary and designated future growth areas of the City of Saskatoon. The WRD proposal included among other things, a market analysis of the proposed development, a description of the development concept, and the regulatory framework regarding appropriate land use designations and zoning regulations.

*The Willows: Proposal for Annexation to the City of Saskatoon* proposed the construction of approximately 500 to 600 new single and multi-unit households on The Willows land. The development would accommodate a population of 1500 residents around the periphery of The Willows Golf Course. On July 16th, 1999 the WDC proposed in *The Willows: Proposal for Annexation to the City of Saskatoon* that the City of Saskatoon annex The Willows lands and subsequently amend the City of Saskatoon Development to accommodate the proposed development. The multi-parcel development was presented to the City rather than Corman Park due to the fact that multi-parcel developments were generally prohibited in the buffer zone of the Saskatoon Planning District. WDC was of the opinion that this project would provide a new and unique product to the Saskatoon real estate market. Furthermore, WRD posited that the development would be a sound economic investment with an estimated value of over $180 million, and total economic spin-offs valued at about $400 million. This would in

175 Dundee Developments, (Communication to His Worship the mayor and City Council), June 29, 1999, 1.
176 Willows Development Corporation, 1-5.
177 Ibid., 12.
turn have a positive impact on the Saskatoon city-region.\textsuperscript{179} These points provided the City of Saskatoon with considerable incentives for approving the development proposal and for that reason the developers had not anticipated that the proposed annexation would be such a controversial matter.\textsuperscript{180}

The negotiation process that followed between the developer, the City of Saskatoon Council and administration, and the RM of Corman Park provides an example of fragmented governance and planning and development decision-making in the Saskatoon city-region which hindered development in the case of the WRD.\textsuperscript{181} In spite of the fact that the proposal was well received and that decision-makers and the community at large were excited about the proposal, intermunicipal competition, fragmented decision-making structures and processes, technical considerations, and significant differences in styles of political leadership of the day delayed the project for another five years.

\section*{4.3 WRD Phase II and Phase III: Key Stakeholders}

There were three main stakeholders involved in phase II of the WRD decision-making process. The developers and the municipal councils of both the City of Saskatoon and Corman Park were the key decision-makers. In addition, planners, administrative boards and departments, the Saskatoon District Planning Commission and the policy community were consulted in the evaluation of the WRD proposal. The procedures defined in the development plan amendment process determined who the actors would be in this stage of the decision-making process.\textsuperscript{182}

\subsection*{4.3.1 The Willows Development Corporation}

The contracted developer, Dundee Development Corporation, and the new owners of The Willows Golf Course, Working Ventures, worked in partnership under The Willows Development Corporation (WDC). Dundee had been doing business in Saskatoon since the 1950s (the company was formerly known as Preston Developments Incorporated and before that Boychuk Developments). Dundee was the largest residential

\textsuperscript{179} Willows Development Corporation, 3, 41.
\textsuperscript{180} Ibid., 1-30.
\textsuperscript{181} City of Saskatoon, Infrastructure Services “Re: Alteration of Urban Boundary – Annexation of Land Willows Golf and Country Club”(Communication from Infrastructure Services to the City Planning Brnach) November 30, 1999, 2
\textsuperscript{182} Hodge, Planning Communities, 317.
property developer in the City of Saskatoon. Their partner, Working Ventures Canada Fund, which was now known as Growthworks Capital Incorporated was a labour sponsored capital fund and it was the largest of its kind in Canada. Approximately one third of Working Ventures’ investors were residents of Saskatoon. The WDC acted as the initiator in the development plan amendment process. Dundee Development Corporation was a public real estate company that owned, developed, and managed commercial and residential properties in Canada the Unites States. Dundee Developments, on behalf of the WDC advocated for more timely and accommodating evaluation procedures throughout the second phase of the WRD.

4.3.2 The City of Saskatoon

Saskatoon City Council was the principal decision-maker in the second phase of the WRD proposal. Instead of denying the proposal based solely on past precedent, as advised by its administration, City Council postponed making a decision regarding the WRD proposal. In light of the value of the WRD proposal, and the longstanding cooperative relationship with Corman Park in terms of planning and development, City Council commissioned three comprehensive studies regarding the potential impact of the WRD. According to the provincial Planning and Development Act, 1983 all municipalities must adopt planning and development policy statements. Likewise, City council must vote in order to amend development plans or to annex lands. The City of Saskatoon Development Plan and the Saskatoon District Development Plan provided the policy guidelines for the consideration of the WRD proposal. The City of Saskatoon Administration, namely the Community Services Department, the Planning Branch and the Infrastructure Services Department, played significant roles in the decision-making processes in that they provided the technical and professional advice to city councillors as to how to proceed with the WRD proposal.

City Council referred the WRD proposal to the Planning and Operations Committee and the Municipal Planning Commission (MCP). These are commonly known

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183 Willows Development Corporation, 4.
184 Cooper, Michael J. “Dundee Realty Corporation Announces Acquisitions” (Press release), April 11, 1997.
186 Romanelli and Marchand. The Delegation of Planning Responsibilities in Canada, 32.
The Planning and Operations Committee is a standing committee made up of five members of council. This committee reviewed the reports pertaining to the WRD submitted by members of municipal administrations, developers and other stakeholders. The Municipal Planning Commission is an advisory board made up of one member of City Council, one member of the Public and Catholic School Boards and ten residents of Saskatoon. The Committee assists City Council in making decisions which protect and maintain the principles of community planning and ensure the orderly development of the City. Lastly, City Council also referred decisions pertaining to the WRD to its in camera meetings of the committee of the whole, known as the Executive Committee.

4.3.3 The Rural Municipality of Corman Park

Corman Park Council was another primary decision-maker in this evaluation of the proposed development. Corman Park was opposed to the WRD proposal throughout all three phases of the decision-making process. The council acted as guardian of the public interest in the rural municipality. Since it was not perceived to be in the interest of Corman Park to approve the WRD proposal, this position was communicated consistently to the City of Saskatoon’s decision-makers. Joint meetings of the City and Corman Park Council were held intermittently regarding the WRD proposal and the possible impact for the joint Saskatoon Planning District and the RM of Corman Park. RM councillors, the Reeve, and members of the administration presented Corman Park’s position at meetings of City Council, the MPC, and open meetings of the Planning and Operations Committee. Whereas the City of Saskatoon did have subdivision approval authority for planning and development, the RM of Corman Park did not. Nonetheless, the RM of Corman Park had its own policy statements and best practices in terms of planning and development for the region and an Administrator to carry out the decisions of Council. These policies

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187 Hodge, Planning Communities, 379.
188 City of Saskatoon, Planning and Operations Committee, available online at http://www.saskatoon.ca/org/clerks_office/committees/index.asp, retrieved May 18, 2006, 1.
189 City of Saskatoon, “Chronology of Events – Willows Annexation” (Saskatoon: Office of the City Clerk), September 24, 2001, 2.
191 Romanelli and Marchand, The Delegation of Planning Responsibilities in Canada, 32.
and processes were designed to maintain the agricultural character of the RM. This, however did not factor into the City’s decision-making process.

4.3.4 The District Planning Commission

In Saskatchewan, two or more municipal councils can establish joint planning districts where both parties have vested land-use interests in a given area.\(^2\) The role of the SDPC in the case of the WRD was to provide recommendations to both municipal councils regarding the WRD amendment proposal. Much like the City of Saskatoon, the Commission was at first hesitant to support the WRD initiative despite the significant projected economic benefits.\(^3\)

The SDPC is the planning advisory board for the joint planning district located 3 to 7 km immediately surrounding Saskatoon in the RM of Corman Park. The SDPC was established in 1956, and is consulted regarding all planning and development decisions within the jurisdiction of the Saskatoon Planning District. The commission monitors and evaluates planning and development issues within the jurisdiction.\(^4\) The SDPC reports to both municipal councils, providing a means for the two municipalities to cooperate and coordinate growth, as well as land use planning and development.\(^5\) It is important to note that participation in the District Planning Commission by both the City of Saskatoon and the RM of Corman Park is voluntary.\(^6\)

4.3.5 Policy Networks

Those involved in planning policy networks generally reflect the values, culture and interests of the governmental and non-governmental actors within the policy community.\(^7\) Up to this point the only stakeholders mentioned in the WRD planning process were the governmental actors and the non-governmental companies which were advocating the developers’ position. In the Saskatoon city-region, there were two clusters of non-governmental actors, namely the business community and citizens associations. Representatives of the business community included the Saskatoon Regional Economic

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\(^2\) Ibid.
\(^3\) City of Saskatoon, “Chronology of Events – Willows Annexation,” 1.
\(^5\) City of Saskatoon, District Planning: Land Use Policy Development, available online at [www.saskatoon.ca/org/city_planning/land_use_policy/development](http://www.saskatoon.ca/org/city_planning/land_use_policy/development), retrieved November 18, 2005, 1.
\(^7\) Hodge, Planning Communities, 383.
Development Authority (SREDA), the Saskatoon Chamber of Commerce, the North Saskatoon Business Association, the Saskatoon Homebuilders Association, and members of the construction industry.\textsuperscript{198} In the case of the WRD, the business community generally supported the developers, save one organisation, Lakewood Estates Incorporated.\textsuperscript{199} Other stakeholders represented in those policy networks included school boards, citizens associations, and the public. Although school boards have considerable interests in planning and development, they are not generally consulted as part of the formal planning process in Saskatchewan. The notable exception is that they have one representative on the MCP.\textsuperscript{200} Given the importance of the WRD, the RM of Corman Park consulted the Saskatoon Public School Board East Division. The school board was not in favour of the development due to financial considerations related to changes in the municipal tax base and forwarded its views to the City of Saskatoon Council and the Municipal Appeals Board.

\textbf{4.4 Phase II Decision-Making Processes}

The informal part of the decision-making process regarding the WRD began in 1997. In a press release, Dundee Development Corporation announced that it had signed a joint venture agreement with Working Ventures. The press release indicated that “the parties will prepare a residential development plan for the lands and will apply for them to be annexed into the City of Saskatoon.”\textsuperscript{201} Soon afterward, the WDC was invited to speak at the annual general meeting of The Willows Golf Course regarding the proposed residential development. At that point, no official proposal had yet been submitted to either municipality. The goal of the speaking engagement was to investigate interest in the project and dispel rumours. A member of the press was invited to this meeting by a member of The Willows. This produced an unsolicited media release in spite of the objections of the joint venture partners.\textsuperscript{202} The Saskatoon Free Press printed an article entitled “Willows Residential Component in the Works” on April 24, 1997.\textsuperscript{203} In the article, the President of Dundee Development Corporation (then known as

\textsuperscript{198} Dundee (Correspondence to the RM of Corman Park) January 24, 2002, 4.
\textsuperscript{199} Linowes and Allensworth, \textit{The Politics of Land Use}, 16.
\textsuperscript{200} Ibid., 17.
\textsuperscript{201} Cooper, 4.
\textsuperscript{202} Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A.
\textsuperscript{203} Martin, 1.
Preston Developments) and the City of Saskatoon Community Planning Manager (sometimes referred to as the Community Planner or the Planning Manager) were interviewed. The article indicated that the WDC intended to build a large upscale housing development on The Willows land and that the approval process should take a couple of years. According to the spokesperson for the developers, “all [they] had to do was convince the powers that be.”\(^{204}\) The interview with the City Planning Manager referred to previous planning and development issues which had been raised in the original 1993 WRD proposal. The article mentioned that the Saskatoon Planning District did not permit multi-parcel developments in that area, and therefore the land would likely have to be annexed in order for the development to go ahead. It also noted that the unique residential development proposal on a golf course did not conform to traditional planning and development regulations in the Saskatoon city-region.\(^{205}\)

That preliminary meeting and the resulting media article produced a swift reaction from the RM of Corman Park. Despite the apologies for the unwanted media report offered by the developers to Corman Park and the City of Saskatoon, the Reeve of Corman Park submitted a letter to Saskatoon City Council repudiating the possible residential development at The Willows Golf Course. Although no formal proposal had yet been received by either municipal council, Corman Park considered it prudent to inform City Council of their opposition to the WRD proposal in order to discourage both the developers and the City Council from pursuing the project and possible annexation of The Willows Golf Course lands.\(^{206}\) In March of 1999 the developers met with the Reeve of Corman Park and the senior administration to clarify that research into the possible residential development project had only just got underway, and that as of yet, there was no formal proposal to be submitted to either municipality. In addition to this initial meeting, Dundee’s management went before Corman Park Council in July 1999 to reiterate its intentions. Dundee explained that standard procedures for annexation would be followed once the proposal had been completed. Dundee also extended further apologies for the unsolicited media release.\(^{207}\) These actions on the part of the developers,

\(^{204}\) Ibid.
\(^{205}\) Ibid.
\(^{206}\) Ibid.
\(^{207}\) Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A.
the City and the RM set into motion a protracted sequence of consultations and negotiations during phase II of the WRD proposal.\textsuperscript{208}

After the initial media release regarding the proposed WRD, Dundee Developments made every effort to keep their communications with the City Planners and Engineering Consultants regarding the WRD confidential. Dundee Developments conducted extensive research into the possibility of constructing the residential community on The Willows land. They researched other residential golf course communities in Canada in order to determine the feasibility of the WRD proposal.\textsuperscript{209} In camera reports from phase I of the WRD proposal were examined in order to determine servicing requirements in preparation of WDC residential development proposal such as: water distribution systems, sanitary sewage treatment and storm sewers.\textsuperscript{210} Any decision on the part of the City of Saskatoon to approve a development South of Circle Drive in the Southeast sector of Corman Park would have constituted a significant change in land use policy. Other multi-parcel residential developments already existed in the South sector; including Riverside Estates, Grasswood Estates and Furdale, but in a country style setting. This was already “considered a significant constraint to urban development.”\textsuperscript{211} Therefore, in the preliminary discussions between the City and the developer, the policy, planning, servicing, and technical issues related to the WRD were given very careful consideration by the City of Saskatoon. Furthermore, the letter submitted to City Council by Corman Park Council indicated to the City’s decision-makers that there would be considerable resistance to any development on or annexation of lands in the South sector of the Rural Municipality.

Following this preliminary discussion, the established procedure for amending the development plan involved several administrative steps. The first step was submitting an application to the Community Planning Branch, and submitting a fee of $1750 to cover the expenses of holding a public hearing and newspaper advertising costs related to the

\textsuperscript{208} Block, Cynthia (Letter from Cynthia Block to Dundee Development Corp. regarding WRD news release in 1998) June 1, 2000.
\textsuperscript{209} Dundee (Correspondence to Corman Park Council), January 24, 2002, 3.
\textsuperscript{210} UMA Engineering (Communication to City of Saskatoon Design Engineer) July 2, 1998 and City of Saskatoon, Water & Sewage Branch (Communication to UMA Engineering), July 22, 1998.
\textsuperscript{211} City of Saskatoon, “Future Growth Study,” 32.
proposed amendment.\textsuperscript{212} The second step in the amendment process involved the City informing Corman Park of the proposal. The third step involved asking the administrative departments to comment. The fourth required step was for the Development Services Branch to draft a report considering the City of Saskatoon Development Plan policies zoning bylaws, and any other issues that pertained to the amendment proposal. The final step was for the draft report to be submitted to the Municipal Planning Commission for review.\textsuperscript{213} Each of these procedures as they pertained to the WRD will be discussed in the following section.

On July 16, 1999, Dundee finally submitted a formal request to annex the Northwest sector lands (comprising Hampton Village) and the Southeast sector lands (comprised of The Willows land) in order to accommodate residential developments.\textsuperscript{214} The Willows: Proposal for Annexation to the City of Saskatoon concerned the Southeast sector and had two main objectives. The first objective was to propose that The Willows land be annexed into the City in order to provide city water and sewage treatment services for the multi-parcel residential development. The developers had considered that due to these servicing requirements, the proposal should be submitted to the City, which had the capacity to accommodate the technical requirements of an urban style development. Moreover, due to issues of jurisdiction (The Willows property was located in the RM), the City of Saskatoon would be required to annex the lands before approving the development.\textsuperscript{215} The second objective was to provide a formal and comprehensive development proposal for a residential development at The Willows Golf Course. This would involve the amendment of the City of Saskatoon Development Plan in order to accommodate residential golf course communities. The document outlined the history of The Willows Golf Course, the proven track record of the developers, the possible economic impact of the development, the planning context, and the concept of the development and how municipal services and transportation should be provided for the

\textsuperscript{212} City of Saskatoon, Community Planning Branch (Amendment to the City of Saskatoon Development Plan: Application Form), 1.
\textsuperscript{213} Ibid., 2.
\textsuperscript{214} Dundee (Communication to City Council), June 29, 1999, 1 and City of Saskatoon, Office of the City of Clerk. “Memorandum,” July 16, 2001, 1.
\textsuperscript{215} In reality, the City of Saskatoon was required to proceed with the policy amendment to the Development Plan first in order to justify the annexation in light of the pending WRD proposal which conformed to the (new) provision for residential golf course communities.
neighbourhood. The submission of the WRD proposal to Saskatoon City Council represented the first part of the formal stage of the planning and development decision-making process.

In August 1999, the City of Saskatoon requested clarification on several marketing and planning issues arising from the WRD proposal in order to ensure that the development would be consistent with the principles of orderly and properly phased development in Saskatoon. The issues raised concerned the target market demographic, the annual absorption rates, the anticipated demand for the new housing development, the positions of the land owners in the Southeast sector lands regarding possible annexation, comparisons with other residential golf course communities in Canada, and finally the possibility of competition with other high-end housing developments in the Silverspring, Wildwood, and Briarwood neighbourhoods. Dundee responded promptly and thoroughly to the City of Saskatoon’s inquiry. Thereafter, the City of Saskatoon Community Planning Branch proceeded to gather information from the other land owners in the Southeast sector regarding their position on the proposed annexation. If the owners wished to be included in the annexation, they were asked to inform the City of their position by September 15, 1999.

In the initial stages of the decision-making process, two of the City of Saskatoon administrative units (i.e. Infrastructure Services Department and the Planning Branch) were not in favour of accommodating the WRD proposal. In November 1999, the City of Saskatoon Infrastructure Services Department expressed concerns to the City Planning Branch over the servicing requirements related to the proposed WRD. The department communicated to the City Planning Branch that although it was not opposed in principle to the annexation of The Willows lands, there were other issues that needed to be addressed relating to the “ad-hoc nature” of the development, such as the high cost of servicing low-density residential lots. Therefore, the City requested that Dundee Developments provide an economic impact study addressing these issues before it could

\[216\] Willows Development Corporation, 1-3.
\[217\] Dundee (Communication with Dundee Development Corporation and the City of Saskatoon Planning Branch), August 3, 1999, 1.
\[218\] RM of Corman Park, “Role of DPC,” 4-16.
proceed with the annexation. There was no activity on the WRD proposal until spring of the following year.

Shortly thereafter at an in camera meeting between the Community Planning Branch and the Executive Committee, the administration communicated that there was no policy in the 1997 City of Saskatoon Development Plan\textsuperscript{219} that could accommodate a residential golf course development.\textsuperscript{220} In contrast, Dundee Developments found through their research that “planning professionals both inside and outside the City administration, with whom we have had continuous dialogue over many years, will confirm that ‘growth plans’ are not intended as rigid unchangeable documents.”\textsuperscript{221} At this in camera meeting, the City of Saskatoon Community Planning Branch recommended that the proposal for annexation by the WDC be denied. However the administration also suggested that the City of Saskatoon pursue the possibility of adding a “Golf Course Community Policy.”\textsuperscript{222}

At a City Council meeting in April 2000, the City of Saskatoon Planning Branch recommended that the WRD be denied for reasons pertaining to planning and development policies. The report of the Planning Branch stated that “…in short, developments which do not promote the policy of orderly and rational development and which do not advance the goals of co-operative regional planning have generally been discouraged in the past.”\textsuperscript{223} Yet Dundee Developments presented another package of information regarding the WRD proposal and its possible economic benefits for the City of Saskatoon. This paper reiterated the uniqueness of the WRD proposal and the possible economic benefits for the Saskatoon city-region. Dundee Developments wished to be included in, rather than consulted,\textsuperscript{224} regarding the interpretation of planning and development policies which applied to the WRD proposal and considered that it was being dealt an unfair hand due to the City’s consideration for the position of the RM of Corman Park. No official position was taken at the City Council meeting. On April 19, 2000 the City of Saskatoon Executive Committee reconvened to consider the position of

\begin{footnotes}
\item[219] Note that the 1999 City of Saskatoon Development had been completed at this time, but did not come into effect until November 2000, after the WRD had initially been denied.
\item[220] City of Saskatoon, (Communication from the General Manager) December 20, 2000, 2.
\item[221] Dundee (Correspondence to Corman Park Council), January 24, 2002, 6.
\item[222] City Clerk, City of Saskatoon (Chronology of Events – Willows Annexation), September 24, 2001, 1.
\item[223] City of Saskatoon, Community Planning Branch, (Alternation of Urban Boundary) April 3, 2000, 9.
\item[224] Note that the City of Saskatoon instituted the regular consultation of interested stakeholders in its planning processes. This was consistent with either a progressive or an active corporate urban regime.
\end{footnotes}
Dundee Developments, the WRD annexation proposal and the history of the Saskatoon Planning District. The Executive Committee maintained their stance that the annexation proposal should be denied, but considered creating a new “Golf Course Communities Policy.”

On May 3, 2000, a joint meeting of Corman Park Council and Saskatoon City Council convened to consider creating a residential golf course community policy. At this time the City Planner presented the “Urban Golf Course Communities” position paper. The report considered planning literature as well as information from the Saskatoon & Region Home Builders Association. Both supported the idea that golf course communities would benefit the Saskatoon city-region in a number of ways, including: providing a new housing product, accommodating high-end and emerging market needs of the aging population, and thus keeping Saskatoon competitive in Western Canada. The difference of opinion over the feasibility of golf communities became evident at this meeting, and again no decision was made. Instead, another meeting was scheduled between the planners of both administrations, to no avail. Corman Park and City of Saskatoon Planners met to discuss WRD, but made no progress. Corman Park’s planners did not support making changes to the existing buffer zone or altering the Saskatoon Planning District land-use policies, the two options presented by the City of Saskatoon administration. The City of Saskatoon resolved to refer the residential golf course community policy to the District Planning Commission for review. Dundee Developments agreed to wait until the District Planning Commission could conduct a review and create a policy to accommodate residential golf course communities. At this meeting, the City of Saskatoon also concluded that it could amend the City of Saskatoon Development Plan without the consent of the SDPC or the RM.

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225 City of Saskatoon, Community Planning Branch, “The Willows – Annexation Chronology” (Summary of events by the City Planner) November 28, 2005, 1.
226 City of Saskatoon, Executive Committee, “Residential Land Development Policy – Golf Course Communities,” (Executive Committee of Council Meeting Minutes) May 26, 2000, 2.
227 City of Saskatoon, Community Planning Branch, (Alteration of Urban Boundary) April 3, 2000, 3.
228 Note that in March of 2000, the 1999 City of Saskatoon Development Plan had come into affect. However, there was still no category for residential golf course community subdivisions.
229 City of Saskatoon, Executive Committee, “Residential Land Development,” May 2000, 4-5.
230 Ibid.
The City of Saskatoon Development Plan and the Saskatoon District Development Plan were considered in the evaluation of the WRD proposal. These policies provided valid justification as to why the City of Saskatoon’s administration would not approve the WRD.\(^{231}\)

The Planning Department’s justifications for recommending a denial of the WRD reflected three key issues outlined in the original 1998 letter from Corman Park addressed to City Council.\(^{232}\) This was due to the fact that the approval of a change to the District Plan required the approval of both municipal councils. The three notable issues were as follows. First, the Corman Park planners did not see it fit to amend the existing planning policies in the Planning District. It was the RM of Corman Park’s “opinion that in order to preserve the integrity of the planning process in the Saskatoon Planning District, the proposal should be denied.”\(^{233}\) Second, there was a history of pressure from developers and landowners to approve multi-parcel developments within a one mile radius of the City of Saskatoon. Corman Park had previously denied multi-parcel residential subdivisions within the one mile buffer zone, and felt that approving the WRD proposal would set a dangerous precedent for future development in the area, as well as potentially aggravate developers who had already been denied subdivision approval in the past, such as Lakewood Estates.\(^{234}\) Not only that, but the City administration had already rejected the first WRD proposal in 1993 and wished to maintain a consistent position. Third, in accordance with the previous 1993 WRD proposal, meeting minutes recorded that there was “a difference of opinion over the uniqueness of Golf Course Communities and how they differ from any other upscale, large lot subdivisions which had been proposed elsewhere in the RM.”\(^{235}\)

These three issues were reflected in the recommendations of the Community Planning Department, the Infrastructure Services Department, the City Solicitor and Corman Park at the April 2000 meeting of the Executive Committee. Following in suit, no definitive resolution regarding the WRD was made. For the first time, City Council

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\(^{231}\) City of Saskatoon, City Planning Branch. “Re: Request for Annexation – Willows” (Communication with Dundee Development Corporation), December 7, 1999, 3.

\(^{232}\) City of Saskatoon, “Re: Request for Annexation – Willows,” 5-7.


\(^{235}\) Ibid., 1-2.
members officially considered the fact that the City of Saskatoon Development Plan had no policy to facilitate the WRD golf course community. The Executive Committee requested that the administration report back on the matter of development plan amendment and residential golf course communities. The Executive Committee also resolved to convene a joint meeting of the elected councils of Corman Park and the City of Saskatoon in order to address Corman Parks’ opposition to the WRD proposed development plan amendment and annexation of The Willows land.  

The joint council meeting of Corman Park and the City of Saskatoon was held on May 3, 2000. At this meeting, the City Planner presented a proposal to amend the Saskatoon city-region development policies to include a provision for residential golf course communities entitled Proposal – Urban Golf Course Communities. The proposal included an outline of a policy statement which could be adopted by both municipal councils. Again, nothing was decided. Instead, it was resolved that the proposal be examined more precisely at a joint meeting of the administrators of both municipalities. It was also resolved that the consideration of the urban golf course communities policy should be delayed until the Future Growth Study had been completed.

On May 19, 2000 the senior administrators of Corman Park and the City of Saskatoon met to discuss the development of a golf course community policy for the Saskatoon city-region. At the meeting, Corman Park expressed three primary concerns with the proposal. First of all, the RM was not in favour of amending the existing land use policies in the Saskatoon Planning District which precluded multi-parcel developments in the buffer zone. Secondly, and much like the justifications provided in the 1993 denial of the WRD project, the RM did not perceive the WRD proposal to be unique. In contrast to their position in 1993, the City of Saskatoon administrators expressed a difference of opinion over the uniqueness of the project. Last but not least, the RM was concerned about the precedent it would set to approve the WRD, and the

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236 City of Saskatoon, Community Services Department. “Residential Land Development Policy – Golf Course Communities.” (Communication from the General Manager to the secretary of the Planning and Operations Committee) December 20, 2000, 6.
237 Ibid., 1-10.
238 City of Saskatoon, Office of the City Clerk “Chronology,” September, 2001, 1.
message it may send to developers who had been denied development approval in the buffer zone.²³⁹

During the next meeting of the Executive Committee on May 26, 2000, the Community Planning Branch advised participants that the policy issues of residential golf course communities should be referred to the City administration and the SDPC for review, and that the results be withheld until after the Future Growth Study was completed and had been publicly released, as per the request of the Reeve of Corman Park.²⁴⁰ This would also give Dundee Developments time to consider how to proceed with the WRD proposal. The following month, in June of 2000, Dundee Developments’ request to annex the Northwest sector of Corman Park was approved by City Council. This process had been completed within 11 months of the initial proposal, without any planning and development issues being raised by the RM of Corman Park.²⁴¹ There was no action on the WRD file for several months.

In September 2000, the Future Growth Study of 1999 was finally presented by the City Planner to City Council and the possibility of approving the WRD proposal was not ruled out.²⁴² As a result, City Council determined that further inquiry was required as to the possible implications of this report for the Saskatoon Planning District.²⁴³ Thus, on December 12, 2000, City Council commissioned a comprehensive review of the Saskatoon District Development Plan and Zoning Bylaw. To be evaluated in this study were residential golf course communities, the one mile buffer zone, and the possibility of expanding urban services into the Saskatoon Planning District.²⁴⁴ This work was subsequently contracted to Crosby Hanna & Associates, Landscape Architects and Planners.²⁴⁵ They produced the Future Growth Study: Saskatoon Planning District Review – South Sector which was not presented to Council until July 2001.²⁴⁶

In the meantime, on November 22, 2000, Dundee Developments initiated a crucial phase of the decision-making process. Dundee applied formally to the City of

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²³³ Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A.
²³⁴ Ibid.
²³⁶ City of Saskatoon, Office of the City Clerk “Chronology,” 1.
²³⁷ City of Saskatoon, “Residential Land Development Policy,” December 20, 2000, 10.
²³⁹ City of Saskatoon, Office of the City Clerk “Chronology,” 1.
Saskatoon to amend the existing City of Saskatoon Development Plan to include residential golf course community subdivision category, knowing that the City of Saskatoon administration (as per the City Planners report on *Urban Golf Course Communities* presented at the May 3, 2000 Executive Committee meeting) was now in favour of the idea.²⁴⁷ Dundee Developments submitted a ten page study in support of the development plan amendment which considered the character of the development, the future growth pattern of the City of Saskatoon, a market review, and a study of the infrastructure impact. The document concluded that “Dundee Development Corporation is proud to have been involved in creating a precedent setting plan for residential development in Saskatoon, one that will become an exciting focal point, source of pride and economic stimulant…”²⁴⁸ It is also important to note that Dundee was an experienced developer who understood the technical considerations, decision-making processes and policy changes that were required for the City of Saskatoon to accommodate the WRD. At the same time, Dundee was also interested in fostering a good working relationship with City Council and the City of Saskatoon administration for the benefit not only of the WRD, but for other future developments as well.²⁴⁹ However, at that time another problem was presented by the RM of Corman Park, as it questioned whether it was appropriate for a private developer to initiate a development plan amendment and annexation.²⁵⁰ This was due to the fact in the City of Saskatoon’s Progressive decision-making regime policy amendments were generally initiated by the municipalities rather than private stakeholders.²⁵¹

After having commissioned the comprehensive review of the Saskatoon Planning District planning policies and bylaws, the Planning and Operations Committee met on December 20, 2000 to consider the WRD proposal. Three options were considered: deny the annexation proposal, proceed with the annexation proposal, or defer the request until the comprehensive review of the Saskatoon Planning District Development Plan and Zoning Bylaw had been completed. At this meeting the General Manager of the

²⁴⁷ Ibid.
²⁴⁸ Dundee Development Corporation. “Re: Willows Residential Golf Course Community – Amendment to Development Plan” (Application to the City of Saskatoon for Development Plan Amendment), 9.
²⁴⁹ Confidential interview #4 (Interview with the author), August 3, 2006.
²⁵⁰ Ibid., 4.
²⁵¹ Leo, *The Subordination of the Local State*, 11.
Community Services Department emphasized that amendment of the City of Saskatoon Development Plan to include a residential golf course community subdivision “would support the specific annexation request by the Dundee Development Corporation, or any other applicant who made application for a similar type of residential development.”\textsuperscript{252} However, the meeting adjourned with no decision being made because it was deemed to be inappropriate to discuss the politically contentious WRD in camera.\textsuperscript{253} On January 16, 2001 an open meeting of the Planning and Operations Committee was convened. Representatives of Dundee Developments were in attendance but Corman Park representatives were not. This was significant in that the following day an article entitled “Proposal for housing tees off RM” was published in the Saskatoon Star Phoenix. The article quoted a Corman Park councillor as saying “I have some problems with it because it seems they’re trying to go ahead here without any agreement with us.”\textsuperscript{254}

The Planning and Operations Committee reported to City Council on January 22, 2000, where a discussion of the formal process of the development plan amendment process ensued. A public hearing was held regarding the proposed amendment at the beginning of the regular meeting of City Council. Representatives of both Corman Park and Dundee Developments were in attendance.\textsuperscript{255} The Reeve of Corman Park noted that the \textit{Future Growth Study} was still underway and therefore any decision regarding the WRD and the associated development plan amendment application should be postponed until the study was complete. Council agreed, but asked that the process for completing the study be accelerated.\textsuperscript{256} Council also resolved that the process should commence to amend the Saskatoon Planning District Development Plan and Zoning Bylaws to accommodate the WRD, although the City would wait to finalize it until the \textit{Saskatoon Planning District: Future Growth Study – South Sector} was complete, as per the request of the Saskatoon District Planning Commission and the Reeve.\textsuperscript{257}

In 2001 the \textit{Future Growth Study: Saskatoon Planning District Review- South Sector} recommended that the Saskatoon Planning District identify and apply “more

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\textsuperscript{252} City of Saskatoon, “Residential Land Development Policy,” December 20, 2000, 8. \\
\textsuperscript{253} City of Saskatoon, Planning and Operations Committee, “Residential Land Development Policy,” 1-2. \\
\textsuperscript{254} Bernhardt, Darren. “Proposal for housing tees off RM,” \textit{Saskatoon Star Phoenix} (January 16, 2001), A5. \\
\textsuperscript{255} City of Saskatoon, Office of the City Clerk, “Chronology,” 1. \\
\textsuperscript{256} Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A, 2. \\
\textsuperscript{257} City of Saskatoon, Office of the City Clerk, “Chronology,” 1.
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flexible tools and guidelines for evaluating locational merits of this [multi-parcel country residential] form of proposed development (e.g. subdivision form, densities, open space distribution, topographic situation) while continuing to support the goals of the Development Plan.” In addition, the report recommended that the District Planning Commission, the City of Saskatoon and the Saskatoon Regional Economic Development Authority pursue a “mutually-supported vision for preferred directions of growth in the Saskatoon region.” The report suggested that the focus of this initiative be first and foremost focused on receiving the support of the RM of Corman Park. The objective of this initiative would be to develop and adopt a regional growth statement.

On April 3, 2001, one year after recommending that the WRD proposal be denied, and after substantial review of the issues, the Municipal Planning Commission received a paper from the City of Saskatoon Planning Branch entitled Golf Course Communities recommending just the opposite. The document was presented in response to the November 2000 Dundee Development Corporation application to amend the City of Saskatoon Development Plan. The paper supported the idea of amending the existing policies to include a subdivision category for residential golf course communities. Several reasons were given in favour of this new type of development. For example other large urban centres such as the City of Calgary already had similar communities. There were also few high-end housing developments at that time in Saskatoon and golf course communities tend to support golf course investments. In addition, the market of people aged older than fifty years was growing in Saskatoon, and this development would accommodate that market. Finally, the Saskatoon city-region did not have any golf course communities to speak of at that time. These items were discussed at a subsequent joint meeting of the City of Saskatoon and Corman Park Councils in the same month, but no agreement was reached.

The City of Saskatoon Administration, through a one year in-depth review of the WRD proposal, and in consideration of the other studies and policies, finally decided that

259 Ibid., 48.
260 City of Saskatoon, Municipal Planning Commission “Golf Course Communities” (Recommendation to Saskatoon City Council Hearing July 16, 2001 to Approve the Dundee’s application for development plan amendment), April 3, 2001, 1-13.
261 City of Saskatoon, City Council “Council Meeting Minutes” October 16, 2001, Appendix 3, 1.
262 Ibid., 3.

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aside from the generally adhered to planning and phasing of conventional style
neighbourhood developments in Saskatoon, the City of Saskatoon Development Plan
policy was intended to accommodate extraordinary developments. The City of Saskatoon
Municipal Planning Commission was satisfied that the new policy would address issues
initially raised by the City Planning Branch and Infrastructure Services Department. The
MPC submitted a report to City Council on July 11, 2001. The MPC had considered the
Community Services Department’s April 2001 report entitled *Golf Course Communities*,
and agreed with the recommendations. The WRD had taken into account infrastructure
considerations, market forces, and incentives for different density levels, and provided
reasonable justification for a one-off deal.263

In the final stages of the formal decision-making process, Dundee’s development
plan amendment application went before a public hearing, and was advertised in the Star
Phoenix for two weeks before it was approved by Council.264 Finally, on July 16, 2001
City Council approved the City of Saskatoon Development Plan amendment which
permitted residential golf course communities.265 In making this decision, City Council
also considered the recommendations of the *Saskatoon Planning District: Future Growth
Study – South Sector*, which was received by Council at this meeting. The report
concluded that The Willows request for annexation was appropriate in that the
development should benefit from city water and sewage services rather than being
serviced in the RM. The report also provided an “Issue Evaluation Matrix” and “Smart
Growth Audit Matrix” which could be used by the City of Saskatoon, the RM of Corman
Park, and the District Planning Commission as tools for the consideration of future
development proposals within the Saskatoon city-region.266 In applying these evaluation
matrixes to the WRD proposal, the consultants concluded in favour of the WRD by a
score of sixty-seven percent. The report concluded that the City of Saskatoon should not
extend the sanitary sewer systems outside of the city limits until a regional growth
strategy has been established and until a new urban containment boundary has been

263 Ibid., 5.
264 Ibid., 13.
265 Ibid., 1
266 Crosby Hanna & Associates, 47.
created, since doing otherwise may result in sprawl.\textsuperscript{267} Therefore, annexation of the land would be required. This document, along with the former \textit{Golf Course Communities} report of the City Planner represented a turning point for the WRD project in that both inquiries were in favour of amending the City of Saskatoon Development Plan to include residential golf course communities.\textsuperscript{268} The objective of the new policy was as follows:

\begin{quote}
To facilitate the development of Golf Course Communities in Saskatoon to allow for a greater range of housing options, maximize economic benefit to the Saskatoon region, and to mitigate the potential negative impact on servicing and pre-paid rates which this type of low-density development may exert in an urban context.\textsuperscript{269}
\end{quote}

As a result of the development plan amendment, the Planning and Operations Committee recommended “that the Administration proceed with the annexation request put forward by Dundee Development Corporation.”\textsuperscript{270} Thus, City Council referred the \textit{Saskatoon Planning District: Future Growth Study – South Sector} to the District Planning Commission for review. A response to these recommendations from the District Planning Commission was scheduled to be heard at the September 2001 meeting of City Council. However it was not heard because the Commission asked for an extension which was granted by Council.\textsuperscript{271}

On October 16, 2001 City Council resolved to begin the process of annexing The Willows land, pursuant to Dundee Developments WRD proposal. Council received a detailed report of all the planning and development considerations and all reports that had been conducted pertaining to the WRD. The Reeve of Corman Park appeared before Council to present objections to the annexation which were in line with those presented in the past.\textsuperscript{272} In spite of these objections two resolutions were made. The first was that the Administration commence the process of annexing The Willows land in accordance with the \textit{Urban Municipalities Act, 1983}.\textsuperscript{273} The second was that the administration begin the process of seeking a complementary resolution with the RM of Corman Park. This began

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\textsuperscript{267} City of Saskatoon, City Council. “Council Meeting Minutes” October 16, 2001, 4-6.
\textsuperscript{268} City of Saskatoon, Municipal Planning Commission, 1-13.
\textsuperscript{269} City of Saskatoon, Office of the City Clerk, “City of Saskatoon Development Plan: Bylaw No.7799,”November 6, 2000, 18a.
\textsuperscript{270} City of Saskatoon, City Council, “Council Meeting Minutes” October 16, 2001, 2.
\textsuperscript{271} City of Saskatoon, Office of the City Clerk, “Chronology,” 2.
\textsuperscript{272} Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A.
\textsuperscript{273} City of Saskatoon, City Council, “Council Meeting Minutes” October 16, 2001, 1.
\end{flushleft}
the third phase of the WRD proposal which pertained to the annexation of The Willows land.

4.5 Phase II Political Dynamics

There were strong arguments both for and against the approval of the WRD. The political dynamics in the Saskatoon city-region surrounding phase I of the WRD (1992-1994) had significant implications for phase II of the WRD proposal (1997-2001). The City focused primarily on the implications of the WRD for planning and development servicing requirements, policies and procedures in the Saskatoon city-region, and with good reason. The arguments against approving the development included the following: a neighbourhood development was being proposed by a private developer which the progressive regime was not accustomed to accommodating; the land was privately owned rather than by the City of Saskatoon Land Bank; neighbourhoods were generally planned around schools at that time, and no school was proposed for the development; the City had not planned for development in the Southeast sector; and Corman Park was adamantly opposed to the development. On the other hand, the arguments in favour included the following: the development was unique; it was being proposed by a reputable developer; it could be accommodated if the appropriate policy amendments were made which the developer was willing to initiate; the development would have a positive impact on the local economy; and it was supported by a policy network which had formed in favour of the proposal.

The WRD presented a considerable challenge to the progressive planning regime which had dominated planning and development processes for years. In focusing mainly on the policy considerations, the City of Saskatoon overlooked the specific political issues raised by Corman Park’s opposition to the development proposal. Moreover, although the policy instrument of annexation for coping with increasing development pressure in the Saskatoon city-region was not uncommon, (e.g., the Hampton annexations) opposition from the RM of Corman Park was a new phenomenon. Given the lack of communication regarding this fundamental issue, and given no indication otherwise, the RM of Corman Park continued to adhere strictly to the policies of the progressive regime in the assessment of the WRD proposal in phase II. The result was a lack of
communication, misinformation, and ultimately intermunicipal competition.\textsuperscript{274} The problems resulting from the cumbersome policy considerations were compounded by the lack of communication surrounding the political issues which arose over the WRD proposal. Ultimately these policy and political considerations resulted in the protracted timeline of phase II of the WRD proposal.\textsuperscript{275}

From July 1997 until April 2000, the City of Saskatoon administration remained wary of approving the WRD project. Only after four years of in-depth review did the City of Saskatoon risk the consequences to the Saskatoon Planning District in favour of the multi-million dollar private investment.\textsuperscript{276} City Council finally resolved that the administration could commence the process of annexing The Willows land in accordance with the \textit{Urban Municipality Act, 1983}. Council also advised the administration to pursue a complementary annexation resolution with Corman Park.\textsuperscript{277} This was easier said than done. It is also important to note that Dundee Developments’ request to annex the Northwest sector of Corman Park to accommodate the Hampton Village development was approved and finalized by City Council within 11 months of the initial proposal. No objections or planning and development issues were raised by Corman Park regarding Hampton Village, despite the fact that the same planning policies applied to these lands, which were also located in the one mile buffer zone. This highlights the peculiarity of the issues and difference of opinion which arose over the WRD proposal.\textsuperscript{278}

During the final year of phase II of the WRD decision-making process, the proposal received considerable media attention and was highly politicized. In January 2001, the \textit{Star Phoenix} newspaper ran a series of articles documenting the strained relations between the RM of Corman Park and the City of Saskatoon. One city councillor was quoted as saying that “this has become a bit of a flash point between the City and Corman Park.”\textsuperscript{279} At the January 22, 2001 meeting of City Council, Council resolved to begin the process of amending the City of Saskatoon Development Plan in order to accommodate residential golf course communities. Later that year in October 2001, the

\begin{itemize}
\item\textsuperscript{274} Ibid., 174-175.
\item\textsuperscript{275} Howlett, “Policy Development,” 173-175.
\item\textsuperscript{276} City of Saskatoon, Office of the City Clerk “Chronology,” 1.
\item\textsuperscript{277} City of Saskatoon, City Council. “Council Meeting Minutes” October 16, 2001, 1.
\item\textsuperscript{278} Dundee (Correspondence to Corman Park Council), January 24, 2002, Appendix A.
\item\textsuperscript{279} McNairn, Kim. “Council Hastens Study,” A3.
\end{itemize}
Star Phoenix reported that the City of Saskatoon council had ruled in favour of annexing The Willows land in spite of objections from the RM of Corman Park.\textsuperscript{280}

Furthermore, several components of WRD decision-making processes were political in nature. The WRD proposal involved a development plan amendment which can be a highly controversial endeavour and the possibility of annexation can be even more so.\textsuperscript{281} Both of these endeavours were proposed by Dundee Developments and were pursued by the City of Saskatoon. This made for an unfavourable state of affairs because Corman Park was unalteringly opposed to the WRD proposal. Furthermore, the negotiation processes associated with plan implementation and amendment can also invite controversy. For instance, members of the policy community provided conflicting opinions on the WRD proposal during the public hearings.\textsuperscript{282} These problems in the planning process create significant disincentives for investors.\textsuperscript{283} The machinations of the second phase of the WRD were frustrating for the developers. Such frustration was articulated by the President of Dundee Developments who stated that “in practical terms we believe that it is the substance of the proposal not the process which should be the focus… [and] a problem we consistently encounter… is the natural tendency to lose sight of the big picture by becoming mired in the details of the various policy matters.”\textsuperscript{284}

The approval of the WRD proposal was a defining moment for the future of intermunicipal relations in the Saskatoon city-region. The two municipalities had been able to resolve a problem which would have been a major blemish to their fifty year tradition of intermunicipal cooperation which was the envy of other city-regions in Canada.\textsuperscript{285} The City of Saskatoon Development Plan stated “…the City of Saskatoon will continue to seek and maintain mutually beneficial relationships with all nearby municipalities and other jurisdictions in the implementation of this Plan and in the on-going objective of regional cooperation.”\textsuperscript{286} The WRD presented a challenge to this

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\item \textsuperscript{280} McNairn, Kim. “City OKs link with Willows,” \textit{The Star Phoenix} (Saskatoon), October 23, 2001, A3.
\item \textsuperscript{281} Hodge, Planning Communities, 311.
\item \textsuperscript{282} Linn, H. Dewel, Ph.D. 2001 (Brief to the City of Saskatoon: Development Plan Amendment, Bylaw Number 8041), 1-2.
\item \textsuperscript{283} Smith, 219.
\item \textsuperscript{284} Dundee Development Corporation “Re: Proposed Annexation – Willows Golf and Country Club” (Communication to Saskatoon City Council), April 17, 2000, 7.
\item \textsuperscript{285} RM of Corman Park, “Re: Proposed Annexation,” November 17, 1998, 2
\item \textsuperscript{286} City of Saskatoon, Community Planning Branch. \textit{City of Saskatoon Development Plan}, Section 2.2.
\end{itemize}
relationship because the City of Saskatoon eventually threw its support behind the WRD, whereas the RM remained consistently opposed to it. In his 1997 letter to Saskatoon City Council, the Reeve of Corman Park had warned it that approving WRD could jeopardize the Saskatoon Planning District.\footnote{RM of Corman Park, “Re: Proposed Annexation,” November 17, 1998, 2.} Fortunately for all, the District survived the complex and conflict laden WRD planning process.

4.6 Conclusion

In examining the nature and dynamics of the decision-making processes during Phase II, this chapter has revealed that the process was relatively closed. The only stakeholders who were formally consulted in planning and development decision-making were the Saskatoon East Public School Division, the City of Saskatoon and Corman Park. Moreover, this chapter revealed the positions of the proponents and opponents of the WRD. The proponents were the partners in the Willows Development Corporation, whose positions were represented by Dundee Development Corporation. Dundee Developments maintained a pro-development stance and persisted in advocating for the development project throughout phase II of the WRD negotiations. Corman Park emerged as the opponent of the WRD, whereas the City of Saskatoon remained tentative in staking out an official position regarding the WRD. Corman Park’s main arguments were that the principles of planning and development policies in the Saskatoon Planning District should be respected and consistently applied, and that the WRD would not allow for this. The City of Saskatoon was cautious in its consideration of the WRD proposal, particularly in light of the longstanding cooperative relations with Corman Park, and the servicing and policy considerations of the WRD for the Saskatoon city-region. The need to balance political and technical considerations contributed to the protracted WRD decision-making process. Only after substantial review of planning policies and development practices, did Saskatoon City Council afford the WRD proposal serious consideration. The decision-making processes in Phase II of the WRD between 1997 and 2001 eventually led to a regime change in which the proponents of the development were brought into the decision-making process. However, the process was not completed as they had to go through the third phase of the planning process which entailed the annexation of the area to be developed.
Chapter 5  

5.1 Introduction

This chapter examines the decision-making processes and political dynamics which led to the annexation of The Willows lands in 2003. The first section focuses on the regime change and the City of Saskatoon’s decision to accept the WRD proposal and support Dundee Developments, and the second section focuses on the negotiations related to the annexation and tax loss compensation between the City of Saskatoon and the Rural Municipality of Corman Park. This chapter reveals that the City of Saskatoon, after considerable deliberation, emerged as a proponent of the WRD alongside Dundee Developments. In contrast, Corman Park maintained its steadfast opposition to the development. During this final phase of the WRD planning process the reconfiguration of the planning and development policy network in the Saskatoon city-region which had started in the Phase II was further institutionalized.

5.2 Phase III Decision-Making Process

Whereas Phase II of the WRD concerned the development plan amendment which was completed in 2001, Phase III pertained to the annexation negotiations which were not resolved until 2003 and were finally implemented in 2004. There was some overlap between Phase II and Phase III, as technically both commenced in July 1999 with the submission to Saskatoon City Council by Dundee Developments of both its WRD proposal, and also The Willows: Proposal for Annexation to the City of Saskatoon. Throughout the summer months in 1999, the City of Saskatoon and Dundee Developments communicated frequently regarding the WRD proposal in anticipation of opposition from Corman Park. Dundee proposed the annexation of the Northwest sector lands for Hampton Village at the same time as it proposed the annexation of the Southeast sector lands for the WRD. Both sectors were similarly located within the one mile buffer zone where multi-parcel developments were prohibited by the Saskatoon District Development Plan. The North sector annexation received final approval on June

288 Willows Development Corporation, 3-8.
289 City of Saskatoon, City Planning Branch, “Re: Request for Annexation – Willows” (Communication to Dundee), August 3, 1999 and Dundee Developments “Re: Request for Annexation – Willows” (Communication to City), August 20, 1999, 1-4.
6, 2000 after only eleven months, without any objections from Corman Park.\textsuperscript{290} It quickly became apparent that in terms of The Willows lands “any annexation, if successful, would not likely occur before the end of 1999.”\textsuperscript{291} This anomaly in the application of the planning and development policies in the Saskatoon city-region can only be understood through an examination of the underlying political dynamics.

In December 1999, the City of Saskatoon Planning Branch communicated their initial opposition to the WRD to City Council. Several problematic issues were identified: the Planning Department had determined that if accepted, the WRD would take up over half of the current market for large lot homes in the Saskatoon city-region;\textsuperscript{292} that “The Willows Golf Course Community represented an ad hoc, low-density and non-contiguous addition to Saskatoon…”\textsuperscript{293} furthermore, the proposed low densities of the neighbourhood development were inefficient;\textsuperscript{294} the Infrastructure Services Department determined that the associated costs of providing water, storm sewer and sanitary services, transportation, and parks would be too high.\textsuperscript{295} These issues were consistent with the City of Saskatoon’s original position on the 1993 Phase I WRD proposal. On April 3, 2000 the City Planning Department thus recommended to the Executive Council that the WRD proposal for annexation be denied.\textsuperscript{296} The report concluded that:

“In short, developments which do not promote the policy of orderly and rational development and which do not advance the goals of co-operative regional planning have generally been discouraged in the past... [therefore] the Community Services Department cannot support the request for annexation by the Dundee Development Corporation…”\textsuperscript{297}

\textsuperscript{290}Dundee Development Corporation “Re: Proposed Annexation – Willows Golf and Country Club” (Communication to Saskatoon City Council), August 20, 1999, 5.
\textsuperscript{291}City of Saskatoon, City Planning Branch, “Re: Proposed Annexation of The Willows Golf Course” (Communication to Saskatoon Stadium Sports) August 20, 1999, 1.
\textsuperscript{292}The WDC objected to the consideration of market demand in the City of Saskatoon’s decision-making process due to the fact that the City of Saskatoon was itself the major land developer in the Saskatoon city-region which in turn hindered private developers from competing in the development industry in the region.
\textsuperscript{293}City of Saskatoon, City Planning Branch, “Re: Request for Annexation – Willows” (Communication with Dundee Development Corporation), December 7, 1999, 3.
\textsuperscript{294}Ibid., 3.
\textsuperscript{295}Confidential interview #1 (Interview with the author), August 2, 2006.
\textsuperscript{296}City of Saskatoon, City Planning Branch, “The Willows – Annexation Chronology,” 1-2.
\textsuperscript{297}City of Saskatoon, Executive Committee of Council Meeting Minutes “Re: Alteration or Urban Boundary – Annexation of Land – Willows Golf and Country Club” April 3, 2000, 9.
This position was reiterated at the following City Council meeting on April 17, 2000. This was a clear example of the technical considerations and closed decision-making process which dominated the initial stages of the WRD negotiations. The City of Saskatoon had based its decision on the advice of the City Planning Department and the decision-making process involved only the closed meetings of the Executive Committee.

Dundee Developments did not agree with this decision and was disillusioned by the fact that the decision had been made without their being consulted. Committed to its development proposal, Dundee provided its own interpretation of each of the policies at the April 17, 2000 City Council meeting where the initial denial of the annexation proposal had been announced. Dundee contended that “the Development Plan has never been a static or rigid document. The Plan has commonly been described as a dynamic management tool which is expected to change over time.”

Dundee also presented evidence that the City of Saskatoon had amended its buffer zone policies in the past to accommodate other developments, namely the Northwest Sector Hampton Village. Dundee also addressed an inference made by Corman Park that it was not appropriate for a private developer to propose an annexation. Dundee referred to the City of Saskatoon procedures manual which stated that “a request for Annexation is received by the City Planner. The request is either generated internally or originates from an outside agency (e.g. Cairns, C.N.).”

Regarding the City of Saskatoon planning policies Dundee pointed out that one of the unintended consequences of the high-density policy was that larger lots were underserved and that there was a high demand for larger lots in the Saskatoon city-region. Dundee reiterated that the WRD would address this shortage of large frontage lots. As a result of Dundee’s adamant opposition to the decision presented by the City of Saskatoon, the City decided to take more time to consider the position of the developer and the issues it had raised.

Subsequently, at a joint meeting of the councils of the RM of Corman Park and the City of Saskatoon was convened in May 2000 in response to the issues raised at the April 17, 2000 meeting of City Council. At this meeting the City Planner presented the

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299 Ibid.
300 City of Saskatoon, Planning Department, Procedures Manual, 1-4.
301 Dundee Development Corporation “Re: Proposed Annexation,” April 17, 2000, 2-5.
“Urban Golf Course Communities” position paper. This position paper drastically contrasted with the City of Saskatoon’s first position paper on the WRD in that it supported amending the City of Saskatoon Development Plan to provide for residential golf course communities.\(^{302}\) In the *Urban Golf Course Communities* position paper, the City of Saskatoon proposed either amending the Saskatoon Planning District Development Plan or removing sections of the buffer zone to accommodate the WRD and other residential golf course community developments. It also suggested annexing all three golf courses adjacent to the City Limits including The Willows, the Saskatoon Golf and Country Club and the Greenbryre Golf and Country Club as there were no private golf courses within the City Limits at that time.\(^{303}\) Corman Park opposed both of these recommendations and stated that it was committed to the existing Saskatoon District Development Plan which would prohibit the WRD. It was evident that “a difference of opinion...between the two Councils as to the merits of The Willows annexation and golf course communities in general” had arisen.\(^{304}\) At this point in the negotiations in the spring of 2000, no resolution could be made even at the level of development plan amendment, much less regarding the proposed WRD annexation.\(^{305}\) Shortly thereafter, on May 19, 2000 the City and the RM planners met to discuss the issues further, but no progress was made.\(^{306}\)

Another policy paper was presented at the following City Council meeting. The City of Saskatoon’s *Future Growth Study* was presented to City Council in June 2000. In contrast to the Southeast sector lands where The Willows lands were located, the Northwest sector lands had been included as an area for future growth in the City of Saskatoon’s 1999 *Future Growth Study*. This became a major technical hurdle for Dundee and the City of Saskatoon to overcome in the WRD annexation negotiations. The report also recommended a comprehensive review the buffer zone policy, the Saskatoon

\(^{302}\) City of Saskatoon, “Golf Course Communities,” (April 3, 2001), 2.

\(^{303}\) “This is in response to the fact that there [were] no existing golf courses within the city which [could] accommodate this form of housing development and the growing need for this type of housing as expected by the housing industry,” for details see City of Saskatoon, Executive Committee, “Residential Land Development Policy – Golf Course Communities,” (Executive Committee of Council Meeting Minutes) May 26, 2000, 1-5.

\(^{304}\) Ibid.

\(^{305}\) RM of Corman Park, “Submission to the Saskatoon District Planning Commission” May 31, 2002, 3

\(^{306}\) City of Saskatoon, Office of the City Clerk, “Chronology,” 2.
Planning District boundaries as well as its land use control policies. Due to the controversial WRD proposal which was still in deliberation, the City of Saskatoon resolved to accelerate the Southeast sector portion of this review. The City thus postponed any decisions regarding the report of the City Planner and the WRD proposal until the *Future Growth Study – South Sector* was complete.

In the meantime, the resolution of Phase II of the WRD negotiations aided Dundee Developments in having The Willows annexation approved by the City of Saskatoon. Phase II began to wind down on November 21, 2000 when Dundee Developments submitted an application to have the City of Saskatoon Development Plan amended to provide for residential golf course communities.\(^{307}\) This represented a complete change of position for the City of Saskatoon. At this time, it became evident that the City of Saskatoon was convinced of the inherent value of the WRD. The City of Saskatoon did not change its position on the basis of its own thinking alone. The policy change was largely the result of the dedication and persistence demonstrated by the developers and investors. A new active corporate regime was evolving in the City of Saskatoon which was more consistent with planning and development policy networks in other major Canadian city-regions, yet it still maintained many of the characteristics of a progressive planning regime, in that the City maintained extensive control not only over the WRD and over the expansion of municipal services into the neighbouring rural municipality, but also over the policy amendment and annexation application processes.\(^{308}\)

Thereafter, in December 2000 the City of Saskatoon Planning and Operations Committee met to reconsider the WRD annexation proposal. Three options were considered; deny the annexation proposal, proceed with it, or defer the request until the comprehensive review of the Saskatoon Planning District Development Plan was completed. The only decision made at this meeting was that the WRD proposal should not be dealt with in camera. This signalled a move away from the closed decision-making process which characterized Phase II of the WRD negotiations toward a formal review.

\(^{307}\) Willows Development Corporation, 4-6.
\(^{308}\) Leo, *The Subordination of the Local State*, 11.
process which required open meetings. On January 22, 2001 City Council considered the third *Golf Course Communities* report of the City Planner. For a second time the City of Saskatoon officially indicated its support of the WRD. The Planning Department, the Planning and Operations Committee and the Municipal Planning Commission all recommended that the City of Saskatoon Development Plan amendment as proposed by WRD be approved. Council resolved to amend the City of Saskatoon Development Plan. This was significant policy change in that it would apply beyond the WRD or any other specific proposal and would allow for other residential golf course communities in the future. This was a momentous occasion for Dundee. From that point on the City of Saskatoon would be a major proponent of the WRD and annexation. The approval of the Development Plan amendment also signalled the end of Phase II of the negotiations.

5.2.1 Regime Change

From 2001 on, the City of Saskatoon began to open the decision-making process to include emerging members of planning and development policy networks in the Saskatoon city-region. This was in part due to the formal processes required of annexation. For over fifty years the major players in the planning and development policy network had been the government actors, namely the City of Saskatoon and Corman Park’s public and elected officials. In Phase III of the WRD decision-making process, the business community, interest groups and private developers emerged as forces to be reckoned with. Even the positions of external consultants and the SDPC were considered, unlike the consultation process for Phase I of the WRD proposal, when none of these groups had been consulted. This provided further evidence that the progressive decision-making process which tended to favour growth management principles was being opened to private pro-development interests as well as the interests of the business community.

The first indication that the decision-making process had opened in regards to the WRD negotiations, was the decision on the part of the City of Saskatoon to hear the matter in public rather than in camera. In December 2000 the City Planning Branch completed a comprehensive report for the Executive Committee regarding the WRD

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310 City of Saskatoon, Office of the City Clerk, “Chronology,” 2.
annexation proposal, the matter of residential golf course communities, and the Saskatoon Planning District buffer zone policy. Whereas the Executive Committee had previously heard these reports in camera, that December it resolved not to hear the matter in camera, but instead to hear it at the public meeting of the Planning and Operations Committee. Thus at the following Planning and Operations Committee meeting in January 2001, the Community Services report was heard. In responses to the report, the Committee recommended that the administration forward the report to Council and proceed with the WRD annexation request. 312

The next indication that the decision-making process had opened was consultation of the SDPC in the evaluation of the WRD. Despite the fact that the SDPC officially had jurisdiction over planning and development in the Saskatoon Planning District where The Willows was located, it had not been consulted in Phase I or Phase II of the evaluation of the WRD proposal. The Future Growth Study – South Sector was completed and considered at the Special Meeting of the SDPC on August 31, 2001. Several points were of consequence to The Willows annexation. First, the SDPC noted that “funding, rather than planning considerations have a significant influence on many development decisions.”313 This was a key finding in that it would later emerge as a fundamental area of dispute over the WRD annexation between Corman Park and the City of Saskatoon. Given the importance of the commercial and the potential residential property taxes from the WRD for the budget of Corman Park, and the high servicing costs associated with the WRD urban style development, it was understandable that the municipalities competed for scarce resources at stake.314

The SDPC also noted that intermunicipal cooperation was a fundamental tenet for achieving growth in the Saskatoon city-region; in fact intermunicipal cooperation had characterized relations between the City and the RM for over fifty years. Furthermore, the whole region may reap the benefits if the municipalities could agree to disengage

312 City of Saskatoon, Office of the City Clerk, “Chronology of Events,” 2.
from competition for the WRD.\textsuperscript{315} The SDPC was not in complete agreement with the recommendations of the \textit{Future Growth Study – South Sector} report on several issues, including sanitary sewer extension, the issues evaluation matrix, and the buffer zone policy and they forwarded these concerns to City Council.\textsuperscript{316} Unfortunately, the SDPC was reluctant to take an official position regarding the WRD due to its politically contentious nature.

The next indication that at the very least, a policy change was taking place was that external interest groups were consulted in Phase III of the WRD decision-making process. Dundee pushed to open the decision-making process by submitting official letters of support from various business and policy leaders in the Saskatoon community. The North Saskatoon Business Association, the Saskatoon Home Builders Association, the Saskatoon District Chamber of Commerce, Ehrenburg Homes, Legacy Homes, Rocy Homes, Northridge Development Corporation, and the Saskatoon Regional Economic Development Authority (SREDA) each submitted letters reiterating the merits of the development proposal and the possible benefits for the Saskatoon city-region.\textsuperscript{317} This not only legitimized their position, but the City of Saskatoon’s change of heart.

The Chamber of Commerce and SREDA both conveyed to City Council that this type of risk capital investment was a rare commodity in Saskatoon. Both parties supported the idea that a timely and supportive decision-making process would reflect well on the region, have a positive economic impact, and provide symbolic importance in terms of the Saskatoon city-regions’ ability to attract further investments. They also endorsed the WRD in that “this project offers jobs, consumer choice, new investment, and potentially an expanded tax base… [we] encourage you to approve and expedite this project for all our benefits.”\textsuperscript{318} The statements from the other members of the policy community were similar in that they were supportive of the project, urged that a timely

\begin{footnotesize}
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\item \textsuperscript{315} Ibid., 3.
\item \textsuperscript{316} Ibid., 1-3.
\item \textsuperscript{317} City of Saskatoon, City Council, “Council Meeting Minutes,” October 16, 2001, 1.
\item \textsuperscript{318} Saskatoon and District Chamber of Commerce, “Re: Willows Golf Residential Development,” (Communication to City of Saskatoon), June 20, 2001.
\end{itemize}
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and favourable decision be made, and reiterated the possible economic benefits for the
Saskatoon city-region, the home building industry, and the residents.\textsuperscript{319}

The majority of the members in the policy community encouraged the City of
Saskatoon to support the WRD and to expedite the decision-making processes in favour
of the development. This pressure on the part of private developers, interest groups, and
the business community was similar to that experienced in other major Canadian city-
regions. The pro-development policy network urged the City of Saskatoon to facilitate
the WRD which had been proposed by a private enterprise, and to “carry it out with a
minimum of interference.”\textsuperscript{320} In other words, the pro-development policy network was
advocating for the City to move toward a passive corporate regime where the role of the
local authorities would be scaled back in order to facilitate private development. This
concerted action presented a considerable challenge for Corman Park, which had until
then held the monopoly of access to the City of Saskatoon’s planning and development
decision-making process in the formerly progressive planning and development regime.

Corman Park was not willing to sit back and let all these new players dictate the
outcome of the WRD negotiation process. Therefore, on May 31, 2002 Corman Park
began to pursue another course of action in the annexation of the lands in question. The
RM submitted a twenty two page statement to the SDPC outlining their position
regarding the WRD negotiations. The report began by stating that “it [was] clear that it
was the existence of the Dundee Development proposal which prompted the City of
Saskatoon to amend its Development Plan…and is apparently prepared to take the steps
necessary to annex the property, without the benefit of a complementary resolution from
the Rural Municipality.”\textsuperscript{321} The report pointed out the historical significance of the 1993

\textsuperscript{319} Saskatoon and District Chamber of Commerce, “Re: Willows Golf Residential Development,”
(Communication to Saskatoon City Council) June 20, 2001, and North Saskatoon Business Association
(Communication to Saskatoon City Council and the RM of Corman Park), July 4, 2001, and Saskatoon
Home Builders’ Association, “Re: Proposed Willows Residential Development,” (Communication to
Saskatoon City Council) August 20, 2001, and Ehrenburg Homes Ltd., “Re: Request for Annexation –
Willows,” (Communication to Saskatoon City Council) February 25, 2000, and Legacy homes Ltd.
(Communication to Saskatoon City Council), and Rocy Homes Ltd. (Communication to Saskatoon City
Council), January 11, 2000, Northridge Development Corporation (Communication to Saskatoon City
Council), December 20, 1999, and Saskatoon Regional Economic Development Authority, “SREDA Inc.
Support for Residential Development at The Willows Golf and Country Club,” (Communication to Dundee
Development Corporation), September 21, 2001.

\textsuperscript{320} Leo, The Subordination of the Local State, 10.

Willows Golf Corporation WRD proposal, and suggested that there was no real difference between that proposal and the current proposal. The report stated “…it is difficult to see what has changed in the intervening years.”322 So although the policy community in the City of Saskatoon was convinced of the value of approving the WRD, the RM was not.

To illustrate its point, another precedent-setting decision was presented in the report. In 1995, a proposal for the development of ten to fifteen country-style lots just off the Greenbryre Golf Course was received by Corman Park. This development proposal was denied based on the fact that it may “weaken the partnership between the City and the RM in dealing with developments near the city.”323 Corman Park posited that although there had long been multi-parcel residential subdivision provisions in the Saskatoon Planning District Development Plan and the Corman Park Development Plan, both of these development plans reiterated the policy precluding multi-parcel development within the buffer zone, a policy precedent which Corman Park had strictly adhered to. Corman Park posited that the City of Saskatoon should be obliged to adhere to the same policies as a sign of good faith.324

Finally, Corman Park’s report referred to the 1999 Future Growth Study. Particular emphasis was placed on the fact that there were already multi-parcel developments located in the Southeast sector of the Saskatoon Planning District. The Growth Study had indicated explicitly that any attempt by the City to annex those lands would not be welcomed by the residents of Corman Park due to the fact that it would result in the loss of a significant tax base for the RM. Corman Park’s report thus concluded that “the City’s proposal to annex The Willows property and to take the necessary steps thereafter to facilitate the development of the property does not, in our submission, reflect sufficient consideration to the long history of the relationship between the City and the Rural Municipality…” Corman Park further referred to this annexation request as “cherry picking.”325 The report requested the support of the SDPC in pursuing financial compensation over and above the regular compensation package because the

322 Ibid., 5.
323 Ibid., 11.
324 City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan, 9 and RM of Corman Park, Corman Park Development Plan, 10.
standard was “simply not appropriate in the circumstances of this case.” Thus the battle ensued regarding the fundamental concern over the WRD proposal, namely the competition for tax revenues.

**5.3 Annexation and Tax Loss Compensation Negotiations**

From 2001 to 2003 the City of Saskatoon and the RM of Corman Park became embroiled in two major sets of negotiations relating to the WRD. The issues of annexation and annexation tax loss compensation represented the major points of contention in Phase III of the WRD decision-making process. Both negotiation processes remained closed in that they involved primarily the City of Saskatoon and the RM of Corman Park. Dundee contributed to the discussions, but did so with the understanding that the City of Saskatoon was advocating the proposed annexation in the negotiations.

**5.3.1 Annexation Compensation**

The standard compensation formula for annexation had been established in precedent by the City of Saskatoon. The compensation formula was based on five times the last years’ tax revenues for agricultural and residential land uses, and ten times the last years’ tax revenues for commercial and industrial land uses. The total estimated compensation for The Willows annexation according to this standard would have been about $430 thousand. From 1999 – 2001 Corman Park received approximately $125 thousand per year in tax revenues from The Willows. Dundee had initially anticipated that once the WRD and annexation was complete, the City of Saskatoon would receive upwards of $3 million in tax revenues per year. However, the cost for the City in supporting and servicing the WRD was at that time was projected to be approximately $14 million. Still, the estimated growth in tax revenues for the WRD was a considerable incentive for Corman Park to pursue a tax sharing arrangement or compensation over and above the regular rate of annexation compensation rather than conceding to the regular rates.

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326 Ibid.
327 City of Saskatoon, City Planning Branch, “Re: Willows Annexation” (Communication to the City Manager), February 14, 2002, 1.
329 Bullée Consulting Ltd. “Re: Willows Servicing Cost Study” (Communication to the City of Saskatoon), December 20, 2002, 2.
5.3.2 Tax Loss Compensation Negotiations

On October 16, 2001 City Council resolved that the administration begin the process of annexing The Willows land in accordance with the *Urban Municipalities Act, 1983*. Council also resolved that the administration begin the process of seeking a complementary resolution for tax loss compensation with Corman Park. This resolution symbolized a break in the cooperative intermunicipal relations between Corman Park and the City of Saskatoon. The RM of Corman Park reiterated the position which it had originally articulated in its 1998 letter to City Council, that “to permit a multi-parcel residential development to occur at this location flies in the face of established development policies [within the Saskatoon Planning District], and in our opinion would place the district planning process in disrepute.” As such, the RM of Corman Park resisted the WRD golf course community and annexation of The Willows land. Despite the City of Saskatoon’s newfound resolution to proceed with the WRD, the actual construction could not get underway until a complementary resolution with the RM of Corman Park could be reached. Cordial negotiations thus broke down into a full blown intermunicipal dispute.

During the weeks that followed, several letters were sent back and forth indicating the unwavering positions of both municipalities. The RM of Corman Park indicated in its communications concerns over the idea that the WRD had only been approved by the City of Saskatoon to promote economic development. Indeed, one City Councillor, Don Atchison was quoted in the *Country Press* as saying

> There’s a demand for it and the other golf courses within the City don’t allow for it. A Community like this would be a selling point for Saskatoon when outside companies are looking to move executives in. It would also be a motivator to keep people here. If we want to have students who are going to graduate from the [University of Saskatchewan] or Kelsey [SIAST] stay here rather than exporting them out to another province, we need to offer something that competes with other cities.

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However, the RM contended that if golf course communities were such a valuable commodity, then golf course community subdivisions should have been included in Plan Saskatoon, especially in light of the fact that the City of Saskatoon had previously received proposals for other golf course community subdivisions. The City responded that “in hindsight, we could have continued with the issues raised, but as there was no development to proceed with, the matter was dropped.” The City of Saskatoon further suggested that policies required review from time to time, particularly in light of the case at hand.

On November 21, 2001 the City and the RM Planners, along with the Reeve of Corman Park met to discuss a possible complementary resolution for annexation compensation, but little progress was made. Thereafter, the intermunicipal dispute over The Willows annexation came to a head when Corman Park indicated in writing that it did not consider The Willows annexation to be in the best interest of the municipality, and that it would continue to oppose the development. In response, the City of Saskatoon stated that many other Western Canadian city-regions already had golf course community developments and that it would continue to pursue the WRD. For the first time, the City of Saskatoon suggested that it was willing to enter into negotiations with RM of Corman Park over the tax loss compensation. The City of Saskatoon stated that “we value our long-term relationship with the RM of Corman Park and hope that will continue. As we grow, there will be points of contention, but through dialogue, we will both remain committed to each other’s goals.”

The role of the developer as an emerging force on the planning scene was illustrated particularly in this latter part of Phase III of the WRD annexation negotiations.

333 In 1996, the City initiated Plan Saskatoon, which included a citywide public participation process focused on updating the Development Plan and Zoning Bylaw—Saskatoon’s two main public policy tools used to manage growth and development,” for further information see City of Saskatoon, Community Services Department, Populace: A Semi-Annual Publication of Demographic and City Planning Information, 8, 1, Spring 2006.

334 Note that despite the fact that the 1999 WRD proposal was the second instance of a request to develop a residential golf course community in the Saskatoon city-region; the City of Saskatoon had not initiated any related policy amendments.

335 City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan, 9 and RM of Corman Park, Corman Park Development Plan, 10.

336 Ibid.

337 City of Saskatoon, Community Services Department “Chronology,” 2.

338 City of Saskatoon, Office of the City Manager, “Re; Annexation – The Willows,” (Communication to RM of Corman Park), November 22, 2001, 3.
Dundee consistently tried to encourage a complementary resolution over the annexation tax loss compensation between the City of Saskatoon and the RM of Corman Park. On January 24, 2002 Dundee presented Corman Park Council with the WRD projects’ merits, a short history of the WRD proposal, copies of the letters of support from various members of the policy community, and a summary of the relevant policies and procedures.  

This information package also provided a justification as to why the WRD proposal was submitted to the City of Saskatoon as opposed to Corman Park. Dundee contended that the urban WRD would require the City’s sanitation services (which generally implies that annexation is required) in order to be economically feasible and to meet environmental regulations. Furthermore, the number of potential residents in the WRD would have made it difficult for Corman Park to accommodate them in a hamlet style organization. Dundee considered all of these issues in deciding whether to submit the WRD proposal to the City or the RM, along with the precedent for denying multi-parcel residential developments in Corman Park. If the proposal had been submitted to Corman Park, it would have likely been denied because The Willows land was located in the buffer zone. Dundee concluded that the WRD was more likely to be approved by the City of Saskatoon if it was submitted to Saskatoon’s city council along with annexation proposal.

Dundee also presented their response to the procedural and policy issues which led Corman Park to object to the WRD and annexation in the first place. Most importantly, Dundee noted that indeed the annexation of The Willows Golf Course would result in the loss of a $125 thousand annual tax base (where rural servicing was provided, not including the potential residential tax base of the WRD) for Corman Park. Dundee conceded that this was a considerable disadvantage for Corman Park, especially considering the fact that WRD would likely generate upwards of $3 million per year in tax revenues for the City of Saskatoon upon completion (urban servicing would be provided and estimates included the WRD potential residential tax base). Dundee Developments communicated its understanding that the City of Saskatoon was willing to negotiate the rate of annexation compensation for The Willows lands. Dundee concluded

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339 Dundee (Communication to the RM of Corman Park), January 24, 2002, 1.
340 Ibid., 2.
its presentation to Corman Park Council by highlighting the values of intermunicipal cooperation and indicated that they hoped that Corman Park would pass a complementary resolution in favour of Willows annexation.\textsuperscript{341} This effort to convince Corman Park to accept a compensation package was not fruitful. Dundee was set to profit from the WRD, and it was therefore in its own interest to advocate that the local authorities work together to facilitate the development. No progress was made in the months that followed.

Corman Park’s recourse to this new opening of the policy community and to the City of Saskatoon’s support for the WRD was to refer the matter back to the SDPC. Corman Park’s report to the SDPC was considered at the June 4, 2002 meeting. The SDPC considered the details of the annexation request and the proposed development, the procedures for annexation, the reasoning behind the disagreement between the City and the RM, and the possible role of the Commission in attempting to resolve the intermunicipal dispute. Again, nothing came of this meeting.\textsuperscript{342} At the subsequent Corman Park Council meeting, the City Manager and Dundee Developments presented their positions again. The City Manager highlighted the importance of the joint planning policies and the history of cooperative relations between the RM and the City. More importantly, the City Manager made a second offer to the RM of Corman Park, indicating that it was willing to increase the standard tax loss compensation for The Willows annexation. Dundee also urged the RM Council to find a complementary resolution with the City for tax loss compensation rather than have the Saskatchewan Municipal Board adjudicate the negotiations, as this would have further detrimental effects for the developers. Dundee reiterated the possible benefits of the WRD for the whole of the Saskatoon city-region.\textsuperscript{343}

At this point in the negotiations, Corman Park finally acknowledged the possible benefits of the WRD for the Saskatoon city-region. This constituted a major shift in the position of the RM. Given that the City of Saskatoon had recently increased its offer for tax loss compensation, Corman Park engaged the City in a bargaining dispute over the rate. Instead of accepting the second offer, which was over and above the standard

\textsuperscript{341} Ibid., 8-9.
compensation rate, Corman Park Council resolved that The Willows should remain a ratepayer of Corman Park, that the SDPC should make the necessary policy amendments in order to optimize the economic potential of the WRD within its own jurisdiction. Corman Park Council did not indicate whether or not it would accept the City of Saskatoon’s offer.\textsuperscript{344} The only thing that the City and Corman Park agreed on at the meeting was in regards to the economic development potential of the WRD. Corman Park Council minutes stated that “with the right terms, The Willows, as a residential golf course community, is in the best interests of all the rate payers of the Saskatoon economic region.”\textsuperscript{345} This was significant in that Corman Park had finally acknowledged the value of the WRD for the Saskatoon city-region in its resolution, which had been the position of Dundee from the beginning.

Afterwards, Corman Park indicated that it did not wish to have the SDPC adjudicate the intermunicipal dispute. Thereafter, even the mandate of the SDPC became a contentious issue between the City of Saskatoon and Corman Park. This was especially troubling given the fact that the SDPC had formerly been the vehicle for cooperation and communication between the two municipalities. The City and the RM could not even agree on the agenda for the special meeting of the SDPC. Corman Park Council resolved to have the SDPC deliberate on several integral issues related to the role of the SDPC in regards to WRD. These questions included:

\begin{enumerate}
\item How should the District Development Plan and Zoning Bylaw be changed to maximize economic development opportunities in the District, specifically residential golf course communities?
\item How should future annexation requests be adjudicated?
\item How could urban sewer services be extended to the District?
\item How should tax loss compensation be calculated, for this and other future annexations?\textsuperscript{346}
\end{enumerate}

However, the City of Saskatoon did not agree that all of these questions were under the jurisdiction of the SDPC. The City of Saskatoon considered that questions related to

\textsuperscript{344} Ibid.
\textsuperscript{346} RM of Corman Park, “Memo re: June 19 2002 Special Meeting” (Communication to the District Planning Commission), June 11, 2002, 1.
adjudication, annexation compensation, and mediation of the WRD annexation should be addressed by the respective Councils and senior administrations. Therefore, the City asked that the SDPC consider only questions one and three, and not questions two and four. In addition, the City asked that the SDPC take into consideration the Future Growth Study – South Sector and recognize that the City of Saskatoon was committed to its recommendations. The City reiterated that an urban containment boundary would soon replace the buffer zone policy, and that performance standards should be used to evaluate future development proposals. Moreover, the City considered that the South Sector Study would provide the foundation for the comprehensive review of the Saskatoon Planning District, not the questions that had been raised by Corman Park.  

At the special meeting of the SDPC meeting on June 19, 2002 both the positions of the City of Saskatoon and the RM of Corman Park were considered. Corman Park’s first question received the most attention. The Commission agreed that the WRD and annexation should be considered within the broader context of land use, development and servicing policies and capabilities of the Saskatoon Planning District. The SDPC encouraged both Councils to continue the work started in the South Sector Review. The Commission also determined that the urban containment boundary should be identified as soon as possible, in order that the designated areas for future growth of the City of Saskatoon could be differentiated from the Saskatoon Planning District lands, where both municipalities had vested interests. The SDPC also resolved that the Saskatoon District Planning policies should be reviewed and amended in order to provide better economic development and land use development opportunities for the region. Lastly, the SDPC resolved that Saskatoon Planning Districts’ objectives should be more clearly defined in order to deal more effectively with contentious issues such as the WRD proposal. As for the other questions, the Commission resolved that it was not the place of the SDPC to provide resolutions to intermunicipal disputes regarding annexation compensation, sewer services or the adjudication of future annexations.  

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347 City of Saskatoon, City Planning Branch, “Re: Willows Golf Course – Annexation, Special District Planning Commission Meeting” (Communication to the RM of Corman Park), June 19, 2002, 1.  
Despite its initial commitment to enter into negotiations over the tax loss compensation, in February 2002 the City of Saskatoon offered the traditional tax loss compensation rate to Corman Park.\textsuperscript{349} Corman Park refused this offer, stating that it “view[ed] the proposed annexation as not only a loss of current revenues from The Willows properties, but also a loss of development opportunity.”\textsuperscript{350} Corman Park had made other requests in its communications to the City of Saskatoon back in November 2002. When the City of Saskatoon presented this offer which was consistent with traditional annexation compensation in the Province, it also indicated that it would not consider amending the Saskatoon Planning District policies or in extending the sanitary sewer services outside of the City Limits. Thus, the City further engaged Corman Park in the bargaining dispute over the rate of compensation for the WRD annexation. Corman Park Council resolved that the offer was unacceptable and similarly consolidated its position.\textsuperscript{351}

Corman Park presented a counter offer to the City of Saskatoon in March 2002.\textsuperscript{352} This offer proposed that the net tax base be divided equally in a shared revenue agreement which reflected the original 1993 Willows Golf Corporation proposal regarding annexation compensation. In the 1993 WRD proposal the WGC had proposed tax sharing formula of $55 thousand per year for a period of time which was to be negotiated between the RM and the City.\textsuperscript{353} This tax sharing proposal was swiftly rejected by the City of Saskatoon. In April 2002, the Executive Committee authorized the City Manager to offer a one time compensation package to Corman Park to a maximum of $800 thousand, but insisted that mediation be part of the negotiation process. The Executive Committee determined that if no complementary resolution could be reached, the City of Saskatoon would then proceed with the annexation proposal with the Saskatchewan Municipal Board. Unfortunately, the two municipalities could not even

\textsuperscript{349} City of Saskatoon, “Re: Annexation – The Willows (Tax Loss Compensation)” (Communication to the City Manager), February 20, 2002.
\textsuperscript{350} RM of Corman Park, “Re: Annexation – The Willows” (Communication to the City of Saskatoon), March 12, 2002.
\textsuperscript{351} Ibid.
\textsuperscript{352} City of Saskatoon, Office of the City Clerk, “The Willows – Annexation Chronology” November 28, 2005, 1-2.
\textsuperscript{353} Willows Golf Corporation, 18.
agree on the scope of the issues to be mediated, therefore, again, no progress was made.\textsuperscript{354}

At the following June 24, 2002 meeting of Corman Park Council it became evident that the negotiations had completely broken down when Corman Park Council resolved that compensation over and above the regular compensation rate for a normal treaty land entitlement would be required for the annexation of The Willows land. The regular compensation rate for treaty land entitlements was 22.5 times the current tax rate. Council also resolved to review the District Planning Agreement with the City of Saskatoon.\textsuperscript{355} Furthermore, Corman Park Council resolved that it did not wish to have the SDPC adjudicate the annexation compensation.\textsuperscript{356} Shortly afterwards, on July 2, 2002 Corman Park submitted a written objection to City Council regarding the WRD annexation in response to its application to the Saskatchewan Municipal Board.\textsuperscript{357} The Saskatoon (East) School Division also objected to the annexation due to the fear of the potential loss of tax revenues.\textsuperscript{358} Due to these two objections, the City of Saskatoon was required to hold a public hearing in regards to the annexation of The Willows lands which further opened the decision-making process to the policy network.\textsuperscript{359} On July 15, 2002 the City resolved to proceed with the Public Meeting required to annex The Willows lands in accordance with the \textit{Urban Municipalities Act, 1984}, section 13. The administration was also instructed to submit an application for annexation to the Saskatchewan Municipal Board after the public hearing which was scheduled for September 2, 2002.\textsuperscript{360}

In the interim, Corman Park presented another counter offer to the City of Saskatoon on July 19, 2002 Corman Park proposed that the City of Saskatoon

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\item \textsuperscript{354} City of Saskatoon, City Planning Branch, “The Willows – Annexation Chronology,” (Communication to the City Solicitor), December 16, 2002, 2-5.
\item \textsuperscript{355} RM of Corman Park No.344 “Telephone Meeting Minutes of the Saskatoon District Planning Commission,” July 2, 2002, 1.
\item \textsuperscript{356} RM of Corman Park, “Minutes of the Regular Meeting of the Council of the RM of Corman Park No. 344,” June 10, 2002, 1.
\item \textsuperscript{357} City of Saskatoon, City Planning Branch “The Willows – Annexation Chronology,” 5.
\item \textsuperscript{358} Saskatoon (East) School Division, “Presentation for the Public Meeting Concerning the Annexation of The Willows Golf & Country Club into the City of Saskatoon,” September 9, 2002, 1.
\item \textsuperscript{359} City of Saskatoon, City Manager, “Re: Willows Annexation” (Communication to City Council), June 26, 2002, 1-2.
\item \textsuperscript{360} City of Saskatoon, Office of the City Clerk, “Re: Request for Annexation - Willows Golf Course” (Communication to the City Manager), May 23, 2002, 3-4.
\end{itemize}
compensate the municipality for the tax revenues relating to The Willows lands in the amounts of an initial payment of $1 million, and further compensate the municipality through a tax revenue sharing formula up to a maximum of $4 million. Only the tax sharing formula was deemed to be up for negotiation, not the sum or the matter of compensation.\(^{361}\) Unfortunately, the City of Saskatoon would not agree to a tax sharing formula due to the fact that it had estimated that the WRD servicing costs would ultimately outweigh the expected tax revenues and it was therefore not financially feasible to enter into a tax revenue sharing formula. The anticipated servicing costs for the entirety of the WRD were $14 million.\(^{362}\) Tax sharing was also unprecedented for annexation compensation in Saskatchewan, and the administration was adamantly opposed to the notion.\(^{363}\)

The City of Saskatoon made a third and final offer to the RM of Corman Park on August 29, 2002 shortly before the public hearing was held. The City of Saskatoon proposed that within the next year it would be willing to carry out a comprehensive review of the Saskatoon Planning District policies, re-examine the possible extension of the sanitary sewer services outside the City Limits, and provide Corman Park with a one-time tax loss compensation in the amount of 22.5 times the last year’s taxes for the Southeast Sector lands.\(^{364}\) On August 30, 2002 Corman Park rejected the offer.

5.3.3 Consultation of the Policy Community

At the public hearing of Saskatoon City Council on September 9, 2002 several stakeholders of the planning and development policy community presented their positions regarding the WRD annexation and tax loss compensation. The stakeholders who opposed to the annexation included the Saskatoon East School Division, the Hamlet of Furdale, and the RM of Corman Park. The stakeholders who favoured the annexation included Dundee Development Corporation, the City of Saskatoon Administration, and Working Ventures, the investors.

\(^{361}\) RM of Corman Park, “Re: Annexation – The Willows” (Communication to the City of Saskatoon), July 19, 2002, 2.

\(^{362}\) Bullée Consulting Ltd. “Re: Willows Servicing Cost Study” (Communication to the City of Saskatoon), December 20, 2002, 2.

\(^{363}\) City of Saskatoon, City Council, “Minutes,” September 9, 2002, 15.

\(^{364}\) Ibid., 13.
Dundee presented its position in a detailed document which it presented to City Council. First of all, Dundee communicated to Council that it was pleased that there were no outstanding planning issues, as both the City of Saskatoon and Corman Park had changed their positions to support residential golf course community developments such as the WRD. However, Dundee also indicated it was displeased by the fact that there was yet another roadblock to the WRD development in that no complementary resolution could be reached over annexation tax loss compensation for The Willows lands. The frustration experienced by the developers after so many years of trials and tribulations came to the forefront at this hearing. Dundee presented a long list of the negative consequences of the protracted timeline of the WRD development plan amendment and annexation approval processes. The consequences listed by Dundee included: the rising cost of the decision-making process due to lost market opportunities; the management time consumed; the contracts expiring and requiring renegotiation; the lack of return on investments for the twenty-four thousand Working Ventures investors who were primarily residents of Saskatoon; the continued shortage of large residential lots for upscale housing developments at a time when they were in high demand; the lost opportunity for home builders and home buyers; and the lost economic development opportunity for the Saskatoon city-region. Furthermore, Dundee communicated at this meeting that “this overall process has been completely unacceptable from our perspective. It is a worst case example of how inefficient and ineffective public administration can thwart good ideas – even ones which the public administrators support.”

Although it is true that in making this judgement the developers had not factored into the expected timeframe the responsibilities of each of the municipal governments to their residents and taxpayers, and the due diligence processes that would be required of both municipalities before approaching them with the WRD proposal, the process was still unduly protracted in light of what happened in other instances.

As a result lack of progress at the public hearing, the City of Saskatoon administration communicated to City Council that any further negotiations would not likely be fruitful unless the City of Saskatoon was willing to negotiate a revenue sharing

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formula for the tax loss compensation.\textsuperscript{366} Therefore, the City administration resolved that the only possible course of action was to proceed to the Saskatchewan Municipal Board with the annexation application. This action was in accordance with the policy statement contained in the January 2001 \textit{Golf Course Communities} report which noted that

\begin{quote}
...requests for annexation must be agreed to by all municipalities affected. Annexation requests affect both the City of Saskatoon and the RM of Corman Park boundaries. Where there is no agreement, the annexation request is automatically submitted to the Saskatchewan Municipal Board for a decision.\textsuperscript{367}
\end{quote}

In contrast, the City of Saskatoon also acknowledged that Corman Park was now willing to review the Saskatoon Planning District policies in order to accommodate residential golf course communities in the rural municipality. The administration maintained that the WRD proposal would be best suited to an urban setting and that annexation of the property was the best course of action.\textsuperscript{368} Thus, on September 13, 2002 the City of Saskatoon submitted its application to the Saskatchewan Municipal Board’s Municipal Boundary Committee to annex the Southeast Sector of the RM of Corman Park. The Municipal Board asked that the Corman Park and the City of Saskatoon continue to negotiate the annexation compensation rate by way of mediation before proceeding to a formal hearing. This mediation was unsuccessful.\textsuperscript{369}

\section*{5.3.4 Complementary Resolution}

Finally, after months of deliberation with the Saskatchewan Municipal Board, on February 7, 2003 the RM of Corman Park communicated to the City of Saskatoon that it was willing to accept the previous offer of 22.5 times the municipal taxes along with a few extra planning and servicing requirements. On February 10, Corman Park Council resolved to accept annexation compensation in the amount of $967,062.83.\textsuperscript{370} Likewise, Saskatoon City Council resolved to confirm the annexation compensation rate, to review Corman Park’s outstanding planning issues, reconsider the policies pertaining to the provision of sanitary sewer services, provide a budget for the review of the District

\begin{footnotes}
\end{footnotes}
Planning Commission policies in 2003 and 2004, and to submit the application for annexation to the Minister of Government Relations of the Province of Saskatchewan. By this time, the application had to be submitted under a new policy guideline, namely the *Cities Act* Section 43(8), which had replaced the previous Section 13 of the *Urban Municipalities Act, 1984*.  

After receiving the annexation application from the City of Saskatoon along with the complementary resolution from the RM of Corman Park, on July 1, 2003 the Deputy Minister of Government Relations approved The Willows annexation. The Saskatoon Planning District Boundary was similarly amended in September 2003. Servicing of the WRD finally commenced in July of 2004 after the City of Saskatoon negotiated the servicing agreements, new Direct Control District zoning bylaws, and building permits with The Willows Development Corporation. These negotiations took place from September 2003 until the spring of 2004, but are outside the scope of this essay. The City Council approved the Development and Servicing Agreement “which would assign responsibility for the construction and payment of various servicing items” between the City of Saskatoon and the WDC on July 19, 2004. A number of “non-standard servicing requirements [were] necessary due to the unique nature of the development.”

### 5.4 Phase III Political Dynamics

In Phase III of the WRD negotiations a full-blown intermunicipal conflict erupted between the City of Saskatoon and Corman Park over the annexation and tax loss compensation of the Willows Lands in the Southeast sector of Corman Park. Annexations are known to invite controversy, particularly when the affected municipality opposes the annexation. Despite the City of Saskatoon’s original focus on planning and technical considerations rather than the political issues related to coping with increasing development pressures, the City was eventually forced to engage in political discussions

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371 Ibid., 1-3.  
372 City of Saskatoon, Office of the City Clerk “Re: Annexation – Willows Golf Course Community” (Communication to Community Services Department), August 13, 2003, 2.  
373 City of Saskatoon, Office of the City Clerk, “Re: Alteration to the Saskatoon Planning District Boundary – Willows Annexation” (Communication to the Community Services Department), January 14, 2004.  
374 City of Saskatoon, City Council, “Minutes of the Regular Meeting of City Council,” July 19, 2002, 8 and City of Saskatoon, Office of the City Clerk “Re: Annexation,” August 13, 2003, 2.  
375 City of Saskatoon, City Council, “Minutes,” July 19, 2003, 2.  
376 Hodge, *Planning Communities*, 311.
with Corman Park regarding annexation and tax loss compensation. These issues were forced onto the table by the Rural Municipality, the SDPC which was reluctant to take a position on such a contentious issue, and the WDC as represented by Dundee. Due to the predominance of planning and development policy considerations and servicing requirements in the City of Saskatoon’s decision-making process (which is required of the discipline of planning) important questions were left by the wayside. Thus, without regular, proactive and open communication regarding the political issues facing the city-region, the intermunicipal relations between the municipalities deteriorated significantly.

In Phase III, the Saskatoon City Council made a political decision to support the WRD. Thereafter, it directed the administration to find the means to support decision and overcome the technical difficulties. Two factors contributed to the City of Saskatoon’s decision to support the WRD in the annexation and tax loss compensation negotiations in spite of the objections from the RM of Corman Park. First, once the City of Saskatoon had made all the necessary policy amendments to support the WRD it was in a comfortable position and could risk the consequences to the Saskatoon Planning District in favour of the multi-million dollar private investment.\footnote{Confidential interview #1 (Interview with the author), August 2, 2006.} City Council finally directed the administration to commence the process of annexing The Willows land in 2001 after the Development Plan amendment had gone into effect. Thereafter Council advised the administration to commence political negotiations and pursue a complementary resolution with Corman Park.\footnote{City of Saskatoon, City Council. “Council Meeting Minutes” October 16, 2001, 1.}

The second factor which contributed to the City of Saskatoon’s decision to support the WRD annexation was the continued support of the business community. The policy network which had emerged in support of the WRD was comprised of the business community, community leaders, policy elite, and powerful individual actors who had considerable political and economic clout in the Saskatoon city-region. The incentives for capturing the support of this policy network outweighed the incentives for denying the WRD and maintaining the support of the Corman Park. Thus a regime change took place during Phase III of the WRD negotiations. The City of Saskatoon moved away from the formerly progressive regime which had been dominated by the two neighbouring
municipalities in favour of a more pro-development active corporate regime. Thus, Corman Park’s considerable sway in the planning and development negotiations diminished, whereas private developers and the business community carved out a place for themselves alongside the City of Saskatoon. The result was an active corporate regime more consistent with other urban policy regimes in major city-regions across Canada where private stakeholders (mainly developers) forge forces with dominant government actors.\textsuperscript{379} This regime change would have long-term impacts for planning and development for the Saskatoon city-region.

The annexation of The Willows lands was a defining moment for the future of intermunicipal relations in the Saskatoon city-region. Through the SDPC, the City of Saskatoon and Corman Park had established a fifty year tradition of intermunicipal cooperation which was the envy of other city-regions in Canada. This joint agreement was based on the principles of growth management and municipal control of development which are characteristic of progressive urban regimes.\textsuperscript{380} The WRD presented a challenge not only to the intermunicipal relationship, but also to these fundamental planning philosophies which had guided growth and development in the city-region for years. This was due to the fact that it was in the interest of the Saskatoon city-region to approve the WRD and attract investment capital to the region, which both the City of Saskatoon and the RM of Corman Park eventually came to acknowledge. The WRD exemplified the impact of increasing development pressures faced by the Saskatoon city-region during the course of the WRD negotiations. The result was that the two municipalities were forced to acknowledge that both intermunicipal joint agreements, as well as annexation would be required to deal with such pressures in the future.\textsuperscript{381}

\textsuperscript{379} Lightbody, City Politics, Canada, 267-269, 289.
\textsuperscript{380} City of Saskatoon, Future Growth Study, 7, and Diamant and Pike, Consolidation and the Small Municipality, 27.
\textsuperscript{381} Diamant and Pike, Consolidation and the Small Municipality, 27.
5.5 Conclusion

This chapter has provided an overview of the annexation of The Willows Golf & Country Club lands to the City of Saskatoon from 1999-2003. In examining the nature and dynamics of the decision-making processes and political dynamics during the annexation negotiations this chapter revealed that the process was much more open in comparison to Phase I and II of the WRD negotiations due to the formal regulatory framework associated with annexations and the emergence of a new policy network representative of private pro-development interests in the Saskatoon city-region. Moreover, this chapter has revealed that the proponents of the development remained The Willows Development Corporation, whereas Corman Park maintained its position as the major opponent of the WRD until the very end. The chapter has further revealed that despite the arguments presented by Corman Park which provided political incentives for denying a multi-million dollar residential development, the City of Saskatoon emerged as a major proponent of the WRD, and similarly a regime change took place in favour of a more pro-development, yet controlled, active corporate regime.382

382 Leo, Subordination of the Local State, 10-11.
Chapter 6: Conclusion

6.1 Introduction

The preceding chapters have provided an overview and analysis of the WRD case study of planning and development in a moderately fragmented city-region. This concluding chapter summarizes the key findings of the WRD case study regarding policies, processes and political dynamics. It discusses the lessons learned from the WRD case study in detail, makes recommendations for reforming the structures and processes for planning and development in the fragmented Saskatoon city-region, and lastly, it makes suggestions for further research.

6.2 Summary of Findings

This section summarizes the findings regarding policies, decision-making processes and political dynamics of the first and second WRD proposals.

6.2.1 Summary of Findings Regarding Policies

In Chapter two of this thesis the planning and development policies in the Saskatoon city-region pertaining to the residential development proposal were explored. The fragmented character of planning and development for the city-region was illustrated both by the number of governmental and non-governmental stakeholders and by the numerous applicable statutes, regulations and policies which included the Planning and Development Act 1983, the Urban Municipalities Act 1984, the Rural Municipalities Act 1989, the Saskatoon Planning District Development Plan, the City of Saskatoon Development Plan, Future Growth Study, and zoning bylaws. These statutes, regulations and policies provided the framework for the WRD decision-making processes and provided the technical framework which guided decision-making processes for both the City of Saskatoon and the Rural Municipality of Corman Park. The chapter revealed the intricacies of the policy framework and administrative procedures which are required to cope with the technical and spatial considerations of planning and development in fragmented city-regions.
6.2.2 Summary of Findings Regarding Decision-Making Processes

The WRD decision-making processes were discussed in Chapters three, four and five. Chapter three examined Phase I, the first WRD proposal (1992-1994) and revealed that a technical rationale and closed decision-making process prevailed in that only the City of Saskatoon Planning Department and Infrastructure Services Department were consulted. The policy amendments proposed by the WGC included annexation, development plan amendment and direct control district zoning guideline amendments. These amendments and other factors relating to policy rationale and jurisdiction would have required extraordinary measures on the part of the City of Saskatoon which it was not prepared to approve at the time given the technical planning problems related to the proposed development by WGC. 383

Chapter four examined Phase II of the second WRD proposal (1997-2001), in particular the negotiations pertaining to the proposed Development Plan amendment. The City of Saskatoon was initially unwilling to support the WRD proposal due to Corman Park’s explicit opposition to the project. 384 However, unlike the previous owners, WDC was committed to the housing project and had access to the financial resources and technical expertise needed to respond to and address the opposition from Corman Park and the reluctance of the City of Saskatoon. This presented a unique challenge to the progressive principles and philosophies which had guided planning and development decision-making for years. As such, only after several years of negotiation, careful consideration, and several policy amendments did the City of Saskatoon amend its development plan to accommodate the WRD. 385

Chapter five examined Phase III of the second WRD proposal (1999-2004), and in particular the annexation and tax loss compensation negotiations. This chapter revealed that in dealing with the urban development pressures in the south sector of Corman Park presented by the WRD, the City of Saskatoon opted for annexation as the policy of choice (this was not uncommon for the Saskatoon city-region). However, this policy choice, coupled by the difference of opinion regarding appropriate tax loss compensation, and the disparities between the respective municipalities’ approaches to planning and

383 Smith, 234.
384 Lightbody, City Politics, Canada, 84-85.
385 Coleman and Skogstad, Policy Communities, 25-29.
development hindered the approval of the WRD. This resulted in the protracted timeline of the negotiations, despite the fact that all the necessary policy amendments had been made.\footnote{Diamant and Pike, \textit{The Structure of Local Government}, 31.}

**6.2.3 Summary of Findings Regarding Political Dynamics**

The political dynamics explored in Chapters three, four and five were not only protracted, but also quite complex and intriguing. The political dynamics in Phase I revolved around various sets of negotiations which at least initially were complicated by an RCMP fraud investigation that began at approximately the same time that the first residential development proposal was presented to the City of Saskatoon. The investigation implicated both of the WGC owners in fraudulent activities.\footnote{Baines, David, “Saskatoon fund,” \textit{The Vancouver Sun}, June 18, 1994, A10.} Chapter three revealed that the police investigation did not influence the City of Saskatoon’s consideration of the residential development proposal. Instead it focused on the technical and economic merits of the proposal. This, in turn, enabled the City of Saskatoon to reject the WGC proposal without much delay that would have been caused by consultation of any external stakeholders and without explicitly addressing the political issues. This approach made it possible for the City to avoid becoming embroiled in the ICC investment scandal and was also able to protect its own development projects from private sector competition.\footnote{Howlett, 174-175.}

In contrast to Phase I, in Phase II the decision-making process was much more politicized. This occurred because there were many more negotiations and formal procedures to be considered in order for the developers to successfully persuade the City of Saskatoon of the merits of the WRD proposal in spite of Corman Park’s opposition and of the policy precedent to deny multi-parcel residential developments in the Saskatoon Planning District.\footnote{Ibid. Before the City of Saskatoon was convinced of the merits of the WRD project, Corman Park and the City of Saskatoon had maintained a ‘virtual monopoly relationship’ with one another for over 50 years in which the preferences of the other municipality often determined what types of developments would be considered...}
and approved. Corman Park adopted the traditional progressive regime approach to the negotiations during the Phase II and continued to apply the traditional planning principles in opposing the second WRD proposal. Meanwhile, the City of Saskatoon moved away from the traditional progressive regime toward an activist corporate regime in which the municipality maintained control for the initiation of development projects, but approached a more pro-development stance in favour of private developments such as the WRD (the City still maintained its commitment to many of the progressive regime principles such as “control of development, expanded services and protected residential opportunities”). This represented a fundamental structural shift and thus presented a significant obstacle to approving the WRD proposal. Corman remained committed to the principles of the purely progressive urban policy regime and to the protection of its tax revenues, while the City of Saskatoon began to incorporate elements of an entirely new set of planning principles and philosophies.

Chapter five provided an overview of the annexation and tax loss compensation negotiations which took place from 1999-2004. In Phase III, the political issues at hand came to the forefront and the traditional tax loss compensation formula (which had been used many times in the past for City of Saskatoon annexations of Corman Park lands) proved unsuitable for the annexation of lands for the residential development project. Furthermore, it finally became evident to Corman Park’s decision-makers that the City of Saskatoon’s planning regime was evolving toward a more active corporate regime in favour of private developments. Whereas Corman Park had previously denied the potential economic value of the residential development project for the Saskatoon city-region, in Phase III this value was acknowledged in order to secure a compensation package for the loss of a significant tax base for the RM. Moreover, this chapter revealed that the traditional provincial and intermunicipal mediation and negotiations mechanisms proved ineffective for resolving the dispute. It was not until Corman Park Council finally accepted the unprecedented compensation package that the matter was resolved.

390 Coleman and Skogstad. Policy Communities, 28.
391 Leo, The Subordination of the Local State, 10-11.
392 City of Saskatoon, Office of the City Clerk “Chronology,” 1.
6.3 Lessons Learned from the WRD

Over the years there have been many changes in community planning values, new development trends have emerged and there is now a climate of rapid growth in the Saskatoon city-region. This case study of the WRD proposal has illustrated the challenges facing urban-rural fringe regions undergoing increasing urbanization and development pressures. Government stakeholders are charged with addressing such fundamental shifts in the political landscape for planning and development. Regrettably, the complex practical and political realities associated with the planning and development policy changes for the WRD were compounded by the intermunicipal conflict in the fragmented city-region in an area that had not been identified for future growth in the conventional planning processes. This made the WRD incredibly difficult to resolve, but there is much to be learned from what ensued.

Despite the concerted efforts of the government and non-government stakeholders to deal with the array issues which arose throughout the WRD negotiations, the process was quite protracted. The time spent dealing with this project, however, may have not been entirely wasted. This is due to the fact that the changes made to policies and decision-making processes during the WRD negotiations will likely accommodate similar development proposals and better cope with development pressures in the Saskatoon city-region well into the future.\(^{393}\) The WRD project also provides an important example of a fragmented city-region overcoming intermunicipal conflict and seemingly insurmountable obstacles successfully. For this reason the case study may be instructive for other city-regions facing similar challenges.

6.3.1 Lessons Regarding Policies

This section identifies five lessons learned regarding policies, processes and political dynamics based on the WRD negotiations from 1992-2004.\(^{394}\) The first major lesson is that problems emerge when an innovative development proposal lands in the context of an antiquated policy framework that cannot adequately deal with it. The WRD

\(^{393}\) In May 2007, ten years after the unsolicited media release pertaining to the WRD, the prospect of another residential golf course community at Greenbryre Golf Course in the South Sector of Corman Park is announced in a strikingly similar fashion. For more information see Wallace, Kenyon. “Developer Looks to Rural Area: Corman Park Targeted for Condominium, Home Development,” Saskatoon Star Phoenix, May 4, 2007, A1.

was an innovative proposal in that it proposed a new type of neighbourhood development: an urban residential golf course community. In Phases II and III the WRD proposal illustrated to decision-makers precisely where policies were antiquated or inadequate, where gaps existed, and likewise where amendments were needed to accommodate the development. These were addressed in the development plan amendments, and highlighted the fact that there were inherent obstacles to accommodating the WRD even without Corman Park’s opposition. On the other hand, in Phase I these same policies were used to avert the approval of a development that may not have been in the best interest of the city-region, thus highlighting the benefits of the progressive planning regime. In addition, although annexation was eventually deemed to be the most appropriate policy instrument to accommodate this urban style development, Corman Park insisted that the conventional annexation tax-loss compensation formula was not appropriate. In terms of policy lessons, this highlighted the fact that in the past, much weight had been placed on conventions rather than on formal policies for annexation tax loss compensation without anticipating that the formula may not be appropriate in every case of annexation.

The second policy lesson is that efficient, effective and comprehensive planning cannot be realized at the regional level in the long-term. The WRD negotiations illustrated that the current regional planning mechanisms are not conducive to this objective. Special service commissions such as the SDPC are not intended to coordinate political or policy issues that arise out of the provision of services across municipal boundaries. In the context of rapid growth and development in a city-region, other means to resolve these issues are required. As social and environmental issues and global market forces increasingly affect municipalities, fragmented city-regions become vulnerable as they may not be able to respond efficiently and effectively to changes. This demands multilevel coordination and cooperation across the various jurisdictions that have bearing on development, planning and land use. Provincial intervention is needed to coordinate the development of a long-term, comprehensive

395 Confidential interview #4 (Interview with the author), August 3, 2006.
396 Dundee (Correspondence to the RM of Corman Park), January 24, 2002, 5.
398 Lightbody, 452.
regional development plan and growth strategy for the entirety of the Saskatoon city-region, including the City of Saskatoon, the RM of Corman Park and the surrounding urban municipalities of Osler, Langham, Dalmeny, Warman and Martensville.

Furthermore, this recommendation was explicitly stated in Crosby, Hanna & Associates’ South Sector review of the Saskatoon Planning District.\(^{399}\) The WRD case study illustrates that the SDPC will not be efficient or effective without the full cooperation of both parties. Moreover, the SDPC does not account for the other urban municipalities in the region which are also affected by growth and development pressures.\(^{400}\) This necessitates a leadership role on the part of the Province of Saskatchewan.\(^{401}\)

Furthermore, the WRD case study revealed that the existing formal policies and procedures (preventative measures) for intermunicipal political engagement and mechanisms for the mediation and resolution of intermunicipal disputes were inadequate or ineffective. There were no policies requiring formal political engagement when contentious planning and development questions came to bear. Rather, the spirit of cooperation and respect for neighbouring municipalities was referred to in the respective municipal development plans. Joint meetings of the respective administrations or councils were called, but only as needed, which proved insufficient for the resolution of issues presented by the WRD proposal. Moreover, the existing dispute resolution policies called for referring these contentious matters to the SDPC and to the Saskatchewan Municipal Board for mediation or adjudication. Regrettably, due to the membership of the SDPC which was equally divided between two municipalities, the special service commission was unable to address the political issues at hand since it could only function with the full participation and cooperation of both municipalities. The Saskatchewan Municipal Board seemed better suited to address the intermunicipal conflict. However, attempts at mediation failed and the provincial board remained reluctant to stake out an official position. Although both the SDPC and the Municipal Board were founded on principles of intermunicipal cooperation, deficiencies in the formal policies and processes for resolving intermunicipal disputes were highlighted by the WRD. This provides

\(^{399}\) Crosby, Hanna & Associates, 47-48.
\(^{400}\) Diamant and Pike, Consolidation, 30-31.
compelling justification for re-evaluating and amending policies and processes pertaining to mediation and conflict resolution at the municipal, intermunicipal and provincial levels in the Saskatoon city-region to make them more efficient and effective. It took the intermunicipal conflict over the WRD to highlight these weaknesses in the regulatory regime, many of which are still under review.

6.3.2 Lessons Regarding Decision-Making Processes

The next lesson concerns the exceptional technical planning knowledge and political management required for the decision-making processes. The challenges of instituting the necessary policy amendments to accommodate an innovative development proposal were illustrated throughout the WRD negotiations, particularly in Phase II. The process required not only time, cooperation, and consultation, but also the reconciliation of planning policies with the financial considerations of service provision for the unique urban residential development. Planners in both municipalities thoroughly evaluated all of the applicable technical and policy considerations and effectively communicated their positions to their respective communities and to other municipality. The implementation of policy changes required first and foremost the political will to institute the changes. For instance, when the will to accommodate the WRD was lacking in Phase I, the City Planning Department supported the decision by invoking the existing policies. Conversely, when the will to accommodate the WRD did exist in Phase II, the City Planning Department was able to find a way to adequately support the proposal by weighing all applicable technical considerations, making the appropriate policy amendments, as well as consulting and compromising with all concerned stakeholders. Implementing the decision required not only technical knowledge, but political will and political management skills on the part of the political and administrative decision-makers in both municipalities. Thus, this case study illustrates the exceptional political and technical knowledge and skills required of municipal decision-makers for planning and development processes.

The third major lesson is that in some cases the opposition is rooted in concerns regarding changes to traditional decision-making processes as much, if not more than, an

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402 Fish, “Winning the Battle and Losing the War,” 96.
403 Lightbody, 453.
in concerns regarding the proposed project. This was certainly the case with Corman Park when it became concerned about what it saw as a change to the decision-making process. Policy gaps are commonly identified in the process of approving private development proposals, yet the decision to go ahead with the necessary policy amendments in favour of this one-off private development project in spite of Corman Park’s opposition to the project represented a fundamental change in the Saskatoon city-regions’ approach to decision-making away from a progressive regime toward an active corporate regime.\footnote{Grant, Jill. 2000. “Planning Canadian Cities: Context, Continuity, and Change,” in Trudi Bunting and Pierre Fillion, eds. Canadian Cities in Transition: The Twenty First Century, 2nd ed. (Don Mills, ON: Oxford University Press), 443.}

In Phase I and the beginning of Phase II of the WRD negotiations, the relatively small and closed progressive decision-making regime initially favoured Corman Park.\footnote{Dundee Development Corporation “Re: Proposed Annexation – Willows Golf and Country Club” (Communication to Saskatoon City Council), April 17, 2000, 2-5.} However, after the City of Saskatoon bought into the idea of residential golf course communities, a change in the decision-making process began to take place. The private developers were invited into the decision-making process, much to the chagrin of Corman Park. The RM was reluctant to agree to the policy changes being initiated by the WDC rather than by either the two municipalities (as had been done in the past). In effect, Corman Park was reacting to what it perceived to be a regime change away from the traditional progressive system which had characterized planning and development decision-making in the Saskatoon city-region for over fifty years.\footnote{City of Saskatoon and RM of Corman Park, Saskatoon Planning District Development Plan, 9 and RM of Corman Park, Corman Park Development Plan, 10.} In contrast, whereas the developers might have hoped for the City of Saskatoon to facilitate their development proposal by any means possible (as would be the case in a passive corporate regime), the City of Saskatoon instead chose the middle ground. The City chose to maintain control over the approval process and ensure that all the proper development controls were in place before giving final approval to the WRD, which is characteristic of an activist corporate regime.\footnote{Leo, The Subordination of the Local State, 11.} The technical rationale required of planning and development decision-making continued to prevail throughout the WRD negotiations, but in the eyes of the developers, this still presented an obstacle to expediting approval of the WRD.\footnote{Dundee Development Corp. (Communication to City Council) April 17, 2000, 7.}
This meticulous approach on the part of the City of Saskatoon exacerbated the intermunicipal conflict due to the fact that the City of Saskatoon waited until all the necessary policy amendments had been made before finally engaging Corman Park in an overt political discussion regarding annexation and tax loss compensation.  

### 6.3.3 Lessons Regarding Political Dynamics

The third major lesson is that communication is very important for political dynamics. Miscommunication can create problematic political dynamics. This was evident in several aspects of the WRD proposal. The most obvious of these was the political dynamics generated in the late 1990s between the City of Saskatoon and the RM of Corman Park. The problematic political dynamics of the second WRD proposal were set at the outset of the negotiations in 1997 when an unsolicited media release led to miscommunication between the key stakeholders. This was not remedied in a timely or effective manner. Corman Park attempted to engage the City of Saskatoon in a political discussion at the outset of Phase II of the WRD in 1998 through the letter addressed to City Council. But as it had done before in Phase I of the WRD, the City of Saskatoon first considered all the applicable technical and policy considerations of the proposal before engaging Corman Park in an overt political discussion regarding annexation, tax loss compensation, and consequences for intermunicipal relations in the city-region.

Meanwhile, given no indication that the City of Saskatoon was considering anything to the contrary, Corman Park continued to adhere to the conventional progressive regime planning principles, philosophies and policies which had guided planning and development in the Saskatoon city-region for over fifty years. However, by this point, the City of Saskatoon was already adhering to the principles, philosophies and policies of an active corporate regime which was much more accommodating to private development interests than the former. Unfortunately, this evolution in the planning and development decision-making regime was not communicated explicitly to Corman Park’s decision makers - but in all fairness, the change may only have been evident in retrospect. Neither the City of Saskatoon nor the RM of Corman Park were able to identify precisely

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409 Confidential interview #4 (Interview with the author), August 3, 2006.
410 Block, Cynthia (Letter to Joel Teal, President of Dundee Developments), June 1, 2000 and Confidential Interviews # 3 and #4 (Interviews with the author).
what kind of changes were occurring while they were engaged in a very tense
intermunicipal conflict between 1997 and 2004 and neither can be faulted for what
ensued. Still, a formal forum to facilitate timely and open communication regarding
these issues might have prevented the full blown intermunicipal dispute. One cannot help
but wonder whether the intermunicipal conflict could have been avoided if the two
municipalities had entered into political discussions regarding how to best cope with new
development pressures in the region, the possibility of using annexation as a policy
instrument for coping with these pressures, and implications any changes to processes
and policies related to planning and development in the Saskatoon city-region. Whether
such discussions may have precluded Corman Park’s denial of the annexation proposal
for the first time in the history of the Saskatoon Planning District is a highly debatable
point.

The fifth lesson is that economic considerations are inextricably tied to the
politics of planning and development. The WRD negotiations revealed that growth and
development pressures, private interests and competition for municipal tax revenues can
create controversy and may lead to intermunicipal competition and conflict. Competition
for tax revenues arises from the erroneous belief that population growth and additional
real-estate development leads municipalities to increase their tax bases thus enabling the
municipality to lower the tax rate. The fact is that in many instances population growth
and additional real-estate development places increased demands for costly infrastructure
and services. Annexation in the case of the WRD provided for the efficient delivery of
services as well as effective governance for the urban residential area. Still, the
competition for tax revenues in the case of the WRD prevented efficient and effective
decision-making and resulted in a costly intermunicipal conflict over the issue of
annexation.

411 Confidential interview #1 and Confidential interview #2 (interviews with the Author).
412 Confidential interview #4 (Interview with the author), August 3, 2006.
413 Leo, 232.
6.4 Recommendations for Reform

The protracted timeline of the WRD illustrated that the intermunicipal policies, procedures and processes planning and development may require review and reform. In order to overcome the negative outcomes of fragmented governance systems, formal structures and protocols must be improved to ensure that municipalities continue to communicate effectively with one another in difficult circumstances created by increasing development pressure, especially when they are likely to disagree on a particular development proposal. Such reforms must take into account the fact that municipal councils, intermunicipal boards and commissions, planning administrations, provincial governments, and private developers are all likely to have an interest and possibly also a role in the decision-making processes.

The key municipal decision-makers in Saskatoon and Corman Park have already begun this process. In recent years Saskatoon City Council and Corman Park Council have begun holding regular joint council meetings. Beforehand, joint meetings of Council were only held as needed. The governments have also realized that the role of the SDPC in facilitating intermunicipal cooperation in the Saskatoon Planning District is fundamental. The WRD brought to light important questions regarding the role of the SDPC for resolving intermunicipal disputes, most of which have since been addressed in the Saskatoon Planning District Review, which was completed in March 2006.

However, falling outside the scope of the Saskatoon Planning District Review is the Saskatchewan MVA and the surrounding urban municipalities, which must be given equal consideration in the review processes. The WRD case study demonstrated that special service commissions such as the SDPC cannot effectively resolve the many practical, policy and political challenges that arise from the provision of services across municipal boundaries. In addition, the intermunicipal conflict which arose over the WRD may have long-term and unanticipated consequences for planning and development in the Saskatoon city-region. The WRD case has also shown that these consequences are more likely to be negative if there is lack of engagement or communication (or perceived

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414 Confidential interview #2 (Interview with the author), August 3, 2006.
416 Lightbody, 452/
lack thereof) with affected municipalities. Therefore it is recommended that the membership of the MVA be reviewed and that efforts be made to officially engage and include Corman Park. In addition, it is recommended that the Province of Saskatchewan take a leadership role in the development of a long-term comprehensive growth strategy and development plan for the entire Saskatoon city-region.

With increased demand for development in urban-rural fringe regions planning policies must be reviewed to appropriately address social, economic, environmental and political factors. However, “in the spirit of maintaining a cooperative and mutually beneficial relationship between the City of Saskatoon and the RM of Corman Park” the Saskatoon Planning District Review only addressed the former three. The tacit understanding was that they would do their best to keep political considerations out of the decision-making processes as much as possible. Whether this is a wise is open to debate, but the WRD case study suggests otherwise. The WRD highlighted the fact that there is a tendency for the focus to be primarily on service delivery and administration - to the point that the political and economic issues related to planning and development are either overlooked or at least overshadowed. In the case of the WRD this tendency may have “retarded the development of political awareness at the municipal council level.” Municipal administrations and politicians may require formal avenues to discuss these matters earlier on in process. Regardless of which factors they choose to focus on, the WRD case study reveals that such consultations between the key municipal governmental stakeholders must occur very early in the planning processes and must involve constructive participation by their respective representatives.

Non-government stakeholders and provincial stakeholders may also contribute to reform initiatives. Throughout Phase II and III of the WRD, Dundee advocated for a more timely and effective decision-making process and a favourable resolution for WDC. A more proactive and accommodating municipal policy amendment process and open decision-making regime evolved in this case to address the increasing role of non-government stakeholders in planning and development in the Saskatoon city-region. As another case study in the Edmonton-Strathcona annexation has illustrated, city-centered

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417 City of Saskatoon and Rural Municipality of Corman Park, Saskatoon Planning District Review: Final Report (Saskatoon: City of Saskatoon), March, 2006, iii-iv.
rather than city-dominated negotiations are most appropriate and effective. City-centered negotiations would be more consistent with an active corporate regime, which is the course the City of Saskatoon chose in light of the WRD, whereas city-dominated negotiations might be associated with progressive regimes. The alternative to these is the passive corporate regime, where the city works primarily to enable private development.

Given that there is no guarantee that neighbouring municipal governments can always reach agreement between them, legitimate and efficient dispute settlement mechanisms are required. This includes dispute resolution mechanisms at the regional level and also at the provincial level. In Phase III of the WRD negotiations the matter of annexation was referred to the Municipal Board which adhered to the position that “decisions that are primarily of local impact are best made by local authorities.” This case study has illustrated that when growth, intermunicipal disputes and high development pressures prevail, a provincial dispute resolution mechanism which is willing and able to make these difficult decisions is required. This may be addressed in the Planning and Development Act, 1983 review which is currently underway, or in future reforms to that statute.

6.5 Further Research

The annexation of The Willows lands was a defining moment for the future of intermunicipal relations in the Saskatoon city-region. Further research is required as to the long-term impacts of this intermunicipal dispute and the reforms that followed. Moreover, the WRD resulted in the emergence of new policy regime in the Saskatoon city-region. The impact of the newfound prominence for private developers in planning and development in the Saskatoon city-region requires further inquiry. The greatest


420 Romanelli and Marchand, The Delegation of Planning Responsibilities in Canada, 31-33


422 Government of Saskatchewan, Department of Government Relations “Review of The Planning and Development Act, 1983” (Review Committee Meeting Summary), May 10, 2006, 1.

423 Leo, Christopher. 1995. The Subordination of the Local State, 6-7, 27.

challenge facing planning and development in the Saskatoon city-region in the coming
years will be balancing the conventional stringent control of development with increasing
demand for development. This is particularly challenging for the City of Saskatoon since
the municipality has itself been a principal land developer in the region since the
inception of the Land Bank. This Canadian anomaly is an area of particular interest for
the study of the politics of planning and would be an instructive inquiry for both for the
planning and public policy disciplines and it is therefore a subject recommended for
further research.

At a comparative level, comparable case studies of the nature and scope of
planning processes and dynamics in other city-regions are required to develop a fuller
and better understanding of such matters. Such comparative studies should contribute to
efforts to avoid pitfalls and to embrace the best policies and practices for planning in city-
regions.
Appendix A:  
The Five Corners Development Case Study

From 1979 to 1986 RiverView Investments Incorporated worked to have a $10 million high rise development approved at the corner of Broadway Avenue and University Drive, also known as Five Corners. Although the development was located within the Saskatoon city limits, the process was fragmented due to overlapping jurisdictions and a newly created governing body, the Meewasin Valley Authority (MVA). The MVA was created by an Act of the Province of Saskatchewan in 1979 to control development on the shores of the South Saskatchewan River in the Saskatoon city-region. The original stakeholders of the MVA in 1979 included the City of Saskatoon, the RM of Corman Park, the University of Saskatchewan and the Government of Saskatchewan. The MVA development plan provides a framework for environmental conservation and a flexible conceptual tool for planning the future development along the South Saskatchewan River Valley. The Five Corners case study adds to the WRD case study by providing another example of the opportunities and obstacles facing governments and planners in the Saskatoon city-region for improving planning processes, policies, and intermunicipal political dynamics when fragmented governance systems experience increasing growth and development pressures.

In 1978 RiverView Investments purchased the land on the northwest corner of Broadway Avenue and subsequently submitted a development proposal for a high rise to the MVA. RiverView Investments was required to obtain approval from the MVA before they could submit an application for a development permit to the City of Saskatoon. The MVA denied RiverView Investments’ development proposal based on the guidelines contained in their 100 year development plan. Shortly thereafter in November 1979 RiverView Investments challenged the decision of the MVA with the

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425 Although it was an original member of the MVA, the Council of the RM of Corman Park, withdrew its support as an official partner by a vote of Council in January 1981. Corman Park terminated its partnership in the MVA due to the agencies’ overarching jurisdiction over private land in the RM. See also Meewasin Valley Authority, “About Meewasin: History” (available online at http://www.meewasin.com/about/history/) retrieved March 2, 2007).


427 Ibid.

Saskatchewan Municipal Board. The Court of Queen’s Bench ruled in February, 1980 that “the MVA’s reasons for the denial were at best vague, and at worst based on nothing more than the authority’s collective decision that it does not want the applicant’s project constructed at Five Corners… the authority’s 100-year conceptual master plan does not suggest what type of project is envisioned for the area.” At that point, the development was further stalled by objections presented by the local citizens association, the Nutana Residents Association, City Council, as well as the MVA. After making amendments to clarify the river valley development plan, the MVA appealed the decision of the Municipal Board and this time the decision favoured the MVA. The result led to strained relations between the developer and the MVA. In addition, by this time the market situation had changed and Saskatoon was in an economic down-swing. The discussions that followed the Saskatchewan Municipal Boards’ second decision eventually led the MVA to compromise on an eleven storey apartment complex at Five Corners in 1983. From 1983 to 1986 several objections were raised by City Council regarding the traffic flow at Five Corners, which further stalled construction. As a result, construction was further delayed during those three years.

The extensive authority and overlapping jurisdiction of the MVA received major criticism from land owners, developers, the real-estate industry, the agricultural industry, banks, and eventually from Saskatoon City Council and Corman Park Council. One study of the MVA indicated that “at its height, the opposition to the Authority was so great that there were serious doubts as to whether the newly created agency would survive.” Eventually the MVA Act was amended and some of the most controversial powers were repealed. This extensive authority (possibly coupled by the decision of the MVA regarding the Five Corners development in 1980) may have led the RM of Corman Park to withdraw its support. However, other reports indicate that this was an entirely political decision. Nevertheless, the MVA exists to this day.

There were several similarities and differences between this case study and the WRD. First and foremost, the establishment of the MVA exemplified the use of horizontal fragmentation as a policy instrument for planning and development decision-making.

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429 Ibid., 134-135.
430 Ibid., 134-41.
431 Hodge, *Planning Communities*, 331.
making in the Saskatoon city-region. The MVA, the developers, City Council, the Nutana Residents Association, and the Saskatchewan Municipal Board were all involved in decision-making for the Five Corners proposal. Joint planning districts and special service commissions have commonly been established to alleviate fragmentation and coordinate governance within the Saskatoon city-region. On the other hand, two key differences existed between the Five Corners and WRD case studies. First, the Five Corners negotiations involved a community network, namely the Nutana Residents Association, whereas there were no such community groups speaking either for or against the WRD. Second, there was hierarchical fragmentation in addition to horizontal fragmentation in the MVA, in that the Province of Saskatchewan was a member. Third, in this case the judiciary was willing to step in to mediate the conflict between the MVA and the developers, whereas the judiciary was not willing to do this for the WRD intermunicipal conflict.

The Five Corners case study illustrates the varied character of fragmentation in the Saskatoon city-region and the challenges this presents for the efficient and effective governance of planning and development. The timelines of the Five Corners and the WRD were similarly protracted, and the structure of governance was similarly fragmented. However this changed when Corman Park withdrew itself from the partnership. Much like planning and development processes and policies in the Saskatoon city-region, this fragmentation was overcome through the establishment of an intermunicipal joint agreement and special service commission. This demonstrated the progressive character of the regime. The MVA has been effective in protecting the public interest for the Saskatchewan River Valley in the Saskatoon city-region. Yet, due to the changing character of the planning and development regime and increasing development pressures a review of the policies, processes, and membership – especially of Corman Park - may be needed. This would ensure that the MVA continues to play a key role in the conservation of the Saskatchewan river valley well into the future.

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432 Hodge, 330-332.
**Appendix B: Chronology of Events**

**WRD Phase I**

1989  
CBC television program “The Fifth Estate” reports that in Western Canada the ICC was misappropriating funds from the Immigrant Investment program.

1992  
RCMP fraud investigation in Saskatchewan into the misappropriation of funds from the Immigrant Investment program gets underway.

April 1, 1992  
Discussions initiated by WGC with the City planning and Engineering Departments and the Saskatoon School Boards regarding the first WRD proposal.

June, 1992  
The WGC submits a formal proposal and request for residential development for approval to the City of Saskatoon.

September 18, 1992  
The WGC meets with the City Council Planning and Development Committee and the committee instructs the staff to commence a preliminary evaluation.

November, 1992  
The Planning and Development Committee instructs review of servicing requirements and costs related to the WRD.

March, 1993  
Willows Golf Corporation finalizes the first formal request to City Council for an urban residential housing development entitled "Willows Residential Development."

March 11, 1993  
Terms of the first WRD proposal and the benefits for the City of Saskatoon are summarized in a letter from Mr. Leier.

March 29, 1993  
Council receives the proposal of Willows Golf Corporation, the "Willows Residential Development."

April 15, 1993  
The Willows Golf Course is sold to Working Ventures Canada Fund for $5 million; bankruptcy trustee of The Willows Golf Corporation withdraws the first WRD proposal to the City of Saskatoon.

June, 1993  
Working Ventures follows-up with informal discussion with the City of Saskatoon tp determine next steps to have the proposed residential development at The Willows Golf Course approved. Working Ventures determines that professional developers would be better suited to navigate the planning and development approval process.

June 22, 1993  
Calgary Herald publishes article "Immigrant Investors May Get Some Cash," implicating Claude Resources of Saskatoon among others in alleged fraudulent activities related to the Immigrant Investment funds.

October 20, 1993  
Report of the City Planner regarding the first WRD proposal is submitted to the Board of Administration of the City of Saskatoon.

November 8, 1993  
City Council resolves that the WRD proposal is technically feasible but is denied due to other planning and development policy considerations.
WRD: Phase II & III


April 24, 1997 The Willows Golf and Country Club hosts a meeting for its members where Dundee explores potential interest in a residential housing development and dispels rumours about the project. Shortly thereafter, on April 24, the Saskatoon Free Press publishes article announcing "Willows Residential Development in the Works," in spite of the objections of Dundee Developments.

September 18, 1998 Saskatoon Star Phoenix publishes article highlighting criticisms of the planned construction of the Cathedral Bluffs golf course just northeast of Saskatoon.

November 17, 1998 Corman Park writes to City Council referring to media reports of a potential WRD and advises of their opposition to any residential housing developments at The Willows.

March, 1999 Developers meet with the Reeve of Corman Park and Administrator to clarify what work has actually been conducted on the WRD proposal.

April 17, 1999 Letter and information regarding possible WRD proposal provided by Dundee to City Council.

June 29, 1999 Dundee submits a short formal application to the City of Saskatoon to annex The Willows lands in order to accommodate an urban residential housing development.

July, 1999 Dundee makes presentation of the idea of the WRD to Corman Park Council in July shortly before the formal application is made to the City of Saskatoon in order to keep RM in the loop.

July 16, 1999 Dundee submits application to annex the Northwest sector lands along with the second formal request for an urban residential housing development on The Willows Golf Course to City Council entitled "The Willows: Proposal for Annexation to the City of Saskatoon" by the WDC.

August 20, 1999 City of Saskatoon requests clarification from Dundee regarding marketing and planning issues arising from the WRD proposal. Communication from City of Saskatoon to owners of other adjacent lands to The Willows to determine whether they are in favour of being included in the annexation request for The Willows Golf Course.

November, 1999 City Infrastructure Services Department expresses concerns to the City Planning Branch over the servicing requirements related to the proposed WRD.
December 7, 1999  City of Saskatoon Planning Branch communicates is preliminary review of the WRD proposal to Dundee Developments and recommends either that the developer continue to meet with the City at the Planning and Operations Committee Meetings; or meet with the Planning Branch to discuss this report; or revise the application; or withdraw the application.

April 3, 2000  Report of the City administration regarding the WRD is completed. The report recommends that the annexation proposal be denied, that the City continue to support the existing Saskatoon District planning policies, and that the Executive Committee review the matter of residential golf course communities further.

April 17, 2000  Executive Committee receives City of Saskatoon Community Services Department report stating there is no policy in the Development Plan to accommodate the WRD and report from Dundee Developments addressing the issues in the report of the City Planner.

April 19, 2000  The Executive Committee receives (in camera) the report of the administration dated April 3, 2000 recommending the WRD proposal be denied. Instructs the administration to report back to the Committee regarding residential golf course communities.

May 3, 2000  Joint council meeting between Corman Park and City of Saskatoon to hear the discussion paper "Urban Golf Course Communities" presented by the City Planning Branch. Resolved to discuss the matter further.

May 19, 2000  Corman Park and City of Saskatoon Planners meet to discuss WRD, no progress. City proposes either annexing all three privately owned Golf Courses in the Saskatoon Planning District (Willows, Greenbryre and Saskatoon Golf and Country Club) or removing portions of the buffer zone. RM does not support making changes to the existing 1.6km buffer or altering the Saskatoon Planning District land-use policies to accommodate residential golf course communities.

May 26, 2000  Community Services Department completes the report requested by City Council regarding the buffer zone policy and recommends that the issue be referred to the SDPC for review.

June, 2000  Northwest sector lands annexation into the City of Saskatoon is finalized after 11 months, without any objection from Corman Park.

June, 2000  City of Saskatoon Future Growth Study, 1999 is finalized.

June 7, 2000  Saskatoon Star Phoenix publishes article regarding Schafer (former owner of Willows) who was found guilty of fraud.

June 14, 2000  City administration's report to Executive Committee deferred to allow Dundee time to determine how to proceed.

August 16, 2000  Executive Committee considers the administration's report regarding the buffer zone policy and golf course communities.
September 13, 2000  RM agrees to support the City of Saskatoon's proposed review of the provisions of the Saskatoon Planning District Development Plan and Zoning Bylaw in light of the completion of the Future Growth Study.

September 18, 2000  City administration presents "Future Growth Study" to City Council. Council resolves to examine the impacts of the study for the Southeast sector and the buffer zone policy. Crosby, Hanna & Associates is contracted to conduct the research.

November 21, 2000  Dundee submits formal application to amend the City of Saskatoon Development Plan to allow for residential golf course communities.

December 6, 2000  Community Services completes a comprehensive report for the Executive Committee. Executive Committee resolves not to hear the matter in camera, but to hear it at the public meeting of the Planning and Operations Committee.

December 12, 2000  Public meeting of the Planning and Operations Committee takes place hears the report of the City Planner regarding the WRD proposal. Two options considered, either proceed with annexation, or not.

December 12, 2000  City Council approves Capital Project no. 1727, a comprehensive review of the Saskatoon Planning District Development Plan and Zoning Bylaw, beginning with the South Sector Review in light of the WRD proposal, including the buffer zone policy, extension of urban services into the Planning District and residential golf course communities.

December 20, 2000  Planning and Operations Committee meets to consider the WRD proposal again. Three options were considered, either deny the proposal, proceed with it, or defer the request until the comprehensive review of the Saskatoon Planning District Development Plan had been completed. Meeting adjourned without a decision because it is deemed to be inappropriate to discuss the contentious matter in camera.

January 16, 2001  Community Services report regarding the WRD annexation proposal, residential golf course communities and buffer zone policy is submitted to the open meeting of the Planning and Operations Committee. Committee recommends that the administration forward the report to Council and recommends that the administration is to proceed with the WRD annexation request.

January 22, 2001  City Council considers the Planning and Operations Committee’s comments on the WRD along with presentations from the Reeve of Corman Park and the President of Dundee Developments. Council resolves in accordance with the recommendation from the Planning and Operations Committee that a comprehensive review of the Saskatoon Planning District Development Plan and Zoning Bylaws take place.
April 3, 2001  City of Saskatoon Municipal Planning Commission receives a report from the City Planning Branch entitled “Golf Course Communities” which is in favour of residential golf course communities and the WRD proposal.


July 11, 2001  Municipal Planning Commission submits their report in reference to the City Planning Branch's report entitled "Golf Course Communities" to City Council.

July 16, 2001  City Council holds a public hearing regarding the City of Saskatoon Development Plan amendment. City Council enacts the City of Saskatoon Development Plan amendment to accommodate residential golf course communities. City Council receives Crosby, Hanna & Associates "Future Growth Study: Saskatoon Planning District Review - South Sector" review of the impact of the "Future Growth Study" for the South Sector of Corman Park. President of Dundee also addressed City Council at this time. City Council resolved that the South Sector report be forwarded to the SDPC for review and that it report back to both Councils with a recommendation.

August 13, 2001  Minister of Government Relations approves the bylaw amending the City of Saskatoon Development Plan to accommodate residential golf course communities.

August 31, 2001  Special meeting of the Saskatoon District Planning Commission takes place to consider the South Sector Review. Members advised that City Council will consider the WRD annexation proposal at the upcoming Council meeting on September 24, 2001.

September 21, 2001  Dundee receives letter of support from SREDA for the WRD.

September 24, 2001  District Planning Commission reports to City Council regarding WRD, asks for extension.

October 9, 2001  Meeting of the District Planning Commission to review the South Sector Review and recommendations.

October 16, 2001  City Council instructs the administration to proceed with the necessary procedures to annex The Willows lands and to seek a meeting with Corman Park to discuss a possible complementary resolution.

November 21, 2001  Dundee Development Corporation formally applies to the City of Saskatoon requesting that the City of Saskatoon Development Plan be amended to accommodate residential golf course communities. City and RM Planners and Reeve of Corman Park meet to discuss a possible complementary resolution. No progress made.

November 22, 2001  City and the RM address several outstanding issues including economic activity, Plan Saskatoon, golf course communities, compensation, sanitary sewer services and planning principles.
December 17, 2001 Corman Park Council meets and hears several issues relating to planning and development from Mr. Dewell Linn.

January 24, 2002 Dundee makes a presentation to Corman Park Council regarding the merits of the WRD project.

February 13, 2002 Written communications begin take place between the City and the RM regarding two issues, annexation compensation and the buffer zone policy.

February 14, 2002 City of Saskatoon Planning Branch communicates traditional compensation formula to City Manager.

February 15, 2002 Corman Park Administrator communicates 2001 tax revenues generated in the Southeast sector of Corman Park to the City of Saskatoon Planner.

February 20, 2002 City Executive Committee resolves that the administration be authorized to offer the normal annexation tax loss compensation to Corman Park.

February 21, 2002 City of Saskatoon makes first offer for annexation tax loss compensation to Corman Park in accordance with the traditional formula in the amount of $429,326.00.

March 12, 2002 Corman Park responds in writing that the first offer for traditional annexation tax loss compensation is unacceptable.

March 19, 2002 City responds to RM that it will proceed with the processes to annex The Willows lands with the Saskatchewan Municipal Board.

March 19, 2002 City of Saskatoon posits in written communication to Corman Park that the traditional compensation formula is in accordance with previous precedent agreed upon between the two parties, but that it is willing to discuss the matter further if it is the only outstanding issue with regard to the WRD annexation.

March 21, 2002 Corman Park communicates to the City of Saskatoon after a council meeting that the traditional compensation formula would not adequately compensate the RM for the loss of a development of the magnitude of the WRD.

March 22, 2002 City submits a formal request to Corman Park requesting a complementary resolution.

March 26, 2002 Executive Committee meeting of Corman Park Council to discuss the recent offer from the City of Saskatoon.

April 15, 2002 Corman Park Council requests a complementary resolution from the City for the proposed annexation. Corman Park proposes a tax revenue sharing agreement, suggesting that the net tax be divided equally.

April 15, 2002 City of Saskatoon Executive Committee authorizes the administration to offer a compensation package lump sum one-time payment of $800,000 for annexation tax losses.

April 17, 2002 City of Saskatoon responds to Corman Park's tax revenue sharing formula proposal and requests that mediation be part of the ongoing negotiation processes. Furthermore, the City
communicates that if negotiation is not successful the City will proceed to the Saskatchewan Municipal Board with the annexation application for a formal adjudication of the annexation.

April 30, 2002
RM accepts invitation for mediation, but the two parties cannot agree on scope of the issues. Corman Park suggests tax revenue sharing formula again and agrees to participate in mediation provided that the annexation of The Willows lands is not perceived to be a forgone conclusion.

May 1, 2002
City Council meeting. Discussion takes place regarding the difficulty of reaching a complementary resolution for WRD annexation tax loss compensation. Council resolves to proceed to the Saskatchewan Municipal Board for adjudication of the matter.

May 7, 2002
Meeting of the District Planning Commission, members advised that the matter of the WRD annexation proposal is on the agenda for May 20, 2002.

May 8, 2002
Communication from City Manager to Reeve of Corman Park regarding long-term planning issues, sewage capacity, and compensation for the WRD annexation, communicates that the Executive Committee has permitted an increase in first offer of compensation.

May 13, 2002
City advises RM of its intentions to proceed with annexation of The Willows lands.

May 21, 2002
City Council resolves that the administration request to speak at the next Corman Park Council meeting to state the City of Saskatoon's position on the matter, also that the administration commence procedures to annex the lands, as this had not previously been done while discussion with Corman Park were ongoing.

May 23, 2002
City Community Services Department sends notice to all assessed owners, school division and RM of proposed annexation.

May 25, 2002
Required advertisement of proposed annexation appears in Saskatoon Star Phoenix.

May 31, 2002
Corman Park submits a 22 page statement to the District Planning Commission outlining their position regarding the WRD annexation.

June 4, 2002
Saskatoon District Planning Commission meets and discusses the WRD annexation negotiations. Requests clarification from Corman Park regarding the role of the Saskatoon Planning District Commission for this matter.

June 10, 2002
Corman Park Council meeting. Presentations received from City and Dundee regarding WRD annexation. Council determines that it does not wish for the Saskatoon Planning District Commission to adjudicate the negotiations.
June 19, 2002 Special meeting of the Saskatoon District Planning Commission to consider amendments to the Development Plan for residential golf course communities, how future annexations should be adjudicated, how sewer services could be extended into the district, and how tax loss compensation be calculated. City, Corman Park and Developer invited to submit written materials for consideration. It is determined that the City and the RM should continue to try to reach an agreement regarding tax loss compensation, and that if an agreement cannot be reached, the matter should be adjudicated by the Saskatchewan Municipal Board.

June 21, 2002 Formal written objection from Saskatoon East School division received by City. Objections include concerns over bus services and the issue of assessment.

June 24, 2002 Corman Park verbally communicates to the City that the compensation package will have to greatly exceed the normal treaty land entitlement compensation rate of 22.5 times the current taxes for them to consider accepting the annexation. City determines that tax losses for the school board will be covered by an education grant from the provincial government, it is not the role of the municipality to compensate a school board for annexation tax loss.

July 2, 2002 Saskatoon East School division submits a written objection to the City of Saskatoon for the proposed WRD annexation.

July 3, 2002 Deadline for written objections to WRD annexation proposal. Corman Park's written objection is received by the City of Saskatoon.

July 9, 2002 City Manager recommends that City Council instruct the administration to proceed with the advertising necessary to hold a Public Meeting regarding the WRD annexation due to the two received objections to the proposed annexation from Corman Park and the Saskatoon East School Division.

July 15, 2002 City Council resolves to proceed with Public Meeting as required in the Urban Municipalities Act.

July 19, 2002 Corman Park proposes another compensation formula with an initial payment of $1 million, and a tax revenue sharing formula up to a maximum of $4 million.

July 27, 2002 City of Saskatoon announcement of an impending public meeting regarding the proposed annexation published in the Star Phoenix.

August 19, 2002 City Council instructs the City Clerk to make application to the Saskatchewan Municipal Board for the alteration of the City's boundaries concerning the WRD annexation.

August 29, 2002 City of Saskatoon makes a counter offer based on the traditional formula for treaty land entitlements of 22.5 times the last year's taxes for the WRD annexation.
August 30, 2002  Corman Park rejects the offer for 22.5 times the last year's tax revenues.

September 9, 2002  City hosts a Public Meeting regarding the WRD annexation proposal. School division and RM object to the annexation. City Council advises the City Clerk to apply to the Saskatchewan Municipal Board.

September 9, 2002  City of Saskatoon applies to the Saskatchewan Municipal Board for annexation of The Willows lands in spite of the lack of a complementary resolution with Corman Park. Before the formal hearing process gets underway Corman Park and the City of Saskatoon agree to try to resolve the issue by mediation.

October 22, 2002  City Council resolves to proceed with procedures to annex The Willows lands and that the administration seek a meeting with the administrators of Corman Park to discuss a possible complementary resolution. The City of Saskatoon does not proceed with the procedures to annex the lands while the negotiations with Corman Park are ongoing.

December 10, 2002  Solicitors for the RM of Corman Park request City of Saskatoon documentation regarding The Willows property from the Saskatchewan Municipal Board’s Municipal Boundary Committee.

December 16, 2002  City of Saskatoon requests information from the City of Calgary regarding outside city customer servicing. The City of Calgary communicates that it provides services to rural municipal centers around the City such as Airdrie, Chestermere and Cochrane in order to minimize environmental contamination.

December 20, 2002  Willows Servicing Cost Study is received from Bullee Construction Ltd., and is projected to be $14.5 million.

January 21, 2003  Letter from Corman Park solicitor received by City of Saskatoon.

February 4, 2003  Corman Park Planner communicates final provisions needed for a complementary resolution for the WRD annexation.

February 10, 2003  Corman Park Council accepts complementary resolution with the City of Saskatoon for the WRD annexation, in exchange for compensation in the amount of $967,062.83 to be paid on the effective date of the annexation.

February 10, 2003  City of Saskatoon withdraws its application before the Saskatchewan Municipal Board for alteration of the City's Boundaries, accepts Corman Parks terms including the proposal to resolve planning issues and sanitary sewer services.

February 11, 2003  Saskatoon Star Phoenix publishes article announcing settlement and compensation package of approximately $1M for the WRD.

February 23, 2003  Corman Park Council agrees to the terms of City's last complementary resolution offer for annexation compensation. City applies to the Minister of Municipal Government to alter boundaries.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>July 1, 2003</td>
<td>Annexation of The Willows Golf and Country Club effective as of this date.</td>
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<tr>
<td>September 22, 2003</td>
<td>City Council agrees to amend the Saskatoon District Development Plan to delete The Willows lands from the agreement as per the annexation.</td>
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<tr>
<td>December 15, 2003</td>
<td>Minister of Government Relations approves the Planning District Boundary Amendment.</td>
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<tr>
<td>July 19, 2004</td>
<td>Development and Servicing Agreement with the WDC and the City of Saskatoon is approved by City Council.</td>
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