



**TOWN OF KENSINGTON  
MUNICIPAL RESTRUCTURING  
PROPOSAL**

**PREPARED ON BEHALF OF**  
Town of Kensington

**BY**  
Hope Parnham CSLA MCIP

***DV8* CONSULTING**

## EXECUTIVE SUMMARY

The Town of Kensington has undertaken a study to assess the current growth and development opportunities of the municipality and the present need to restructure the municipal boundary. The study included a review of the demographics, land use patterns, development trends, and municipal and community service provisions. The study area included properties within the municipality, and the surrounding unincorporated area in which residents share a common interest in the quality and affordability of regional and municipal services.

The study finds that the Town of Kensington continues to thrive with steady population and development growth, but future growth is currently restricted. The Town has grown to the full extent of its boundary and is at present landlocked with few opportunities for development. As a result, development has continued on the periphery, where property owners, residents and businesses utilize municipal services and operate as part of the Town's social and economic community. These property owners, residents and businesses however do not contribute to the municipal tax base, and do not receive the benefits associated with having representation within the Town's municipal government.

In comparison to other recent municipal restructuring that has occurred across Prince Edward Island under the new *Municipal Government Act* R.S.P.E.I. 1988, Cap. M-12.1, the Town of Kensington does not have adjacent municipalities to collaborate with, or to consider merging with through amalgamation. The Town is also not interested in pursuing a large annexation of surrounding agricultural, unincorporated land within their regional service area until such time as those residents express interest in local municipal representation and the services associated with a municipal government. Should residents in the unincorporated area of the Kensington Fire District (see Figure 5), the surrounding municipalities and/or the province, pursue a larger regional study, Kensington would welcome the opportunity to work collaboratively on such a municipal restructuring initiative to address the existing deficiencies in regional service provisions of the unincorporated areas.

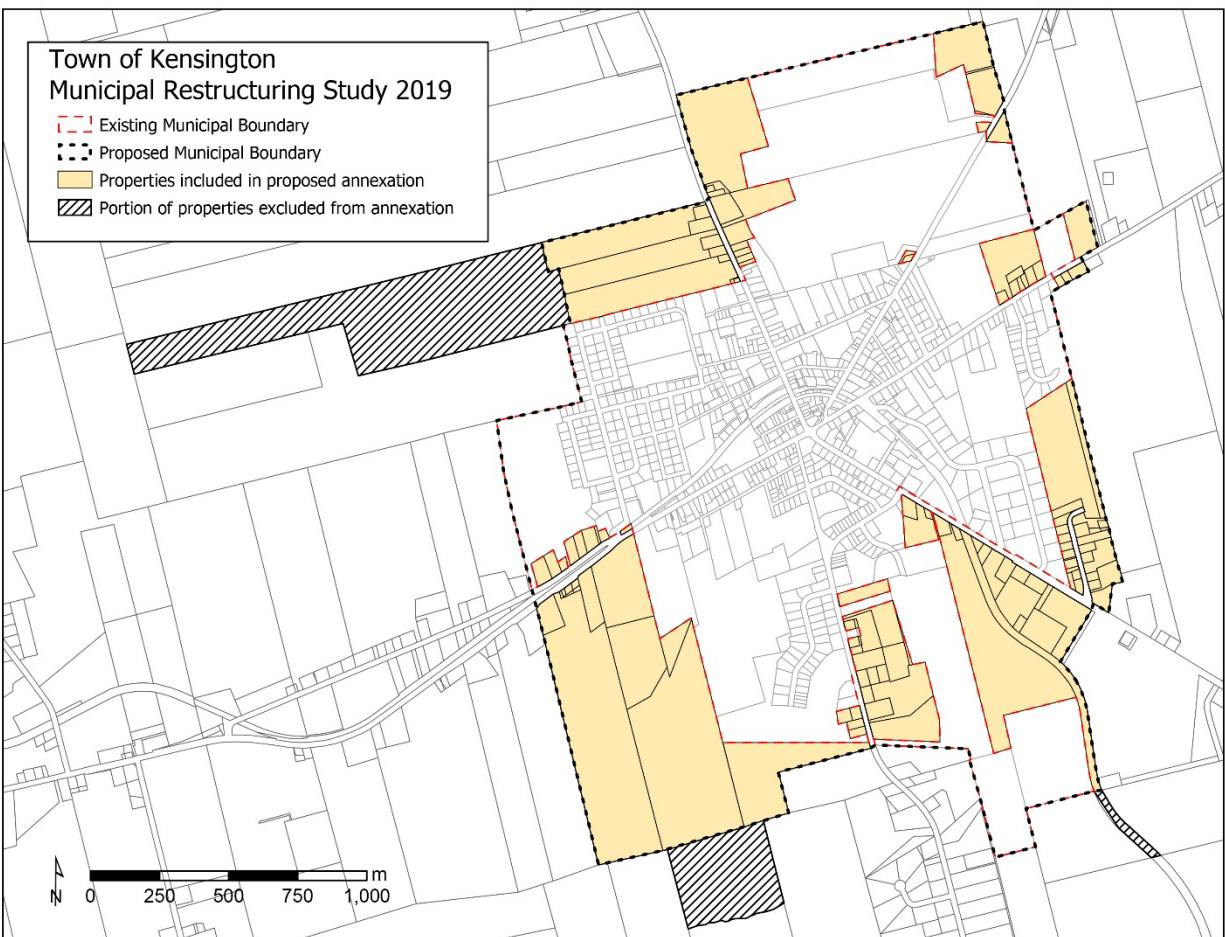
Instead, Kensington's current interest is in pursuing a measured restructuring of the municipal boundary to address properties which:

- Currently benefit from municipal services;
- Are surrounded by municipal properties - where the municipal boundary has leap-frogged properties in the past;
- Present an opportunity for future economic growth and investment through subdivision and development; and,
- Require improved environmental management and/or protection through the provision of land use planning.

It is intended that through this measured approach to restructuring that the municipality will be able to continue to offer municipal services and programs for both new and existing residents in a fair and sustainable manner.

The following report provides the necessary background information on current demographics, land use, development trends and municipal services. The proposed restructuring is described in accordance with the principles set out in the *Principles, Standards and Criteria Regulations (PSCR)*, of the *Municipal Government Act*. The proposal includes the annexation of 106 parcels (based on unique PID), equivalent to 1.57 km<sup>2</sup> of land area, in other words an increase to the overall land area of the Town by almost 50%. (See Figure 1, and Appendix A for a complete list of properties).

**FIGURE 1 TOWN OF KENSINGTON. MUNICIPAL RESTRUCTURING PROPOSAL, 2019.**

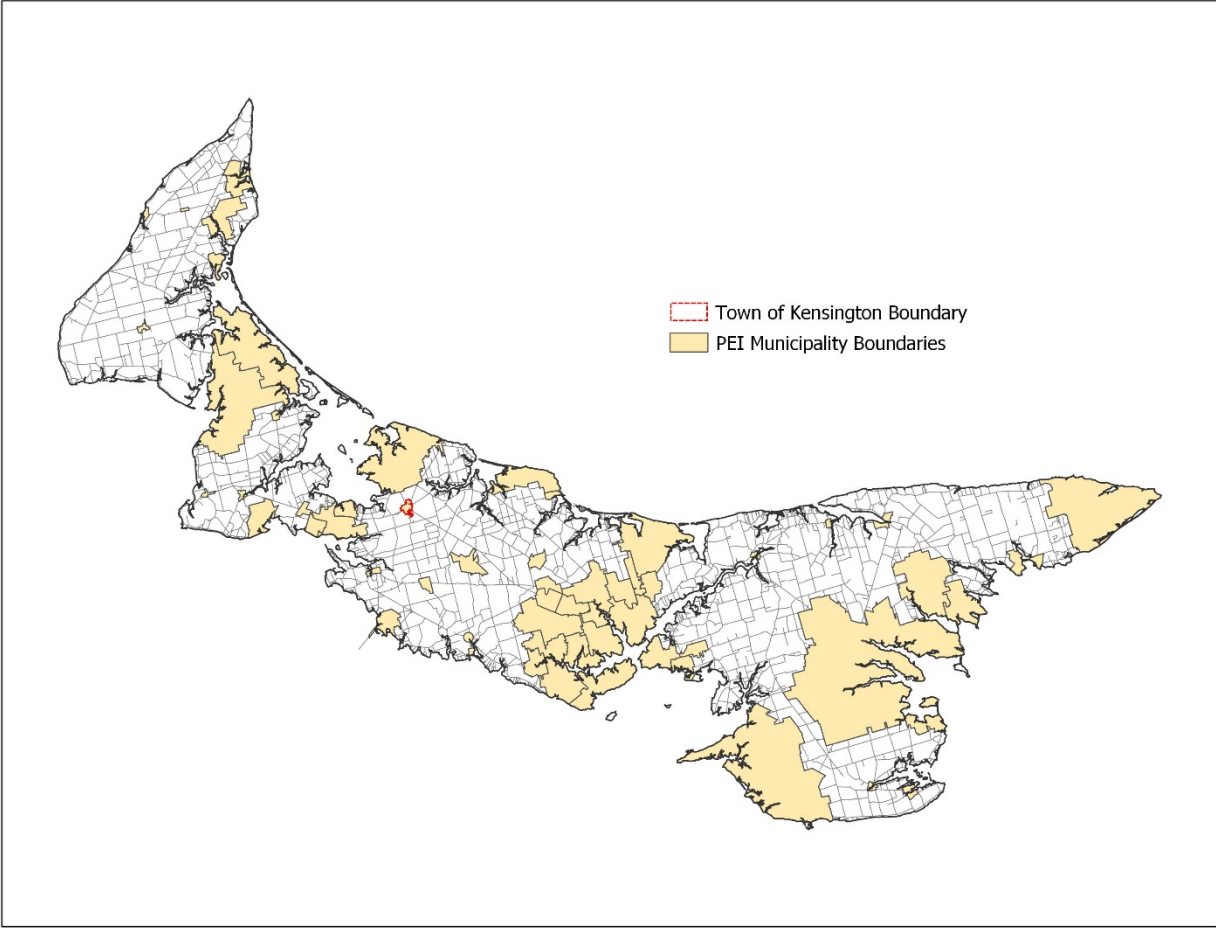


Owners of the properties included in the proposed annexation were sent a notification letter by the Town, on or about December 1. Property owners are invited to provide comments on the proposal and all comments will be included as an appendix in the final application submission to the province.

# 1. BACKGROUND INFORMATION AND CONTEXT

The Town of Kensington is located on a prominent node within PEI’s transportation network – a point at which roads from five different communities converge. As such, it naturally grew into a major service center for the surrounding local communities and rural area, and continues as such today. The Town is located 1.5 km south of the Rural Municipality of Malpeque Bay, and about 15 km northeast of the City of Summerside (Figure 2).

FIGURE 2 TOWN OF KENSINGTON CONTEXT MAP



## 1.1 DEMOGRAPHICS

Kensington covers approximately 3.24 km<sup>2</sup> and has a population of about 1,619 residents (Census, 2016). In comparison to other Towns on the Island, it is one of the smallest in land area (with only O’leary and North Rustico being smaller) but it has one of the highest population densities, second only to the City of Charlottetown. Note: The former Town of Montague previously had a higher density but it has since been reduced with the formation of the Rural Municipality of Three Rivers.

**TABLE 1. CENSUS OVERVIEW (2016) OF TEN PEI MUNICIPALITIES (\*NOTE THAT GEORGETOWN AND MONTAGUE ARE NOW INCLUDED IN THE RURAL MUNICIPALITY OF THREE RIVERS)**

Community	2016	2011	Growth	Density (2016) /km2
PEI	142,907	140,204	1.9%	25.1
Charlottetown	36,094	34,562	4.4%	814.1
Summerside	14,829	14,751	0.5%	520.5
Stratford	9,706	8,574	13.2%	430.8
Cornwall	5,348	5,162	3.6%	189.7
Montague*	1,961	1,895	3.5%	620.8
<b>Kensington</b>	<b>1,619</b>	<b>1,513</b>	<b>7.0%</b>	<b>537.9</b>
Souris	1,053	1,173	-10.2%	303.5
Alberton	1,145	1,135	0.9%	253.3
Tignish	719	779	-7.7%	122.5
Georgetown*	555	675	-17.8%	348.1

Perhaps, most importantly, Kensington’s population is continuing to grow, with an increase of approximately 17% since 2001. And between 2011 and 2016, the population grew 7%, which was significantly higher than the provincial population growth rate and comparable only to that of the Town of Stratford.

**TABLE 2 DISTRIBUTION OF POPULATION BY AGE GROUPS (CENSUS 2016)**

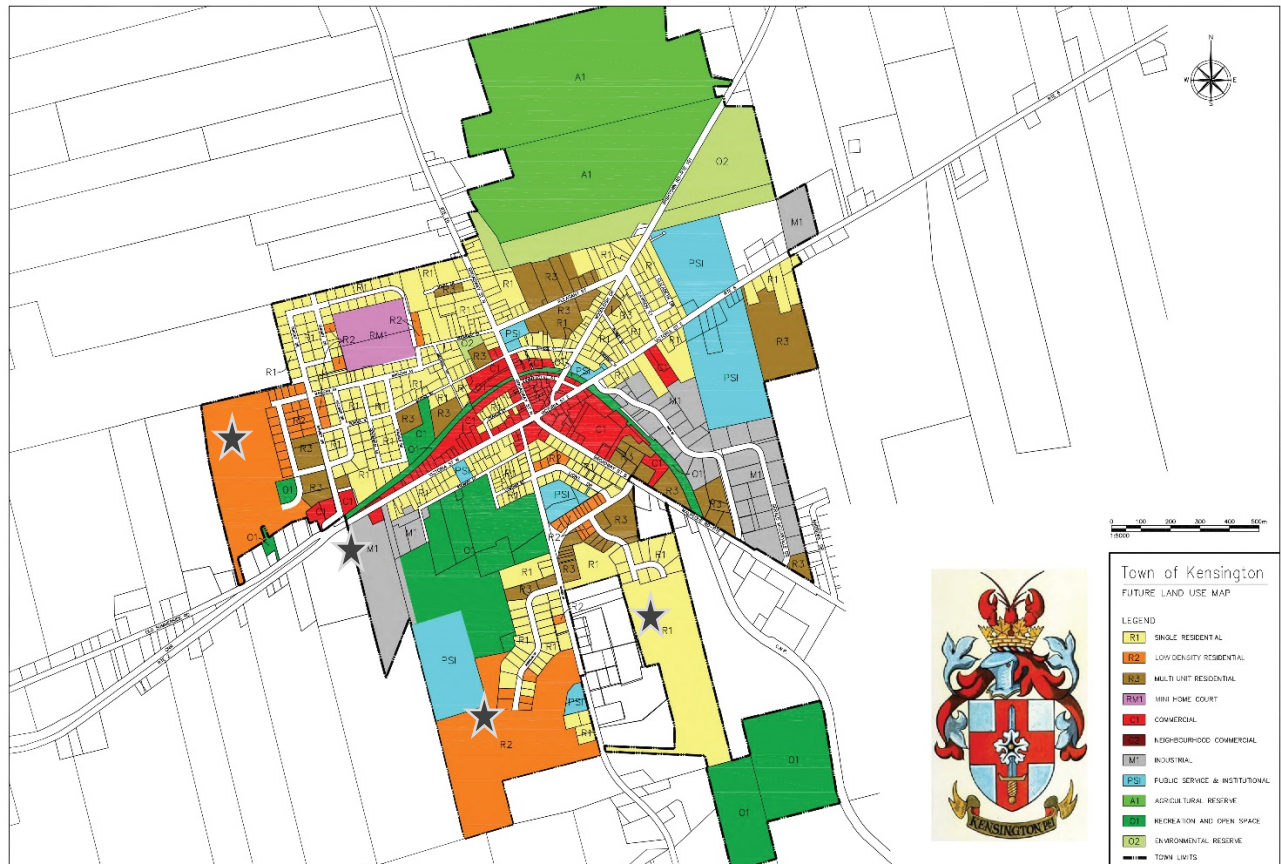
	Town of Kensington
0 to 19 years	325
20 to 29 years	160
30 to 39 years	135
40 to 49 years	205
<b>50 to 59 years</b>	<b>255</b>
<b>60 to 69 years</b>	<b>245</b>
70 to 74 years	155
80 and older	135
<b>Average age of the population</b>	<b>46.2</b>

The age distribution of residents within the Town is fairly consistent with that of the province as a whole. The average age is 46.2 years and the Town has a growing seniors demographic, with about 33% of residents being over the age of 60.



## 1.2 LAND USE PATTERNS

**FIGURE 3 TOWN OF KENSINGTON, FUTURE LAND USE MAP (2016). UNDEVELOPED LAND WITHIN THE MUNICIPAL BOUNDARY IS IDENTIFIED WITH A STAR SYMBOL.**



Kensington has a relatively well defined commercial core in the centre of the Town (Figure 3 – Red). Institutional land uses are scattered throughout the core area, and two large schools are located close to the eastern boundary (Figure 3 – Blue). Commercial uses, while centred in the core have also developed beyond the Town boundaries on Route 2 to the west and southeast. The Town’s Industrial Park is located in the southeast with access off Route 2 and Victoria St E (Figure 3 – Grey). Industrial uses have also developed outside of the Town’s boundary.

Open space and recreation facilities are located throughout the Town, including the school properties and sports fields. The Confederation Trail plays a prominent role in the recreational and transportation network running through the Town from the southeast to the western boundary. (Figure 3 – Dark Green)

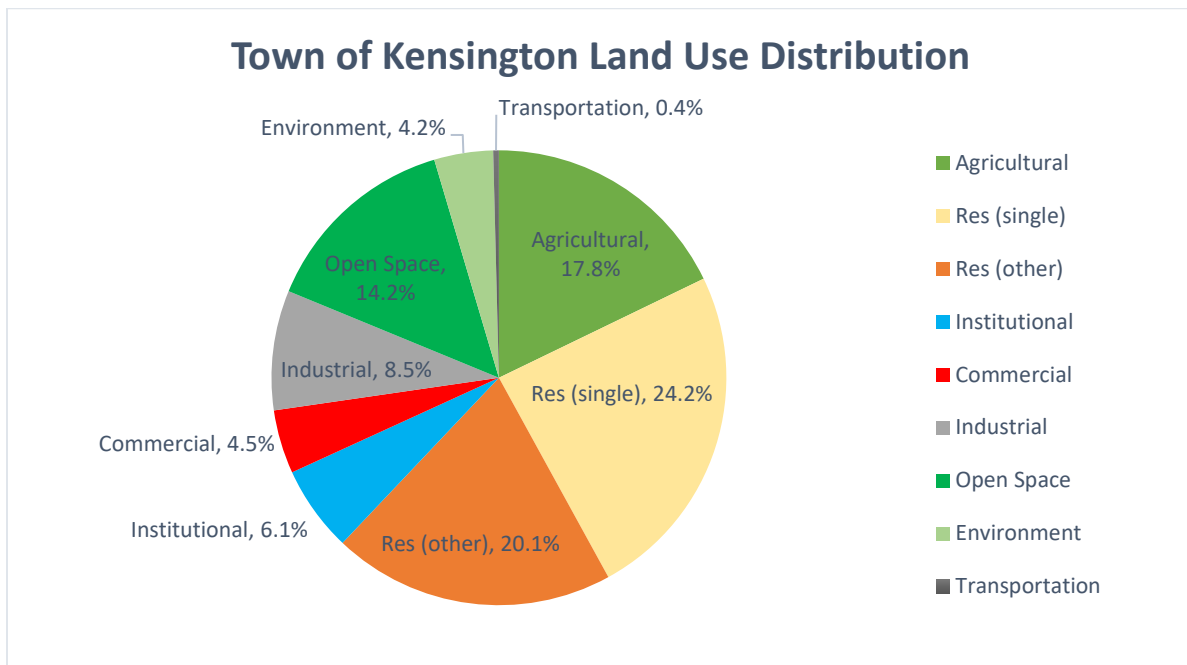
Residential neighbourhoods (Figure 3 – Yellow, Orange and Brown) are located throughout the Town with new development occurring primarily in the east (ex. Brookins Dr) and in the southwest (ex. Barrett St, Rosewood Dr and Douglas St). As with other land uses, residential

development also continues outside the municipal boundary, with a fairly continuous extension of residential lots subdivided to the south on Kelvin Rd.

A land use inventory (Figure 4), based on the designations in the Town’s Future Land Use map (Figure 3), indicates that approximately 44% of the land area within the municipality is allocated to residential development (24% for single detached dwellings; and 20% for attached and/or other forms); 13% for industrial and commercial uses combined; and approximately 18% for agricultural.

The Town has a healthy 18% land area dedicated to parks and other open spaces, which includes an environmental reserve area in the northeast, adjacent to the Town’s wells. While a large protected forest stand in the south accounts for approximately 1/3 of the open space designation, also included in this land use category, and also accounting for approximately 1/3, is the Town’s wastewater treatment ponds and its surrounding buffer area.

**FIGURE 4 TOWN OF KENSINGTON LAND USE DISTRIBUTION**



With regards to land available for development, there are four (4) properties which account for 16% of the total land area in the municipality that are either undeveloped, or are not currently being used to their full development capacity (i.e., land zoned residential but currently vacant or being used for agricultural purposes). One (1) of these properties (2% of the Town’s total land area) is zoned for commercial use and the remaining three (3) (accounting for 14% of the Town’s total land area) are allocated for future residential subdivisions. The problem with having the bulk of the undeveloped land within the Town held by so few property owners, is that the future development potential of the Town is directly impacted by the interest (or lack of interest) these few properties owners have in pursuing development.

### 1.3 DEVELOPMENT TRENDS

Development trends in Kensington and the surrounding region have been relatively stable for the past 10 years. Housing growth has been primarily located in new subdivisions in the southern portion of the Town, with a higher demand for attached dwelling types than single detached dwellings in recent years (Table 3). Based on the 2016 census data (Table 4), this trend indicates that the ratio between single detached homes and alternative dwelling types (i.e. duplex, semi-detached, and apartments) is shifting towards an even balance. This shift is consistent with the demographics of an aging population, as seniors no longer want, or can no longer manage, a large single detached dwelling and property. Furthermore, younger families Island-wide are finding it financially difficult to enter the housing market. As a result more people are seeking options for rental housing. In 2016, less than 2/3 of the dwellings in Kensington were owner-occupied.

**TABLE 3 DEVELOPMENT PERMIT RECORDS BY DWELLING TYPE AND LAND USE**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Single Detached	3	4	5	4	4	2	1	2	0
Attached - Semi/Duplex	3	1	4	2	4	3	1	2	2
Attached - Apartment	1	1	5	2	0	0	2	0	0
Commercial/Industrial	7	0	0	0	0	1	1	1	0
Institutional	2	0	0	0	0	0	1	0	0
Recreation	0	0	0	0	0	0	0	0	0
Other	23	33	26	21	6	9	10	14	17

\* Other: includes renovations and accessory buildings on existing properties

**TABLE 4 NUMBER OF OCCUPIED DWELLINGS BY TYPE (CENSUS 2016)**

Dwelling Type	Number of dwellings
Single-detached house	410
Attached dwellings:	
Semi-detached house	90
Row house	60
Apartment	120
Movable dwelling (Mobile and/or Mini Home)	65
Total number of occupied dwellings	745

With limited vacant land available for commercial and/or industrial development, the Town has approved rezoning applications to support opportunities for commercial development when they arise. In recent years, one rezoning changed an Institutional Zone (PSI) property to Commercial (C1), and another a Multi-unit Residential (R3) zoned property to Commercial (C1). Although these particular applications haven't resulted in any perceived land use conflicts, strategic planning for commercial growth in the Town is restricted.



While planning and development control within the Town is regulated, land use and development outside the Town boundary is relatively uncontrolled. This development has led to dispersed and wasteful subdivision patterns which removes valuable agricultural land from production. This pattern has also led to land use conflicts and increased risks to ground water resources from private services, and decreased highway efficiency due to the increased number of driveway accesses with uncontrolled turning movements on the highway.

## 1.4 MUNICIPAL SERVICES

The Town's Administration Department is responsible for the day to day management of the Municipal Corporation in accordance with the *Municipal Government Act*. The department provides support services to and on behalf of the Kensington Town Council and provides general leadership to support the Town's operations. The department is currently made up of three full time employees; the Town Manager who is the Chief Administrative Officer, the Deputy Administrator whose primary function is related to financial services, and an Administrative Assistant who provides office administration duties.

### PLANNING AND DEVELOPMENT CONTROL

The Town provides planning and development control services. The first Official Plan for the Town of Kensington was prepared in 1992. Prior to that date, development was controlled under a development bylaw which was passed under the Town Act in 1980. Currently, planning services are provided by the CAO in consultation with a planning consultant, when required. The Town's Official Plan and Bylaw were last updated in 2016. A review of the planning policies and bylaw is currently underway however the project has been put on hold pending the outcome of the municipal restructuring application and to allow proposed new residents an opportunity to participate in the process.

### SEWERAGE TREATMENT AND CENTRAL WATER SUPPLY

The Town of Kensington currently operates the Town of Kensington Water and Pollution Control Corporation which is responsible for providing clean water and effective wastewater treatment. Sewer and water services are billed separately from property tax rates, and as such only those properties with access to the services (i.e. services run adjacent to the property line) pay for these services.

The Town's sewage collection and treatment infrastructure consists of a network of collection pipes, two lift stations and two waste stabilization lagoons. Sewer collection throughout the Town is primarily gravity fed, except the north side of Pleasant Street and the northeastern side of Town which requires adequate pumping facilities to move the wastewater. This creates limits for expansion of the system without the construction of additional pumping stations. Ten properties outside the municipal boundary have been connected to and currently receive sewerage services from the Town.

The Town's water supply is provided by four wells. Most properties within the Town are connected to the central water supply system, as well as 4 additional properties outside the municipal boundary. A 300,000 gallon water tower is located at the top of Gerald McCarville Drive. The Town owns approximately 24 acres of property where the water wells are located in order to provide increased protection of its water supply. Although extensions of the water supply are feasible, water pressure limitations may influence future land use decisions.

A Wellfield Protection Plan was prepared earlier this year with recommendations relating to land use and development controls within and around the wellfield. The plan also identified possible locations for new well sites should a second water source be required in the future. The Town has recently implemented a wellfield protection program, including a 300 foot development buffer zone, however a number of properties within the wellfield protection zone are currently outside of the municipal boundary where land use and development control fall within provincial jurisdiction.

#### STORM WATER MANAGEMENT

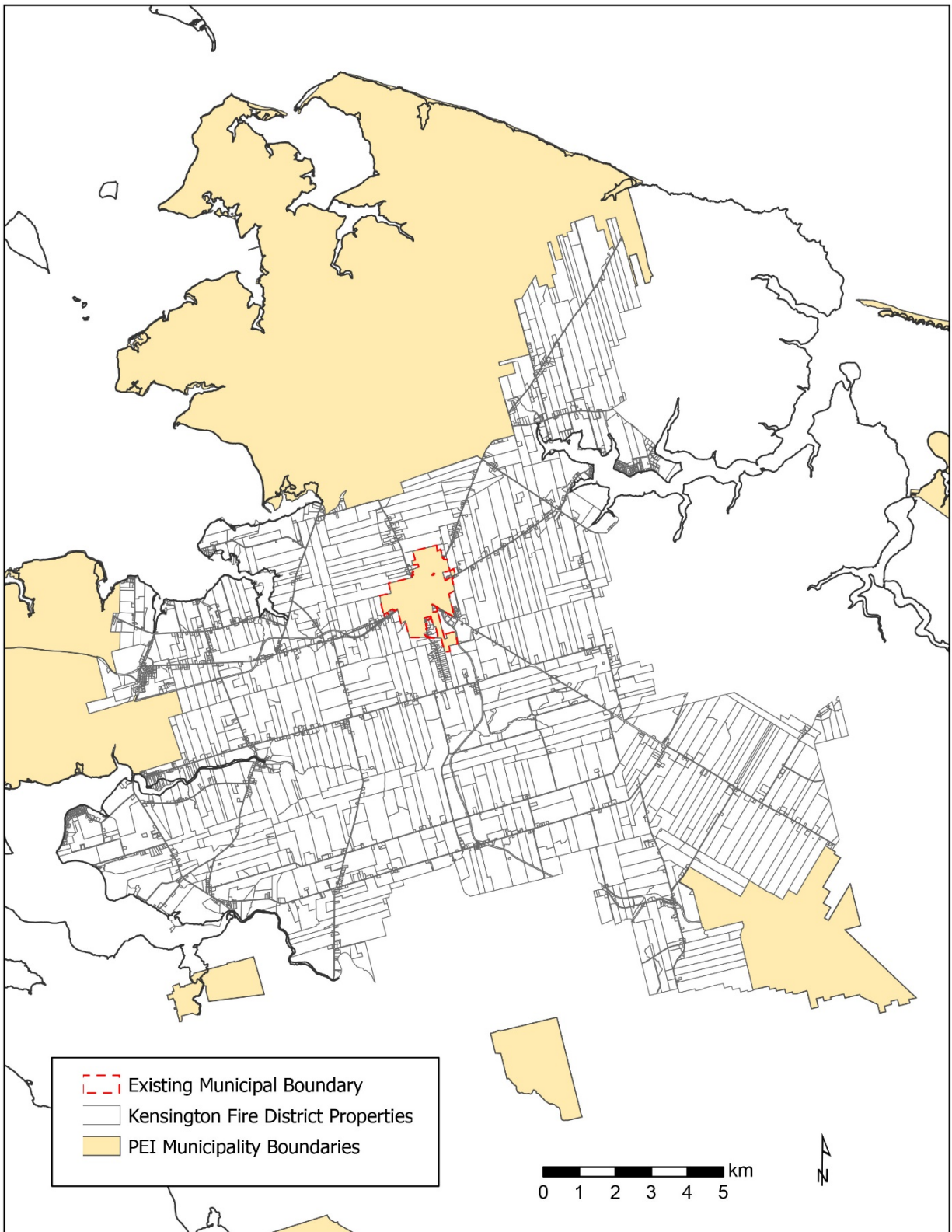
While some areas of the Town are provided with a system of catch basins and storm drains, other parts of the Town have no storm sewers or proper ditches on their streets. Standards for new public roads in new subdivisions must meet provincial standards and regulations.

There is currently no comprehensive Storm Water Management Plan in place for the Town.

#### FIRE PROTECTION

The Town operates a municipal fire department. The department supplies services to the Town as well as to outlying communities in the Fire District (Figure 5). A regional fire services levy is collected on behalf of the Town by the provincial government. The Kensington fire district is very large compared to others in the province, making the need for a well-equipped department very important. The department consists of 31 volunteer fire fighters including a Fire Chief and Deputy Fire Chief. A Fire Services Master Plan was completed in 2018. Annual reports on fire services indicates that on average 25% of the calls are for properties within the Town, 25% are for the Malpeque area, and 50% are for Zones 1 to 5 in the Fire District (outside the municipal boundary).

FIGURE 5 TOWN OF KENSINGTON FIRE DISTRICT AND SURROUNDING MUNICIPALITIES



#### POLICE PROTECTION

The Town maintains its own municipal police force. The department consists of a Police Chief, Corporal, one full time constable, and one part time constable and several casual constables. In addition to serving the Town, the police provide support to the RCMP for calls in the regional service area. Annual police reports indicate that on average approximately 10% of the police calls are in response to provincial *Highway Traffic Act* violations and/or traffic accidents, and 20% of the calls are Assistance Calls for the RCMP which typically take the Kensington Police outside of the municipal boundary.

#### PUBLIC WORKS AND PROPERTY MAINTENANCE

The Public Works Department provides a wide range of services within the Town. They are responsible for the daily upkeep, maintenance and cleanliness of Town properties. Some of the responsibilities include, grass mowing on all Town owned property; snow clearing and removal from all sidewalks, boardwalk and other Town owned properties; maintenance of the EVK Memorial Pool; and maintenance of Town owned buildings. The Public Works Department is also responsible for operational duties related to the Kensington Water and Pollution Control Corporation. The department is made up of two full time employees; a supervisor and an assistant. A seasonal employee is normally brought on during the summer to assist with grass mowing and general upkeep.

#### RECREATIONAL AND SOCIAL SERVICES

Recreational services provided by the Town include maintenance of the Credit Union Centre and Fitplex, two ball fields, parks, playgrounds, the EVK Swimming Pool, and a variety of other recreational facilities. The Town also provides the building at 25A Garden Drive for meetings and activities of the Senior Surfers Club of Kensington and Area.

Fees associated with recreational services and other social activities are currently the same for both municipal residents and non-residents, all are welcome to participate.

### 1.5 COMMUNITY SERVICES

#### INSTITUTIONAL FACILITIES

The Town of Kensington is well supplied with a range of high quality institutional facilities including two schools, Queen Elizabeth Elementary School and Kensington Intermediate Senior High School, and Fun Times, an early childhood education centre. There are also five churches: Kensington United Church; Kensington Presbyterian Church; Holy Family Roman Catholic Church; Community Christian Church and Kensington Anglican Church. And the Royal Canadian Legion, Branch #9 recently relocated from Victoria St W to Garden Drive.

There is no hospital in Kensington but Prince County Hospital in Summerside is within 15 km and ambulance services are provided by Island EMS. The Kensington Medical Clinic includes

office space for 4 family physicians, a nurse practitioner and a public health nurse. The Town also has a dentist, a veterinary clinic and a pharmacy.

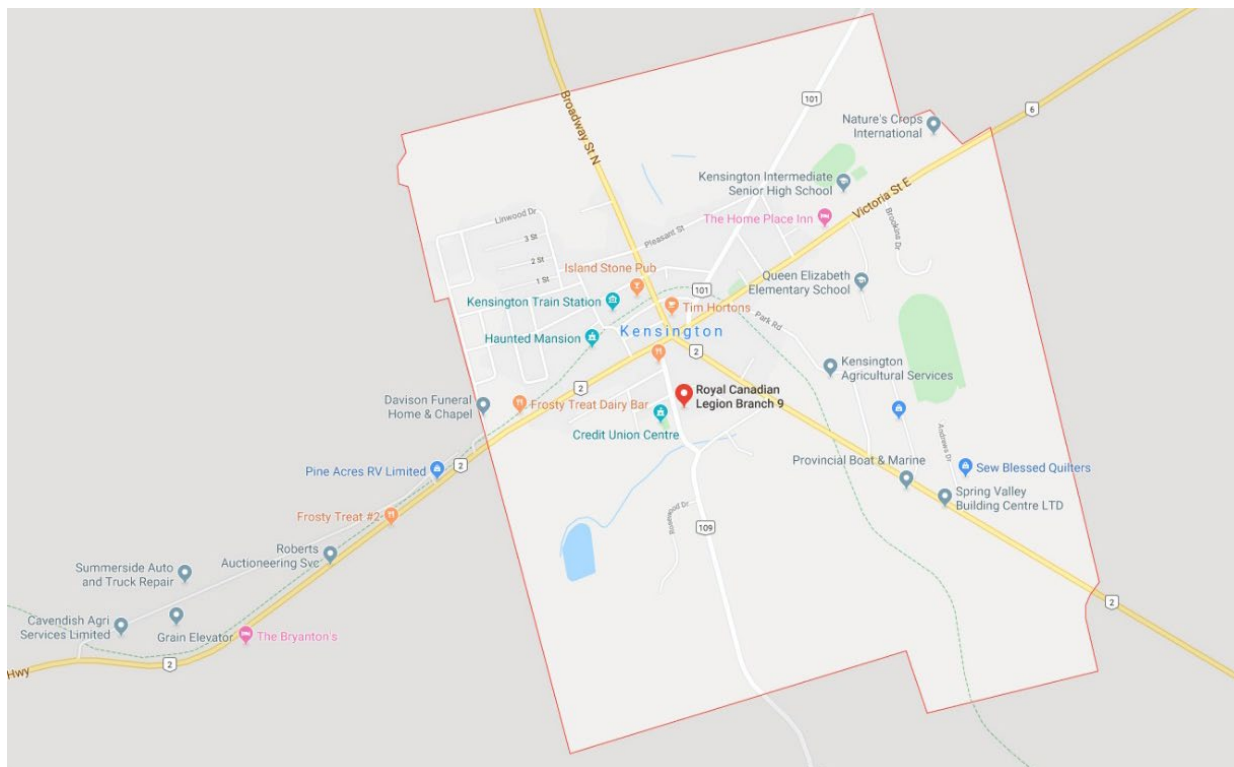
#### COMMERCIAL SERVICES AND EMPLOYMENT OPPORTUNITIES

Kensington offers a variety of retail and service businesses, as well as professional, financial and government services. However the Town also functions as a bedroom community for many residents who commute between the Town and the City of Summerside for work. In the 2016 census approximately 2/3 of the workforce residing within Kensington reported a commute distance of over 15 minutes and beyond Town limits. The Kensington and Area Chamber of Commerce serves approximately 120 member organizations.

The Town has two banks, the Credit Union and Scotiabank, both of which are located in the commercial core. Other local economic development includes businesses in the Kensington Industrial Park. A variety of restaurants and cafés operate in and around the Town, and in 2016, the intersection of Victoria and Broadway Streets was redeveloped with a new combined Robin’s Donuts, Subway and Greco restaurant.

Despite its thriving commercial and service centre, a google map of Kensington with businesses and services labeled, shows how commercial and industrial operations continue to develop outside the municipal boundaries due to a lack of development opportunities within the Town (Figure 6).

**FIGURE 6 GOOGLE MAPS. KENSINGTON AREA COMMERCIAL OPERATIONS (NOTE: GOOGLE INCORRECTLY REPRESENTS THE MUNICIPAL BOUNDARY WHICH OVER ESTIMATES THE NUMBER OF BUSINESSES WITHIN THE TOWN)**



The community's current industrial park is full and with little to no commercial retail space available in the Town, Council and residents identified finding a location for the construction of a new industrial park as a top priority in the town's recently adopted Strategic Plan (2019). In response, Council has recently (November 29, 2019) purchased land for the new Industrial Park however it is located outside Town limits adjacent to the west boundary.



## 2. RESTRUCTURING PROPOSAL

### 2.1 REASON FOR PROPOSAL

The future sustainability of the Town of Kensington is dependent on the municipality being able to accommodate future residential, commercial and industrial growth, which it is currently unable to do. The surrounding agricultural area is largely reliant on the Town to supply services including: fire protection, recreational programs and facilities, schools, churches, financial and postal services, retail, medical, and a wide range of other cultural programs and activities. The Town's Industrial Park and other businesses provide employment opportunities for residents of the Town and surrounding rural area. As such, the health and future prosperity of the Town of Kensington, directly benefits the regional service area as a whole.

The need for a boundary extension is clear. The Town currently cannot accommodate future growth within its current boundaries. Although extending the municipal boundary, comes with the benefit of increasing the tax base, the primary objective of this restructuring proposal is with regards to increasing future development and economic growth opportunities and to expand the provision of land use planning to ensure sustainable and environmentally sensitive growth. Sharing the costs of municipal services across a larger population will more accurately reflect all residents and businesses who currently have access to these services. Following the restructuring the municipality will be better positioned to provide enhanced services, to develop programs and initiatives, to attract investment opportunities, to promote economic growth, and to access funding programs. For example, the Town is currently investing in a warming shelter for Town residents during severe weather events with power outages and such services will be made available to new residents as well.

In comparison to other recent municipal restructuring that has occurred across Prince Edward Island under the new *Municipal Government Act*, the Town of Kensington does not have adjacent municipalities to collaborate with, or to consider merging with through amalgamation. The Town is also not interested in pursuing a large annexation of the surrounding agricultural, unincorporated land that falls within their regional service area, until such time as those residents express interest in having local municipal representation. If at some time in the future, residents of the larger regional service area are interested in collaborating on a proposal for restructuring with the municipality in a mutually beneficial way, the Town would welcome the opportunity to work with them and other municipalities to pursue common interests.

For now however, Kensington's intent is to pursue a measured restructuring of the municipal boundary through the annexation of properties which:

- Currently benefit from municipal services but are not within the municipal boundary;
- Are surrounded by municipal properties - where the municipal boundary has leap-frogged properties in the past;

- Present an opportunity for future economic growth and investment through subdivision and development; and/or
- Require improved environmental management and protection through the provision of land use planning.

It is intended that through this measured approach to restructuring that the municipality will be able to continue to offer municipal services and programs for both new and existing residents in a fair and sustainable manner, and as such will continue to support the region as a whole.

## 2.2 RESTRUCTURING OVERVIEW

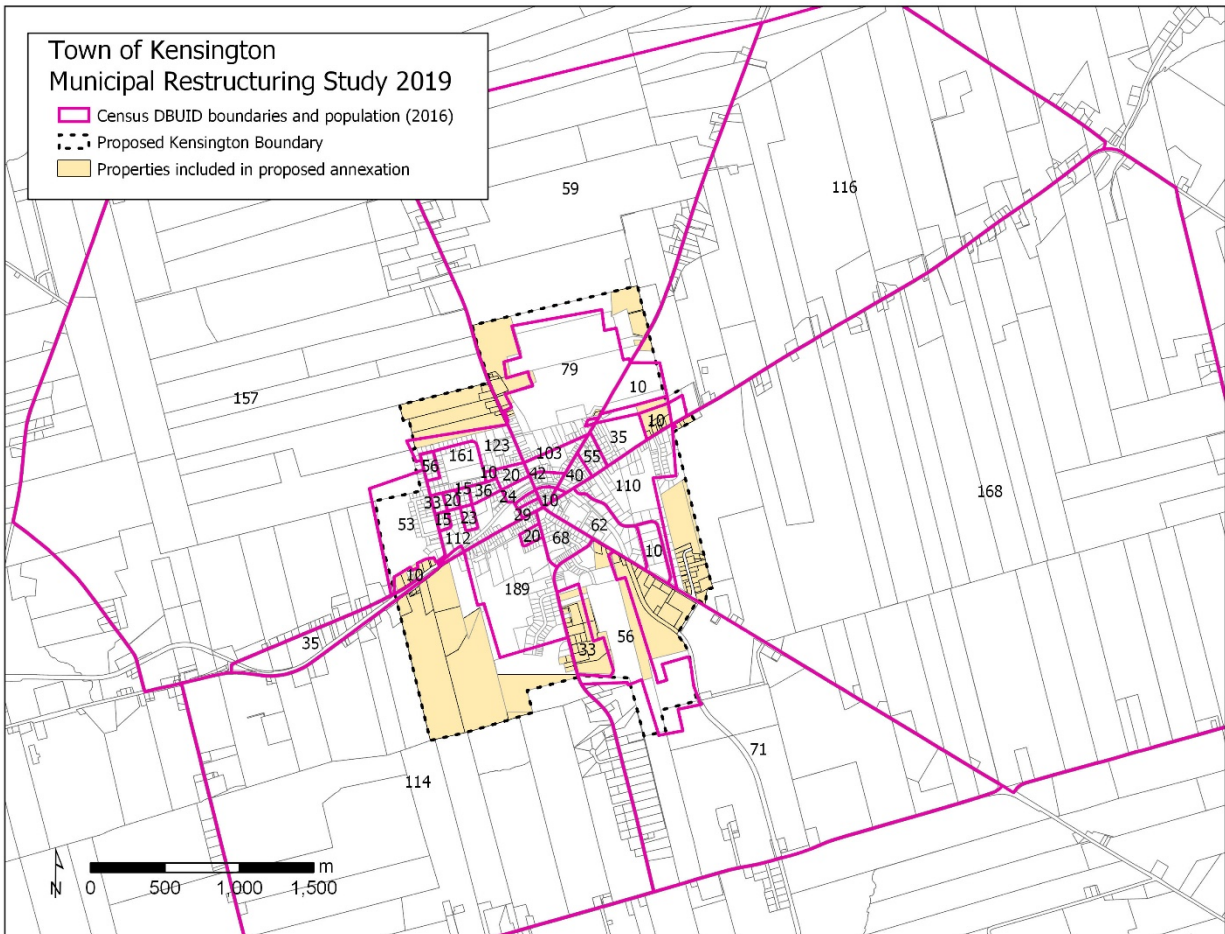
The restructuring proposal includes the annexation of 106 properties (unique PID). The properties cover 1.57 km<sup>2</sup> of land area, and would account for an increase to the overall land area within the Town boundary by approximately 50%. Although the land area increase appears to be substantial, the number of properties increases by only 13%, and similarly the municipal assessment would increase by only 7.8% (\$78,527).

	Current (2019-11-26, MAPCO)	Proposed Additional	Proposed Total	Tax Rate	Total Municipal Taxes to be Collected
Number of Properties (by unique PID)	808	<b>106</b>	914		
Non-Commercial Assessment Value	\$79,374,550	\$9,957,066	\$89,341,616	0.55	\$491,379
Commercial Assessment Value	\$12,701,390	\$1,823,700	\$14,525,090	1.30	\$188,826
Total Municipal Assessment	\$92,075,940	\$11,781,300	<b>\$103,866,706</b>		<b>\$680,205</b>

The population of the Town of Kensington in 2016 was 1,619. By extrapolating the previous growth rate of 7% (which was over 5 years), the 2019 population is estimated at approximately 1,640. Figure 7 shows the census count within the Town and surrounding area by dissemination block (DBUID). A DBUID is an area bounded on all sides by roads and/or boundaries of standard geographic areas and is the smallest geographic area for which population and dwelling count data is made available. Although the DBUID areas outside of the municipal boundary are significantly larger than that of the proposed areas to be annexed, the estimated population within the proposed new boundary was determined by counting the number of existing dwellings (approximately 76) and by using the average household size of 2.1,

as per the 2016 census for the Town. It is estimated that the new population will be approximately 1,800, an increase of approximately 11% over the 2016 census count.

**FIGURE 7 CENSUS (2016) PROFILE OF THE TOWN OF KENSINGTON AND SURROUNDING AREA BY CENSUS DBUID (DISSEMINATION BLOCK).**



### 2.3 CRITERIA FOR CONSIDERATION

As previously described, there were four (4) primary criteria for evaluating properties for the proposed restructuring, and many of the properties were found to fall into more than one of these categories. Appendix A includes information on each individual property in question and the criteria by which it was considered for inclusion in the proposal.

The first criteria established, was to identify those properties outside the municipal boundary that already receive or have access to municipal services in an equivalent way to that of Town residents. In general, existing residential, commercial or industrial properties that were developed immediately beyond the Town's current boundary have been found to utilize municipal services such as fire, police, recreation and various community services, such as

banking, retail and institutional uses. In addition, ten (10) of these properties are also connected to the municipal water and/or sewer services.

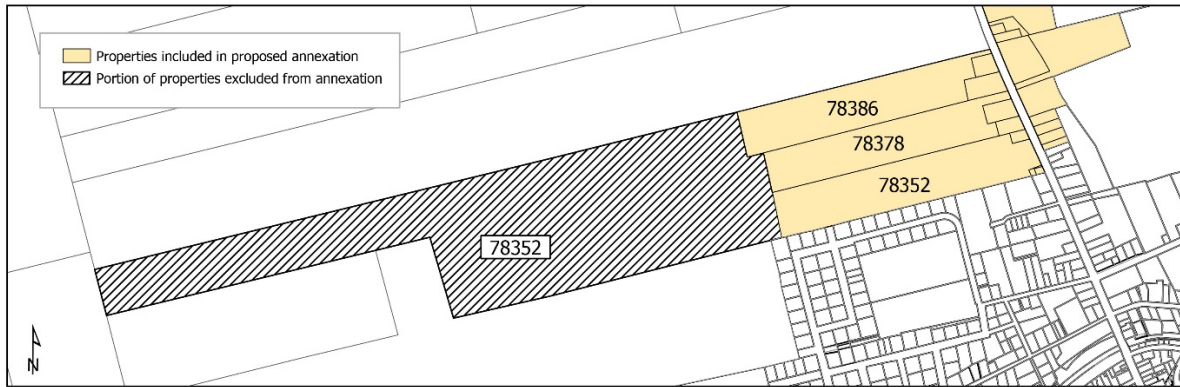
The Town of Kensington has grown over the years in a piece-meal fashion, and has accommodated requests for extensions of services and annexations on a property by property basis. As a result, many properties have been excluded or skipped over for no apparent reason when the Town's boundary expanded in the past. Unincorporated properties that are currently surrounded by the Town boundary create holes in the municipal service coverage area. To address these deficiencies in the current service coverage, these properties are included in the current proposal. Also included are properties that are currently partially incorporated within the boundary.

As previously mentioned, the primary objective of this restructuring proposal is with regards to increasing future development and economic growth opportunities in the Town and to expand the provision of land use planning to ensure sustainable and environmentally sensitive growth. The Town has had a preliminary engineering study done on the proposed location for the new business/ industrial park, the land for which is included in the current annexation proposal. Future residential development is also anticipated and these properties are included as well.

Identifying potential areas for future residential subdivisions is important to enable the Town to undertake secondary plans as necessary, to ensure an effective street network is established over time, rather than the continuing piece-meal development of multiple, individual private street subdivisions. This will also aid in providing consistent civic addressing between future residential developments and the existing street network, which is important for emergency management operations and response times. In addition to future development opportunities on properties already surrounded by the Town boundary. There are additional development opportunities off the northwest boundary, where an existing right-of-way extends northward at the intersection of Sunset Cres and Linwood Dr. If these properties are to be developed in the future, the road network would ideally connect between Linwood Dr and Broadway St N. A portion of one of these properties (PID 78352) has been excluded from the proposed restructuring in order to direct future development towards Broadway St N and to limit a potential westward extension (*see*, Figure 9).

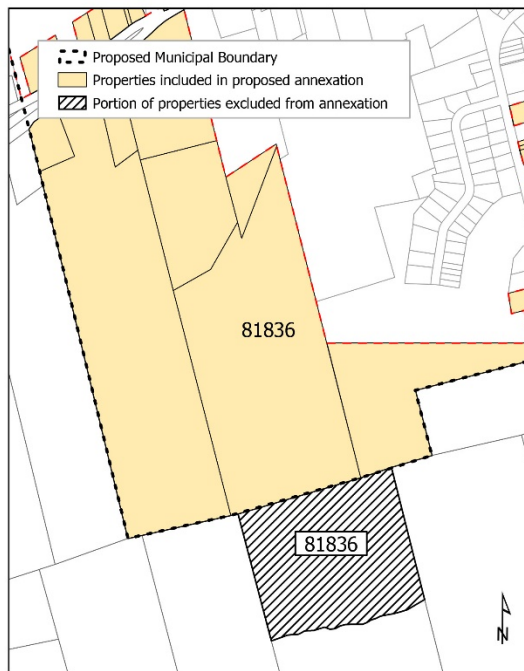
**FIGURE 9 A PORTION OF A LARGE PROPERTY ON THE NORTHWEST BOUNDARY IS EXCLUDED FROM THE PROPOSED RESTRUCTURING APPLICATION TO SUPPORT FUTURE SUSTAINABLE DEVELOPMENT WITH ADEQUATE ACCESS TO**

**EXISTING ROADS AND SERVICES.**



Similarly, a property on the south boundary (PID 81836) which consists of two parcels with the same PID, extends beyond the limits of the proposed annexation, and as such one of the two parcels has been excluded from the proposal (see, Figure 10).

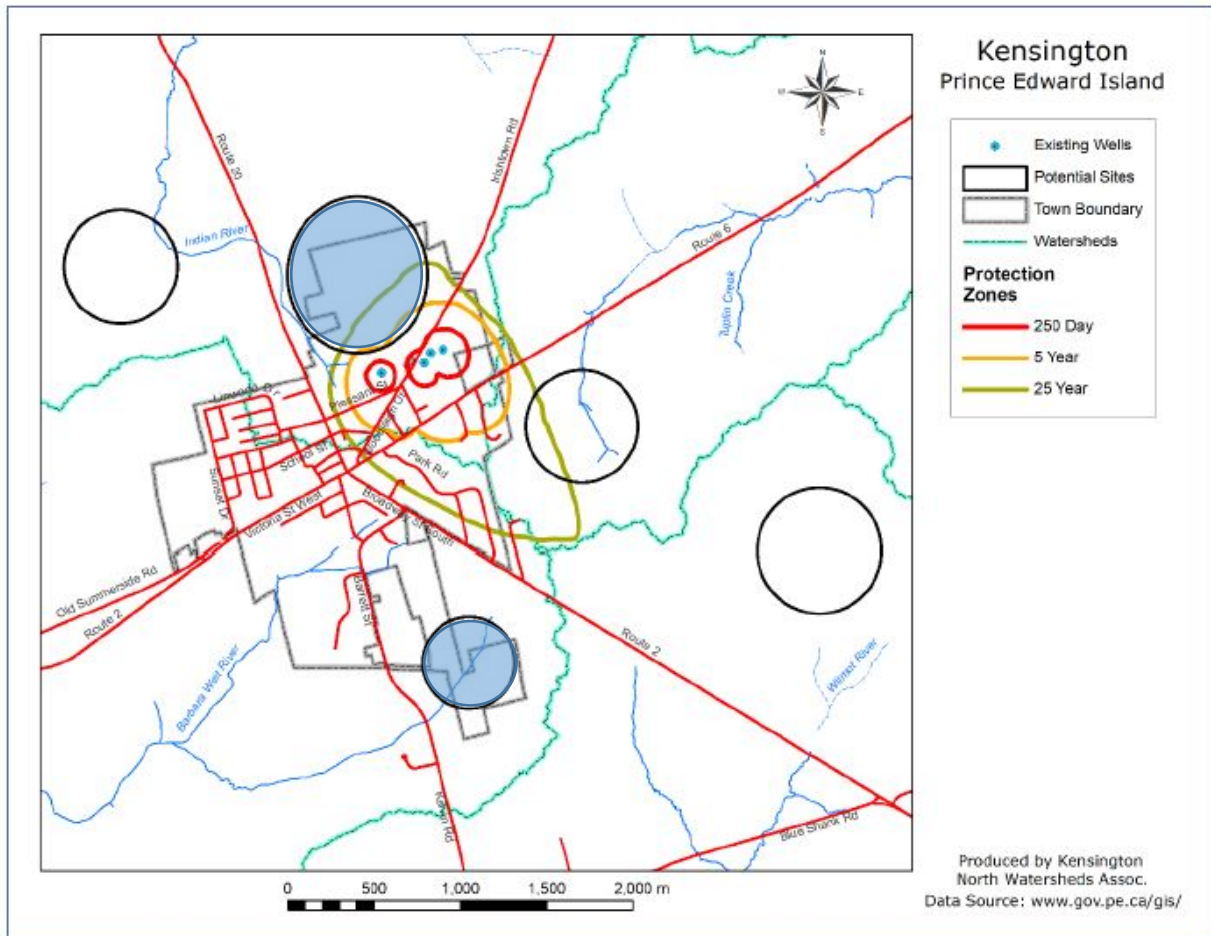
**FIGURE 10 A PORTION OF A LARGE PROPERTY ON THE SOUTH BOUNDARY IS EXCLUDED FROM THE PROPOSED RESTRUCTURING APPLICATION TO SUPPORT FUTURE SUSTAINABLE DEVELOPMENT WITH ADEQUATE ACCESS TO EXISTING ROADS AND SERVICES.**



Finally, the protection of ground water resources is fundamental for the long term sustainability of the Town. Figure 11 shows the existing well field protection zones and potential alternative well field sites as recently published in the *Town of Kensington's Well Field Protection Plan*. Recommendations in the Plan include regulating the land use and potential sources of contaminants, including private wells and septic systems in the existing well field protection zones, and contingency planning in case there is a future need for an alternative water source.

The most effective way to protect ground water resources is through land use and development control regulations offered through municipal planning. As such, properties within the current well field protection zone have been included in the proposed restructuring application. Of the five (5) potential future well sites identified in the study, two (2) currently overlap with the Town’s current boundary. As such the properties within and around these two (2) sites have also been included in this restructuring proposal.

**FIGURE 11 WELL FIELD PROTECTION ZONES AND POTENTIAL SITES FOR FUTURE WELLS (TOWN OF KENSINGTON WELL FIELD PROTECTION PLAN, 2019). THE BLUE SHADING HAS BEEN ADDED TO IDENTIFY THE TWO POTENTIAL WELL SITES THAT ARE CURRENTLY PARTIALLY WITHIN THE TOWN OF KENSINGTON’S MUNICIPAL BOUNDARY.**





The following sections of the report address each of the fundamental principles to be considered in the review of a proposal to restructure a municipality as per Section 2 of the *Principles, Standards and Criteria Regulations (PSCR)* of the *Municipal Government Act*.

## 2.4 MUNICIPAL CAPACITY FOR SERVICE PROVISION

DOES THE PROPOSAL DEMONSTRATE THAT THE MUNICIPALITY HAS OR WILL HAVE THE ABILITY AND CAPACITY TO MEET THE IMMEDIATE AND LONG-TERM NEEDS OF THE RESIDENTS WITHIN THE BOUNDARIES PROPOSED? (Section 2a, *PSCR*)

The Town has the administrative and technical resources to govern the unincorporated area proposed for annexation. Most of the municipal services offered by the Town (as described above in Section 1.4) are already provided to, or have at least been made available to, the residents of these properties today.

Administrative services, including planning and development control, are not anticipated to increase beyond Town staff's current capacity. The new residents and property owners will be invited to participate in the Town's Official Plan and Bylaw review process that was initiated earlier this year. The public engagement sessions previously scheduled for the review were postponed for this purpose, as the inclusion of the new residents will be critical to the planning process for the Town as a whole. Through this process, residents will have an opportunity to participate in establishing future land use designations for their own properties. The Official Plan and Bylaw review process is intended to start again as soon as a decision is made on the restructuring application, and therefore there will be minimal time delay between incorporation and the provision of planning and development control services.

Ten (10) of the properties in question are already connected to the Town's water and/or sewer service lines, and others will be eligible to connect immediately where the services are already in place in the adjacent public right-of-way. Currently the Town has proposed extensions of the central water and sewer services to the properties on the west boundary of the municipality where the new business/industrial park is proposed; and an extension of the water main on Broadway South to Gerald McCarville Drive. Only those properties that will have access to these services will pay for these services, and as such the Town intends to work directly with the property owners to establish a plan for connections and future extensions of the service lines.

## 2.5 FINANCIAL VIABILITY

IS THE PROPOSED MUNICIPALITY FINANCIALLY VIABLE? (Section 2b, *PSCR*)

The financial viability of the Town of Kensington is currently stable. However, the inability for the Town to grow further will impact the long term sustainability of the Town and its ability to continue to offer the level of services that it currently does. The annexation proposal will result in an increase in revenue of municipal taxes by about 13%. As there are no immediate costs

anticipated for the provision of new services to these properties, the additional revenue will be reinvested into the Town benefiting both existing and new residents. The costs of the existing municipal services will be shared across a larger population and as such the municipality will be better positioned to provide services, to develop programs and initiatives, to attract investment opportunities, to promote economic growth, and to access funding programs. The 2019/20 Financial Plan for the Town of Kensington is attached (see Appendix E).

## 2.6 STABLE BASE OF ECONOMIC ACTIVITY

DOES THE PROPOSED MUNICIPALITY HAVE A STABLE BASE OF ECONOMIC ACTIVITY? (Section 2c, *PSCR*)

The Town of Kensington has a stable base of economic activity and continues to have development growth in both resource and non-resource commercial and industrial sectors. Kensington offers a variety of retail and service businesses, as well as professional, financial and government services. The driving force behind the proposal is to continue to meet the need for future residential and business development opportunities, as identified as a priority by residents of the Town and regional service area.

## 2.7 IMPACTS ON OTHER MUNICIPALITIES

WILL THE PROPOSED MUNICIPALITY HINDER AN EXISTING MUNICIPALITY'S ABILITY TO EXPAND ITS BOUNDARIES OR PROVIDE SERVICES TO ITS RESIDENTS? (Section 2d, *PSCR*)

With no adjacent municipalities within close proximity to the Town of Kensington's boundaries, the proposed annexation is not anticipated to impact another municipality's ability to expand its boundaries in the future or to hinder future service delivery. The unincorporated area surrounding Kensington, spans between Kensington and other municipalities including Malpeque Bay, Summerside, Hunter River, Breadalbane, Kinkora, Bedeque and the Resort Municipality. The Kensington Fire Department currently services the majority of this area, extending to the boundaries of Breadalbane (south), Malpeque Bay (north) and Summerside (west).

The Town is not currently interested in pursuing a large annexation of the surrounding agricultural, unincorporated land that falls within their regional service area of the Fire District, until such time as those residents express interest in having local municipal representation. If at some time in the future, these residents are interested in collaborating on a proposal for restructuring with the municipality in a mutually beneficial way, the Town would welcome the opportunity to work with them, as well as with other nearby municipalities, to pursue common interests.

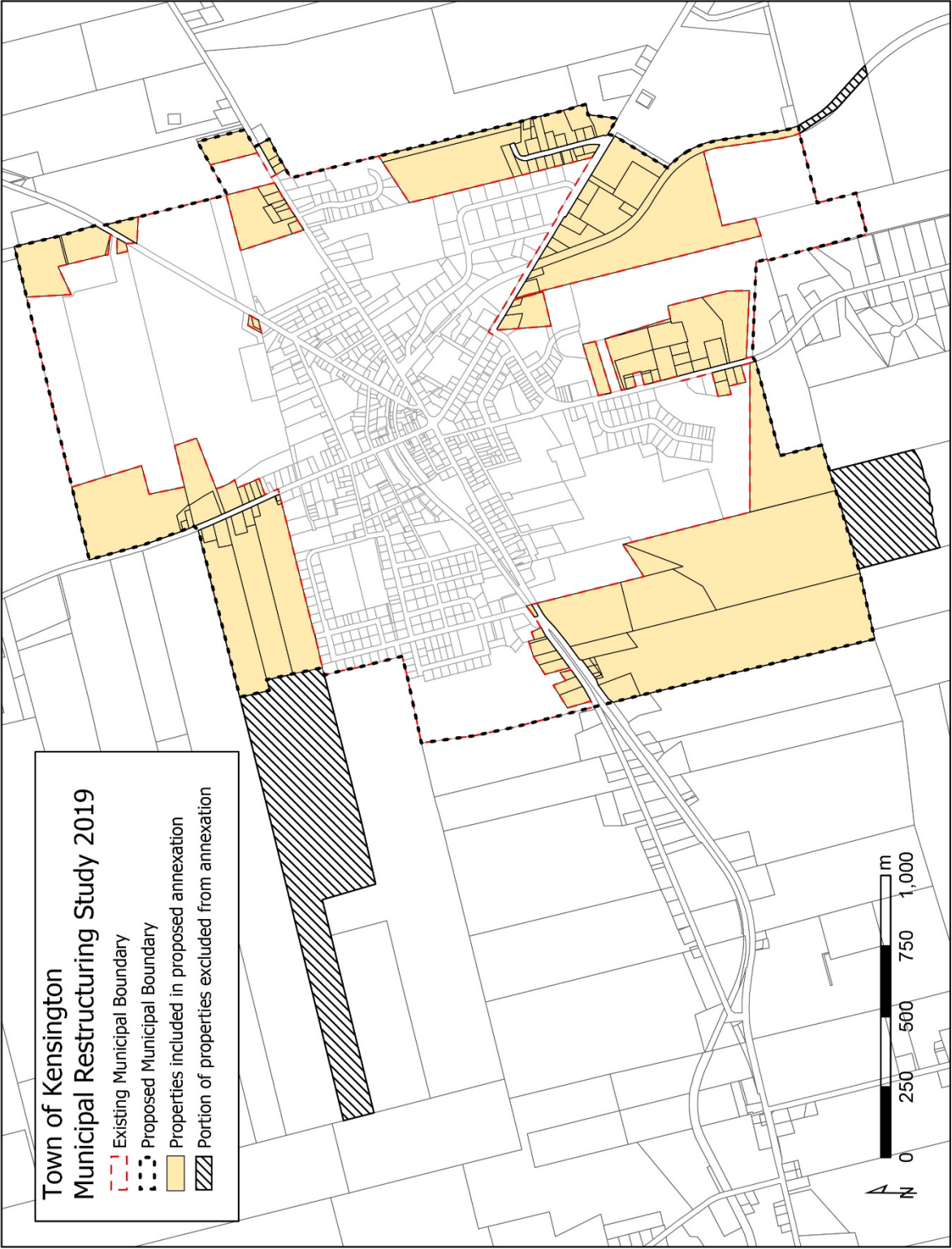
## 2.8 LONG TERM VISION

DOES THE PROPOSAL DEMONSTRATE THAT THE MUNICIPALITY HAS A VISION OF THE SERVICES IT INTENDS TO PROVIDE ITS RESIDENTS IN THE IMMEDIATE AND LONG TERM? (Section 2e, *PSCR*)

The Town of Kensington Strategic Plan (2019) includes a 10 year vision for the municipality, but more importantly the Town already has an action plan in place for implementing the goals of this vision. The Town is pursuing a progressive strategy to enhance development opportunities in the municipality through a measured approach to restructuring. The current proposal to incorporate a relatively large land area, is a strategic investment in the long-term growth of the municipality. Once developed, the future business/industrial park will eventually increase the commercial assessment value for the municipality and will act as a large contributor to the long-term sustainability of Kensington and the surrounding area. Furthermore, the increased revenue will support enhanced municipal services and programs for both new and existing residents in a fair and sustainable manner, and as such will continue to support the region as a whole.

In balance with the Town's future development objectives, the Town has also recognized the importance of natural asset management. The restructuring of the municipality as outlined in this proposal, will equally contribute the long term protection of the Town's existing ground water resources and will secure future ground water sources for the growing Town, through an expansion of municipal land use planning services.

**Appendix A.** Map of existing and proposed municipal boundary and properties included in proposed annexation.



**Appendix B.** Properties to be included in proposed annexation and the criteria by which each property was considered for inclusion.

	PID		Periphery development with access to municipal services	Located within or surrounded by existing boundary	Environment management strategy	Future development opportunity
1	76208	E W BROWN HOLDINGS INC	x			
2	76216	E W BROWN HOLDINGS INC	x			x
3	76406	TOWN OF KENSINGTON				x
4	76885*	GOVERNMENT OF PRINCE EDWARD ISLAND		x		
5	77230	WESTERN SCHOOL BOARD OF PEI		x		
6	77271**	PAMELA JAMES		x		
7	77305	CODY JASON & DONALD RYAN CORBETT	x	x		
8	77313	GOVERNMENT OF PRINCE EDWARD ISLAND		x		
9	77321	DAVID DAVIS & PAMELA BLANCHARD	x	x		
10	77339	LEITH DOUGLAS & MIDGE GWEN MURRAY & LEAH CATHERINE MARCHBANK	x	x		
11	77370	MICHAEL NORMAN & THERESA LIDSTONE	x			
12	77503	KENNETH & JEANNE THIBODEAU	x			
13	77511	WILLIAM FOLLAND	x			
14	77529	EARL DAVISON & GWYNNETH MACDONALD &	x			
15	77545	CAROLYN R FRANCIS & JAMES LINUS BLANCHAR	x			
16	77552	ERIC & VICKI PROCTOR	x			
17	77594	NORTH SIDE HOLDINGS INC	x		x	x
18	77610	MILDRED STEWART	x	x		
19	77628	AUDREY & BRUCE MANN	x	x		
20	78253	TRUDY CASELEY	x			
21	78261	STEVEN PROVOST	x			
22	78295	TRIPLE M FARMS LTD	x			
23	78303	MARYIAN JEAN KUER	x			
24	78311	ROBERT WILLIAM & BRENDA L TESTU	x			
25	78352***	TRIPLE M FARMS LTD				x

	PID		Periphery development with access to municipal services	Located within or surrounded by existing boundary	Environment management strategy	Future development opportunity
26	78360	WILLIAM REEVES	x			
27	78378	PERCY M MACGOUGAN			x	
28	78386	HUBERT & JOYCE MARCHBANK				x
29	78394	JOSEPH EDUINO MONIZ	x		x	
30	78402	NEWTON LEE & ANNETTE MARIE MACARTHUR (JR)	x		x	
31	78410	WILLIAM EDWIN COUSINS			x	
32	79244	HAROLD DAVID STEWART	x	x		
33	80606	MIKE & MARIE KUZEL	x	x		
34	80960	RONALD JOSEPH GALLANT	x	x		
35	80978	JOANNE & DARRYL POWER	x	x		
36	80994	LINDSAY CUDMORE & TAMMI CUDMORE	x	x		
37	81000	CHRISTOPHER & LISA FUDGE	x	x		
38	81018	MICHAEL URBAN MURPHY	x	x		
39	81836****	SUMMERFIELD FARMS LTD		x	x	x
40	99895	KENSINGTON HORSEMENS CLUB	x			
41	400564	JAMES ALEXANDER & CARYL ANN CUMMINGS	x			
42	426189	DONALD & ORALIE MACKAY	x			
43	426205	DON RAMSAY	x	x		
44	426213	RONALD JAMES & MYRTLE WINNIFRED MACLELLAN	x	x		
45	426346	PIONEER MARINE PRODUCTS INC	x			
46	433003	KAREN BRYANTON	x	x		
47	448985	KENNETH & JEANNE THIBODEAU	x			x
48	461525	ANNA RUTH WINDSOR		x		x
49	461533	DOROTHY MARITA VINCENT	x	x		
50	498246	MICHAEL & KAREN GAUDET	x	x		
51	498253	WAYNE & JEAN CROZIER	x			
52	498261	DALE & KAREN PAYNTER	x			
53	560441	JOHN DAVID & ANGEL KELLY	x			
54	560458	NORTH SIDE HOLDINGS INC	x			
55	565754	JOHN STEPHEN BERNARD	x			



	PID		Periphery development with access to municipal services	Located within or surrounded by existing boundary	Environment management strategy	Future development opportunity
56	566612	CAROL DIANNE HOWATT	x	x		
57	580407	DONALD & BARBARA MOASE	x	x		
58	580860	KEVIN J GALLANT	x	x		
59	591586	NATASHA KEOUGH & LORNE L SHAW	x			
60	606582	CHARLES THERIAULT	x	x		
61	614925	WENDY L DICKIESON	x			
62	620849	BOYCE & SHIRLEY CAMPBELL	x			
63	628891	KENT NUNN & HAILEY DAWSON	x			
64	628909	KENT NUNN & HAILEY DAWSON	x			x
65	646539	JOHN LEITH & M JOAN BERNARD	x			
66	646737	PATRICK MCCARDLE & PAMELA MURRAY	x	x		
67	667386	FAITH LECLAIR	x			
68	672576	GERARD & MAXINE BIDGOOD	x	x		
69	680827	PARKWOOD INDUSTRIES INC	x			
70	692145	WILLIAM CORNFIELD	x	x		
71	695726	JORDAN TYLER MAYTHEW	x			
72	704890	SPENCER MACDOUGALL & MARY BETH SHARPE	x	x		
73	707943	PETER R & WENDY C MCALEER	x		x	
74	709063	DONALD & BARBARA MOASE		x		x
75	715615	ANNA RUTH WINDSOR		x		x
76	718486	EDWIN & WENDY BROWN			x	
77	740191	KENSINGTON PEOPLES CEMETERY INC			x	
78	740506	PHILLIP & JUDITH SIZER	x			
79	747170	GREGORY H GILLIS & OTHERS	x			
80	749283	EARL & IRENE DAVISON	x			
81	750372	JEFF BERNARD & JODI AMI-LYNN WAITE	x	x		
82	752329	ALAN R CHAMPION		x		x

	PID		Periphery development with access to municipal services	Located within or surrounded by existing boundary	Environment management strategy	Future development opportunity
84	767673	G MORRIS CASELEY				x
85	772210	PHILLIP & JUDITH SIZER	x			
86	772418	REGINALD & NANCY MURPHY	x			
87	772426	LEAMING & GWENDY MURPHY	x			
88	778878	RONALD MELVIN & MARY CAROL REEVES	x			
89	778977	SPRING VALLEY BUILDING CENTRE LTD	x			
90	818245	GLEN & SHELLEY MCKENNA	x			
91	821504	GEORGE & BEVERLEY AIKEN	x			
92	847269	PIONEER MARINE PRODUCTS INC	x			
93	852517	NICHOLAS DENNIS & MERRIDITH MILLIGAN	x	x		
94	883611	DANIEL (DAN) & WENDY MACKINNON	x			
95	901249	HUBERT & JOYCE MARCHBANK	x			
96	912493	DONNA D & MARK E OATWAY			x	
97	924340	PATRICK MACDONALD & HOLLY OSBORNE	x	x		
98	927731	WALTER LECLAIR	x			
99	929216	CHARLES WHITNEY CASELY	x	x		
100	937631	IVAN NEWRICK JR & LAURA ELIZABETH NEWRICK	x			
101	1022078	ACHIEVE MARKETING INC	x			
102	1039379	CODY JASON & DONALD RYAN CORBETT	x	x		
103	1043645	CENTURY PROPERTY MANAGEMENT INC	x			
104	1070994	MICHAEL GILL & PATRICIA ANN BAIRD GILL	x			
105	1081561 *****	DEBRA RAMSAY		x		
106	1090315 *****	SUMMERFIELD FARMS LTD		x		x

\* PID 76885 is the Confederation Trail. Only 37% of the property has been included in the assessment evaluation, and the remaining portion has been excluded from the proposed restructuring (see hatched area on map).

\*\* 63% of PID 77271 is already within the municipality.

\*\*\* The proposed annexation includes 16.25 acres (19%) of PID 78352, the remaining portion has been excluded from the proposed restructuring (see hatched area on map).

\*\*\*\* The proposed annexation includes 46.55 acres (63%) of PID 81836, the remaining portion has been excluded from the proposed restructuring (see hatched area on map).

\*\*\*\*\* 90% of PID 1081561 is already within the municipality.

\*\*\*\*\* 40% of PID 1090315 is already within the municipality.

**Appendix C. Town of Kensington 2019/20 Financial Plan**

**Appendix D. Application Form: Proposal to Establish, Restructure, Dissolve a Municipality**



FORM MGA-MR-1

PROPOSAL TO ESTABLISH, RESTRUCTURE, DISSOLVE A MUNICIPALITY

PURSUANT TO THE *MUNICIPAL GOVERNMENT ACT* R.S.P.E.I. 1988, CAP. M-12.1., SEC. 15, AND PRINCIPLES, STANDARDS AND CRITERIA REGULATIONS

### Completing your Application: Important Information

- ✓ The Principles, Standards and Criteria regulations will be used to evaluate all proposals. Proposals must demonstrate the ways in which they meet the requirements in the regulations.
- ✓ If your proposal is below thresholds set out in the MGA, a record of ministerial approval must be attached to this submission in order for the application to proceed.
- ✓ It is the responsibility of the municipality or the person or persons petitioning to establish, restructure or dissolve a municipality to ensure that all applicable provisions in the *Municipal Government Act* and Regulations have been addressed in this proposal.

### PART 1: GENERAL INFORMATION: DESCRIPTION OF PROPOSAL

1. This proposal is to: Restructure a municipality
2. Reason for the proposal: The proposed restructuring of the municipal boundary of the Town of Kensington will address existing deficiencies in the municipal service area by way of annexation of unincorporated properties which: currently have access to municipal services; are surrounded by municipal properties - where the municipal boundary has leap-frogged properties in the past; present an opportunity for future economic growth and investment through subdivision and development; and, require improved environmental management and/or protection through the provision of land use planning. It is intended that through this measured approach to restructuring that the municipality will be able to continue to offer municipal services and programs for both new and existing residents in a fair and sustainable manner, and as such will continue to support the regional service area as a whole.
3. Names of all adjoining municipalities or unincorporated areas and any other municipality or unincorporated area that may be affected: The Town of Kensington has no adjoining municipalities and no other municipalities are expected to be affected by the proposed restructuring. The unincorporated area/properties affected by the proposal fall within the historic school district/community of Kensington and are adjacent to the community of Kelvin Grove.



**PART 2: INSTRUCTIONS FOR COMPLETION OF THIS FORM**

- Complete **Box A** if proposing to **establish** or **restructure** a municipality
- Or**
- Complete **Box B** if proposing to **dissolve** a municipality.

**Box A: Proposal to Establish or Restructure a Municipality**

**Required Information:** If you are proposing to establish or restructure a municipality, you must submit the following information:

- ✓ Financial plan
  - ✓ Capital assets, both existing and proposed
  - ✓ A map depicting, in detail, the new boundaries being proposed
  - ✓ A copy of the resolution by council to approve making application to establish or restructure a municipality
  - ✓ If proposal is being submitted by a group of petitioning electors, a copy of the petition and the name of the representative for the petitioning electors in a format that complies with subsection 15.(6) of the MGA
1. What is the proposed name: Town of Kensington
  2. What is the proposed class: Town
  3. What is the office location: Kensington Town Office, 55 Victoria St E, Kensington, PE C0B 1M0
  4. A financial plan is included: Yes
  5. What is the estimated total property assessment: \$104,569,740
  6. What is the estimated population: 1,800
  7. List proposed services to be provided: See municipal service provisions in attached report (Section 1.4)
  8. List of all capital assets, existing and proposed: To be appended

**Submission Checklist – please ensure that the following information is included:**

- A map depicting the new boundaries being proposed;
- The financial plan for the new municipality;
- A copy of the resolution(s) approving submission of the application; and
- All additional information and documentation demonstrating compliance with the *Municipal Government Act* Principles, Standards and Criteria Regulations.

