

Municipal Government Act Review

What We Heard: A Summary of Consultation Input

Business and Industry Session
Held in Fort McMurray on February 13, 2014

Released on June 24, 2014

Developed by KPMG for Alberta Municipal Affairs



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Introduction

Purpose

This document provides a summary of what was heard during a consultation session for the *Municipal Government Act* (MGA) review. The summary below includes the comments and opinions of the participants of the Business and Industry Session held in Fort McMurray.

These contributions have not been reviewed or edited for accuracy. Comments recorded here reflect the opinions of individuals offered in person and recorded by session facilitators; they do not necessarily represent the opinion of the Government of Alberta.

The input summarized below will be considered by Alberta Municipal Affairs as part of the review of the legislation. Municipal Affairs would like to thank the participants of this session, as well as all Albertans participating in the review of the MGA. Any inquiries related to this summary or to the consultation process should be directed by email to the MGA Review Team at mga.review@gov.ab.ca.

The Municipal Government Act Review

The MGA is designed to help build strong, prosperous and sustainable communities throughout Alberta. Alberta Municipal Affairs is reviewing and refreshing the MGA to address evolving circumstances and priorities in Alberta's many communities, and to ensure the MGA continues to meet its objective. A successful MGA review process will continue to position Alberta as the leading Canadian jurisdiction in terms of municipal legislation, having incorporated sound thinking, input and research into a clear Act that meets the needs of the Province and municipalities. In order to achieve this vision, an inclusive and comprehensive engagement process was developed to ensure stakeholders across the province have opportunities to provide input to the review.

As part of the MGA review, regional consultations were held in eleven locations around the province to give Albertans an opportunity to provide input face-to-face. In each location, different types of sessions were held, including Technical Sessions, a Business and Industry Session, a Municipal Administrators Session, an Elected Officials Session, and a Public Open House.

These engagements were conducted in February 2014 to April 2014 in 11 locations throughout the province. Each location was held over 3 days in the following locations:

- Brooks
- Calgary
- Edmonton
- Edson
- Fort McMurray
- Grande Prairie
- Lethbridge
- Medicine Hat
- Peace River
- Red Deer
- Vermilion

Sessions were promoted via news releases, direct email invitations, social media, and by the Minister of Municipal Affairs at stakeholder conventions. Information on regional session locations, dates and registration were on the MGA Review website.

Input to the MGA Review has also been provided through other channels, including the MGA Review website (mgareview.alberta.ca), the MGA Review Consultation Workbook, and official submissions.

Session Overview

Session	Business and Industry Session
Location	Macdonald Island Park, Fort McMurray
Date	February 13, 2014
Number of Participants	10

- This session was open to anyone who wished to attend. Participants were asked to register in advance in order to receive background materials before the session.

Regional Consultation Methodology

How sessions were organized

Regional consultations were structured around one or more of the three themes of the MGA Review:

- Governance and Administration
- Assessment and Taxation
- Planning and Development

Participants were provided with agendas in advance, which identified a list of potential topics for discussion. These topics were taken directly from the MGA Review Consultation Workbook. Several of the topics for discussion appear under more than one of the three themes of the review because they are relevant to more than one theme (e.g. public participation). The agenda is attached as Appendix A.

At this session, participants provided input through facilitated table discussions. The goal of the facilitated conversations was to give the opportunity to all participants to discuss the issues that mattered most to them. Given the large size and scope of the MGA, participants at each table were asked to focus their discussion on those topics that they felt were most important to provide input on, using the list provided in advance. In addition, this session included time for “open discussion” during which participants could provide any additional input that they felt was important to the review. Table facilitators and note takers included staff from Municipal Affairs, KPMG and ADR Education.

Capturing input and reporting

Input from session participants was captured on flipcharts by facilitators during the discussion. It was explained to participants that:

- Comments were being recorded on flipcharts so that they could be captured and considered by Municipal Affairs as part of the review of the MGA.
- Comments would not be attributed to individuals or organizations.
- Other avenues were also available to provide written input to the review.

The summary below documents the input heard from participants and recorded on flipcharts. These comments have been transcribed and organized according to the list of topics for discussion; they have not been screened for accuracy and do not reflect consensus of participants. As a result, comments and opinions listed may be contradictory. Comments that apply to issues outside of the scope of the review (e.g., suggested changes to other legislation) have been removed.

It is important to emphasize that this summary reflects the input heard from participants, and does not necessarily reflect the position of the Government of Alberta.

How the Summary of Responses is Organized

Input from session participants is organized according to the three themes for the review:

- *Governance and Administration*
- *Assessment and Taxation*
- *Planning and Development*

Within these themes, comments are organized according to the applicable topics for discussion, using the list provided to participants in advance. In some sessions, not all themes may have been discussed.

Summary of Input

General Comments about the MGA

The following input was received and documented related to the MGA in general.

Comments from participants included that:

- More clarity is required in the MGA regarding rules and processes. Specifically, more clarity is needed around the use of “may” and “can” clauses, versus the “must” and “mandatory” language in the MGA.
- The MGA is under discussion, but its regulations have a lot of important content for municipal governments. These regulations may need to be discussed in detail as well.

Governance and Administration

The following input was received and documented related to governance and administration.

Municipal Powers, Structures, Annexations and Other Changes

Municipal powers

Comments from participants included that:

- The MGA should be more explicit about expropriation processes and the Province’s roles with respect to expropriation.

Municipal Finances

Financial administration

Comments from participants included that:

- The municipal surplus that goes into the “emerging issues account” could be more transparently allocated. For example, there could be a public vote on the specific emerging issue that should receive surplus funds.
- Debt limits in large urban municipalities may be too restrictive. The MGA should be more flexible in this area.

Municipal revenue sources

Comments from participants included that:

- Municipal sources of revenue are limited in specialized municipalities.

Municipal Accountability, Liability, and Risk Management

Compliance and accountability

Comments from participants included that:

- The MGA needs a better defined process to ensure that its rules are followed by councillors.

Liability and risk management

Comments from participants included that:

- The MGA's risk management restrictions are generally working well.

Provincial powers

Comments from participants included that:

- The MGA should further define and clarify the roles of the Province and the roles of municipalities, along with their accompanying powers.
 - Currently, the Province downloads services to municipalities and is able to do so because roles are not well defined.

Municipal Services and Delivery

Service provisions

Comments from participants included that:

- The MGA should further define "basic" or "core" services that municipalities must provide.
 - Saskatchewan has several acts that apply to different-sized municipalities, and uses this legislative structure to define different service levels.
 - The MGA could define services to be provided for municipal residents, but not for industry.
 - When determining core services, it is important to ensure that the list of services identified will stand the test of time.
- Specifying the level of service to be provided would be too much detail for the MGA and may put pressure on municipalities that do not currently provide certain services.
- If private business can deliver a service, municipalities should let them.
 - Municipalities shouldn't deliver certain core services, such as district heat, through private companies.

Public Participation and Municipal Relations

Public participation

Comments from participants included that:

- The MGA should require each municipality to develop a unique plan for communication, consultation and engagement.
- The MGA should require a reasonable amount of time for the public to be notified of participation opportunities.
 - Sometimes the public may feel that a decision has been made prior to consultation or that input has not considered when the decision is made.
 - The MGA needs to specify real consultation requirements instead of the current “decide, announce and defend” approach to decision-making.
 - There should be different levels of consultation required for different types of issues.
- Communication methods allowed under the MGA need to be improved to include modern techniques, such as social media and the internet.
- Public participation during budget planning can be troublesome. For the most part, members of the public want to add additional projects, but are rarely willing to delete any.
- The MGA should require agendas of council meetings to be released seven days ahead of the meeting to provide more opportunity to express interest in presenting to council.
- Municipalities should maintain a list of stakeholders to notify, and should update it regularly.

Assessment and Taxation

The following input was received and documented related to assessment and taxation.

Taxation and Municipal Finances

Taxation

Comments from participants included that:

- Rules about setting the mill rate should be included in the MGA for transparency purposes, not just in regulations or government policies.
- The MGA should set a ratio that links residential and non-residential mill rates.
 - The current property tax rates of municipalities are unfairly weighted against industry, meaning that businesses are paying more than their fair share.
 - Industry may go elsewhere if property taxes are so high that the amount owed affects the bottom line.
- The MGA should split the non-residential mill rate to allow small businesses to pay a different rate than large businesses.
- Splitting the non-residential mill rate would be unfair to large businesses, as they have limited means to hold council accountable for how their money is spent.

Assessment Administration

Assessment administration

Comments from participants included that:

- The MGA needs to provide more transparency and clarity in the valuation process.

Planning and Development

The following input was received and documented related to planning and development.

Fees and Levies

Fees and levies

Comments from participants included that:

- The MGA should state that fees and levies can only be applied as a cost recovery mechanism.
- The MGA should clarify what levies pay for, and which services in new developments should be paid by levy as opposed to by taxes from the whole community. Some of the services that need to have their relationship to levies defined include recreation, fire and police services.

Land Management and Planning Tools

Statutory plans and land use bylaws

Comments from participants included that:

- Land development should address three pillars: transportation, environment and societal implications.
- The integrated community sustainability plan should be legislated within the MGA to work as overarching document to guide residents and municipalities. This model was used successfully in Australia.
 - The integrated community sustainability plan should include estimated costing of projects. This would help with asset management and assist administration in determining if they succeeded in doing what they were asked to do.

Subdivision and Development Authorities and Processes

Administrative decision-making processes

Comments from participants included that:

- The MGA should set ranges for proportions of land that should be zoned for residential and non-residential property, respectively.
 - Fixed proportions for residential and non-residential zoning can limit flexibility when situations change. Additionally, all municipalities may not want the same proportions.
 - The MGA should include an option to release Crown land to ensure that there is enough land for both residential and non-residential development.

Appendix A: Session Agenda

MGA Review: Business and Industry Session

Agenda Item	Timing
<p>1. Welcome and introductions</p>	<p>9:00-9:10</p>
<p>2. Potential topics for discussion:</p> <p>Governance and Administration</p> <p><u>Subject 1: Municipal Powers, Structures, Annexations and Other Changes</u></p> <ul style="list-style-type: none"> • Municipal powers • Municipal structures • Fundamental changes and municipal restructuring <p><u>Subject 2: Municipal Governance and Administration</u></p> <ul style="list-style-type: none"> • Municipal governance • Municipal administration <p><u>Subject 3: Municipal Finances</u></p> <ul style="list-style-type: none"> • Financial administration • Regional funding approaches • Municipal revenue sources • Fees and levies <p><u>Subject 4: Municipal Accountability, Liability, and Risk Management</u></p> <ul style="list-style-type: none"> • Compliance and accountability • Liability and risk management • Provincial powers <p><u>Subject 5: Municipal Services and Delivery</u></p> <ul style="list-style-type: none"> • Service provisions • Regional services commissions • Municipally controlled corporations <p><u>Subject 6: Public Participation and Municipal Relations</u></p> <ul style="list-style-type: none"> • Municipal relationships and dispute resolution • Public participation • Municipal Government Board <p>Assessment and Taxation</p> <p><u>Subject 1: Taxation and Municipal Finances</u></p> <ul style="list-style-type: none"> • Taxation • Municipal revenue sources • Fees and levies <p><u>Subject 2: Exemptions from Assessment and Taxation</u></p> <ul style="list-style-type: none"> • Exemptions and other special tax treatment 	<p>9:10-9:20</p>

Agenda Item	Timing
<p>Assessment and Taxation continued</p> <p><u>Subject 3: Market Value, Equalized and Supplementary Assessment</u></p> <ul style="list-style-type: none"> • Market value assessment and administration • Equalized assessment • Progressive and supplementary assessment <p><u>Subject 4: Industrial and Agricultural Property Assessment</u></p> <ul style="list-style-type: none"> • Linear property assessment • Machinery and equipment property assessment • Transportation properties • Farm property assessment <p><u>Subject 5: Assessment Administration</u></p> <ul style="list-style-type: none"> • Assessment administration <p><u>Subject 6: Public Participation and Assessment Appeals</u></p> <ul style="list-style-type: none"> • Public participation • Assessment complaints and appeals • Municipal Government Board <p>Planning and Development</p> <p><u>Subject 1: Fees and Levies</u></p> <ul style="list-style-type: none"> • Fees and levies <p><u>Subject 2: Land Management and Planning Tools</u></p> <ul style="list-style-type: none"> • Statutory plans and land use bylaws <p><u>Subject 3: Subdivision and Development Authorities and Processes</u></p> <ul style="list-style-type: none"> • Planning authorities • Administrative decision-making processes <p><u>Subject 4: Land Dedication and Use of Reserves</u></p> <ul style="list-style-type: none"> • Land dedication (reserves) <p><u>Subject 5: Regional Approaches</u></p> <ul style="list-style-type: none"> • Municipal relationships and dispute resolution • Managing growth and development • Regional funding approaches <p><u>Subject 6: Public Participation and Planning Appeals</u></p> <ul style="list-style-type: none"> • Municipal Government Board • Public participation • Planning and inter-municipal appeals 	
<p>3. Change tables (if needed)</p>	<p>9:20-9:25</p>

Agenda Item	Timing										
<p>4. Table facilitation</p> <ul style="list-style-type: none"> ▪ Two topics will be prioritized for discussion for each block <table border="1" data-bbox="298 478 1146 833"> <tr> <td data-bbox="298 478 607 562">Block 1: 9:25-9:55</td> <td data-bbox="607 478 1146 562">Governance and Administration Topics</td> </tr> <tr> <td colspan="2" data-bbox="298 562 1146 615" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="298 615 607 699">Block 2: 10:05-10:45</td> <td data-bbox="607 615 1146 699">Assessment and Taxation Topics</td> </tr> <tr> <td colspan="2" data-bbox="298 699 1146 751" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="298 751 607 833">Block 3: 10:55-11:35</td> <td data-bbox="607 751 1146 833">Planning and Development Topics</td> </tr> </table> <ul style="list-style-type: none"> ▪ Discussion will focus on what is working well, desired changes, and potential impacts of changes to the legislation 	Block 1: 9:25-9:55	Governance and Administration Topics	<i>Break (10 mins)</i>		Block 2: 10:05-10:45	Assessment and Taxation Topics	<i>Break (10 mins)</i>		Block 3: 10:55-11:35	Planning and Development Topics	9:25-11:35
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<i>Break (10 mins)</i>											
Block 3: 10:55-11:35	Planning and Development Topics										
<p>5. Open discussion</p> <ul style="list-style-type: none"> ▪ Are there any other relevant topics participants want to address? 	11:35-11:55										
<p>6. Wrap-up</p>	11:55-12:00										