

Municipal Government Act Review

What We Heard: A Summary of Consultation Input

Governance and Administration Technical Session

Held in Medicine Hat on April 14, 2014

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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 Governance and Administration Technical Session held in Medicine Hat.

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	Governance and Administration Technical Session
Location	Southside Events Centre, Medicine Hat
Date	April 14, 2014
Number of Participants	5

- 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:

- The purpose of the MGA is to enable good local governance, and this should be the over-riding principle within the MGA.
- The MGA needs to be readable and easy to interpret.
- There needs to be more detail provided in the regulations to better clarify and interpret what is meant in the MGA.
- Amendments to the MGA over time have caused inconsistencies within the legislation itself and with interpretation. Interpretation bulletins are important and could be used to communicate changes in the MGA to municipalities in a plain language way.
 - Municipal Affairs advisors should track requests for interpretation and send out bulletins on these requests on a regular basis.
- Background information needs to be provided on the intent behind why policies and legislation are the way they are.

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:

- There needs to be a good balance of powers and flexibility for municipalities under the MGA.
 - Municipal powers provisions need to be broad and flexible.
- Municipal powers should be clearly defined within the MGA.
 - The MGA should have a better definition for what municipalities have the power to do; including a description that better defines municipal rights and uses, authority, and hierarchy.
 - The MGA needs to be more prescriptive to enable more consistency in application across the province.
- If the MGA becomes too prescriptive about what municipalities can and can't do, then it limits how municipalities can govern their communities.
- Decision-making powers need to remain with the local community.
- Some municipalities interpret bylaw-making powers differently than other municipalities.
 - Part of the difficulty for municipalities is differing legal interpretations. For example, municipalities utilize offsite levies and brownfields in different ways according to different interpretations.
 - In terms of best practices, a standardized template should be created on what a bylaw should look like for different matters.
- The current definition for expropriation is too broad.
 - Valid purposes for expropriation need to be listed in the MGA.
 - Expropriation powers should be limited to municipal purposes, such as roads, but should not include acquiring large tracts of land for development.

Municipal structures

Comments from participants included that:

- Community size and population is not a true reflection of the type of municipality.
 - Current municipal structures could be creating unsustainable municipalities if the legislation doesn't consider whether there is a sufficient assessment base to support the services.
 - Criteria for determining municipal structure types should include a financial component.

- The MGA should define what type of municipal structure a rural municipality “becomes” when it amalgamates with an urban municipality. These amalgamated municipalities are fundamentally different than other rural municipalities; however, a different municipal structure type is needed.

Fundamental changes and municipal restructuring

Comments from participants included that:

- Sustainability reviews need to be proactive. They should be conducted before debt levels become too high and dissolution or amalgamation is required.
 - Municipalities need to take a long-term view of the future, including infrastructure debt, and not just worry about the financial picture today.
- Amalgamation needs to be left up to communities to manage on an individual basis. There should not be a general blueprint or a prescribed formula for amalgamation.
- The Province should retain power to force amalgamation if it is for the best in the area.

Municipal Governance and Administration

Municipal governance

Comments from participants included that:

- There needs to be a better definition of councillors’ role in budget setting.
- The MGA should require that councils document their council decision voting record and abstentions. Municipalities should track what councillors have voted for and what their positions are.
- Once a council vote is made, it is a council decision. Recording who voted would take away from the fact that councils should act as one decision body and as one voice.
- There needs to be more transparency in council meetings and decisions. Some councils make decisions *in camera* and there is no discussion in open meetings.
 - *In camera* meetings should be required to occur after council meetings, not before. This would promote transparency and democratic process.
- Standards need to be identified that define the purpose for *in camera* meetings and what they should be used for. Current provisions are too broad and vague under the MGA.
- There need to be restrictions on multiple readings of a bylaw at one meeting to ensure enough time is allowed for well-informed decision making.
 - Council should have additional time to review, consider and validate information related to bylaws.
 - There should be adequate time for information provided at public hearings to be verified and checked.

- It is important to maintain the flexibility for councils to make decisions in a timely manner. The MGA should not enable the opportunity for a second public hearing unless there are substantial changes to a bylaw.
- There need to be checks and balances put in place for accountability when it comes to bylaw making.

Municipal Finances

Financial administration

Comments from participants included that:

- The MGA should specify that taxation revenue should not be put into general revenue to promote transparency. Revenue should only be used for the purpose for which the tax was collected.

Regional funding approaches

Comments from participants included that:

- Provincial funding needs to be geared towards promoting regional cooperation as a means to provide an incentive for collaboration. However, there is a need to ensure that some funds still be provided for non-regional matters.

Fees and levies

Comments from participants included that:

- There needs to be greater transparency and clarity for what uses can be collected through an offsite levy.
- The MGA should ensure that levy revenue isn't put into general municipal revenue. Levy revenue should only be used for the purpose for which the levy was collected.

Municipal Accountability, Liability, and Risk Management

Compliance and accountability

Comments from participants included that:

- The MGA needs to establish powers and tools to address inappropriate councillor behaviour. The MGA needs to identify what the consequences would be of non-compliance.

Provincial powers

Comments from participants included that:

- Municipal Affairs needs to conduct regular reviews of municipalities, perhaps every ten years.
 - Municipal reviews would not need to be as in-depth as inspections or audits.

- There should be a requirement in the MGA that bylaws be submitted to the Province to review.
- Municipal reviews should not be punitive, but provide assurance and feedback to municipalities on whether or not they are on the right track.
- Municipal reviews should not be mandated, but instead be a service offered by Municipal Affairs.
- Municipal reviews would help to promote good governance.

Municipal Services and Delivery

Municipal services

Comments from participants included that:

- The MGA needs to define standards for municipal services.

Municipally Controlled Corporations

Comments from participants included that:

- Municipalities who are directly operating profit-making entities that compete with private entities need to have a different governance structure.
 - For example, Saskatoon's land and property division operates separately from the municipality. It is different if the municipal corporations are trying to encourage development and economic growth, as opposed to competing unfairly.
 - Municipal councils should not be making decisions within or on municipally controlled, for-profit entities.
- Independent accounting is impossible when dealing with municipal corporations.
 - There needs to be accountability, transparency and fair market competition applied to municipally controlled corporations.
- Municipally controlled corporations should only be allowed to provide municipal services, such as water and sewer. They should not move outside these core services into business development.

Public Participation and Municipal Relations

Municipal relationships and dispute resolution

Comments from participants included that:

- The MGA needs to create the expectation that municipal partners should be willing to collaborate.
- The MGA should mandate that municipalities need to negotiate with one another and to create a regional partnership.

- There needs to be an alternative dispute resolution model, such as a surface rights board, to manage disputes between municipalities. This would reduce the number of appeals and the dependence on the court system.
 - The MGA should move towards encouraging mediation and resolution, rather than current win-lose legal processes.

Public participation

Comments from participants included that:

- Municipalities should be required to create a public engagement policy that includes the ten principles of public engagement. This would ensure that municipalities would follow their established engagement strategy, rather than meeting minimum standards.
- Public participation provisions need to include alternative mechanisms, and it should be left up to each municipality to decide what their strategy for using these mechanisms should be.

Assessment and Taxation

During the discussions surrounding governance and administration some discussion occurred on assessment and taxation. The following input was received and documented related to assessment and taxation.

Taxation

Comments from participants included that:

- The special tax provisions in the MGA need to be expanded.
 - Municipalities should be able to create a long-term special tax, rather than be limited to the current one-year duration. This would allow municipalities to plan for the future.
 - More flexibility and definition is needed on how special taxes can be applied. For example, Ontario allows special taxes to be levied on a larger scope and this should be considered for Alberta as well.

Planning and Development

During the discussions surrounding governance and administration some discussion occurred on planning and development. The following input was received and documented related to planning and development.

Subdivision and Development Authorities and Processes

Planning authorities

Comments from participants included that:

- Staff and administration should not be allowed to participate on municipal planning commissions.
- Members of subdivision and development appeal boards should not sit on municipal planning commissions.

Regional Approaches

Managing growth and development

Comments from participants included that:

- The use of the term “body of water” in the MGA requires definition and should better align with definitions in other provincial legislation.
- The MGA needs to allow municipalities more flexibility in addressing brownfield sites.

Public Participation and Planning Appeals

Municipal Government Board

Comments from participants included that:

- There needs to be clarity on when the Municipal Government Board has jurisdiction over a subdivision appeal.

Appendix A: Session Agenda

MGA Review: Governance and Administration Technical Session

Agenda Item	Timing
1. Welcome and introductions	10:00-10:10
<p>2. Potential topics for discussion:</p> <p>The following topics will be available for table discussion:</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 	10:10-10:20
3. Change tables (if needed)	10:20-10:25

Agenda Item	Timing
4. Table facilitation <ul style="list-style-type: none">▪ Up to three topics will be prioritized for discussion (~20 minutes each)▪ Discussion will focus on what is working well, desired changes, and potential impacts of changes to the legislation	10:25-11:35
5. Open discussion <ul style="list-style-type: none">▪ Are there any other relevant topics participants want to address?	11:35-11:55
6. Wrap-up	11:55-12:00