

Municipal Government Act Review

What We Heard: A Summary of Consultation Input

Business and Industry Session
Held in Peace River on April 24th, 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 Peace River.

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	Sawridge Inn and Conference Centre, Peace River
Date	April 24 th , 2014
Number of Participants	4

- 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

Governance and Administration

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

Municipal Powers, Structures, Annexations and Other Changes

Municipal structures

Comments from participants included that:

- The MGA needs to define a municipal district and a county, and distinguish between the two.

Fundamental changes and municipal restructuring

Comments from participants included that:

- The MGA needs to outline mechanisms that inform industry when restructuring takes place.

Municipal Finances

Financial administration

Comments from participants included that:

- The MGA needs to promote increased financial accountability and transparency.

Regional funding approaches

Comments from participants included that:

- The MGA needs to enable regional revenue sharing between municipalities to ensure the benefits of industry are appropriately shared. Currently, counties reap most of the financial benefits, but citizens live in towns and use the services there. Regional funding agreements need to address this disparity.
- The MGA also needs to address First Nations reserve populations using surrounding municipalities' services without contributing to the costs of those services.
 - First Nations fall under federal jurisdiction. It is difficult to develop partnerships with First Nations because they don't recognize municipal governments. Often, they are only willing to deal with the federal government.

Municipal revenue sources

Comments from participants included that:

- The MGA needs to address the issue of “shadow populations” of temporary workers. Shadow populations create a burden on municipal services where they work, but they don’t contribute to municipal revenues.

Fees and levies

Comments from participants included that:

- The MGA should state how much can be charged for business licenses.
 - It is not transparent to allow municipalities to charge whatever they want for business licenses.
- Currently, there is too much inconsistency across the province in how business licenses are applied.
 - Business licenses can be a good tracking mechanism if everyone has them.

Public Participation and Municipal Relations

Public participation

Comments from participants included that:

- The MGA should require public notification when rural electrification associations sell to utility companies. These sales have huge implications on the utility bills of citizens, and the public often do not understand why.

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:

- Residential and non-residential property tax mill rates should be linked.
- The MGA must give industry tax incentives to allow Alberta to compete on a global scale.
- As technological advances like directional drilling are introduced, industry may start going only to municipalities with low non-residential tax rates.

Exemptions from Assessment and Taxation

Exemptions and other special tax treatment

Comments from participants included that:

- The MGA should allow pollution abatement equipment to be exempt from property tax.

Market Value, Equalized and Supplementary Assessment

Equalized assessment

Comments from participants included that:

- Municipalities should not be required to collect education property taxes.

Industrial and Agricultural Property Assessment

Farm property assessment

Comments from participants included that:

- Farmland should be assessed at market value, and exemptions should be applied on the taxation side.
- The MGA should clearly define what is classified as farmland.
 - Currently, rural electrification areas are classified as farmland when they aren't used for farming. This is not necessarily appropriate.

Assessment Administration

Assessment administration

Comments from participants included that:

- The MGA needs to promote consistent assessments across the province, especially for industrial properties.
- The MGA needs to require accountability through the assessment process.

Public Participation and Assessment Appeals

Assessment complaints and appeals

Comments from participants included that:

- Inconsistent composite assessment review board decisions are a growing issue. There should be one common board to address complicated and industrial appeals.
- The MGA should outline one form for information requests associated with assessment appeals. This would standardize the information that is being requested and make the process more consistent across the province.

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: The following topics will be available for table 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="310 459 1157 688"> <tr> <td data-bbox="310 459 618 501">Block 1: 9:25-9:55</td> <td data-bbox="618 459 1157 501">Governance and Administration Topics</td> </tr> <tr> <td colspan="2" data-bbox="310 501 1157 554" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="310 554 618 596">Block 2: 10:05-10:45</td> <td data-bbox="618 554 1157 596">Assessment and Taxation Topics</td> </tr> <tr> <td colspan="2" data-bbox="310 596 1157 648" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="310 648 618 688">Block 3: 10:55-11:35</td> <td data-bbox="618 648 1157 688">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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<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										