

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING OF OCTOBER 6, 2015
FROM:	KATE GRAHAM, DIRECTOR, COMMUNITY AND ECONOMIC INNOVATION
SUBJECT:	REVIEW OF MUNICIPAL ACT, 2001 AND MUNICIPAL CONFLICT OF INTEREST ACT

RECOMMENDATION

That, on the recommendation of the Director of Community and Economic Innovation, the following actions be taken with respect to the provincial review of the *Municipal Act* and the *Municipal Conflict of Interest Act*:

- a) the attached submission from the Association of Municipalities of Ontario (AMO) on the *Municipal Act, 2001* review and the *Municipal Conflict of Interest Act* review **BE ENDORSED** (Appendix 1);
- b) the attached additional comments by the City of London on the review of the *Municipal Act, 2001* and the *Municipal Conflict of Interest Act* (Appendix 2) **BE APPROVED** for submission to the Province of Ontario; and
- c) the City of London comments **BE FORWARDED** to local Members of the Legislative Assembly of Ontario.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

Municipal Act, 2001, Board of Control, November 14, 2001
Municipal Statute Law Amendment Act, Board of Control, December 1, 2002
Municipal Act Review, Board of Control, October 27, 2004
Bill 130, *Municipal Statute Law Amendment Act*, 2006, Board of Control, August 23, 2006

BACKGROUND

This summer, the Minister of Municipal Affairs and Housing, the Honourable Ted McMeekin, initiated a consultation process to review municipal legislation including the *Municipal Act, 2001* the *City of Toronto Act*, and the *Municipal Conflict of Interest Act*. Every five years, the government is required by legislation to review the *Municipal Act, 2001* and *City of Toronto Act*. At the same time, the Government of Ontario is reviewing the *Municipal Conflict of Interest Act*. This report will focus on the *Municipal Act* and the *Municipal Conflict of Interest Act*, however it draws on examples provided in the *City of Toronto Act*.

As directed by Council, arising from a submission by Councillor Morgan, Civic Administration has consulted with members of Council and the Senior Leadership Team. Information about the reviews and opportunities to provide comments were also promoted to the public via social media and on london.ca. The response to the *Municipal Act* and *Municipal Conflict of Interest Act* review, included in the attached appendices, reflects these consultations, as well as the formal submission of the Association of Municipalities of Ontario (AMO). Submissions are due October 31, 2015.

The provincial review is focusing on three main themes:

1. Accountability and Transparency
2. Municipal Financial Sustainability; and
3. Responsive and Flexible Municipal Government.

AMO's submission on the *Municipal Act* and the *Municipal Conflict of Interest Act* reiterated the nine key principles that it articulated in the fall of 2004 in the review of the *Municipal Act, 2001* and any future legislation affecting municipalities. AMO believes that the principles still hold true today and that the *Municipal Act* is largely serving Ontario municipalities well and requires only minor clarifications and additional authority. According to AMO, many of the recommendations were included in the 2006 legislation (Bill 130, *Municipal Statute Law Act*) which took effect January 2007. AMO believes that the changes helped to advance the municipal-provincial relationship, stating that "greater local authority and greater choice meant better local responsibility."

Principles for a Mature Provincial-Municipal Relationship

1. Municipalities are responsible and accountable governments.
2. New legislation shall enhance existing municipal powers.
3. The Province shall stop micromanaging municipal governments.
4. Where there is a compelling provincial interest the Province shall, when regulating municipal government, define at the outset that interest.
5. Provincial legislations shall be drafted with the expectation of responsible municipal government behaviour and not as a remedial tool.
6. Accountability means mutual respect between municipal government, the Province and other public agencies.
7. Resources for municipal governments shall be sustainable and commensurate with the level of responsibility.
8. The *Municipal Act* shall include principles that protect the *Municipal Act* and municipal powers from provincial legislation.
9. The Province shall commit to increasing the understanding and awareness of municipal government within all ministries.

This report recommends that City Council endorse AMO’s submission, as it is consistent with the City of London’s position.

City of London recommendations on the *Municipal Act* concern the themes of Accountability and Transparency, in particular on the subject of the integrity officer; Municipal Financial Sustainability, including recommendations regarding municipal authority for additional revenue tools currently available under the *City of Toronto Act*; Responsive and Flexible Municipal Government, including a municipal response to climate change; and Practices and Procedures, including notice provisions. The City of London has only one comment on the *Municipal Conflict of Interest Act*, on the subject of the role of the individual in determining a conflict of interest.

This report recommends Council’s approval of the attached submission (Appendix 2), and that all comments be forwarded to the Ministry of Municipal Affairs and Housing and local Members of the Legislative Assembly of Ontario.

This report received input from the following individuals: Gregg Barrett, Manager, Long Range Planning and Research; Ian Collins, Senior Financial Business Administrator; Ben Fraser, Research Officer, Community and Economic Innovation; Steve Giustizia, Manager, Housing Services; Orest Katolyk, Manager, Licensing and Municipal Law Enforcement; Lynn Marshall, Solicitor; Jim Purser, Manager of Records and Information Services; Catharine Saunders, City Clerk; Jennifer Smout, Solicitor; and Jay Stanford, Director, Environment, Fleet and Solid Waste.

PREPARED BY:	RECOMMENDED BY:
JILL TANSLEY SPECIALIST	KATE GRAHAM DIRECTOR, COMMUNITY AND ECONOMIC INNOVATION