

REGIONAL MUNICIPALITY OF OTTAWA CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

REPORT
RAPPORT

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DATE 17 June 1997

TO/DEST. Co-ordinator
 Corporate Services and Economic Development Committee

FROM/EXP. Regional Solicitor

SUBJECT/OBJET **GOVERNANCE REVIEW**

DEPARTMENTAL RECOMMENDATION

To facilitate discussion of this matter at Regional Council, the Corporate Services and Economic Development Committee is asked to consider and recommend that Council approve the attached draft Resolution at Annex A, which attempts to incorporate Council's past positions within the structural review process of Bill 26.

BACKGROUND

During the past half year, Regional Council has had before it a number of motions concerning governance and, specifically, proposals to review governance in Ottawa-Carleton. At its June 11, 1997 meeting, Council appointed its member to the Governance Selection Panel and then discussed the desirability of bringing all Resolutions back to Council June 25, 1997 to resolve the terms of reference and proper functioning of the Government Review Panel itself. This report is intended to facilitate that process.

BILL 26

The triple majority process for municipal restructuring is found in Municipal Act amendments commonly referred to as "Bill 26". Originally, that legislation only applied (municipal restructuring) to counties and not to regions.

Bill 141 was given first reading on June 10, 1997 to amend Bill 26 to make it apply specifically to Ottawa-Carleton as well. Bill 141 is expected to be passed and be in force in the near future.

Further information on Bill 26 is set out in the Regional Solicitor's opinion dated May 14, 1997 and supplementary opinion dated June 10, 1997.

COUNCIL RESOLUTIONS (ANNEX B)

The substantial resolutions of the Regional Council on governance matters include the following:

1. December 11, 1996 - adoption of guiding principles in the CAO's report "Review of Governance in Ottawa-Carleton".
2. December 11, 1996 - endorsement of request by Regional Chair for appointment of Provincial Mediator.
3. March 12, 1997 - Motion 68 with amendments directing a Minister-appointed Review Panel and review process as determination by a "Commissioner" - subject to ratification by area municipalities.
4. May 14, 1997 - Motion 105 asking provincial government for legislation to cause Bill 26 to apply to Ottawa-Carleton.
5. June 11, 1997 - appointment of Professor C. Andrew as Regional member of Selection Panel, subject to Bill 141 being in force.
6. Notice of Motions 118 and 119 concerning the proposed Review Panel.
7. Motion 120 (May 14, 1997) deferring motions 118 and 119 until Bill 141 (Bill 26) is enacted and in force.

*Approved by
J. Douglas Cameron
Regional Solicitor*

JDC/pc

COUNCIL MOTION

Moved by Councillor _____
Seconded by Councillor _____

WHEREAS on 11 December, 1996, the Regional Council endorsed the principle of a review of governance in Ottawa-Carleton by the following motion:

That Council:

Approve the guiding principles in the report of the Chief Administrative Officer, Review of Governance in Ottawa-Carleton dated 13 November, 1996, namely:

- Promoting Accountability;
- Seeking Efficiencies Through Economies of Scale;
- Controlling Spillover of Services;
- Ensuring a Uniform Quality and Quantity of Services;
- Addressing Local Concerns and Recognizing the Importance of Preserving Neighbourhoods, Communities of Interest, and the Regional Rural Area;
- Increasing Financial Viability of Municipal Government;
- Increasing Accessibility of Municipal Government; and
- Reducing the Cost of Government; and

WHEREAS the Minister of Municipal Affairs and Housing by letter to Regional Chair Peter Clark, continues to encourage “all parties to persevere and to complete the development of a locally designed municipal government review process”; and

WHEREAS the broad approval of the general intent and direction of the McGarry motion (Regional Council Motion No. 68) has shown that there is a basis for a locally designed process and a local solution to the current need for a review of governance in Ottawa-Carleton; and

WHEREAS, while Ottawa-Carleton municipalities, expect that the triple majority/commissioner system of governmental review and reorganization as outlined in Bill 26 will be made available to Ottawa-Carleton by the enactment of Bill 141, they wish to proceed with the municipal restructuring process by establishing and determining the composition of a citizens panel and by determining the panel’s guidelines, criteria and time frame to govern its review and report now in anticipation of the pending legislation.

NOW THEREFORE BE IT RESOLVED that a municipal governance review process be instituted in Ottawa-Carleton as follows:

1. Governance Review Selection Panel

That an Ottawa-Carleton Governance Review Selection Panel (GRSP) be hereby created as follows:

- 1.1 The Selection Panel shall consist of 3 members:
- one member appointed by the Regional Council
 - one member appointed by the Council of the City of Ottawa
 - one member appointed by the Councils of all of the area municipalities other than Ottawa.
- 1.2 Members of the Selection Panel shall be reimbursed by The Regional Treasurer for all expenses reasonably incurred in carrying out their duties.
- 1.3 Members of the Selection Panel shall be paid such honorarium as the Regional Council shall establish, following the completion of their duties hereunder.
- 1.4 On or before 1 September, 1997, the Selection Panel shall appoint the members of the Review Panel created under section 2, and in so doing the Selection Panel:
- shall establish its own methods of process and procedure
 - shall make all decisions by unanimous vote
 - may make its appointments from applications forwarded to the Panel, from municipal nominations or from any other source
 - shall have regard to the criteria set forth in this resolution for the membership qualifications and responsibilities of the Review Panel to ensure the appointment of a panel capable of making recommendations to guide and control the long-term future development and government of Ottawa-Carleton.

2. Ottawa-Carleton Governance Review Panel

2.1 Appointment and Organization

That an Ottawa-Carleton Governance Review Panel (OCGRP) is hereby established having regard to criteria and composition set out below.

1. Criteria for appointment to the OCGRP shall include familiarity with both the diversity of Ottawa-Carleton and its municipal government structure and issues and an ability to contribute knowledge or experience in one or

more of the following areas; Legal, Finance, Organizational Change, Human Resources, Municipal Services, Public Administration.

2. Persons who presently hold a municipal elected office, who are members of a local board, or who are employees of a municipal corporation or local board are ineligible for appointment to the OCGRP.
3. The OCGRP shall be comprised of 5 members, of whom one member shall be chosen by the Review Panel to be its Chair.
4. Members of the Selection Panel are eligible for appointment to the OCGRP.
5. Residency in Ottawa-Carleton, while important, is not a condition of appointment to the OCGRP.

2.2 Duties

The OCGRP shall:

1. hold such hearings as may be appropriate concerning models of government suitable for Ottawa-Carleton for the immediate and long-term future;
2. undertake such research concerning governance and service delivery as it deems appropriate;
3. report with its recommendations to the Regional Council and the Councils of the area municipalities not later than twelve months after its first organizational meeting; and
4. submit from time to time its expenditures and accounts for costs incurred to the Regional Treasurer for payment, which costs shall be shared pro rata by the Region and the area municipalities.

2.3 Terms of Reference

The OCGRP, in reaching its recommendation, shall have regard to both the municipal governance models and the criteria for the distribution of service delivery responsibilities set out below:

1. status quo;
2. a single municipal government comprising all of Ottawa-Carleton with suitable provisions for a ward system for a Council not exceeding 18 members plus a head of Council;
3. a revised two-tier municipal government system having the following characteristics:
 - (a) a Regional Council to be directly elected on a regional ward system and a directly elected Regional Chair;
 - (b) restructured area municipalities;
 - (c) reallocation of service delivery responsibilities between upper-tier and lower-tier based on the following criteria:

- (i) accountability;
 - (ii) economies of scale;
 - (iii) controlling spillovers
 - (iv) maintenance of uniform service standards;
 - (v) reduction in the number and use of special purpose bodies;
 - (vi) income redistribution activities on a wide area base; and
 - (vii) consideration of local preferences.
4. a single municipal government within the urban area of Ottawa-Carleton and between one and four municipalities in the rural area of Ottawa-Carleton.
 5. eleven area municipalities.
3. Ratification

The process of ratification of the OCGRP recommendation shall be as follows:

1. The Regional and area municipal Councils shall, not later than two months following the delivery of the Report, consider for approval the recommendations of the OCGRP subject to the following conditions;
 - (a) its Report shall be binding upon the Regional Municipality and all area municipalities if such recommendations are approved by the Regional Council and by a majority of the area municipal Councils which represent a majority of the residents of Ottawa-Carleton in accordance with the requirements for a prescribed degree of support of section 25.2(2)(b) of The Municipal Act, as amended; and
 - (b) the Review Panel Report shall be of no force and effect if such recommendations are not approved as provided in paragraph 3.1.(a) above.
4. Administration and Support
1. Expenses of the OCGRP shall be paid by The Regional Treasurer on approval of the Chief Administrative Officer.
 2. The Regional Clerk shall be the Secretary of the Selection Panel and the Review Panel and shall provide all necessary administrative support.
5. Notice

This motion shall be circulated to all area municipalities and to the members of the Selection Panel for their information and guidance.

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE
REPORT NO. 50

REVIEW OF GOVERNANCE IN OTTAWA-CARLETON
COMMITTEE RECOMMENDATIONS AS AMENDED

That Council:

1. Approve the guiding principles in the report of the Chief Administrative Officer, Review of Governance in Ottawa-Carleton dated 13 November 1996, namely:
 - Promoting Accountability;
 - Seeking Efficiencies Through Economies of Scale;
 - Controlling Spillover of Services;
 - Ensuring a Uniform Quality and Quantity of Services;
 - Addressing Local Concerns and Recognizing the Importance of Preserving Neighborhoods, Communities of Interest, and the Regional Rural Area;
 - Increasing Financial Viability of Municipal Government;
 - Increasing Accessibility of Municipal Government; and
 - Reducing the Cost of Government.

2. Endorse the request by the Chair to The Honourable Al Leach, Minister of Municipal Affairs and Housing, for the appointment of a provincial mediator to assist the Regional Municipality and the area municipalities to determine a mediated solution to municipal restructuring and service delivery changes in Ottawa-Carleton in time for the 1997 municipal elections.

MOTION NO. 68

Moved by: Regional Councillor Brian McGarry

Seconded by: Regional Councillor Al Loney

WHEREAS many models of local governance have been and are being proposed, each with their own merits; and

WHEREAS there is a real, long term need to have municipal governance in Ottawa-Carleton that assists in building a sustainable and economically vibrant community; and

WHEREAS a process is clearly required to allow these models to be investigated, analyzed and to ensure a made in Ottawa-Carleton solution is arrived at; and

WHEREAS the process must include appropriate time to allow the Regional Municipality of Ottawa-Carleton and area municipalities to seek the input and guidance from the residents of this region; and

WHEREAS the ongoing nature of uncertainty over governance is demoralizing municipal staff, destabilizing inter-municipal relations and preventing the Regional Municipality of Ottawa-Carleton and area governments from focusing on the considerable challenges we face.

THEREFORE BE IT RESOLVED THAT the Council of the Regional Municipality of Ottawa-Carleton request that the Minister of Municipal Affairs and Housing undertake, on behalf of the Citizens of Ottawa-Carleton, the following:

- **That the Minister immediately establish a panel of Ottawa-Carleton citizens, reflecting the linguistic duality, distribution of population and the geographic diversity (Urban, Rural, East, West, South) of the Region of Ottawa-Carleton, to hear submissions from politicians and taxpayers of Ottawa-Carleton, to identify guiding principles, to investigate all models of governance, to hold public hearings across the Region of Ottawa-Carleton, to undertake research on different political and administrative structures/models and to produce a report with a recommended governance model by May 30, 1997.**
- **As the elected body representing all residents of Ottawa-Carleton, the Region shall provide \$75,000.00 from the Region-Wide Capital Reserve Fund to the Panel for support. It will also be acceptable to the Region, should the area municipalities collectively wish to provide up to 50% of the above stated amount (75K).**

- That the Minister indicate that the month of June be set aside for the Regional Municipality of Ottawa-Carleton and area municipalities to consult with their residents through whatever means they consider appropriate, including but not limited to public opinion polling, focus groups, townhall meetings, plebiscites, and all mediums of advertising. This consultation to be used to guide Regional and area councils in their decision making process.
- For those municipalities who choose a plebiscite as the method of public consultation, that the Minister be requested to appoint an independent official to ensure that any plebiscites are conducted in a fair manner.
- Further be it resolved that the panel recommendation be submitted to the Council of the Regional Municipality of Ottawa-Carleton and area municipal councils by June 30, 1997 with the object being to obtain the formula required by the Ministry of Municipal Affairs and Housing to implement a made-in-Ottawa-Carleton solution (a majority of area councils representing a majority of the population, plus a majority of Regional Council) by July 18, 1997.
- that the members of the Citizens Panel sign a pledge that they will not be candidates in the upcoming municipal election.
- That, in the event that the local solution falls short of the triple-majority by July 18, 1997 (a majority of local councils representing a majority of the population, plus a majority of Regional Council), the Minister appoint an arbitrator/commissioner to resolve the issue by September 1, 1997.

FURTHER BE IT RESOLVED THAT this motion be adopted by Regional Council subject to it being endorsed by a majority of area municipal councils representing a majority of the population and forwarded to the Minister of Municipal Affairs and Housing for his immediate consideration and circulated to all area municipalities for endorsement by 31 March 1997.

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON**DISPOSITION OF COMMITTEE REPORTS TO COUNCIL****14 MAY 1997****COMMITTEE REPORTS****POSTPONEMENTS AND DEFERRALS****MOTION NO. 105**

Moved by Councillor A. Cullen
Seconded by Councillor B. McGarry

RESOLVED THAT the Regional Municipality of Ottawa-Carleton request the Legislature of Ontario to amend the re-structuring provisions of Part 1 of the Municipal Act cM45, so that its provisions apply to the Regional Municipality of Ottawa Carleton and the area municipalities and local boards therein.

"CARRIED" as amended by the following motion:

MOTION NO. 109

Moved by Councillor A. Muter
Seconded by Councillor P. Hume

RESOLVED THAT Motion No. 105 be amended to provide that Regional Council also requests a written confirmation from the Minister of Municipal Affairs and Housing that he will ensure that Ottawa-Carleton's local process, once commenced, will lead to a definite conclusion.

"CARRIED"

MOTION NO. 118

Moved by Councillor P. Hume
Seconded by Councillor B. McGarry

RESOLVED THAT Motion No. 117 be amended by Substitution with the following:

WHEREAS the Regional Municipality of Ottawa-Carleton and all area municipalities have agreed on a common process to review municipal governance in Ottawa-Carleton; and

WHEREAS the suggested change to the process from the Minister of Municipal Affairs and Housing is that the selection of a Citizens' Panel be accomplished locally;

THEREFORE BE IT RESOLVED that the original McGarry motion (MOTION NO. 68) be held intact and used as the terms of reference for the membership and function on the Ottawa-Carleton Citizens' Panel on municipal government reform; and

FURTHER BE IT RESOLVED that the Ottawa-Carleton Citizen's Panel on municipal government reform be comprised of 10 members plus a Panel Chairperson; and

FURTHER BE IT RESOLVED that the Citizens' Panel and Panel Chairperson be appointed by a selection committee constituted on the following basis:

- **The Chair of the Regional Municipality of Ottawa-Carleton or designate**
- **The Mayor of the City of Ottawa or designate**
- **A representative of the Ottawa-Carleton Mayors Forum**

FURTHER BE IT RESOLVED that the selection committee appoint the chair and members of the Citizens' panel by majority vote of the committee; and

FURTHER BE IT RESOLVED that this motion be adopted by the Council of the Regional Municipality of Ottawa-Carleton, subject to it being endorsed by a majority of area councils representing a majority of the population.

MOTION NO. 119

Moved by Councillor P. Hume
Seconded by Councillor A. Munter

WHEREAS Regional Council supports closure on the issue of municipal restructuring; and

WHEREAS Council has concerns about the arbitrary and authoritarian approach of a Commissioner, who is under no obligation to even speak to local officials before reaching a decision; and

WHEREAS the more open process of the Ontario Municipal Board, combined with the powers of a Commissioner, represents a timely, effective and transparent process for a conclusion to this issue;

THEREFORE BE IT RESOLVED that in the event that no local governance system recommendation is approved by the triple majority, then the Minister shall appoint the Ontario Municipal Board to review and establish the appropriate organization and responsibilities of local government in the Regional Area.

In carrying out it's responsibilities under paragraph (1), the Ontario Municipal Board shall:

- 1. be subject to the conditions, criteria and guidelines established by the Ottawa-Carleton Citizens' Panel on Local Governance reform.**
- 2. subject to clause 1, have all of the powers and responsibilities of a Commissioner under section 25.3 of the *Municipal Act*.**
- 3. issue its decision within four months of an inability to reach a local solution.**

In accordance with the provisions of the Ontario Municipal Board Act, and Part 1 of the Municipal Act, the Board shall, by Order, implement it's decision concerning the proper system and organization of local government in the Regional Municipality of Ottawa-Carleton .

MOTION No 131

Moved by: Regional Councillor ~~Di~~ Holmes
Seconded by: Regional Councillor ~~Al~~ Munter

Whereas The Government of the Province of Ontario will on June 5, 1997 introduce, during Private Members hour, a bill to extend the restructuring provisions of Bill 26 to the Region of Ottawa-Carleton; and

Whereas the Provincial Minister of Municipal Affairs, Al Leach, has outlined some of the potential options for implementing the results of the restructuring process; and

Whereas the transition arrangements allowed under Bill 26 could include the calling of a special election within months of the November 1997 elections or the scrapping of election results and the appointment by the Minister or a Commissioner of restructured councils; and

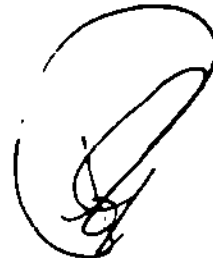
Whereas the Minister has indicated that some provisions of Bill 26 allow the suspension of democratic rights of the residents of Ottawa-Carleton;

Therefore be it resolved that Regional Council request that the Provincial Government ensure that the bill extending restructuring provisions to Ottawa-Carleton:

- respects the democratic rights of the residents of Ottawa-Carleton and prohibits the appointment of members to the restructured Council.
- respects the implementation timeframe recommended by the Ottawa-Carleton Mayors' Forum; the municipal elections in the year 2000.
- allows for full public hearings and consultation.

Further be it resolved that this motion be circulated to all area mayors and councils and all members of the Provincial Legislature.

"CARRIED" WITH COUNCILLOR MCGARRY AND
CHAIR CLARK DISSENTING



MOTION NO. 120

Moved by Councillor P. Hume
Seconded by Councillor A. Munter

RESOLVED THAT the Hume/Loney motion (MOTION NO. 117) on municipal Governance and the Hume/McGarry replacement motion (MOTION No. 118) and the Hume/Munter motion (MOTION NO. 119) be DEFERRED until such time as the private members bill extending the provisions of Bill 26 to the Region of Ottawa-Carleton comes into force and effect.

"CARRIED" on a division of votes of 10 yeas to 5 nays as follows:

YEAS: Councillors Meilleur, Holmes, Munter, van den Ham, Cullen, Bellemare, Hill, Loney, Hume and Chair Clark...10

NAYS: Councillors Kreling, McGarry, Hunter, Beamish and Legendre...5