



Minutes

The Blue Mountains Special Meeting of Council

Meeting Date: June 29, 2017
Meeting Time: 6:00 p.m.
Location: Beaver Valley Community Centre,
58 Alfred Street West, Thornbury
Prepared by Corrina Giles, Town Clerk

A. Call to Order

Mayor John McKean called the meeting to order with all members of Council present, save Councillor Michael Seguin.

Also in attendance were CAO Troy Speck, Director of Community Services Shawn Everitt, Director of Finance and IT Services Ruth Prince, Communications & Economic Development Coordinator Elizabeth Cornish and Manager of Human Resources Jennifer Moreau.

▪ Approval of Agenda

Moved by: John McGee Seconded by: R. J. Gamble

THAT the Agenda of June 29, 2017 be approved as circulated, including any items added to the Agenda, Carried.

▪ Declaration of Pecuniary Interest and general nature thereof

None

B. Workshop

B.1 Town of The Blue Mountains – Grey County Relationship Facilitated by Michael Fenn and John Matheson, Strategy Corp.

Councillor Michael Martin, Chair of the Town/County Steering Committee spoke introducing the Council members present. Councillor Martin noted that the purpose of this meeting is in response to a motion passed by Council directing staff to hold a workshop regarding the disparity The Blue Mountains has with Grey County. Councillor Martin noted that The Blue Mountains is home to roughly 7% of Grey County's permanent population but it is paying 26% of the County levy.

Councillor Martin then introduced Michael Fenn and John Matheson of Strategy Corp, the facilitators for this workshop.

John Matheson spoke providing an overview of his background. Mr. Matheson noting that the disparity experienced by The Blue Mountains matters, further noting that this is a positive matter to speak about. Mr. Matheson noted that municipal boundaries change, and that history has a role in the future. Mr. Matheson noted that Ontario has experienced waves of change with municipal boundaries.

Mr. Matheson noted that regional governments were established many years ago, and that 17 years ago the last round of municipal restructurings occurred. Mr. Matheson noted that there are two broad approaches to the disparity, that could include a change in the structure of Grey County, or work with Grey County to ensure The Blue Mountains gets a "fair" deal.

Michael Fenn then spoke noting that the issue of fairness can be resolved by adjusting the structure in terms of areas of responsibility or boundaries, or work within the current structure and review expenditures.

Mr. Fenn noted that this is not an issue that is exclusive to The Blue Mountains, further noting that the existing fiscal deal for all municipalities with the Province should be reduced or changed, including funding tools.

Mr. Fenn then provided an overview of the population and percentage of the levy paid by other Grey County municipalities. Mr. Fenn discussed fairness and equality.

Mr. Fenn then spoke regarding The Blue Mountains' Strategic Plan and how this discussion will link to the Strategic Plan. Mr. Fenn noted that the Strategic Plan notes "The Blue Mountains will constantly identify opportunities to improve efficiencies and effectiveness".

Mr. Matheson then spoke noting why this matters, and that The Blue Mountains should optimize the relationship with the County, and that The Blue Mountains should consider fiscal fairness in the context of the benefits of collaboration. Mr. Matheson noted that the right solution should have regard to the overall relationship and deliver appropriate value-for-money for Blue Mountains' taxpayers.

Mr. Fenn spoke regarding structural options for change, noting there are a range of structural options versus assess what options are right for The Blue Mountains. Mr. Fenn noted that the structural options include single tier, county two tier, and regional two tier, and provided an overview of each type of structure and their purposes.

Mr. Fenn then spoke regarding Counties, noting their responsibilities and services. Mr. Fenn noted that the appropriateness of County boundaries may no longer make sense today, noting over-the-boundary urban pressures. Mr. Fenn questioned if the internal boundaries should be changed, or if the external boundaries should be changed to leave or bring another municipality in.

Mr. Fenn then spoke noting there are two tests when assessing whether structural options could meet the needs of The Blue Mountains, would it help solve the problem and is it doable. Mr. Matheson noted that the boundaries could be changed or the County could change the services provided.

Mr. Matheson noted that restructuring is unpopular, further noting that the Province considers how to make government better when considering restructuring, including creating governments that are "close to the people", is the restructuring sustainable, and conflict avoidance, meaning leave it up to local initiative and fairness.

Mr. Matheson noted that the Province is concerned about those left behind, noting if one municipality leaves the County, how will it affect those municipalities left behind. Mr. Matheson noted that fairness is often a casualty and referred to the rules in the Municipal Act regarding annexations and amalgamations.

Mr. Matheson noted that a triple majority applies to a two-tier municipal government, noting that proposals require a triple majority, including the support by the upper tier, a majority of lower tier councils, and the support must represent the majority of the electors within the affected municipalities. Mr. Matheson noted that every 25 years there has been an ebb of activity, noting that growth pressures force change.

Mr. Matheson noted that although there are legal processes for restructuring, implementing these processes proves difficult due to the impact of political obstacles. Mr. Matheson noted that the process is challenging for the Province and is unpopular at the local level.

Mr. Fenn then spoke regarding alternatives available to The Blue Mountains, including taking measures to change the contribution to the County, change the County expenditure budget, reduce or change the portfolio of County services, reduce or change the overall portfolio of municipal services and funding tools.

Mr. Fenn spoke regarding changes to the contribution model, and questioned what is the most appropriate model. Mr. Fenn questioned if this could be done in whole or in part, and questioned if property-related services could be treated differently than services to people. Mr. Fenn noted that The Blue Mountains would benefit from a shift to per household or per capita models, however, Provincial law says that the County levy is based on equalized assessment and tax classes.

Mr. Fenn noted that when setting the budget at the County, that the County could shift the budget to determine a budget allocation that spent more in The Blue Mountains, further noting that this would not lower the amount levied but would deliver better value to The Blue Mountains taxpayers.

Mr. Fenn noted that municipalities have opted out of some County systems, ie. roads. Mr. Fenn noted that the County could reduce the overall levels of service, could migrate services to local municipalities, further noting that the right mix of services migrated could lower the burden on the Town. Mr. Fenn noted that the County could allow opting out of services or direct chargeback fee for service model or change from property tax to user fee. Mr. Fenn noted that in each of the cases suggested, there would be an offsetting reduction from the levy, and would require the consent of a majority on County Council.

Mr. Matheson noted that changing the way in which County Council votes on matters to an up-to-date approach on how votes are counted would assist.

Mr. Matheson noted that it is important for AMO (Association of Municipalities of Ontario) that municipalities keep the pressure on the Province, further noting that this could improve the overall sustainability of the Town, though would not address the fairness issue.

Mr. Matheson then spoke regarding options, including structural options, change in the property tax revenue sharing model, change the County expenditures budget, change/reduce the portfolio of County services, new deal for municipalities from the Province. Mr. Matheson noted that there is a need for a multi-pronged approach, further noting that structural conflict does not serve municipal relationships well.

Councillor Martin then spoke noting that the reason this matter is before us this evening is in response to a Council resolution, suggesting single tier, or to work with the County.

Councillor Halos spoke thanking Mr. Fenn and Mr. Matheson for their presentation. Councillor Halos questioned if there are recent changes to the Municipal Act that may lead to future restructurings? Mr. Fenn spoke in response noting that not all municipalities restructured in the last round of restructurings, further noting that there are no recent changes to the Municipal Act that facilitate restructurings. Mr. Fenn noted that time has passed and that with political stresses, other municipalities are experiencing similar issues. Mr. Fenn noted that conditions are growing that may support changes.

Councillor Halos noted that The Blue Mountains needs the County as a partner, further noting that growth is fueled here in The Blue Mountains, and The Blue Mountains requires money for infrastructure. Councillor Halos noted that The Blue Mountains is where the growth is in Grey County, and that the County should support The Blue Mountains.

Councillor McGee spoke noting The Blue Mountains is unique in that 60% of the homes here are second homes. Councillor McGee noted that The Blue Mountains has tremendous recreational and tourism and are raising much of the revenues for the County. Councillor

McGee noted that much of The Blue Mountains are not consumers of County Services, referencing social services. Mr. Fenn spoke in response noting that this is not unique, further noting that Muskoka is very similar, further noting that services are enjoyed by the residents. Mr. Fenn noted that Muskoka is currently discussing long term care.

Resident, Alar Soever, spoke questioning if there has been a situation where the disparity has been resolved with a separation. Mr. Fenn spoke in response noting that the existing legislation allows the municipality to leave the County with triple majority support, further noting that this has not been successful for any municipality. Mr. Fenn noted that Orillia is a separated municipality that shares some services across the County line, further noting that this was completed by legislation. Mr. Fenn noted that the Regional Municipality of Haldimand Norfolk was split and became two single tier municipalities, further noting that this was not an easy road.

Resident, John Leckie, spoke noting the Blue Mountain Ratepayers Association has raised 11 points for Council to consider regarding the disparity at the County. Mr. Leckie noted that County development charges are collected here in The Blue Mountains, then sent to Grey County. Mr. Leckie noted that The Blue Mountains requires the development charge funds here in The Blue Mountains to assist with infrastructure costs. Mr. Fenn spoke in response noting that this is a good example, further noting that a study could be completed on the impact and focus on growth pressures as these two conditions are important. Mr. Fenn noted that this is a good idea, and should be probed.

Resident, Rod Innes, spoke questioning how carefully we have examined the problem, and questioned if the problem has been dealt with to ensure it exists. Mr. Innes noted that the community brings all together to support each other. Mr. Innes noted that there are a great number of people in desperate situations living in the City of Owen Sound, further noting that the levy paid to the County supports services for people in need. Mr. Innes noted that he does not believe that there is a problem with the current relationship with Grey County.

Resident, Ron Hartman, spoke noting that the County should increase the amount of money spent in The Blue Mountains, the benefit of which would then flow back to the County. Mr. Hartman questioned in this scenario, would there be an impact on the homeowner, Mr. Matheson spoke in response noting that any methodology that puts more County money in The Blue Mountains does not put an increased burden on the taxpayer. Mr. Matheson noted that the realities of the 444 municipalities in Ontario is that they have extraordinary methods to maintain their capital, further noting that some strategies reduce the amount collected, others increase services.

Resident, Paul Mitchell, spoke noting he has lived in The Blue Mountains for 20 years, further noting that he does not want to see The Blue Mountains separate from the County, and that he does not support single tier. Mr. Mitchell noted that The Blue Mountains should receive more benefit from the County, further noting that the County should transfer the County Roads in The Blue Mountains to The Blue Mountains to maintain and improve. Mr. Mitchell noted that if the County wants The Blue Mountains to be its “cash cow”, that the County should provide increased support to The Blue Mountains. Mr. Mitchell noted that this could be achieved without help from the Province, though The Blue Mountains would have to get the County to listen.

Peter Bordignon, President of the Blue Mountain Ratepayers Association spoke questioning the mechanisms to move forward. Mr. Bordignon noted that the weighted vote at the County does not work for The Blue Mountains. Mr. Matheson spoke noting that The Blue Mountains needs to lobby the County, further noting that this workshop is a good first step. Mr. Matheson noted that The Blue Mountains needs to be clear as to what it wants, and ensure that the ask is well bunkered with good data to make the case. Mr. Matheson noted that building allies, mobilizing those who understand what The Blue Mountains is asking for, with a clear statement is important. Mr. Matheson noted that a positive attitude, with public support is important.

Mr. Fenn noted that Council will determine its next steps, further noting that the public should recognize that this is not public policy, but is a negotiation. Mr. Fenn noted that with respect to roads and transportation, a negotiation that includes a number of items can help the negotiation, further noting that it is a give and take. Mr. Fenn noted that this could include the level of services provided to The Blue Mountains, and development charges, further noting that goodwill should be maintained.

Councillor Martin then spoke noting that the County is listening, further noting that he attended a Town/County taskforce meeting yesterday.

Councillor Halos spoke further to the comment regarding development charges, and noted that when the background study is completed, that The Blue Mountains needs to ensure that the County knows that the growth is in The Blue Mountains.

Resident, Rod Innes, spoke noting that The Blue Mountains is a second home community, and that more second homes are being converted to full time homes. Mr. Innes noted that this will continue to happen, further noting that this happened at Niagara on the Lake. Mr. Innes noted that change is taking place, and that as second homes become permanent homes, more services will be required here in The Blue Mountains. Mr. Innes then noted that transportation is an issue in The Blue Mountains as seniors age and can no longer drive. Mr. Innes noted that The Blue Mountains has pockets of wealth and pockets of poverty, further noting that his main message is that we are all in it together and that we should be cognizant of change.

As no one further wished to speak, Mayor McKean thanked Mr. Matheson and Mr. Fenn for the presentation.

C. Adjournment

Moved by: Michael Martin Seconded by: Gail Ardiel

THAT this Council does now adjourn at 7:55 p.m. to meet again at the call of the Chair,
Carried.

John McKean, Mayor

Corrina Giles, Town Clerk