

Key Messages for Public Consultation on MGA Amendments

The following is a summary of MGA amendments. As Municipal Affairs has structured its consultation sessions to require attendees to provide input in the form of questions, we hope you will use these suggested questions to support our advocacy on required changes to the amendments.

Questions to Pose

Topic	Impact of MGA Amendments	Questions to Pose at Consultations
<p>Intermunicipal Collaboration Frameworks (ICF)</p>	<ul style="list-style-type: none"> • Municipalities must enter into mandatory intermunicipal agreements to plan, deliver and fund infrastructure and services that are located in one municipality and used by citizens and businesses in other municipalities. • An agreement is required between two neighboring municipalities or alternatively an agreement can be done at a regional level with multiple municipalities. <ul style="list-style-type: none"> ○ Participating municipalities do not have to have contiguous borders providing the agreement pertains to a regional infrastructure or service. ○ As Growth Management Boards are a form of an ICF, municipalities within those Boards do not need to do ICFs unless they are located on the fringe and have a neighboring municipality who is not included in the Board. • Intermunicipal agreements must be submitted within 2 years. <ul style="list-style-type: none"> ○ If an agreement cannot be reached, a third party arbitrator is selected by the municipalities or Minister. The costs of arbitration are paid by the municipalities. ○ Up to an additional year is allowed for arbitration so the agreement must be reached by 3 years. • An intermunicipal development plan (IDP) must be included in the agreement. <ul style="list-style-type: none"> ○ The amendment states that the IDP must be completed within 5 years. This appears to be an error since the IDP must be attached to the ICF agreement which is due in 3 years. • Intermunicipal agreements must be reviewed every five years. 	<ul style="list-style-type: none"> • How will you work with municipalities to set out the specifics of funding formulas? • Can you confirm our understanding from an earlier consultation session that the 5 year timeframe for an intermunicipal development plan was an oversight and will be changed to 3 years so it aligns with requirements to include it in the intermunicipal agreement?

<p>Municipal Development Plans</p>	<ul style="list-style-type: none"> • All municipalities will now be required to have a municipal development plan within 3 years. Currently it is only mandatory for municipalities with a population greater than 3,500. • As an intermunicipal development plan is required before a municipal development plan can be created, the 3 year timeframe is problematic. 	<ul style="list-style-type: none"> • If the intermunicipal development plan is due in 5 years (or 3 years if the province fixes the assumed error), how can the MDP be done at the same time? Will you consider changing the MDP timeline to be a year after the intermunicipal development plan? • What supports will be available to help municipalities who currently do not have a municipal development plan?
<p>Provincial-Municipal Relationship</p>	<ul style="list-style-type: none"> • The new preamble includes ideas about a partnership between the province and municipalities. However, it is not binding nor does it include mandatory consultation with municipalities when they are impacted by provincial decisions. 	<ul style="list-style-type: none"> • How can municipalities and the province be partners if there is no requirement to consult municipalities when the province makes decisions that impact us? <p>How can municipalities effectively carry out the planning and provision of infrastructure and services when we don't know what the province is considering in terms of its economic, social and environmental policies?</p> <p>Why have you excluded mandatory consultation from the amendments?</p>
<p>Core Municipal Funding</p>	<ul style="list-style-type: none"> • No change – grants will still be conditional and subject to unexpected change through the annual provincial budget and there is no sharing of provincial revenue. • We heard at the Lac La Biche consultation session that no additional tax or revenue powers were given because municipalities already have enough funding. As well the province said that the education property tax would remain in place so it could fund education. 	<ul style="list-style-type: none"> • Why did you ignore requests to change the funding model to make core grants statutory and indexed like federal grants? How can you expect municipalities to provide long term plans when the province can change funding each year? • Why are no additional revenue or tax powers added for municipalities who

		<p>otherwise have no way of addressing their growth pressures or special needs?</p> <ul style="list-style-type: none"> • Why is the province refusing to share provincial revenue with municipalities? • Given municipalities have a \$26 billion infrastructure deficit and budgets are constantly reducing like the removal of grants in lieu of taxes, how can municipalities be expected to carry out their core responsibilities without sufficient funding?
<p>Offsite Levies</p>	<ul style="list-style-type: none"> • Four additional categories of offsite levies have been added for optional use by municipalities – fire stations, police stations, libraries, and recreation facilities. The levy will be assessed based on the relationship of benefit to the new development in terms of the proportion to the total benefit area, with a minimum of 30 per cent that must accrue to the new development. • This 30 per cent does not apply to the existing levies. • There are no new provisions for re-collecting levies following significant redevelopment or re-negotiating levies with developers. 	<ul style="list-style-type: none"> • How did you determine the 30 per cent benefit threshold for the new categories of offsite levies? • How are you defining benefit areas? Will they encompass regional use? How will benefits be calculated given developments in small municipalities will likely never be able to hit that threshold based on population?
<p>Elected Officials Training</p>	<ul style="list-style-type: none"> • Municipalities must offer training to elected officials following a municipal election or by election. <ul style="list-style-type: none"> ○ Municipalities can determine the method of delivery and specific contents but must follow the scope set out in the amendments. It is expected that the Elected Officials Education Program that is operated by AUMA and AAMDC could be utilized. • The amendments do not require elected officials to take the training. <ul style="list-style-type: none"> ○ If municipalities choose, they could likely set out the requirement for mandatory completion of training in their code of conduct bylaws along with some sanctions if the training is not completed. However, 	<ul style="list-style-type: none"> • Why do the amendments require municipalities to provide training for elected officials if there is no requirement for elected officials to complete the training? • Will municipalities be able to use their code of conduct to outline requirements for mandatory completion of training by elected officials? • What are the consequences if elected officials do not take the training?

	<p>this option will not be known with certainty until the province develops the regulation on code of conduct.</p>	
Inclusionary Zoning	<ul style="list-style-type: none"> • Municipalities can use inclusionary zoning if they wish. • Offsets to developers will be required to reduce the impact on builders and the housing market. <ul style="list-style-type: none"> ○ The process and expectations around these offsets will be set out in a regulation but could include density bonuses. • Using the inclusionary zoning tool will not impact the 10 per cent amount for municipal reserves. • There may be a linkage between inclusionary zoning and the growth management boards, as affordable housing will be considered a regional service. For other municipalities, affordable housing may fit within intermunicipal collaboration frameworks. 	<ul style="list-style-type: none"> • How do these changes ensure a shared responsibility for affordable housing so that municipalities don't bear all the costs?
Reserves	<ul style="list-style-type: none"> • Environmental reserves are defined as land unsuitable for development and municipalities can determine reserves earlier in the planning process. • Added conservation reserve that municipalities can use to protect nature and steward tree stands, wildlife habitat, and wetlands. <ul style="list-style-type: none"> ○ Municipalities are required to provide appropriate compensation to landowners (to be defined in regulation). ○ Conservation reserve will be treated the same way as environmental reserve with regard to municipal reserve calculations in that it will be subtracted from the total land before the formula for reserves is applied. • No changes to municipal reserves and school reserves – matter referred to Minister of Education. 	<ul style="list-style-type: none"> • How is the province intending to engage municipalities and school boards on developing solutions to current issues with school site reserves?
Property Assessment and Taxation	<ul style="list-style-type: none"> • 5 to 1 ratio between non-residential and residential rates. • Additional non-residential sub-classes (to be set out in regulation). • Centralized industrial assessment. <ul style="list-style-type: none"> ○ The definition of industrial property includes linear properties, railway, electric power generation, and major 	<ul style="list-style-type: none"> • How will municipalities that have a ratio greater than 5 to 1 between non-residential and residential properties be treated?

	<p>plants including lands, buildings and structures, and machinery and equipment relating to major plants.</p> <ul style="list-style-type: none"> ○ Light industrial warehouses or facilities that could be converted to another application will not be included. ○ The province will allow municipalities three years to make the transition. <ul style="list-style-type: none"> ● Removed leave to appeal process in an attempt to streamline the assessment appeal process – this could lead to thousands of assessment appeals for judicial review. 	<ul style="list-style-type: none"> ● What kinds of additional non-residential property classifications are you considering? ● How will you allow municipalities to have input and oversight on the centralized assessment of industrial property? ● How will the province address the new burden placed on municipalities and the Courts that could be created by removing the leave to appeal process?
Ombudsman	<ul style="list-style-type: none"> ● Alberta Ombudsman will receive and respond to complaints about administrative fairness in municipalities. ● The Ombudsman will assess if municipal actions and decisions are fair and consistent with relevant legislation, policies and procedures such as the MGA and local bylaws. ● The Ombudsman does not review the quality of decisions made by council, and current processes such as municipal inquiries and inspections will remain in place to address larger concerns about municipal governance and operations. ● The Ombudsman will not review council disputes, as this will be addressed separately through the codes of conduct bylaw. 	<ul style="list-style-type: none"> ● How will you ensure that the Ombudsman only reviews complaints about administrative fairness rather than the outcome of council decisions?
General	<ul style="list-style-type: none"> ● It is difficult to assess the impact of the amendments since the province advises that the details will be set out in regulation. ● It has been a year since the 2015 MGA amendments were approved and we still do not have the regulations for those (pertain to matters such as code of conduct, amalgamation, annexation, and 3 year operating and 5 year capital plans). ● As there are over 60 regulations that will be required to support these 2015 and 2016 amendments, it will be a significant undertaking to get them completed before the 2017 municipal election. ● Regulations do not require the same level of debate and are approved by the Minister. 	<ul style="list-style-type: none"> ● Why are so many details of the changes being left to regulations rather than embedded in the amendments? ● How do you expect that 60 regulations can be developed in consultation with municipalities in time for the 2017 municipal election?