

Staff Report

Administration – Chief Administrative Officer

Report To: Council Meeting Meeting Date: May 12, 2025
Report Number: ADM.25.032

Title: Strong Mayor Powers Update

Prepared by: Adam Smith, Acting Chief Administrative Officer

A. Recommendations

THAT Council receive Staff Report ADM.25.032, entitled "Strong Mayor Powers Update".

B. Overview

The purpose of this report is to provide information on the Ontario Government's amendments to Ontario Regulation 530/22 (O. Reg 530/22) being the expansion of Strong Mayor Powers to additional municipalities including the Town of The Blue Mountains. The report also offers an overview of administration's plan to review and integrate the Strong Mayor Powers into various by-laws, policies and processes of the Town.

C. Background

On April 9, 2025, the Ontario Government announced a proposed amendment to O. Reg 530/22 that would expand Strong Mayor Powers framework to the heads of council of an additional 169 municipalities, effective May 1, 2025, with the Town of The Blue Mountains being one of the 169 municipalities. Currently, the framework applies to 47 municipalities in Ontario. The powers provided to Heads of Council under this legislation are as follows:

- Ability to choose to appoint the municipality's Chief Administrative Officer;
- Ability to hire certain municipal department heads (excluding statutory officers) and to establish and reorganize departments;
- Ability to create local boards and committees of Council, assign their functions and appoint their chairs and vice-chairs;
- To propose the municipal budget, which would be subject to Council amendments and a separate Head of Council veto and Council override process (Budget must be put forth by February 1 or else this reverts to all of Council);
- Proposing certain municipal bylaws if the Mayor is of the opinion that the proposed bylaw could potentially advance a provincial priority identified in regulation. Council can pass these bylaws if more than one-third of all Council members vote in favour;

Council 5/12/2025 ADM.25.032 Page 2 of 7

- Bringing forward matters for Council consideration if the Head of Council is of the opinion that considering the matter could potentially advance a provincial priority;
- vetoing bylaws or parts of bylaw within 14 days of passing if the Mayor is of the opinion that it could potentially interfere with a provincial priority through written notice to the Clerk.

As noted in Minister Rob Flack's correspondence submitted to the Town (Attachment 1), these powers are intended on being used to align with provincial priorities which are set forth in O. Reg 580/22 and include:

- Building 1.5 million new residential units by December 31, 2031.
- Constructing and maintaining infrastructure to support housing, including,
 - o i. transit,
 - o ii. roads,
 - o iii. utilities, and
 - o iv. servicing.

When a mayoral power is connected to the provincial priorities, it is at the discretion of the Mayor alone whether a particular item or bylaw potentially advances or interferes with a provincial priority.

It is worth noting that Strong Mayor Powers do not transfer to a Deputy Mayor and must be exercised in writing. The municipality does not have the ability to 'opt out' of these powers and only some may be delegated including:

- The power to establish prescribed Committees and assign their functions can be delegated to Council;
- The power to appoint chairs and vice chairs of prescribed Committees can be delegated to Council;
- The power to appoint the CAO can be delegated to Council;
- The power to hire and dismiss Departments heads can be delegated to the CAO
- The responsibility for the Town's Organizational Structure can be delegated to the CAO

If these powers are delegated, the Mayor does have the ability to rescind the delegated authority without Council approval.

D. Analysis

In reviewing prospective impacts to the Town of The Blue Mountains, staff offer commentary according to three different themes; legislative, budgetary and administrative. Following the analysis of impacts respecting each theme, staff outline required changes to relevant policies and procedures.

Legislative

In advancing provincial priorities, the Mayor can bring forward or veto a by-law governed under any Act including the Municipal Act, Planning Act and Development Charges Act. In advancing a by-law, the Mayor is not bound by the requirements of the Town's Procedural By-law.

In advancing prescribed provincial priorities there are two distinct powers; one is to require Council to "consider a matter" at a meeting which involves a *majority vote*. The second is to require Council to "consider and vote on a by-law" which requires *more than 1/3 vote*.

In the case of vetoing a by-law, the Mayor has 48 hours of a by-law passing at a Council meeting, to approve the By-Law in writing; veto the by-law (with reasons) via formal notice; or indicate notice of intention to consider vetoing the by-law. Should the Mayor exercise a notice of intention to veto a by-law, within 14 days of the Council meeting, the Mayor is required to provide written approval of the By-Law or veto the By-Law in writing with reasons. Within 21 days of receiving a veto notice from the Clerk, Council can override the veto with a 2/3 vote.

The Town Clerk is required to provide a copy of the veto notice to Council. The Clerk is also required to provide a copy of the notice to the public.

Next Steps

As part of the review of the Town's Procedural By-law, staff will be reflecting these new legislative practices, however, as noted above these powers are in effect and can be utilized. Additionally, by-law templates will be created to clearly note whether a by-law was subject to a veto or not.

Amendments to the Notice Policy will also be required and an approach adopted that provides suitable notice to the public in the use of the strong mayor powers.

Budgetary

Council does not approve the budgets – it is now the Mayor's budget which must be proposed and must be adopted (subject to amendments). This power cannot be delegated, it can only be forfeited to Council if the budget is not proposed by February 1st. However, while the mayor "proposes and adopts" the budget, Council is still required under the Municipal Act to pass the tax ratio, fees and levy by-laws.

If the Mayor provides a budget prior February 1st, Council has 30 days, after receipt of budget, to amend the proposed budget. Mayor has 10 days, after Council amendment, to veto a council budget amendment. Council has 15 days, after notification of veto, to override the veto with 2/3 vote. These timelines can be shorted via Council resolution.

Generally, mayors from municipalities with strong mayor powers have in practice essentially 'forfeited' this power through written notice and directed staff to bring the budget forward in the traditional manner.

Next Steps

In the scenario that the Mayor wishes to exercise the power to the full extent available, the Town's budgetary process will need to be completely reevaluated. The Mayor can choose to have administration support the preparation of the budget, but under the legislation the Mayor is the lead in this process.

Similar to most municipalities with these powers, the Mayor may wish to have the budget prepared in the traditional manner but to ensure alignment with the statute, written notice should be provided to do so with an acknowledgement that the Mayor's powers are unfettered. While in practice it will be prepared by staff, the budget will continue to remain the Mayor's unless it is not provided by February 1st.

In both cases, organization of the budget agenda will need to be changed to differentiate between Council and Mayoral responsibilities in budgetary matters.

Administrative

Further to the Background section of the report, the powers that can be delegated do contain some nuances. For committees, the establishment, appointment and assignment powers only apply to those that solely consist members of Council. They also apply to local boards however, these have yet to be prescribed and it is unclear if there will be any in the future.

In delegating powers related to the hiring and dismissal of division heads, the Mayor can still cite specific positions to which they would like to retain some authority. The only exception relates to statutory positions such as the Clerk, Treasurer, Chief Building Official and Fire Chief. These appointments are outside of the purview of the strong mayor powers. The caveated approach to delegating authority also extends to the organizational structure in which certain departments may be identified for mayoral involvement.

Administering the use of these powers is largely at the discretion of municipalities but many have chosen to institutionalize them in the form of Mayoral Decisions and Mayoral Directives. Through Mayoral Decisions, there is to be the publication of vetoes and/or by-laws to support provincial priorities. Mayoral Directives are records of directions made by the mayor and given to staff to do research and conduct preparation on an item. In certain circumstances, this may also include directions to carry out duties to implement Decisions.

Next Steps

As an immediate next step, staff will be creating an online repository related to Mayor Decisions and Mayoral Directions through a dedicated page on the Town's website. Templates will be created for both instruments recognizing that not using these powers still require their use.

This principle applies to circumstances where the mayor has delegated certain authorities given they can be easily revoked. The Town will need to amend policies respecting the recruitment and performance management process alongside creating new protocols in the drafting of employment contracts.

Currently, staff are also reviewing the Council-Staff Relations Protocol and through this review will need to reflect the unique features of the relationship with the Mayor relative to other members of Council.

Summary

The expansion of the Strong Mayor Powers framework to the Town of The Blue Mountains represents a major change to the Town's administrative-political dichotomy that will permanently alter approaches to policy development, recruitment, budgeting and procedures underpinning governance in the Town. While municipalities have expressed concerns regarding the legislation and positions made as to whether the powers will be used, the Mayor will inevitably be required to use them to some degree. For example, even in delegating certain authorities, the act of doing so requires a Mayoral Directive. While there are number of consequences that are likely unintended from the legislation, the primary objective of the strong mayor powers is to facilitate growth in a timely manner. As such, if the powers are scoped to this specific purpose, the scale of change to be managed can be reduced.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

F. Environmental Impacts

G. Financial Impacts

There may be legal expenses associated with undertaking reviews of relevant policies and procedures governing employment matters due to the legislation.

Establishing administrative arrangements to accommodate the use of these powers will require dedicated time and resources in the CAO's Office, Human Resources Division, Clerk's Division, Strategic Initiatives and Corporate and Financial Services.

H. In Consultation With

Senior Management Team

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Adam Smith, Acting Chief Administrative Officer cao@thebluemountains.ca.

J. Attached

- 1. April 9, 2025 Letter from Hon. Rob Flack, Minister of Municipal Affairs and Housing
- 2. May 1, 2025 Letter from Hon. Rob Flack, Minister of Municipal Affairs and Housing

Respectfully submitted,

Adam Smith
Acting Chief Administrative Officer

For more information, please contact: Adam Smith, Acting Chief Administrative Officer cao@thebluemountains.ca 519-599-3131 extension 234

Report Approval Details

| Document Title: | ADM.25.032 Strong Mayor Powers Update.docx |
|----------------------|---|
| Attachments: | - Attachment-1-April-9-2025-Letter-from-Hon-Rob-Flack-MMAH.pdf - Attachment-2-May-1-2025-Letter-from-Hon-Rob-Flack-MMAH.pdf |
| Final Approval Date: | May 5, 2025 |

This report and all of its attachments were approved and signed as outlined below:

Adam Smith - May 5, 2025 - 8:34 AM

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17th Floor Toronto ON M7A 2J3 Tel.: 416 585-7000 Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17e étage Toronto (Ontario) M7A 2J3 Tél. : 416 585-7000



234-2025-1568

April 9, 2025

Dear Head of Council:

To further support municipalities in delivering much-needed housing and other provincial priorities, I am pleased to inform you that our government intends to expand strong mayor powers to your municipality.

Following previous expansions, we have seen strong mayors put these transformative powers into action to support growth, from proposing budgets to setting up organizational structures to proposing by-laws to help advance provincial priorities such as building more homes and constructing and maintaining infrastructure to support housing.

Our government's expectation is that you will make use of these powers in a similar way, supporting provincial priorities that will help our province and our communities grow. These priorities include supporting the construction of new homes, economic development and building infrastructure that supports community growth, including housing-enabling infrastructure like water and wastewater infrastructure, as well as roads, highways, transit and more.

Heads of council in strong mayor municipalities can:

- Choose to appoint the municipality's chief administrative officer.
- Hire certain municipal department heads, and establish and re-organize departments.
- Create committees of council, assign their functions and appoint the Chairs and Vice-Chairs of committees of council.
- Propose the municipal budget, which would be subject to council amendments and a separate mayoral veto and council override process.
- Veto certain by-laws if they are of the opinion that all or part of the by-law could potentially interfere with a provincial priority, such as housing, transit and infrastructure.
- Bring forward matters for council consideration if they are of the opinion that considering the matter could potentially advance a provincial priority.
- Propose certain municipal by-laws if they are of the opinion that the proposed by-law could potentially advance a provincial priority. Council can pass these by-laws if more than one-third of council members vote in favour.

.../2

| If you have any questions, please reach out to my Director of Stakeholder and C Relations, Tanner Zelenko, | aucus |
|--|-------|
| Please accept my best wishes. | |
| Sincerely, | |

Hon. Rob Flack Minister of Municipal Affairs and Housing

c: Robert Dodd, Chief of Staff
Martha Greenberg, Deputy Minister
Caspar Hall, Assistant Deputy Minister, Local Government Division
Sean Fraser, Assistant Deputy Minister, Municipal and Housing Operations
Division
Municipal Clerk and Chief Administrative Officer

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17th Floor Toronto ON M7A 2J3 Tel.: 416 585-7000 Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17° étage Toronto ON M7A 2J3 Tél.: 416 585-7000



234-2025-1992

May 1, 2025

Dear Head of Council:

To follow up on <u>our government's announcement from April 9, 2025</u>, I am pleased to inform you that as of May 1, 2025, we have expanded strong mayor powers to heads of council of an additional 170 municipalities. This includes your municipality.

Heads of council in strong mayor municipalities are able to:

- Choose to appoint the municipality's chief administrative officer.
- Hire certain municipal division heads, and establish and re-organize divisions.
- Create committees of council, assign their functions and appoint the Chairs and Vice-Chairs of committees of council.
- Veto certain by-laws if they are of the opinion that all or part of the by-law could
 potentially interfere with a prescribed provincial priority, such as housing, transit and
 infrastructure.
- Bring forward matters for council consideration if they are of the opinion that considering the matter could potentially advance a prescribed provincial priority.
- Propose certain municipal by-laws if they are of the opinion that the proposed by-law could potentially advance a prescribed provincial priority. Council can pass these bylaws if more than one-third of all council members vote in favour.
- Propose the municipal budget, which would be subject to council amendments and a separate mayoral veto and council override process.

Some strong mayor powers are related to prescribed provincial priorities that are identified in O. Reg 580/22.

Heads of council in strong mayor municipalities are subject to existing accountability and transparency rules, as well as certain additional rules. For example, when the head of council exercises many of the strong mayor powers and performs many of the strong mayor duties, they are required to provide written documentation to the municipal clerk and members of council by the next business day. They must also make this written documentation available to the public.

For more information on strong mayor powers and duties please see:

- The Strong Mayor chapter of the Ontario Municipal Councillor's Guide
- Part VI.1 of the Municipal Act, 2001 <u>Special Powers and Duties of the Head of</u> Council
- Regulations made under the Municipal Act, 2001 that relate to strong mayor powers and duties: O. Reg 580/22; O. Reg. 530/22

If you have any questions, please reach out to my Director of Stakeholder and Caucus Relations, Tanner Zelenko, at 437-996-2487 or tanner.zelenko@ontario.ca.

Please accept my best wishes.

Sincerely,

Hon. Rob Flack Minister of Municipal Affairs and Housing

Robert Dodd, Chief of Staff
 Martha Greenberg, Deputy Minister
 Caspar Hall, Assistant Deputy Minister, Local Government Division
 Sean Fraser, Assistant Deputy Minister, Municipal & Housing Operations Division
 Municipal Clerk and Chief Administrative Officer