

Staff Report

Presented By:	Kara Van Myall, Chief Administrative Officer Dawn Mittelholtz, Manager, Legislative Services/Clerk
Meeting Date:	May 20 th , 2025
Subject:	Strong Mayor Powers Implementation
Attachment(s):	Mayor Charbonneau Commenting Submission Minister's Letter to Heads of Council May 1, 2025

Recommendation

That Council receive the Strong Mayor Powers Implementation report for information.

Report Summary

On May 1, 2025 the Town of Saugeen Shores joined 214 other municipalities in being designated by the Province as having Strong Mayor Powers. This report provides Council and the public with information on these powers and outlines the intended approach the Town will take to implement the changes.

Background/Analysis

On April 14, 2025 the <u>Opposition to Amendments to O. Reg. 530/22 to Strong Mayor Powers</u> report was provided to Council, overviewing the Strong Mayor Powers as proposed in section <u>Part VI.1</u> of the Municipal Act, 2001 (Act).

Mayor Charbonneau submitted comments to the ERO posting on April 14, 2025 (attached) outlining his position on this direction after discussion with Council. As the Mayor has indicated, he intends to delegate these powers back to the elected Council and the Chief Administrative Officer (CAO) wherever permitted by the legislation. This implementation report has been developed with that direction in mind.

On May 1, 2025, the Minister of Municipal Affairs and Housing announced that the Town of Saugeen Shores was to receive Strong Mayor Powers (attached).

Overview of Strong Mayor Powers

The following legislation informs the Strong Mayor Powers and was used to develop this report. Additionally, John Mascarin, Partner, Aird & Berlis LLP reviewed this report and is attending the meeting to answer questions.

- Provincial Priorities (O. Reg. 580/22)
- <u>O. Reg. 530/22</u>:
- Part VI.1 of the Municipal Act, 2001, Special Powers and Duties of the Head of Council
- Municipal Conflict of Interest Act, s. 5.3

The Strong Mayor Powers in <u>Part VI.1</u> of the Act fall into three board categories that will be used to review the implementation of these powers: 1) Legislative Powers, 2) Budget Duties; and 3) Administrative and Political Powers.

Strong Mayor Powers have been introduced to support Provincial Priorities. <u>O. Reg 580/22</u> defines provincial priorities as:

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

It should be noted that the Mayor cannot delegate Legislative Powers or Budget Duties. The Mayor can delegate Administrative and Political Powers.

The Mayor's powers to advance or protect provincial priorities cannot be surrendered or assigned; the Mayor can only indicate an intention to not to use these powers, and that intent is not binding on them or any successor.

Any decision made, veto or power exercised by the Mayor, if made legally and in good faith, cannot be quashed or judicially reviewed for unreasonableness (284.14). There are several supporting provisions meant to ensure accountability and transparency:

- Any direction provided by the Mayor to municipal employees under s. <u>284.3</u> is required to be in writing to be provided to the Clerk and CAO.
- New section <u>5.3</u> of the Municipal Conflict of Interest Act (MCIA) prohibits the Mayor from exercising any Strong Mayor Powers if they have a pecuniary interest in a matter and to file a written statement with the Clerk under section <u>5.1</u> upon becoming aware of the pecuniary interest.

Mayoral Decisions and Directions are required to be made in writing, are required to be public and need to be administered in a way that creates a record of decisions.

<u>Section 3</u> of O. Reg. 530/22 provides when exercising a power or performing a duty under <u>Part</u> <u>VI.1</u> of the Act the Mayor, as head of Council shall,

(a) by the next business day, provide the written record produced in accordance with subsection <u>284.4 (1)</u> of the Act to each member of Council and to the Clerk; and

(b) subject to the Municipal Freedom of Information and Protection of Privacy Act, make the written record available to the public.

The suggested best practice is that Mayor Decisions and Directions be modelled on a by-law style to reflect their status as formal legislative instruments on par with by-laws. There are exceptions in cases where the <u>Municipal Freedom of Information and Protection of Privacy Act</u> (MFIPPA) exceptions apply.

Vacancy in Office of Head of Council (284.12)

Part VI.1 of the Act eliminates the option to appoint a head of Council in the event of vacancy occurring before March 31 in an election year. A by-election is required to fill the mayoral vacancy of office. This could give rise to a by-election that overlaps with the opening of the campaign period for the regular election on May 1. The Mayor is the only elected head of Council that has Strong Mayor Powers, the Powers do not transfer to a deputy, interim or acting Mayor no matter the situation. The Powers in <u>section 275</u> of the Act regarding lame duck do not apply to a Strong Mayor.

The following outlines some procedural details for the three broad categories in the Strong Mayor Powers legislation to provide clarity on implementation questions that may arise.

(1) Legislative Powers

<u>Mayoral Approval of By-laws, Veto Powers and Council Override of Vetoes (284.11):</u> If the Mayor is of the opinion that all, or part of, a by-law could potentially interfere with prescribed provincial priorities, the Mayor has the power to veto the by-law. The Mayor can veto, or give notice of intention to consider veto, within two (2) days of passing the by-law, to the Clerk including reasons. The Clerk must give notice to Council and the public by the next business day.

A notice of intention to consider vetoing a by-law opens a 14-day window within which the Mayor may either approve the by-law in writing or proceed to veto it. Following the issuance of a Mayoral Decision to veto a by-law, Council is given 21 days from the date the Clerk provided notice of the veto to consider overriding the veto. To override a veto, a 2/3 super-majority vote (based on the total number of Council members, not just those present at the meeting) is required. The Mayor is permitted to vote as a member of Council in a vote to override a veto.

Subsection <u>284.4(1)</u> of the Act requires that the Mayor approve, in writing <u>(530/22, s.3)</u>, all bylaws passed by Council within two (2) days. The purpose of this approval is to differentiate between by-laws which have received mayoral approval and those which have been vetoed or those that are being considered to be vetoed.

Introduction of Matters at a Meeting (284.10): The Mayor has the authority to introduce a matter for Council's consideration at a meeting if the Mayor is of the opinion that the matter could potentially advance a prescribed provincial priority. Council is required to consider a matter put forward by the Mayor but is not required to vote on it. A regular majority is required to approve a matter put forward by the Mayor. Notice requirements do not apply to matters introduced by the Mayor under Section 284.10 of the *Municipal Act*.

Introduction of By-laws at a Meeting (284.11.1): The Mayor has the authority to introduce a bylaw for Council's consideration at a meeting, if the Mayor is of the opinion that the matter could potentially advance a prescribed provincial priority. Council is required to consider and vote on a by-law put forward by the Mayor in accordance with section <u>284.11.1</u> of the Act. More than 1/3 of Council is required to vote in favour for the by-law to be approved.

(2) Budget Duties (284.16)

Under Strong Mayor Powers, the municipal budget is no longer approved through the traditional Council process. Instead, it becomes the Mayor's budget. The Mayor is required to submit a proposed budget to Council, the Clerk, and the public no later than February 1st each year. The Mayor cannot delegate their budget duty, only forfeit it after February 1st. The Mayor may issue a decision to have staff prepare the budget. If a budget is not submitted by February 1, the municipality defaults to the traditional Council-led budget process.

Following the Mayor's submission of the budget, Council may propose amendments to it. The Mayor has the authority to veto any Council proposed amendments, though Council may override such a veto with a 2/3 super-majority vote. The Mayor has the authority to veto any Council proposed amendments, though Council may override such a veto with a 2/3 super-majority vote. While the Mayor "proposes and adopts" the budget, Council is still required under <u>Part VIII</u> of the Act to pass the tax ratio, fees and levy by-laws. The budget is "deemed adopted" not "approved" after the process is completed.

In-year budget amendments process is prescribed by 530/22, s. 9.

Finance staff will be exploring the change in process further and will engage with the Mayor in preparation of this change for the 2026 budget year as outlined in Implementation below.

(3) Administrative and Political Powers

Local Boards (284.7) and Committees (284.8): The Mayor has the authority to establish or dissolve committees, appoint Chairs and Vice-Chairs of prescribed committees and assign functions to prescribed committees. Section 284.8 of the Act, prescribed committees are defined as bodies where every member is also a member of Council (530/22, s.4). This power can be delegated.

<u>Hiring/Dismissing Chief Administrative Officer (284.5)</u>: The Mayor has been given the authority to hire and dismiss the Chief Administrative Officer (CAO). This power can be delegated to Council.

<u>Organizational Structure (284.6):</u> The Mayor has the authority to determine the organizational structure of the municipality (284.6(1)), including employment powers to hire and dismiss the head of any division within the municipality (284.6(2)). This power does not include the hiring or dismissal of any statutory municipal officers (Clerk, Deputy Clerk, Treasurer, Deputy Treasurer, Chief Building Official, Fire Chief, Integrity Commissioner, Ombudsman, or Closed Meeting Investigator) or persons required to be appointed by statue (284.6(3)). This power can be delegated to Council or the CAO.

<u>Direction to Municipal Employees (284.3)</u>: The Mayor has the power to direct municipal employees to undertake research, provide advice and carry out duties related to any authority or power granted to the Mayor under Par VI.1 of the Act. Directions to employees must be provided by next business day to the Clerk (and to the CAO, if any) (530/22, s.2).

In summary the Mayor may delegate their powers and duties under the following sections:

- <u>284.5</u> (chief administrative officer);
- <u>284.6</u> (organizational structure);
- <u>284.7</u> (local boards); and
- <u>284.8</u> (committees),

subject to prescribed limitations, if any.

Next Steps - Implementing Strong Mayor Powers

Understanding the legislation for Strong Mayors and developing the processes, templates, etc. internally to the Town of Saugeen Shores will take some time. It is important that these changes be implemented thoughtfully.

Short Term

- 1. Development of Mayoral Decision and Direction Process, Forms and Templates.
- 2. Creation of a publicly available repository of Mayoral Decisions and Directions internally and on the Town website.
- 3. Council Meeting Confirmatory and By-law Templates Updated.
- 4. Mayoral Decisions Issued:
 - a. delegate the authority to appoint the Chief Administrative Officer to Council;
 - b. delegate the management of the Town's organizational structure and employment matters to the Chief Administrative Officer; and
 - c. delegate the authority to establish, determine functions and appoint chairs and vice chairs of Committees of Council, to Council.

Mid Term

Items identified below will require further research and will be brought forward to the Mayor and Council as appropriate to get instruction.

- 1. 2026-2034 Business Plan Process
- 2. Mayoral Direction Issued:
 - a. Direct the Chief Administrative Officer and the Director of Corporate Services and Treasurer to prepare the Draft 2026 2034 Town Business Plan and Budget and 2026 Fees and Charges By-law.
- 3. Work with the County to understand the implications for land use planning applications.
- 4. Process for in-year budget amendments.
- 5. Update to the Town's Delegation Policy and review other Town policies for any potential impacts.

Summary

Staff continue to review the legislation and regulations and confer with other municipalities to determine best practices in ensuring that Town processes, by-laws, policies, and other governing documents are consistent with the law.

Significant staff time will be required to implement new processes necessary to ensure compliance with the Strong Mayor Powers. Additionally, there may be increased costs associated with legal counsel consultation as staff continue to review, interpret and understand this new legislation.

Strong Mayor Powers being mandated to the Town was not known when the 2025 Business Plan was approved by Council. The implementation of the Strong Mayor Powers, conducting the necessary research, discussions, and creation of templates and procedures, plus the subsequent support to the Mayor, Council and other departments, will require significant time and effort from the Clerk's Division over the next several months. The anticipated impact on the 2025 Business Plan with regard to the implementation of the Strong Mayor Powers may affect the completion or timing of the following Division Highlights:

- Facility Donation Policy
- Municipal Asset Naming Policy
- Business Licensing By-law Update

<u>Linkages</u>

- Strategic Plan Alignment: Pillar 3: Building Valued Relationships
- Business Plan Alignment: CAO Major Initiative

Financial Impacts/Source of Funding

No costs or revenue is associated with this report.

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