

# City of Hamilton GOVERNANCE REVIEW SUB-COMMITTEE AGENDA

Meeting #: 21-003

**Date:** April 30, 2021

**Time:** 9:30 a.m.

**Location:** Due to the COVID-19 and the Closure of City

Hall (CC)

All electronic meetings can be viewed at:

City's Website:

https://www.hamilton.ca/councilcommittee/council-committeemeetings/meetings-and-agendas

City's YouTube Channel:

https://www.youtube.com/user/InsideCityofHa

milton or Cable 14

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

- 1. CEREMONIAL ACTIVITIES
- APPROVAL OF AGENDA

(Added Items, if applicable, will be noted with \*)

- 3. DECLARATIONS OF INTEREST
- 4. APPROVAL OF MINUTES OF PREVIOUS MEETING
  - 4.1. February 23, 2021
- 5. COMMUNICATIONS
  - 5.1. Correspondence from Doug Earl, Charter City Toronto, respecting Item 10.2, Evaluation of Hamilton Becoming a Charter City

Recommendation: Be received and referred to the consideration of Item 10.2, Evaluation of Hamilton Becoming a Charter City.

- 6. DELEGATION REQUESTS
- 7. CONSENT ITEMS
- 8. STAFF PRESENTATIONS
  - 8.1. Council/Staff Relationship Policy (FCS21045 / CM21005) (City Wide) (Outstanding Business List Item)
- 9. PUBLIC HEARINGS / DELEGATIONS
- 10. DISCUSSION ITEMS
  - 10.1. Advisory Committee for Persons with Disabilities Logo
  - 10.2. Evaluation of Hamilton Becoming a Charter City

    (Referred from the April 14, 2021 General Issues Committee Meeting)
- 11. MOTIONS
- 12. NOTICES OF MOTION
- 13. GENERAL INFORMATION / OTHER BUSINESS
  - 13.1. Amendments to the Outstanding Business List:

#### 13.1.a. Items to be Removed:

Integrity Commissioner Work Plan (FCS20016(a)) (City Wide)

That Report FCS20016(a) be referred back to Clerk's staff and Principles Integrity to determine an upset limit for development of various policies and report back.

Added: December 2, 2020 at Governance Review Sub-Committee - Item 9.1

Removed: February 23, 2021 at Governance Review Sub-Committee -

Item 9.1

OBL Item: 20-E

Integrity Commissioner Work Plan (FCS20016(a)) (City Wide)

That staff be directed to gather and review Council/Staff Relations policies from other municipalities and bring recommendations on a new policy to the governance committee by April 30, 2021.

Added: December 2, 2020 at Governance Review Sub-Committee - Item 9.1

Removed: April 30, 2021 at Governance Review Sub-Committee - Item

8.1

OBL Item: 20-F

Review of the City's Procedural By-law Amendments (CL18007(a)/LS18039(a)) (City Wide)

That staff be directed to perform a review of the By-law to Govern the Proceedings of Council and Committees of Council on an annual basis. Added: August 29, 2019 at Governance Review Sub-Committee - Item 8.1 Removed: April 30, 2021 at Governance Review Sub-Committee - This item has been added to the Deputy Clerk's Annual Work Plan.

# 14. PRIVATE AND CONFIDENTIAL

# 14.1. February 23, 2021 - CLOSED MINUTES

Pursuant to Section 9.1, Sub-sections (f) and (k) of the City's Procedural By-law 21-021, and Section 239(2), Sub-sections (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

#### ADJOURNMENT



# GOVERNANCE REVIEW SUB-COMMITTEE MINUTES 21-002

Tuesday, February 23, 2021 12:00 pm Room 264 Hamilton City Hall

**Present:** Councillors M. Wilson (Vice-Chair), B. Clark, L. Ferguson, M. Pearson, and

A. VanderBeek

Absent: Councillor T. Whitehead - Personal

# THE FOLLOWING ITEMS WERE REFERRED TO THE AUDIT, FINANCE & ADMINISTRATION COMMITTEE FOR CONSIDERATION:

 2020 Review of the City's Procedural By-law – Amendments to Allow for Virtual Participation at Council and/or Committee Meetings (FCS21004(a) / LS21001(a)) (Item 9.2)

# (Pearson/VanderBeek)

That Report FCS21004(a) / LS21001(a) respecting 2020 Review of the City's Procedural By-law – Amendments to Allow for Virtual Participation at Council and/or Committee Meetings, be received.

# Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

YES - Councillor Brad Clark

2. Legal Advice on Contract Terms (LS21006) (City Wide) (Item 13.2)

# (Pearson/VanderBeek)

That Report LS21006, respecting Legal Advice on Contract Terms, be received and remain confidential.

# Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

# Governance Review Sub-Committee Minutes 21-002

YES - Councillor Lloyd Ferguson YES - Councillor Maria Pearson NOT PRESENT - Councillor Brad Clark

# 3. Integrity Commissioner Work Plan (FCS20016(b)) (City Wide) (Item 9.1)

# (Pearson/Ferguson)

- (a) That the Integrity Commissioner's Work Plan outlined in Appendix "A" to Report FCS200166(b), as amended to remove any references to Council Code of Conduct and Council/Staff Relations Policy, be approved;
- (b) That the City Clerk be directed to manage the delivery of the Integrity Commissioner's Work Plan as outlined in Appendix "A" to Report FCS200166(b), as amended to remove any references to Council Code of Conduct and Council/Staff Relations Policy; and,
- (c) That completed Work Plan items outlined in Appendix "A" to Report FCS200166(b), as amended to remove any references to Council Code of Conduct and Council/Staff Relations Policy, be presented to General Issues Committee for discussion.

# Result: Main Motion, As Amended CARRIED by a vote of 3 to 1, as follows:

NO - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

NOT PRESENT - Councillor Brad Clark

# FOR INFORMATION:

## (a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised that there were no changes to the agenda.

#### (Clark/Pearson)

That the February 23, 2021 Agenda of the Governance Review Sub-Committee be approved, as presented.

## Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

YES - Councillor Brad Clark

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# (b) DECLARATIONS OF INTEREST (Item 2)

Councillor Clark declared an interest to Item 9.1 respecting the Integrity Commissioner Work Plan (FCS20016(b)) and Item 13.2 respecting the Legal Advice on Contract Terms (LS21006) as he has requested a review of an incident by the Integrity Commissioner, and while there is no pecuniary interest, there may be a perceived or apparent conflict of interest.

# (c) APPROVAL OF MINUTES (Item 3)

(i) January 25, 2020 (Item 3.1)

## (Pearson/VanderBeek)

That the Minutes of the January 25, 2021 meeting of the Governance Review Sub-Committee be approved, as presented.

# Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

NOT PRESENT - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

YES - Councillor Brad Clark

# (d) DISCUSSION ITEMS (Item 9)

(i) Integrity Commissioner Work Plan (FCS20016(b)) (City Wide) (Item 9.1)

## (VanderBeek/Pearson)

That consideration of Report FCS20016(b), respecting the Integrity Commissioner Work Plan be deferred until after Item 9.2, to allow a Committee member to resolve their technical issues.

#### Result: Motion CARRIED by a vote of 3 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

NOT PRESENT - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

**CONFLICT - Councillor Brad Clark** 

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(ii) 2020 Review of the City's Procedural By-law – Amendments to Allow for Virtual Participation at Council and/or Committee Meetings (FCS21004(a) / LS21001(a)) (Item 9.2)

# (Clark/VanderBeek)

That staff be directed to investigate and report back to the Governance Review Sub-Committee on the following respecting Virtual Participation:

- (a) Proposed Amendments to the Council Procedural By-law to permit the virtual participation of a member of Council at Council, Standing Committee, Sub-Committee, Local Board, and Advisory Committee meetings outside of an Emergency where the Council member cannot attend in person;
- (b) Proposed Amendments to the Council Procedural By-law to permit the virtual participation of Advisory Committee and Sub-Committee members (public) at Advisory Committee and Sub-Committee meetings outside of an Emergency where the Advisory Committee or Sub-Committee member cannot attend in person;
- (c) Proposed Amendments to the Council Procedural By-law to continue to permit delegations to appear virtually;
- (d) Financial implications of the proposed amendments to the Council Procedural By-law to facilitate (a); (b) and (c), including any costs associated with the technology required to facilitate Hybrid meetings; and,
- (e) Protocols and procedures for conducting and participating in Hybrid meetings.

# Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

YES - Councillor Brad Clark

For further disposition of this matter refer to Item 1.

(iii) Integrity Commissioner Work Plan (FCS20016(b)) (City Wide) (Item 9.1)

# (Ferguson/Pearson)

That consideration of Report FCS20016(b), respecting the Integrity Commissioner Work Plan be deferred until after Closed Session.

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# Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

CONFLICT - Councillor Brad Clark

# (e) PRIVATE AND CONFIDENTIAL (Item 13)

(i) Closed Session Minutes – January 25, 2021

# (VanderBeek/Pearson)

- (a) That the Closed Session Minutes of the January 25, 2021 Governance Review Sub-Committee meeting, be approved as presented; and,
- (b) That the Closed Session Minutes of the January 25, 2021 Governance Review Sub-Committee meeting, remain confidential.

# Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

YES - Councillor Brad Clark

# (Pearson/VanderBeek)

That Committee move into Closed Session respecting Item 13.2, pursuant to Section 8.1, Sub-sections (f) and (k) of the City's Procedural By-law 18-270, as amended, and Section 239(2), Sub-sections (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

# Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

**CONFLICT - Councillor Brad Clark** 

(ii) Legal Advice on Contract Terms (LS21006) (City Wide) (Item 13.2)

For disposition of this matter refer to Item 2.

# (f) DISCUSSION ITEMS (Item 9) (Continued)

(i) Integrity Commissioner Work Plan (FCS20016(b)) (City Wide) (Item 9.1)

## (Pearson/VanderBeek)

- (a) That the Integrity Commissioner's Work Plan outlined in Appendix "A" to Report FCS200166(b), be approved;
- (b) That the City Clerk be directed to manage the delivery of the Integrity Commissioner's Work Plan as outlined in Appendix "A" to Report FCS200166(b); and,
- (c) That completed Work Plan items outlined in Appendix "A" to Report FCS200166(b) be presented to General Issues Committee for discussion.

Committee was advised that staff will be reporting back to the Governance Review Sub-Committee by April 30, 2021 on a new Council/Staff Relations policy.

# (Ferguson/Pearson)

That Appendix "A" and "B" respecting the Integrity Commissioner's Workplan be amended to remove any references to the Council Code of Conduct, and Council/Staff Relations Policy.

# Result: Amendment CARRIED by a vote of 3 to 1, as follows:

NO - Councillor Maureen Wilson

NOT PRESENT - Chair Terry Whitehead

YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

NOT PRESENT - Councillor Brad Clark

For disposition of this matter, refer to Item 3.

# (g) ADJOURNMENT (Item 14)

#### (Pearson/VanderBeek)

That, there being no further business, the Governance Review Sub-Committee meeting be adjourned at 1:54 p.m.

#### Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Councillor Maureen Wilson

# **Governance Review Sub-Committee Minutes 21-002**

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NOT PRESENT - Chair Terry Whitehead YES - Councillor Arlene VanderBeek

YES - Councillor Lloyd Ferguson

YES - Councillor Maria Pearson

NOT PRESENT - Councillor Brad Clark

Respectfully submitted,

Councillor M. Wilson, Vice-Chair Governance Review Sub-Committee

Angela McRae Legislative Coordinator Office of the City Clerk From: Charter City Toronto

To: Ward 1 Office; Clark, Brad; Pearson, Maria; Ferguson, Lloyd; VanderBeek, Arlene; Whitehead, Terry

Cc: Ward 8 Office; McRae, Angela

**Subject:** Governance Committee Review of Charter City Proposals

Date: April 19, 2021 2:58:12 PM
Attachments: Charter City Proposal.pdf
Charter City Overview.pdf

Members of the Governance Review Sub-Committee City of Hamilton

#### Dear Members:

We at Charter City Toronto are grateful to the members of Hamilton City Council for referring our project to your committee for study. I'm writing today to offer assistance in your work in any way you may find useful. In particular, we stand ready to answer any questions you might have about our project and also to put you in touch with other experts in this field who you may wish to hear from.

If you heard my presentation at the General Issues Committee on April 7, you will know something of our proposals. In short, we believe the time is long past for cities to be fully and constitutionally recognized as a level of government in their own right and for cities to be given both the authority and the resources they need to do their every more complex job. We believe the negotiation and adoption of City Charters by Ontario's big cities is a mechanism that can pull together a lot of different strands in the process of empowering cities, giving them more coherent form and additional momentum.

Our group started as a Toronto organization in the wake of the cuts to Toronto council by the current provincial government in 2018. Through our work, we have come to understand that issues of provincial oversight and interference and the feeling that cities don't have the tools to succeed are not unique to our city. Indeed, many people in all large cities across Ontario aspire for their governments to exercise more autonomy, control more revenue sources and take on final decision-making authority across a spectrum of local jurisdictions.

For your convenience, I'm attaching to this e-mail the 2-page overview of our project that you will have received in your package for the April 14 full council meeting as well as as our full proposal. We stress that this proposal is intended to be a conversation-starter, not the final word on what a City Charter would look like, contain or achieve. Nor is it intended to suggest that a City Charter for any one Ontario city need be a carbon copy of another's. We hope it will get you thinking about the possibilities. There is a shorter and easier to digest form of our proposal online at <a href="https://www.chartercitytoronto.ca/the-charter-city-proposal.html">www.chartercitytoronto.ca/the-charter-city-proposal.html</a>

I look forward to hearing from you anytime by return e-mail or at the phone number below.

Many thanks,

Doug Earl Charter City Toronto 416 858 5531

cc: Angela MacRae, Legislative Coordinator; Tim Grant, Charter City Toronto; Hamilton City Councillor John Paul Danko

# Charter City Toronto Proposal

Starting the Conversation Around Empowering Toronto and Other Canadian Cities

Fall 2019





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North York | Photo Credit: benny\_lin, Flickr

# **Proposal Overview**

There's been a lot of talk lately about empowering the city of Toronto and other big cities. Adopting a City Charter is often mentioned as a way to give the city the power and authority it needs to govern its own affairs.

But what would a City Charter look like? What would be in it? What would it do for cities? This proposal is an attempt to begin that conversation.

# **Two-Part Process**

Charter City Toronto proposes a two-part process toward greater power and autonomy for the city of Toronto. We believe this can serve as a template for other cities in Ontario and Canada who wish to achieve greater control over their own affairs.

# 1. City Charter

The city and the province--with substantial public consultation--will create and pass a City Charter for Toronto. The Charter will give the city enhanced power and jurisdiction over city affairs.

# 2. Constitutional Amendment

The province and federal government will pass a single-province amendment to the Canadian Constitution that enables the creation of Charter Cities in Ontario and protects them from provincial interference in areas of municipal jurisdiction.

This proposal is not a final set of ideas, but rather the start of a conversation. We hope it will be widely discussed, massaged, amended, and changed to produce a document that has wide agreement.

# **Four Key Principles**

This proposal makes recommendations for a City Charter to cover four key principles: Governance, Protection, Authority and Resources.

#### Governance

The city of Toronto would regain the authority to determine its own governing structures. The province unilaterally revoked that authority in 2018. The city would have full control over: city council and the Mayor's office; the city bureaucracy; agencies, boards, commissions; community councils; oversight and accountability, and elections, including ward boundaries.

#### **Protection**

We propose that the provincial and federal governments create and pass a single-province amendment to the Canadian Constitution. The amendment would define Charter Cities and end their status as "creatures of the province" whose every decision--and very existence--is subject to provincial override. No changes could be made to the City Charter without the express consent of the city.

# **Authority**

The Charter would place exclusive responsibility and authority for key municipal functions clearly in the hands of an empowered city government. The starting point is all the powers the city has now in the City of Toronto Act. Other areas for exclusive city authority would be: land use planning, streets, housing, local transit, human services, public health, education up to Grade 12 and selected powers of taxation.

Where necessary, the city and province would share authority in certain areas, but with clear rules defining the roles and authorities of the two partners. These could include: health, immigrant settlement, policing and others. The city would be empowered to make arrangements, financial and otherwise, directly with other governments, including other cities.

#### Resources

The Charter would give the city control over (not just access to) the revenues and resources it needs to meet its responsibilities. It would also continue the practice of sharing the wealth generated in the city with its municipal neighbours, the province and the country as a whole.

# **Context**

#### **Charter Cities are Common**

City Charters that give cities strong inherent powers are common in Europe and the US, with over a hundred in California alone. Many European cities have Charters also.

Several Canadian cities have what are commonly referred to as City Charters, including Vancouver, Calgary, Edmonton, Winnipeg, Saint John and others. In each case, these Canadian "Charters" are provincial legislation, which can be unilaterally amended or revoked by the province. By contrast, we propose a constitutionally protected City Charter that can only be adopted or amended with the consent of the city.

# **Single Province Amendments are also Common**

There have been eight such amendments since the Constitution was repatriated in 1982. Under Section 43 of the Constitution, single-province amendments need only the approval of the provincial legislature and the federal parliament. This makes them easier to achieve than amendments covering the country as a whole, which require the consent of at least seven provinces that have 50 per cent of Canada's population.

# **How a Charter Protects the City**

Once the basic rules of governing a city are laid out and adopted in a City Charter, constitutional protection means those rules can only be changed if the city consents.

If Toronto had a City Charter as we propose in 2018, the Ford government would not have been able to reduce city council and revoke Toronto's powers of governance against the will of the city. Nor could the province unilaterally change the rules for amending the Charter. That would require the agreement of the federal parliament.

No rules are fireproof, but the ones we propose would afford solid protection for the city.



Scarborough Civic Center | Photo Credit: wyliepoon, Flickr

# The Case for a City Charter

Toronto has been democratically governed even before Canada was created in 1867. But at Confederation, provinces were allocated absolute power over municipalities. Cities were given no powers or authorities of their own.

In 1867, 80 per cent of Canadians lived in rural areas. At that time, powerful provinces were needed to unite the large, sparsely populated countryside, to pool resources and to provide good government.

Cities were an afterthought.

These arrangements are antique and inadequate to the demands placed on cities in the 21st century.

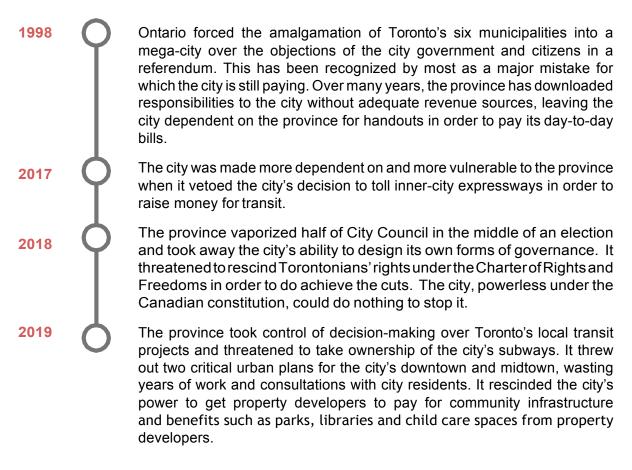
Today, 80 per cent of Canadians live in cities. 1 in 10 lives in Toronto. 1 in 5 lives in the GTA.

Toronto's 3,000,000 residents elect the sixth-largest government in the country, but have far less power over their own affairs than the 150,000 people of Prince Edward Island.

Canada's cities are mature levels of government in their own right, capable of handling the full range of municipal responsibilities, given the resources and the authority to do so.

# The Power Imbalance

For most of our shared history, despite the inherent power imbalance, the province has supported cities as a close partner and ally. It recognized that Toronto's success meant success for the province and the country. But since the late 20th century, provinces have sought instead to impose their will on cities and on the city of Toronto in particular:



All of these provincial actions, and others, have left the city poorer and less able to run its own affairs. A city can't succeed when its decisions are continually subject to arbitrary provincial override. Or when provincial plans are foisted upon the city without consultation or notice. Or when the city is perpetually denied the ability to raise the funds it needs.

By giving the city more control over its own affairs through a City Charter, and by giving the city a veto over any changes to the Charter, unilateral provincial interference would be made much more difficult, if not impossible. A more even playing field will help return Toronto and Ontario to a relationship of co-operation and partnership.

# Benefits of a City Charter for Toronto

A City Charter will empower the city of Toronto to face its future with new democratic and financial tools and without fear of provincial interference.

- A constitutionally protected City Charter outlining the city's authority, governance and taxation powers, amendable only with city consent, will lend the city status, stability and protection.
- Strong local decision-making will put the city's future in our own hands.
   Decision-makers will be accountable to city voters, not to voters from across the province.
- The city will be free to consider new and innovative forms of government that can bolster public participation and decisions that reflect the diversity of the city, local values and urban aspirations.
- The city will be free to innovate and find creative solutions to city issues, including congestion, density, affordability, livability and sustainability--without unnecessary provincial permissions or fear of a provincial veto.
- Stable, predictable, city-controlled, multi-year revenues will provide sufficient funds to pay for necessary programs and services and ensure that growth pays for growth. Access to progressive revenue sources that grow with the economy will restore balance and fairness to its financial relationship with the province.
- Eliminating duplicate levels of approvals and achieving clarity over who makes
  decisions will be a significant benefit for the business community, which values
  regulatory simplicity and certainty.
- Establishing clear jurisdictions and roles for both the city and the province in municipal affairs will streamline decision-making and reduce duplication, unnecessary oversight and friction between governments. This will clear the decks for co-operation on matters of truly mutual interest.

# **Cities Need Tools for the Future**

The people of Toronto have the brains, talent, ambition and love for the city to successfully run their own affairs. We are a diverse, wealthy, fast-growing city that strives to be confident, inclusive, innovative, modern and forward-looking. Toronto is a global city that competes internationally in such fields as culture, finance, sports, health sciences, manufacturing and technology.

Our quality of life is among the highest in the world. In study after study, Toronto has been ranked among the top 10 global cities for safety, livability, cost of living, business environment, democracy, and food security. On a planet of increasing global mobility, Toronto is among the best at attracting the sophisticated, educated and innovative talent from around the world. Each year, the Greater Toronto Area welcomes and settles more than 100,000 newcomers—refugees and immigrants alike—from other parts of the world seeking a better life.

Toronto is an economic driver of Canada, contributing one-tenth of Canada's GDP every year—about \$200 billion. Toronto recognizes that partnership with Ontario and Canada is vital to its success and embraces its responsibility to fairly share its wealth with its neighbouring cities, the province and the country.

However, city taxpayers also contribute billions more tax dollars a year to the province than come back in contributions to the city's budget.

It's estimated that in Canada, cities typically keep a mere 10 per cent of the taxes paid by city residents. The rest goes to senior levels of government. Contributions from those levels of government often come with strings attached that do not allow the city to do what it thinks is best.

Toronto needs new arrangements in order to succeed:

- Clear jurisdiction and authority over city affairs
- Control of revenues sufficient to meet the city's needs
- · Constitutional protection from provincial interference

# **Accordingly:**

- 1. The city and the province should, through public consultation, negotiation and joint legislation, create a City Charter for the Toronto which:
  - Creates a more equal relationship between the city and the province, empowers local democracy and protects the city from undue provincial interference in city affairs
  - Establishes exclusive city jurisdiction, and removes provincial oversight, over all municipal functions not specifically allocated to the province, including city governance, land use planning and appeals, streets, housing, local transit, public health, and education up to Grade 12.
  - Establishes clear roles for the city, province and federal government, including protected funding arrangements, in areas of overlapping or shared jurisdiction such as health, human services (including social services and child care), immigrant settlement and policing.
  - Establishes a new, stable fiscal regime whose aim is to give the city control of resources commensurate to its responsibilities, allowing Toronto to keep a greater share of the taxes currently paid by city residents to higher levels of government. It will give the city access to new, progressive revenue sources, such as income and sales tax, and to new financing tools such as municipal bonds.
- 2. The province and the federal government should enact a single-province amendment under Section 43 of the Canadian Constitution that enables City Charter status for Toronto that requires the city's consent for any changes to the Charter.



Toronto City Hall Council Chambers | Photo Credit: dexxus, Flickr

# The Charter Proposal

For more than 30 years, there has been discussion about how cities in Canada can gain more authority and the powers and freedom necessary to govern their own affairs.

City Charters from other jurisdictions have been suggested as models from which ideas might be taken – Los Angeles, San Francisco and Chicago, for example. California alone has more than 100 Charter Cities with dedicated municipal powers, including the broad power of taxation, and a high level of autonomy from state governments.

At different times, some Canadian cities have been given special powers by provincial legislation, but these special powers have been subject to limitations: the exercise of powers granted is subject to ongoing provincial approval and the province can unilaterally change or repeal those powers with no requirement to consult the city.

Another issue is that many programs upon which cities depend are cost-shared with the provincial government. Whenever that government decides to reduce its share of funding, programs delivered at the municipal level suffer. Since city governments typically have very limited revenue powers, they are often unable to find the money to continue those programs and residents lose out.

Our Charter proposal attempts to overcome those limitations in three ways.

- First, we propose to remove provincial oversight and control over what are essentially municipal functions.
- Second, we propose a constitutional amendment to protect the powers and arrangements contained in the Charter.
- Third, we propose entrenching some permanent funding arrangements in the Charter.

A City Charter is essentially an agreement between the city and the provincial government outlining the powers and authorities of the city, some of which are exclusive to the city and some of which are shared with the province.

Our proposal covers four broad areas: Governance, Power and Authorities, Resources, and Constitutional Protection.

# A. Governance

The City of Toronto Act (2006) gave the city the power to establish its own form of governance, subject to review by the Ontario Municipal Board. The province revoked that power in 2018 with legislation that unilaterally reduced the number of city councilors from 47 to 25, in addition to changing the ward system. A Charter should restore those powers to the city and remove the provincial power of review. To ensure that City Council is not self-serving in setting out forms and structures and that the public interest is primary, Council decisions on governance should be reviewed by an independent agency appointed by City Council.

- The city should have the power to adopt decision-making procedures and structures that ensure fair representation of the many diverse voices, minorities, and communities in the city, which enhance residents' involvement in decisions about their communities, and which enshrine and enact principles of equity.
- 4. The city should have the exclusive authority to decide the form and structure of its government, including the composition of city council and ward boundaries, the mayor's office, the city bureaucracy, agencies, boards and commissions, community councils, and other such bodies as it finds appropriate. Council should have the power to decide on approval mechanisms, including innovative ones designed to enhance citizen involvement, such as deliberative democracy and referendums.
- 5. An independent, city-appointed body should review changes to the ward system. Its decision, after a fair hearing, will be reported to Council for a final determination. City Council should be given the exclusive authority to establish and fund this independent body.
- 6. The city should have the exclusive authority to conduct municipal elections, including regulation of campaign donations and finance, voting age and eligibility, including the ability to extend the vote to residents who are not citizens. Again, these rules should be subject to review by an independent, city-appointed body, and reported to Council for a final determination.
- 7. The city should have broad powers to pass bylaws respecting all aspects of city life, and establish penalties for contraventions.
- 8. The city should be required to establish an effective integrity and accountability regime including a Members Code of Conduct, an Integrity Commissioner, Auditor General, Lobbyist Registry, and Ombudsman.
- 9. The city should be permitted to delegate decision-making, including quasijudicial and legislative functions, to committees of council, staff, boards, community councils and other such bodies it thinks appropriate.
- 10. The city should work and co-operate with many other governments. It should be authorized to exercise any of its powers or perform any of its functions and may participate in the financing of its efforts, jointly or in cooperation, by contract or otherwise, with one or more other municipalities, regions, other governmental bodies, the Province of Ontario and the government of Canada.

# **B. Constitutional Protection**

The key to the adoption of any City Charter is constitutional protection. Without such protection, Toronto will continue to be at the mercy of provincial whim.

A City Charter that is merely provincial legislation, such as the City of Toronto Act, can be amended or revoked unilaterally by any provincial government, without notice to, consultation with, or agreement of the city.

It would be pointless for Toronto to do the considerable work necessary to negotiate and implement long-term powers, authority and funding arrangements if they are not then protected from the arbitrary actions of a more senior level of government. A deal that can be revoked by one party is no deal at all.

In order to protect and guarantee the City Charter, we propose a single-province amendment to the Canadian Constitution that would:

- Enable the creation of Charter Cities in Ontario
- Spell out the rules for amending any such Charter in the future
- Guarantee that changes can only be made with the consent of the city.

A single-province amendment, in this case applying only to Ontario, requires only the consent of the Ontario legislature and the federal parliament.

## **How It Would Work**

Any Ontario city could request to negotiate a Charter with the province. The province would be required to enter into such negotiations in good faith and, once a deal is reached, it would be required to pass the necessary legislation to make it so. The resulting City Charter would be amendable only by agreement of the city.

A single-province amendment to the Canadian Constitution (under Section 43) is the proposed vehicle to achieve this protection.

There have been seven single-province amendments to the Constitution since it was adopted in 1982. Newfoundland passed one in 1997 to establish a secular school system. The same year, Quebec established a language-based school system through a Section 43 amendment. New Brunswick passed one in 1993 to establish equality between the province's French and English-speaking communities.

# **Wording of the Amendment**

This proposal does not suggest wording for such an amendment. Constitutional scholars differ on the best way to enshrine protection for a City Charter and they should be consulted on the best approach to achieve the principles outlined here.

However, we believe it's important that the City Charter itself not be entrenched in the Constitution. Doing so would mean any Charter change would be a constitutional change, involving the provincial and federal governments, but not the city. Putting the Charter in the constitution would in effect double the number of senior governments whose permission Toronto would need to change its own Charter.

Leaving the Charter as a freestanding document, protected by but not part of the Constitution, provides greater flexibility. Within existing city jurisdiction, Toronto could change the Charter

on its own. For changes that alter the relationship between the province and the city, both sides would need to agree to such changes.

Some City Charters, such as the one adopted by Los Angeles, allow changes only through majority vote of city residents in a referendum. This additional level of Charter protection is somewhat foreign to the Canadian practice, but it could be considered, as a way to ensure voters agree to any change, as a way for a sufficient number of citizens to themselves propose a Charter amendment, or as a way to solve an impasse between the city and the province.

## **Protection**

It's important to note that no constitutional arrangement can be one hundred percent effective at protecting cities from a province determined to interfere. A provincial government, with a compliant federal government, could ultimately override the City Charter through a new amendment to the constitution. But this would take time, and give the city the opportunity to mount a defence. Provincial and federal governments that conspire to thwart the will of a major Canadian city might pay such a political price that this avenue would be confined to infrequent use or never be used at all.

As has become very clear over the past year, the current constitutional arrangement, whereby cities are mere "creatures of the province" without any innate authority of their own, has left Toronto at an unacceptable disadvantage.

While Canada's constitutional rules do not allow for cities to gain co-equal status with a province, a City Charter with constitutional protection would give cities an immeasurably more powerful voice and status in any discussion of municipal affairs.

# C. Powers and Authority

This section outlines the powers and authorities that seem appropriate for the city of Toronto. This is a draft set of proposals and can be changed and amended as public discussion proceeds.

### **GENERAL PRINCIPLES**

The powers outlined in the Charter should be interpreted broadly, not in a limited fashion. The powers may be exercised by the city without provincial approval.

11. All powers given to the city in the Charter should be subject to all provincial and federal legislation of general province-wide application. However, if that legislation is contrary to the City Charter, the Charter should prevail. The city should be entitled with its own funds to increase or enhance any standards set by the province or the federal government.

The Charter should clearly define the jurisdictions in which the city acts exclusively, without provincial oversight or approval. It should clarify the roles of the city and province in shared jurisdictions where both parties co-operate and each contributes resources.

12. The city should continue to have all powers set out in the City of Toronto Act (and any other applicable legislation). Where there is a conflict between that legislation and the City Charter, the Charter should prevail.

- 13. Where powers over any aspect of the municipal sphere has never been allocated to either government, particularly if the subject is new or not previously contemplated (an example might be ride-sharing), the city should be permitted to exercise the powers it deems appropriate to address the matter without a specific amendment to the Charter.
- 14. Generally, any matter within the municipal sphere of activities that is not allocated to the province in the Charter, should be deemed to be the exclusive jurisdiction of the city. As a starting point, jurisdictions already allotted to the city under the City of Toronto Act (for example: Parks and Recreation, Water and Waste Services, Parking, Municipal Licenses and Standards, Economic Development, Urban Forestry) should formally become the exclusive jurisdiction of the city not subject to provincial oversight, override or repeal.
- 15. In addition, the city should exercise exclusive jurisdiction over: City Governance, Land Use Planning, Streets, Housing, Local Transit and Education.
- 16. Where the city exercises shared jurisdiction over certain areas with the province, such as Health, Human Services (including Child Care and Social Services), Immigrant Settlement and Policing, the roles of the respective players and funding arrangements should be clearly defined.

There are bound to be disputes about the meaning of some sections of the Charter, or about activities of the province or the city, to which either party may object.

17. The Charter should define a dispute resolution process. If the disagreement persists, the parties should resort not to the courts, but to the Arbitration Act, which sets out a fair process to settledisputes.

# **EXCLUSIVE CITY JURISDICTION**

# **Land Use Planning**

Land use planning concerns all aspects of property development - rezoning, Official Plans, land severance, committee of adjustment and others. Currently, most land use matters require approval by a provincial body, so that City Council is not in the position of being able to make final decisions. Ontario is one of the few provinces that does not allocate land use responsibilities solely to municipalities.

- 18. The city should have the exclusive power to deny, approve, or place restrictions on any land use planning application including Official Plans, zoning and rezoning, subdivisions, minor and major variances, and severance consents, without requiring the approval of any provincial body.
- 19. To ensure Council decisions are appropriate and in keeping with the public interest, land use decisions should be reviewed by an independent, cityappointed body and its decision, after a fair hearing, will be reported to Council for a final determination. The city should be given the authority to establish and fund such an independent body.

20. The city should be given the exclusive authority to establish and enforce development and intensification conditions such as minimum and maximum densities, heights, development charges, brown-field development goals, and controls to protect heritage and cultural features of structures and areas.

#### **Streets**

Many of the regulations and restrictions the city wishes to place on streets—stoplights, or the use of traffic wardens, for example – require provincial approval. This creates unnecessary duplication and expense and there's no reason to think that provincial officials would have a better handle on local traffic conditions than local officials.

21. The city should have the exclusive power to regulate the sidewalks, lanes, bicycle lanes, streets, roadways and non-provincial highways within its boundaries, including road design and construction, speed limits, traffic calming, congestion and climate change strategies, signals and signage, tolls, cameras, road closures, vehicle restrictions and all other traffic measures.

# Housing

The city has a great interest in housing supply and conditions, including temporary housing, housing the homeless, social and affordable housing, and rental housing. It's not clear that the city currently has the power to exercise control over all these matters. The funding of social and affordable housing can be done through cost-sharing programs or, preferably, when the city secures the needed revenue tools, through its own financial resources.

- 22. The city should have the exclusive power to provide and regulate affordable and social housing, including setting rent/income levels.
- 23. The city should have the power to enter into cost-sharing arrangements with private and public agencies, other municipalities, Ontario and Canada for the provision of social and affordable housing.
- 24. The city should have the power to enter into agreements, including loans and mortgages, with various parties regarding the provision of social and affordable housing and to require certain levels of social and affordable housing be achieved in developments.
- 25. The city should have the exclusive authority to provide temporary housing accommodation for immigrants and refugees, and for the homeless.
- 26. The city should have the authority to control the demolition and conversion of rental housing, to control residential tenancies, to establish rent controls and to regulate short-term rentals.

# **Local Transit**

Since the early 1920s, the city has always been a leader in public transit serving city and neighbouring residents. In the late 1940s it undertook the construction of Canada's first subway without provincial subsidies, using the surpluses produced by the transit system during the Second World War. Transit fares provide the majority of the Toronto Transit

Commission's revenue base, unlike other North American cities, which receive much higher levels of government subsidies. Despite the lack of support, the TTC has often been voted the best transit system in North America, an accolade bestowed as recently as 2017.

Funding problems have hobbled the transit system since it was expanded to serve the lower density suburban areas of Metro Toronto from the mid-1970s. At that time, the city was supported by provincial subsidies for both operating and capital expenditures. But those arrangements meant the province had a major say in how transit would be structured and designed in the city, and often their demands did not advance the cause of good public transit or reflect Toronto's priorities.

More recently, the province has decided that it will take over parts of the transit system. Serious questions have been asked about what the province's plans entail and whether this change will be of any benefit to transit riders in the city. The system today integrates subways, buses, streetcars and LRTs into a fully integrated network, providing advantages that could be lost if the system were to be split between multiple owners.

The best people to decide Toronto's transit needs are transit users, city officials and city politicians accountable to city voters, not provincial officials and politicians, many of whom do not live in Toronto or use the TTC.

- 27. The city should have the exclusive authority to provide and regulate public transit in the city. This should include Wheel-Trans, buses, streetcars, rail, transit, subways, other transit conveyances and ancillary properties including Union Station (which the city owns.)
- 28. The city should have the authority to enter into agreements with other municipalities and/or transit agencies in the GTA, the province and Canada to provide and improve service, share costs, and to create a seamless regional transit system.

#### Health

Health policy and spending are matter of great importance to governments, particularly local governments. The Romanow Commission in 2002 recommended that much more attention be given to preventing illness and injury in order to reduce the need for hospitals and emergency medical treatments. The province has made moves to provide a more local health focus by coordinating services at the local level and strengthening local decision-making through the Local Health Initiative Network (LHINs).

LHINs were given control over all health expenditures at the local level, including hospitals, and were governed by provincially appointed boards. The province is now moving back to a more centralized health governance system without important local input and decisionmaking. The province has also announced its intention to substantially reduce allocations to public health matters, even though a robust public health system is thought to be the optimal way to contain health expenditures through improving social factors that lead to good health outcomes.

It is recognized that some health matters involve shared jurisdictions in decision-making and expenditures. It is also recognized that Toronto houses health facilities that serve the entire province and that jurisdictional arrangements must reflect this reality.

- 29. The city should have exclusive powers and functions similar to those granted to a Local Heath Integration Network.
- 30. The city should have the authority to enter into agreements with the province for coordinating health issues and spending within the city.
- 31. The city should have exclusive responsibility for public health within the city.

## Education

Until 20 years ago, education in the city was entirely funded from the property tax system, giving local school boards considerable flexibility in creating and operating programs to educate children within the city. The provincial government then took over all responsibility for funding education by seizing the property tax allocation for education purposes.

The result has been a provincial standardization of services and funding which has not served the city well: schools are falling into disrepair, and surplus school properties are not readily available for community purposes. Programs the school boards would like to fund are often cancelled when school boards are unable to find the needed money. The province dictates class sizes that are often seen as inappropriate. Trustees are grossly underpaid for their work. The city needs to regain control of its education system.

- 32. Education responsibilities, including funding and property tax allocations for education, should be in the exclusive control of the city and local school boards. This should apply to pre-school, primary school and secondary school matters.
- 33. Local school boards should have the exclusive authority to determine the governance structure and elections of its boards. To ensure those decisions are appropriate and in keeping with the public interest, they should be reviewed by an independent, city-appointed body established and appointed by the boards and its decision, after a fair hearing, will be reported to the boards for a final determination. The boards should be given the authority to establish and fund such an independent body.
- 34. Pooling of equalization payments from Toronto's property tax base for education purposes at the provincial level will be a matter of agreement between local boards, the city, and the province, and such agreement will respect the unique needs of educational expenditures in Toronto.

# SHARED JURISDICTION

## **Human Services**

More than one quarter of children in Toronto live in poverty. There is a serious income distribution problem occurring it the city. Responsibility for poverty-related issues is shared between the provincial and the federal governments, with the city playing a crucial role in delivering, and sometimes sharing in the cost of, programs that it has no role in developing.

For instance, monthly payments may be appropriate for other municipalities in Ontario, but are much too low to meet the higher cost of living in Toronto. Current arrangements are necessarily complex and can result in people falling through the cracks and leaving

families impoverished. The most vulnerable were further disadvantaged when the provincial government unilaterally decided to reduce welfare benefits.

The city is in the best position to provide human services at the local level in order to ensure that programs are adequately funded, supported, and coordinated. It is recognized some human services may involve shared decision-making and shared expenditures.

- 35. The city should have exclusive jurisdiction of all social services and childcare programs in Toronto.
- 36. The city will require funding support for these services. It needs to ensure such funding is not arbitrarily reduced. This can occur in one of two ways:
  - i. Through the city receiving block funding from the federal and provincial governments equal to the amount spent on those programs in Toronto, to be increased annually according to some fair formula, for example, based upon cost of living increases; or
  - ii. Through the province determining the amount currently being transferred to the city for these programs, establishing that amount as a municipal revenue source representing a percentage of annual provincial revenue collected by the province, and transferring it annually to the city.

# **Immigrant and Refugee Settlement**

More than 75 per cent of the immigrants and refugees coming to Ontario between 2011 and 2016 settled in the Toronto area. As Toronto City Council recently learned, it does not have the resources to ensure that they are adequately housed. There are also strains on programs related to teaching English as a Second Language, job training, and as well as other resettlement needs.

Successful immigrant settlement is important to the health and vibrancy of the city. It is recognized that these activities involve shared decision-making and shared funding. Given that the city already plays a large role in providing many of the services required by newcomers, such as housing, social assistance and counseling, it makes sense for the city to be the lead and coordinating agency for newcomer settlement.

- 37. The city should have the power to enter into agreements with the provincial source representing a percentage of annual provincial revenue collected by the province, and transferring it annually to the city.
- 38. The city must be involved with the provincial and federal governments in discussions about immigration, refugee levels and resettlement strategies.

# **Police and Security**

Police governance in Toronto is provided by the Toronto Police Service Board (the size of which is constrained by provincial legislation) which sets how members will be appointed. The seven-member board has three members appointed by the province. A larger police board would allow for much more diversity in police management and decision-making.

The province makes some small grants for specific policing matters, but almost the entire one billion dollar annual police budget is funded from city sources. Policing involves shared responsibilities between the city and the province through the provincial Police Services Act.

In the interests of ensuring independent oversight of Toronto's police force, the province should continue to play its role in providing such oversight through such institutions as the Special Investigations Unit and the Office of the Independent Police Review Director.

39. The city should have exclusive power to determine the structure and size of the Police Services Board, including how members are appointed, while ensuring that the province may appoint one-third of the members of the board.

# D. Resources: Revenue and Finances

# **REVENUE**

Toronto recognizes that, as a strong generator and beneficiary of economic wealth, it has a responsibility to contribute its financial fair share to Ontario and Canada. Unfortunately, the current situation is not sustainable: with Toronto having access to only about 10 per cent of the taxes it sends to the two senior levels of government.

Given that imbalance, and the public's resistance to the introduction of new taxes, it is not enough to say Toronto should use the few revenue tools available to it under the City of Toronto Act. Such revenue tools are not progressive and simply cannot raise the amount of money required.

A greater share of existing taxation should accrue to Toronto as dedicated, Charter-protected municipal revenues. Toronto's share of these taxes should be commensurate with the city's contribution to Ontario and Canada and with the true cost of providing the programs and services as required by law. The city should control (not just be given or have access to) sufficient revenue to properly fund programs and services within its jurisdiction.

Toronto should also have control of sufficient revenue to properly fund its share of shared programs and services. Such an arrangement would provide stable, predictable revenue and reduce the friction of continually negotiating levels of funding, which fluctuate from government to government. To prevent duplication, the city could piggyback onto current provincial collection systems.

Time and again, Toronto has been deprived of important sources of revenue while expectations of service delivery at the local level have increased substantially.

Until 1936, when the province passed the Income Tax Act, Toronto and other Ontario municipalities had statutory authority to levy income taxes. Until 1944, Toronto had the authority to levy corporate taxes. In both cases, when the province removed these authorities, the city was paid a lump sum in compensation. Given current realities it now seems reasonable that these authorities be returned to the city.

Until the creation of the so-called megacity 20 years ago, the city had control of all the revenue

produced by the property tax system, funding both city and Board of Education expenditures.

When the province took over the education system, it seized control of about half the city's property taxes for education funding purposes.

The province also has control over many aspects of the property tax system including assessment and the burdens placed on different classes of property, taking much of the important decision-making about property taxes out of the hands of the city. The negative results of this are now being felt by many of Toronto's property owners.

It is important that in the case of shared cost arrangements, the city be protected from unilateral provincial decisions reducing such payments.

- 40. The city should have direct access to existing progressive revenue sources that grow with the economy, taxes such as sales and income tax to be spent at the discretion of the city. The city should be given a dedicated portion of these existing taxes commensurate to current provincial contributions to the city's operating budget and the power to levy its own additional sales and income taxes if necessary.
- 41. The city should be given full control of the property tax system including the power to establish assessments, classes of property, and apportionment of tax burdens to different classes of property (such as to protect small business.) The city should control all property taxes raised in the city.
- 42. Responsibilities or expenditures should only be downloaded to the city from the province with the consent of the city, after adequate notice has been given in the budget cycle and revenues are transferred to city control sufficient to offset any additional costs to the city.
- 43. Arrangements for the funding of shared responsibilities must be worked out. The city could receive block funding from the federal and provincial governments equal to the amount spent on those programs in Toronto, increased annually according to some fair formula based upon, perhaps, increases in the cost of living.

Or the province could determine the amount transferred to the city for these programs and establish it as a municipal revenue source representing a percentage of annual provincial revenue collected by the province, and transfer it annually to the city.

No matter the form such funding arrangements take, it is essential that these revenues be stable, predictable, and permanent arrangements that can be changed or revoked only with the assent of the city.

#### **FINANCES**

Currently the city requires provincial approval to borrow money, a duplication of effort that is time consuming and costly. As well, some other financial matters require provincial approval.

- 44. The city should have exclusive authority to manage its financial affairs, including borrowing funds, budgeting for a short-term deficit, and tax increment financing with respect to property taxation.
- 45. The city should have the ability to use new financial tools, including selffinancing powers such as municipal bonds, as required.

# E. Access, Equity, and Inclusion

One of the extraordinary characteristics of Toronto is its diversity. And while it is remarkable that generally this incredible mélange of people lives together in relative harmony, many systemic inequities and structural barriers exist. Racism and other forms of systemic discrimination that exist in our city rob members of marginalized communities of their opportunity to live a healthy, safe and fulfilling life.

City Council must have the power and authority to address these issues, to help dismantle all forms of systemic discrimination and remove barriers for all people. This includes the challenges resulting from the cultural genocide of Indigenous peoples over many years, the racism faced by African Canadians and other people of colour, and the intersecting discrimination faced by women, people with disabilities, people of Islamic and other faiths, immigrants, refugees, LGBTQ++ people and others with precarious status.

These marginalized communities experience a much higher rate of poverty than the general population, with some communities being six times more likely than white Torontonians to live in poverty.

- 46. The City should formally acknowledge the deep-rooted history and presentday realities of colonialism and racism.
- 47. The City should adopt a racial equity lens and gender based equity analysis to develop, design, and evaluate all of its by-laws, policies, programs and services.
- 48. The City should require all of its departments to collect and use disaggregated data (on the basis of race and other demographics) to measure the impact of all of its policies, programs and services on diverse and vulnerable communities, and create appropriate transparency and accountability measures within each department to ensure full compliance with an Access, Equity and Inclusion Framework.
- 49. The City should actively communicate the Access, Equity and Inclusion Framework with the public and engage in ongoing and meaningful consultation with equity seeking groups to monitor the implementation of the Framework.
- 50. The City should ensure that it removes all barriers to its services on the basis of immigration status, and it should work with the province to remove such barriers to services that fall under their shared jurisdiction.
- 51. The City should adopt an Employment Equity Policy to ensure its workforce is reflective of the city's diversity.

# F. Indigenous Relations

Toronto has been home to a number of Indigenous nations for an estimated 11,000 years, including at various times the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples. Today, it is home to approximately 70,000 First Nations, Inuit and Métis people--by far the largest gathering place of Indigenous people in Canada.

Since contact, colonial and Canadian governments have not treated Indigenous nations in this area fairly or justly. For example, the Treaty recognizing the Mississauga's First Nations land was breached by the Canadian government, forcing the Mississauga's to relocate from what became Toronto onto lands provided by the Six Nations (Haudenosaunee) of the Grand River.

Our city has a responsibility to be a major actor in addressing issues of importance to its Indigenous residents, and must play a leadership role in addressing those issues, in collaboration with Indigenous peoples and other levels of government. There is an urgent need for a new relationship between the city and its diverse Indigenous population.

A 2016 study (Our Health Counts Toronto) found that Indigenous peoples in the city face a wide array of very serious socio-economic challenges. 87% of Indigenous Torontonians fall below the Low Income Cut Off. Some 63% are unemployed.

Indigenous residents generally report poorer health and mental health outcomes, a much greater incidence of homelessness or under-housing, poor food security and nutritional issues and involvement of child protection agencies in their families.

Over a quarter have a family member or close friend who has gone missing. majority of Indigenous adults in the city have done some time in prison. A majority also reports having experienced incidents of racism.

The lasting, generational effects of the residential school system, land loss and cultural dislocation continue to be serious determinants of the quality of life of Indigenous Canadians, including those in Toronto.

There is much work to be done to rectify these historic wrongs and close the socio/economic gap between Indigenous and non-Indigenous peoples in the city.

It's beyond the scope of the Charter City proposal to make informed and qualified recommendations for specific actions to build a new relationship between the city and its Indigenous population and to improve the quality of life conditions of Indigenous peoples. We leave those to a recommended process led by Indigenous leaders and representatives in collaboration with government leaders and policy experts.

To that end, the reports of the Truth and Reconciliation Commission of Canada outline some of the ways in which local government can be of assistance in effective ways, including, but not limited to:

- reinforcing Indigenous languages
- improving health outcomes and social determinants of health
- funding community reconciliation
- adopting the UN Declaration on the Rights of Indigenous People at the municipal level
- training municipal staff on the history and present-day realities of Indigenous people
- collecting and making available records of residential schools in their area

There are likely other actions that can be taken to build a new relationship and close the gap.

We recommend that any working group formed to negotiate a City Charter between the city and the province of Ontario should include meaningful Indigenous representation at the highest level. Consultation and reconciliation with Indigenous communities, and charting a new relationship between the city and its First Nations, Métis and Inuit populations should be a high priority of the city and the province (with appropriate involvement of the government of Canada) in the Charter City process.



Humber Bay Arch Bridge, Etobicoke | Photo Credit: alyssablack, Flickr

# The Bigger Picture

It has been noted that some city functions spill over Toronto's boundaries into neighbouring municipalities — transit, human services and the natural environment are three examples. This has highlighted a concern that a Charter for the city of Toronto alone is too limited.

This proposal makes it clear that Toronto should have the ability to enter into agreements with other municipalities to deal with such issues.

There is currently no structure within the Greater Toronto Area capable of becoming a Charter City beyond the city's boundaries – we have no choice but to work with the existing municipalities and their boundaries. Other municipalities may be interested in a Charter. This proposal could be a model on which they can build.

Whether or not they opt to pursue Charter status, neighbouring municipalities should work closely together to ensure that the issues that cross over municipal boundaries are reasonably addressed.

When Toronto secures a Charter, other cities in Ontario, indeed across Canada, can use Toronto's example to secure a Charter for themselves. There is no reason that the adoption of a City Charter should be limited just to Toronto.

#### **Contact Us:**

#### **Email**

CharterCityToronto@gmail.com

#### Website

CharterCityToronto.ca

#### **Facebook**

**Charter City Toronto** 

#### **Twitter**

@ CharterCity\_TO

#### Proposal Developed by:

Henrich Bechmann Beth Levy David Del Grande Sean Manners Doug Earl Sean Meagher Merrilee Evans Ashley Quan Pedram Řahbari Russ Ford Ceta Rankhalawansingh Tim Grant Rob Jamieson John Sewell John Jeffrey Adam Smith

Alan Kasperski



### **CITY OF HAMILTON**

# CITY MANAGER'S OFFICE Human Resources Division and

# CORPORATE SERVICES DEPARTMENT City Clerk's Office

TO:	Chair and Members of Governance Sub-Committee
COMMITTEE DATE:	April 22, 2021
SUBJECT/REPORT NO:	Council/Staff Relationship Policy (FCS21045/CM21005) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Andrea Holland (905) 546-2424 Ext. 5409 Janette Smith (905) 546-2424 Ext. 5420
SUBMITTED BY: SIGNATURE:	Janette Smith City Manager
SUBMITTED BY:	Andrea Holland City Clerk, Office of the City Clerk
SIGNATURE:	

#### **RECOMMENDATION(S)**

a) That the Council/Staff Relationship Policy contained in Appendix B of report FCS21045/ CM21005 be approved

#### **EXECUTIVE SUMMARY**

The *Municipal Act 2001*, as amended requires municipalities to adopt a Council/Staff Relationship Policy. Staff met with Members of Council and senior staff to discuss the guiding principles of the policy. The purpose of the Policy is to clearly define the roles and responsibilities of Council and Staff and their common goals and purposes.

# SUBJECT: Council/Staff Relationship Policy (FCS21045/CM21005) (City Wide) - Page 2 of 4

In order to adhere to compliance under the *Municipal Act, 2001*, as amended, staff are recommending the Policy attached as Appendix B, be approved.

#### **Alternatives for Consideration – Not Applicable**

#### FINANCIAL - STAFFING - LEGAL IMPLICATIONS

Financial: none

Staffing: none

Legal: none

#### HISTORICAL BACKGROUND

The Honourable Madam Justice Bellamy examined the details of the City of Toronto computer leasing and external contracts and released the findings through the Bellamy Report in 2005. The Bellamy Report has been instrumental in launching changes to the *Municipal Act 2001*, as amended; to legislate new policies and an ethical framework for Municipalities. As outlined in the Bellamy Report, the need for an ethical framework is essential to good governance and paramount to building trust with the public.

#### "Relations between Councillors and Staff

- 15. Both elected officials and staff should understand and honour their respective roles and responsibilities, act only within them, and never blur the distinction.
- 16. The Mayor in Council meetings, a committee chair, or anyone else in a formal or informal leadership role should immediately intervene in instances of uncivil behaviour and politely remind the person responsible of his or her duty to be civil.
- 17. Councillors should not ask staff to perform personal services for them.
- 18. Councillors should not attempt to influence staff behaviour by direct or indirect coercion of any kind, including intimidation, bullying, or alluding to future promotion or employment prospects.
- 19. Councillors should not ask staff to engage in partisan political activities for them."

(source; Toronto Computer Leasing Inquiry, Toronto External Contracts Inquiry, Report Volume 4: Executive Summary)

SUBJECT: Council/Staff Relationship Policy (FCS21045/CM21005) (City Wide) - Page 3 of 4

#### POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

As of March 1, 2019, changes to the *Municipal Act 2001*, as amended, require municipalities to adopt a policy on the relationship between members of council and municipal staff. Municipalities have the flexibility to determine the content of these policies. While both Members of Council and City Staff have Codes of Conduct, these speak to the behaviours of individuals and not to Council or City Staff as a whole and how they work together to achieve the city's goals and deliver services.

### **Adoption of policies**

- **270** (1) A municipality shall adopt and maintain policies with respect to the following matters:
  - 1. Its sale and other disposition of land.
  - 2. Its hiring of employees.
    - 2.1 The relationship between members of council and the officers and employees of the municipality.

On December 16, 2020, Council approved amending the Integrity Commissioner's workplan to assign the development of a Council/Staff Relationship policy to City Staff:

1. Integrity Commissioner Work Plan (FCS20016(a)) (City Wide) (Item 10.1) (ii) That staff be directed to gather and review Council/Staff Relations policies from other municipalities and bring recommendations on a new policy to the governance committee by April 30, 2021.

#### **DISCUSSION**

The intention of this Policy is to provide reasonable and flexible guidance for a working partnership between City Council and City Staff and to bring the City into compliance with the *Municipal Act 2001*, as amended. The approval of the attached policy aligns with the Term of Council Priorities for a Healthy, Respectful and Supportive Workplace and is a piece of an ethical framework overriding municipalities in Ontario as well as local by-laws. As custodians of the framework, and through consultations with Members of Council and Staff, all recognize the importance of a policy that outlines:

- 1. Our shared Policy Statement;
- 2. Guiding Principles;
- 3. Defined Roles and Responsibilities
- 4. Complaint Process

SUBJECT: Council/Staff Relationship Policy (FCS21045/CM21005) (City Wide) - Page 4 of 4

#### **Ethical and Accountability Framework**

The Council/Staff Relationship Policy is an addition to the complex ethical and accountability framework within which Council and Staff operate. The Province of Ontario's *Municipal Act 2001*, as amended, is only one of the many pieces of Legislation that outlines the Province's Delegated Powers to Municipalities. It does however, outline many of the Accountability Officers required for all Municipalities. The ethical and accountability framework attached in Appendix A speaks to the many by-laws and policies, both legislated and those that the City has adopted as a best practice. These by-laws and policies guide Members of Council and Staff in daily operations and decision making.

#### RELEVANT CONSULTATION

The Policy's draft Guiding Principles were discussed with individual Members of Council in consultation with the City Manager, Executive Director of Human Resources and City Clerk. In these meetings, staff shared best practices from other municipalities, discussed the Guiding Principles and how they frame the shared responsibility of Council and Staff to create a relationship based on respect for each other's roles within the City of Hamilton's local government.

The Guiding Principles and draft policy were brought to the Senior Leadership Team and internal Corporate Policy Review Group for review and feedback. With the final draft before Governance Sub-Committee for consideration.

#### ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Staff recommend the approval of the Council/Staff Relationship Policy in order to bring the City into compliance with the *Municipal Act 2001*, as amended.

#### ALTERNATIVES FOR CONSIDERATION

N/A

#### **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

#### **Our People and Performance**

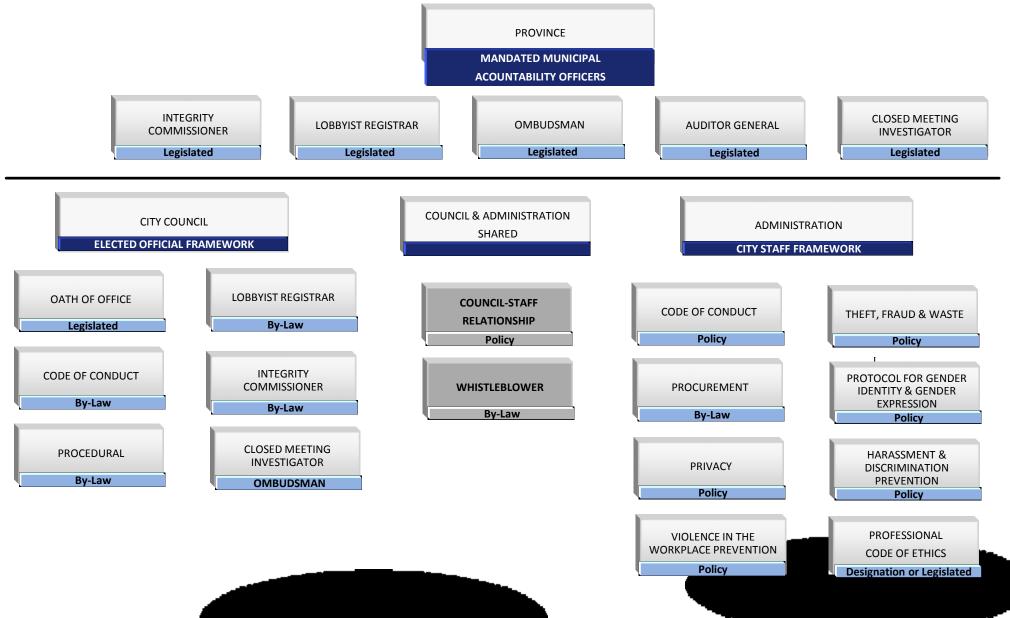
Hamiltonians have a high level of trust and confidence in their City government.

#### APPENDICES AND SCHEDULES ATTACHED

Appendix A - Ethical and Accountability Framework

Appendix B - Council/Staff Relationship Policy

# ETHICAL AND ACCOUNTABILITY FRAMEWORK



Corporate Policy		Policy Alignment:
Office of the City Manager		Municipal Act 2001, as amended
Page <b>1</b> of <b>5</b>	10000000	Council Approved:
	Hamilton	Last Reviewed: April 2021

### Council/Staff Relationship Policy

#### **POLICY STATEMENT**

The Corporation of the City of Hamilton is responsible to provide good government with respect to the matters within its jurisdiction. To do so requires a strong working relationship between the Mayor and Council and City Staff.

#### LEGISLATIVE REQUIREMENTS

This Policy has been prepared in accordance with sub-clause 270 (1) 2.1 of the *Municipal Act, 2001,* as amended which requires Council to adopt and maintain a policy with respect to the relationship between Members of Council and the officers and employees of the Municipality.

#### SCOPE

This Policy applies to all Members of Council and City Staff that work on behalf of the Corporation. This policy applies to all interactions, including those that are on-site and off-site of City facilities, before, during and after work hours.

#### **RELATED DOCUMENTS**

- Council Code of Conduct
- Code of Conduct for Employees Policy
- Harassment and Discrimination Prevention Policy
- Personal Harassment Prevention Policy
- Protocol for Gender Identity and Gender Expression
- Violence in the Workplace Prevention Policy
- Whistleblower Bylaw

#### **PRINCIPLES**

The Guiding Principles below outline the agreed to working relationship between Council and Staff. The commentary provides context only, for the Principle.

1. Council and City Staff recognize their shared responsibility to serve the community of the City of Hamilton and work together to build trust and confidence in City government.

Corporate Policy	dr. dr	Policy Alignment:
Office of the City Manager		Municipal Act 2001, as amended
Page <b>2</b> of <b>5</b>		Council Approved:
	Hamilton	Last Reviewed: April 2021

Commentary: Staff recognize that City Council is the elected voice of the citizens of the City of Hamilton and respect the decisions of City Council. Council will give appropriate weight and consideration to the professional advice of staff and the community's wishes in order to make decisions for the City.

2. Council and City Staff are committed to accountability and transparency among Council and Staff.

Commentary: Staff will ensure all Council members are provided with the same information on matters of general concern and/or matters that will be discussed at a meeting of Council or a committee of Council. Council and staff will maintain transparency in decision making and ensure proper consideration of confidential matters.

3. Council and City Staff respect their roles and professional boundaries and follow appropriate processes. Staff will provide their professional opinion in good faith and Council will not attempt to influence their professional opinion.

Commentary: Staff are responsible to their direct supervisor and City Manager as established in the formal organization structure of the City. Members of Council are encouraged to contact staff to answer questions, identify concerns or request services that are normally available to any City of Hamilton resident. Staff are not able to offer levels of service that are inconsistent with what has been approved by Council overall. If members of Council have issues that are outside of regular City services or business, they should raise those with General Managers or the City Manager or the Council floor.

4. Council and City Staff uphold the City's vision, mission and culture, and work together to achieve the City's strategic priorities.

Commentary: Staff will keep Council apprised in a timely manner on key business decisions affecting strategic priorities, as appropriate. Council will provide funding and resources for City Staff to achieve desired outcomes.

5. Council and City Staff interact with mutual respect, honesty and professionalism.

Commentary: Staff carry out their duties based on political neutrality and objectivity, free from undue political influence. Council will respect the professional opinion of staff when receiving staff reports and recommendations that include advice that may be politically sensitive.

6. Council and City Staff communicate transparently, in timely manner and in good faith.

Commentary: Staff will notify Council of changes to legislation and any unintended or unexpected impacts of policy decisions through written reports and/or presentations in a timely fashion. In order to allow time for preparation, where possible, Council will provide staff with notice of concerns prior to attending meetings where concerns will be raised.

7. Council and City Staff do not make statements that reflect negatively on the City, or on an individual Council or Staff Member.

Corporate Policy	dr. dr	Policy Alignment:
Office of the City Manager		Municipal Act 2001, as amended
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Commentary: Staff will implement and reflect Council's decisions and establish administrative practices and procedures to carry out those decisions, even if it is not in line with the advice of staff. Council will respect Staff's professional advice and not speak negatively about any professional advice provided.

8. Council and City Staff are respectful of each other's time and workloads, and that they are concise in their interactions and respectful of work volume and priorities.

Commentary: Council will work with Staff to create timelines that are achievable within approved funding and staff resources. Staff will respect report timelines to allow ample time and availability for Council to review and ask questions prior to meetings.

#### **ROLES AND RESPONSIBILITIES**

The Roles and Responsibilities of Members of Council and City Staff can be found in the following sections of the *Municipal Act 2001*, as amended.

#### 1.1. Role of Council

Represent the Corporation, provide direction and create policy. Specifically, Section 224 of the Municipal Act, 2001 states:

"224. It is the role of Council,

- a) to represent the public and to consider the well-being and interests of the municipality;
- b) to develop and evaluate the policies and programs of the municipality;
- c) to determine which services the municipality provides;
- d) to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;
- d.1) to ensure the accountability and transparency of the operations of the municipality, including the activities of the senior management of the municipality;
  - e) to maintain the financial integrity of the municipality; and
  - f) to carry out the duties of council under this or any other Act."

#### Role of the Mayor

Section 225 of the Municipal Act, 2001 defines the role of the Mayor as follows: "225. It is the role of the head of council."

- a) to act as chief executive officer of the municipality;
- b) to preside over council meetings so that its business can be carried out efficiently and effectively;
  - c) to provide leadership to the council;
- (c.1) without limiting clause (c), to provide information and recommendations to the council with respect to the role of council described in clauses 224 (d) and (d.1);
  - d) to represent the municipality at official functions; and
  - e) to carry out the duties of the head of council under this or any other Act."

#### "Section 226.1 Head of council as chief executive officer

**226.1** As chief executive officer of a municipality, the head of council shall:

Corporate Policy	di di	Policy Alignment:
Office of the City Manager		Municipal Act 2001, as amended
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- a) uphold and promote the purposes of the municipality;
- b) promote public involvement in the municipality's activities;
- c) act as the representative of the municipality both within and outside the municipality, and promote the municipality locally, nationally and internationally; and
- d) participate in and foster activities that enhance the economic, social and environmental well-being of the municipality and its residents."

#### 1.3. Role of the City Manager

Direction Focus: The City Manager leads in three dimensions. Up to Council, down to staff and out to the community stakeholders. The City Manager is responsible for providing professional advice to Council and leading staff in the implementation of Council's direction / policies. The City Manager specific responsibilities are outlined in By-Law 19-044 - To Appoint and to Prescribe the Duties and Responsibilities of the Chief Administrative Officer.

#### 1.4. Role of Senior Management:

"227 It is the role of the officers and employees of the municipality,

- (a) to implement council's decisions and establish administrative practices and procedures to carry out council's decisions:
- (b) to undertake research and provide advice to council on the policies and programs of the municipality; and
- (c) to carry out other duties required under this or any Act and other duties assigned by the municipality."

#### 1.5. Role of Staff and Other Officers:

These positions have the authority and obligation to carry out their duties as defined by the Legislation. It is Council's responsibility to ensure that these positions have clear job descriptions and the decision making of these positions are free from political interference.

- 1. Chief Building Official Building Code Act (By-Law)
- 2. Corporate Administrative Officer or City Manager *Municipal Act*, 2001 (By-Law)
- 3. City Clerk Municipal Act, 2001 (By-Law)
- 4. Treasurer Municipal Act. 2001 (Bv-Law)
- 5. Chief Planning Official/Secretary Treasurer of the Planning Committee Planning Act
- 6. Fire Chief Fire Code Act (By-Law)
- 7. Police Chief Police Act
- 8. Medical Officer of Health (Council Resolution; Health Protection and Promotion Act)
- 9. Auditor General Municipal (By-Law)

#### **COMPLAINT PROCESS**

Upon receipt of notification that a complaint and/or concern, the supervisor or other departmental member of management shall follow the Council Staff Relationship Procedure to investigate accordingly.

Corporate Policy		Policy Alignment:
Office of the City Manager		Municipal Act 2001, as amended
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	Hamilton	Last Reviewed: April 2021

- 1. In the case of City Staff, the supervisor and manager once removed will complete the investigation process and consult with Human Resources, Organizational Development staff as necessary.
- 2. In the case of a Member, the complaint or concern shall be referred to the Integrity Commissioner who shall investigate the matter in accordance with the provisions of the *Municipal Act*.

#### **Definitions**

"City" means the Corporation of the City of Hamilton

"City Manager" means the City Manager and Chief Administrative Officer of the City of Hamilton.

"Council" means the Mayor of the City of Hamilton and all Ward Councillors.

"Senior Management" means the members of the Senior Leadership Team.

"Staff" or "City Staff" means all City of Hamilton employees, including Senior Management.



# **COMPLIANCE**

# **Bellamy Report**

 the need for an ethical framework is essential to good governance and paramount to building trust with the public

"Good Government, contains 241 recommendations, grouped under brief discussions of the broad themes of ethics, governance, lobbying, and procurement. The recommendations are the most hopeful part of this report. They are forward-looking, offered with well-founded optimism that things are getting better and can continue to improve." Honourable Madam Justice Bellamy

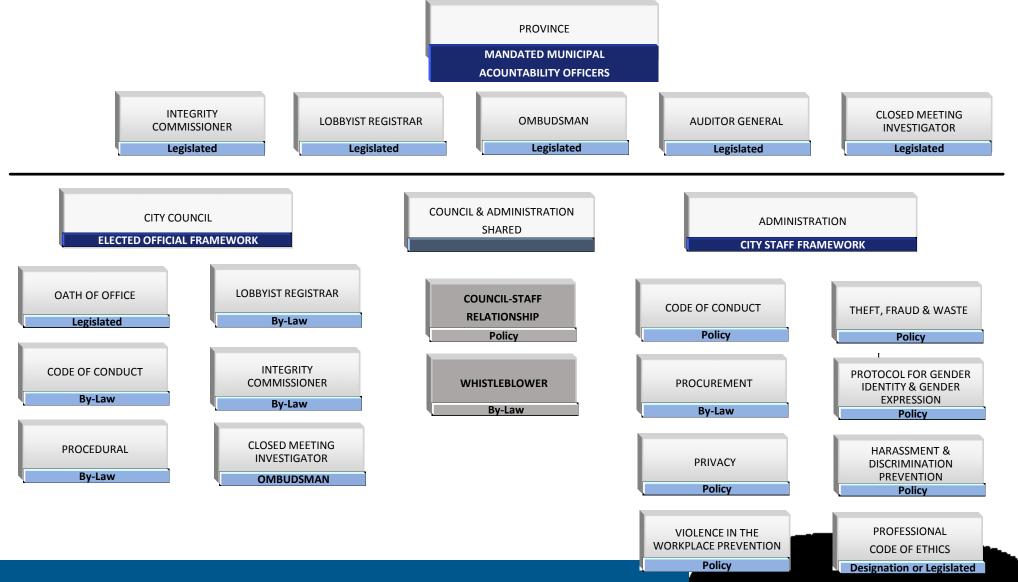
# Municipal Act 2001, as amended

### "Adoption of policies

- **270** (1) A municipality shall adopt and maintain policies with respect to the following matters...
  - 2.1 The relationship between members of council and the officers and employees of the municipality."



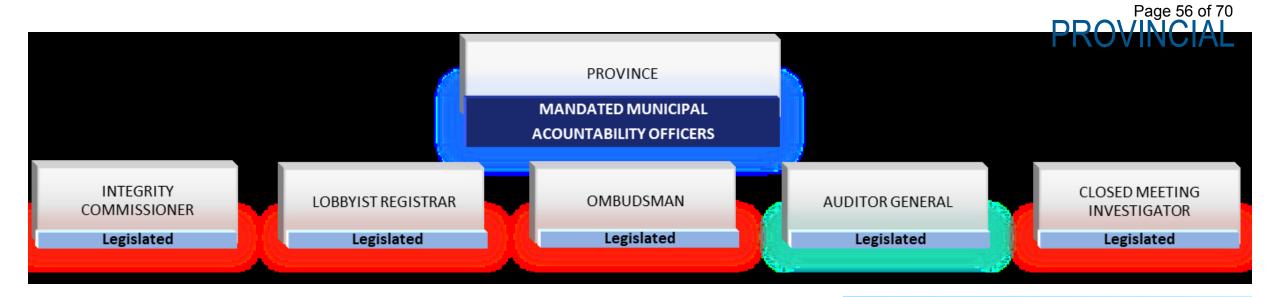
# ETHICAL AND ACCOUNTABILITY FRAMEWORK





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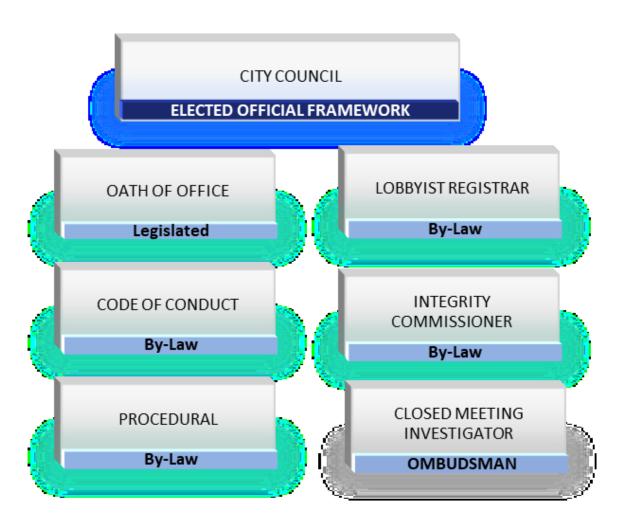


- Council/Staff Relationship Policy Resulted from the Bellamy Report
- Provincially mandated through Legislation
- Ethical Framework for Municipalities





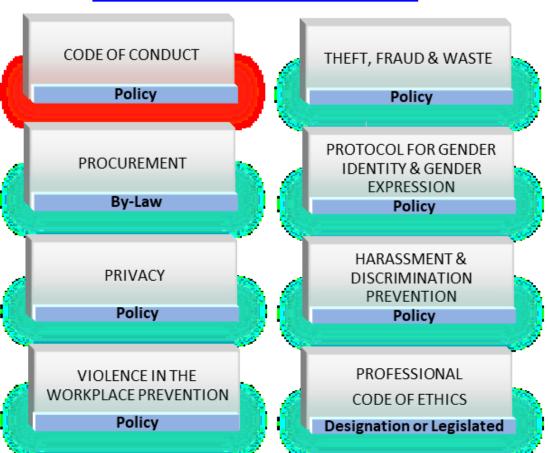


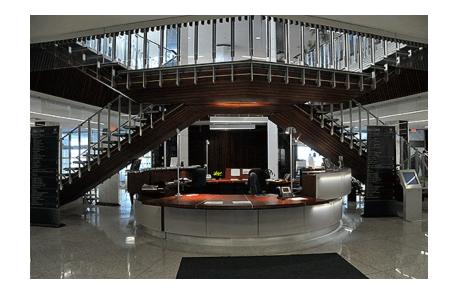






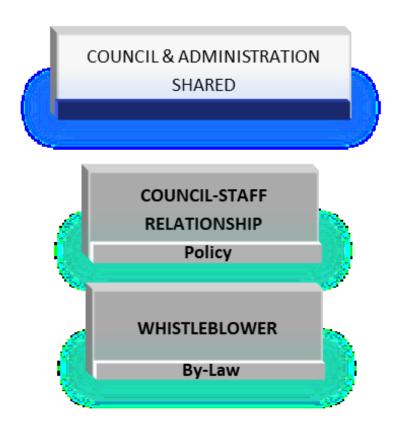








# SHARED POLICY



### Policy:

- 1. Policy Statement;
- 2. Guiding Principles;
- 3. Defined Roles and Responsibilities
- 4. Complaint Process







### 8 Guiding Principles

- Best practice
- Added commentary for context & definition

### Roles and Responsibilities

- Role of Council
- Role of Administration
- Identify Statutory Officers

### **Complaint Process**

 Outline the different mechanisms for complaint resolution that are in keeping with HR policies and the Municipal Act



# Discussion



## **CITY OF HAMILTON**

### MOTION

Advisory Committee for Persons with Disabilities: March 9, 20	21
MOVED BY J. KEMP	-
SECONDED BY SEMKOW	•

### **Advisory Committee for Persons with Disabilities Logo**

WHEREAS, in an effort to educate the public regarding the role and function of the Advisory Committee for Persons with Disabilities (ACPD) with respect to City Council, the ACPD has begun designing a pamphlet/brochure to be distributed throughout the City at various community centres. To that end, the ACPD has designed a logo for the Council's consideration;

WHEREAS, the most well-known symbol that represents persons with disabilities is the wheelchair symbol. While it has recently had a small facelift in the form of the Dynamic Symbol of Access, many people feel that it creates a false impression of disability; that the only disability that people need to make allowances for are those in wheelchairs and other similar mobility devices. It is for this reason that we do not feel that it is inclusive enough to represent all persons with disabilities;

WHEREAS, in an effort to be inclusive and encompass all disabilities we have looked for a symbol that represents all disabilities. The Universal symbol of Access is simply a representation of a person, with legs slightly spread and arms raised fractionally. It originated as the symbol for web accessibility, but it is becoming the more accepted symbol of universal accessibility. The reason for this is that it conveys the need for accommodation without placing judgement on the disabilities that require them;

WHEREAS, the ACPD will ensure that we follow all requirements when placing said logo; i.e. ensuring that it is always located to the right of the City of Hamilton logo and ensuring that it does not exceed the size of said logo; and,

WHEREAS, the logo presented for consideration is in a grayscale, we would ask for permission to alter its colours to possibly represent various disabilities with future use. For example, we would have made it purple last year to represent persons with invisible disabilities on International Persons with Disabilities Day;

### THEREFORE, BE IT RESOLVED:

That the Advisory Committee for Persons with Disabilities logo, attached as Appendix "A", to be used in outreach efforts in the community alongside the City of Hamilton logo (in accordance with the City of Hamilton Brand Guidelines), be forwarded to the Governance Review Sub-Committee for consideration.

**CARRIED** 

Appendix "A" to Motion respecting Advisory Committee for Persons with Disabilities Logo Page 1 of 1





41 Shannon St Toronto M6J 2E6 • 416 858 5531 • chartercitytoronto@gmail.com

Andrea Holland City Clerk City of Hamilton Ste 700, 120 King St West Hamilton, Ontario

Dear Ms Holland:

We're writing on the advice of Mayor Eisenberger, requesting an opportunity to present our Charter City proposals for large Ontario cities to Hamilton City Council's General Issues Committee at an early convenience.

The Charter City project seeks to address two fundamental deficiencies in the current relationship between the province of Ontario and its large municipalities.

The first is a power imbalance that gives all authority over municipal affairs to the province, depriving cities of autonomy and the authority to determine their own destinies.

The second is a severe and long-standing revenue imbalance that deprives large municipalities of the funding necessary to carry out their assigned responsibilities or plan for the future and which leaves them vulnerable to the ever-shifting priorities of successive provincial governments.

We began as a purely Toronto-based project in 2018, after the province slashed our city's council in half in the middle of an election. Over time, we have found a receptive and growing audience for our ideas in other large Ontario cities.

We are currently inviting large municipal councils to join or endorse our project in the hopes of creating a critical mass of advocacy such that provincial parties will address these ideas in their 2022 provincial election campaigns.

Please find a brief overview of our proposals attached. We would be happy to provide any other information that will assist you in facilitating our deputation. Many thanks for your kind attention to our request.

Sincerely,
Doug Earl and Tim Grant
Steering Committee Members
Charter City Toronto

Cc: Mayor Fred Eisenberger, Christopher Cutler

## THE PROBLEMATIC CITY-PROVINCE RELATIONSHIP

#### AN OUTDATED RELATIONSHIP



Rules for Ontario cities were created in the 1800s when 80 per cent of Ontarians lived on farms. These constitutional rules define cities to this day as mere "creatures of the province", entirely subject to provincial will, without any innate decision-making authority and lacking the stable and adequate resources needed to fulfill their modern responsibilities.

Cities need a new relationship with the provinceone that frees up their vast potential, allows them to pursue their own destiny and helps to guarantee their success in the 21st century.

#### THE POWER IMBALANCE

The current relationship gives the province all of the power and cities none. The province can dictate municipal policy, overrule and revoke local decisions—even revoke a city's existing powers—at any time, without notice, justification or appeal.

Provinces have always inserted themselves into local decisions to the frustration of municipal governments. This has long led to overlap and costly duplication of effort, suffocating oversight, sclerotic decision-making, delays, wasted effort, lack of certainty and unnecessary friction. It took Toronto, a city of 3 million people that generates 10 per cent of the country's GDP, six years to get provincial permission to hire traffic wardens.

The current provincial government has taken this paternalistic interference to unprecedented heights. Against the wishes of cities, it has slashed city councils, cancelled local elections, revoked ranked ballots, cancelled or altered approved transit projects, pushed city councils out of local transit planning, revoked land use plans years in the making, overruled heritage protections, pushed through development on environmentally sensitive lands, expanded the use of unilateral Ministerial Zoning Orders to block community input into development, and slashed critical sources of municipal funding. Cities are legally powerless to do anything about any of this.

Cities have greater responsibilities than at any time in history. They need to have clear lines of authority to make, nimble, innovative, autonomous and inclusive decisions to build thriving, livable cities for all.

#### THE REVENUE IMBALANCE



Some 90 percent of all taxes raised in cities flows to senior levels of government. Cities have to continually negotiate funding deals with those governments to pay their day to day bills, build capital projects and to keep that infrastructure in good repair. Those funds often come with strings attached that reflect the priorities of senior governments and which prevent local governments from pursuing their own. Without adequate funds of their own, cities bring little to the negotiating table.

Many Ontario cities do not currently have guaranteed access to sufficient funds to achieve their goals, provide the services they are expected to provide, plan for the future or create vibrant, sustainable cities. Though they are prohibited from runnning annual operating deficits, many have permanent infrastructure deficits that can never be covered from existing city revenues. Cities are overly dependant on taxation of property to fund their activities. They do not control progressive, large-scale taxation that distributes the tax burden and which grows with the economy.

Cities are the economic engine of our province and our country. Strong and thriving cities will drive progress and prosperity and help Canada compete globally. Cities that are chronically starved of resources or which face burdensome funding arrangements will wither, attract fewer high quality workers and businesses and turn from economic drivers into financial burdens.

"When cities do well, our entire country benefits.

But still, we find ourselves begging for control over our own finances.

Our request is simple: give us the tools to do the job and the accountability that goes with them and we'll build great cities for the benefit of all Canadians."

-- Mayors of Toronto, Ottawa, Edmonton, Calgary and Vancouver, 2016



## HOW A CITY CHARTER CAN HELP

#### THE CHARTER CITY PROPOSAL



We propose a two-part solution:

- The adoption of City Charters that give large Ontario cities more autonomy over purely local affairs, greater clarity over jurisdictions they share with the province and control of new and more suitable revenue sources.
- A single-province constitutional amendment that would enable these City Charters and protect them from changes that do not have the consent of the city.

#### THE CITY CHARTER

Charter City Toronto proposes a series of City Charters that would give cities exclusive authority over their streets, housing, land use planning, local transit and city governance. These are areas of purely local interest and a source of the great friction with the province. Other cities may want a different mix of powers. Other powers can be added later. Once transferred to the city, the province would have no jurisdiction in these areas.

The City Charter would give the city control over new large-scale revenues, such as a sales tax or income tax, commensurate to the city's needs. This would not end the need for cities and provinces to collaborate financially, but would give the city its own stake at the table and end chronic underfunding.

A City Charter would be provincial legislation specific to the individual Charter City, much like the City of Toronto Act is a specific law that governs Toronto.

The contents of each City Charter would be negotiated with the province. They need not be identical from city to city, though it is expected they would have many features in common. Some cities may wish to take on more authorities while others may wish to take fewer, or different ones, depending on a city's individual needs and capacity.

Many cities in Europe, America and elsewhere are governed by City Charters, including 121 cities in California alone. Their Charters and the powers they give cities vary widely from city to city. Generally, Charter Cities continue to be subject to the laws of the jurisdiction of which they are part, but the Charter takes precedence in areas of local jurisdiction.

#### THE CONSTITUTIONAL AMENDMENT

A single-province constitutional amendment under Section 43 of the Canadian constitution would enable City Charters, and describe how to create and amend them. A city could amend the terms of its own Charter within the authority it has negotiated with the province. The province could amend a City Charter only with the consent of the city.

Such a constitutional amendment requires only the approval of the Ontario legislature, House of Commons and Senate. Other provinces have no involvement, thus avoiding potential constitutional gridlock created by competing demands. A Section 43 amendment has been passed, on average, every five years since the Canadian constitution was repatriated in 1982.

Charters in other Canadian cities, such as Edmonton and Calgary, are not constitutionally protected. These charters are mere provincial legislation and can therefore be unilaterally amended by the provincial government at any time. Calgary and Edmonton found this out in 2019 when the newly-elected UCP government gutted the charters these cities had just negotiated with the previous NDP government.

Constitutional recognition is the heart of our Charter City Proposal. It is the mechanism that gives cities meaningful legal status and removes them from being subject in every way to provincial control.

#### POLICIES UNDER A CITY CHARTER

The policies, laws, procedures or institutions a given city might wish to create with its Charter is up to the city itself. A City Charter is neither a progressive nor conservative policy tool; it's a device to determine who has jurisdiction over a given area of law and taxation. It doesn't pre-determine, impose, entrench any given city law, policy or solution. Rather it enables the Charter City to make policy and law within its jurisdiction, without provincial oversight, permission or interference, thus enhancing the strength and quality of local democracy for everyone along the political spectrum.

#### **ADDITIONAL RESOURCES**

Read our proposal in further detail at www.chartercitytoronto.ca

See the EKOS poll showing massive support for the Charter City project at www.chartercitytoronto.ca/polls

