

REPORT

COMMITTEE OF THE WHOLE April 15th, 2025

Report #CAO-2025-14 Amanda Mabo, Chief Administrative Officer/Clerk

STRONG MAYOR POWERS EXPANSION

STAFF RECOMMENDATION(S)

"THAT, Tay Valley Township inform the Province that it does not want the Strong Mayor Powers and to remove Tay Valley Township from the list;

AND THAT, the Reeve submit comments/send a letter informing the Province of such and outlining the reasons."

BACKGROUND

<u>Bill 3, Strong Mayors, Building Homes Act, 2022</u> and associated regulations <u>O. Reg. 530/22</u> and <u>O. Reg. 580/22</u> received Royal Assent on September 8, 2022, and came into force on November 23, 2022. <u>Bill 39, Better Municipal Governance Act, 2022</u> received Royal Assent on December 8, 2022. These pieces of legislation amend the <u>Municipal Act, 2001</u>, to allow Heads of Council to:

- Hire and fire the municipality's chief administrative officer
- Hire and fire certain municipal department heads
- Establish and re-organize departments
- Create committees of council, assign their functions and appoint the chairs and vicechairs of committees of council
- Propose the municipal budget, which would be subject to council amendments and a separate head of council veto and council override process
- Propose certain municipal by-laws if the Head of Council is of the opinion that the
 proposed by-law could potentially advance a provincial priority identified in regulation
 Council can pass these by-laws if more than one-third of all council members vote in
 favour
- Veto certain by-laws if the Head of Council is of the opinion that all or part of the bylaw could potentially interfere with a provincial priority
- Bring forward matters for council consideration if the Head of Council is of the opinion that considering the matter could potentially advance a provincial priority.

The prescribed provincial priorities are:

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

On April 9th, 2025, the Township first learned, via an <u>Ontario News Release</u>, that the Province was proposing to expand Strong Mayor Powers from the current 47 municipalities (large cities) to <u>169 additional municipalities</u> that had six (6) or more Councillors. This includes Tay Valley Township.

The Strong Mayor Powers will be effective May 1, 2025 to help deliver on provincial priorities, such as building more homes, transit and other infrastructure across Ontario. A letter from the Minister of Municipal Affairs and Housing was also sent to the Head of Council (attached).

The Ministry of Municipal Affairs and Housing has provided one week from the announcement to accept <u>comments</u> – by April 16th, 2025.

DISCUSSION

Learning of this news, staff contacted the Ministry and confirmed that Tay Valley will not be assigned a housing target.

Lanark County is arranging an information session at some point in April/May, unfortunately, this will be after the deadline for comments.

While many larger municipalities have accepted these changes, others have declined out of concern for the health of representative local democracy. Most municipal organizations have, and continue to, lobby against the Strong Mayor legislation, including the Association of Municipal Clerks Managers and Treasurers of Ontario (AMCTO) (attached), and experts in municipal law, including John Mascarin and Jennifer Bilas from Aird and Berlis LLP (distributed separately), among many others.

OPTIONS CONSIDERED

Option #1 (Recommended) – Ask the Province to be removed from the list and submit comments/letter

There are a number of other municipalities that will be asking the Province to be removed from the list. The reasons are outlined in a draft letter/comments to the Province (attached).

Option #2 – Provide no comments

Option #3 – Accept the Strong Mayor Powers and Direct Staff to Being Back Policy Recommendations to Implement the Changes

Option #4 – Other

FINANCIAL CONSIDERATIONS

While this report has no immediate financial impacts, removing Council from decision making, budget making, and senior human resources decisions could have extensive financial implications.

STRATEGIC PLAN LINK

The Strong Mayor Powers may override the priorities, initiatives and actions in the Strategic Plan.

CLIMATE CONSIDERATIONS

None considered.

CONCLUSIONS

As per the recommendation.

ATTACHMENTS

- 1. April 9, 2025 Ontario News Release
- 2. April 9, 2025 Letter from Ministry of Municipal Affairs and Housing
- 3. April 9, 2025 AMCTO Advocacy Update
- 4. Strong Mayor Powers The Erosion of Municipal Democracy by John Mascarin and Jennifer Bilas (distributed separately)
- 5. Draft Letter to the Minister of Municipal Affairs and Housing

Prepared and Submitted By:

Amanda Mabo, Chief Administrative Officer/Clerk

Ontario Proposing to Expand Strong Mayor Powers to 169 Additional Municipalities

Expansion will help municipalities deliver on provincial priorities like building homes and infrastructure

April 09, 2025

Municipal Affairs and Housing

Table of Contents

- 1. Content
- 2. Quick Facts
- 3. Quotes
- 4. Additional Resources
- 5. Related Topics

TORONTO — Ontario is proposing to expand strong mayor powers to the heads of council in <u>169 additional municipalities</u> effective May 1, 2025 to help deliver on provincial priorities, such as building more homes, transit and other infrastructure across Ontario.

This significant expansion reflects Ontario's commitment to streamline local governance and help ensure municipalities have the tools they need to reduce obstacles that can stand in the way of new housing and infrastructure development. The powers would allow heads of council of single- and lower-tier municipalities with councils of six members or more to support shared provincial-municipal priorities, such as encouraging the approval of new housing and constructing and maintaining infrastructure to support housing, including roads and transit.

"Heads of Council are key partners in our efforts to build homes and infrastructure across the province," said Rob Flack, Minister of Municipal Affairs and Housing. "By extending strong mayor powers to these additional municipalities, we are providing

mayors every tool at our disposal to empower them to get homes and infrastructure built faster. Mayors know their municipalities best, and we support them in taking bold actions for their communities."

Ontario's strong mayor powers, initially introduced for Toronto and Ottawa in 2022, have been gradually rolled out across the province. The province currently has 47 municipalities with these enhanced powers, which have helped to cut red tape and accelerate the delivery of key priorities in their communities. These enhanced powers come with increased accountability for heads of council and maintain essential checks and balances through the oversight of councillors.

Strong mayor powers and duties include:

- Choosing to appoint the municipality's chief administrative officer.
- Hiring certain municipal department heads and establishing and re-organizing departments.
- Creating committees of council, assigning their functions and appointing the chairs and vice-chairs of committees of council.
- Proposing the municipal budget, which would be subject to council amendments and a separate head of council veto and council override process.
- Proposing certain municipal by-laws if the mayor is of the opinion that the proposed by-law could potentially advance a provincial priority identified in regulation. Council can pass these by-laws if more than one-third of all council members vote in favour.
- Vetoing certain by-laws if the head of council is of the opinion that all or part of the by-law could potentially interfere with a provincial priority.
- Bringing forward matters for council consideration if the head of council is of the opinion that considering the matter could potentially advance a provincial priority.

Quick Facts

- Strong mayor powers have been used across the province to support the building of more homes. For example, they have been used to facilitate a new housing complex near transit in Ajax and to direct staff in St. Catharines to prioritize housing developments.
- Certain strong mayor powers can only be used to support <u>prescribed provincial</u> <u>priorities</u>, which include building new homes and constructing and maintaining infrastructure like roads that support new and existing housing developments.

- This tool complements historic and <u>ongoing investments in housing-enabling</u> <u>infrastructure</u> and the new <u>Provincial Planning Statement</u> that helps municipalities support growth by reducing and streamlining planning rules.
- The proposal will be posted on Ontario's Regulatory Registry until April 16, 2025.

Ministry of Municipal Affairs and Housing

Office of the Minister

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

Bureau du ministre

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



234-2025-1568

April 9, 2025

Dear Head of Council:

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

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

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

Heads of council in strong mayor municipalities can:

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

.../2

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

Please accept my best wishes.

Koh Hlack

Sincerely,

Hon. Rob Flack

Minister of Municipal Affairs and Housing

c: Robert Dodd, Chief of Staff

Martha Greenberg, Deputy Minister

Caspar Hall, Assistant Deputy Minister, Local Government Division

Sean Fraser, Assistant Deputy Minister, Municipal and Housing Operations

Division

Municipal Clerk and Chief Administrative Officer



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Policy

Network & Community



Advocacy Update

Learn more about our work as we advocate on behalf of AMCTO members

April 9, 2025

Expansion of Strong Mayor Powers

Today the Ontario Government announced that it will be expanding strong mayor powers to the heads of council of an additional 169 municipalities effective May 1, 2025. This represents single and lower tier municipalities with municipal councils of six members or more.

This change will be made through a regulatory amendment to O. Reg. 530/22 which is available for comment until April 16. Unlike previous expansions of the regulation, it does not appear that municipalities will be required to commit to a housing pledge in order to be granted the powers.

While the government continues to justify the expansion of strong mayor powers as a tool to build housing, there is no evidence to suggest this legislation has any impact on the number of housing starts in municipalities that have been granted the powers.

Alternatively, our research indicates that strong mayor powers have blurred the political-administrative authority between the roles of head of council and chief administrative officers (CAOs), threatening the neutrality of the public service and politicizing local government

leadership. As an Association, we continue to voice our opposition to strong mayor legislation, calling specifically for the removal of the authority of heads of council to directly hire or terminate any municipal staff, including the CAO.

We know that this announcement represents additional administrative and operational burden for our members. Our policy and advocacy team will be continuing to monitor the expansion of this legislation and its impacts on affected municipalities and staff across the province. As an Association, we are committed to providing support to you, our members, and those municipal staff who may be affected. Please stay tuned for further information to come.

For more information or questions, please contact our advocacy team.



AMCTO | The Municipal Experts

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Hon. Rob Flack Minister of Municipal Affairs and Housing 777 Bay Street, 17th Floor Toronto, ON M7A 2J3

Dear Mr. Flack:

Thank you for your letter of April 9, 2025 in which you convey that Tay Valley Township is being provided with 'strong mayor' powers. On behalf of our Council, I wish to reply that we view these powers unfavourably. In general, they undermine municipal democracy and the principles of good municipal governance. More specifically, they:

- Create an unhealthy power imbalance between the mayor/reeve and the rest of Council;
- Risk a mayor/reeve pursuing a personal agenda in which there is no need or desire to build consensus or to seek compromise within Council as a whole; and
- Risk the politicization of municipal operations.

In addition, we are concerned by the lack of evidence that 'strong mayor' powers advance the construction of housing in Ontario – the purported main reason for these powers being provided in the first place. As stated by lawyers John Mascarin and Jennifer Bilas:

"Despite a potential influx of development approvals, a lack of skilled tradespeople, supply chain issues and the difficulty for developers to obtain construction financing with increasing interest rates remain obstacles that have not been addressed. In other words, a solution to a multi-faceted problem resulting in the housing shortage in Ontario cannot simply be resolved by a number of mayors deciding to propose or veto various by-laws....Expanding inclusionary zoning, ending exclusionary zoning, strengthening rent control and closing loopholes around renovictions, and funding community and affordable housing would directly and immediately impact housing concerns province-wide. Instead, the provincial government has focused on reforming municipal government. It is evident that the implementation of a strong mayor system, to be exercised only to advance the prescribed provincial priorities of the day, is another example of the Province intermeddling into municipal affairs." (1) In a critique of 'strong mayor' powers issued on April 9, 2025, the Association of Municipal Managers, Clerks and Treasurers of Ontario stated that:

"While the government continues to justify the expansion of strong mayor powers as a tool to build housing, there is no evidence to suggest this legislation has any impact on the number of housing starts in municipalities that have been granted the powers.

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¹ Strong Mayor Powers – The Erosion of Municipal Democracy (no date) John Mascarin and Jennifer Bilas, Aird & Berlis LLP

"Alternatively, our research indicates that strong mayor powers have blurred the political-administrative authority between the roles of head of council and chief administrative officers (CAOs), threatening the neutrality of the public service and politicizing local government leadership. As an Association, we continue to voice our opposition to strong mayor legislation, calling specifically for the removal of the authority of heads of council to directly hire or terminate any municipal staff, including the CAO."

The AMCTO's position is backed by its research in 2024 that found that "mayors' retention, use and implementation of the powers afforded to them are:

- Creating operational and administrative burdens when it comes to supporting the interpretation and implementation of the legislation;
- Blurring the lines of political and administrative authority, particularly between the mayor and chief administrative officer;
- Creating inconsistencies and a lack of accountability and transparency in decision-making; and
- Leaving staff employment, well-being and effectiveness at the discretion of the mayor." (2)

We wish to now draw attention more specifically to housing, budgeting, and administration, with some focus on our Township itself.

Housing

'Strong mayor' powers will do nothing to support or increase housing in Tay Valley Township. On average we approve nineteen (19) new residential dwelling units per year. Ninety-nine percent of these units are single family dwellings. However, our population skews towards the elderly: fifty-four percent (54%) of our citizens are above fifty-five (55) years in age, compared to thirty-three percent (33%) of the provincial population. Our older residents wish for alternatives to single family dwellings.

Tay Valley's Zoning By-Law already permits co-housing, multi-units, etc. Our Official Plan directs growth to hamlets to revitalize them for economic development and housing choice.

Having a 'strong mayor' will not produce the range of housing our residents want. The only way to provide a range of housing and revitalize hamlets is to increase density significantly. For this to occur in areas without municipal water and sewer services, communal services for water and septic are required.

² Strong Mayor Authority Scan (2024) The Association of Municipal Managers, Clerks and Treasurers of Ontario

With a municipal utility responsible for communal services, a Municipal Responsibility Agreement (to hold the developer financially responsible for the communal system) would then not be required. However, the Province has yet to address the barriers to communal services. Our neighbouring Frontenac County spent eight (8) years getting approval for their municipal utility. They are open to sharing this resource with other municipalities, including Tay Valley, but they need support from the Province to expand capacity. The technology of communal septic systems has been proven in the US and Ontario for decades. The utility provides the funding/liability risk mitigation and expertise that is not available to small rural municipalities.

The Province also needs to speed up the Environmental Compliance Approval (ECA) process by adding more engineers, or streamlining the process for proven technologies. A developer cannot wait five (5) years for a municipality to create a Municipal Responsibility Agreement and for the ECA to be approved. A developer certainly cannot wait that long and be required to provide a letter of credit for 100% of the replacement cost of the system. The economic return is not there and, therefore, density is not happening in rural areas.

Density of housing in hamlets achieves a variety of goals: reduced greenhouse gas emissions, reduced social isolation, and provision of a range of housing options which can be affordable for young families, seniors, health care workers, etc. However, housing density is not happening in rural areas because the Province is only supporting "pipes in the ground" for sewer and water. The Province needs to support communal services because small rural municipalities will never be able to afford piped services for sewer and water.

The Province also needs to look at the capacity of existing septic lagoons and septage permits and provide funding where the growth in housing is constrained by the shortfall of these facilities.

The Province should realize that the problem of an inadequate housing supply results from a variety of causes. In addition to the causes noted earlier in this letter, the commodification of housing for the pursuit of profit, by real estate investment trusts (REITs), and widening income and wealth inequality are two reasons housing has become unattainable for many residents. The lack of federal housing plans for over three (3) decades has meant a lack of construction of affordable social housing. A lack of skilled workers contributes to high housing prices. None of these factors would be affected by the actions of a 'strong mayor'.

Because 'strong mayors' are constrained by the Province to act on provincial priorities, they are in effect puppets of the Province. The Province offloads the responsibility for housing onto the lower tier without providing rural municipalities with the infrastructure support they require, thereby setting them up to fail.

To support affordable housing, rural areas also need support for mini-transit modes of operation. Vehicle ownership or access is often and frequently not an option for the elderly, youth, persons with disabilities, and persons with low income who live in rural communities like Tay Valley. Rural transit options (e.g., shuttle services by minivan) can be viable by increasing density in hamlets. However, rural municipalities are not eligible for transit funding from gas taxes. Allowing rural municipalities to be eligible would have a greater impact than 'strong mayor' powers.

Budgeting

Under 'strong mayor' powers the Head of Council does not have to bring forward a budget until February 1st. This will have a detrimental effect on the budget process in Tay Valley Township. Our process starts in late October and wraps up by mid-December, allowing for tendering for capital projects to start in January which has resulted in better pricing. Now, there could be a 4-month delay with the Township missing out on the tendering window for better pricing.

There is also the concern of the Head of Council bringing a budget forward despite having no financial background/expertise – a scary thought for a multi-million dollar corporation. Prior to entering into municipal public service I worked for many years as the executive director of relatively small non-profit and charitable organizations. That experience, including developing budgets and participating in annual financial audits, has been helpful to my service on Tay Valley Township Council. However, it could not substitute for the experience, knowledge, and expertise of our professional staff who do the legwork to bring highly detailed and extensive draft annual budgets forward for all of Council – not just the Head of Council – to consider.

Administration

Having the ability of a 'strong mayor' to hire and fire senior staff does nothing to support or increase housing. Moreover, such ability logically leads to a politicization of municipal operations, such that senior staff who could be terminated by a 'strong mayor' may be apt to conduct themselves so as to remain in the 'good graces' of the mayor – even if by doing so they may not necessarily serve the public interest of the Township. This aspect of the 'strong mayor' powers risks self-serving behaviour on the part of a 'strong mayor' and/or the senior staff who would have to report directly to such a mayor.

If, in a given situation there is, for example, a need for a CAO to be hired quickly by a mayor, without consultation or involvement of Council, then we suggest inserting into the appropriate legislation a caveat that such capacity is restricted to genuine emergency situations only.

Finally, we speculate on the possibility that 'strong mayor' powers could be expanded into other areas of public interest, for example to combat homelessness or to accelerate

aggregate resources extraction – potentially with no oversight by Council as a whole. After all, if there is a compelling rationale to enable 'strong mayor' powers to address the housing shortage, there could be a compelling rationale to deploy such powers to address other critical issues. This leads us to ask: what would be the safeguards to ensure that 'strong mayors' do not 'run amok' with the power invested in them, to the detriment of due democratic process?

Tay Valley Township does not need or want 'strong mayor' powers. Per the enclosed resolution adopted unanimously on April 15, 2025, we request that these powers be rescinded so that our Township, which has been functioning well in the traditional, longstanding model of municipal governance, can continue to run efficiently with involvement of our entire Council and with the support of our professional administrative team. We urge the Province to strengthen and not weaken municipal governance.

Sincerely,

Rob Rainer, Reeve

Cc: Hon. Doug Ford, Premier
John Jordan, MPP, Lanark-Frontenac-Kingston
Robin Jones, President, Association of Municipalities of Ontario
Laurie Kennard, President, Ontario Municipal Administrators Association
Christa Lowry, Chair, Rural Ontario Municipal Association
Paul Shipway, President, Association of Municipal Managers, Clerks and Treasurers of Ontario

STRONG MAYOR POWERS – THE EROSION OF MUNICIPAL DEMOCRACY

John Mascarin and Jennifer Bilas

Aird & Berlis LLP

A. INTRODUCTION

On February 8, 2022, the Ontario Housing Affordability Task Force (the "Task Force") released a report "to identify and implement measures to address the housing supply crisis and get homes built faster". The recommendations arising from the Housing Report include, *inter alia*, minimizing and unifying municipal design rules and requirements, and depoliticizing the development approvals process. In other words, the impediments to development as noted in the Housing Report fell within the purview of municipal authority. Although none of the recommendations included revising the municipal governance model, this became the impetus to Premier Ford's implementation of the so-called "strong mayor" powers in, first, the Cities of Toronto and Ottawa, followed shortly thereafter with an expansion of these powers to municipalities that signed a commitment to meet specified provincial yearly housing targets. This was followed by an announcement at the annual conference of the Association of Municipalities of Ontario ("AMO") in August 2023 that the powers would be extended to an additional 21 smaller municipalities whose head of council would commit to new provincial housing targets.

During his spring of 2022 provincial campaign, Premier Ford had not mentioned an intention to implement strong mayor powers [in large cities] across the Province. However, he had publicly been a proponent of the US-type strong mayor system of local governance⁴ as a means of making

¹ Housing Affordability Task Force, Report of the Ontario Housing Affordability Task Force (February 2022) (Chair: Jake Lawrence) (the "**Housing Report**"): https://www.ontario.ca/page/housing-affordability-task-force-report.

² "To Build More Homes, Ontario Launching Building Faster Fund and Expanding Strong Mayor Powers" Ontario Newsroom (21 August 2023), online: https://news.ontario.ca/en/release/1003397/to-build-more-homes-ontario-launching-building-faster-fund-and-expanding-strong-mayor-powers.

³ O. Reg. 331/23, filed on October 31, 2023, added 18 additional municipalities to the designated list.

⁴ In 2016, Doug Ford wrote that if he was elected at the provincial level, "municipal affairs [would be] the first thing [he] would want to change... [M]ayors across the province deserve stronger powers." David Rider, "Would Doug Ford Give City Mayors More Power?", *Toronto Star* (3 June 2018), online: https://www.thestar.com/news/queenspark/2018/06/03/would-doug-ford-give-city-mayors-more-power.html, citing Doug Ford and Ford, Rob, *Ford Nation: Two Brothers, One Vision* (Toronto: HarperCollins Publishers, 2016).

the "[mayor] responsible for everything." With the rise of the housing crisis, the Premier may have seen a window to fundamentally alter the model of local governance that aligned with his vision of mayoral powers.

The *Strong Mayors, Building Homes Act, 2022*, moved quickly from initial announcement to enactment in under two months time. Enacting a bill on such an aggressive schedule meant that the provincial government forwent any meaningful consultation with local governments and industry stakeholders to determine if the strong mayor powers could be the solution that the housing crisis needed, and that the provincial government claims that it is. In fact, AMO urged the Province to consult "Ontario's professional and political municipal organizations, including AMO, if [the Province] is considering extending these powers to other municipalities, to avoid unintended consequences."⁶

Rather than using the powers constitutionally vested in the Province to actually address the housing crisis by, for example, increasing funding for community housing or expanding the inclusionary zoning power, the Province decided to download the responsibility to the heads of council of designated municipalities.⁷

B. DISTINGUISHING THE STRONG FROM THE WEAK

1. Weak Mayor System

Prior to the fundamental shift in the model of local government when the *Strong Mayors*, *Building Homes Act*, 2022 was enacted, the "strong mayor" system did not exist in any jurisdiction across Canada.

Under the "weak mayor" system established by Ontario's *Municipal Act, 2001* and *City of Toronto Act, 2006*, which remains the model of governance across Ontario, other than in the City of Toronto or unless otherwise designated through regulation, the head of council

⁵ See Anna Mehler Paperny, "Toronto Needs Strong Mayor With Veto Power, Doug Ford Says", *The Globe and Mail* (17 February 2011), online: https://www.theglobeandmail.com/news/toronto/toronto-needs-strong-mayor-with-veto-power-doug-ford-says/article566760/.

⁶ Paola Loriggio, "Ontario Must Consult Public, Groups Before Expanding 'Strong Mayor' Powers: AMO" City News (29 August 2022), online: https://ottawa.citynews.ca/local-news/ontario-must-consult-public-groups-before-expanding-strong-mayor-powers-amo-5754449. See AMO Policy Update (10 August 2022), online: https://www.amo.on.ca/advocacy/municipal-gov-finance/strong-mayors-building-homes-act.

⁷ Strong Mayors, Building Homes Act, 2022, S.O. 2022, c. 18.

(i.e., mayors, reeves, wardens and chairs) has limited authority to take action and make decisions.⁸ The mayor is the ostensible leader of council with the express statutory responsibility to preside over council meetings, provide leadership, information and recommendations to council, and to represent their municipality at official functions.⁹ Although described as chief executive officer of the municipality, ¹⁰ the mayor cannot bind a municipality without a quorum of council, unlike the chief executive officer of a corporation.¹¹ This model of government, with the mayor as a leader among equals and having only a single vote at council, remains in place across Canada, with the only exception now being in Ontario.

2. Strong Mayor System

A strong mayor system, by contrast, provides the head of council with a centralized executive authority to take actions and make decisions on a unilateral basis, without the concurrence or support of a majority of the members of council. ¹² Such a system creates a power imbalance on council, granting the head of council additional powers that general members of council do not have (unless delegated).

Head of council as chief executive officer

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

- (a) uphold and promote the municipal 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.

A similar description is set out in s. 134 of the City of Toronto Act, 2006.

⁸ John Mascarin and Williams, Christopher J., *Ontario Municipal Act and Commentary*, 2023 ed. (Toronto, Canada: LexisNexis Canada Inc.) at 76. References in this paper will be interchangeably to the "mayor" or the "head of council".

⁹ City of Toronto Act, 2006, s. 133; Municipal Act, 2001, s. 225.

¹⁰ City of Toronto Act, 2006, s. 133; Municipal Act, 2001, s. 225(a).

¹¹ See the description of the head of council as chief executive officer in s. 226.1 of the *Municipal Act, 2001*:

¹² John Martinez, *Local Government Law,* (Thomson/West, 2022) Part II. Local Government Organization and Process, c. 11, Processes of Governance § 11:1.

A head of council acting under the auspices of a strong mayor system is granted limited statutory executive functions, such as the power to make decisions on their own on certain matters and to veto certain decisions made by council. This means that the mayor is more than just one vote on council, and has the ability to realize their personal agenda without the need to build consensus or to seek compromise amongst council as a whole, which essentially had been the local governance model in Ontario (and throughout Canada) for some 200 years.

C. STRONG MAYORS POWERS

1. Amendments to City of Toronto Act, 2006 and Municipal Act, 2001

(a) General

The City of Toronto Act, 2006, the Municipal Act, 2001, and the Municipal Conflict of Interest Act, were amended in September 2022 by the Strong Mayors, Building Homes Act, 2022 via Schedules 1, 2, and 3, respectively.

The statute added stand-alone Parts VI.1 to both the *Municipal Act, 2001* and the *City of Toronto Act, 2006* – both entitled "Special Powers and Duties of the Head of Council". ¹³

Following this initial restructuring of local municipal governance, strong mayor powers were enhanced in December 2022 by the enactment of the *Better Municipal Governance Act*, 2022¹⁴ which added a very significant new power to a strong mayor municipality whereby the head of council could propose certain by-laws that would **advance** provincial priorities and have such by-laws enacted by a vote of a mere one-third plus one member of a municipal council. This power supplements the authority of a head of council from the *Strong Mayors*, *Building Homes Act*, 2022 to veto a by-law that could potentially **interfere** with a prescribed provincial priority.

¹³ The authorities in both statutes are largely complimentary to one another. There are only a few minor substantive differences between the two parts.

¹⁴ Better Municipal Governance Act, 2022, S.O. 2022, c. 24.

¹⁵ City of Toronto Act, 2006, s. 226.9.1; Municipal Act, 2001, s. 284.11.1.

(b) Municipalities Granted Strong Mayor Powers

Section 284.2 of the *Municipal Act, 2001* provides that the Minister of Municipal Affairs and Housing may designate municipalities to which the strong mayor system applies by way of regulation. This is not necessary in the *City of Toronto Act, 2006* which only applies to the City of Toronto.

Former Minister of Municipal Affairs and Housing, Steve Clark, first designated the City of Ottawa as a municipality to have the strong mayor system, and then on June 29, 2023, designated an additional 27 municipalities.¹⁶

More recently, municipalities with a forecasted population of 50,000 or more by 2031 had the opportunity to sign a pledge to meet specific housing targets. Such housing targets were determined by the Province. Communications were sent to 21 heads of council, they were advised that if they signed a commitment by October 15, 2023 to meet the new provincial housing targets, their municipalities would be designated as a strong mayor municipality via regulation.¹⁷ Eighteen additional municipalities have been designated.

The strong mayor powers can be divided into four broad categories: Administrative, Provincial Priorities, Municipal Budget and General/Miscellaneous.

(c) Administrative Powers

(i) Directions to Employees

Designated heads of council have a limited authority to direct employees to undertake research, provide advice and to carry out any powers or performance to implement the decisions of the head of council. Any such directions to employees must be provided in writing and prescribed documents or information must be made available to the public. 19

¹⁶ O. Reg. 530/22, s. 1, as amended by O. Reg. 180/23.

¹⁷ "To Build More Homes, Ontario Launching Building Faster Fund and Expanding Strong Mayor Powers" Ontario Newsroom (21 August 2023), online: https://news.ontario.ca/en/release/1003397/to-build-more-homes-ontario-launching-building-faster-fund-and-expanding-strong-mayor-powers.

¹⁸ City of Toronto Act, 2006, s. 226.1; Municipal Act, 2001, s. 284.3.

¹⁹ City of Toronto Act, 2006, s. 226.2; Municipal Act, 2001, s. 284.4.

(ii) Chief Administrative Officer

In a fundamental shift of responsibility, the mayors of designated municipalities under the *Municipal Act, 2001* have been given the power to hire and appoint their chief administrative officer.²⁰ The power can be delegated back to the council.²¹

(iii) Organizational Structure

The organizational structure of a municipality may be determined by a head of council. The head of council has been granted the authority to hire or terminate or exercise such other prescribed employment powers pertaining to the head of any division, ²² with certain enumerated exceptions (primarily statutory officers and persons whose appointment is required by statute). ²³ The power can be delegated back to the council or to the chief administrative officer. ²⁴

(iv) Local Boards and Committees

Designated heads of council have authority to appoint the chairs and vice-chairs of prescribed local boards²⁵ and committees,²⁶ and may establish, dissolve and assign functions to committees.²⁷ The power with respect to committees may be delegated back to the council.²⁸

²⁰ City of Toronto Act, 2006, s. 226.3; Municipal Act, 2001, s. 284.5. A chief administrative officer holding their position on the date their municipality is designated under Part VI.1, continues to hold their position unless they are dismissed or their appointment is revoked by the head of council – s. 226.13(1) 1 of the City of Toronto Act, 2006 and s. 284.15(1) 1 of the Municipal Act, 2001.

²¹ O. Reg. 529/22, s. 5(1) and O. Reg. 530/22, s. 6(1). A number of mayors have delegated the power back to their councils (see, for example, the cities of Ottawa, Kingston and Guelph).

²² City of Toronto Act, 2006, s. 226.4(1)-(2); Municipal Act, 2001, ss. 284.6(1)-(2).

²³ City of Toronto Act, 2006, s. 226.4(3); Municipal Act, 2001, s. 284.6(3).

²⁴ O. Reg. 529/22, s. 5(2) and O. Reg. 530/22, s. 6(2).

²⁵ City of Toronto Act, 2006, s. 226.5; Municipal Act, 2001, s. 284.7. Chairs and vice-chairs can continue to hold their positions until they are dismissed or their appointment is revoked by the head of council under s. 226.13(1) 2 of City of Toronto Act, 2006 or s. 284.15 2 of the Municipal Act, 2001. No regulation prescribing local boards have been

²⁶ City of Toronto Act, 2006, s. 226.6 2; Municipal Act, 2001, s. 284.8 2. Prescribed committees must consist solely of members of council: O. Reg. 529/22, s. 3 and O. Reg. 530/22, s. 4.

²⁷ City of Toronto Act, 2006, ss. 226.6 1 & 3; Municipal Act, 2001, ss. 284.8 1 & 3.

²⁸ O. Reg. 529/22, s. 5(1) and O. Reg. 530/22, s. 6(1).

(d) Provincial Priorities Powers

(i) Prescribing Provincial Priorities

The cornerstone to the implementation of the strong mayor system is that such powers may only be exercised for the advantage of prescribed provincial priorities. The following provincial priorities are prescribed pursuant to O. Reg. 580/22:

- 1. Building 1.5 million residential units by the end of 2023; and
- 2. Constructing and maintaining infrastructure to support housing, including,
 - i. transit,
 - ii. roads,
 - iii. utilities, and
 - iv. servicing.

The strong mayor powers set out below with respect to items (ii), (iii) and (iv):

- (a) to require a council to consider matters at meetings,
- (b) to veto a by-law that interferes with a provincial priority, and
- (c) to pass a by-law with a minority vote of council to advance a provincial priority, can only be exercised for the advantage of the prescribed provincial priorities.²⁹

(ii) Powers re Meetings

The head of council is given the power to require council to consider a matter that could advance a provincial priority. This power may be exercised notwithstanding contrasting requirements set out by the municipalities procedure by-law.³⁰

²⁹ City of Toronto Act, 2006, s. 226.7; Municipal Act, 2001, s. 284.9.

³⁰ City of Toronto Act, 2006, s. 226.8; Municipal Act, 2001, s. 284.10.

(iii) Mayor's Veto Power

(1) To Veto By-law Interfering with Provincial Priority

The head of council is provided with a limited veto power which the head can exercise if they are of the opinion that council has passed a by-law that could potentially interfere with a prescribed provincial priority. The veto powers are set out in sections 226.9 of the *City of Toronto Act, 2006* and section 284.11 of the *Municipal Act, 2001*. The veto power is limited to by-laws that are enacted under:

- the City of Toronto Act, 2006 or the Municipal Act, 2001 or their regulations;
- the *Planning Act, 2001* or regulations made thereunder; or
- any other prescribed statutes or regulations or provisions thereof.³¹

The head of council must be "of the opinion" that a by-law enacted by council could potentially interfere with a provincial priority in order to use the veto power.

The veto power must be exercised, in writing, within two days of council approval of the by-law.³² The by-law is deemed not to have been passed by council if the veto power is exercised.³³

We are aware of two mayoral decisions to veto council decisions that could potentially interfere with prescribed provincial priorities:

³¹ City of Toronto Act, 2006, s. 226.9(1); Municipal Act, 2001, s. 284.11(1). O. Reg. 530/22, s. 5 extends the veto power to by-laws enacted under s. 2 of the *Development Charges Act*, 1997, S.O. 1997, c. 27, and limits the veto power by removing its applicability with respect to by-laws under sections 289 and 290 of the *Municipal Act*, 2001.

³² City of Toronto Act, 2006, ss. 226.9(2)-(7); Municipal Act, 2001, ss. 284.11(2)-(7).

[•] Ajax Mayoral Decision No. 2-2024 dated February 21, 2024 to veto town council's community benefits charges by-law as creating additional barriers and costs on purpose-built rental housing because of the introduction of a 4% levy that would be passed on to the ultimate user; and

Hamilton Mayoral Decision MDE-2024-03 dated March 28, 2024 to strike down a city council decision to not make certain city-owned land (parking lots) available for the development of affordable housing.

³³ City of Toronto Act, 2006, s. 226.9(8); Municipal Act, 2001, s. 284.11(8).

(2) Council Override of Mayor's Veto

The council will have 21 days to possibly override the head of council's veto with a two-thirds council vote.³⁴ The head of council is expressly entitled to vote on the proposed council override.³⁵ The head of council is still a member of council and retains their vote when council considers overriding the mayoral veto.

If the supermajority vote reverses the mayor's veto, the by-law will be deemed to have passed on the day the council voted to override the veto.³⁶

(iv) Minority Vote to Advance Provincial Priority

As noted above, the *Better Municipal Governance Act, 2022* added a significant power for a strong mayor municipality whereby the head of council may propose certain by-laws that would *advance* provincial priorities. It is a corollary power to the mayor power to veto by-laws that potentially interfere with a provincial priority. A strong mayor may propose a by-law which can be enacted by a vote of a mere one-third plus one member of a municipal council.³⁷

The minority-enactment power is limited to by-laws that are passed under:

- the City of Toronto Act, 2006 or the Municipal Act, 2001 or their regulations;
- the *Planning Act*, 2001 or regulations made thereunder; or
- any other prescribed statutes or regulations or provisions thereof.³⁸

³⁴ City of Toronto Act, 2006, s. 226.9(9); Municipal Act, 2001, s. 284.11(9).

³⁵ City of Toronto Act, 2006, s. 226.9(10); Municipal Act, 2001, s. 284.11(10).

³⁶ City of Toronto Act, 2006, s. 226.9(11); Municipal Act, 2001, s. 284.11(11).

³⁷ City of Toronto Act, 2006, s. 226.9.1; Municipal Act, 2001, s. 284.11.1. The wording of the statutes stipulates "more than one-third vote required." Both statutes provide that the head of council is entitled to vote on the matter, *ergo* the one-third of council plus the head of council.

³⁸ City of Toronto Act, 2006, s. 226.9(1); Municipal Act, 2001, s. 284.11(1). O. Reg. 529/22, s. 4(2) and O. Reg. 530/22, s. 5(2) provide that this power extends to "by-laws enacted under section 2 of the Development Charges Act, 1997."

(e) Municipal Budget

The statutory amendments created another significant shift by providing that the powers and responsibilities for the municipal budget is now under the authority of the head of council to prepare and present to council for consideration. The mayor must bring forward the budget for adoption by council on or before February 1 of each year in accordance with the regulations. Council may adopt or propose amendments to the budget.³⁹

The mayor may veto the budget amendments and council may, by a two-thirds vote (which includes the mayor – who is entitled to vote), override the mayor's veto.⁴⁰

(f) General or Miscellaneous Provisions

There are also a number of provisions that can be described as general or miscellaneous.

(i) Immunity

If made legally and in good faith by the head of council, any exercise of power under Part VI.1 cannot be quashed or judicially reviewed, in whole or in part, for unreasonableness.⁴¹

(ii) Vacancy in Office of Head of Council

In municipalities where the strong mayor system is not in place, if there is a vacancy of any council member's office (including that of the head of council), the council may fill such vacancy through appointment or by-election.⁴² Under the strong mayor regime, the filling of a mayoral vacancy on the council can no longer be done by appointment – a by-election must be held to fill the office of mayor.⁴³ This is a reflection of the increase in

³⁹ City of Toronto Act, 2006, ss. 226.14(1)-(3); Municipal Act, 2001, ss. 284.16(1)-(3).

⁴⁰ City of Toronto Act, 2006, ss. 226.14(4)-(5) and O. Reg. 529/22; Municipal Act, 2001, ss. 284.16(4)-(5) and O. Reg. 530/22.

⁴¹ City of Toronto Act, 2006, s. 226.12; Municipal Act, 2001, s. 284.14. This immunity has antecedents in ss. 272 and 448 of the Municipal Act, 2001 and ss. 214 and 391 of the City of Toronto Act, 2006.

⁴² City of Toronto Act, 2006, s. 208; Municipal Act, 2001, s. 263.

⁴³ "Bill 3, Strong Mayors, Building Homes", 2nd Reading, *House of Commons Debate*, 1-43, No. 4 (11 August 2022), Volume A at 98 (Hon Steve Clark). *City of Toronto Act, 2006*, s. 226.10; *Municipal Act, 2001*, s. 284.12. There is an exception for a vacancy in the office of mayor that occurs after March 31 in a regular election year – the council can still appoint a replacement.

power allocated to the head of council. A deputy mayor does not step into the shoes of a strong mayor to be able to exercise the same powers.

(iii) Delegation

The head of council may delegate their powers and duties under Part VI.1 of the *City of Toronto Act, 2006* and the *Municipal Act, 2001* with respect to: (i) the chief administrative officer; (ii) municipal organizational structure; (iii) local boards; and (iv) committees.⁴⁴

(g) Regulation-Making Authority

The Minister of Municipal Affairs and Housing is given broad regulation-making powers to prescribe for all manner of things under Parts VI.1 of both the *City of Toronto Act,* 2006⁴⁵ and the *Municipal Act,* 2001,⁴⁶ including the authority to make a regulation retroactive to a date not earlier than six months before it was made.⁴⁷

2. Amendments to Municipal Conflict of Interest Act

The *Municipal Conflict of Interest Act*⁴⁸ was amended to address the implementation of the strong mayor system.

Section 5.3 was added to the *Municipal Conflict of Interest Act*, requiring a mayor with a pecuniary interest in a matter to disclose such interest and to refrain from using the powers granted under Parts VI.1 of the *Municipal Act, 2001* or the *City of Toronto Act, 2006*. Section 5.3 does not apply to a pecuniary interest listed under the exceptions in section 4 of the *Municipal Conflict of Interest Act*.

Despite a declared pecuniary interest, the mayor may delegate their powers and duties of appointment, within the limits as noted above.

⁴⁴ City of Toronto Act, 2006, s. 226.11; Municipal Act, 2001, s. 284.13.

⁴⁵ City of Toronto Act, 2006, s. 226.15.

⁴⁶ Municipal Act, 2001, s. 284.17.

⁴⁷ City of Toronto Act, 2006, s. 226.15(4); Municipal Act, 2001, s. 284.17(4).

⁴⁸ Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50.

D. COMMENTARY

1. Solving the Housing Crisis

The provincial government set an aggressive target to build 1.5 million homes over the next decade. As noted, the provincial government pointed the finger at municipal bureaucracy and red tape as a leading contributor to the housing crisis. In order to have shovels break ground sooner, Premier Ford took the position that strong mayor powers are needed in 50 municipalities across Ontario.

But will strong mayor powers, including the authority to require council to consider matters at meetings without adherence to the procedure by-law, to veto a by-law that potentially interferes with provincial priorities, or to pass a by-law that potentially advances provincial priorities with a minority vote of council, make any real impact on reaching new housing construction targets throughout Ontario? While the development approval process has been streamlined and there is less backlog of building permit delays, significant obstacles to actually constructing new housing units have not been addressed.

A concern raised by many municipalities is the lack of infrastructure and services to support the housing targets set by the Province. Even if a municipality receives funding from the Province's \$1.2 billion Building Faster Fund for such servicing, complex infrastructure is not built in a day. With new housing comes the need for more hospitals, schools, roads, transit, increased water and sewer servicing capacity, and businesses generally. The technical design, receipt of approvals from impacted bodies like the Ministry of the Environment, Conservation and Parks and conservation authorities, and the bid and tender process, all take significant time. The impacts of certain aspects of infrastructure construction need to be assessed, and such studies cannot simply be eradicated to achieve the housing targets. When new or upgraded infrastructure and services must precede new residential development, it is difficult to discern how the strong mayor powers will solve the housing crisis.

⁴⁹ Lisa Queen, "Newmarket denied strong mayor powers after mayor rejected signing housing pledge he calls unachievable", *YorkRegion.com* (16 June 2023), online: <Newmarket denied strong mayor powers after mayor rejected signing housing pledge he calls unachievable (yorkregion.com)>.

Despite a potential influx of development approvals, a lack of skilled tradespeople, supply chain issues and the difficulty for developers to obtain construction financing with increasing interest rates remain obstacles that have not been addressed.⁵⁰

In other words, a solution to a multi-faceted problem resulting in the housing shortage in Ontario cannot simply be resolved by a number of mayors deciding to propose or veto various by-laws.

2. Effects of the Strong Mayor System

In a weak mayor system, where the head of council is but one vote on council, a council must achieve results through collaboration and concession.⁵¹ In a strong mayor system, the head of council can veto various by-laws if they are considered to potentially interfere with provincial priorities or proffer certain by-laws requiring the support of only a minority of council members to potentially advance provincial priorities. In this sense, there is a real loss of consensus-building amongst council.

An oft-cited reason for the opposition of strong mayor powers is the erosion of local democracy.⁵² Municipal democracy as we have previously known it in Ontario is very fundamentally threatened and will be largely dependent on how empowered heads of council wield their executive powers (or decide to cede some of them back to their council and administration). It may very well be that in designated municipalities it will be a minority of council that is deciding how the housing crisis is tackled in that local area, perhaps in contrast to what a majority of their residents actually want.

⁵⁰ Rosa Saba, "Labour Shortage in Construction Adding Extra Pressure to Housing Supply Gap: Experts", *Toronto Star*, (2 July 2023), online: https://www.thestar.com/business/labour-shortage-in-construction-adding-extra-pressure-to-housing-supply-gap-experts/article_84c6a64f-8a51-5629-8074-6e5a828fe50f.html.

⁵¹ "Bill 3, Strong Mayors, Building Homes Act, 2022", Standing Committee on Heritage, Infrastructure and Cultural Policy, 1-43, HE-4 (29 August 2022) at HE-17 (Dr. Myer Siemiatycki): "For almost 200 years, Ontario municipalities have been well served by a governance model based on mayoral-led, collegial, collaborative governance rooted in strong ties to their residents. That needs to continue."

⁵² "Strong Mayor Powers are Bad for Local Democracy", *Toronto Star* (20 June 2023), see online: https://www.thestar.com/opinion/editorials/strong-mayor-powers-are-bad-for-local-democracy/article c60a95b4-aa44-59ec-bf6e-705a979da45f.html>.

The implementation of the strong mayor system, to be exercised only in concert with provincial priorities, is a way for the provincial government to exercise control over municipal governments. The provincial government has revised the system whereby municipalities collect development charges, significantly reducing the amount of charges that municipalities may collect from developing landowners to cover the expense of growth-related capital costs to municipalities. While growth-related costs for new and expanded infrastructure were previously collected from developers, some municipalities must now pledge to meet provincially-determined housing objectives and only when a municipality meets 80% of its yearly target, are they eligible for provincial funding.

By implementing strong mayor powers, the provincial government has effectively undermined municipal independence and, by supplanting development charge funds with a provincial incentivized home-building fund, complete with bonuses for surpassing targets, is forcing municipalities to prioritize provincial goals.

E. CONCLUSION

The provincial government had the inherent power to immediately address housing issues that are rampant across Ontario. Expanding inclusionary zoning, ending exclusionary zoning, strengthening rent control and closing loopholes around renovictions, and funding community and affordable housing would directly and immediately impact housing concerns province-wide. Instead, the provincial government has focused on reforming municipal government. It is evident that the implementation of a strong mayor system, to be exercised only to advance the prescribed provincial priorities of the day, is another example of the Province intermeddling into municipal affairs.

Downloading the provincial government's commitment to solve the province-wide housing crisis to the heads of council of Ontario's largest municipalities will not be the cure that the government promulgates it to be. The strong mayor system is nothing more than another attempt by the provincial government to exercise greater control over local government and advance provincial objectives at the municipal level, despite opposition from local governments, citizens, and even a number of mayors receiving the strong powers.

Finally, the effectiveness of the strong mayor powers to "solve the housing crisis" will be largely dependant on an individual head of council's exercise of such powers. If the mayors are not proponents of increased development or of affordable housing, the legislation will have no effect whatsoever on solving the crisis it was purportedly intended to address.

Note: A previous version of this paper was delivered at the *Six-Minute Real Estate Lawyer 2023* (Law Society of Ontario) on November 15, 2023 which was also based on an earlier published article co-written by the authors for the *Digest of Municipal and Planning Law*: "Strong Mayors, Weak Plan", (2022) 10 D.M.P.L. (2d), October 2022, Issue 22.

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