

Bill 194, Amendments to *The Cities Act*

ISSUE

In November 2019, the Minister of Government Relations introduced *Bill 194—The Miscellaneous Municipal Statutes Amendment Act, 2019* (the “Bill”). The Bill amends *The Cities Act*, as well as *The Municipalities Act* and *The Northern Municipalities Act*. How will this new legislation affect the policies and operations of the City of Saskatoon (the “City”)?

BACKGROUND

In late 2018, the Ministry of Government Relations (the “Ministry”) engaged stakeholders, including the City, on potential amendments to *The Cities Act*. The City participated in two rounds of consultations with the Ministry. It submitted its own proposed changes to the legislation, along with responses to the amendments proposed by the Ministry.

At the May 21, 2019, meeting, the Administration submitted an Information Report to the Governance and Priorities Committee. The report highlighted the proposed amendments to date, and indicated that the City still had some outstanding concerns that had not been addressed in the proposed legislation (see:<https://pub-saskatoon.escribemeetings.com/filestream.ashx?DocumentId=90187>).

CURRENT STATUS

The Bill has passed first reading and is sitting in adjourned debate. Debate will resume at second reading once the spring sitting of the legislature starts on March 2, 2020 (it is scheduled to sit until May 14, 2020). Until the proposed provisions are implemented, the City will continue to operate under the existing provisions of *The Cities Act*.

DISCUSSION/ANALYSIS

Several amendments that were previously reported in May 2019 made their way into the tabled version of the Bill, such as:

- The ability to implement energy efficiency programs or environmental improvements (e.g. PACE financing) to properties by adding those costs to property taxes.
- Allow Councils to be able to adopt leave of absence policies for parental and other kinds of leave, instead of passing resolutions for each individual.
- Flexibility regarding publishing and sending notices electronically.
- Authorizing wards commissions to use alternate population figures for the purposes of determining wards.
- Adding clarity to the property assessment and appeal process.
- Establishing employee protections through the enactment of a whistle blower policy.
- Allowing Councils the ability to delegate to the City Manager the authority to appoint a full-time City Solicitor.

- Allowing a Council to enforce a disqualification of a member of Council by resolution. The City was opposed to this amendment.
- Expansion of ministerial oversight through “official examinations”. The City was opposed to this amendment.

However, the Bill also proposes some new amendments that occurred after the May consultation, such as:

- Authorizing the administrator/clerk to witness oaths and affirmations.
- Allowing Cities to be able to be included in municipal districts (incentives and authority for the creation of municipal districts will be set in regulation).
- Clarifying the definition of “conflict of interest” to better align with the common law regarding “improperly furthering another person’s private interests”.
- Adding regulation-making authority to clarify if necessary, adjustments to the assessment roll to reflect decisions at each level of appeal.
- Clarifying that financial statements and auditor’s reports for controlled corporations and municipal development corporations are to be reported to Council and available for public inspection, consistent with the existing provisions for these documents for municipalities.

While the Bill provides several amendments that will be beneficial to the City, one area of concern may be the proposed conflict of interest amendments. Specifically, the Bill amends section 114.1 of *The Cities Act* from “the private interests of a closely connected person” into “to improperly further another person’s private interests”. The rationale for this amendment is to align more closely with the common law definition, broaden the scope to mitigate situations where other close relationships such as siblings or cousins benefit from their relative’s influence, and to provide better guidance for Council members.

The Saskatchewan City Mayors’ Caucus and the Municipalities of Saskatchewan (formerly the Saskatchewan Urban Municipalities Association) are writing to the Minister of Government Relations requesting suspension of the implementation of the conflict of interest amendments until satisfactory consultation with the municipal sector takes place. To suspend the implementation of that change, the Bill would need to be amended at Committee.

OTHER IMPLICATIONS

The legal implications are addressed throughout the report.

NEXT STEPS

- As noted, debate will resume at second reading once the spring sitting of the legislature starts on March 2, 2020 (it is scheduled to sit until May 14, 2020).
- Once it passes second reading, the Bill will then be sent to the Intergovernmental Affairs and Justice Committee for review (likely in April). The Bill can be amended at Committee, but this rarely happens in Saskatchewan.
- After Committee stage, the Bill returns to the House for third reading and passage.

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- Once the Bill passes third reading it will be given Royal Assent prior to the end of the legislative session (May 14, 2020).
- The majority of the amendments come into force on assent, while others come into force on the passage of regulations.
- For example, those related to property tax and assessment would take effect on January 1, 2021, and after the regulations are developed and passed. Those relating to the Board of Revision likely come into force in January 2023.
- The City Administration anticipates participating in consultations with the Ministry on the development of the regulations that are created as a result of the Bill.

Report Approval

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