



City of Richmond

Report to Committee

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**To:** General Purposes Committee  
**From:** George Duncan  
Chief Administrative Officer

**Date:** November 7, 2001  
**File:** 0035-02

**Re:** **Community Charter Content (Discussion Paper)**

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**Staff Recommendation**

That the positions contained in this report from the Chief Administrative Officer dated November 7, 2001 regarding the Community Charter be forwarded to the Minister of State for Community Charter and to the Community Charter Council.



George Duncan  
Chief Administrative Officer

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## Staff Report

### Origin

The Provincial Government has prepared the attached Discussion Paper which contains the provisions that are being considered for inclusion in the Community Charter. Consultations overseen by the Community Charter Council are occurring throughout the Province in November. The philosophical thrust of the proposed Charter is to provide municipalities with greater autonomy and more powers, remove layers of approvals, give assurances on revenue sources, provide a mechanism for greater provincial-municipal consultation, and recognise local government as a true form of government. For the most part, it appears that the Charter will provide a more significant degree of change for the smaller Municipalities, as cities with larger populations such as Surrey or Richmond are already utilising the corporate structures and many of the mechanisms proposed in the Charter.

It is expected that an interim Community Charter Report will be presented to Cabinet on January 15, 2001. Introduction of the Community Charter in the Legislative Assembly for enactment is expected in the fall session of 2002.

To date, senior staff have only seen discussion papers as opposed to the draft Charter. This is because, staff have been instructed by the Ministry that if the draft is reviewed that staff would not be able to share any of its contents with their City Council. It is for this reason, that we felt that it would be more prudent to provide both the Minister of State for Community Charter and the Community Charter Council with a letter which highlights Richmond's position on some of the proposed key provisions.

On December 3, 2001, this report was presented to General Purposes Committee. In light of the discussions that occurred at the meeting, and the new information received by the Minister of State for Community Charter, Committee decided to refer the report to the next General Purposes Committee meeting in order to review it more thoroughly.

*Thus, the purpose of this report is to highlight some of the key provisions proposed in the attached Community Charter Discussion Paper. Brief summaries of suggested staff positions on the key provisions are provided in this report to assist Council in providing a City position on the Charter to the Minister. This report includes the comments received just prior to the last General Purposes Committee from the Minister of State for Community Charter regarding tax exemptions and the status of the Community Charter Council. The additional information from the Minister is highlighted in italics and bold font.*

## Analysis

### 1. Broader Powers

Municipalities presently have broad corporate powers subject to limitations which enables them to: make agreements; provide assistance; acquire, hold, manage and dispose of property; delegate powers; incorporate corporations and establish commissions. It is proposed in the attached

discussion Paper that municipalities should be granted the powers of a “natural person of full capacity” which eliminates the need to itemize corporate powers.

### **Staff Position**

*Staff agree that Municipalities should have the same legal powers of “natural person”, subject only to restrictions that relate to rights of individuals, limitations of deficits and prohibition of enacting regulations that conflict with existing federal and provincial legislation.*

#### **(a) Broad “Service” Powers**

Currently, the scope of broad municipal powers is limited and prescriptive in nature. It is proposed that the broadening of service powers be considered to provide municipalities with more flexibility to deliver services. The stated intent is to enable governments to deliver traditional services in new ways as well as to consider new service delivery opportunities. In particular, these new powers could enable local governments to determine which services to provide how to deliver them, and how they will be financed.

### **Staff Position**

*Staff recommend that the Charter should prohibit any downloading unless the municipalities consent and there are sufficient sources of funds to provide the service at the municipal level. Staff believe this important, because if the Province decides to discontinue delivering a service without providing adequate funding sources, the Municipalities may receive public pressure to deliver the service without additional Provincial funding.*

#### **Broad “Regulatory” powers**

Currently, the areas in which a municipality can regulate are clearly itemized. It is proposed in the attached discussion paper, that regulatory power of municipalities be broadened provided that the consistency rule is maintained. It is also proposed that the power to *prohibit* should be limited. For example, it would not apply to businesses and business activities.

### **Staff Position**

*Staff recommend that the ability for Municipalities to prohibit businesses and business activities should be included in the Charter. The need for such powers is apparent when considering community issues such as body rub parlours which have monopolized City and police resources in Richmond over the past year.*

## **2. Municipal Bylaw Courts**

Currently, municipalities enforce their bylaws through the provincial court system. As a result, municipal violations are often set aside for provincial court priorities. It is proposed in the attached discussion paper that municipalities be given the opportunity to enter into agreements with other municipalities to establish municipal courts.

**Staff Position**

*Although staff agree in principle with the concept of a Municipal Bylaw Court, at the option of a Municipality or a group of Municipalities, staff recommend that this should only be undertaken after the Municipalities have an opportunity to do a business case analysis on the concept. In other words, perhaps Municipal Bylaw Courts should be allowed rather than required.*

**3. Road Title**

Presently, municipalities have the right of possession of every highway within municipal boundaries. Even though municipalities have this right of possession, legal title rests with the Province. As a result, a complicated process must be undertaken in order to close or dispose of a road. With some exceptions such as roads classified as highways, it is proposed that the Province transfer all freehold titles of roads to municipalities. This new provision would enable municipalities to directly sell or develop any unused portion of a road.

**Staff Position**

*Thus, staff agree with the concept that Municipalities should have title to parks and roads dedicated by subdivision plans within their jurisdictions, with the exception of those highways that are part of the provincial highway system. Staff believe that this provision would help eliminate unnecessary bureaucracy, and as a result could create more opportunities for public-private partnerships in Richmond.*

**4. Role of Mayor and Council**

It is proposed in the attached discussion paper that the roles of the Mayor, Councillors and the Chief Administrative Officer need to be clarified. There is also some indication that the Mayor's duties may be expanded to include the initiating of policies and programs. It is also discussed, that an acting Mayor should be appointed in the Mayor's absence.

**Staff Position**

*It appears that what is being considered will have more of an impact on some of the smaller municipalities rather than Richmond which is already operating under a professional corporate model. However, staff do recommend that the Community Charter Council provide more information on how they plan to clarify roles so that conflicts do not occur in the future between the duties of the Mayor, Council and the CAO. Given the varying complexity of issues across the province, staff also recommend that it is not appropriate to have uniform roles for the CAO and Council prescribed across the Province.*

**(a) Revenues**

It is proposed in the discussion paper that municipalities may receive the power to earn revenues from water, sewage, and sewage treatment systems. It is also proposed that municipalities be able to create new ways to raise revenues such as amusement taxes, tourism enhancement taxes, special geographical area charge or tax. It is important to point out though, that these revenue ideas cannot create a net loss to provincial revenue.

Richmond has and will continue to seek out new ways of raising revenue. Some of the examples, provided in the discussion paper such as a Hotel Tax have already been implemented in Richmond.

**Staff Position**

*Staff agree with the concept that Municipalities should and need to be allowed to access new revenue sources in order to reduce our dependency on property taxes.*

**(b) Liabilities and Borrowing**

Two processes for seeking public input on long-term borrowing are discussed in the attached Discussion Paper.

**Staff Position**

*Staff recommend that the requirement to consult the citizens prior to long-term borrowing be regulated by the amount to be borrowed. The specific amount should be set in accordance with the individual Municipality's financial situation.*

**(c) Tax Exemptions**

The attached Discussion Paper proposes that existing statutory tax exemptions included in existing legislation be retained, and is also considering additional exemptions which would stimulate economic development. ***Just prior to the last General Purposes Committee the Minister of State for Community Charter announced that additional tax exemptions would be limited to attracting International or out of Province companies. The only exception to this would be that tax exemptions could be considered for those companies who are willing to undertake major urban renewal projects.***

**Staff Position**

*Staff recommend that the City should have the power to provide exemptions which further City goals strategically in the areas of business retention and that attract corporations that are large employers. Staff are also in agreement with the Minister of State for Community Charter to limit the exemptions to either major urban renewal projects or out of province companies. These new stipulations will help reduce the occurrence of large employers being enticed to move from one municipality to another.*

## **6. Provincial- Local Government Relationship**

It is the vision of the Charter that local governments should have the freedom and resources they need to do their jobs better. The emphasis is on providing assistance and advice rather than Provincial approval. In the discussion paper on the Community Charter, potential policy directions are provided on: consultation; dispute resolution; off-loading, and amalgamation.

*Just prior to the last General Purposes Committee meeting, the Minister of State for Community Charter announced that the Community Charter Council would continue to stay in tact and oversee the charter when it is enacted.*

### **Staff Position**

Staff recommends the following:

- *that the Community Charter Council or a like body should be dissolved after the Charter is adopted.*
- *the Charter should contain a clear dispute resolution method for disputes between individual Municipalities and between Municipalities and the Province.*
- *the province should not adopt any new regulations or legislation which impact Municipalities without consultation.*
- *that the Charter should specifically prohibit any downloading of responsibilities to Municipalities unless the Municipalities consent and there are sufficient and sustainable sources of funds to provide the service at the municipal level.*
- *the Charter should contain provisions to ensure that the Province cannot force amalgamations.*

## **7. Public Participation, Access and Accountability**

Several clauses are proposed that are intended to support open and transparent government at the Municipal level. For example, it is proposed that Municipal Councils be subject to performance reports.

### **Staff Position**

- *Referendums should only be used for significant borrowing and spending decisions.*
- *Interim Municipal Council reviews are an unnecessary bureaucratic step, because the existing election process is an efficient performance measure.*
- *That the Charter should permit Councils to have more flexibility in considering matters in closed meetings, specifically business negotiations.*

- *That any guidelines for conflict of interest for councillors should be clear and tailored to et individual city's needs*

**Conclusion**

This report highlights and provides staff positions on some of the key provisions presented in the attached discussion paper on the Community Charter in order to assist Council on providing Richmond's position to the Minister of State for Community Charter. The recent announcements from the Minister have been included and addressed in this report.



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