

Meeting of the
**Association of
Manitoba
Municipalities**



with

The Honourable Eric Robinson

Minister of Culture, Heritage and Tourism

February 24, 2005

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A) Executive Summary

Departmental Issues

1) Recreation Centres and the Community Places Program

- Investing in recreation infrastructure provides comprehensive health and safety benefits that will contribute to alleviating the high costs of health care and policing.
- Recreational services rely heavily on existing infrastructure and many of Manitoba's recreational facilities are aging and in desperate need of repair.
- Over the years, grants to recreational associations have been reduced and municipalities are unable to finance these essential infrastructure upgrades.
- Municipalities have suggested that this could be accomplished through increased provincial contributions to recreation commissions and participation in a tri-partite national recreational infrastructure program.
- As the Community Places Program is one of the few existing programs that assists with the renovation, replacement or construction of these facilities, it is the main vehicle that provides funds to assist Manitoba communities wanting to upgrade their recreational infrastructure.

Therefore, the AMM urges the Provincial Government to promote increased recreational programming through improved funding for the Community Places Program, increasing funding to recreation commissions and advancing a tri-partite national recreational infrastructure program.

2) Funding for Libraries

- Libraries act as a valuable educational resource and municipalities consistently raise the importance of this resource with the AMM.
- The increasing pressure on municipal libraries to provide more services and to keep up with technological advances requires sustained additional funding from the Provincial Government.
- Current funding no longer reflects the costs of providing the vast array of services that the public has come to expect from libraries.
- Municipalities are attempting to meet these critical demands, but require the support of the Provincial Government through increased funding to the per capita libraries grant.

The AMM encourages the Provincial Government to increase financial support for public libraries to ensure that Manitobans have access to high quality information resources.

3) Joining Established Regional Libraries and The Libraries Act Review

- The review of *The Public Libraries Act* should aim to create flexible legislation that empowers decision-making at the local level.
- Municipalities want to ensure that all citizens can access up-to-date and technological information services through libraries, regardless of where they reside.
- The AMM has been consulting with Manitoba Public Library Services to discuss the feasibility of ward based library membership and is committed to further examining this issue through the review of *The Public Libraries Act*.
- Municipalities are also concerned that when funding is based on population figures the overall investment in libraries will decrease due to the declining rural population.
- An updated act that facilitates library usage by all residents would be a beneficial change for Manitoba.

The AMM urges the Provincial Government to allow for the designation of parts of municipalities to regional library districts and to improve funding allocations for municipal libraries through the review of *The Public Libraries Act*.

General Issues

1. Education Funding

- Education remains the number one concern for municipalities as the current model of taxation is not sustainable and a new taxation model is needed
- While the AMM was pleased to see the Province recognize the importance of this issue with the recent commitment in the Throne Speech of an immediate reduction in education taxes on farmland, municipal property taxes should be used to fund strictly municipal services, and a complete removal of education funding from all property classes is needed.
- The AMM strongly supports the need for high quality education in all areas of the Province, yet maintains that other sources of Provincial revenue are more appropriate than property taxation to fund education. While every citizen should contribute to education funding, this does not occur under the current regressive system of property taxation.
- The AMM was pleased with the commitment of further reductions in the 2005 Budget beyond the 50% reduction on farmland and believes relief is needed on all property classes, as at present, there is an unfair reliance on property owners to fund an education system that contributes so much to the prosperity of Manitoba.

Consequently, the AMM would like to see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property.

2. Land Use and Water Resource Planning

- Since new water legislation is forthcoming and the Planning Act is currently under review, a municipal perspective must be represented as legislation is formulated.
- The first municipal priority for land use and water resource planning legislation is to recognize local authority.
- The need to recognize local interests pertains to the inclusion of consultation processes within land use and water resource planning legislation.
- The second municipal priority relates to the responsibilities held by the Provincial and municipal governments regarding effective land use and water resource planning.
- The AMM is concerned that municipalities, conservation districts and planning districts will be expected to take on significant administrative and financial obligations in order to provide additional services.
- The Provincial Government must consider the impacts of adding new responsibilities to their own operations since requiring all municipalities and planning districts to create a development plan will increase the demand for the ministerial approval process.
- The Provincial Government must provide support for municipalities that lack the resources to meet the new legislative requirements.

The AMM urges the Provincial Government to ensure that legislation and regulations related to land use and water resource planning are responsive to municipal concerns, including the need for local authority and a balance between Provincial and municipal government responsibilities.

B) Departmental Issues

1) Recreation Centres and the Community Places Program

Communities are healthy when they have access to effective recreational facilities. Not only do recreational facilities promote the health and well-being of residents, but research shows that recreation can contribute to crime prevention. At a time when youth crime is an enormous concern, alternative programs that involve recreational opportunities can have a very positive impact on communities. As well, regular physical activity has proven to be an effective preventive measure for lowering health risks and reducing pressure on the health care system. Comprehensive health and safety benefits mean that investing in recreation infrastructure will contribute to alleviating the high costs of health care and policing.

However, Manitoba communities consistently raise the needs for greater funding to repair or replace cultural and recreational facilities, as well as greater funding to build new facilities. These investments cannot be made unless municipalities obtain additional resources.

The root of the problem is that many of Manitoba's recreational facilities are aging and in desperate need of repair. Recreational services rely heavily on existing infrastructure such as halls, arenas, playgrounds, cultural facilities, childcare centres, senior activity centres and community resource centres. These structures form the basis for recreational program development thereby promoting the high levels of physical activity that are necessary to sustain healthy communities. Over the years, grants to recreational associations have been reduced and municipalities are unable to finance these essential infrastructure upgrades. Nevertheless, municipalities must provide new and upgraded recreational facilities in their communities; failure to meet this challenge is a failure to provide residents with a reasonable standard of living and quality of life.

The Provincial Government is a key stakeholder in recreation initiatives and therefore has a responsibility to ensure municipalities can make appropriate investments in recreational facilities and programming. Municipalities have suggested that this could be accomplished through increased provincial contributions to recreation commissions since these levels have not changed in some time. Although municipalities recognize the need for additional recreational programming, the rising costs are becoming prohibitive and assistance is required. As well, the Provincial Government has already expressed support for a tri-partite funding agreement for recreational infrastructure. The AMM is prepared to support provincial action to establish an appropriate funding mechanism through an intergovernmental partnership that includes the Federal Government. These types of measures would greatly benefit municipalities in promoting local recreational opportunities.

Furthermore, as the Community Places Program is one of the few existing programs that assists with the renovation, replacement or construction of these facilities, it is the main vehicle that provides funds to assist Manitoba communities wanting to upgrade their recreational infrastructure. However, there is consistently far greater demand than can be met by the current funding allocation, leaving municipalities without the resources to maintain their facilities. Although the Provincial Government committed additional funding of \$400,000 to this program in the 2003 Budget, this funding was severely reduced in the 2004 Budget. Demand for the Community Place Program remains strong and the impact of neglecting this infrastructure is extensive. In addition, municipalities are concerned that changes to the Community Places funding formula could act as a disincentive to the investments that are required to improve or establish adequate recreational infrastructure. A

maximum Provincial contribution of \$50,000 is an insufficient contribution to the cost of many recreational infrastructure projects and this limited support could deter municipal investment. The Provincial Government should therefore support the wide-ranging benefits of recreation and physical activity by increasing funding for the Community Places Program and eliminating the maximum Provincial contribution of \$50,000.

All recreational opportunities are essential components of the health and well-being of communities. Access to a variety of recreational activities helps to attract vibrant individuals and families and encourages them to remain residents over the long term. Recreational infrastructure is not only a key factor in the competitiveness of Manitoba's municipalities, but also has the potential to impact health care and policing expenditures across the Province.

Therefore, the AMM urges the Provincial Government to promote increased recreational programming through improved funding for the Community Places Program, increasing funding to recreation commissions and advancing a tri-partite national recreational infrastructure program.

AMM Resolution Number 55 – 2001

Topic: Funding for the Community Places Program

Sponsors: Town of Neepawa (Mid-Western District), Village of Elkhorn, RM of North Cypress (Western District), Town of Rivers.

Department: Manitoba Culture, Heritage & Tourism

WHEREAS the Manitoba Government has promised that 25% of VLT profits would be distributed to rural Manitoba through direct grants, 10% through economic development programs such as REDI, and 15% through the Community Places Program;

AND WHEREAS the Province of Manitoba has decreased the amount of funding to the Manitoba Community Places Program since 1987;

AND WHEREAS the maximum allowable grant under this program is \$50,000 and the average grant awarded is \$13,750 per project;

AND WHEREAS this program is one of the few to assist with the renovation, replacement, or construction of recreation facilities within the Province of Manitoba;

AND WHEREAS it is a known fact that recreation facilities are ageing and in need of some major capital dollars as demonstrated by the over \$10 million dollars in annual requests for a program of \$2.6 million;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Province to: increase the amount of available funds in the Manitoba Community Places Program; and, increase the maximum funds allowable under the grant guidelines to better reflect the true costs of major capital projects.

AMM Resolution Number 15 – 2004

Topic: Increased Funding for Recreational Commissions

Sponsors: RM of Beausejour (Eastern District)

Department: Manitoba Culture, Heritage & Tourism

WHEREAS provincial funding for recreation commissions has not increased since 1992;

AND WHEREAS the cost of administering recreational programs in our communities continues to rise;

AND WHEREAS the average cost a municipality spends on recreational facilities is approximately \$69/capita;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Province of Manitoba to increase its contributions to recreation commissions.

2) Funding for Libraries

Manitoba libraries provide important services to residents across the Province. Libraries act as a valuable educational resource and municipalities consistently raise the importance of this resource with the AMM. Municipalities are attempting to keep up with increased demand for services by increasing their per capita levies. However, since municipalities have limited resources and a growing number of funding priorities, the Provincial Government has a strong role to play in maintaining and improving public library service in Manitoba.

The need to review the rural public library funding formula highlights an issue that has been identified in municipalities for several years. In particular, municipalities are concerned that a formula based on population will ultimately reduce library funding due to declining rural population. However, municipalities realize that libraries promote the education and literacy that is an essential part of early development and ongoing learning. There is also increasing demand for libraries to provide new materials and advanced technological information services. The high cost of providing these services, including knowledgeable support staff, demands an increased investment in libraries across Manitoba. Municipalities have been attempting to meet this demand by allocating additional funds to their per capita contributions. The Provincial Government must also support the improvement of libraries through the provision of additional funding. Municipalities have been appreciative of the recent Provincial increases to library funding, such as the additional \$125,000 in the 2004 Budget. At the same time, the increasing pressure on municipal libraries to provide more services and to keep up with technological advances requires sustained additional funding over the long term.

Although recent increases to per capita operating grants for libraries are welcomed and appreciated, the level of provincial support to libraries remains inadequate. Current funding no longer reflects the costs of providing the vast array of services that the public has come to expect from libraries. Libraries contribute to the information sharing and creative development that is essential in Manitoba's communities. Municipalities are attempting to meet these critical demands, but require the support of the Provincial Government through increased funding to the per capita libraries grant.

The AMM encourages the Provincial Government to increase financial support for public libraries to ensure that Manitobans have access to high quality information resources.

AMM Resolution Number 55 – 2004

Topic: Increased Funding for Libraries

Sponsors: RM of Birtle (Mid-Western District)

Department: Manitoba Culture, Heritage & Tourism

WHEREAS the level of provincial funding for rural libraries has not been adequately raised since 1994;

AND WHEREAS this is putting an ever-increasing burden on municipalities to contribute more to the operation of regional libraries;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government for increased funding to assist libraries in their valuable work across the province.

3) Joining Established Regional Libraries and The Libraries Act Review

In today's changing environment, it is important that Provincial legislation allow for tailored policies based on the needs of local communities. This perspective applies to the operation of municipal libraries and the ability for municipalities to determine the most appropriate way for their residents to access library services. Therefore, the review of *The Public Libraries Act* should aim to create flexible legislation that empowers decision-making at the local level.

Many AMM members are concerned that *The Public Libraries Act* does not allow only a portion of a municipality to belong to a regional library. The AMM appreciated the opportunity to meet with department staff to discuss this issue, however there continue to be barriers that restrict many residents from using the most convenient library. These residents must either travel greater distances to use their municipal library or pay a non-resident fee to a neighbouring municipality to access a closer library. Department staff have indicated that some alternative arrangements are available such as reciprocal borrowing and non-resident fee reimbursement, but greater flexibility is still required. Municipalities appreciate the opportunity to enter into reciprocal lending agreements, however these agreements are entirely voluntary and in some cases have not resolved the issue. Offering municipalities the ability to designate part of the municipality to a regional library district would be an effective way to alleviate this concern.

If such changes are made to the regional library system, the current per capita funding formula must also be reviewed. Municipalities are concerned that when funding is based on population figures the overall investment in libraries will decrease due to the declining rural

population. The AMM has been consulting with Manitoba Public Library Services to discuss the feasibility of ward based library membership and is committed to further examining this issue through the review of *The Public Libraries Act*. Revisions will only be effective if library services can be improved with the support of appropriate Provincial investments. Manitobans require access to the high quality information services that libraries provide and establishing appropriate funding mechanisms will be an important part of *The Public Libraries Act* review.

The diversity of Manitoba's communities creates challenges in designing legislation to suit all circumstances. Municipalities want to ensure that all citizens can access up-to-date and technological information services through libraries, regardless of where they reside.

Therefore, an updated act that facilitates library usage by all residents would be a beneficial change for Manitoba. Municipalities should obtain the freedom to join more than one library board and the autonomy to divide grants at the municipal level.

The AMM urges the Provincial Government to allow for the designation of parts of municipalities to regional library districts and to improve funding allocations for municipal libraries through the review of *The Public Libraries Act*.

AMM Resolution Number 42 - 2000

Topic: Joining Established Regional Libraries

Sponsors: City of Steinbach (Eastern District)

Department: Manitoba Culture, Heritage & Tourism

WHEREAS Section 29(4) of The Public Libraries Act states in part: the Council of a municipality "may by by-law, require the proper officers of the municipality to negotiate and execute on behalf of, and in the name of, the municipality, an agreement";

AND WHEREAS this wording implies that such an agreement is certainly to be entered into in the name of the whole municipality;

AND WHEREAS residents within certain wards of a municipality have indicated that they desire to form a regional library together with their neighbouring library member municipality;

THEREFORE BE IT RESOLVED that the AMM lobby to have The Public Libraries Act amended to allow Council of a municipality "to pass a by-law permitting its proper officers to negotiate and execute on behalf of, and in the name of, part or all of a municipality, and agreement."

AMM Resolution Number 16 – 2004

Topic: Review of Library Funding

Sponsors: Village of McCreary (Mid-Western District), RM of Blanshard (Mid-Western District), RM of Shell River (Parklands District)

Department: Manitoba Culture, Heritage & Tourism

WHEREAS provincial library grants are calculated based upon population;

AND WHEREAS population in many rural areas has been declining and has resulted in decreased provincial funding for many rural public libraries;

AND WHEREAS decreased provincial funding has resulted in increased municipal funding and difficult operational challenges for rural public libraries;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to undertake a review of rural public library funding formulas in an effort to ensure the future of Manitoba's rural public libraries.

C) General Issues

1) Education Funding

For 2005, the AMM has identified education funding to be its top priority. The ongoing need to shift education funding away from property taxes was demonstrated when our membership passed a resolution requesting that the Province develop a new taxation model that removes school tax levies from all properties. The current model is not sustainable and further action must be taken to relieve the pressures on municipal property taxes.

The recent Throne Speech included a significant first step that was much appreciated by the AMM membership. A 33 per cent reduction in farmland property taxes will assist an agricultural community that has experienced ongoing pressure as a result of BSE and consecutive years of poor weather conditions. The prospect of a further reduction in the 2005 Budget to 50 per cent will also lessen the negative impact of past years. This commitment of \$33 million over two budget years is an appropriate beginning to the process of separating education funding from property. Municipal property taxes should be used to fund strictly municipal services, and reducing the education portion of property tax will facilitate this process.

The Province has also made reference to further education tax relief being unveiled in the next budget. In order for further action to incorporate municipal interests, education tax relief must be applied equitably to all classes of property. Phasing out the residential Education Support Levy (ESL) is an essential part of this initiative and is certainly beneficial to residential landowners. However, reductions in education tax relief should be available to all property owners since it is incongruous for education funding to be associated with

property. At the same, a shift away from property should not justify a reduced investment in the education system. The AMM strongly supports the need for high quality education in all areas of the Province, yet maintains that other sources of Provincial revenue are more appropriate than property taxation. While every citizen should contribute to education funding, this does not occur under the current regressive system of property taxation. At present, there is an unfair reliance on property owners to fund an education system that contributes so much to the prosperity of Manitoba. Consequently, the AMM would like to see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property. Budget 2005 should therefore build on what the Provincial Government has already accomplished to ensure that all Manitobans fund education equitably.

An important aspect of this issue is that municipalities are required to provide a wide variety of services while relying almost exclusively on property taxes as a source of revenue. Until methods of municipal financing are drastically changed, municipalities must be empowered to control the level of local property taxation without having to use this mechanism for Provincial purposes such as education. The current funding system places an unfair burden on property owners and hinders the ability of municipalities to provide property services, such as infrastructure improvements. The AMM appreciates that the Province has begun to take action to improve this situation and looks forward to working with the Provincial Government to develop a long-term plan to shift education funding away from property taxation.

Consequently, the AMM would like to see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property.

2) Land Use and Water Resource Planning

Municipalities are highly involved in planning for both land use and water management purposes. As a main stakeholder in these processes, the AMM has appreciated the opportunity to actively participate in the consultations regarding the legislation that affects these two types of municipal planning efforts. Since new water legislation is forthcoming and the Planning Act is currently under review, a municipal perspective must be represented as legislation is formulated. There are two major municipal considerations that must be given priority in any new legislation and these are consistent for both land use and water resource planning. The first pertains to recognizing local authority regarding planning matters. The second consideration relates to the division of responsibility between municipalities and the Provincial Government.

Municipalities are in the best position to make the majority of planning decisions since they represent a local body of knowledge and expertise. For this reason, the first municipal priority for land use and water resource planning legislation is to recognize local authority. The review of the Planning Act will provide several opportunities to meet this objective, such as ensuring that municipalities have the final say in all land use planning decisions. In order to guarantee local control over land use planning, there should be no appeals process to another jurisdiction that supersedes municipal land use decisions. This is very important to AMM members as councils are elected officials with first hand knowledge of suitable land use within their jurisdiction. They also have a responsibility to objectively consider the consequences for all stakeholders and to establish a plan on that basis. An appeal process beyond this level would undermine the authority of the municipal council. Similarly, appeals to the Municipal Board should only be considered when a critical mass of ratepayers

formally objects to a land use decision. Through these policies, local interests will be upheld based on the authority of the municipal council to undertake effective long-term land use planning.

The need to recognize local interests also pertains to the inclusion of consultation processes within land use and water resource planning legislation. Meaningful consultations provide a vehicle for municipalities to express their concerns and ensure that these concerns will be taken into account. Such consultations should occur while developing the legislation and its accompanying regulations. This will be particularly important regarding water resource planning since the regulations are expected to articulate crucial details regarding the implementation of the Water Protection Act. Local expertise should also contribute to the development and implementation of watershed management plans since this type of expertise is based on historical information about the area. In addition, the review of the Planning Act should include public consultation, as it is essential that municipalities have the opportunity to express their specific views and garner a deeper understanding of the specific details of the proposed act.

New procedures within the Planning Act should also allow for public input, such as the environmental approvals processes. While the Province is well-equipped to conduct environmental assessments through the Technical Review Committees, the process would benefit from the inclusion of local input. The ongoing use of public consultation as required under the Planning Act also supports the ability of local authorities to effectively undertake land use planning. Community consultations are therefore critically important to land use

and water resource planning and the inclusion of consultation feedback will strengthen support for legislation and regulations.

The second municipal priority relates to the responsibilities held by the Provincial and municipal governments regarding effective land use and water resource planning. In particular, the extent of new municipal responsibilities remains unclear for the Water Protection Act and the Planning Act review. As a result, the AMM is concerned that municipalities, conservation districts and planning districts will take on significant administrative obligations in order to provide additional services. Due to the limited resources available to these organizations, the AMM cannot support policies that unfairly burden local authorities. Therefore, minimizing the uncertainty surrounding the responsibilities of municipalities, conservation districts and planning districts will clarify the impacts of the new policies and contribute to a greater understanding of the legislation.

The Provincial Government must also consider the impacts of adding new responsibilities to their own operations. For instance, requiring all municipalities and planning districts to create a development plan will increase the demand for the ministerial approval process. Presently, municipalities view the approvals process as too lengthy and the AMM is concerned that an increased demand for development plan approvals will further delay the approvals process and plan implementation. This concern will potentially impact the public hearing process where technical staff from the Province is required to attend. The Province is most appropriately positioned to address environmental concerns, however the presence of Provincial representatives at public hearings will facilitate understanding and acceptance from communities. Development plan approvals and public hearings provide municipalities

with important tools to accomplish community planning, therefore the Province should avoid delays in completing these processes and ensure effective information sharing.

Administrative responsibilities must often be supplemented by additional technical requirements that may not be available to all municipalities. Integrating land use and water resource issues through comprehensive planning will therefore require additional financial resources. In order to undertake the type of detailed planning that is expected, mapping and other technical services will be required. For instance, the Water Protection Act refers to the identification of watershed quality management zones however, in many cases, municipalities do not have the necessary levels of expertise or financial resources to meet this requirement. A similar situation could arise if development plans become mandatory for all municipalities or if the need to map agricultural zones is part of the reviewed Planning Act. For this reason, the Provincial Government must provide support for municipalities that lack the resources to meet the new legislative requirements.

Land use and water resource planning are very important for municipalities since each has wide-ranging impacts on the way that municipalities function and the development that occurs within their boundaries. Environmental considerations are very important to municipalities as they strive to balance the protection of natural resources with community development. Both types of planning ensure that municipalities are implementing a long-term approach and considering the impacts of current actions on the future of their communities. The AMM is supportive of the Provincial Government's efforts to improve land use planning and water resource management in Manitoba. Due to the strong interconnection between land use and water resource planning, municipal concerns are

consistent across these two issues. The legislation that is currently under consideration will only be effective to the extent that it incorporates the municipal concerns outlined above.

The AMM urges the Provincial Government to ensure that legislation and regulations related to land use and water resource planning are responsive to municipal concerns, including the need for local authority and a balance between Provincial and municipal government responsibilities.