

## Regional Governance Study – Written Submission

Gary Zalepa, Lord Mayor of the Town of Niagara-on-the-Lake

*The following is based off the Lord Mayor's presentation before the Standing Committee on Wednesday, January 10<sup>th</sup>. There are some additions based on the questions and discussion.*

Good Afternoon. My name is Gary Zalepa and I am appearing before the Committee on behalf of the Council of the Town of Niagara-on-the-Lake.

I am here today to request the Committee and the Provincial government to consider four things:

1. Acknowledge, respect, and protect the **distinctiveness of communities.**
2. Budget **infrastructure funding** for municipalities to achieve housing targets.
3. Prioritize **shared-services funding** for local area municipalities to continue to explore options to **efficiently deliver services to the community.**
4. Keep **local decision-making authority** at a **local level** to best serve the **local community.**

In case you are not familiar with our community, I want to provide you some background about Niagara-on-the-Lake.

- Population of 19,000; expected growth to 29,000 by 2051
- From 2016 to 2021 the Town saw a population increase of 9%.
- NOTL is on track to meet the growth and housing forecasts set by the Region and Province.
- We have 5 distinct urban villages, joined by our agricultural community.
- Niagara-on-the-Lake was the first capital of Upper Canada, established as the Town of Newark in 1792.
- Niagara-on-the-Lake has a unique and cultural community distinction that has been evolved through local government for hundreds of years.

The Town of Niagara-on-the-Lake, with its rich heritage, distinctive community attributes, and proven effective governance, must remain an independent municipality and can do so based on its local governance structure and financial strengths.

The unique blend of cultural significance, economic vitality, and community engagement is a testament to the success of our local government model, making it imperative to preserve our autonomy.

- Our governance structure is 9 members of Council (1 Lord Mayor and 8 Councillors) elected at-large.
- 1 Regional Councillor is also elected at-large and they, along with the Lord Mayor, represent the Town on Regional Council
- Voter turnout in NOTL has been historically very high.
  - In 2022 the Provincial turnout was 33%, and NOTL had a turnout of 48%.
  - In 2018, the turnout was 58% and in 2014 it was 49%.
- The Deputy Lord Mayor was elected with nearly 5000 people voting for him based on a population of 19,000 – that is over 25%.
- The Regional Councillor was elected with 3100 people voting for her.
- The electorate of Niagara-on-the-Lake cares about who represents them at a local level.

Local politicians in Niagara-on-the-Lake have other roles in the community.

They work, volunteer, and live in Niagara-on-the-Lake. They are a part of

the community, they contribute to the community, they care about the community.

As a result, they are accountable. Whether it's at the grocery store or at the local hardware store, Council members interact and are accountable to residents every single day.

The total salaries for the Niagara-on-the-Lake Council in 2023 is **\$182,000** – **less than 0.4%** of the Town's budget. which is well below the Ontario average salary for local politicians

The stewardship of 100+ years of local government is what has **created, preserved, and modernized** Niagara-on-the-Lake.

As a result of the governance structure in NOTL, local decisions are made about local resources by local people for the local community. I firmly believe, and ask the Province, to keep all decisions that affect municipalities be made as close as possible to the local community. We have seen great success with this model in NOTL.

Unique and cultural community distinction that has been evolved through local government. Planning frameworks are developed for specific communities and protect the culture and fabric of the neighbourhood. These distinctions drive economic success, especially for places like Niagara-on-the-Lake that is brimming with rich history.

Niagara-on-the-Lake has the perfect balance of heritage and culture, distinct landscapes and green space, and agriculture. These features are at the core of what makes NOTL a distinct community.

Niagara-on-the-Lake has a distinct agriculture community and includes protected lands, tender fruit, grapes, wine, and an irrigation system.

Distinct landscapes can be found in our agriculture lands, our award-winning gardens, stunning greenspace, and mostly surrounded by water.

We have a protected heritage conservation district and are home to several historic Parks Canada and Niagara Parks Commission sites.

The world-renowned Shaw Festival Theatre, in addition to a strong arts and culture community call Niagara-on-the-Lake home.

Niagara-on-the-Lake has worked hard to obtain municipal assets that fit the community. In addition to Town buildings, like the historic Courthouse in Old Town, some examples of unique assets include:

- NOTL Hydro
- Niagara District Airport
- Niagara Regional Broadband Network
- and our own irrigation system.

Other things that make Niagara-on-the-Lake unlike many of our neighbours are:

- A **Volunteer Firefighter** model with approximately 110 people.
- Policies to treat **road surfacing** differently by using a sand mixture to ensure Niagara fruit lands are not damaged.
- Protected **specialty crop lands** protected through excellent policy writing of the Greenbelt Act.
- A designated **National Historic District**, the first in Ontario in 2003.

Residents, business owners, and tourists alike come to Niagara-on-the-Lake to experience the agriculture landscape, interact with cultural heritage buildings, interplay with local stores, attend Shaw Festival plays, and be transported back in history visiting Parks Canada and Niagara Parks historical sites.

Niagara-on-the-Lake is the third highest contributor of regional taxes within the Niagara Region, paying a combined \$38.2M (2023) for various Regional Services.

In 2023 the Town funded its \$10 million capital program 25% from taxes, 25% from rates, 27% from grants, and 22% from debt.

The Town's Tax Asset Consumption Ratio at 37.6% shows that the majority of the Town's assets are in "moderately" newer condition and is better than the Regional Average of 45.2%.

With a Financial Position per Capita of \$1,391 per capita, shows that the Town is well positioned to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.

NOTL is aggressively closing the capital infrastructure gap. Changes to governance could dilute the hard work local government has done to invest in infrastructure and keep tax dollars low for our communities.

Local government has control of cost structures that best serve our local community. Local decisions made at a local level matter to the local community.

When decisions are not made at the local level, it is detrimental to my community. Hospitals have been removed from Niagara-on-the-Lake.

Schools have been eliminated from Niagara-on-the-Lake. I urge the Committee to not eradicate the Town of Niagara-on-the-Lake from the history books through governance review.

When the Province provides funding streams for municipalities, the Town of Niagara-on-the-Lake seizes the opportunity.

The Town of Niagara-on-the-Lake leveraged the Municipal Modernization Program funding to implement extraordinary changes that digitally transformed the Corporation, the customer experience journey, and demonstrated accountability of Council and Staff to residents.

I thank the Province for providing programs, like the Municipal Modernization program, and ask the Province to prioritize shared-services funding for local area municipalities to continue to explore options to efficiently deliver services to the community.

The Niagara Region has seen tremendous success in exploring opportunities to deliver services to the local community. We have seen victories already in this area, such as:

- Economic Development
- Climate Change



- Leverage Planning Services and Support between the Regional and lower-tier municipalities
- Coordinating Chief Building Officer approaches
- Libraries in Niagara Cooperative (LINC)

And perhaps the most recent largest success is integrating multiple transit systems serving 12 municipalities into one.

NOTL demonstrates responsible and transparent governance by committing to strong fiscal management and exploring shared service opportunities.

I request the Province to prioritize shared-services funding for local area municipalities to continue to explore options to efficiently deliver services to the community. Niagara-on-the-Lake is an economic driver for the Niagara Region, the Province of Ontario, and for the entire Nation of Canada.

Over 2 million people come to Niagara-on-the-Lake every year to experience the historic, well preserved Old Town, and enjoy our many tourist activities.

Niagara-on-the-Lake uniquely relies on the hospitality and tourism sector as an economic driver. Over 49% of all jobs are considered economic based jobs.

We are the leading producer of grapes in the Country (40%) and the Province (90%) and the leading procedure of tender fruit in the Country (50%).

We ask for your continued support for the tourism and hospitality sectors, and in particular, recognize the important links between cultural heritage and the Town's tourism economy.

NOTL is an economic driver for the Province. There is no instance in Ontario's history where municipal amalgamation has produced any financial savings. Drastic governance changes will result in a loss of identity and a loss in economic revenues, not just for NOTL but for the Province and the Country.

As noted at the beginning of the presentation, I am before the Committee today to ask the consideration of four requests:

1. Acknowledge, respect, and protect the distinctiveness of communities
2. Budget infrastructure funding for municipalities to achieve housing targets
3. Prioritize shared-services funding for local area municipalities to continue to explore options to efficiently deliver services to the community

4. Keep local decision-making authority at a local level to best serve the local community

Niagara-on-the-Lake is an independent community, with strong financial health, that leverages shared services to be efficient and effective.

Continuing to explore shared services, with support from the Province, will ensure our unique, distinct, and historic community will continue to be an economic driver and meet the needs of local residents.