

Meeting Date: November 14, 2023

Subject: Regional Transition Process Overview

Submitted By: Rebecca Carvalho, Manager, Strategic Initiatives, Office of the CAO

RECOMMENDATION

That a new capital project in the amount of \$550,000 to support Peel dissolution work and the retention of experts in legal, finance and analysis be created, funded \$550,000 from the Tax Funded Capital Contingency Reserve.

REPORT HIGHLIGHTS

- On June 9, 2023, Bill 112, *The Hazel McCallion Act (Peel Dissolution)*, was passed which calls for the Town of Caledon, and the Cities of Brampton and Mississauga to become single-tier municipalities as of January 1, 2025.
- On July 5, 2023, a five-member Transition Board was appointed to facilitate discussions with the Region of Peel and three lower-tier municipalities and to provide *recommendations* to the Province on matters specific to the dissolution of Peel that ensure the continued success of the lower-tier municipalities in a single-tier structure.
- Caledon has established a core transition team, comprised of experts in areas directly impacted by the transition to work with the provincially appointed transition board, Region and other lower-tier municipalities.
- Discussions on dissolution have only been initiated recently, and will require significant work effort so to ensure appropriate advocacy for positions that best suit Caledon's long-term financial sustainability and service continuity
- Staff is committed to working with the Transition Board, Ministry staff and lower-tier partners through the dissolution process, and to keeping Council informed of critical decision-points as outlined in this report.

DISCUSSION

On June 9, 2023, Bill 112, *The Hazel McCallion Act (Peel Dissolution)*, was passed which calls for the Town of Caledon, and the Cities of Brampton and Mississauga to become single-tier municipalities as of January 1, 2025.

On July 5, 2023, a five-member Transition Board ('Board') was appointed to support the dissolution process. The Board's purpose is to facilitate discussion with the Region of Peel ('Peel') and three lower-tier municipalities and to provide recommendations to the Province on matters specific to the dissolution of Peel that ensure the continued success of the lower-tier municipalities in a single-tier structure. The Board is tasked with ensuring participating municipalities and their respective residents and employees are treated equitably; the continuity of high-quality local services; and, the financial sustainability of Brampton, Caledon and Mississauga throughout the dissolution process.

Caledon established a core transition team in September 2023 comprised of experts in areas directly impacted by the transition to work with the provincially appointed transition board, the Region of Peel, and the cities of Brampton and Mississauga.

Since then, at the request of the Board, other municipalities have established core transition teams and identified respective transition managers who are the primary point of contact with the Board. Core teams are supported by subject matter experts (SMEs) in their respective municipality.

Facilitation Process

Over summer 2023, the Board took the necessary time to orient itself with Region of Peel services and establish a workplan. More involved discussions with the local municipalities have started this fall.

On October 17, 2023 the Board held a kick-off meeting wherein initial discussions on the process were communicated, and the expectation of active participation from Peel and the three local municipalities was made clear. It is the Board's intention to make recommendations that will be endorsed by the Councils of each municipality and assure service continuity for the communities they represent.

Recommendations will be made on:

1. The services to be transferred to each municipality or a suitable alternative delivery model
2. The governance model required for each service
3. The people, assets, liabilities, technology etc. that are necessary to deliver services in the proposed model; and
4. The estimated cost and source of funding needed to deliver the service

The process will be in three stages:

Stage One: Informing decisions on the redistribution of regional services and gaining a high-level understanding of the future plans and concerns regarding delivery of services. Stage one is scheduled to span November 2023 – January 2024.

Meetings specific to this phase of work are underway as follows:

Meeting	Participation	Timeframe
Internal meetings	Caledon core transition team	Bi-weekly (or more frequently as required)
Transition team meetings	Provincial Transition Board and Core teams from Peel, Brampton, Caledon and Mississauga	Weekly meetings
Specialized working group discussions	Subject matter experts (SME) from Peel, Brampton, Caledon and Mississauga; facilitated by the Provincial Transition Board	Bi-weekly meetings

Critical milestone meetings	Provincial Transition Board and Core teams from Peel, Brampton, Caledon and Mississauga	November 14, 2023 December 11, 2023 January 15, 2023
Meetings with other Stakeholders	Caledon SMEs and internal transition team with external stakeholders	Ongoing

Transition team meetings and critical milestone meetings are scheduled to ensure that work is progressing specific to the sharing of information, and initial analysis on options available.

The work involved in Stage One will require significant effort on behalf of the Region and local municipalities to turn around analysis relatively quickly. The request for funding in this report is directly linked to ensuring Caledon has the capacity to provide thorough and prompt input in this critical time.

Stage Two: Detailed analysis and distribution of Regional assets and liabilities (including staff, physical and technological assets, and funding requirements etc.) and the preparation of a report for the Ministry. It is anticipated that a report will be available to the Ministry in Summer 2024.

Stage Three: Implementation of the transition board's recommendations, as determined by the province.

Additional information about stage two and three, including decisions and the work effort involved, will be brought to Council through the proposed Single-Tier Transition Committee once available to ensure that work with the Board is reflective of Council's overall strategic direction.

Engagement

A project page exists on the [Town's website](#) that provides information about the transition process, offers the opportunity for members of the public to ask questions, and will be updated as progress is made in the discussions regarding regional dissolution. It is anticipated that in Stage Two and Three of the overall process, more information will be available for the public as well.

The Transition Board is collecting public feedback on the dissolution until December 11, 2023 on the [Provincial Transition Board website](#).

Next Steps

Staff is committed to working with the Transition Board, Ministry staff and lower-tier partners through the dissolution process, and to keeping Council informed of critical decision-points as outlined in this report.

FINANCIAL IMPLICATIONS

To support Peel dissolution work, Town staff recommend creating a new capital project in the amount of \$550,000, funded from the Tax Funded Capital Contingency Reserve. The current uncommitted balance of the tax funded capital contingency is \$4,902,332.

STRATEGIC PLAN 2023-2035

This report is directly related to the following priority in Caledon's 2023-2035 Strategic Plan:

Community Vitality and Livability

- Caledon offers services and programs that support a healthy, caring, engaged and inclusive community.

Service Excellence and Accountability

- Caledon becomes a single-tier municipality while ensuring service continuity.

ATTACHMENTS

None.