

Partners in Urban Government

Urban Resources No. 2

**by Marianne Farag
1991**

The Institute of Urban Studies





THE UNIVERSITY OF
WINNIPEG

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PARTNERS IN URBAN GOVERNMENT*

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INTRODUCTION

Increasingly, in today's world, it is impractical and less feasible than in the past for any single level of government to operate effectively in isolation. The public issues requiring resolution today usually call for the combined efforts of two or more levels of government. Similarly, to address many of the concerns facing urban governments themselves requires some input from senior levels of government.

One way in which the increasing complexity and interdependence of governments can be harnessed effectively is through a partnership approach between different levels of government. This paper presents the concept of a partnership approach between provincial and urban governments as a model for achieving optimal intergovernmental relations.

To present the partnership model, the paper covers the following:

- a definition of the partnership concept;
- the objectives of a partnership approach;
- the need for a provincial-urban government partnership;
- the benefits of the approach;
- examples of partnership in action between the Province of Manitoba and the City of Winnipeg; and
- the limitations of the model.

DEFINING THE CONCEPT OF PARTNERSHIP

Partnership between different levels of government is an approach characterized by co-operation, co-ordination and joint action as may be required, in order to deliver services, programs and projects to the public. In many instances, the partnership model also offers an opportunity for different levels of government to address shared interests, priorities and objectives (Diagram A).

*This paper is adapted from a presentation given by Jim Beaulieu, Deputy Minister of Urban Affairs, Province of Manitoba, to the Manitoba Association of Urban Municipalities at its annual convention in Brandon, Manitoba, April 1-4, 1990.

**DIAGRAM A:
PROVINCIAL--CITY PARTNERSHIP**

CITY OF WINNIPEG'S JURISDICTION

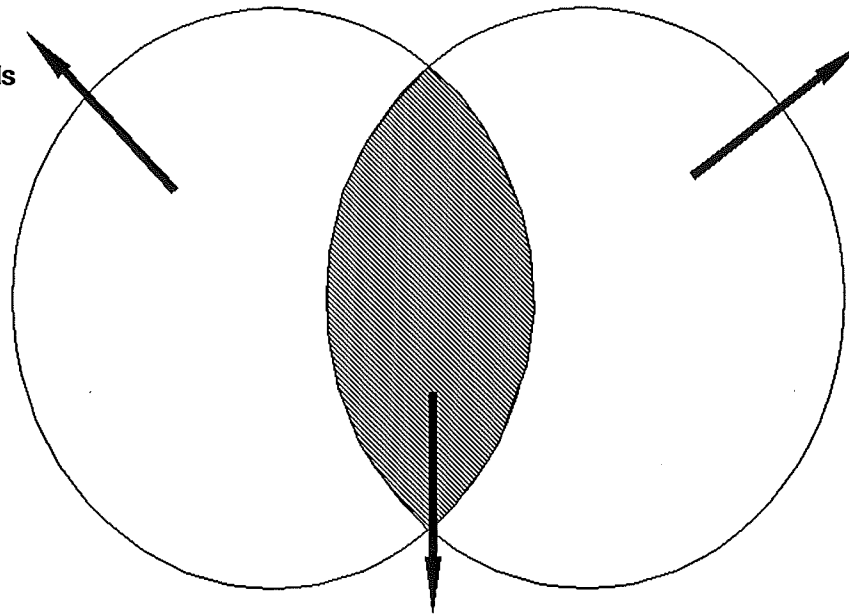
e.g.,

- Police & Fire Protection
- Neighbourhood Parks
- Property Development Standards

PROVINCIAL JURISDICTION

e.g.,

- Education
- Health
- Industry & Trade



AREAS OF JOINT JURISDICTION

e.g.,

- Community Revitalization
- Environmental Protection
- Economic Growth

In order to illustrate the concept of partnership as defined above, two general examples are provided.

Example No. 1:

- Assume that urban governments are concerned about the growing deterioration of physical infrastructure in their communities, and feel unable to address this problem single-handedly due to its magnitude. Assume as well that the provincial government is concerned about the impact which declining infrastructure has on economic growth and development. In this case, both levels of government have a vested interest in working together to develop ways of tackling their shared concern.

Example No. 2:

- A group of urban governments within close proximity decide that they would like to have a strategy for developing untapped recreational and tourism opportunities within their district. The provincial government may have an interest in regional economic expansion, tourism development, or regional park planning. There may be a provincial program, financial assistance, technical staff assistance, or a variety of other provincial resources which can be utilized in concert with local initiatives. Through a co-operative approach and a sharing of resources, both levels of government can meet their needs.

OBJECTIVES OF THE PARTNERSHIP APPROACH

The partnership model offers an opportunity for achieving three important objectives of good government.

Objective 1: *Clearly defined responsibilities and mandates between each level of government in the partnership.*

Urban governments and provincial governments each have different responsibilities and mandates.

Essentially, urban governments exist to provide political as well as administrative decentralization. They are supposed to allow the inhabitants of particular localities to determine the range and level of services best suited to their needs. Because urban governments are local, they are familiar with local conditions and can therefore be more sensitive to these conditions in the decisions which they make.

Moreover, municipalities are responsible for providing many of the basic services which support provincial initiatives in the economic sphere. Given their jurisdiction in connection with roads, water and

sewage systems, land-use planning, parks, and schools, urban governments are responsible for much of the basic infrastructure which supports economic development.

Urban governments may often act as agents for the delivery of provincial programs. As such, they can play an important role in monitoring the local impact of provincial government decisions and in providing feedback.

As for the provincial level of government, its role in the partnership is to first of all determine the appropriate allocation of responsibilities between the two levels of government. As well, the provincial level of government is responsible for ensuring that urban governments have the appropriate organizational structure, legislation, and financial resources to fulfil their responsibilities.

The allocation of responsibilities should be based on the characteristics of each level of government in relation to the service, program or sphere of activity in question. The organizational structure, technical resources, financial resources, opportunities for economies of scale, assessment of whether local or province-wide interests are concerned, all have a bearing on how the provincial government determines who does what in the partnership.

Additionally, the provincial level of government has a responsibility in determining and monitoring the maintenance of province-wide standards in many fields such as: public health, environmental protection and education.

Under the Canadian Constitution, local governments are the responsibility of the provinces. Therefore, apart from establishing, empowering, and ensuring that local governments have the necessary resources to accomplish their mandate, the provinces have an ongoing constitutional right and responsibility to be involved with local governments. Ongoing monitoring is an important role of provincial governments in order for them to make adjustments to the machinery of local government if required, to adjust resources of various types which they allocate to local governments, and to be generally responsive to emerging needs of local entities.

Objective 2: Clearly defined accountability between each level of government in the partnership.

Urban and provincial governments must each be answerable to the electorate for their respective mandates. Together, both levels of government must ensure that the public understands government structures and processes and can identify the decision-makers.

While there may be a number of areas where shared responsibility and overlap are either unavoidable or even appropriate, the principle of accountability demands that in general, the distinctions between the

roles of each level of government should be drawn as clearly and precisely as possible. In this way, each government will have greater latitude within its own sphere of concern, and the electorate will become better able to assign responsibility appropriately.

Objective 3: Ensuring the continuation of local autonomy in local matters.

Partnership between governments does not mean that local governments forfeit the right to make decisions independently within their jurisdiction. Rather, partnership between governments means striking a balance between local autonomy, on the one hand, and the protection of province-wide interests and responsibilities, on the other.

Provincial governments establish minimum standards to be implemented by local governments. These are necessary to:

1. ensure equity in the delivery of basic services to citizens across the province;
2. protect against adverse spill-over effects between jurisdictions (e.g., the construction of a power plant or major highway in one municipality may create undesirable impacts in a neighbouring municipality);
3. ensure that matters which have broad implications (like education and public health) are administered according to a common set of objectives and standards; and
4. protect provincial interests (e.g., natural resources).

Within the provincial framework of minimum standards and common objectives, local government must be given the capacity and freedom to respond to particular needs and preferences of their local residents in the provision of facilities and services.

THE NEED FOR A PROVINCIAL-URBAN GOVERNMENT PARTNERSHIP

Several trends prevail today and are expected to continue in the long-term future, which make the intergovernmental partnership model an appropriate approach.

One such trend is that all levels of government have become more complex, with increasing overlaps in their mandate and jurisdiction. In today's more complex world, the role of urban governments has expanded beyond the delivery of basic services to property. Urban governments now deal more actively with a variety of concerns, such as urban economic development, community revitalization and environmental issues.

The diversification of the urban population and the types of services being demanded by communities is another trend which makes an intergovernmental response necessary. Smaller households, an increased number of single-parent families, an increased number of households demanding day care, an

aging population and an increasing number of urban Natives are the types of demographic shifts which have a variety of implications at the local level. Similarly, urban dwellers have greater demands for quality of life amenities.

Another trend which calls for intergovernmental partnership is scarcity of resources. Urban governments either lack, or have limited, resources to tackle the needs of more complex urban communities. By the same token, provincial governments are experiencing increasingly competing demands for limited resources due to federal financial withdrawal, and slow economic growth.

THE BENEFITS OF PARTNERSHIP

The provincial-urban government partnership model offers several mutual advantages to both levels of government, including:

1. the provision of better services to the public;
2. an opportunity to address shared interests jointly;
3. effective management of limited resources (financial, capital and human resources);
4. an opportunity to co-ordinate initiatives between the two levels of government to avoid duplication of efforts or working at cross purposes; and
5. a greater capacity to deal with the increasingly complex demands for government services (e.g., to address quality of life issues, sustainable development, environmental management, etc.).

EXAMPLES OF PARTNERSHIP IN ACTION: MANITOBA AND WINNIPEG

On a variety of fronts, the relationship between the Province of Manitoba and the City of Winnipeg is a partnership. To illustrate the potential of the partnership model, some specific examples of the Province's participation and role in Winnipeg are provided under five broad categories:

1. financial assistance;
2. legislative framework;
3. intergovernmental agreements;
4. support for local projects; and
5. co-ordination and liaison.

FINANCIAL ASSISTANCE

Grants

Provincial operating and capital grants to Winnipeg help the City to implement the Development Plan objectives which are jointly approved by Council and the Minister of Urban Affairs. For example, the transit operating grant is aimed at assisting the City in achieving the Development Plan's containment of growth policies.

With regard to capital grants, in 1985, Urban Affairs introduced a 50-50 cost shared Urban Capital Projects Allocation (U.C.P.A.). Each year the City and the Province determine the capital projects which will be financed. All projects are implemented by Winnipeg. Through this arrangement, Manitoba can confirm its commitment to Winnipeg's long-term development policies and objectives. The U.C.P.A. also provides assured financial assistance by the Province as a means of improving capital planning by the City under its Five-Year Capital Program.

Taxing Authority

The property tax, local improvement tax, business tax and amusement tax are examples of taxing authority delegated by the Province to Winnipeg and other municipalities in order to enable local government to raise the revenues necessary to carry out their mandate. In more recent years, the City has introduced business improvement zone levies which enable municipalities to raise additional business taxes for streetscaping and public space improvements within designated zones (where the local business community requests it).

LEGISLATIVE FRAMEWORK

Establishing Parameters, Roles and Responsibilities

Legislation is not carved in stone. From time to time existing legislation may need to be updated because it is antiquated, or new legislation may be needed to meet the needs of situations which did not previously exist.

On an ongoing basis, Urban Affairs monitors, reviews, and amends *The City of Winnipeg Act* in order to ensure that the City is equipped with the proper legislative framework for it to carry out its functions.

There are two notable examples of amendments to *The City of Winnipeg Act* which are aimed at enhancing the operations of urban government. These are: amendments to the business tax provisions, and amendments to introduce civic reforms to City government.

Amendments under *The City of Winnipeg Act* to business tax enable City Council to establish by by-law the annual rate of business tax, subject to a 15 percent maximum. This amendment, contained in Bill

40, came into effect on December 20, 1988. The previous business tax legislation in *The City of Winnipeg Act* dated back to the 1930s and was based on a complex system with 16 business classes and varying rates of taxation, ranging from 6 percent to 20 percent. Therefore, the new legislation eliminates a very cumbersome system, and replaces it with one in which all businesses are treated equally by paying the same annual rate of tax.

With respect to civic reforms, these are contained in Bill 32, enacted on November 3, 1989. The 1986 *City of Winnipeg Act Review Committee Final Report* identified a number of weaknesses in the structure of City government which were hampering effective management and operations by the City. The Committee of Review identified the need to strengthen the role and authority of the Mayor, and of the City's most senior committee of Council—the Executive Policy Committee (EPC). As well, the Committee of Review noted the need to improve the City government's accountability to its citizens, and the need to protect and expand citizens' rights. Accordingly, significant amendments were enacted through Bill 32.

Bill 32 strengthens the role and authority of the Mayor in two ways: first, by making the Mayor the chairperson of EPC; and second, by giving the Mayor the responsibility for appointing a Deputy Mayor and an Acting Deputy Mayor, as well as the chairpersons of the four Standing Committees of Council. Balance is achieved by having the Mayor appoint five members of Council to the EPC, while having Council elect four of its members to sit on EPC.

To improve local government accountability and to expand citizen rights, Bill 32 includes provisions requiring Council to pass an election expenses by-law, an access to information by-law, and to establish a City Ombudsman.

Delegation of Regulatory Authority

Provincial legislation also empowers local governments to determine, and enact by by-law, regulations to meet local needs and the local context. For instance, in matters of land-use planning, municipalities are delegated the authority to establish their own zoning provisions. The City of Winnipeg is empowered to regulate by by-law various matters, including: its utility operations (e.g., supply of water and power and the disposal of wastewater), building standards, its police force, and the use of streets and street closures.

Transferring to local government power and control over matters which are strictly local in nature, with strictly local impacts, ensures local autonomy.

It is important to keep in mind that there are other criteria in determining which powers are transferred to municipalities. The provincial government has a responsibility to ensure that the devolution of authority

does not occur where local entities have inadequate resources to carry out the duties transferred to them effectively, or where a larger provincial interest exists.

For example, Urban Affairs has been reviewing the existing legislation on waterways in order to clarify Winnipeg's jurisdiction and regulatory control over its waterways. This review includes such matters as riverbank stability, flow impedance, boating restrictions, and the control of pollution from boats and marinas.

INTERGOVERNMENTAL AGREEMENTS

Intergovernmental agreements provide an effective mechanism for two or more levels of government to pool their resources and to work together to achieve common objectives. Such agreements need not be limited to cost-sharing. They can include: the sharing of responsibility for project implementation and maintenance; the sharing of technical staff resources; the sharing of equipment and materials, and so forth.

Some intergovernmental agreements with Winnipeg include the following:

Manitoba-Winnipeg Community Revitalization Program (M-W.C.R.P.)

Since 1985, Urban Affairs and the City of Winnipeg have been cost-sharing neighbourhood revitalization projects on a 50-50 basis. Together, Urban Affairs and the City of Winnipeg developed the program criteria, eligible cost components and various procedural requirements to be followed in designating neighbourhoods and undertaking projects. In addition to funding activities designed to improve and enhance community facilities and municipal services in older residential neighbourhoods, M-W.C.R.P. also directs funds toward stimulating citizen involvement in the planning and development of their neighbourhoods.

Winnipeg Core Initiative (C.A.I.)

Canada, Manitoba and Winnipeg recognized that there are significant opportunities in joining forces to initiate the physical, economic and social revitalization of Winnipeg's city centre and surrounding neighbourhoods. Consequently, in 1981, the three levels of government signed the first C.A.I. Agreement to cost share, equally, over a five-year period, the implementation of the revitalization strategy. Responsibility for project implementation is distributed among the three partners. In 1986, a second five-year C.A.I. Agreement was signed to build upon the accomplishments of the first C.A.I.

SUPPORT FOR LOCAL PROJECTS

Implementing special projects or providing financial assistance to demonstration projects, provides the provincial partner with an opportunity to advance and promote new standards in the quality of life. Riverbank development is one such example.

There has been increased interest in the community at large with respect to protecting public access and enjoyment of our waterways. To this end, Urban Affairs has been active in funding and implementing projects to develop the scenic and recreational potential of Winnipeg's waterways while at the same time protecting their natural environment. One such project is Bluestem Nature Park, opened in the summer of 1988. This park was developed on a six-acre parcel of land at Omand's Creek. The site was acquired by the Province in response to public and City concerns about an impending apartment building that would have diverted the creek and adversely altered the creek environment.

More recently, a consultant study was completed for Urban Affairs on redeveloping the South Legislative Grounds. The plan calls for a dock, riverbank walkway, landscaping and a commemorative plaza. Phase I (the dock along the riverbank) is being constructed this year through funding under the Core Area Initiative Agreement.

Other initiatives to lend support to demonstration initiatives include financial assistance to the City of Winnipeg's Innovative Transit Program (which experiments with different ways to increase transit ridership), and funding of the Lagimodière Boulevard Noise Attenuation Barrier.

CO-ORDINATION AND LIAISON

There are many broad issues within our communities which have impacts on a variety of local interest groups. There are many issues which have effects beyond corporate boundaries. As well, there are many concerns which often face only a particular group of municipalities within a given geographic region. Local governments are not always equipped to deal with such concerns single-handedly.

In the partnership between Manitoba and Winnipeg, the Department of Urban Affairs plays a co-ordinating role in bringing together various parties to address common interests and to negotiate their resolution jointly. Some examples of the provincial role in co-ordinating and forming liaisons between different interest groups are as follows:

Winnipeg Region Committee

In August 1989, the Minister of Urban Affairs announced the establishment of a regional committee to bring together the Province, the City, and surrounding municipalities. The purpose of this committee is to identify common planning and development issues, and to work towards a long-term strategy for

addressing these issues. The committee consists of the Provincial Ministers of Urban Affairs, Rural Development, and Environment, elected representatives from the City of Winnipeg and surrounding rural municipalities.

Shoal Lake Agreement

Manitoba Urban Affairs chaired the negotiations between Winnipeg and the Shoal Lake Indian Band No. 40 to protect the quality of Winnipeg's water supply. The Agreement makes the Province and the City of Winnipeg joint partners in the establishment of a trust fund for the Band as compensation to assist the Band in securing sustainable economic development that does not place Winnipeg's drinking water at risk.

Headlingley Strategy

A process of negotiations with the City of Winnipeg and the Headlingley Community was initiated by Manitoba Urban Affairs in order to find a workable alternative to Headlingley's request for a referendum on secession from the City of Winnipeg. A working committee chaired by Urban Affairs, with representatives from Headlingley and the City of Winnipeg, identified a strategy through which this goal can be achieved. One component of the strategy is the preparation and adoption of a local area plan by April 1991. Urban Affairs will be monitoring the implementation of the strategy that has been endorsed by City Council, the Government of Manitoba and representatives of the Headlingley Taxpayers Association.

Protection of Winnipeg International Airport

Manitoba Urban Affairs chaired an Advisory Committee for the protection of Winnipeg's International Airport. In July 1990, the Advisory Committee submitted to the Minister of Urban Affairs its recommendations regarding appropriate land-use policies and regulations to ensure the efficient functioning of the airport, while protecting the security of existing neighbourhoods. The Advisory Committee was comprised of a broad membership, including local residents, the Chamber of Commerce, Transport Canada, the R.M. of Rosser, the City of Winnipeg and several provincial departments.

LIMITATIONS OF THE PARTNERSHIP MODEL

The partnership model described in the preceding sections is not without its limitations. These limitations include:

1. the status of each level of government within the partnership, and
2. accountability.

STATUS OF EACH LEVEL OF GOVERNMENT

The Province of Manitoba and the City of Winnipeg are not equals within the partnership. This equality would be difficult to achieve, since the City must always obtain the Province's approval to change any aspect of the City's authority and delegated powers. Any amendments to *The City of Winnipeg Act* which the City is seeking require provincial review and approval; the City's development plan (Plan Winnipeg), and amendments thereto, cannot come into effect until the Minister of Urban Affairs approves them.

Although consultation, dialogue and co-operation take place between the Province and the City, in the final analysis, the more senior level of government makes final decisions which may not always reflect the wishes of the City. Therefore, a partnership approach to intergovernmental relations does not elevate local government to the status of equality with the provincial government. While a partnership approach can certainly lessen the tendency to treat local government as subordinate, it does not place the City on an equal footing with the Province.

ACCOUNTABILITY

Overlapping mandates, joint funding, implementation, and decision-making on policies and programs can lead to some confusion in the public's mind with respect to where responsibility ultimately lies. There is always the risk that intergovernmental partnerships may result in unclear accountability. For instance, which level of government, and which government department or agency, does one hold responsible for matters to do with North Portage Development Corporation, the Core Area Initiative, or The Forks? Sometimes the absence of a single level of accountability provides a convenient escape from holding any one unit within government responsible for actions taken on behalf of the public.

CONCLUSION

There have been many opportunities for provincial governments to support the efforts of urban governments and their residents in dealing with broader policy and program issues associated with urban living. Urban Affairs is able to be a partner to Winnipeg because its role and perspective in civic affairs is different from the City's. The difference lies in the fact that provincial departments are engaged:

- in providing financial grants for a variety of municipal programs;
- in developing and co-ordinating provincial policies to address major issues which impact on local communities;
- in improving provincial legislation which affects municipalities; and
- in co-ordinating intergovernmental agreements.

The provincial role in urban government is by nature limited, because its primary function is to ensure that urban government has the mandate and the resources to deliver local services to its citizens. Even though the provincial role in urban affairs is limited, it is nevertheless important for two reasons. First, it supports urban government in addressing urban issues that have larger regional or provincial dimensions. Second, it assists urban government in dealing with urban concerns that overlap with the mandates of other levels of government.

The partnership model is not perfect. There is certainly room to fine-tune and improve the functioning of the partnership approach. Nevertheless, intergovernmental partnership offers a positive approach to urban governance in an increasingly complex environment.