



# **Towns and Local Service Districts Act (TLSDA)**

**Information Session**  
**March 22, 2024**

# Contents

- **TLSDA vs. Municipalities Act, 1999**
- Key Amendments
  - Autonomy
  - Accountability
  - Revenue
  - Services and Programs
  - Enforcement
- Continuing Provisions
- Road to Proclamation – Coming Into Force
- Questions

# General Comparison – New Vs. Old

## Towns and Local Service District Act

- Enabling
- Facilitates autonomy and flexibility
- Reduces frequent legislative amendments
- Reduces unnecessary Ministerial oversight
- Red tape reduction
- Mandatory services
- Increased discretion for feasibility studies
- Improves readability
- Gender neutral
- Addresses longstanding LSD concerns

## Municipalities Act, 1999

- Prescriptive
- Top-down direction limiting autonomy and flexibility
- New issues required legislative amendments
- Unnecessary Ministerial oversight
- Outdated processes
- No mandatory services
- No discretion for feasibility studies
- Outdated language and cumbersome
- Not gender neutral
- Outdated LSD practices

# Autonomy

- Grants limited natural person powers to towns
- Defines town purposes as:
  - provision of good governance
  - provision of services, facilities, or things necessary or desirable for the community
  - development and maintenance of a safe and sustainable community
  - fostering of economic, social, and environmental well-being

# Autonomy

- Provides broad by-law making authorities within local jurisdiction
- By-law making authority applies to town purposes and town boundaries; cannot conflict with federal and provincial laws
- Replaces ministerial approval for the acquisition of property, and the sale, lease or disposal of property at less than fair market value with a 2/3 majority vote of councillors in office
- Allows costs for property remediation to be charged to the owner and if costs cannot be recovered, a lien may be placed on the property

# Accountability

- Lists the duties of a councillor and powers of delegation
- Requires all town council meetings, including committee meetings, to be open to the public except when closed for legitimate purposes
- Introduces criteria for holding closed meetings
- Requires all decisions of town council to be made in a public meeting
- Requires all town council committees to consist of at least two town councillors
- Removes mandatory newspaper advertising requirement for public notices and introduces a general notice provision that allows for the use of modern technology

# Accountability

Criteria for holding closed meetings:

41. (1) Notwithstanding section 40, a town council meeting or a town council committee meeting may be closed to the public for the duration of the discussion if it is necessary to discuss

- (a) information of which the confidentiality is protected by law;
- (b) personal information that is protected under the *Access to Information and Protection of Privacy Act, 2015*;
- (c) information that could cause financial loss or gain to a person or the town, or could jeopardize negotiations leading to an agreement or contract;
- (d) the proposed or pending acquisition or disposition of land;
- (e) information that could violate the confidentiality of information obtained from the Government of Canada or from the government of a province or territory;

# Accountability

## Criteria for holding closed meetings:

- (f) information concerning legal opinions or advice provided to the town council by its lawyer or privileged communications between lawyer and client in a matter of town business;
- (g) litigation or potential litigation affecting the town or a municipal service delivery corporation or a matter before a board, commission or tribunal that affects the town or a municipal service delivery corporation;
- (h) the access to or security of buildings and other structures occupied or used by the town or access to or security of systems of the town, including computer or communication systems;
- (i) information gathered by the Royal Canadian Mounted Police and Royal Newfoundland Constabulary, in the course of investigating any illegal activity or suspected illegal activity, or the source of that information; or
- (j) labour and employment matters, including the negotiation of collective agreements.

# Revenue

- Makes real property tax for residential and commercial property mandatory (three-year transition period)
- Removes authority to impose a poll tax (three-year transition period)
- Allows towns to sub-classify residential and commercial properties and apply taxes differently in different categories
- Makes business tax discretionary (either towns impose it or don't)
- Authorizes all towns to impose a tourist accommodation tax of not more than four per cent of room charge

# Revenue

- Water and sewer taxes change to water and sewer fees (three-year transition period)
- Authorizes towns to apply tax discounts for demonstrated financial hardship, and charitable and community organizations
- Authorizes towns to offer equal-payment plans for municipal tax bills

# Revenue

- Requires towns to adopt a by-law before engaging in arrears sales (formally tax sales)
- Removes the prohibition against conducting an arrears sale where the owner is occupying the property as a primary residence
- Allows all money owed to the town with respect to a property to constitute a lien on the property (includes taxes, fees and remediation costs)
- Property tax arrears constitute a priority lien

# Services & Programs

- Sets out mandatory core public health and safety services (waste collection and removal; fire protection; maintenance of local roadways; and snow clearing of local roadways)
- Provides authority for the minister to make regulations setting minimum service standards
- Identifies economic development as a municipal purpose and defines economic development in relation to maintaining and increasing a town's tax base
- Towns may not acquire equity or hold securities in private for-profit development, or provide loans or guarantee loans to private corporations

# Enforcement

- All towns may appoint one or more by-law enforcement officers
- By-law enforcement officers are restricted to enforcing the town by-laws
- Clarifies that by-law enforcement officers do not have police powers
- Provides by-law enforcement officers with the necessary inspection powers to carry out their responsibilities
- Extends violation notice (ticketing) authority for by-law violations to all towns
- Extends authority to create by-laws for non-moving traffic violations (parking) and enforcement for those non-moving violations

# Continuing Provisions

- A permit, licence or approval issued under the **Municipalities Act, 1999**, is considered to have been issued under the **TLSDA**
- All orders and by-laws (currently referred to as regulations) in force on the date that the **TLSDA** comes into force shall continue in force until amended, repealed or replaced
- A decision or order under the **Municipalities Act, 1999**, shall continue in force and shall be considered to be a decision or order under the **TLSDA**
- All contracts and agreements entered into by a town council before the coming into force of the **TLSDA** are binding on the town they govern

# Road to Proclamation

- Once confirmed, the date for the coming into force (proclamation) of the TLSDA will be communicated
- In preparation for proclamation, MAPA is working on the following:
  - amendments to existing Regulations
  - development of new Regulations
  - development of a new Municipal Handbook
  - information sessions
  - development and delivery of training materials

# Road to Proclamation

- In advance of proclamation, towns should begin:
  - reviewing the **TLSDA**
  - developing mandatory by-laws
  - reviewing and amending existing by-laws
  - implementing mandatory services
  - attending information sessions

**TLSDA link:** <https://www.assembly.nl.ca/Legislation/sr/statutes/t06-2.htm>

# Questions



# Your Question(s) and/or Comment(s)

Please provide question(s) and/or comment(s) and contact information for MAPA's response.