

## **Mayor Donna Thistle – Response to Bill Dawson Speech - October 11, 2018**

I'd like to thank Mr. Dawson for taking the time to ensure that this Council and staff are held to the highest standards with respect to our interpretations of the MA. Act. I personally know how much time it takes to do the research, file the complaint and do the follow up. It is no small commitment, and this is the second time Mr. Dawson has made this commitment to holding a council, and its staff, to the highest standard. The last time resulted in the development of policies for the Town and an RCMP investigation (which found no wrong doing.) I expect as a result of his work on this file, the Town will make sure we have the highest quality of legal advice available on every move we make with respect to the land in question.

In both of these cases, the governing body, Dept of MA wrote to the respective councils and advised them to take training.

In the case at hand, this council did as was directed by the Minister; we have all taken the training that was recommended by the Minister, as has our staff. The Minister of Municipal Affairs and their legal council (who attended via teleconference,) consider this matter closed and no further action is required by this Council.

We recognize that many in this room disagree with the decision to purchase the land at 4-10 Willow, but the decision was made by this council and is legally binding on the Town. The decision was not made irresponsibly. It was made with the best information available to us at the time. We were in constant communication with the Department of Municipal Affairs representatives at the time, Mr. Art Skinner. Our staff person used her contacts at the Department to ask as many questions as both she and Council knew to ask, including how to fit the purchase into our financial position without compromising the operations of the Town.

The purchase was made by borrowing from our own, existing surplus (to be paid back to that account on sale of the land) and an interest free mortgage being held by the vendor for a period of two years. On any measure, having a municipality have its long-term investments in land rather than in a bank at 2% interest is considered a prudent move by a majority of financial investors.

We further recognize that people in this room believe this council should be in a position to tell our residents exactly what is going to happen to this parcel of land and when it will happen.

There is a saying in business – make reversible decisions quickly and irreversible decisions slowly. Given the magnitude of this decision of how best to move forward with this land and the irreversibility of those decisions, this council will take as much time as it needs to consult with engineers, project managers and real estate developers and every step of the way will require a consultation with Municipal Affairs to ensure we do not, inadvertently make another technical error.

This land purchase gives the Town the ability to assist with opening up 12 new, large building lots. Steady Brook is a sought-after location for professionals and young families. The 25-year impact of 12 new building lots at an average of \$3000 per year in taxes is worth just under a million dollars to this Town, enough to pay for a great deal of infrastructure and, there after, make a significant contribution to the operations of the Town for a very long time. This is responsible governance even if there are those that disagree with it.

There are those who believe a Council should only consider the daily operations of town and how to conduct that business so as to reduce or maintain the lowest possible tax base. There will be Councils who are more progressive and strive to improve the community by building trails, opening land for development, improving roads...safety and infrastructure. None of these developments will come easily but it does not mean they are not important.

The current legislation in NL is referred to as permissive legislation. Meaning, if it does not say so in The Act, a council is not allowed to do it. We are the last jurisdiction in Canada to hold such restrictive legislation. Everywhere else in Canada holds what is called “enabling legislation” meaning if it doesn’t say it in the Act, a Council is allowed to do it.

Recognizing the difficulties and the cost inefficiencies of permissive vs enabling, the current Provincial Government is poised to bring new enabling legislation to the house in the Spring session of 2019. This legislation, if passed will remove the potential for the kind of technical mistake we made, and Mr. Dawson has so accurately pointed out. Under the new legislation a Council would be able to make the decision we made without the permission of the Minister.

To sum up. We made a decision that will be in the best interests of the long-term sustainability of Steady Brook. We did so with the very best advice we could get at the time. It turns out we made a technical mistake. We have taken training to ensure we do not make it or one like it again. We are taking a prudent approach to moving forward and as unpalatable as it may be for some in this room, this Council has the legal right to continue down this road without having to answer to residents on every move. If public consultations are deemed to be the right path forward, we will ensure that is done. Belabouring this point is taking away from the time and energy needed to run this Town and if it continues, could end up devaluing the piece of land and incurring unnecessary legal costs to our tax payers. This is not to in the best interests of the town. In the mean time, we will now get on with managing this Town in the best way we know how with the best professional advice we can get.