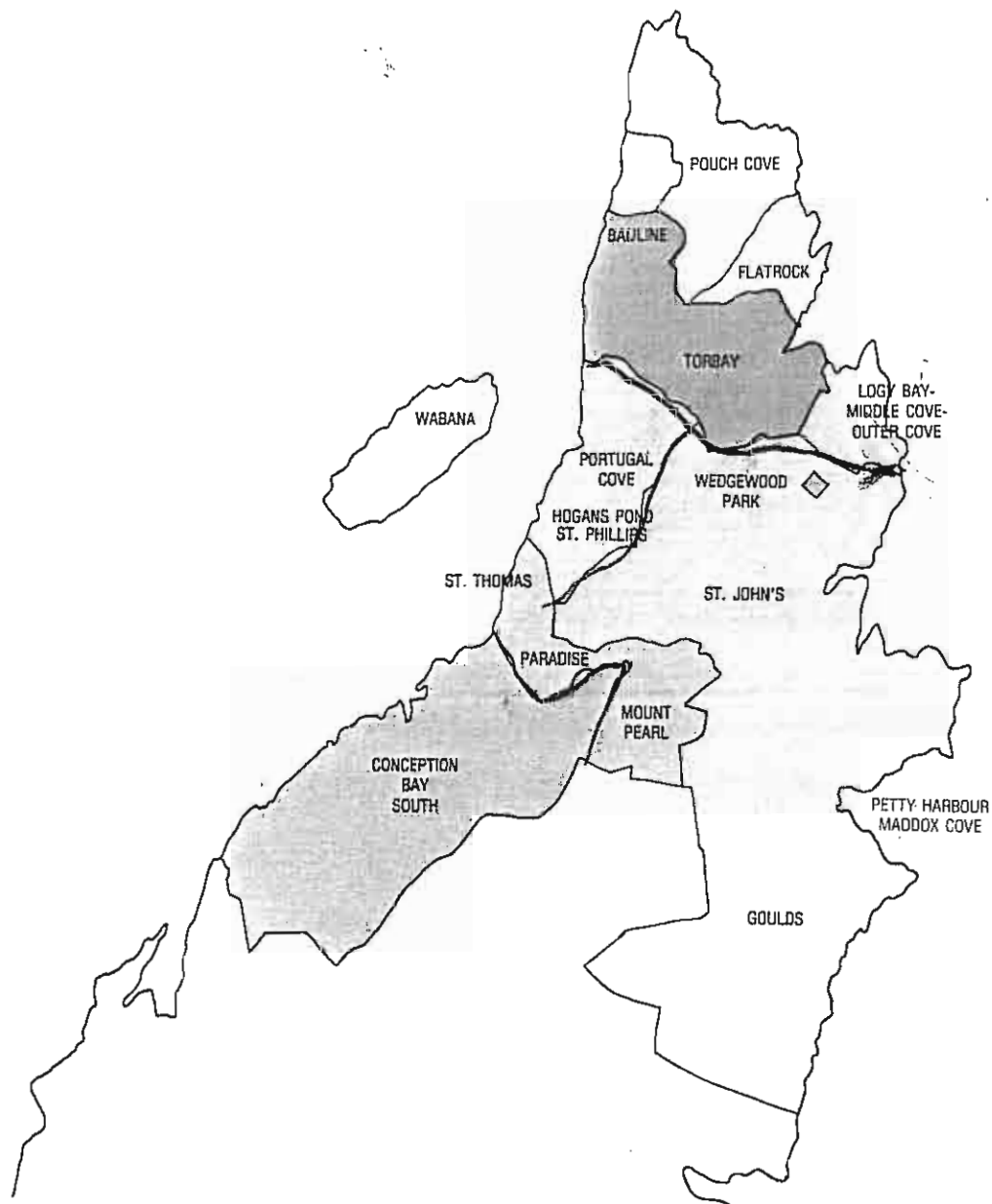


PLANNING FOR THE FUTURE

CONSOLIDATION OF MUNICIPALITIES WITHIN THE NORTHEAST AVALON



REPORT

OF COMMISSIONERS

Made Pursuant to the
Municipalities Feasibility Reports Regulations, 1989,
as Amended,
in Relation to the Proposed Amalgamation of
The Cities, Towns and Metropolitan Area
Contained Within The Northeast Avalon Region

Commissioners:

Donald C. Peckham
Thomas V. Hickey
Gerald Tilley
Leonard Williams

JULY 1990

Executive Summary

This executive summary provides an overview of the feasibility study conducted into the Government's proposed amalgamation of communities within the Northeast Avalon Region, the benefits of amalgamation, and the Commissioners' recommended amalgamation groupings. Full details of the Commission's study and recommendations are contained in the document and appendices immediately following; a complete set of briefs (reproduced in full) is contained in Part II of the Commission's Report.

Highlights of the Role of the Commission

The mandate of the Commission was to study the feasibility of amalgamating municipalities within the Northeast Avalon Region and present recommendations to the Minister of Municipal and Provincial Affairs.

The original Government proposal on municipal amalgamation suggested that 20 municipalities and other areas be consolidated into 6 municipalities, but stated that any reasonable alternatives would be considered.

The Commission held nine public hearings and received 84 written briefs and many oral statements. The Commissioners studied eight previous commission reports dealing with the Northeast Avalon Region, engaged a firm of chartered accountants to conduct a financial analysis, and undertook private research throughout Canada and the United States.

The Commissioners conclude that strong public opinion favours retaining local autonomy and identity. However, the need to co-ordinate services to create greater efficiencies and provide higher levels of service to residents is also recognized.

Benefits of Amalgamation

In conducting the study and preparing this Report, the Commissioners have been very mindful of the concerns raised in the many public hearings and briefs presented to them. These concerns include possible loss of community identity, higher taxes without higher levels of service, reduction in Government funding under the existing grant formula, reduction in services, loss of community assets, lack of representation on council, inappropriate groupings, and loss of community spirit and voluntarism.

The Commission proposes municipal amalgamations in which such concerns can be minimized, while providing significant advantages to residents, including:

- Economies of scale through the co-ordination of services and assets, and reduced building and equipment overhead costs;
- More effective and cost-efficient use of existing equipment and assets, eg: recreational assets and staff;
- Enhanced services, equipment and staff resources for smaller communities; overall improvement of services and administration for larger communities;
- Pooled budgetary resources to provide a better financial base for towns to acquire and share resources which may currently not be available due to financial constraints;
- Increased population base in the new municipalities to attract more candidates for councils and provide enhanced committee systems to carry out the business; and
- Coordinated planning and development activities to enhance opportunities for future growth and prevent duplication of effort.

Recommended Municipal Amalgamations

Commissioners recommend the following groupings of the 17 existing communities, which, they believe, will be generally acceptable to public opinion:

1. The City of St. John's, the Town of Petty Harbour-Maddox Cove, the Town of Goulds and portions of the Metropolitan Area Lands;
2. The City of Mount Pearl, the , major portion of Town of Paradise, the Town of St. Thomas, and portions of the St. John's Area Metropolitan Lands;
3. Conception Bay South, Octagon Pond, Topsail Pond, Three Island Pond, St. Anne's Industrial Park other parts of Paradise and other portions of the St. John's Metropolitan Area Lands;
4. The Towns of St. Phillips, Portugal Cove and Hogan's Pond, and portions of the St. John's Metropolitan Area Lands;
5. The Towns of Bauline, Torbay and portions of the St. John's Metropolitan Area Lands;
6. The Town of Logy Bay-Middle Cove-Outer Cove;
7. The Town of Flatrock;
8. The Town of Pouch Cove and portions of the St. John's Metropolitan Area Lands; and
9. The Town of Wedgewood Park.

The Commission wishes to assure residents of the 17 communities involved that, under the proposals contained herein, there will be no personnel redundancies as a result of these municipal amalgamations. Under the Municipalities Act, Section 426.1, all staff will be retained and placed in positions appropriate to their experience and qualifications to assist in running the new municipalities.

Additional Recommendations

1. Regional Services Authority

The Commissioners recommend strongly that some form of regional services be established for the Northeast Avalon Region. Commissioners believe that implementation of this body is critical to the successful operation of the proposed new municipal groupings. Establishment of such a body would also create the framework and environment for greater co-operation and co-ordination between municipalities. Implementation should be in conjunction with the municipal amalgamations.

2. Reform of the Grant Formula Structure

The Commissioners also strongly recommend reform of the existing Grant Formula Structure, which is inequitable and acts as a disincentive for municipalities to be financially responsible and to amalgamate. Commissioners have been advised that Government is currently reviewing the grant funding structure for municipalities for the entire province. The Commissioners' recommendations have been made with the understanding that these reforms will be brought about.

Section 1.0

Authority for The Feasibility Study

Initially, three Feasibility Studies were ordered by the Minister of Municipal and Provincial Affairs, the Honourable Eric A. Gullage, by order dated January 12, 1990. The Commissioners were appointed in accordance with the Municipalities Act and the Municipalities Feasibilities Report Regulations, 1980, as amended.

Three separate commissions were established, as follows:

1. Mr. Don Peckham and Mr. Gerald Tilley to study:

- i) St. John's;
- ii) Wedgewood Park;
- iii) Hogan's Pond;
- iv) St. Phillips;
- v) Portugal Cove;
- vi) Petty Harbour-Maddox Cove;
- vii) Goulds; and
- viii) Areas of the St. John's Metropolitan Area Board

2. Mr. Don Peckham and Mr. Thomas V. Hickey to study:

- i) Torbay;
- ii) Pouch Cove;
- iii) Bauline;
- iv) Flatrock;
- v) Logy Bay-Middle Cove-Outer Cove; and
- vi) Areas of the St. John's Metropolitan Area Board.

3. Mr. Don Peckham and Dr. Leonard Williams to study:

- i) City of Mount Pearl;
- ii) Paradise;
- iii) St. Thomas;
- iv) Conception Bay South; and
- vi) Areas of the St. John's Metropolitan Area Board.

The initial feasibility study notices contained provision for the Commissioners to be brought together to pursue their mandate, if the need arose. Following the hearings process, it was agreed, and formally requested by the Minister in a letter dated March 15, 1990, that the three commissions work together as a single commission to complete the study for which the hearings had been held.

The Commissioners commenced meetings as a single commission on April 2, 1990.

Section 2.0

Purpose of The Study

The purpose of the Study was to determine the feasibility of amalgamating or annexing any of the municipalities falling within the mandate of the Commission. This mandate is outlined in the Notice of Intent dated January 12, 1990, in Appendix A. These communities are generally referred to as "The Northeast Avalon Region"; an overview of each is provided in Section 3.0, commencing on page 10, and described in greater detail in Appendix C.

The Municipalities Feasibility Reports Regulations, 1980, as amended, required the Commissioners to conduct a study and prepare a feasibility report pursuant to the Regulations. In accordance with the Act and the Regulations, the Commissioners undertook to do the following:

1. Hold public hearings to hear all objections or representations taken in accordance with these regulations and the Act;
2. Prepare a written report containing information listed in Section 9 to the Regulations;
3. Provide a copy of all written submissions submitted at the Public Hearings or at any other time;
4. Provide a synopsis of the evidence taken at the hearings;
5. Make recommendations to the Minister to include an evaluation of such proposals relative to the following criteria:
 - i) **Access** of the people to the elected and appointed officials;
 - ii) **Representation** in accordance with the distribution of population;
 - iii) **Community Identity**;
 - iv) **Suitability** and need of the area for municipal servicing;
 - v) **Physical Constraints** to Municipal Servicing;
 - vi) **Administrative Capability** of the Municipality;

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- vii) **Coordination** of municipal services and functions throughout the area concerned.
 - viii) **Cost efficiency** of the type of administration proposed for the scale of services required;
 - ix) **Feasibility** in terms of revenues and expenditures;
 - x) **Equity** in terms of both the taxpayers' ability to pay and the benefits received;
 - xi) **Response** of tax yields to changes in economic activity;
 - xii) **Equality** among adjoining municipalities considering their different needs and assets;
 - xiii) **Simplicity** of proposed municipal structure;
 - xiv) **Acceptability** of proposals at local and regional levels; and
 - xv) **Alternative** approaches and options to the proposal and the relative acceptability of each.

The Commissioners are required to include the following information with any recommendations made:

- i) A description of the proposed boundary/s;
- ii) The name of the town/s;
- iii) The status of the Council/s;
- iv) The number of Councillors;
- v) The number of wards and their boundaries and the number of councillors to represent each ward, if wards are recommended;
- vi) Adjustments of assets and liabilities between towns and communities affected thereby; and
- vii) The effective date.

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6. Provide a copy of any documents pertaining to the feasibility report considered by the Commissioners in preparing the report.

Section 3.0

The Study Area

3.1 Overview

There are currently 17 municipalities in the Northeast Avalon area, including the Cities of St. John's and Mount Pearl and the St. John's Area Metropolitan Board.

The combined expenditure of the municipalities is \$114,200,000. Together these municipal entities have 124 councillors and/or members who manage an area of 1,084 kms² (677.5 sq. miles). Municipalities range in size from 0.8 kms (0.3 sq. miles) to 101.6 km² (39.2 sq. miles) and are responsible for providing a wide range of municipal services within each municipal area.

Professional staff expertise varies considerably from municipalities with no resources, through those where services are contracted out, to the two cities which have first-rate professional staff to provide required services to deal with the complex administrative problems.

3.2 Overview of the 17 existing municipalities

The existing municipalities and their boundaries are listed below. Each municipality is described in greater detail in Appendix C.

The City of St. John's

The City of St. John's is the oldest municipality in the province. Its present boundary stretches from the Windsor Lake watershed in the west to the Robin Hood Bay area in the east, and from Kilbride in the south to the Torbay Airport in the north. The population is approximately 96,216.

Town of Wedgewood Park

Wedgewood Park is located within the northeast part of the City of St. John's and has a population of 1,385.

Town of Hogan's Pond

Hogan's Pond, with a population of 139, has an appointed Council but does not have a municipal budget and does not appear to carry out any of the functions mandated to municipalities in the Municipalities Act. The boundaries of the town abut St. Phillips and the Windsor Lake watershed area.

Town of St. Phillips

St. Phillips is located between St. Thomas and Portugal Cove on the Conception Bay shore and includes land along the Old Broad Cove Road and Thorburn Road. The Town shares a boundary with Hogan's Pond and, for part of its length, with the Windsor Lake watershed. The population is 1,604.

Town of Portugal Cove

The town lies on the shoreline of Conception Bay, immediately north of St. Phillips and west of the Windsor Lake watershed. The population is 2,497.

Town of Petty Harbour-Maddox Cove

Petty Harbour-Maddox Cove is on the eastern shoreline of the northeast Avalon area, with Goulds and the Petty Harbour Long Pond watershed immediately to the west. The population is 974.

Town of Goulds

The Town of Goulds lies to the south of St. John's along the Southern Shore Highway, abutting Petty Harbour-Maddox Cove on the west. A significant portion of the town area is taken up by the provincial Agricultural Development Area. The Town's population is 4,688.

St. John's Metropolitan Area

There are a number of communities, settlements and subdivisions now included in the St. John's Metropolitan Area which are affected by the northeast Avalon amalgamation proposals. These areas are listed below with their estimated populations.

Downer/Shea subdivision	118
Windsor Hts. subdivision	212
Olivers Pond	60
Southern Shore Highway to bypass	22
Maddox Cove Rd. west to Kilbride and Goulds area	—
Brookfield Road	188
Elizabeth Park/Evergreen Village environs	1,865
Donna Rd. East	—
Octagon Pond	—
Topsail/Three Island Pond	792

Town of Torbay

The Town of Torbay is located immediately north of St. John's and shares boundaries on the east with Logy Bay–Middle Cove–Outer Cove, on the north with Flatrock, and on the northwest with Bauline. The town's population is 3,594.

Town of Pouch Cove

Pouch Cove is the most northerly municipality in the northeast Avalon area, sharing its southern boundary with Flatrock. It has an estimated population of 1,960.

Town of Bauline

Bauline lies on the Conception Bay shore surrounded largely by lands in the Metropolitan Area Board jurisdiction and by The Marine Drive Provincial Park. The town has an estimated population of 417.

Town of Flatrock

Flatrock lies between Torbay and Pouch Cove on the eastern side of the peninsula; the most recent population figure is for 884 residents in 1986.

Town of Logy Bay-Middle Cove-Outer Cove

The Town of Logy Bay-Middle Cove-Outer Cove is located north of St. John's and east of Torbay, and has an estimated population of 1,650.

The City of Mount Pearl

The City of Mount Pearl lies to the west of St. John's and east of the Trans Canada Highway. A large undeveloped portion of the City area lies south of Pitts Memorial Drive and also north of Topsail Road. The population is approximately 20,000.

Town of Paradise

Paradise lies between Mount Pearl to the east, St. Thomas to the north, and Conception Bay South to the west and south. The town has a population of 3,346.

Town of St. Thomas

St. Thomas lies on the Conception Bay shore between Paradise and St. Phillips, and has a population of 648.

Town of Conception Bay South

Conception Bay South stretches from Paradise in the north to Holyrood on the south, taking in nine originally separate settlements on the Conception Bay shoreline. It is a rapidly growing municipality with a population of more than 15,000.

Section 4.0

The Government's Amalgamation Proposal

4.1 Overview

The proposal from the Department of Municipal and Provincial Affairs outlined the procedures for the Amalgamation Feasibility Hearings and contained a summary of the proposals put forward by Government. The Government proposed the consolidation of twenty municipalities and other areas into six municipalities. However, the Government's proposal also stated that any alternative proposals would be considered in the feasibility study process.

4.2 Proposed Benefits

The Government's proposal outlined the benefits of proposed amalgamation, which include:

Administration Benefits

- No duplication of administration costs. For example larger, consolidated units should have the advantage of economies of scale, and reduced building and equipment overhead costs.
- More effective use of existing equipment, recreational assets and staff; and
- Equipment and staff not previously affordable to smaller communities will be available when amalgamation with larger communities takes place. As a result, the larger municipality would be able to improve overall services and administration.

Improved Financial Resources

By pooling budgetary resources, combined towns would have a better financial base. This would enable them to acquire resources which could be used and shared throughout the municipalities, especially in areas which cannot afford such services at the present time.

Larger Population Size

Increased population in the new groupings should provide a larger base from which to draw candidates for municipal councils. This would significantly reduce the present difficulties within smaller communities of attracting people to run for council. In addition, many existing councils are small and do not have adequate committee systems to carry out all of their business.

Consolidated Planning Programs

Currently, communities plan separately without any regard for regional activities. This tends to polarize plans and create competition. This, in turn, results in duplication of development from area to area.

Communities would benefit from a single, coordinated plan to ensure that growth and development are planned for the core areas and are not duplicated.

Section 5.0

Scope of Feasibility Evaluation

5.1 Public Hearings

In accordance with the Municipalities Feasibility Reports Regulations, the Commissioners held 9 public hearings to solicit public opinion. The hearings were as follows:

February 22nd – 7:00 p.m.	Parish Hall, Torbay
February 27th – 7:00 p.m.	Worsley Park, Chamberlains, C.B.S.
February 28th – 8:00 p.m.	Paradise Holy Family School
March 5th – 7:00 p.m.	High School, Mount Pearl
March 7th – 2:00 p.m.	Radisson Hotel, St. John's
March 7th – 7:30 p.m.	Radisson Hotel, St. John's
March 8th – 2:00 p.m.	Radisson Hotel, St. John's
March 8th – 7:00 p.m.	Radisson Hotel, St. John's
March 20th – 7:00 p.m.	Pouch Cove

5.2 Written Briefs and Oral Statements

In addition, the Commission received 84 written briefs and many oral statements. The written briefs ranged from very detailed and technical submissions by the two cities and major towns to single-page commentaries from many private citizens. A complete list of briefs is provided in Appendix D; the briefs are reproduced in full in Part II of this Report.

5.3 Research By Commissioners

In addition to reviewing the Government proposals and the many submissions, the Commissioners undertook extensive research and information-gathering as background information to assist them carry out their mandate effectively. This research included:

In-depth study of eight previous commission reports dealing with the Northeast Avalon Region:

1. Canadian British Engineering Consultants, 1957
2. The Whalen Commission, 1974
3. St. John's Urban Region Study
4. The Henley Commission, 1976
5. Powell Commission, 1981

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6. House Commission, 1986
 7. Fagan Commission, 1987
 8. Learmonth Commission, 1988

A synopsis of these commissions' reports as they relate to the study of municipal amalgamation can be found in Appendix E.

The majority of these reports recommend some form of regional government for the area, but this particular recommendation has not been previously acceptable. The Commissioners believe that the area is now mature enough to accept some form of regional services sharing, as indicated in the Executive Summary on page 4 and in Section 7.0 on page 41.

Commissioners agree strongly with the establishment of a regional authority. This is addressed in the Executive Summary on page 4 and in Section 10.1 on page 92.

Private Research Throughout Canada and the United States.

Commissioners reviewed material where known amalgamation, annexations and regional services sharing have taken place. This research includes:

- A review of the library network of Canadian Intergovernmental Committee on Urban and Regional Research;
- Consultation with the United States League of Cities;
- Consultation with the United States Conference of Mayors; and
- Consultation with the Memorial University Library; and
- Review of a selected number of Canadian jurisdictions to determine the size of municipalities and the ratio of council representatives to number of residents.

5.4 Synopsis of Public Opinion

Financial Analysis.

The Commissioners engaged the firm of Ernst & Young, Chartered Accountants, to analyze the financial data presented in the municipal briefs and to conduct specified financial analyses of other options considered.

Commissioners found few voices in favour of amalgamating communities. **All 17 municipal submissions were resoundingly opposed to the amalgamation groupings proposed by the Government.** Strong public support for local autonomy appears to be a major obstacle to towns adopting and co-operating in the work of a centralized government such as a supercity.

Residents believe that their own local governments are better able to protect and enhance the quality of life in their immediate areas than a distant, centralized bureaucracy. Residents do not want to be passive recipients of a removed government but active participants in creating their own meanings to community life. Reasons presented to the Commission against the proposed amalgamations include:

1. Concern about loss of identity;
2. Concern about higher taxes without higher levels of service;
3. Loss of money for many communities through a reduction in Government funding: the existing grant formula reduces funding as the population is increased. This reduction is quite substantial in a number of cases and will be elaborated on in the financial evaluation for each proposed grouping;
4. Concern about a possible reduction in services;
5. Loss of community assets;
6. Lack of representation on council;
7. Inappropriate mix of urban and rural groupings; and
8. Loss of community spirit and voluntarism.

There is, however, an acknowledged admission by town councils that some form of regional authority is required. Such a body should be established to address certain essential services that cannot, or will not, be addressed by the politically fragmented system found in the Northeast Avalon area. The Commissioners report that of the 17 municipalities involved in this study, the vast majority were in favour of a regional authority.

Several previous studies of the region have recommended some form of regional government for the Northeast Avalon area. Commissioners questioned why the difficulty of implementing such an infrastructure has been so great, given the number of previous reports and their respected authors. They conclude that the following factors have been involved:

1. Political will in some respects; and
2. Many residents are not fully aware of the immense problems facing the region. For example, crises in water supply or waste disposal are often known only by the few professionals and administrators involved.

5.5 Commissioners' Comments

During the study process, many municipalities identified their capital improvement needs for water and sewer systems, and road reconstruction and paving. They requested substantial government funding to meet these needs, and yet many maintain a very low mill rate.

Commissioners believe there is considerable scope amongst many municipalities to become more financially responsible. This can be achieved by raising mill rate levels commensurate with the level of service required by the residents. The current taxation level paid by many municipalities is inadequate relative to their service needs and relative to the taxation level paid in other jurisdictions. Further, the current requirement for municipalities to pay a portion of fixed revenues without regard for the size of their debt serves as a disincentive for them to be financially responsible.

In summary, the Commissioners see two major growing problems for local governments which necessitate both amalgamations and the establishment of a regional government, namely:

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- Less revenue in terms of Government transfers to municipalities, and
 - Increased service demands from residents.

Section 6.0

Public Opinion On The Feasibility Evaluation

Each of the 17 municipalities affected by the proposed amalgamation presented detailed briefs to the Commission. Many more briefs were submitted by private citizens and are listed in full in Appendix D; a complete set of briefs appears in Part II of this Report.

6.1 Summary of Concerns

The content and scope of the briefs submitted to the Commission from the 17 municipalities varied considerably. For example:

- Some municipalities undertook a detailed and comprehensive review of the impact of the proposed amalgamation and also assessed the viability of their alternative recommendations;
- Some municipalities did not make any studies. Instead, they reacted to the Government proposal, stating the reasons for their objections;
- Some municipalities analyzed the Government proposal and dismissed it, citing substantial loss of revenue for the proposed grouping under the existing government grant formulae. Some municipalities also made alternative proposals and assessed their viability, based on the assumption that a change in the Government Grant Funding program would ensure no loss of revenue; and
- Many arguments claimed that the proposed areas were too large and would be ungovernable.

Below is a synopsis of the briefs submitted by the 17 municipalities.

6.2.1 Brief from the City of St. John's

The position paper from the City of St. John's is a very detailed and comprehensive report. It establishes the conditions and events that have led to the proposal to amalgamate municipalities in the Northeast Avalon Peninsula and sets a course of action proposed by the City of St. John's.

Comments on the Government's Proposal

The brief reviews the amalgamation initiative by the Department of Municipal and Provincial Affairs and indicates the need for reform in the municipal structure to achieve viable, self-reliant local units, and to facilitate effective planning and development control. The brief also states it is essential to reform the system of municipal

grants and the restructuring of other provincial-municipal arrangements.

Other Major Comments

The variety of inducements adopted by the province to encourage incorporation has resulted in more municipalities per capita than any province in Canada, except Saskatchewan. Many small municipalities in Newfoundland and Labrador exhibit very high debt loads with exceptionally weak tax bases. Underlying the current fragmentation are substantial, unrecognized inequities. It is apparent from examination of demographic and financial information that St. John's is carrying a significantly greater burden of municipal responsibilities than other local governments of the Northeast Avalon Region.

Since 1966, the overall trend has been towards decentralization of population within the region. Projections indicate that by 2006, less than half of the region's residents will live in St. John's, compared to 86% in 1981. Residents of municipalities outside the central City take advantage of St. John's facilities and services but do not pay taxes for them - the "free rider" problem.

Most municipalities in the region have residential taxation less than half of that in St. John's. Comparison with other provinces indicates that the property tax burden in Newfoundland is extremely low relative to tax payments required from other Canadians. The present provincial operating grant and debt support system strongly favours smaller municipal units.

A major factor in the failure to control development has been the political separation of the City from urbanizing or suburbanizing areas reinforced by the provincial grants system that protects such areas from penalties of bad planning and encourages inefficient infrastructure development.

Control of the regional water supply will have to be assigned to a municipality or municipalities, or to a regional water authority to ensure a commitment to protective development control.

Amalgamation Alternatives Presented in the Brief

The report indicates six amalgamation options for this area, namely:

1. Status Quo - except with Metropolitan Board lands apportioned to adjoining municipalities;
2. Provincial Proposal - which organizes the region into four municipalities;
3. Urban Core Proposal - which creates five municipalities, bringing together most of the clearly urban areas into a single unit;
4. Expanded Urban Core Proposal - which creates three municipalities, joining the clearly urban and urbanizing areas into one municipality;
5. Expanded Urban Core (without Mount Pearl) Proposal - same as #4, except Mount Pearl would be left as an independent municipality; and
6. Super City Proposal - St. John's would expand to include all municipalities of Northeast Avalon except the Town of Holyrood.

Recommendations

The amalgamation option supported by the City of St. John's is the Expanded Urban Core. The core of the region would be developed under a single planning authority with an area-wide commitment under direction of proper expertise. It would substantially reduce the number of municipalities and organize them in a simple and effective fashion that recognizes the key differences among them.

The proposed amalgamation would increase the per capita burden of the citizens of St. John's by 70%. To mitigate this, local revenue derived from the added municipalities would have to be increased over time; during the transition, the Province would have to assist the City.

6.2.2 Brief from the Town of Wedgewood Park

Comments on the Government's Proposal

This brief, presented on behalf of the more than 1,300 residents of Wedgewood Park, strongly supports the continuation of the town as an autonomous municipality; it does not support amalgamation with the City of St. John's or any other municipalities in the region.

Other Comments

Wedgewood Park has created a vibrant, growing, family community with a preferred quality of life for its residents. Through its balanced commercial and residential development, it is now making a significant contribution to the entire Northeast Avalon Region. For instance, employment figures show that Wedgewood Park creates as many jobs as it consumes. It is clearly no mere suburb or bedroom community.

The town has been fortunate in having a broad population base from which to draw experienced community leaders who have successfully managed the town's affairs with great personal commitment. Since its incorporation 23 years ago, the Town of Wedgewood Park has maintained a strong financial position and has been one of the most economically viable municipalities in the province, including the larger centres.

It was strongly stated that the Town of Wedgewood Park pays for every service it uses. The town maintains and services the local water system, sidewalks and streets, and indoor and outdoor recreational facilities, through its own staff and equipment. Other required services, such as engineering, planning, legal, garbage collection, and snow clearing, are purchased through qualified consultants and contractors. In a recent independent survey, the results show that the residents were overwhelmingly satisfied with the level of municipal services provided.

Recommendations

However, despite strong opposition to amalgamation, the town recognizes that a regional authority can best provide services such as water, fire protection, animal control, sewerage and solid waste disposal. The town fully endorses the establishment of a regional council, incorporated under the Municipalities Act, with a mandate to deliver these regional services.

6.2.3 Brief from the Town of Hogan's Pond

The municipality of Hogan's Pond did not make a presentation at the Commission's hearings in March 1990. However, Mayor Gerald Whelan submitted a letter dated February 20, 1990, outlining the municipality's position.

The Local Improvement District of Hogan's Pond was created in 1971. The town has a population of 139. Residents are required to have at least five acres of land in order to build a home; all new buildings must be a minimum of 300 feet from any other building. Buildings must be single-unit family dwellings; commercial buildings are not permitted. These and several other regulations (pertaining to sewage disposal, tree removal, etc.) are designed to ensure a certain quality of cottage-recreational living is created and maintained.

Comments on the Government's Proposal

The town is unable to determine how it will benefit from an amalgamation or how the Provincial Government will realize any savings. In the event that amalgamation is inevitable, despite its protests, the town would prefer an amalgamation with the City of St. John's.

Recommendations

The town recommends that an attempt should be made to protect and preserve its unique characteristics, namely the cottage-recreational nature of the area with large lot sizes and low housing density. Further, the town expressed concern over the imposition of property taxes, and recommends that any increased taxation be phased in over a long period of time to enable residents to adjust their budgets accordingly. The town also questioned the type of additional benefits for residents as a result of increased taxation.

6.2.4 Brief from the Town of St. Phillips

The community of St. Phillips came under the control of the St. John's Metropolitan Board in 1969 and was incorporated as the Town of St. Phillips in 1978. The present population is 1,604.

Comments on the Government's Proposal

A ballot was conducted in November 1989 in conjunction with the Municipal Election. The proposed amalgamation with the City of St. John's received a "No" vote from 85% of the population.

6.2.5 Brief from the Town of Portugal Cove

Other Major Points

In its brief, the town requested restoration of its traditional boundaries which had existed prior to the incorporation. The town also noted that property assessment was finally completed in 1989 after a wait since 1981. This would now enable the town to introduce a property tax to broaden its financial base.

Recommendations

The town requested time to prove its ability to run a viable municipality under the new system, as noted immediately above.

The town also stated that although it disagreed with the Government's amalgamation proposal on the grounds that it was wrong for St. Phillips, it would consider an alternative form of amalgamation. Possible partners would be Hogan's Pond, St. Thomas and Portugal Cove.

The brief from the Town of Portugal Cove addressed a number of inadequacies in the amalgamation process including inadequate time to prepare, inadequate arguments to support the proposed concept, and inaccurate or outdated data supplied.

Comments on the Government's Proposal

The brief states that the town is "absolutely and vehemently" opposed to amalgamation with the City of St. John's. If some form of amalgamation were inevitable, Portugal Cove would prefer to be part of a grouping in which it can preserve its lifestyle and character. A more appropriate grouping would be with rural towns to the north of St. John's.

Regional Services

The town feels there is a need for services of a regional nature. This could best be done through the creation of a municipal service corporation owned by the municipalities. This corporation would be paid from the combined municipalities on a user pay basis, and would provide a variety of operational and professional services to communities in the region.

Recommendations

The brief concludes that people may be more favourably disposed to amalgamation if they are shown convincing benefits arising from such unions.

6.2.6 Brief from the Town of Petty Harbour-Maddox Cove

The brief presented to the Commissioners reviewed the town's concerns about amalgamation from geographical, historical, cultural, political and financial viewpoints.

Petty Harbour-Maddox Cove is a "fishing community" located 9 kms. from the City of St. John's. The present population of the town is 974. Since the town was incorporated 20 years ago, residents have enjoyed many improved services and controlled growth and development. Water and sewer has been provided to all residents in Petty Harbour and to 80% of the residents of Maddox Cove.

Comments on the Government's Proposal

Residents are overwhelmingly opposed to amalgamating with the City of St. John's. Many reasons are cited for this including: less representation in the enlarged City; higher taxes and costs of services; decreased quality of service; no increase in services to the residents; no improvement in management of financial resources; decrease in the ability to plan and control the community's future; loss of local jobs; and decrease in the number of volunteers who work to improve the community.

Also, amalgamation may have a detrimental effect on the unique fishing (rural) lifestyle of the residents as well as any potential tourism opportunities associated with the town. Residents believe it is important to preserve their own identity and independence.

6.2.7 Brief from the Town of Goulds

Comments on the Government's Proposal

This brief reviewed the Government's proposal for amalgamation, section by section, and responded with answers to the question "would the citizens of the Town of Goulds be advantaged or disadvantaged by amalgamation with the City of St. John's?" By this method and the facts outlined "we, the elected council, have clearly proven that our citizens would be disadvantaged by the proposed amalgamation, therefore we cannot recommend to our citizens to accept the proposed amalgamation."

6.2.8 Brief from the St. John's Area Metropolitan Board

Records of early settlement in this area go back to the 1830's. The town is a distinct rural community developed around an agricultural industry and with a fast growing urban sector. It is felt that the amalgamation process could be perceived as the beginning of this setting's erosion. Other reasons given against amalgamation include: loss of representation; loss of local priorities for municipal servicing; loss of present efficiencies in service delivery; loss of local administrative staff with their knowledge of local requirements; higher costs of services; and higher taxes.

Other Comments

In considering alternative amalgamation options, the Town of Goulds stated that Mount Pearl was rejected for basically the same reasons given for St. John's. However, amalgamation with the Town of Petty Harbour-Maddox Cove could be considered a viable possible alternative.

The St. John's Metropolitan Area Board was established in 1963 to control and administer the fringe areas surrounding the City of St. John's and the Town of Mount Pearl. It was given all the powers of a municipality to exercise local government responsibility and general control of development throughout the area. Eventually its boundaries were extended to cover all those lands within the St. John's Urban Region outside the incorporated municipalities of the Region. The Board thus became responsible for urban and rural areas in the region.

This brief was prepared and approved by the St. John's Metropolitan Area Board and addresses the proposals for the Amalgamation of Municipalities in the Northeast Region. As background information, it reviews and analyses the recommendations of the six major commissions which have studied the Northeast Avalon Region from 1974 to 1988. It has added its own assessment of the present scene and has made the several recommendations to this Commission, including the necessity of establishing a regional services authority.

Recommendations

In this brief, the Board reviewed in some detail, with appropriate analysis, the findings of those commissions that have studied this region's municipalities since 1974. With this background it has added its own assessment of the present scene and has made its own

recommendations to this commission. Below is a brief summary of these recommendations:

1. The boundaries of the City of St. John's should be expanded to ensure that it will develop in an appropriate manner into the next century and to enable it to compete with large centres in the Atlantic Region for industrial and commercial development;
2. Other municipalities in the Northeast Avalon Region should be amalgamated into larger units around major growth centres;
3. A "Regional Services Authority" should be established with responsibility for the following:
 - a) Agricultural Lands
 - b) Watershed Areas
 - c) Regional Water Supply
 - d) Regional Fire Protection
 - e) Regional Animal Control
 - f) Regional Solid Waste Disposal
 - g) Control of Unorganized Areas which may not be included in the amalgamated municipalities
 - h) Other responsibilities which may be passed over to it by the Province
4. The regional authority should consist of:
 - a) A Chairman appointed by the Lieutenant Governor in Council for five year terms;
 - b) Elected Councillors representing the amalgamated municipalities served by the authority; and
 - c) One person representing the Provincial Government.

The brief concludes by stating that "the Province has the power to create local governments and the power to abolish them or change their boundaries. While the Province is reluctant to take arbitrary action to change boundaries, certain changes must be made in the interests of efficiency and the future of the St. John's Urban Region."

6.2.9 Brief from the Town of Torbay

The Town of Torbay traces its origins to 1696. The historic town has grown and developed over the years to the point where it attained incorporation status in 1972.

**6.2.10 Brief from
the Town of
Pouch Cove**

Comments on the Government's Proposal

The brief emphatically opposes the Government's amalgamation proposal. The town feels that objectives proposed for the amalgamation would not be achieved.

The brief addresses a number of significant points to reinforce its position. With respect to proximity, the distance between Torbay and neighboring towns is too great to consider the feasibility of joint administration. The town fears that the distance would make it difficult to economize in sharing services; volunteers for service to the new town would also be hard to attract. The town also suggests that if amalgamation is forced upon residents against their will, there will be a difficulty collecting taxes.

Regional Services

The brief indicates that the Town Council of Torbay does support a form of Regional Authority, but that a forced amalgamation at this time would be detrimental to the development of the goals and plans presently being implemented by the town and those being planned for the future.

Comments on the Government's Proposal

The Town of Pouch Cove strongly objects to the Government's amalgamation proposal for a number of reasons, including:

1. Communities within the proposed amalgamation are not close enough to one another to make a single municipal government and provision of services a feasible disposition;
2. The town has had considerable success with local government; a larger unit would allow less local expression and control over the town's affairs;
3. The town feels that amalgamation would lead to a decrease in services; and
4. Fears exist that amalgamation will lead to increased taxes with little change in the services received.

The town points out that it has recently experienced amalgamation when the area of Shoe Cove was amalgamated with it in 1986. The benefits promised by the Provincial Government have yet to be seen.

Other Major Points

Three other important issues were raised in the brief:

1. Inadequate Government funding was provided to enable the town to raise the level of services needed in the previous amalgamation with Shoe Cove. The town feels that financial grant guarantees would be required before serious consideration is given to the new proposal;
2. The town has a strong volunteer component in delivering many of its community programs, which could change if amalgamation took place; and
3. The area requires considerably more facilities, such as recreation. If these facilities were located in the larger populated areas, as suggested, there would be increased transportation costs for residents in the lesser populated areas to reach them.

The brief concludes that the people of Pouch Cove have made considerable efforts to achieve the level of service the community presently enjoys. People fear that further amalgamation at this time will have negative effects. The town is not against progress, but would need evidence of the real benefits for the residents before it could recommend amalgamation.

6.2.11 Brief from the Town of Bauline

Comments on the Government's Proposal

The brief from the Town of Bauline expressed strong disapproval towards amalgamation with Pouch Cove, Flatrock, Torbay and Logy Bay-Middle Cove-Outer Cove. The town also objected to inadequate communication and a lack of information on the issue.

In 1987, the town held a plebiscite presenting a number of amalgamation scenarios to its citizens. The residents at that time elected for independence as a municipality.

The town's brief raised a number of concerns including: adequacy of representation on the new town council; assurance of the same quality of services currently enjoyed; adequacy of the tax base of a new grouping to maintain quality services; proportionate share of Government financing being returned to smaller areas in a larger

grouping; the loss of the town's identity; and the location of an administrative centre.

Other Major Points

The town states that if communities are amalgamated, each town should be guaranteed a minimum of one representative on the new Council. The town would prefer a ward system with a number of councillors elected at large and that such a system be permanently established rather than for a transitional period.

The town concludes amalgamation is not in its best interests because of its existing financial status, the distances between it and neighboring towns and the major differences in population size of towns in the area.

**6.2.12 Brief from
the Town of
Flatrock**

Comments on the Government's Proposal

The brief from the Town of Flatrock indicated a survey of its residents showed 91% were opposed to any form of amalgamation. The Council feels the town is being administered efficiently, and wishes to remain rural in nature and in control of its own affairs.

The brief raised a number of specific objections to amalgamation, including:

1. The variety of services currently provided by the town could be jeopardized if it became part of a larger unit where priorities are determined by areas with larger representation on the new council;
2. Certain services, such as snow clearing, garbage collection and road maintenance, may not be provided as cost effectively or with the same level of service as currently provided under a local contractual arrangement; and -
3. Access to central office may be difficult for residents if the community is spread out over a large geographical area. Many residents would experience hardships resulting from the centralization of administrative services.

**6.2.13 Brief from
the Town of Logy
Bay-Middle
Cove-Outer Cove**

The brief concludes that Flatrock is a growing community where people wish to avail of large building lots and a rural lifestyle. Strong community spirit is alive and well in the town; residents wish to preserve their identity and ensure future viability of their town.

The brief notes that the town is the result of the union of three communities and outlines the rural nature of the town. Residents in the town wish to continue to be part of a rural philosophy of development.

Comments on the Government's Proposal

The town is not opposed service sharing on a voluntary basis where there is a direct benefit to all parties involved. However, the town feels there has not been any concrete information or data provided in the Government's proposal to suggest such objectives could be achieved.

Recommendations

The brief contains the following points in favour of retaining the status quo:

1. The town has no debt other than the amount owing on the Town Hall;
2. The town has the lowest tax rate in the region;
3. The town operates with only three full time staff;
4. The town has a positive bank balance with minimal debt; and
5. The town has not acquired its own heavy equipment and contracts for snow clearing, garbage collection and other needs.

Regional Services

The town does not wish to assume a heavy debt load which could result from amalgamation. It recommends that the establishment of a "Regional Services" body be considered. This body would provide such services as fire protection, policing, garbage collection and disposal, snow clearing and water and sewer services. Further, the town argues that while sharing of services can provide mutual benefits, it can occur without amalgamation. These services can best be addressed by a regional body.

6.2.14 Brief from the City of Mount Pearl

The City of Mount Pearl presented a detailed brief containing the history and growth of the City, a response to the province's amalgamation proposal and the City's own proposal for boundary changes in its area.

Since the incorporation of the town in 1955, Mount Pearl has grown to become the third City in Newfoundland, achieving City status on July 21, 1988. The City's population has grown from approximately 1,979 in the year 1955, to approximately 23,000 today. Considerable expertise has been developed in all areas of local government administration and services, and extensive resources and facilities are available to the residents.

Comments on the Government's Proposal

The City of Mount Pearl supports the principle of amalgamation. However, the City believes the proposal from the Department of Municipal Affairs will not achieve the proposed benefits and ignores fundamental differences in municipalities. In addition, the financial burdens of the proposed amalgamations are unrealistic from a tax point of view.

The City rejected the Government's proposal on the basis that mutual benefits cannot be achieved for all municipalities at a reasonable cost, the proposal is not an acceptable option to residents, and the proximity criteria cannot be met.

Recommendations

The City recognizes a need for certain municipal groupings to create stronger and more viable municipal structures. It is proposed that the City of Mount Pearl expand its municipal boundary to include the residential area of the Town of Paradise; the Elizabeth Park/Evergreen Village area and its eastern environs; the Brookfield Road area; the area South of Mount Pearl to the Northern Watershed boundaries of Thomas Pond and Bay Bulls/Big Pond; the Trans Canada Highway/Conception Bay South Bypass Quarry Area; and that portion of the Octagon Pond Industrial Area which is located within the Waterford River Valley Drainage Basin.

Financial Projection

The City sets out a financial projection for this grouping based upon the following assumptions:

1. The current General Municipal Assistance Grant and the Tax Incentive Grant would be maintained at the existing level, with no reduction as a result of amalgamation;
2. The new City of Mount Pearl would receive additional capital grants of \$2.4 million over five years to upgrade the level of service in the annexed area;
3. The Province would guarantee an additional \$2 million per year for five years under the existing 60/40 cost shared road program; and
4. Transitional grants of \$210,000 in 1991 and \$105,000 in 1992 would be received.

Based on these assumptions, the City believes its proposal would result in improved municipal administration and level of service, better planning, a larger tax base, and an enhanced quality of municipal life. The expanded City would also provide a stronger municipal structure within the region and create a good base for the municipal representation and leadership required by a regional services authority.

Regional Services

The City supports the concept of regional government and maintains that certain services that are regional in nature (e.g. water, police, garbage disposal, regional planning, etcetera) can best be provided by a regional authority. However, the City recommends the operation of its own independent fire department.

Local Public Opinion

The City commissioned a survey of residents of the City of Mount Pearl, the Town of Paradise and the Elizabeth Park/Evergreen Village area to determine public opinion towards the City's amalgamation proposal. The survey indicated the following results:

1. Mount Pearl residents favour amalgamation with Paradise and Elizabeth Park/Evergreen Village as their preferred option;
2. Paradise residents highly supported the option of amalgamating with Elizabeth Park/Evergreen Village followed by amalgamation with Mount Pearl;
3. Residents of Elizabeth Park/Evergreen Village cited amalgamation with Paradise and Mount Pearl as their optimum choice.

The City concluded that there appeared to be a high degree of acceptability at the local level for a municipality consisting of the City of Mount Pearl, Town of Paradise and the Elizabeth Park/Evergreen Village Area.

6.2.15 Brief from the Town of Paradise

The brief submitted by the Town of Paradise, entitled *Paradise: Town with a Vision*, reflected the Council's feelings that it had made concerted and commendable efforts to make Paradise a more viable community.

Comments on the Government's Proposal

The brief stated that Paradise was not against amalgamation in principle, but was opposed to the Government's proposal for personal, political and technical reasons; the proposal was considered unreasonable and unacceptable.

Major Points

The brief focused on three major areas:

1. A critique of the Government's amalgamation proposal;
2. The Town's proposal for a more viable community; and
3. A comparative evaluation of the Government's proposal with the Paradise alternative.

Regional Services

The town expressed a preference for structural reform of the municipal delivery system in the region. As a result, one level of Government could deliver local services, and a separate, but accountable, authority look after regional interests. This regional

authority would be responsible for all watersheds, pumping and treatment facilities, trunk supply mains of the Water Supply System, operation of sewage disposal plants and the provision of an adequate solid waste disposal system.

The brief stresses the importance of addressing and resolving the water supply issue. In particular, the town recommends a regional authority which would introduce a system of regional trunk sewer and water assessments for new developments, and a uniform water rate throughout the region.

The brief also proposes that the province designate a system of regional, arterial and collector roads under the jurisdiction of the Department of Works, Services and Transportation. Upkeep and maintenance costs would be assumed by the province until the level of use funded regionally is determined.

Recommendations

The town believes that in considering amalgamation, groupings should consist of municipalities at the same stage of development. As an alternative to the Government proposal, the town suggests the creation of a new municipality of Paradise comprising the following areas: the existing Town of Paradise, Elizabeth Park, Evergreen Village and the lands proposed for development in its development scheme, Octagon Pond Industrial area lands presently in Metro Board, Topsail Pond/Three Island Pond, the existing Town of St. Thomas and two small areas administered by Metro Board that are currently linked by road to Paradise, i.e. Southview Drive and Bernard Place. The town believes such a proposal is rational and will ensure a well bounded, focused and viable town through the 21st century.

Comments on the Government's Proposal

The Town of St. Thomas strongly rejects the Government's proposed amalgamation on the following grounds:

1. Amalgamation would destroy the distinctive lifestyle currently enjoyed in the town. St. Thomas has essentially a rural lifestyle with citizens living on large parcels of land;

6.2.16 Brief from the Town of St. Thomas

2. Local control over town affairs would be eliminated or seriously reduced. Council feels its members now have a voice in the day-to-day operations of the municipality and this would be reduced in a larger unit where representatives would have different values and goals;
3. Higher taxes would be introduced without a commensurate increase in services. For example, the Town of St. Thomas does not need an expensive piped water and sewage system required in other communities as residents have large building lots with access to private septic systems and drilled wells; and
4. The town views amalgamation as primarily another form of taxation by the Government.

Objections to the Study Process

The town raised the following objections to the feasibility study process:

1. The appointment of a Senior Civil Servant to the Commission caused the process to be flawed;
2. Municipalities were given inadequate time to respond fully to the Government's proposal; and
3. Municipalities did not receive a financial proposal from Government to ensure viability of the proposed new structures.

6.2.17 Brief from the Town of Conception Bay South

The Town of Conception Bay South was incorporated in 1971. It is familiar with the process of municipal amalgamation since it is a product of the amalgamation of nine communities. It is slowly coming to grips with the pressures brought on its manpower and infrastructure by this union.

Comments on the Government's Proposal

The town strongly objects to the proposal to amalgamate Conception Bay South with Mount Pearl. In particular, it claims that the financial consequences of such an amalgamation would be devastating to both communities under present funding arrangements.

Major Points

The town's brief raises the following major points:

1. Although the problem of having too many small, unviable communities is acknowledged, the present municipal funding structure is a disincentive to amalgamation;
2. Certain municipal systems and structures should be regionalized to distribute the province's limited resources more effectively in providing and upgrading such municipal services; and
3. There are advantages to certain groupings of towns and lands.

The brief outlines the history of the communities, focusing on the City's historical, geographic and economic advantages in comparison to other communities involved. The brief presents the similarities between Conception Bay South and certain other communities which are rural in nature and setting. These include: municipal problems, schools/churches, and the present sharing of public facilities by their residents in those communities. The brief concludes that the City of Mount Pearl is clearly quite different from Conception Bay South and other such towns.

Financial Analysis

The brief provides a financial analysis of amalgamation and concludes that the present municipal funding structure is a disincentive to amalgamation. It suggests that it will be necessary to restructure the grant system and the debt sharing formula to remove the bias against larger communities. The brief maintains that funding should be distributed on the basis of need rather than any of the criteria, such as population or the collection of taxes, etcetera

Regional Services

The Conception Bay South brief also proposes that a regional authority be constituted for the Eastern Avalon area to address such common needs as fire, trunk sewer, waste disposal, planning and engineering.

Recommendations

The brief makes the following overall recommendations:

1. Conception Bay South, Topsail Pond, Three Island Pond and the Octagon Pond portion of the Metro Area should be amalgamated in accordance with Conception Bay South submission to previous commissions. This would include the area proceeding from the shoreline to the Trans Canada Highway;
2. St. Thomas/Paradise and the area under the jurisdiction of the St. John's Metro Board should be amalgamated and annexed to the Town of Conception Bay South. This however, cannot be done without significant changes being made to the grant structure and assistance from the Provincial Government for capital expenditures. Conception Bay South feels these changes would enlarge the town and give it the potential to develop an industrial base, both at the present St. Anne's Industrial Park located in Paradise and at the Octagon Pond Industrial Park, located within the St. John's Metro Area Board. At the same time, it would recognize the close links between these communities;
3. Conception Bay South and Mount Pearl should not amalgamate;
4. Government funding of municipalities should be changed to ensure that municipalities with a rich taxation base receive less provincial funding than those municipalities requiring financial assistance. Funding from the province should be on the basis of need and equity;
5. A regional authority should be established to address problems and issues of a regional nature; and
6. The present municipal funding structures should be reviewed and changed before any amalgamation programme is implemented.

Section 7.0

Feasibility and Acceptability of Commission's Recommendations

7.1 Commissioners' Comments

The exact nature of the amalgamation was the subject of much consternation for the Commission prior to its recommendation of the groupings proposed below.

Commissioners believe strongly that the implementation of the proposed regional authority, with its role to be later defined, is fundamental to the successful operation of the proposed new communities. Further, implementation of the regional authority should be in conjunction with implementation of the recommended amalgamations.

Commissioners see this study as another step in the evolution of municipal development in the region.

The establishment of a regional authority will create a framework and environment for greater co-operation and co-ordination between municipalities and will enhance the process.

In conducting the financial analysis, it became clear that merging or combining any of the municipalities in the Northeast Avalon Region would result in reduced revenue funding to them. This is due to the Government's existing Grant Formula Structure which works against municipalities with larger populations.

Commissioners have been advised that Government is currently reviewing the grant funding structure for municipalities for the entire province. Therefore, Commissioners did not feel it was appropriate to recommend a re-arrangement of the grant funding systems relating only to the Northeast Avalon Region. However, if the current formula is applied to communities which amalgamate, the loss of revenue is substantial. The amalgamations recommended by the Commissioners would, therefore, simply not be viable.

The Commissioners strongly recommend reform of the grant system, and that the funding presently available under the grant structure for each municipality be provided to the newly created municipalities until a new funding structure is in place.

The Commissioners further recommend that the Grant Funding Programs review be completed as soon as possible and that a

equitable formula be included in the funding. This would eliminate the present disparities which act as a disincentive for communities to be more financially responsible. These disparities also act as a disincentive to communities to consolidate. **Such grant funding should be structured to provide more funding to communities which do not have a good financial base, and less to those communities which have a good economic base.**

7.2 Specific Recommendations

The Commissioners recommend the following nine groupings of the 17 existing communities of the Northeast Avalon Region:

1. The City of St. John's, the Town of Petty Harbour-Maddox Cove, and the Town of Goulds and including portions of the Metropolitan Area Lands;
2. The City of Mount Pearl, the major portion of the Town of Paradise, the Town of St. Thomas, portions of the St. John's Metropolitan Area Lands, including Evergreen Village and Elizabeth Park;
3. Conception Bay South, expanded to include Octagon Pond, Topsail Pond, including portions of the St. John's Metropolitan Area Lands, Three Island Pond, St. Anne's Industrial Park and other portions of Paradise including the area up to the south-west corner of the Topsail Road - T.C.H. Overpass, and following the T.C.H. to Butter Pot Park;
4. The Towns of St. Phillips, Portugal Cove and Hogan's Pond and portions of the St. John's Area Metropolitan Lands;
5. The Towns of Bauline, Torbay and portions of the St. John's Metropolitan Area Lands;
6. The Town of Logy Bay-Middle Cove-Outer Cove;
7. The Town of Flatrock;
8. The Town of Pouch Cove and portions of the St. John's Metropolitan Area Lands; and

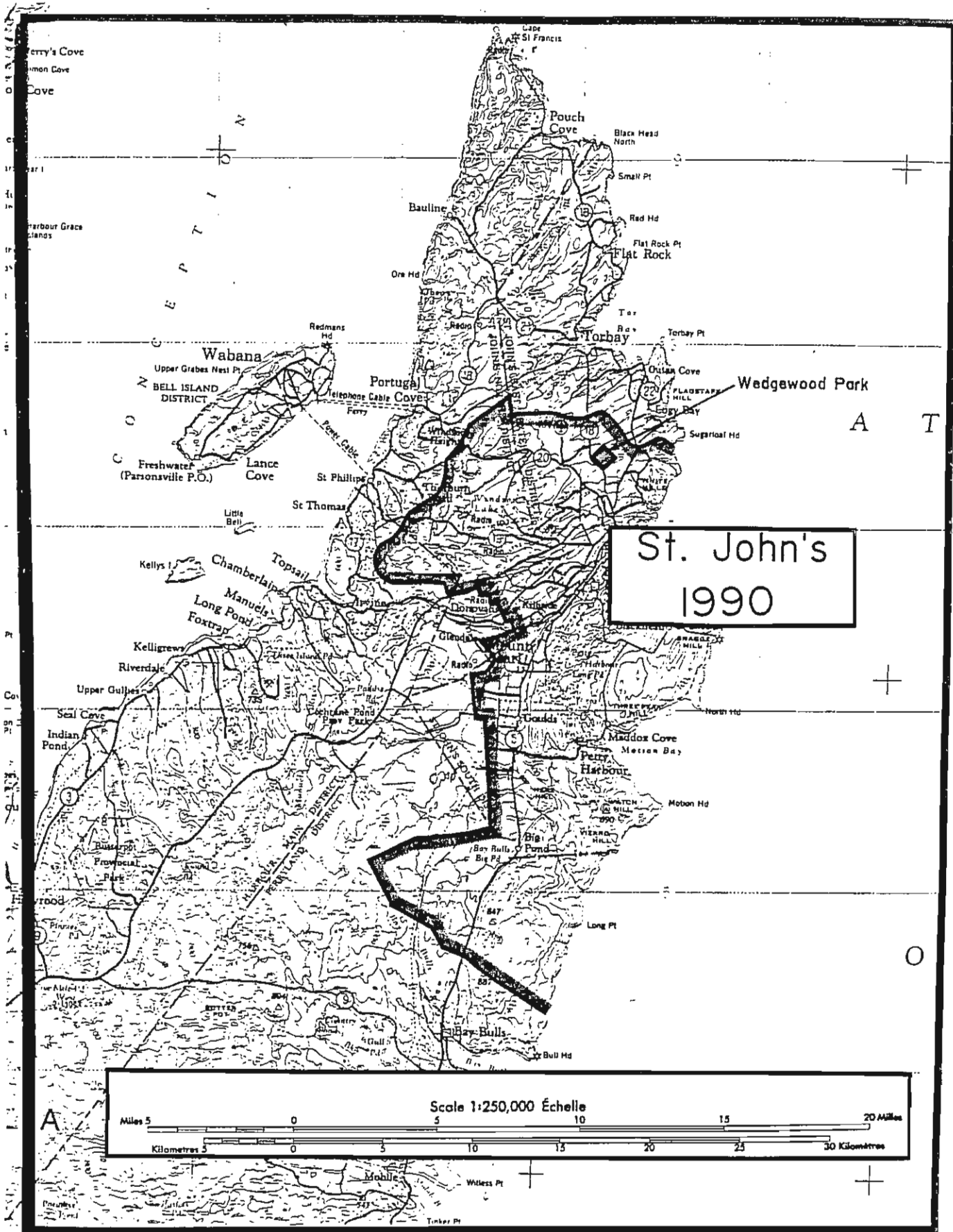
9. The Town of Wedgewood Park.

In the following section, beginning on page 44, Commissioners address the Study's evaluation criteria for each recommended grouping.

Section 8.1**The City of St. John's, Town of Petty Harbour-Maddox Cove, Town of Goulds**

The Commission recommends that the new boundaries of the City of St. John's be the existing City of St. John's, the Town of Goulds, the Town of Petty Harbour-Maddox Cove and portions of the Metropolitan lands adjoining the City as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



**) Access of People
to Elected and
Appointed
Officials**

There are justifiable reasons for this recommended grouping, even though access to elected officials and City officials will be reduced somewhat in the larger unit. It is anticipated that the expanded city with its resources will be more effective and efficient in responding to residents' service needs. Further, in this age of electronic communications, access to elected and appointed officials should not be an insurmountable problem.

The present Councils in place are as follows:

- The City of St. John's has a Council of 9 comprising a part ward system and part at-large system;
- The Town of Goulds has an at-large Council of 7; and
- The Town of Petty Harbour-Maddox Cove has an at-large Council of 7.

Overall, this represents one councillor for every 4 4 2 9 people in the area, and provides over-representation in the towns of Goulds and Petty Harbour-Maddox Cove due to their low populations.

A new Council should have a combination of a ward system and an at-large council comprising 10 members (9 plus a mayor) to ensure continued representation to all areas which presently have councils. It would also maintain continuity of representation for people from the individual areas and enable them to bring their concerns to the new council. The boundaries for the wards are to be based on the existing wards with additions to include the extra areas added and a new ward to include Petty Harbour Maddox Cove/Goulds. Each ward should have only one councillor; the balance should be elected at large from the entire area.

This will provide balanced representation and access to elected officials who will still be available in the individual areas. Although access to these officials will not be as available in the Goulds and Petty Harbour-Maddox Cove areas, it will be equally available in the St. John's area where 94% of the population resides. Access to those areas in Petty Harbour-Maddox Cove and Goulds is considered quite reasonable for the population base under the new structure; it should not pose any particular problem for the new City or its residents.

**ii) Representation
in Accordance
with the
Distribution of
Population**

Commissioners recommend extending the present ward system to provide a ward in the Goulds - Petty Harbour-Maddox Cove areas. Although this area would be over-represented in terms of population ratio relative to others in St. John's, it should be considered transitional and reviewed prior to the second municipal election for the area. A key concern for the foreseeable future will be suburban development and encroachment on agricultural and rural lands.

As indicated above, a new Council would be a combination of a ward and an at-large system. This would provide for direct representation within the defined wards of the new City. There would also be several at-large councillors available to all residents. The new ratio of elected officials to population is 10,185. This is considered quite reasonable and adequate in comparison to Halifax, Dartmouth and Toronto, whose ratio figures were studied by the Commissioners.

**iii) Community
Identity**

The issue of continued community identity has been dominant in all the amalgamation debates. Commissioners believe it is necessary to weigh this argument against a need for planned municipal development. Overall, they believe that distinct areas would still retain their community identity within this recommended grouping.

The new City would be called "The City of St. John's". Therefore, as 94% of the population affected by this proposal currently resides in St. John's, the majority of residents would have no change in identity. For residents of Petty Harbour-Maddox Cove and Goulds, the towns should continue to have their geographic names, and therefore should not lose their geographic identity.

**iv) Suitability and
Need of the
Area for
Municipal
Servicing**

The inclusion of the Goulds area into this grouping recognizes that this previously rural area is quickly urbanizing. Commissioners believe this area can best be served by a municipal structure providing capable, professional planning and development controls. At the same time, the extension of the boundaries of St. John's to Petty Harbour-Maddox Cove and Goulds provides a growth direction for the City.

There is an identified need for servicing in certain areas. A plan should be developed to prioritize these needs to ensure they are developed on a planned basis as capital works funding becomes available.

v) Physical Constraints to Municipal Servicing

All areas are well serviced by connecting roads and local road systems. General municipal services can, therefore, be co-ordinated and delivered to the whole area easily.

There do not appear to be any physical constraints to providing water and sewer servicing. The main difficulty is the high per-unit cost, which is not unusual for municipalities throughout Newfoundland and Labrador.

vi) Administration Capability of the Municipality

The City of St. John's already has an elaborate administrative system providing a variety of labour, administrative, financial, engineering, planning and other technical resources required to run a City of its size. The Towns of Petty Harbour-Maddox Cove and Goulds also have administrative support staff, labour and other technical staff.

The provision of adequate administrative support for the City is not considered a problem owing to the size of the City and the availability of labour in the region.

vii) Co-ordination of Municipal Services and Functions Throughout the Area Concerned

A major advantage of this recommended amalgamation is the opportunity it provides to co-ordinate the delivery of services, such as garbage collection, snow clearing, the provision of recreation facilities, the maintenance of roads, and the provision of town planning, building and development control services.

The Commissioners believe that this grouping would benefit from greater economies of scale resulting from the amalgamation.

viii) Cost Efficiency of the Type of Administration Proposed for the Scale of Service Required

The entire area requires the full scale of municipal servicing. The municipal tax rates currently charged in the region are considered reasonable for the level of services provided. Since the rates currently in place differ between municipalities, a blending will be needed. The new Council would also need to develop a mill rate structure to reflect the level of services delivered to various parts of the expanded City.

**ix) Feasibility in
Terms of
Revenues and
Expenditures**

Total revenue for this recommended grouping would be \$79,900,000 by bringing together the budgets of the City and towns. This assumes there is no reduction in Government Grant Funding.

The cost of services should not increase; in fact, they could decrease because of economies of scale in service delivery. Present rates on a combined basis are, therefore, adequate to cover the region's expenditures.

A blending of tax rates within the area would be needed to equalize the tax rate throughout the expanded City. There could be some change in the overall situation, but this would depend on the new rate. The new council would be in control of this and would need to determine requirements. For example: if the mill rate for the City of St. John's portion of the expanded City remained at its current level and the Goulds area were increased to that level, there would be an immediate increase in total revenue to the new City of approximately \$500,000. This should be phased in over time to ensure that the level of service received matches the level of the mill rate.

**x) Equity in Terms
of Both the
Taxpayers'
Ability to Pay
and the Benefits
Received**

Commissioners recognize that the addition of the towns of Goulds and Petty Harbour-Maddox Cove to the City of St. John's would mean some increase in tax payments from residents of these municipalities. A phase-in program geared to the provision of services rendered should be instituted. The Commissioners also recognize that the current taxation rate in some municipalities is less than adequate to meet the level of services desired by residents.

**xi) Response to Tax
Yields to
Changes in
Economic
Activity**

The City of St. John's is substantially a service City. Changes in economic activity would certainly affect the area's potential tax yields. However, the City would have the flexibility to adjust its service level to changes in economic activity which may impact revenue available to the City.

**xii) Equity
Amongst
Adjoining
Municipalities
Considering
Their Different
Needs and
Assets**

The expanded City could easily have an equitable system of service delivery throughout the entire area. There would obviously be differences in service levels within the area. However, these already exist and, as addressed, disparities would be reduced or eliminated.

The needs and assets of the existing City and towns do not differ considerably; with good planning, they could quite easily be accommodated. All assets of the existing municipalities should become assets of the expanded City.

xiii) Simplicity of Proposed Municipal Structure

This recommended amalgamation would make one well-defined City, using the boundaries shown on the map on page 45 and in the plan in Appendix B. The City would be self-contained with all the services required to support it. It would also contain some of the services required by adjacent municipalities.

The municipal structure would not likely differ from the existing City of St. John's. This system currently serves a large area adequately; with some adjustments, it could easily serve the expanded City.

xiv) Acceptability of Proposals at Local and Regional Levels

The City of St. John's

The City of St. John's, with a population of over 96,000 people, would comprise the majority of residents of the expanded City. In its representation to the Commission, the City of St. John's has strongly indicated the need to expand its boundaries. This would meet future residential, commercial and industrial expansion requirements. While the Commission's recommended amalgamation is not as extensive as the amalgamation proposed by the City of St. John's, it does provide areas to meet the City's stated objectives.

The Commission recognizes the existing capital debt and future capital requirements of the two towns and strongly recommends that the Provincial Government continue to be responsible for the portion of the debt it now services on behalf of Goulds and Petty Harbour-Maddox Cove, and the expanded City assume responsibility for the other portion. The entire debt should not be given to the new City.

The Town of Goulds

Goulds has a large capital debt, and considerable capital services are still required. Its tax base does not provide, within itself, scope for adequate revenue generation for the town to be financially viable in the long term. The residents of Goulds were against amalgamation with the City of St. John's. However, given its financial and planning

needs, the town would fare much better as part of an expanded City which provides the technical expertise for future planning and development.

The Town of Petty Harbour-Maddox Cove

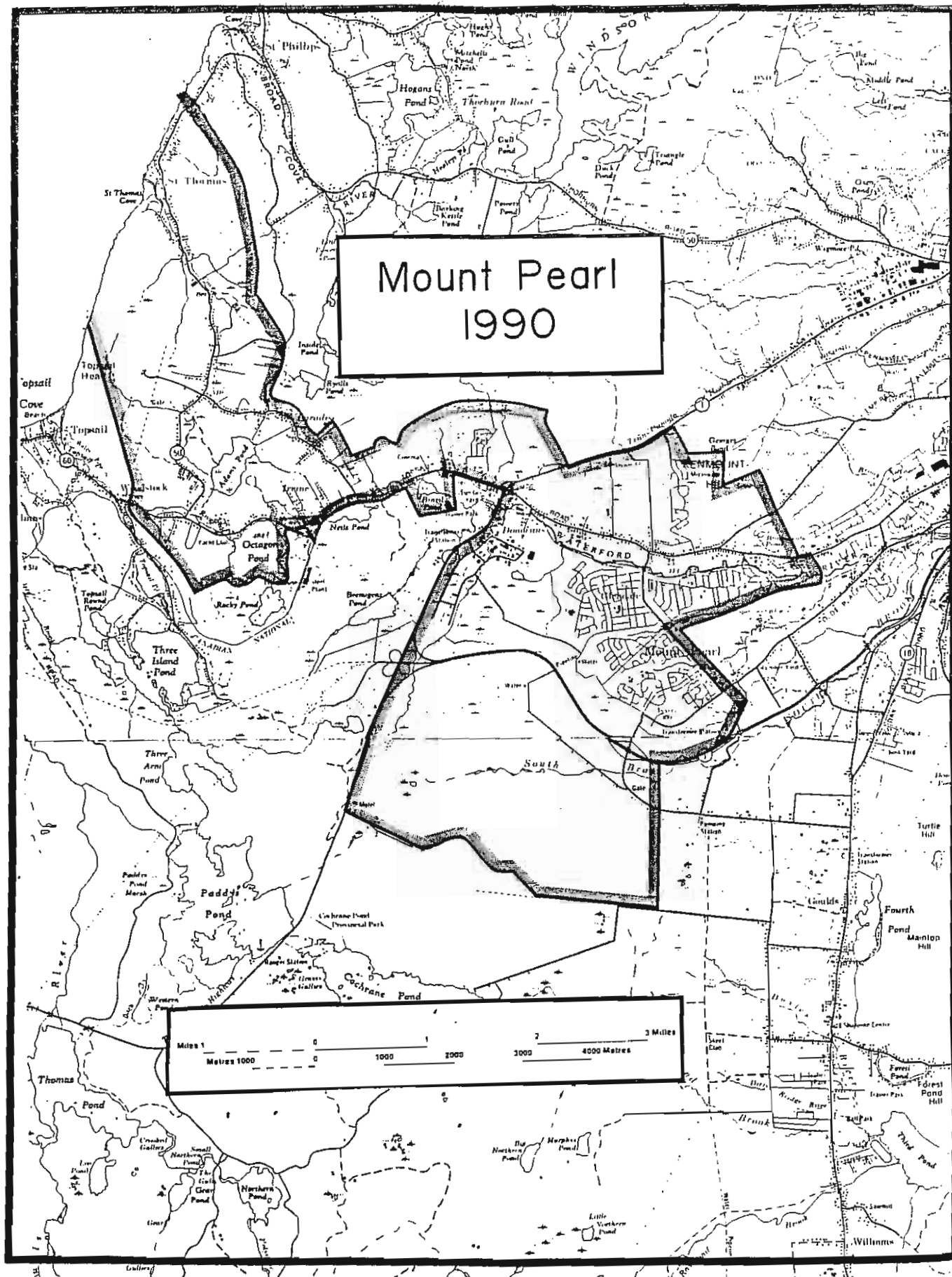
The town is substantially against amalgamation with any other area. However, despite this, a financial analysis clearly indicates that the town is not, and cannot become, viable with its existing population base and capital servicing needs.

Section 8.2

The City of Mount Pearl, the Town of Paradise, the Town of St. Thomas and Portions of the St. John's Area Metropolitan Lands

The Commission recommends that the City of Mount Pearl, the Town of Paradise, the Town of St. Thomas and portions of the St. John's Area Metropolitan lands, including Evergreen Village and Elizabeth Park, be amalgamated, as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



In examining this area, Commissioners were faced with areas at significantly different levels of development. The City of Mount Pearl has a great deal of modern development, including Donovan's Industrial Park which was substantially developed using Federal/Provincial Government Funding. The City also has a new town area developed primarily by the Newfoundland and Labrador Housing Corporation. The City has benefitted greatly from this very valuable tax base.

Municipalities adjacent to the City, especially Paradise, have an inadequate commercial or industrial base. Commissioners recognize the great strides by the Town of Paradise in recent years in comprehensive recreation and town planning. However, Commissioners also recognize these plans could not be developed in the near future without an adequate tax base.

The Town of St. Thomas has no industrial or commercial base. Commissioners believe that St. Thomas is too small to be viable on its own and lacks the necessary technical resources to ensure proper planning and development. The town will benefit from the technical services available through amalgamation with the larger area.

Neither Paradise nor St. Thomas has any real potential to develop an industrial base in the foreseeable future.

Commissioners felt that this situation was inequitable. By combining these three municipalities, the tax base provided, especially through Donovan's Industrial Park, would be more equitably shared within the region. In addition, the information and recommendations relating to grant funding as outlined on pages 41 and 42 and page 93 are also applicable to this area.

i) Access of People to Elected and Appointed Officials

Amalgamation would reduce ease of access to elected officials. Individually, however, these municipalities are over-represented and lack the required professional and technical staff to support them. Commissioners, therefore, believe that access in itself is not as important as the need to fulfill the area's other requirements.

The area currently has a total of 21 elected officials: The City of Mount Pearl has 7 councillors, the Town of Paradise has 7 and the

Town of St. Thomas has 7. This is a ratio of one councillor for every 1,158 people.

A new council should have 9 members (8 plus a mayor). The council should have a ward system with 1 ward allocated to St. Thomas, 1 ward to Paradise; a further 6 councillors and the mayor would be elected at large.

The ward system should facilitate input by residents to the council. Access to appointed officials would still be readily available as the current City Hall in Mount Pearl is very accessible for the region. Responsiveness by officials to residents will vary according to many factors. However, if residents' needs are met, they would likely view the council as responsive.

**ii) Representation
in Accordance
with the
Distribution of
Population**

Commissioners recommend that ward councillors be provided to the areas of St. Thomas and Paradise. These wards (2 in total) would be over-represented relative to others in the City of Mount Pearl. This should be considered transitional and reviewed prior to the second municipal election for the area.

The new City would have to prepare a blended town plan for development purposes. Commissioners recommend that a ward representative from both St. Thomas and Paradise be involved in this plan to ensure the areas' special interests receive proper attention.

**iii) Community
Identity**

The new city would be called the City of Mount Pearl. The issue of continued community identity has been dominant in all amalgamation debates. The Commissioners believe it is necessary to weigh this argument against a need for planned and municipal development. The individual areas may wish to keep their geographic names, and therefore should not lose their geographic identity.

**iv) Suitability and
Need of the
Area for
Municipal
Servicing**

The Towns of Paradise and St. Thomas should have a better opportunity to meet their servicing requirements if they amalgamate with the City of Mount Pearl. Although St. Thomas is more rural in character, the majority of Paradise has become urbanized. These towns can blend together easily and, through good planning, maintain a suitable development character.

The expanded City should immediately begin preparation of a development plan. This plan would identify service requirements throughout the entire area and enable the City to plan for them on a priority basis as time and funding permits.

v) **Physical Constraints to Municipal Servicing**

All areas are well serviced by connecting roads and local road networks. Services can be accommodated throughout the entire region through the extension of existing contracts or by providing services from the City's own resources.

In the case of water and sewer servicing, St. Thomas is geographically distant from accessible services; it would likely continue to be developed through careful planning as a rural area within the new City.

vi) **Administrative Capability of the Municipality**

The City of Mount Pearl and the Town of Paradise already have good administrative and technical support services available. In the case of Mount Pearl, most of the services are provided by its own staff. In Paradise, the services are provided through a combination of town staff and external contractors. St. Thomas lacks sophisticated support services.

The expanded City can, with modification, readily provide the administrative support required by the new area.

vii) **Co-ordination of Municipal Services and Functions Throughout the Area Concerned**

A major advantage of this recommended amalgamation is the opportunity it provides to coordinate the delivery of services such as garbage collection, snow clearing, the provision of recreation facilities and the operation of these, the maintenance of roads, the provision of town planning, and building and development control services.

The Commissioners believe that this grouping would benefit from greater economies of scale resulting from the amalgamation.

viii) **Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required**

The Commissioners believe that, through coordinated service delivery, the new City can provide a cost-efficient administration. Duplication of some existing services can be eliminated and services not currently provided could be made available.

**ix) Feasibility in
Terms of
Revenues and
Expenditures**

Total revenue for this recommended grouping would be \$16,292,000, by bringing together the budgets of the City and towns. This assumes there is no reduction in Government Grant Funding.

The cost of services should not increase; in fact, they could decrease because of economies of scale in service delivery. The new City should be able to deliver the same level of service without any financial hardship.

There is room to adjust the mill rates in all three areas to generate additional revenue to provide other needed services in the region. The new council would be in control of this. For example, if the mill rate is blended to the rate presently charged in the City of Mount Pearl, there would be an increase of \$400,000 in revenue generated immediately. The Council should develop a plan to blend the tax rate gradually to reduce the impact of any increase and to also reflect the level of services delivered throughout the area.

**x) Equity in Terms
of Both the
Taxpayers'
Ability to Pay
and the Benefits
Received**

Much of the area under consideration is urban, and property values have a good average value. Most taxpayers are able to pay a reasonable rate for the services they desire.

The level of services delivered in some parts of the region is high; in others, there is a need for improvement. Through proper planning, an equitable service could easily be delivered to the entire area relative to the taxes charged.

**xi) Response to Tax
Yields to
Changes in
Economic
Activity**

The City of Mount Pearl, the Town of Paradise and the Town of St. Thomas are substantially service areas and are moderately affected by changes in economic activity in the region. The City of Mount Pearl is large enough to adjust its service level to changes in economic activity which may impact on the revenue available. Portions of the existing Town of Paradise have been deleted from this grouping and placed within the proposed expanded Conception Bay South in order to provide the town with a better tax base.

**xii) Equity
Amongst
Adjoining
Municipalities
Considering
Their Different
Needs and
Assets**

The expanded City is capable of adjusting to ensure an equitable delivery of municipal services throughout the area. There would obviously be differences in the service levels for water and sewer but these could be built in the plan. Through the preparation of a new

City plan, all areas could be developed in a more comprehensive and coordinated fashion, and therefore benefit from it.

xiii) Simplicity of Proposed Municipal Structure

This recommended grouping would make a well defined City using the boundaries shown on the map on page 53 and in the plan in Appendix B. The City would be self-contained, providing most of its support services internally, but relying on the adjacent City of St. John's for disposal of solid waste, sanitary sewer and storm sewer.

The municipal structure would not likely differ greatly from the structure of the present City of Mount Pearl.

xiv) Acceptability of Proposals at Local and Regional Levels

The City of Mount Pearl, with a population of 20,293, represents the majority of residents in the area. The City's brief favoured an amalgamation with the Town of Paradise. At the public hearings, City representatives stated no objection to the inclusion of St. Thomas.

Paradise, with a population of 3,346, indicated that it did not wish to be amalgamated with any area but would not be against including St. Thomas.

St. Thomas, with a population of 648, is against amalgamation with any unit.

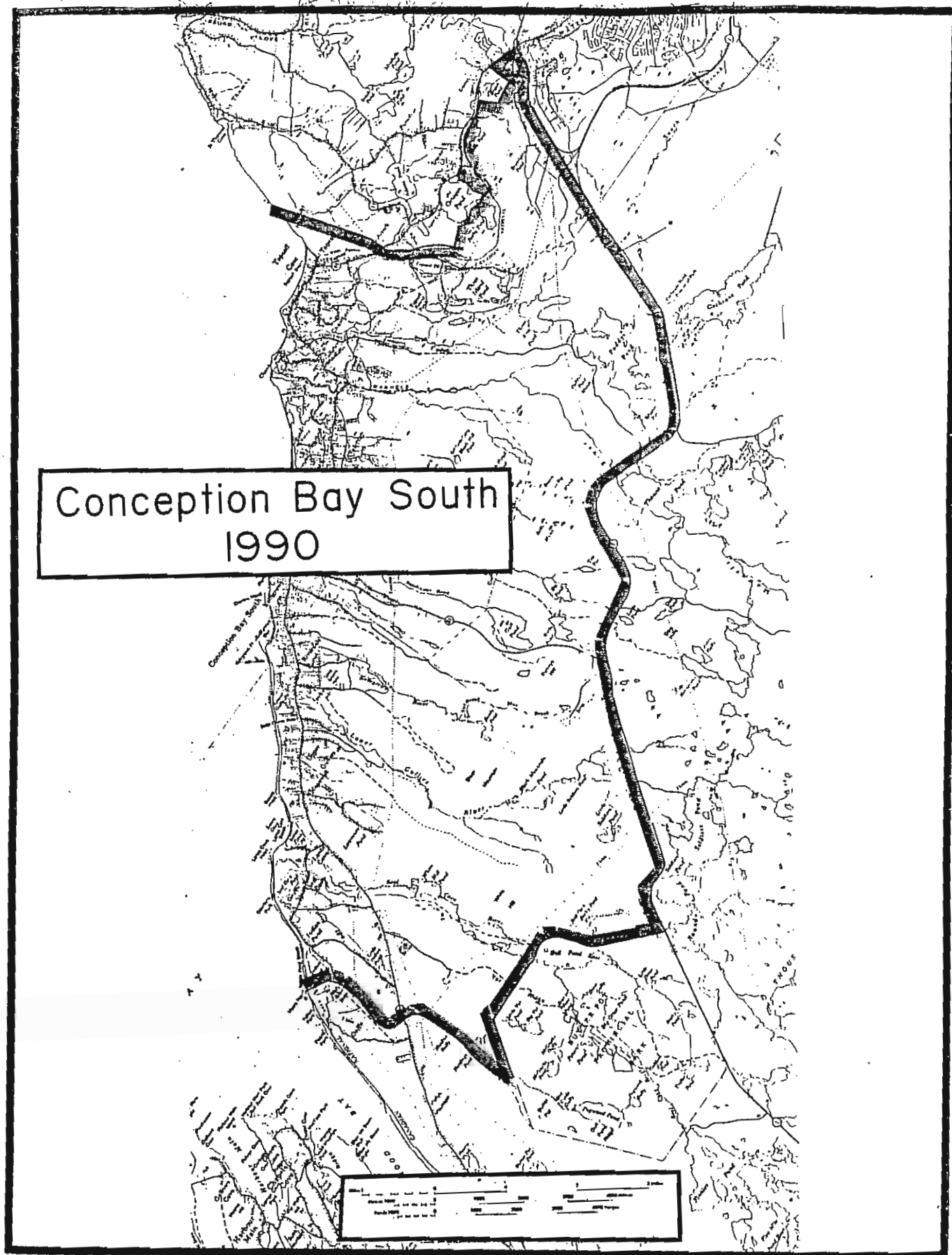
Based on the above assessment, Commissioners believe that the majority of residents in this area would be in favour of the recommended amalgamation.

Section 8.3

The Town of Conception Bay South, the Areas of Octagon Pond, Topsail Pond and Three Island Pond, St. Anne's Industrial Park and Portions of St. John's Area Metropolitan Lands

The Commission recommends the amalgamation of the Town of Conception Bay South, the areas of Octagon Pond, Topsail Pond, Three Island Pond and St. Anne's Industrial Park, and portions of St. John's Metropolitan Area Lands, as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



The Commissioners found that, for the most part, the Town of Conception Bay South does not have an adequate commercial/industrial base to provide a sufficiently broad tax base to support the town. Conception Bay South is approximately 60 kms square and stretches from Topsail to Seal Cove along the Conception Bay Highway. The town's financial needs for water, sewer and other community development services are extremely high; they will not likely be met in the foreseeable future. Commissioners do not see any rationale for combining Conception Bay South with adjacent cities or towns as it would have a negative impact on these areas out of proportion to the benefit which would accrue to Conception Bay South.

The Commissioners searched for a solution to expanding the town's tax base. They recommend a grouping of the Town of Conception Bay South, the areas of Topsail Pond and Three Island Pond which are presently in the Metropolitan Area, Octagon Pond, St. Anne's Industrial Park and other areas nearby which are presently in the Town of Paradise as shown on the map opposite and in Appendix B. This grouping will enhance the tax base for Conception Bay South.

It is further recommended that the boundaries be realigned on the Southern side from the existing boundary to the Trans Canada Highway. This provides a large area for future expansion of Conception Bay South and existing developments on the Trans Canada Highway.

It is extremely important for Conception Bay South to devise a town plan to include the expanded areas and to develop building and development regulations which should be vigorously followed.

The comments relating to Government Grant Funding on Page 41 and elsewhere in this Report apply equally, if not more importantly, to Conception Bay South. However, the existing funding level would probably not change in any event, as the amended boundaries do not substantially add to the population base.

**i) Access of
People to
Elected and
Appointed
Officials**

There will be no substantial change in access to elected or appointed officials to this town as the areas being added to it are not highly populated. Access for residents of Topsail Pond and Three Island Pond, will change from the Metropolitan Board to the Town of Conception Bay South. The distance involved is relatively equal and should therefore not impose any hardship.

Commissioners recommend a council comprising 9 councillors, as follows: one councillor to be elected for each of four wards; four councillors and the mayor to be elected at large.

**ii) Representation
in Accordance
with the
Distribution of
Population**

There will be no significant change in representation since only small residential areas are being added.

**iii) Community
Identity**

The issue of continued community identity has been dominant in all amalgamation debates. The Commissioners believe it is necessary to weigh this argument against a need for planned and municipal development.

The town would continue to be called Conception Bay South. The areas of Topsail Pond and Three Island Pond would continue to be known by their geographical names, and therefore should not lose their geographic identity.

**iv) Suitability and
Need of the
Area for
Municipal
Servicing**

The town is serviced from the Bay Bulls Regional Water System; this is available to service the remaining areas of the town as funding permits. Other municipal servicing requirements are presently in place and would only need modification to include Topsail Pond, Three Island Pond and the other areas of the new town. It is not considered a problem.

**v) Physical
Constraints to
Municipal
Servicing**

Any physical constraints that exist should be overcome. Some servicing needs will be more expensive than others due to the geography and topography of the land. This is not considered an insurmountable problem and can be addressed in the town's plan.

or appoint) re not high Three Islai the Town ely equal ar	Administrative Capability of the Municipality	Conception Bay South already has a support system of administrative services. With minor modification, it can provide the support required for the other areas being added.
prising elected f rator to l n since on	ii) Coordination of Municipal Services and Functions Throughout the Area Concerned	There will be no substantial gain through coordinated service delivery within the new area as these services are already provided through the Metropolitan Board. However, Conception Bay South is well organized to deliver garbage and other service requirements; these can easily be arranged for the new areas.
ominant in necessary id municip	iii) Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required	Conception Bay South is operating quite well administratively with apparently adequate staff to support service requirements. This will not change significantly.
' South. Tk) ontinue to ould not lo	Feasibility in Terms of Revenues and Expenditures	Conception Bay South currently has a revenue and expenditure of \$9,897,000. The recommended amalgamation will provide a tax base to generate approximately another \$300,000, based on the current mill rate charged at Conception Bay South.
r System; t n as fundi presently opsail Port wn. It is n		While these moves will not solve the economic problems of Conception Bay South, they will enhance the existing financial situation. The Town must further improve on its mill rate in order to provide as much of the servicing level as it can to its own residents.
ome. Sof s due to f onsidered n' -lan.	iv) Equity in Taxpayers' Ability to Pay and Benefits Received	Conception Bay South is substantially a service town. Its residents work within its boundaries and in adjoining municipalities. A significant need exists for additional water and sewer servicing. The Council is advised to continue prioritizing needs. Services should be delivered according to funding levels available and the level of taxation residents are prepared to pay.

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- xii) **Response to Tax Yields to Changes in Economic Activity** Conception Bay South is large enough to adjust its service level to changes in economic activity which may have an impact on the revenue availability.
- xii) **Equity Amongst Adjoining Municipalities Considering Their Different Needs and Assets** All areas in this recommended grouping are relatively equal in development and characteristics. An expanded town plan would ensure all areas were developed on an equitable basis and that services were provided on a needs priority basis.
- xiii) **Simplicity of Proposed Municipal Structure** This recommended grouping would make a well defined municipal unit using the boundaries shown on the map on page 60 and in the plan in Appendix B. The new municipality would be well serviced through a linear main road network and a good system of internal connecting roads.
- The present council uses a ward system of double representation for wards. It should be expanded to provide ward representation for Topsail Pond/Three Island Pond to ensure all areas have adequate representation. In turn, the Council as a whole would be well able to determine the overall needs of the area.
- xiv) **Acceptability of Proposals at Local and Regional Levels** *Conception Bay South*
This recommended grouping should be substantially acceptable to residents concerned. In briefs presented to the Commission by the Town of Conception Bay South and many of its private citizens, the choice to remain a separate town was clear. The Town also expressed the need to expand its tax base to obtain some of the industrial areas proposed for inclusion. Therefore, there should be little objection to this structure.
- Topsail Pond and Three Island Pond*
The residents of Topsail Pond and Three Island Pond expressed a preference to become part of Paradise. However, given Conception Bay South's new geographic boundaries, this would not be feasible.

Commissioners believe that the needs of these areas can be adequately served from Conception Bay South.

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Section 8.4

The Towns of St. Phillip's, Portugal Cove and Hogan's Pond, and Portions of the St. John's Area Metropolitan Lands

The Commission recommends the amalgamation of the Towns of St. Phillips, Portugal Cove and Hogan's Pond and Portions of the St. John's Metropolitan Area Lands as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



Access of People to Elected and Appointed Officials

These three towns are very similar in character. On an individual basis, they are too small to support an adequate municipal structure. Hogan's Pond is a small municipal unit with a population of 139. In recent years, it has not technically met the criteria of the Municipalities Act to operate as a town.

Amalgamation would give all three towns a better population base from which to draw candidates for Council. Through budget pooling, they would also have more flexibility to acquire staff expertise for the management and operation of the town's activities. Amalgamation would also provide a single municipal unit which can be adequately planned to provide the type of development required by the areas. This unit would also have an opportunity to develop into a model town and maintain its basic rural character. The town could further expand its economic base by becoming a principal tourist attraction within the region.

The comments relating to Government Grant Funding on Page 41 and elsewhere in this Report apply to this recommended grouping. These communities presently charge a low tax rate; an examination of the budget indicates room for substantial improvement in revenues through an adjustment in the mill rate.

Access to elected and appointed officials should not be greatly restricted since the areas are close to one another. Obviously, the three towns would only have one town hall, and people from the other two would have to travel further for some services. This is not considered a major problem given the proximity of the areas.

The Commissioners recommend implementation of a ward system of Council. The new Council should comprise 9 members (8 plus a mayor). It should have a ward system with 1 councillor for St. Phillips/Hogan's Pond and 1 councillor for Portugal Cove; six further councillors and the mayor should be elected at large.

ii) Representation in Accordance with the Distribution of Population

Commissioners strongly recommend that all areas have councillors to ensure their special needs are brought to Council for consideration and future planning. The representation, otherwise, is considered fair and equal.

iii) Community Identity

The issue of continued community identity has been dominant in all amalgamation debates. The Commissioners believe it is necessary to weigh this argument against a need for planned and municipal development.

Residents in the areas in this recommended grouping expressed the desire to maintain their local identities. The Commissioners do not believe it would be appropriate to call the new town by a single name of any of these towns. As a result, each could maintain its geographic identity. It is recommended that the new Council develop a new name within one year of its incorporation. The new name should be either an entirely new name or a combination of all three names. In the interim, the town should be called St. Phillips/Portugal Cove/Hogan's Pond.

iv) Suitability and Need of the Area for Municipal Servicing

The level of municipal servicing varies in these three communities. Hogan's Pond is substantially an estate-type development; its integrity should be protected in the municipal plan for the new town to ensure the uniqueness of this area.

St. Phillips and Portugal Cove are also unique in their own way; again, their character should be preserved through municipal planning.

In the planning process, municipal servicing needs would be determined and prioritized by the new Council. Problems in developing the services needs for this grouping are not anticipated.

v) Physical Constraints to Municipal Servicing

The area is well serviced by a main road and internal road systems. The new town could easily deliver the required municipal services.

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- vi) **Administrative Capability of the Municipality** Two of the municipalities currently have municipal staff. Their retention should provide continuity of experience for the new council and adequate staff support. Other staff can be added as needed in areas where more technical expertise is required.
- vii) **Coordination of Municipal Services and Functions Throughout the Area Concerned** A major advantage of this recommended amalgamation is the opportunity it provides to avoid duplication of existing buildings and equipment, and to make better use of them in the larger area.
- viii) **Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required** Owing to the geographic proximity of these areas, the Commissioners believe the new town will be served most efficiently by a ward system with an administrative support staff. Services could be delivered by town staff wherever feasible or through external contracting.
- ix) **Feasibility in Terms of Revenues and Expenditures** Total estimated revenue for this recommended grouping would be \$1,531,800. This assumes there is no reduction in Government Grant Funding.
- This would provide considerably more flexibility for areas to prioritize service needs, and hire appropriate staff expertise to deliver the services and ensure adequate development controls are implemented.
- There is considerable room for revenue improvement, should St. Phillips and Hogan's Pond adopt property taxes. For example, a considerable increase in revenue would result if their mill rates are blended to the level of Portugal Cove. This revenue could be used for improved development in the planning and infrastructural development of the town.

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- x) **Equity in Terms of Both the Taxpayers' Ability to Pay and the Benefits Received**
- The Commissioners believe that the majority of residents can contribute at an average tax rate in support of their town without assuming an undue burden. These areas have demanded a certain level of servicing which includes garbage disposal, street maintenance, snow clearing and some water and sewer. Adequate tax levels throughout the region could be applied to provide them.
- The Commissioners recommend the development of a proper plan for the area to ensure the area's most critical needs are met. Such a plan would also ensure development is equitably provided on a needs basis.
- xi) **Response to Tax Yields to Changes in Economic Activity**
- The Commissioners do not believe the area's tax base could absorb the dramatic impact of external economic activity. However, its budget is sufficient for adjustment to service levels to reflect the ongoing impact of economic influences. Good management by the the Council would ensure anticipation of such changes wherever possible and appropriate budgeting to take these into account.
- xii) **Equity Amongst Adjoining Municipalities Considering Their Different Needs and Assets**
- The assets and liabilities of all three towns would become assets and liabilities of the new town. The council would decide on the future use of such facilities and whether all buildings and equipment should be retained.
- The areas' servicing needs vary since Hogan's Pond is an estate-type development with very large lots, and the other two towns are a mix of urban and rural with mainly smaller lots.
- A new town plan is essential to identify the needs of each area and ensure these needs are included in future planning and development. The Commissioners do not foresee this as a problem. In fact, with good planning and management, the towns can develop together as a very viable municipal unit.
- xiii) **Simplicity of Proposed Municipal Structure**
- The recommended grouping would eliminate duplication of Councillors and provide a better sharing of existing assets. The combined area comprises 27.1 kms square, with a population of 4,240. There are currently 21 councillors in the area. This is excessive and a council of 9 could adequately serve the area.

**xiv) Acceptability
of Proposals at
Local and
Regional Levels**

While all three areas were against the Government's amalgamation proposals, they were not against some form of amalgamation. All supported the concept of regional sharing.

The Commissioners believe area residents would not object substantially to this recommended grouping. Although Hogan's Pond expressed an interest for incorporation with St. John's rather than the smaller communities (if amalgamation was essential), the Commissioners believe this area would benefit more from their proposed grouping.

Section 8.5

The Towns of Bauline and Torbay

The Commission recommends the amalgamation of the Towns of Bauline and Torbay and Portions of the St. John's Metropolitan Area Lands as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.

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High Rock

B



i)

**Access of
People to
Elected and
Appointed
Officials**

ii)

**Representation
in Accordance
With the
Distribution of
Population**

These two principally rural towns are very similar in character, except that Bauline is much smaller and lacks the resources to support itself as a viable municipality. Both towns lack the full range of technical resources to support themselves fully and to provide adequate planning, building and development control.

Through amalgamation, Bauline and Torbay could share existing revenues and make better use of them for planning and control. A single town plan could be developed to ensure a coordinated approach to development. This would enable long range planning efforts to avoid any duplicated or uncoordinated development. The area would also benefit from a single municipal administration to bring improvements to the area.

The comments relating to Government Grant Funding on Page 41 and elsewhere in this Report apply equally to this recommended grouping. Further, because Bauline is a relatively new council and has not had an opportunity to develop adequate municipal support systems, the Department of Works, Services and Transportation should continue to maintain community roads currently under its jurisdiction until they are brought to a proper town standard. At that time, they could be transferred to the new municipality.

The proximity of these areas would ensure that residents did not have much difficulty with access to elected and appointed officials. Bauline residents would have to travel slightly further. However, the main road servicing Bauline runs through Torbay and most residents have to travel that way to conduct their business. Therefore, the Commissioners do not consider this to be a problem.

The Commissioners recommend a ward system to facilitate ready access for residents. The new Council would comprise 9 members (8 plus a mayor). Bauline would have one ward and Torbay would have three; four further councillors and the mayor would be elected at large.

The ward system ensures representation of both former towns so each area's special needs can be brought to the new council for consideration.

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- iii) **Community Identity**
- The issue of continued community identity has been dominant in all amalgamation debates. The Commissioners believe it is necessary to weigh this argument against a need for planned and municipal development.
- Both towns expressed a concern about community identity during the briefs. The Commissioners recommend the new town be called Torbay as it comprises 89% of the population. Bauline would continue to be known geographically as 'Bauline' for identity purposes.
- iv) **Suitability and Need of the Area for Municipal Servicing**
- Torbay and Bauline both need municipal servicing for water and sewer. So far, the needs of Torbay have been more fully met than those of Bauline.
- The new town should prepare a five-year development plan to prioritize the entire area's needs to ensure servicing on a needs basis as funding permits.
- v) **Physical Constraints to Municipal Servicing**
- The area is well serviced by a main road network which connects both municipalities. The Commissioners do not anticipate any particular problems for the new council in coordinating the delivery of services through its own resources or through external contracting.
- vi) **Administrative Capability of the Municipality**
- Torbay currently has an administrative staff of 5 permanent and 4 temporary employees; Bauline has a part-time town clerk. Other more technical staff services can be added as budgets permit and as required.
- vii) **Coordination of Municipal Services and Functions Throughout the Area Concerned**
- A major advantage of this recommended amalgamation is the opportunity it provides to coordinate the delivery of services, the provision of long-term town planning, and building and development control services.

viii) Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required

A single municipal staff located in Torbay can efficiently run the town's services due to the proximity of the communities.

ix) Feasibility in Terms of Revenue and Expenditures

Total revenue and expenditure for this recommended grouping would be \$1,800,000. This assumes there is no reduction in Government Grant Funding.

This would provide considerably more flexibility for areas to prioritize service needs, eliminate any existing duplication, and take advantage of larger service contracts.

x) Equity in Terms of Both the Taxpayers Ability to pay and the Benefits Received

Residents continue to demand a high level of services including very costly water and sewer systems. A new council would have to prioritize the needs to determine those which are affordable.

xi) Response to tax Yields to Changes in Economic Activity

The area would not be able to absorb any major negative impacts affecting its revenues. However, it could take measures to offset marginal changes in external factors which may impact revenue availability. The town should have no problem responding to positive external influences on revenue through good planning and development.

xii) Equity Amongst Adjoining Municipalities Considering Their Different Needs and Assets

The assets and liabilities of the two towns would become assets and liabilities of the new town. The new council would determine their future use.

The two municipalities have similar needs, although to a different degree, due to current differences in level of servicing. The new council should provide for this in its tax structure.

**xiii) Simplicity of
Proposed
Municipal
Structure**

This recommended grouping would make a well defined unit, eliminate the need for two entire councils, provide a better sharing of existing services and a better utilization of staff. The combined area comprises 52.2 kms square, with a population of 4,011. The area currently has 14 councillors in total. This is excessive for the population base and 9 would be quite adequate to serve the area.

At the feasibility study hearings, both towns were against the Government's amalgamation proposals. However, the brief submitted by Bauline indicated the town was not strongly against some form of amalgamation. The Commissioners noted that no individuals from Bauline, apart from the Council itself, appeared at the hearings to make any representation either in favour of or opposed to the proposed amalgamation.

**xiv) Acceptability
of Proposals at
Local and
Regional Levels**

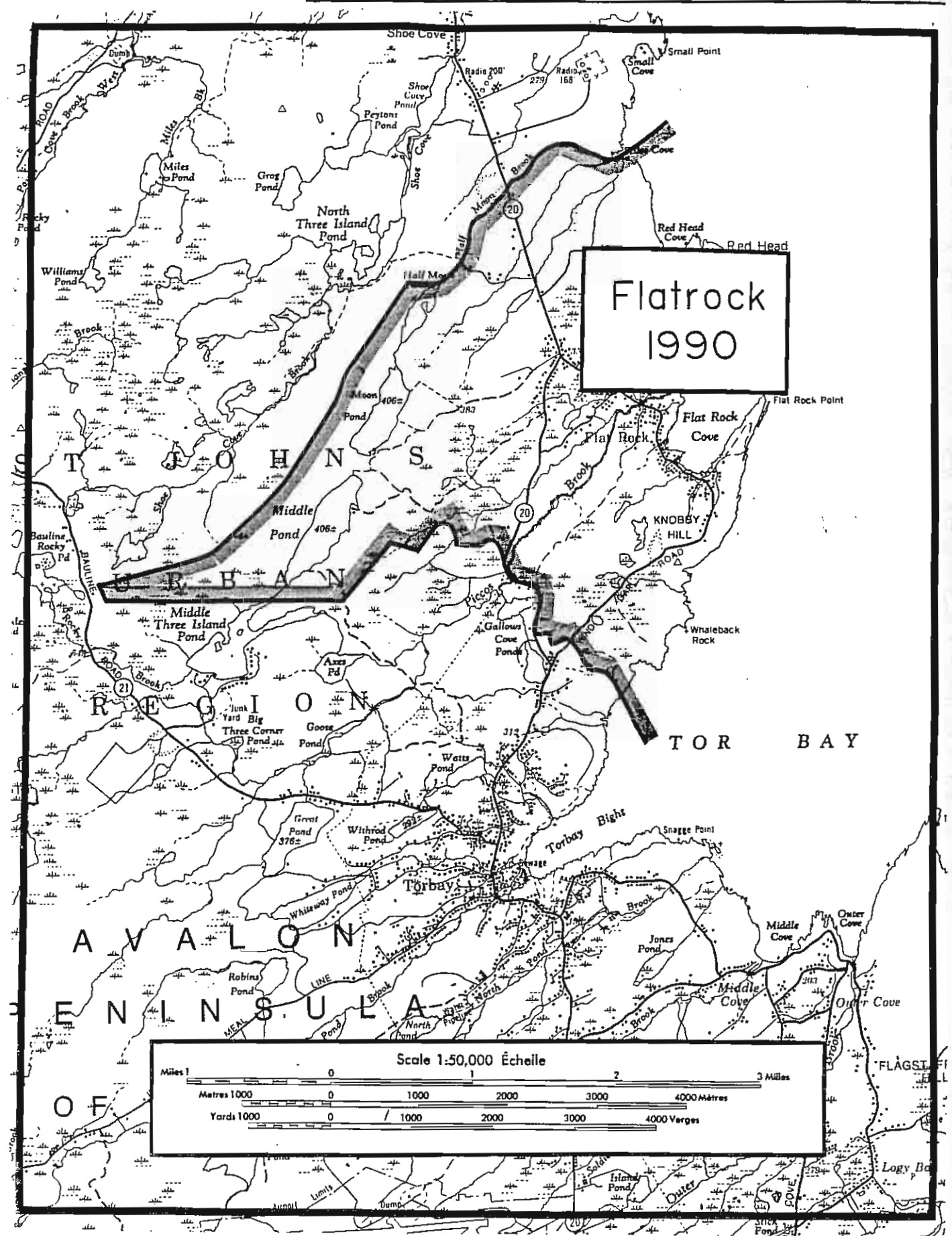
Based on the above assessment, the Commissioners believe their recommended amalgamation, which differs considerably from the Government's proposal, would not be as objectionable to the residents of the municipalities. The Commissioners also believe strongly that both areas would be served if amalgamated.

Section 8.6

The Town of Flatrock

The Commission recommends the Town of Flatrock substantially remain as it currently is, as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



The Town of Flatrock is geographically separated from other neighboring municipalities. Open, undeveloped areas exist between it and the nearest towns of Pouch Cove and Torbay. Commissioners are convinced that the geographic, cultural and historic differences are such that the town can develop better in the foreseeable future as a separate municipal entity. Therefore, the Commissioners recommend no change.

- i) **Access of People to Elected and Appointed Officials** There would be no change.
- ii) **Representation in Accordance with the Distribution of Population** There would be no change.
- iii) **Community Identity** There would be no change.
- iv) **Suitability and Need of the Area for Municipal Servicing** There is an identified need for additional infrastructural systems, but the town does not have the financial resources to provide them. Such services can only be developed as funding is provided for water and sewer over time.
- v) **Physical Constraints to Municipal Services** There is no identifiable physical constraint to municipal servicing. The town already provides a number of municipal services to its residents; other services may be provided as the demand warrants and funding is available.
- vi) **Administration Capability of the Municipality** Flatrock, like many small municipalities, does not have a wide range of administrative and technical support staff. The Commissioners recommend the town assess its requirements. The town should ensure the fundamental management processes (eg: building and development control) are adequate to ensure the council receives appropriate advice on which to make planning and development decisions.

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- vii) **Coordination of Municipal Services and Functions Throughout the Area Concerned** There would be no change.
- viii) **Cost Efficiency of Administration Proposed for the Scale of Services Required** No changes recommended in the town's existing administration.
- ix) **Feasibility in Terms of Revenue and Expenditures** The town has the ability to raise the revenues required to meet the current level of services delivered to the residents. Any expansion of services would be determined by further revenue availability.
- x) **Equity in Terms of Both the Taxpayers' Ability to Pay and the Benefits Received** The town requires a higher level of water and sewer servicing. The Council should prioritize its needs and determine the level of services affordable to taxpayers. The delivery system should then be tailored accordingly.
- xi) **Response to Tax Yields to Changes in Economic Activity** The area would not be able to absorb any major negative impact affecting its revenues. However, it can take measures to offset marginal changes to external factors which would have an impact on the revenue situation.

**xii) Equity
Amongst
Adjoining
Municipalities
Considering
Their Different
Needs and
Assets**

This is not applicable as no amalgamation is recommended.

**xiii) Simplicity of
Proposed
Municipal
Structure**

There would be no change.

**xiv) Acceptability
of Proposals at
Local and
Regional Level**

All the briefs presented from the Council and other Flatrock organizations were against amalgamation with any other area. Therefore, the Commissioners' recommendation to leave Flatrock as a separate entity should be acceptable to its residents.

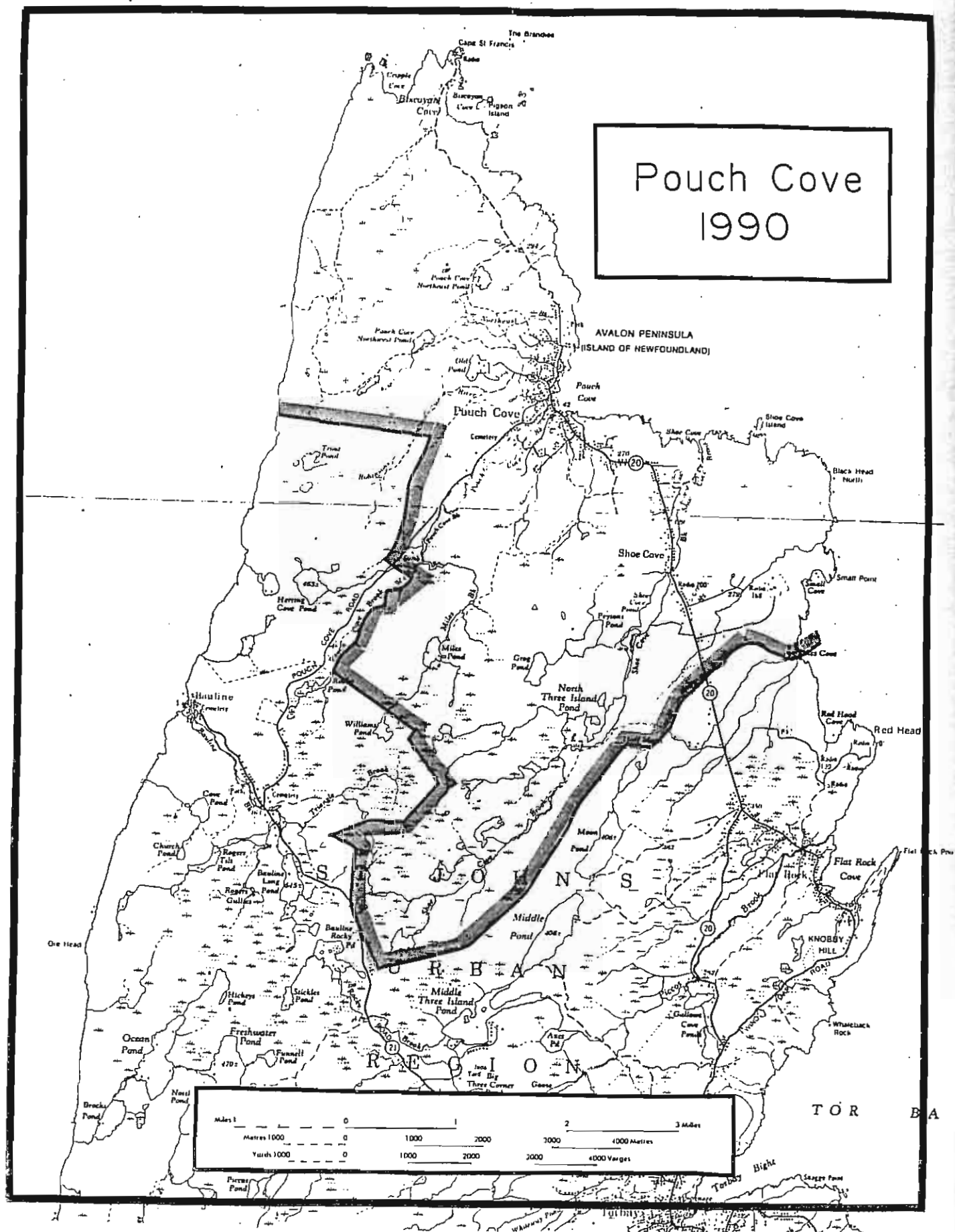
Section 8.7

The Town of Pouch Cove

The Commission recommends the Town of Pouch Cove to include the area generally known as Cape St. Francis area and minus the Marine Drive Provincial Park area, as shown on the map overleaf and in the detailed plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria-required for this recommendation.

Pouch Cove 1990



Pouch Cove, with its population of 1,961 and a budget of in excess of \$1,000,000, is able to support itself. The distance between Pouch Cove and adjacent towns, prevents much interaction with other municipalities. The Commissioners are not convinced, therefore, that the area is right for amalgamation with any other area.

While the town does not have all the technical resources on staff, it does have the ability to acquire these. It can develop as a well planned town if it adopts an integrated development plan and ensures it is followed.

- | | |
|---|--|
| i) Access of People to Elected and Appointed Officials | There would be no change. |
| ii) Representation in Accordance With the Distribution of Population | There would be no change. |
| iii) Community Identity | There would be no change. |
| iv) Suitability and Need of the Area for Municipal Servicing | The town needs additional municipal servicing. Such servicing can only be done over time as financial resources are available to provide for these more costly services. In the meantime, the normal range of municipal services are provided and considered acceptable. |
| v) Physical Constraints to Municipal Servicing | There are no physical constraints to municipal servicing identified. |
| vi) Administrative Capability of the Municipality | The town has the administrative capability to support itself. The Commissioners recommend the town assess its requirements. The town should ensure the fundamental management processes (eg: building and development control) are adequate to ensure the council |

receives appropriate advice on which to make planning and development decisions.

- vii) Cost Efficiency of the Type of Administration - Proposed for the Scale of Services Required**

There would be no change.
- viii) Feasibility in Terms of Revenue and Expenditure**

The town has a balanced budget with revenue and expenditure in excess of \$1,000,000. This is considered adequate to manage a town of this size.
- ix) Equity in Terms of Both the Taxpayer's Ability to pay and the Benefits Received**

The services provided appear to be reasonable for the payments made by residents to support its council. Other servicing is required. Any expansion of services would be determined by further revenue availability.
- x) Response to tax Yields to Changes in Economic Activity**

The budget is sufficiently large to give the town flexibility to adjust its service level in response to any negative influences on its revenue. Also the town should be able to respond readily to any positive influences and adjust servicing levels as required.
- xi) Equity Amongst Adjoining Municipalities Considering Their Different Needs and Assets**

This does not apply as no amalgamation is proposed.
- xii) Simplicity of Proposed Municipal Structure**

No change is recommended in the existing structure.

**xiii) Acceptability
of Proposals at
Local and
Regional Levels**

The majority of briefs presented by the town indicated that residents did not wish to amalgamate with any other area. Therefore, the recommendation to leave the town as a separate entity should be fully acceptable.

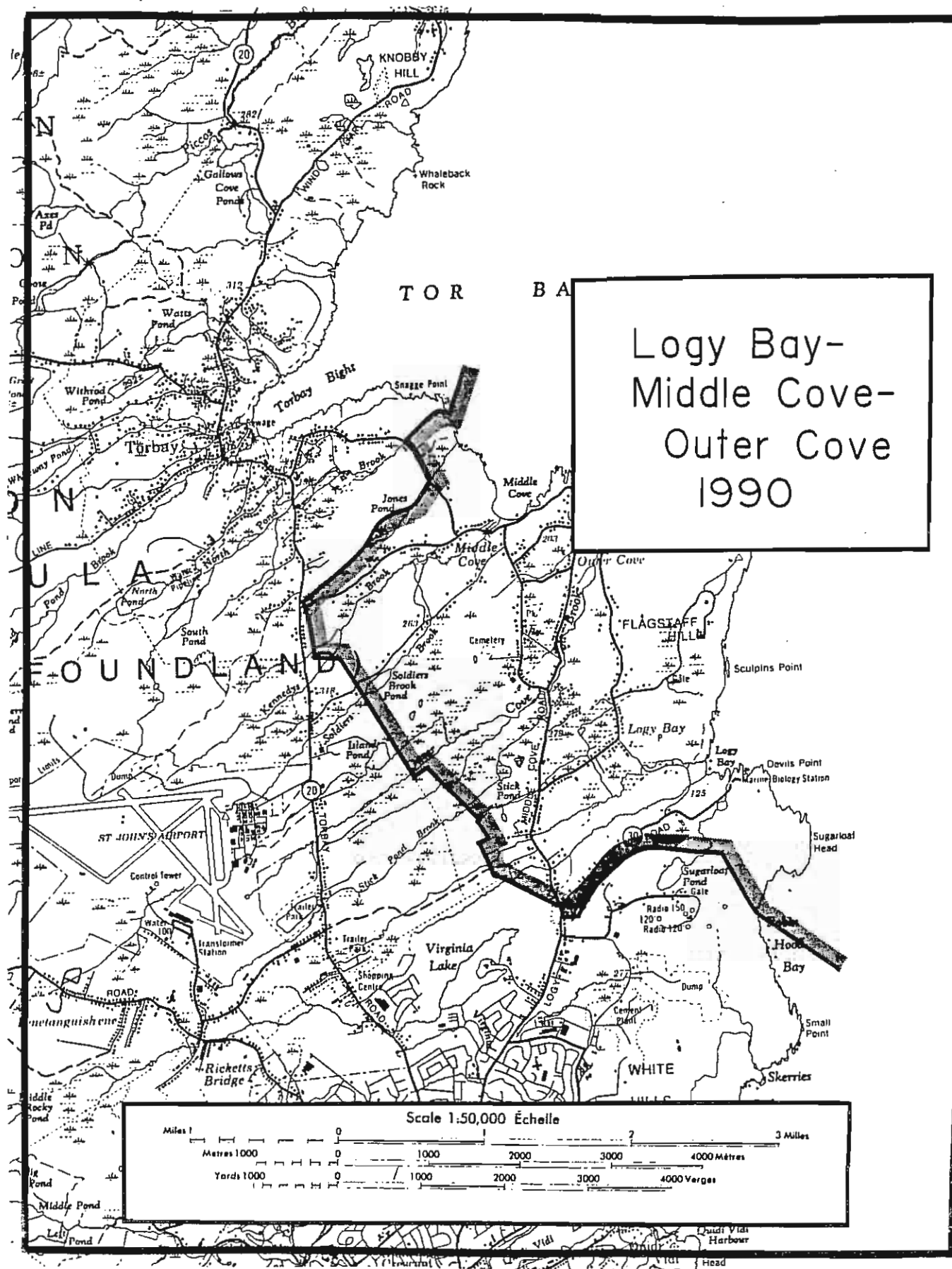
Pouch Cove's recent amalgamation with Shoe Cove means that there has been inadequate time so far for the town to adjust fully to provide service functions throughout its new area.

Section 8.8**The Town of Logy Bay-Middle Cove-Outer Cove**

The Commission recommends the Town of Logy Bay-Middle Cove-Outer Cove remain substantially as it currently is, as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.

Logy Bay- Middle Cove- Outer Cove 1990



The Town of Logy Bay–Middle Cove–Outer Cove already comprises a number of communities which amalgamated a few years ago.

The town is very rural and has adopted planning and building controls to maintain these characteristics. The town does not have a large capital debt. There is no apparent need for piped water and sewer servicing because of the the rural planning and the large lot sizes maintained for development within the town. The Commissioners believe that over time this area, which is the subject of urban development pressures from the neighboring region, will need the sophisticated water and sewer system of the area's other municipalities. This can be well planned and controlled.

In view of the above reasons and the residents' strong desire to continue as a separate town, the Commissioners recommend that the area remain as the Town of Logy Bay–Middle Cove–Outer Cove.

- | | |
|---|---|
| i) Access of
People to
Elected and
Appointed
Officials | There would be no change. |
| ii) Representation
in Accordance
With the
Distribution of
Population | There would be no change. |
| iii) Community
Identity | There would be no change. |
| iv) Suitability and
Need of the
Area for
Municipal
Servicing | The town is presently providing a wide range of municipal servicing to its residents. |

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- v) **Physical Constraints to Municipal Servicing** The town is well serviced by a main road and a system of local roads. There is no apparent constraint to the provision of municipal servicing. Individual well and sewerage disposal systems are adequate since the town is developing with the concept of large lots. Further servicing in this regard is not anticipated in the foreseeable future.
- vi) **Administrative Capability of the Municipality** No change is recommended.
- vii) **Coordination of Municipal Services and Functions Throughout the Area Concerned** No change is recommended.
- viii) **Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required** No change is recommended.
- ix) **Feasibility in Terms of Revenue and Expenditure** The town currently has a balanced budget and very little debt. It should have no difficulty maintaining this to deliver services required by its residents.
- x) **Equity in Terms of Both the Taxpayer's Ability to pay and the Benefits Received** Residents appear satisfied with the benefits currently received for the tax level set. This was evident by the high turnout of people at the public hearings supporting this town council. Tax collections are quite high, which indicates residents have the ability to pay the tax levels as assessed.

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- xi) Response to tax Yields to Changes in Economic Activity** This town, like most small towns, could adjust its service level marginally to offset any negative impact from external influences on its residents. The council should be able to respond readily to positive influences on revenue by making adjustments in operations and servicing levels.
- xii) Equity Amongst Adjoining Municipalities Considering Their Different Needs and Assets** This does not apply, as amalgamation is not recommended.
- xiii) Simplicity of Proposed Municipal Structure** There would be no change.
- xiv) Acceptability of Proposals at Local and Regional Levels** The town had very high public participation in the hearing process; all organizations and individuals strongly favoured remaining a separate municipal entity. Therefore, the recommendation to leave the municipality as it is should be acceptable.

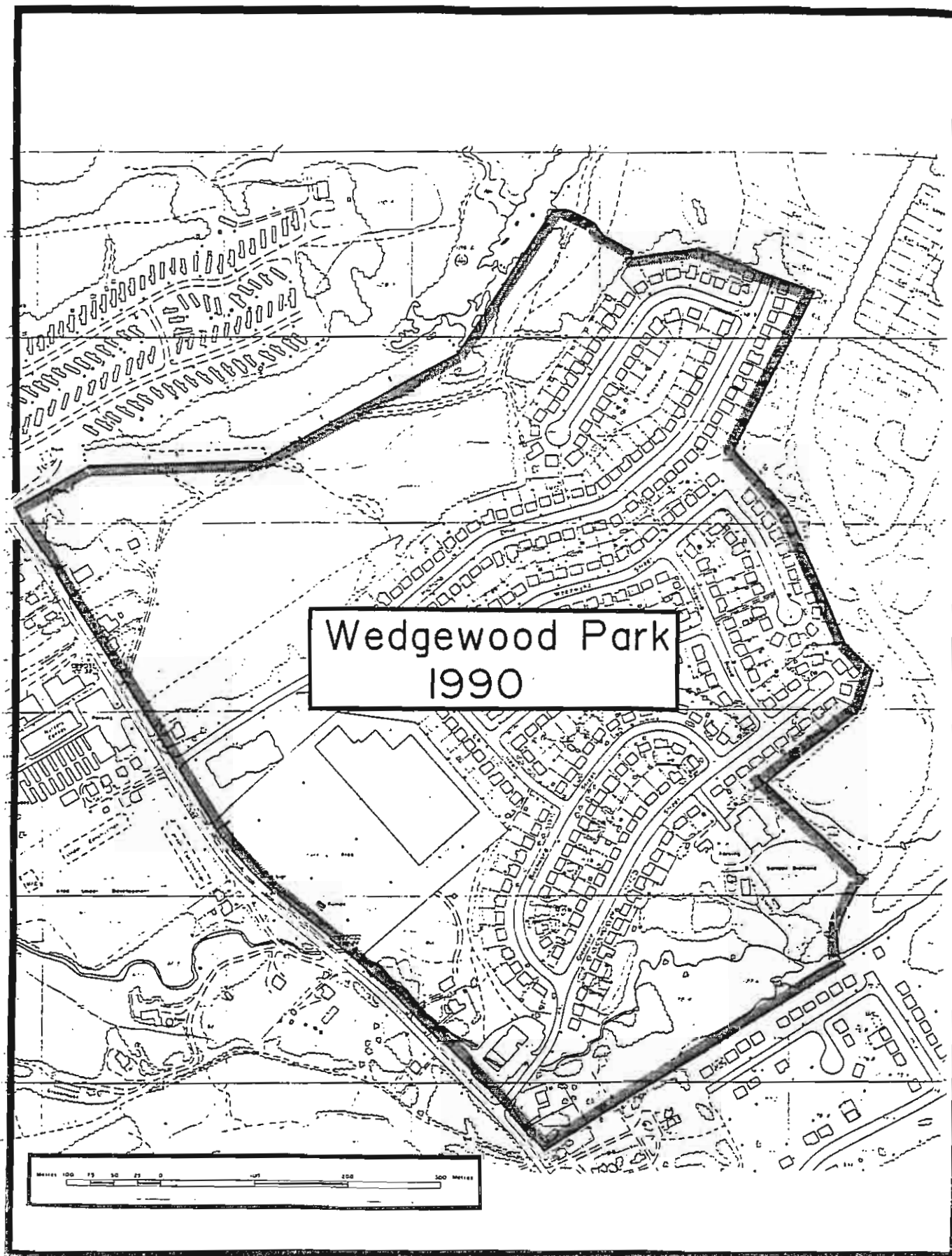
It is recognized, however, that some boundary realignment is necessary where the town abuts the City of St. John's. This realignment is shown on the plan in Appendix B.

Section 8.9

The Town of Wedgewood Park

The Commission recommends the Town of Wedgewood Park remain as it currently is, as shown on the map overleaf and in the plan in Appendix B.

On the following pages, the Commissioners address the evaluation criteria required for this recommendation.



The Town of Wedgewood Park presented Commissioners with a unique challenge. The town is different, in that it has a small population of 1,385, is completely surrounded by the City of St. John's, yet exists as a separate municipal entity.

The town currently delivers one of the highest levels of services to its residents within the Northeast Avalon Region. It is very well managed and fully developed. There is no room for external expansion. It has its own commercial development which provides an excellent tax base to supplement the residential taxes.

The Commissioners recognize that this town is a planning anomaly within the region. However, this is not considered an adequate reason for it to be disbanded. Residents have a strong pride in their municipality and a loyalty to their Council. The Town turned out en masse at the public hearings and spoke strongly in favour of remaining a separate municipal entity; in fact, 99% of the residents petitioned that Wedgewood Park remain a separate town.

The Commissioners recognize that the town can survive only by using trunk services running through St. John's. It has been said that the town is not paying its fair share of these services and this allows it to provide residents with a higher level of service at a lower tax rate than other neighboring municipalities which must bear the cost of these support facilities.

A thorough examination of all material available to the Commission has satisfied the Commissioners that the town indeed pays for all these services. This includes the payment of a full share of: fire protection services provided by "The St. John's Fire Department" through the Department of Municipal and Provincial Affairs; operations of the City of St. John's Solid Waste Disposal at Robin Hood Bay as assessed by the City, and water services delivered from the City of St. John's.

Other services within the town are provided by the town itself and funded through its taxpayers.

Other services, such as trunk roads, trunk water, sanitary sewer and trunk sewer, are not paid. This appears to be mainly because these items were never identified as a cost function for the region.

The Commissioners are not convinced there is adequate rationale to disband the town simply because it is small and contained within the boundaries of the City. There are many precedents for such municipalities across Canada.

The Commissioners recommend that the Town of Wedgewood Park remain as a separate town. As long as the municipality is self-supporting and paying its way, there is no reason for change.

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|---|--|
| i) Access of
People to
Elected and
Appointed
Officials | There would be no change. |
| ii) Representation
in Accordance
With the
Distribution of
Population | There would be no change. |
| iii) Community
Identity | There would be no change. |
| iv) Suitability and
Need of the
Area for
Municipal
Servicing | The town currently provides a full range of servicing to its residents and no additional services have been identified. |
| v) Physical
Constraints to
Municipal
Servicing | None have been identified as the area is fully serviced. |
| vi) Administrative
Capability
of the
Municipality | The town has its own administration and technical staff to support the town. In addition, technical services are purchased from consulting firms on a need basis. A full range of advice appears to be available to the town to help make sound planning and development decision. |

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- vii) **Coordination of Municipal Services and Functions Throughout the Area Concerned** The services are already delivered to the town and surveys showed a high degree of satisfaction. Therefore, no problems have been identified or are anticipated.
- viii) **Cost Efficiency of the Type of Administration Proposed for the Scale of Services Required** This town appears to be operating very efficiently and is able to charge a low tax rate in relation to some other municipalities for the level of services delivered. Residents expressed a high degree of satisfaction.
- .) **Feasibility in Terms of Revenue and Expenditure** The town operates with a balanced budget and does not have a large capital debt. It has the ability to fund itself fully.
- x) **Equity in Terms of Both the Taxpayer's Ability to pay and the Benefits Received** Surveys indicated that residents have a high income level and can readily afford the tax rates charged for the services delivered. No problems are anticipated in this regard.
- xi) **Response to tax Yields to Changes in Economic Activity** The town's revenue and current mill rate are such that the town could quite easily respond to external negative factors which might have an impact. The council should be able to respond readily to positive influences on revenue by making adjustments in operations and servicing levels.

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- xii) **Equity
Amongst
Adjoining
Municipalities
Considering
Their Different
Needs and
Assets** This does not apply as no amalgamation is recommended.
- xiii) **Simplicity of
Proposed
Municipal
Structure** No change is recommended.
- xiv) **Acceptability
of Proposals at
Local and
Regional Levels** Since 99% of the residents opposed any amalgamation, there should be a high degree of satisfaction with the Commission's recommendation.

Section 10.0

Commissioners' Recommendations and Concluding Comments

10.1 Summary of Recommendations

The Commissioners' recommendations for proposed amalgamation in the Northeast Avalon Region have been prepared as a result of indepth study of existing communities and based on the criteria outlined on pages 5 and 6 of this Report. Further to these amalgamations, the Commissioners recommend the following for consideration:

Regional Services

There is an urgent need for a regional infrastructure to respond to many fundamental requirements in a coordinated manner and to prevent serious consequences for the whole area. For example, it is apparent that urban problems are mounting. Calls for zoning, more public planning and improved public services to address a host of quality-of-life problems – from water supply to waste disposal – reflect challenges which can only be addressed regionally. Single community-based efforts are not sufficient to address long range efforts in these areas which require a comprehensive, coordinated approach. The unwillingness or inability of a community to develop strategies which ensure quality of water supply, proper sewer and waste disposal systems, demands a regional approach.

The Commissioners wrestled with the fact that several previous studies had recommended a form of regional government for the Northeast Avalon Region. To secure support for a regional infrastructure will require residents to understand better their personal stake in sound planning and control over essential services which affect them.

Many municipalities identified their capital improvement needs for water and sewer systems and road reconstruction and paving. They request substantial government funding to meet these needs while at the same time they maintain a very low mill rate of taxation. There appears to be considerable scope amongst a number of the municipalities studied to become more financially responsible and to raise their mill rate level commensurate with the level of service requirements expected by residents. The current level of taxation paid by many municipalities is inadequate relative to service needs and to that paid in other jurisdictions. The requirement for municipalities to pay a portion of their fixed revenues having no relationship whatsoever to the size of the debt works as a disincentive.

10.2
Closing
Comments

Government Grant Funding

The Commissioners also strongly recommend reform of the existing Grant Formula Structure, which is inequitable and acts as a disincentive for municipalities to be financially responsible and to amalgamate. Commissioners have been advised that Government is currently reviewing the grant funding structure for municipalities for the entire province. The Commissioners' recommendations have been made with the understanding that these reforms will be brought about.

Assets and Liabilities

All other assets and liabilities not specifically covered in other recommendations are to become assets and liabilities of the newly created municipalities

The Commissioners wish to express their sincere appreciation to all municipalities and individuals who have been involved in this feasibility evaluation process. The Commissioners have been very impressed with the public interest in the proposed amalgamations, and recognize that some municipalities and individuals have spent much time and effort in preparing material to submit to the Commission.