



LERNERS

# Municipal Restructuring

Township of West Lincoln Council Presentation

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February 5, 2026

Dear Niagara Region Mayors,

Enclosed, please find a letter that I have submitted to the Minister of Municipal Affairs and Housing in my role as Regional Chair, outlining the urgent need for municipal governance reform here in Niagara. This letter highlights the ongoing issues Niagara's fragmented, outdated and unwieldy governance structure continues to cause, including unsustainable tax increases that hurt residents and threaten the loss of jobs and investment, delayed decision making and a lack of coordination on priorities like transit, housing service delivery and economic development.

This letter makes clear the urgent need for change, but it also makes clear that any changes must be locally informed and supported here in Niagara. Based on previous consultations with many of you, and previous reports, I am deeply contemplating a 4-city or a 1-city model to maximize efficiencies and benefits to the communities we serve.

To that end, I am writing to you all to request your input and co-operation as we review potential governance changes to address the challenges our region faces. The changes under consideration should include but not be limited to a reduction in the number of municipal elected officials in the region - currently 126, which is more than the number of MPPs in the entire provincial legislature - as well as a potential municipal restructuring, including consideration of municipal amalgamations, that streamlines the governance process, reduces the size of government and brings taxpayers better value for money.

I welcome any written comments you wish to share with me. I recognize that there will be a range of views on the best path forward and I am committed to ensuring that Niagara's voice is clear, constructive and focused on better outcomes for our residents and businesses. To support swift consideration and implementation of potential changes, I will be submitting initial recommendations to the minister no later than the first week of March. **Please ensure you have communicated your feedback to me no later than Tuesday, March 3, 2026.**

The goal of these changes is simple: To adopt an outcome that is locally informed, that protects taxpayers and their hard-earned money, and that provides residents of Niagara with the best possible level of municipal services. Thank you to each and every one of you for the passion you show for your communities.

Sincerely,

Bob Gale  
Chair, Regional Municipality of Niagara

# What is “restructuring”? (s. 172)

- (a) annexing part of a municipality to another municipality,
- (b) annexing a geographic area that does not form part of a municipality to a municipality,
- (c) amalgamating a municipality with another municipality,
- (d) separating a local municipality from an upper-tier municipality for municipal purposes,
- (e) joining a local municipality to an upper-tier municipality for municipal purposes,
- (f) dissolving all or part of a municipality, and
- (g) incorporating the inhabitants of a geographic area as a municipality.

# Restructuring Pathways

1. Under the *[Municipal Act, 2001](#)*
  - Relevant regulations: [O. Reg. 204/03](#) and [O. Reg. 216/96](#)
2. Through specific legislation passed by the Province (e.g., *City of Toronto Act, 1997*)

# 3 Options under the *Municipal Act*

- A. Municipal restructuring proposal (s. 173)
- B. MMAH Minister establishes a restructuring commission (ss. 174 to 178)
- C. By application, in limited circumstances (e.g., dissolve a single-tier municipality), to the Ontario Land Tribunal (ss. 180 to 183)

# Option A: Restructuring Proposal

- Municipally led
- Joint draft restructuring proposal and boundary adjustment agreement



# Option A: Restructuring Proposal (cont'd)

## Required Process:

1. Municipal Negotiation & Drafting
2. Public Consultation
3. Voting Requirements: "Double Majority"

# Option A: Restructuring Proposal (cont'd)

## Final Approval and Implementation:

- Councils' approval of final restructuring proposal
- If all statutory requirements are met, Minister may implement the proposal by Order (s. 173)
- Minister may return the proposal for reconsideration

# Option B: Restructuring Commission

## Key Purpose:

Provide an independent, province-appointed body to study local restructuring needs, ensure consultation, and develop a comprehensive proposal



# Option B: Restructuring Commission (cont'd)

## Process Summary:

- Required consultation
- Draft proposal made public
- At least one public meeting and written submissions
- Commission's Order to implement restructuring (if statutory requirements are met)

Resource: <https://www.centralelgin.org/en/news/Infographic-July-19-2022.pdf>

## Municipal Restructuring

Municipal restructuring is conducted, pursuant to Section 171 – 179 of the Municipal Act, 2001 and implementing Ontario Regulation 216/96. A general overview of the municipal restructuring process is outlined below.

### Method 1

#### Municipal Restructuring Proposal

A municipality submits a request to another Municipality that land be transferred from one jurisdiction to another, for a specified reason.



### Method 2

#### Provincial Commission

At the request of a Municipality, the Minister of Municipal Affairs & Housing may establish a Commission to develop a proposal for restructuring municipalities in a geographic area.

# Province Has Final Say

"...s. 92(8) [of the *Constitution Act*] gave provincial Legislatures the right to create legal bodies for the management of municipal affairs, a right which included the right to amalgamate such bodies and establish their geographic boundaries...

Any ambiguity about whether a constitutional norm restricted a province from making changes to municipal institutions without municipal consent was resolved in that case in favour of the province's jurisdiction to do so"

*East York (Borough) v. Ontario*, [1997 CanLII 1316](#) (Court of Appeal for Ontario)

# Amalgamation

was supposed to bring  
cost savings, smaller  
government and lower taxes,  
**it didn't.**

Municipal employee  
compensation up

**52.8%**

Property tax up

**50%**

Long-term  
debt increased

**111%**

FRASER  
INSTITUTE

## Municipal Amalgamation in Ontario

By Professors Lydia  
Miljan & Zachary  
Spicer

May 2015

[Fraser Institute study on  
Municipal Amalgamation in  
Ontario, 2015](#)

# Transitional Board (O. Reg. 204/03)

7. (1) If a restructuring proposal provides for one or more municipalities to be dissolved, incorporated or amalgamated, the **Minister or a commission may**, for transitional purposes, **establish a board** as a corporation.
- (2) The Minister or a commission may establish the **composition** of a board established under subsection (1).
- (3) If a restructuring proposal provides for a municipality to be dissolved or amalgamated, the Minister or a commission may provide that, until the municipality is dissolved or amalgamated,
- (a) **the board** established under subsection (1) may **exercise specified powers of the council** of the municipality;
  - (b) the council of the municipality shall not exercise specified powers without the approval of the board. [...]
- (5) If a restructuring proposal provides for municipalities to be amalgamated, the Minister or a commission may provide that, until the municipalities are amalgamated, the board established under subsection (1) may exercise specified powers the council of the municipality that will result from the amalgamation will have when the amalgamation occurs.

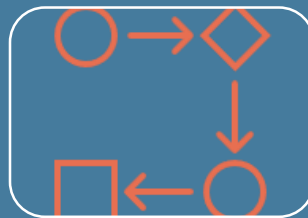
# Preparing for Future Discussions



People



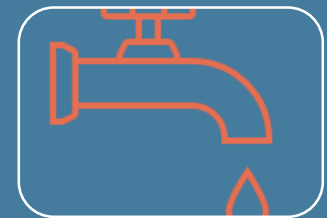
Governance



Process



By-law &  
Policy



Infrastructure



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