

Welcome to the February 2018 issue of MLA NewsBites –



CONCERNS SURROUNDING RESORT 'CONVERSIONS' CONTINUE

There's a lot happening in Muskoka as winter winds down. As you will read, not only have local councils been debating 2018 Budgets, but planning departments at both TML and the District continue to grapple with the resort-conversion issue.

As you'll recall, the MLA and many Muskoka residents are strenuously opposing the District of Muskoka's proposal to allow resorts to redevelop as waterfront residential developments. The MLA is working on an on-line Resorts Timeline to help you keep track of this issue. Look for the link in March's issue of NewsBites.

MLA'S 2017 WATER QUALITY REPORT NOW AVAILABLE

The MLA's 2017 Water Quality Report is now available for viewing on our website [here](#). The MLA Water Quality Report presents data collected at 193 locations during the summer of 2017 and compares it to data collected from 2002 to 2016. Based on our analysis of the long term data acquired to date, the water quality at most of the sampling locations remains good to excellent.

A NOTE ON BUDGETS

As you review the 2018 Budget information below, please keep in mind the following:

In 2017 MPAC – the organization that assesses property values in Ontario – released its once-every-4-years update on property assessments. Property values went up throughout Muskoka, so municipalities will be collecting windfall tax revenues this year. As a result, many Muskoka municipalities are trying to minimize the impact of their increased spending in 2018 by reporting a number reflecting your actual "tax rate increase" this year. Given an average MPAC-related tax hit this year of about 3%, the municipalities' figures **understate** their actual gain in tax revenues this year on average by about 3%. The MLA reports below focus instead on actual spending increases rather than the "tax-rate increases" supplied by the municipalities.

Approximately 50% of your taxation dollars go to the District. The other 50% is divided between your municipality and the School Board. The following provides a quick comparison of various 2018 municipal levy increases and how your MPAC property assessment impacted final tax increases:

Combined Municipal Capital and Operating Budgets:

District: Adopted 2.8% levy increase = 1.7% tax increase due to the 1.1% MPAC assessment increase.

Bracebridge: Adopted 6.4% levy increase = 3.4% tax increase due to 3.0% MPAC assessment increase

Gravenhurst: Adopted 6.6% levy increase = 3.3% tax increase due to 3.3% MPAC assessment increase

TML: Adopted 13.57% levy increase = 9.83% tax increase due to 3.74% MPAC assessment increase

Seguin Township: Budget will be finalized, adopted by Council and reported on at a later date.

DISTRICT OF MUSKOKA

District of Muskoka Approves 2018 Operating & Capital Budget, with some last-minute debate - The District of Muskoka has just passed a \$164.6-million budget, of which roughly \$96.2 million is funded through a tax levy paid by property owners through their property taxes. On Tuesday, February 20th District council adopted the 2018 tax-supported operating and capital budget, but not without some unexpected last-minute drama.

The 2018 Tax Supported Operating and Capital Budget was adopted with:

- Total operating expenditures of \$121.7 million,
- Total operating revenues of \$48 million,
- A net levy of \$73.7 million and
- Gross capital expenditures of \$24.3 million for 2018 and a projected \$211.2 million for the period 2018 - 2027.

The estimated tax increase to existing taxpayers is 1.7% which is reflective of an increase in the levy of 2.8% less the impact of the estimated growth in assessment of 1.1%. The estimated impact to a typical residential property valued at \$300,000 is an annual increase in taxes of \$14.90.

Background article giving more information on the District budgets can be found [here](#).

Prior to the vote to adopt the budget, TML Mayor Don Furniss requested that the OPP policing costs be removed from the levy and instead be invoiced directly to each municipality. The issue of the three Townships (Township of Muskoka Lakes, Georgian Bay and Lake of Bays) paying higher policing costs than the Towns has been a contentious issue at District council. Staff have received two legal opinions concluding that policing costs are the responsibility of the District council; not a municipal responsibility. With a number of council members absent, Mayor Furniss was hoping to get a two-thirds majority of councillors voting to reopen this issue. His motion failed on a 10 to 7 vote.

TML Councillor Phil Harding explained his voting against the motion by saying, ***“To slide this in because of the number of votes around the table, I believe it’s not responsible government and not the politics we want to play around this table.”*** Bracebridge Councillor Steve Clement also opposed the motion, stating ***“Before we pass a majority motion I want to point out there’s no staff report, no information. There are ramifications for the towns and townships.”*** Bracebridge Mayor Graydon

Smith agreed with Councillors Clement and Harding. He later posted the following on Twitter - ***"Attempt to shift police levy by surprise at district council tonight was poor form, silly and not the way important decisions should ever be made. We should be working together against our common foe, a provincial gov't that has done nothing to rein in policing costs."***

A news article with further details on the policing debate can be found [here](#).

A local newspaper editorial covered, the subject, including: "In this case, the end run does not justify the means." [Here](#)

While the MLA appreciates Don Furniss's commitment to reducing OPP costs for township taxpayers, we agree the timing of his motion was questionable. .

Friends of Muskoka delegates at District Council – 'Friends of Muskoka' board representative Paul Richards told District Council on Tuesday, February 20th that 'Friends' is now an incorporated group with a reach of more than 18,000 engaged cottagers. Mr. Richards said the organization is working closely with the MLA and with Safe Quiet Lakes (SQL) in their analysis and recommendations regarding the resort-conversion issue. He stated ***"Our concern is the over-development on lakeshore resort properties without urban septics, transforming to high-density residential."*** Mr. Richards thanked District staff for their willingness to work together on this issue.

The MLA continues to work with the 'Friends of Muskoka'. They share our opinion that a solution can be found working positively with the District.

District Planning & Economic Development Committee heard Delegations regarding the Resort Village of Minett – On February 22nd, PED committee heard delegations from Marg Walton (planner for Developer Ken Fowler Enterprises) and Frank Jaglowitz (Minett resident) regarding the proposed planning application for Minett.

Ms. Walton presented a detailed planning history of the Resort Village from the late developer Ken Fowler's concept of a resort village in 2000 to its latest application before council. In her speech she confirmed that Muskoka resorts face problems: "I started my career in Muskoka dealing with resort issues. Since that time the resort sector has been dying. I see it all over Muskoka. The product people are looking for is very different today than back in the 1980s." She noted that she feels there was no need to review the Minett policies as part of the review of the District's new Official Plan – a request recently made by the TML council.

Mr. Jaglowitz identified a number of questionable items in [the District's background report](#), including his disagreement with the District's contention that there are no provincially significant features in Minett. Mr. Jaglowitz also noted that TML council had voted unanimously to have the District review the Minett policies in the District's OP. He concluded: "I believe that a gross development of 3,300 units in an area that has 50 people was never in conformity with the 2005 Provincial Policy Statement and certainly not in conformity with the 2014 PPS."

Background information on the Village of Minett: report can be found [here](#).

The District webcast of the meeting can be found [here](#).

The MLA looks forward to reviewing the District's next staff report on Minett.

Interim Report on the District's "Second Home" Survey – Cottagers have a significant influence on the economy. In an effort to better understand the impact of second homes in Muskoka, the District conducted a survey last spring to Muskoka's seasonal population to obtain information on the following:

- Where seasonal residents make their permanent home
- How often they use their second homes
- When and how many visitors they have
- An estimation of the economic impact they have on Muskoka and
- Use of Muskoka's waste management services, airport and health-care services.

The District received 3,440 unique responses (16% response rate). While lower than the 2013 response rate of 25%, District staff said the new rate represents a statistically valid sampling. Results show the average household size is 3.58 people (2013 figure: 3.74). However, the number of new seasonal households increased by over 500.

Staff planning report can be found [here](#).

Short staff presentation can be found [here](#).

The MLA is interested in seeing the full survey details to better understand the role that the seasonal population plays in today's Muskoka economy. Understanding the size of the seasonal population is also key to determining proper future local council representation. The MLA is looking forward to the District's final recommendation regarding future council sizes, especially in light of discussions suggesting the seasonal population no longer be counted as half a permanent resident.

District's 2017 Water Quality Report – The District of Muskoka has now published its 2017 water-testing results. In 2017, the District monitored 84 sites on 70 lakes. Water samples were sent to Dorset Environmental lab for analysis, where 100,000 tests were carried out (26,000 of them devoted to phosphorous analysis). Results indicated that phosphorous levels are stable or declining in most lakes. In 2018, the District will be sampling 88 sites on 71 lakes. For more information, check out the District's website called "Muskoka Water Web" found [here](#).

The 2017 Full Lake System Health Water Quality Monitoring Report – YEAR END REPORT can be found [here](#).

The Lake Health System Data Report for 2017 can be found [here](#).

TOWN OF BRACEBRIDGE

Bracebridge Council Adopts a 3.4% Tax Increase – On February 14th, Bracebridge council adopted its 2018 Municipal Budget Plan. According to a local news story, "**This equates to a \$15 increase per \$100,000 assessment for the year.**" Highlights include the \$5-million cost of extending Salmon Avenue to prepare for the construction of the new arena, library and recreation complex; increasing the town's contribution to \$100,000 in the fifth year of a seven-year pledge to the South Muskoka Hospital

Foundation; and growing the town's major-infrastructure reserve to support the replacement or expansion of major community facilities. The full news article can be found [here](#).

The MLA notes that Bracebridge's levy increase is 6.4%. 4.2% is for increased capital and 2.2% is for increased operating expenses. The 6.4% Levy only requires a 3.4% tax rate increase because the difference is made up by assessment growth of Bracebridge properties of 3% over 2017.

Bracebridge is Recognized for its Economic Development Initiatives – Bracebridge received an Award of Excellence and an Honourable Mention at the Economic Developers Council of Ontario annual conference held in Toronto in February. The 'Award of Excellence' was won by its social-media campaign, "See Your Future from THE BRIDGE!" – aimed at entrepreneurial millennials feeling disenfranchised by the cost of living in larger urban markets. The Town's 2017 Fire and Ice Festival received an 'Honourable Mention Certificate.' A news report can be found [here](#).

The MLA congratulates Bracebridge on its awards. It's wonderful to see Bracebridge recognized for its creative initiatives to attract permanent residents to Muskoka.

TOWN OF GRAVENHURST

Gravenhurst Council Adopts 3.3% 2018 Operating Budget Increase– We are correcting some details from our previous summary of budget deliberations due to inadvertent misstatements.

On March 7, 2018 Gravenhurst Council approved their 2018 Operations Budget. Combined with the Capital Projects Budget, Council has authorized total spending of \$27.755 million.

The key points of the Gravenhurst Budget are:

- Council approved spending of \$22.243 million for Operations and \$5.512 million for Capital Projects
- Gravenhurst will collect an additional 6.6% in property tax revenue in 2018 (compared to 2017) from ratepayers.
- 3.3% of the increased property tax revenue is due to an increase in the assessed value of properties within the municipality.
- 3.3% of the increased property tax revenue is due to an increase in the tax rate approved by Gravenhurst Council.

The Town issued a press release on March 7th regarding their 2018 approved budget. It contained no details on total spending as approved by Council. The Town's Press Release on the budget can be found [here](#):

A presentation on Gravenhurst's website provides more details: [here](#).

Gravenhurst held a public meeting on Saturday, March 3rd to receive budget input from taxpayers. Sadly only three people provided feedback at this meeting.

The MLA continues to urge all local Councils within Muskoka to exhibit spending restraint and limit property tax increases.

Gravenhurst now permits Two-Storey Boathouses on Lake Muskoka – On February 27th council unanimously agreed to suggested staff updates to its Zoning By-law, to bring the By-law into conformity with its new Official Plan. One major change: two-storey boathouses will be allowed on Gravenhurst’s portion of Lake Muskoka for properties that have more than 300 feet (90 meters) of water frontage (and where the boathouse is not located in a narrow waterway). The staff report can be found [here](#).

SEGUIN TOWNSHIP

Councillor Jack Hepworth’s Latest Report – Thanks to Councillor Hepworth for advising us that there will be a Public Meeting in April (date to be announced) regarding short-term cottage rentals. In preparing to develop new policies for managing Airbnb and other short-term cottage rentals, the Township has received more than 60 emails and letters from residents, lake associations and rental operators. For more information see: www.jackhepworth.ca
The MLA urges local residents to get involved in this important issue. You can contact the township office at 705-732-4300 for more information.

TOWNSHIP OF MUSKOKA LAKES (TML)

TML Adopts a 9.83% 2018 Combined Operating & Capital Budget –On February 16th council considered the 2018 draft operating and capital budget. The budget proposed a 10.11% levy increase, equivalent to a \$7.16 increase per \$100,000 of residential assessment. The 10.11% derives from:

Capital reserves: 5.00% = \$5.47 per \$100,000 residential assessment
Operating budget: 5.11% = \$1.69 per \$100,000 residential assessment

The proposed increases sparked a testy debate among councillors. Terry Ledger began by stating “A 10% increase again this year is irresponsible. It’s not staff’s fault – it’s OUR job to say ‘no’.” Phil Harding agreed, saying “There’s no reason for a 10% increase. Our capital forecast over the last 2 years has risen 47%!” Councillor Ruth Nishikawa added: “There has been no move to significantly adjust [reduce] the capital budget.” She identified the Fire Department’s budget in particular as “not going in the right direction.” Mayor Don Furniss noted that “TML’s survey found that 76% of people felt our service levels were fair or good... Overall, people didn’t want us to cut service.”

The vote to adopt the 2018 Budget, excluding the budgetary Fire Department operating expenses, passed on a recorded vote of 5 to 4; with Councillors Harding, Hayes, Ledger and Nishikawa opposed.

The second vote concerned Fire Department expenses. Councillor Jean-Ann Baranik declared a conflict of interest and did not vote. This motion was defeated on a 4-4 tie vote, with Harding, Hayes, Ledger and Nishikawa opposed. A disappointed Mayor Furniss accused the four councillors of “picking on” the Fire Department. He asked for help from the nay-sayers on “where we go from here.” After much debate, the council voted unanimously to adopt a new budget for the Fire Department based on 2017 expenditures plus 1.5%.

After the Fire Department budget adjustments were made, Council approved the Township's 2018 combined operating & capital levy at 9.83% = \$6.85/\$100,000 of residential assessment.

Operating: 4.83% = \$1.38/\$100,000 of residential assessment

Capital Reserves: 5.00% = \$5.47/\$100,000 of residential assessment

TML Final 2018 Budget can be found [here](#).

TML 2018 Budget Highlights can be found [here](#).

The MLA notes with concern that TML's total Tax Levy increase for 2018 will be 13.57% (5% for Capital reserves and 8.57% for Operating expenses). The 13.57% levy only requires a 9.83% increase because the difference is made up by the assessment growth of TML properties of 3.74% over 2017.

The MLA appreciates the efforts of those councillors who continue to try to reduce Township operating expenses. We are concerned that this continued spending imposes excessive burdens on local taxpayers. The MLA thanks Treasurer Shannon Johnson for the time she gave the MLA representatives reviewing this year's budget numbers.

A news article describing the behavior around the council table can be found [here](#).

The MLA is concerned that council and staff time is being wasted due to disrespectful behaviour rather than council's time being productively spent debating the issues at hand.

Rosseau Developments Proposes a 40-unit Townhouse in Minett – TML has received a new site plan application from Rosseau Developments (owners of the J. W. Marriott Hotel) proposing to build 40 new townhouse units located in 9 buildings on the waterfront site of the old Paignton House Hotel. This will increase the total number of units on the Marriott Hotel property to 261 (an increase of 18%) and an increase of 50% in the number of bedrooms.

Several residents spoke in opposition to the application. Many expressed concern that Minett's new sewage-treatment plant should be in operation prior to construction of the townhouses. Other concerns included increased boat traffic and declining water quality in Wallace Bay, the need for updated stormwater and environmental studies, fire department concerns re road access and building height, and the need for increased shoreline setbacks. In addition, many argued that residential usage should not be permitted. Councillors agreed to defer site-plan approval until key questions, especially regarding sewage treatment, can be addressed.

The staff report – with pictures - can be found [here](#).

The site plan can be found [here](#).

The MLA delegated at this meeting and requested the issue be deferred pending changes with respect to the building setbacks from the shoreline and satisfactory resolution of sewage issues. Our letter to the Committee can be found [here](#).

Camel Lake Subdivision – A Plan of Subdivision was submitted to the District in 2015 to create 6 new waterfront residential lots on Camel Lake, near Three Mile Lake, and 4 new residential lots on Camel

Lake Extension Road and a new road through an existing wetland. Since then, the applicant revised his application to propose 9 new lots (6 waterfront and 3 rural back lots); altered the dimension of the rural lots; and relocated a portion of the access road. As the District is the approval authority for plans of subdivision, TML was invited to provide the District with its comments. A formal public meeting is still required before any final decision can be made on the application; a date has yet to be set.

At the Feb. 15 COW meeting, neighbours expressed numerous concerns with this development, including water quality, the large number of backlots, lake development capacity, access, impact on deer wintering areas, and the effects of construction on the environment. In particular, delegates requested Camel Lake be reviewed under a Recreational Carrying Capacity model, which takes into account the size of a lake and its usage. Three Mile Lake has a carrying capacity of 1.6 hectares of water surface per waterfront unit, while Camel Lake, with 42 existing dwellings, already has only 1.3 hectares of water per unit to absorb recreational activities. The proposed new waterfront lots would lower that threshold to 1.2 hectares per unit. Councillors supported Phil Harding's suggestion that TML recommend the District include a Recreational Carrying Capacity model in its new Official Plan.

Councillors agreed to defer further comments until after a public meeting is held.

The MLA believes that a Recreational Carrying Capacity model provides key criteria for considering waterfront development applications. We support TML in their suggestion that District include a Recreational Carrying Capacity model in their new Official Plan. Seguin Township has successfully incorporated a carrying capacity model into its planning policies.

A 2009 news article outlines the reasoning behind Seguin's decision to take into account Recreational Carrying Capacity: [Here](#)

Proposed Broadband Telecommunication Tower in Port Carling -Core Broadband Inc. has approached the Township with a proposal to construct a telecommunications tower 27.4 metres (90 feet) tall. The proposed tower is to be located at 13 Lee Valley Drive (Proline Rentals and Sales). Council agreed that the proposal be circulated to property owners adjacent to the location.

Xplornet Communications re new Telecommunications Tower at Walker's Point – Last year TML received an application for a 45-metre-high telecom tower for Breezy Point Road. At the time, councillors and members of the public suggested alternative locations on the lot that would reduce the height of the proposed tower. After meeting with local residents, the applicant has submitted a new application with a new location for the tower, and a reduced height of 40 metres. In addition, the tower will be sited 100 metres further from Lake Muskoka. The tower will now be only 4 metres above the tree-line. Council agreed to recommend the new configuration to Industry Canada. You can see the location of the tower [here](#).

TML's Johnston's Cranberry Marsh receives Provincial Innovation Award – At the February 16th council meeting, Johnston's Cranberry Marsh in Bala was presented with the Premier's Award for Agri-Food Innovation Excellence. The award recognizes the innovative contributions of producers, processors, agri-food organizations in rural Ontario communities. The Cranberry Marsh is a year-round

attraction with wine tastings, hiking and snowshoe trails, Blueberry Hill, the Cranberry Plunge and the newly added ice skating trail. For more information click [here](#).

The MLA congratulates Johnston's Cranberry Marsh on its recognition for its continuing efforts to promote Muskoka as a year-round tourist area.



Update on Bala Falls

On Tuesday February 27th, P.C. Candidate Doug Ford held a press conference in Bala, calling the Bala Falls hydroelectric project a "scam" and vowing to stop construction.

*Local news story can be found [here](#).
Click [here](#) to read the rebuttal from Swift River Energy,
MNRF and TML Mayor Don Furniss:*

Construction remains active at Bala Falls. The upstream cofferdam has been removed, and blasting is planned throughout March, Monday through Saturday with some exceptions.

