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Quinto M. Annibale*
***Quinto M. Annibale Professional Corporation**
Direct Line: (416) 748-4757
e-mail address: qannibale@loonix.com

VIA EMAIL (clerks@springwater.ca)

November 3, 2025

Township of Springwater
2231 Nursery Road
Minesing, ON L9X 1A8

Attention: Jennifer Marshall, Clerk

Dear Mayor Coughlin and Members of Council:

RE: Opinion Regarding Correspondence from Davies Howe LLP dated October 10, 2025 RE: "Inability of the Minister to Implement the Barrie Annexation Proposal by Order"
Barrie Annexation Proposal
Our File No. 33222-0002

You have asked us to review the correspondence dated October 10, 2025 from Davies Howe LLP sent on behalf of the Midhurst Landowner's Group ("**DH Opinion**"), and to advise whether we agree with its conclusion that the Minister of Municipal Affairs and Housing ("**Minister**") would not be authorized to issue an Order implementing the Barrie Annexation Proposal, even if the County of Simcoe ("**County**"), Township of Springwater ("**Township**") and City of Barrie ("**City**") supported it.

We agree that the Barrie Annexation Proposal has proceeded under sections 171, 172, and 173 of Part V of the *Municipal Act, 2001,* S.O. 2001, c. 25 ("**Act**") and associated regulations including O.Reg. 216/96: RESTRUCTURING PROPOSALS (together, the "**Restructuring Provisions**").[1]

We also agree that a version of the Restructuring Provisions were initially introduced through the *Savings and Restructuring Act, 1996* which, among other things, amended the Municipal Act, R.S.O. 1990, c. M45 ("**former Municipal Act**").

[1] We note that O. Reg. 588/00. PRINCIPLES AND STANDARDS RELATED TO RESTRUCTURING PROPOSALS, and O.Reg. 204/03: POWERS OF THE MINISTER OR A COMMISSION IN IMPLEMENTING A RESTRUCTURING PROPOSAL are also relevant, though not mentioned in the DH Opinion.

Having reviewed the DH Opinion along with the Restructuring Provisions, it is our opinion that the Minister does have the authority to issue an Order implementing the Barrie Annexation Proposal as long as the County, Township, and City support it.

In our view, the DH Opinion interprets the Restructuring Provisions too narrowly. While we agree that it is a fundamental principle of administrative law that discretionary power of an administrative decision maker, such as the power that the Minister may exercise in this case, is never absolute or untrammeled, we disagree that a Restructuring Order by the Minister to facilitate the Barrie Annexation Proposal would be outside of the powers available to him through the Restructuring Provisions.

The Use of the Restructuring Provisions is not Limited in Scale to the Degree Suggested in the DH Opinion

We do not agree that the reference to "large geographic areas" in section 171(b) of the Act necessarily implies that the Restructuring Provisions may only be used in respect of great swaths of land covering many square kilometers at the scale of counties. In our view, this is but one way that the Restructuring Provisions can potentially be used, but operating at that scale is in no way a precondition to their use by the Minister.

Regardless, in our view the DH Opinion places too much weight on the "purposes" section of the Restructuring Provisions. Even if we were to agree with how the DH Opinion interprets that section, we disagree with this implicit notion that everything which happens under a statute must forward all stated purposes. In our view, the operative sections are more important and looking at the broader context of the Act becomes more critical where there is ambiguity, which in our view does not exist in this case in our view.

The Restructuring Provisions are not prescriptive, and in our view represent a broad toolkit for the Minister to effect different types of Restructuring Proposals at different scales and with different administrative or political consequences.

The term "restructuring", when used within the context of the Restructuring Provisions is a broad one and is defined in section 172 as constituting any one of the following:

> ***(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.*
> *("restructuration") 2001, c. 25, s. 172*
> [**emphasis** added]

In our view, the broad and varied definition of restructuring itself is the most obvious indication that the Restructuring Provisions permit the type of restructuring contemplated through the Barrie Annexation Proposal. A restructuring can be any one of the types listed in section 172(a)-(g) or a combination of different types. We note that the very first type of restructuring involves "annexing part of a municipality to another municipality", which is exactly what is proposed through the Barrie Annexation Proposal. This necessarily is not going to involve large swaths of land at the scale of counties and there is no size limitation set out in the definition.

In addition, we note that the Restructuring Provisions, in sections 171(2) and 173(16) also expressly contemplate a subtype of restructuring proposal referred to as a "minor restructuring proposal":

> *171(2) In sections 172 to 179, a reference to a municipality does not include the cities of Toronto, Hamilton, Ottawa and Greater Sudbury, Haldimand County or Norfolk County or a regional municipality or its lower-tier municipalities except with respect to minor restructuring proposals described in subsection 173 (16).*
>
> *173(16) A restructuring proposal is minor if,*
>
> *(a) the proposal provides for* ***one or more annexations of part of a local municipality to another local municipality and makes any changes to the boundaries of upper-tier municipalities necessary to reflect the annexations****;*
> *(b) the proposal does not provide for any type of restructuring other than described in clause (a); and*
> *(c) the Minister, after reviewing the proposal, is of the opinion that it is of a minor nature.* [**emphasis** added]

The effect of subsection 171(2) is to prohibit certain municipalities from requesting restructuring other than a "minor restructuring." The inverse does not follow from this, however. In other words, subsection 171(2) does not state that only the municipalities listed in that subsection may advance a minor restructuring proposal. It follows that it is open to any municipality not mentioned in 171(2) to pursue a minor restructuring proposal in addition to any other type of restructuring noted in section 172. The Restructuring Provisions do not explicitly or implicitly provide for any such limitation on the types of restructuring that may be advanced by a municipality not listed in subsection 171(2) as long as the requirements of the statute and regulations are followed.[2]

We note that a "minor restructuring" as described in subsection 173(16)(a) constitutes one or more annexations of part of a local municipality to another local municipality and makes any changes to the boundaries of upper-tier municipalities necessary to reflect the annexations.

[2] This includes filing a restructuring proposal meeting the requirements of section 173(1), complying with the requirements of the relevant regulations per section 173(2), and meeting the public consultation requirements set out in 173(3). In order to be implemented by the Minister, any restructuring proposal must also have the prescribed level of support of all municipalities that are affected by the proposal as determined through O. Reg. 216/96.

"Local municipality" is defined in section 1 of the Act to mean "a single-tier municipality or a lower-tier municipality." The Township and City are both local municipalities under this definition. In our view, the Barrie Annexation would therefore qualify as a "minor restructuring" as described in section 173(16)(a). It is our opinion that a minor restructuring is plainly a type of restructuring contemplated in and permitted generally by the Restructuring Provisions for all municipalities.

The reference to "large geographic areas" in section 171(1)(a) must be read in the context of the explicit recognition in section 173 that restructuring can be more "minor" in nature. It would, in our view, be inappropriate to conclude that annexations are only permitted to proceed by way of the Restructuring Provisions if they are proposed at the scale suggested in the DH Opinion.

The Minister Has the Regulatory Authority to Implement the Barrie Annexation Proposal

Section 3(1) of O. Reg. 216/96 provides that the Restructuring Provisions allow for the following types of restructuring:

1. *… annexing to a local municipality, a part of a local municipality … and,*
2. *Separating a local municipality or part of a local municipality from an upper-tier municipality.*

As mentioned above, both the City and Township are local municipalities. The Barrie Annexation Proposal proposes that part of the Township be annexed to the City. This is clearly consistent with section 3(1)1 based on a plain reading of that provision.

The Barrie Annexation Proposal would also involve separating a part of the Township from an upper-tier municipality, in this case the County. This is likewise clearly consistent with section 3(1)2 based on a plain reading of that provision.

For the reasons stated previously, we do not agree with the DH Opinion that these restructuring types, or the Restructuring Provisions generally are only intended to facilitate "operations at the county level." Similarly, the suggestion that a "large geographic area" is limited to the scale of kilometers as opposed to hectares is also not supported in our view.

The DH Opinion states that the Barrie Annexation Proposal is offside of the restriction imposed by subsection 3(2)(a) which states that subsection (1) does not include:

(a) A restructuring that results in any part of an upper-tier municipality not being part of a local municipality.

We do not agree that this provision would prevent the Barrie Annexation Proposal from being implemented. This is because it is clear that if approved, the border of the upper-tier municipality (Simcoe) would simply shift to follow the new border of the local municipality (Springwater) exactly as contemplated in subsection 3(1)2. The Barrie Annexation Proposal would not result in the splintering of any municipality. What subsection 3(2)(a) prohibits is a

restructuring that would result in any part of the County not also being within a local municipality (as is the case with a single tier municipality). That would not be the case if the Barrie Annexation Proposal were to proceed.

Restructuring is Not Limited to Addressing Financial Considerations

We also do not agree with the suggestion that the powers under the Restructuring Provisions are intended only to address financial as opposed to growth management concerns. While subsection 171(1)(c) speaks to the potential for "elimination of a level of government, transfer of municipal powers and responsibilities, and changes to municipal representation systems" the provision is clear through the use of the word "may" that these are types of changes that could possibly be made as part of a municipal restructuring. It does not follow that any or all of those changes must be made as part of any particular restructuring proposal that is brought forward or implemented through the Restructuring Provisions.

Also, although it is true that this provision does not explicitly mention growth management, it also does not explicitly mention financial considerations either.

We note that our conclusion is also supported by the historical use of these provisions, which have been employed by the Minister on dozens of occasions since their inception in 1996 in similar circumstances to implement boundary adjustments and annexations between local municipalities at a similar scale or smaller to what is proposed through the Barrie Annexation, including in cases where county boundary adjustments were also required as a consequence.[3]

In conclusion, in our opinion the Minister has the power to implement a restructuring proposal of this nature pursuant to the Restructuring Provisions. For implementation to occur, such a restructuring would need to meet the required statutory, procedural, and regulatory requirements, including consent of each of the three municipalities involved. If the Township determines that the Barrie Annexation Proposal is not necessary or desirable this would prevent the minister from issuing an order to implement it. We do not, however, agree that there is a fundamental barrier to the Minister implementing the proposal if each of the three municipalities do consent and the process met all other requirements of the Act and regulations.

Please do not hesitate to contact the undersigned should you require anything further.

Yours truly,

LOOPSTRA NIXON LLP

[redacted]

Per: Quinto M. Annibale

[3] https://www.ontario.ca/page/municipal-restructuring; https://data.ontario.ca/dataset/bf2d2076-409c-4e50-b085-da7a039695c4/resource/389bb315-fe73-45a8-8e82-7ab880c1d737/download/municipal_restructuring_activity_summary_table.csv