

## **Committee of the Whole Meeting Agenda**

**Tuesday, September 3, 2019 – 2:00 p.m.**  
**Council Chambers, Guelph City Hall, 1 Carden Street**

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### **Call to Order – Mayor**

Disclosure of Pecuniary Interest and General Nature Thereof

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### **Staff Recognitions:**

1. 2019 Mentorship for Internationally Trained Professionals Award from Employment Coordination Committee Guelph-Wellington – Corporate Services and Human Resources initiative with corporate-wide mentors

#### **Corporate Services**

Kerry Pletch, Human Resources Manager, Talent and Organizational Development

#### **Infrastructure, Development and Enterprise Services**

Daryush Esmaili, Manager, Design and Construction  
David Gordon, Organic Waste Contract Manager  
Emily Stahl, Manager of Technical Services, Water Services  
Mohsin Talpur, Development Environmental Engineer  
Prasoon Adhikari, Environmental Engineer  
Vivian DeGiovanni, Supervisor, Program Development

#### **Public Services**

Alex Goss, Manager, Community Investment  
Andrea Harvie, Service Performance Development Analyst, Guelph-Wellington Paramedic Service  
Muhammed Ismail, Program Manager, Corporate Security  
Tammy Adkin, Manager, Guelph Museums

2. Six Sigma Certification  
Jade Surgeoner, Manager, Financial Reporting and Accounting
  3. Graduate of Conestoga College Human Resources Course and Guelph Y  
Woman of Distinction Honouree  
Misty Taylor, Human Resources Advisor
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## **Consent Agenda – Audit**

### **Chair – Councillor Allt**

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

#### **CAO-2019-14                      Driver Certification Program Compliance Audit Report – 2019**

##### **Recommendation:**

That the Report CAO-2019-14, Driver Certification Program Compliance Audit Report – 2019, dated September 3, 2019 be received.

#### **CAO-2019-15                      Status of Outstanding Management Action Plans – Q2 2019**

##### **Recommendation:**

That the report CAO-2019-15, Status of Outstanding Management Action Plans – Q2 2019, dated September 3, 2019 be received.

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## **Service Area Chair and Staff Announcements**

Please provide any announcements, to the Chair in writing, by 12 noon on the day of the Council meeting.

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## **Ten-Minute Break for Service Area Change**

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## **Consent Agenda – Governance**

### **Chair – Mayor Guthrie**

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

**CS-2019-62****Procedural By-law Update****Recommendation:**

That the proposed Procedural By-law, included as Attachment-2 to the report CS-2019-62 titled Procedural By-law Update, dated September 3, 2019, be approved and that By-law (2018)-20352 be repealed.

**OMC-2019-01****Councillors' Request for Additional Training Funding, 2019****Recommendation:**

That Councillors Rodrigo Goller, Mark MacKinnon, Dominique O'Rourke each be authorized to exceed their 2019 Training Funding allocation of \$4,875.00 in order to cover costs associated with attendance at the Association of Municipalities of Ontario (AMO) conference, 2019.

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**Items for Discussion – Governance**

The following items have been extracted from Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

**City of Guelph Strategic Plan 2019-2023**

Scott Stewart, Chief Administrative Officer  
Colleen Clack, Deputy CAO, Public Services  
Trevor Lee, Deputy CAO, Corporate Services  
Jennifer Smith, Manager, Corporate and Community Strategic Initiatives  
John Matheson, Engagement Principal, StrategyCorp

**Recommendation:**

1. That the City of Guelph Strategic Plan 2019-2023 be approved.
2. That staff be directed to develop a series of Strategic Plan action plan proposals and report back to Council with these proposals by the end of Q2 2020.
3. That the costs associated with the implementation of the Strategic Plan as outlined within report number CA0-2019-16, dated September 3, 2019 be referred to the 2020 budget process.

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**Service Area Chair and Staff Announcements**

Please provide any announcements, to the Chair in writing, by 12 noon on the day of the Council meeting.

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## **Ten-Minute Break for Service Area Change**

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### **Consent Agenda – Public Services**

#### **Chair – Councillor Hofland**

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

#### **PS-2019-18                      Update on the Brant Community Hub**

##### **Recommendation:**

That recommendation number one associated with the closed Report PS-16-30 entitled Brant Community Hub Update, adopted on Monday, November 28, 2016, be rescinded and that the associated resolution be removed from any outstanding Council motion lists.

#### **PS-2019-19                      Tourism Entity Negotiation**

##### **Recommendation:**

That staff be directed to enter into negotiations with a potential eligible tourism entity, as outlined in Report PS-2019-19, with regard to implementing a Municipal Accommodation Tax.

#### **PS-2019-21                      Centennial Pool License Agreement with the Upper Grand District School Board**

##### **Recommendation:**

1. That staff be directed to approve and execute a mutual surrender and amicable termination of the Centennial Pool License Agreement commencing January 4, 2020 with the Upper Grand District School Board.
2. That staff be directed to relocate City of Guelph programs, rental contracts and staff at Centennial Pool to other City-owned aquatic facilities as of the 2020 winter season.

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### **Items for Discussion – Public Services**

The following items have been extracted from Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

#### **PS-2019-17                      Locomotive 6167 Move**

##### **Presentation:**

Danna Evans, General Manager, Culture, Tourism and Community Investment



**Recommendation:**

That Report PS-2019-17, titled Locomotive 6167 Move, dated September 3, 2019 be received.

**PS-2019-20****Revised Community Investment Strategy****Presentation:**

Danna Evans, General Manager, Culture, Tourism and Community Investment

**Recommendation:**

1. That the Community Investment Strategy, included as Attachment-1 of Report PS-2019-20, be approved.
  2. That the new Community Investment Strategy programs, as listed in Attachment-2 to Report PS-2019-20, be funded from the Community Investment Reserve.
  3. That Appendix A of the City's General Reserve and Reserve Fund Policy be amended to reflect the updated language for the Community Investment Reserve as identified in Report PS-2019-20.
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**Service Area Chair and Staff Announcements**

Please provide any announcements, to the Chair in writing, by 12 noon on the day of the Council meeting.

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**Ten-Minute Break for Service Area Change**

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**Consent Agenda – Corporate Services****Chair – Councillor MacKinnon**

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

**CS-2019-77****Property Tax By-law Update****Recommendation:**

1. That pursuant to Section 23.1(1) of the Municipal Act, By-law (2013)-19529 Schedule "P" be amended by adding delegated authority to the Assessment Review Board to hear Municipal Act Section 357 (1) (d.1) applications as set out in Attachment-1 hereto and by adding delegated authority to staff for the apportionment of taxes under Municipal Act Section 356.

2. That pursuant to Section 342(1) of the Municipal Act, By-law (2015)-19987 be amended by changing the payment schedule of the 11 month pre-authorized payment plan to January through November.

**CS-2019-23                      Second Quarter 2019 Operating Variance Report**

**Recommendation:**

That report CS-2019-23 Second Quarter 2019 Operating Variance Report dated September 3, 2019 be received for information.

**CS-2019-84                      The City of Guelph Workplace Diversity and Inclusion Plan**

**Recommendation:**

That report CS-2019-84, The City of Guelph Workplace Diversity and Inclusion Plan dated September 3, 2019 be received.

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**Service Area Chair and Staff Announcements**

Please provide any announcements, to the Chair in writing, by 12 noon on the day of the Council meeting.

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**Items for Discussion – Infrastructure, Development and Enterprise**

**Chair – Councillor Gibson**

The following items have been extracted from Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

**IDE-2019-55                      Downtown Community Improvement Plan –  
Background Report: 2010-2018 and Potential CIP  
Review Directions**  
(extracted from the June 21, 2019 Items for Information as  
requested by Councillor O'Rourke)

Councillor O'Rourke will speak to this item.

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**Service Area Chair and Staff Announcements**

Please provide any announcements, to the Chair in writing, by 12 noon on the day of the Council meeting.

**Adjournment**

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, September 3, 2019
Subject	<b>Driver Certification Program Compliance Audit Report - 2019</b>
Report Number	CAO-2019-14

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## Recommendation

That the report CAO-2019-14, Driver Certification Program Compliance Audit Report-2019 dated September 3, 2019 be received.

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## Executive Summary

### Purpose of Report

To provide Committee of the Whole with the results of the Driver Certification Program compliance audit performed at Guelph Transit in accordance with the Ministry of Transportation (MTO) requirements.

### Key Findings

Based on the results of the audit, the City of Guelph as the Recognized Authority (RA) is in compliance with the Ministry of Transportation Driver Certification Program requirements except for two requirements. Two infractions were noted; the first relates to an error in marking a driver test paper accurately however, it did not impact the overall driver result (pass/fail), and the second was collecting course fees related to driver license renewals in an untimely manner.

The compliance audit identified an opportunity for improvement by recommending management verify periodically that course fees are collected as intended. Management has agreed to implement the recommendation.

### Financial Implications

N/A

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## Report

Guelph Transit Services has been designated by MTO as a RA under the provincial Driver Certification Program. Under this authority; Guelph Transit Services provides program related training and testing to employees for the purpose of upgrading or renewing applicable classified licenses for the City of Guelph including classes B and Z. Each RA must appoint an individual employee to be the Recognized Authority Official (RAO) who is directly responsible for effectively delivering the Driver

Certification Program (DCP). The current RAO for the City of Guelph is the General Manager, Guelph Transit. The SA is the Ministry approved trainer and tester who delivers the program. Guelph Transit currently has one approved Signing Authority registered with the MTO however; the City of Guelph's second signing authority position is vacant.

In 2014, MTO implemented a process to ensure that all Recognized Authorities are in compliance with MTO requirements by delegating the authority to conduct an annual audit on their behalf. Internal Audit meets the criteria to conduct the DCP compliance audits. The first DCP audit conducted by Internal Audit was in 2014. The objective of the audit is to assess whether management is in compliance with the Ministry's requirements.

Based on the results of this audit, the City of Guelph as the Recognized Authority is not in compliance with all requirements of the MTO Driver Certification Program. There were two infractions noted.

Additionally, one recommendation to enhance the driver's renewal test fee collection process was identified by Internal Audit. Management has agreed to the recommendation.

### **Financial Implications**

N/A

### **Consultations**

Discussed findings with General Manager, Guelph Transit and Deputy CAO, Public Services.

### **Overarching Goals**

Service Excellence

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

### **Attachments**

Attachment-1 2019 Driver Certification Program Compliance Audit Report

### **Report Author**

Robert Jelacic, Internal Audit Specialist



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### **Approved By**

Catherine Spence  
Internal Auditor

Office of the Chief Administrative Officer

(519) 822-1260 x 3373

catherine.spence@guelph.ca

# **2019 Driver Certification Program Compliance Audit Report**

**June 13, 2019**

## **Background**

In 2014, MTO implemented a process to ensure that all Recognized Authorities are in compliance with ministry requirements by delegating the authority to conduct an annual audit on their behalf. Internal Audit meets the criteria to conduct DCP audits on behalf of MTO. The first DCP audit conducted by Internal Audit was in 2014.

This audit was included as part of the approved 2019 Internal Audit work plan.

## **Audit Objectives and Scope**

The objective of the audit was to assess whether management has processes in place that are in compliance with Ministry requirements.

The scope and audit program for this compliance audit has been provided by MTO. Random sample testing was conducted to assess compliance against ministry requirements for testing, training and approving license class upgrades and renewals including classes B and Z.

The audit coverage period is April 19, 2018 to May 9, 2019.

The scope included verifying the requirements for the following:

- The Recognized Authority general requirements including stock, driver, facilities, teaching aid requirements and vehicles used for testing;
- The Recognized Authority Official;
- The Signing Authority; and
- Vehicle safety.

## **Executive Summary**

The Driver Certification Program Compliance Audit was conducted in accordance with the Ministry of Transportation Ontario requirements. A random sample of employee drive test files was examined and actual training was observed. MTO provided the audit program and templates to capture the audit test results.

It is a requirement for Internal Audit to upload the results of this audit to the MTO database by July 1, 2019. The audit results were uploaded June 13, 2019.

Based on the results of the audit, the City of Guelph as the Recognized Authority is in compliance with the Ministry of Transportation Driver Certification Program requirements except for two items. The two infractions noted were:

1. Test papers taken by drivers need to be accurately marked. In one instance out of twenty tests reviewed, a test was incorrectly graded. While this did not change the overall pass or fail result for the driver, it is considered an infraction to be reported.
2. The Driver Certification Policy Manual requires collection of fees from drivers when they renew their licenses. During the review it was identified that fees were not collected in a timely manner from all drivers who had renewed their licenses through the RA. As part of the review, it is recommended that driver renewal entries made into the DCP system be reconciled to reports provided by the payroll department to ensure all fees are collected in a timely manner. This review should be done on a regular basis.

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, September 3, 2019
Subject	<b>Status of Outstanding Management Action Plans – Q2-19</b>
Report Number	CAO-2019-15

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## Recommendation

That report CAO–2019–15, Status of Outstanding Management Action Plans-Q2-19, dated September 3, 2019 be received.

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## Executive Summary

### Purpose of Report

- As part of the City of Guelph's follow-up process management provides regular updates on the status and progress of outstanding audit recommendations to Internal Audit.
- The objective of this report is to provide Committee of the Whole with an update on the progress of the implementation of management action plans as reported by management that were developed to address audit observations.
- Additional information related to recommendations that were due to be implemented on or before the period end date is provided as an attachment.
- Internal Audit will report to Council three times per year on management's progress in implementing agreed upon audit recommendations.

### Key Findings

- As at June 30, 2019, 77 % of the audit recommendations with an implementation due date of June 30, 2019 or prior have been completed by management. This is a slight increase from March 31, 2019 that reported 76% completed.
- Of the four recommendations overdue for more than two years, two are related to development of corporate wide policies, and one related to a software implementation.

### Financial Implications

N/A

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# Report

## Overview

As of June 30, 2019, 199 recommendations were reported by management as complete, 59 that were due to be completed are in-progress and six recommendations not yet started (Table 1). Of the 59 recommendations due and outstanding, there are 10 that are more than one year overdue and 49 that are overdue under one year (Table 2) based on the original implementation due dates established by management.

The completion rate reported by management is 77% after deducting the 36 recommendations that have original implementation dates after June 30, 2019 (Table 1).

## Analysis

- The one recommendation remaining from the **Learning and Development** audit was completed this quarter.
- The **River Run Centre Cash Handling Audit** was issued in January 2019 with 47 recommendations made. Management is on schedule to date and have completed all eleven that were due to be completed by June 2019.
- The outstanding **Overtime** audit recommendation relates to recommendations identified in the Kronos Optimization report. After review by management and agreement from Internal Audit, of the 39 recommendations made 28 were deemed completed; three were identified as not relevant based on current processes in place and therefore closed; one was included as part of the Payroll Process audit, and 7 remained and have been identified individually as part of the Overtime audit follow up. The implementation due date has been revised to the fourth quarter 2019 by management from the original due date of fourth quarter 2014.
- The **Purchasing Card** audit has one outstanding audit recommendation remaining and that is to update and finalize the Corporate Parking policy where gaps were identified during the audit. Beginning this quarter, completion of this requirement was transferred by Finance to IDE management. The revised implementation date is now third quarter 2019. The original due date was first quarter 2016.
- The one recommendation that remains outstanding from the **Use of External Consulting** audit is the development of a corporate-wide policy to provide guidance to staff utilizing external consultants to ensure activities are accurate, complete and carried out in a consistent manner. Management's revised implementation date is the third quarter 2019. The original due date was Q1-2015.
- The **Vendor/Payment Process Audit** outstanding audit recommendation relates to establishing management oversight of approved purchase change orders. Management has decided to accept the risk associated with not implementing a manual control process pending a new procurement system decision and implementation. The implementation due date has been revised to

the fourth quarter 2020 by management from the original due date of second quarter 2018.

- The **Single Source Purchase** outstanding recommendations relate to Legal Services reviewing and updating City by-laws, and policies and procedures related to clarifying delegation of authority, and presenting recommended by-law changes to Council. Both of the remaining items are scheduled to be completed by the third quarter 2019. The original due date was second quarter 2018 for both remaining recommendations.
- The **Payroll Process audit** report issued in May 2018 included 76 recommendations. As of June 2019, 32 of 76 recommendations due to be implemented as indicated by management were completed. Six recommendations scheduled to be completed by June 2019 have not yet commenced.
- The **Fuel Security and Systems Audit** has eight outstanding audit recommendations including the development of procedures, investigating automation of individual access codes, review of the integrity of system reports, and ensuring compliance of individuals who use city vehicles to the City's Corporate Vehicle Usage Policy. Revised implementation dates now extend to Q3 2020 for six of the eight remaining recommendations due to delays in system related implementations as reported by management.
- One **Solid Waste Resource Audit** recommendation remains outstanding. The remaining recommendation deals with implementing contract management software. During this quarter, the revised implementation date has been changed to fourth quarter 2019 from third quarter 2019.

Table 1

Activity Summary								
As of June 2019								
Report Issue Date    Report Name	Total	Completed Prior To Current Period	Due by June 30 2019			Due After June 30 2019		
			Complete	In Progress	Not Started	Not Started	In Progress	
Corporate Services								
August 2014	Learning and Development	7	6	1				
October 2013	Overtime	41	39	1	1			
February 2016	Purchasing Card	10	9		1			
June 2014	Use of External Consulting	4	3		1			

## Activity Summary

As of June 2019

Report Issue Date   Report Name		Total	Completed Prior To Current Period	Due by June 30 2019			Due After June 30 2019	
				Complete	In Progress	Not Started	Not Started	In Progress
May 2017	Vendor Payment Process	52	51		1			
October 2017	Single Source Purchase	20	18		2			
May 2018	Payroll Audit	76	30	2	38	6		
<b>Public Services</b>								
January 2017	Fuel Security and Systems	21	12	1	8			
January 2019	River Run Centre Cash Handling	47	7	4			18	18
<b>Infrastructure, Development and Enterprise Services</b>								
June 2016	Solid Waste Resource	16	15		1			
<b>Total Count</b>		<b>294</b>	<b>190</b>	<b>9</b>	<b>53</b>	<b>6</b>	<b>18</b>	<b>18</b>

<b>Aging of the Implementation of Recommendations</b> (due as of June 2019)				
<b>Audit Report Name</b>	<b>Total Recommendations Outstanding</b>	<b>Overdue Less Than a Year</b>	<b>Overdue Between One to Two Years</b>	<b>Overdue Over Two Years</b>
Overtime	1			1
Purchasing Card	1			1
Use of External Consulting	1			1
Vendor Payment Process	1	1		
Single Source Purchase	2	2		
Payroll	44	44		
Fuel System & Security	8	2	6	
Solid Waste Resource	1			1
<b>Total</b>	<b>59</b>	<b>49</b>	<b>6</b>	<b>4</b>

### Summary

The overall completion rate for the second quarter 2019 was 77% up from March 31, 2019 that reported 76% completed. Management and staff continue to work towards the completion of outstanding audit recommendations.

Internal Audit encourages management and staff to continue striving to meet the target completion dates and Internal Audit will continue to support the departments in their efforts to implement audit actions plans timely.

### Financial Implications

N/A

### Consultations

Consulted with the DCAOs and Departmental Management regarding the supplemental information.

### Corporate Administrative Plan

#### Overarching Goals

Service Excellence

## **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

## **Attachments**

Attachment-1 Supplemental Information

## **Departmental Approval**

Catherine Spence, Internal Auditor

## **Report Author**

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## **Approved By**

Catherine Spence  
Internal Auditor  
Office of the Chief Administrative  
Officer  
(519) 822-1260 x 3373  
[catherine.spence@guelph.ca](mailto:catherine.spence@guelph.ca)

## SUPPLEMENTAL INFORMATION

## Outstanding Recommendation Status

**Audit Report:** Overtime

**Date Final Report Issued:** October 2013 (Updated June 2016) and 2016

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Due Date	Status (Not Started/In Progress/Complete)	Departmental Comment
4	Implement the recommendations found in the Kronos Optimization Report and centralize the creation and distribution of management reports.	Agreed. Financial considerations will be identified in staff reports of the 90 day Task Force.	Q4-2014	Q4-2019	<b>Closed - Item has been merged into Rec #25.1 to 25.7</b>	<p><b>March 2014:</b> A separate implementation plan is being developed as part of the Corporate Technology Strategic Plan and will be reported back to Audit Committee and Service Area Standing Committees.</p> <p><b>Q2 - 2017</b> Kronos - new version upgrade has been delayed by the vendor a number of times. We are scheduled to implement in Q1of 2018. Many of the improvements will be addressed in phase one of the implementation. Some changes will be pushed back to the balance of 2018. There are significant capacity issues corporately to do all during the upgrade.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - In light of the recent payroll audit staff will be revisiting the management plan and will address areas identified by the Internal Auditor for Q2 reporting.</p> <p><b>Q2-2018</b> - recommendation to be incorporated and implemented as part of the Internal Payroll Audit</p> <p><b>Q3-2018</b> - Some items contained in the KRONOS optimization report will be included in the payroll audit. The remaining items will be assessed in the KRONOS upgrade scheduled in 2019. Originally upgrade was scheduled for 2018, however, due to lack of funds and resources, unable to implement this year.</p> <p><b>Q4-2018</b> - KRONOS upgrade scheduled for Q4 2019 to address remaining items outlined in the Audit.</p>
						<p><b>Q1-2019</b> - HR has reviewed and assessed the KRONOS Optimization Report. Improvements to the creation and distribution of management reports related to items in the Kronos Optimization Report have been implemented. Of the remaining recommendations related to management reports outlined in the Kronos Optimization Report, HR has determined that a small number of the recommendations no longer meet operational needs and the remainder are being addressed in conjunction with recommendations from the Payroll Audit.</p>

## Outstanding Recommendation Status

**Audit Report:** Overtime

**Date Final Report Issued:** October 2013 (Updated June 2016) and 2016

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Due Date	Status (Not Started/In Progress/Complete)	Departmental Comment
25	Implement the recommendations found in the KRONOS Optimization Report.	Agreed. A payroll audit will be done; It is a requirement for this recommendation to be implemented.	Q3-2014	Q4-2019	See below Rec # 25.1 to 25.7	<p><b>March 2014:</b> A separate implementation plan is being developed as part of the Corporate Technology Strategic Plan and will be reported back to Audit Committee and Service Area Standing Committees.</p> <p><b>Q2 - 2017</b> Kronos - new version upgrade has been delayed by the vendor a number of times. We are scheduled to implement in Q1 of 2018. Many of the improvements will be addressed in phase one of the implementation. Some changes will be pushed back to the balance of 2018. There are significant capacity issues corporately to do all during the upgrade.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - In light of the recent payroll audit staff will be revisiting the management plan and will address areas identified by the Internal Auditor for Q2 reporting.</p> <p><b>Q2-Q2-2018</b> - recommendation to be incorporated and implemented as part of the Internal Payroll Audit</p> <p><b>Q3-2018</b> -Some items contained in the KRONOS optimization report will be included in the payroll audit. The remaining items will be assessed in the KRONOS upgrade scheduled in 2019. Originally upgrade was scheduled for 2018, however, due to lack of funds and resources, unable to implement this year.</p> <p><b>Q4-2018</b> - KRONOS upgrade scheduled for Q4 2019 to address remaining items outlined in the Audit</p>
						<p><b>Q1-2019</b> - HR has reviewed and assessed the KRONOS Optimization Report. Most of the recommendations in the KRONOS Optimization Report related to the Overtime Audit have been completed/implemented. It is expected that the remaining recommendations will be completed or will be noted as recommendations that the City will not be proceeding with in light of current corporate operational requirements.</p>
25.1	Automate the time keeping process, eliminating the need for paper based input of time	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<p><b>Q2-2019:</b> Staff who currently enter their hours via timecards into WAM will now have their schedule included in Kronos for exception reporting. This recommendation is being completed in conjunction with work on Payroll Audit recommendation 25.3The new Manager, Total Compensation &amp; HR Systems started June 24 and will oversee the remainder of the outstanding items with support from the Compensation &amp; Data Analysts.</p>



## Outstanding Recommendation Status

**Audit Report:** Overtime

**Date Final Report Issued:** October 2013 (Updated June 2016) and 2016

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Due Date	Status (Not Started/In Progress/Complete)	Departmental Comment
25.2	Utilize alerts for supervisors for exception review only to facilitate accurate and efficient sign off.	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<b>Q2-2019-</b> IT and HR working to interface @guelph.ca email addresses from JDE to Kronos to facilitate workflow notifications and exception only approval in Kronos. Additional Kronos licenses have been purchased, role based access profiles have been updated, and hyperfinds have been created to allow for exception review. Kronos upgrade is not proceeding in Q4-2019; however, a 2020 capital budget request will be submitted for a new HCM system, which will include a scheduling and timekeeping system. In addition, we submitted an application to Ontario Government Audit and Accountability Fund to receive funding to hire a 3rd party consultant to review and audit the timekeeping and scheduling operational practices with the goal to identify efficiencies and potential savings.
25.3	Utilize the delegation of authority feature	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<b>Q2-2019-</b> IT and HR working to interface @guelph.ca email addresses from JDE to Kronos to facilitate delegation of sign off authority functionality in Kronos. Additional Kronos licences have been purchased to accommodate the delegation of authority feature.
25.4	Adopt basic scheduler across the organization	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<b>Q2-2019-</b> Have increased use of this function throughout the City, but more will be done as we migrate WAM staff to Kronos timekeeping. Further rollout will occur now that the Kronos upgrade is officially on hold for 2019, as is the WAM upgrade (many employees throughout the City record their time in WAM where it then interfaces into Kronos). Kronos upgrade is not proceeding in Q4-2019; however, a 2020 capital budget request will be submitted for a new HCM system, which will include a scheduling and timekeeping system. In addition, we submitted an application to Ontario Government Audit and Accountability Fund to receive funding to hire a 3rd party consultant to review and audit the timekeeping and scheduling operational practices with the goal to identify efficiencies and potential savings.
25.5	Implement schedules to set the foundation to allow for a thorough managing of absences and tardiness	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<b>Q2-2019-</b> All staff who can be put on schedules at this time have been done so. Remaining WAM users should be transitioned by early summer 2019 once a process to allocate the cost of labour is finalized. This item is being completed in conjunction with work being done on Payroll Audit recommendation 25.3. Kronos upgrade is not proceeding in Q4-2019; however, a 2020 capital budget request will be submitted for a new HCM system, which will include a scheduling and timekeeping system. In addition, we submitted an application to Ontario Government Audit and Accountability Fund to receive funding to hire a 3rd party consultant to review and audit the timekeeping and scheduling operational practices with the goal to identify efficiencies and potential savings.
25.6	Use Delegation of authority feature to ensure continuity of authorization process	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<b>Q2-2019-</b> Additional Kronos licences have been purchased and distributed to ensure continuity of the authorization process. Further work on the delegation of authority feature is being completed as part of the Payroll Audit recommendation 25.2

## Outstanding Recommendation Status

**Audit Report:** Overtime

**Date Final Report Issued:** October 2013 (Updated June 2016) and 2016

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Due Date	Status (Not Started/In Progress/Complete)	Departmental Comment
25.7	Adopt workflow notification to manage processes	Not provided at time audit was completed.	Q4-2014	Q4-2019	In Progress	<p><b>Q2-2019-</b> May be addressed via a Kronos upgrade (possibly 2020) or a new compensation and timekeeping system (RFI went out May 2019).</p> <p>Recommend proceeding with functionality within the Kronos upgrade review or new HRIS system RFI and this recommendation is being addressed via Payroll Audit recommendation 25.2. In addition, we submitted an application to Ontario Government Audit and Accountability Fund to receive funding to hire a 3rd party consultant to review and audit the timekeeping and scheduling operational practices with the goal to identify efficiencies and potential savings.</p>

### Outstanding Recommendation Status

**Audit Report:** Purchasing Card  
**Date Final Report Issued:** February 2016  
**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
1	In order to address areas not currently within polides and areas of non-adherence to policy, we recommend that the existing policies be revised and draft policies be finalized to provide guidance to staff in the following areas: a) type of occasions that warrant gifting of floral and other tributes using City monies; an upper limit to guide staff in this purchase and who provides authorization for such a purchase may be beneficial. b) parking a City facilities by City staff. c) use of toll roads in travel either using personal vehicles or city vehicles when travelling for work/training. d) acceptable donations or charitable event tickets that may be purchased using City monies. e) payment of parking fines incurred by staff while on City business.	For item A and D a meeting is being arranged with Human Resources to review and receive their feedback on these policies. For item B a parking policy was developed by Parking and was presented to the Direct Report Leadership Team, we will request an update from Parking and if required to revisit this policy and forward it through their DCAO. For item C and E these policies are incorporated in the Fleet Policy section 15.2; this will also be included in the revisions to the next P-Card Policy.	Q1-2016  Q1-2016  Q3-2016	A) Completed- Q1-2016 B) Q3-2019 C) Completed - Q3-2013 D) Completed - Q1-2015 E) Completed - Q3-2013	In Progress	<b>Q2 - 2017</b> - a) In regards to (a), HR has updated their Bereavement Policy to state the departments should use their own discretion to arrange for flowers to be delivered, as desired or a donation as specified by the family of the deceased up to a maximum of \$100.  b) In regards to (b), it has not been included in the P-Card Policy as the updated Parking Policy has yet to be approved. Once the Parking Policy is approved, we will cross reference the Parking Policy to the P- Card Policy. Professional judgement should be used when parking at City sites as there are a number of factors to consider such as safety and the cost of the individual's time.  c) In regards to (c) and (e), the Automotive Expense Reimbursement Policy states: iv. An employee shall be reimbursed for all necessary costs for tolls and parking charges etc., providing the employee is performing City business; and v. The City shall not pay any fines, penalties or parking tickets incurred by any employee.  d) In regards to (d), the P-Card Policy does not cover this specifically as it is covered under the Employee Code of Conduct.
				see (1) above	see (1) above	<b>Q4-2017</b> - Per the Manager of Transportation Services, the updated Parking Policy has been suspended and will be revisited in conjunction with the Wilson Parkade Construction. (Due date changed to Q4-2018).  <b>Q2-2018</b> - No change from previous comment in Q1 <b>Q3-2018</b> - No change from previous comment in Q2 <b>Q4-2018</b> - As per Allister McIlveen, due date for finalizing the Parking Policy is moved to Q3 2019. The policy addresses the issue of use of City funds to pay for parking at City owned facilities as well as to pay for parking violations. <b>Q1 - 2019</b> - Finance cannot influence the timelines for finalizing the Parking Policy. Having completed all other components of this recommendation, Finance treats this observation as complete and will help transition the outstanding recommendation to IDE to provide future updates.
				see (1) above	see (1) above	<b>Q2-2019</b> - The Employee Parking Policy is expected to be approved by Executive Team for implementation in Q3. Policy prohibits employees from using P-card to pay for parking fees at City facilities or to pay for parking fines.

### Outstanding Recommendation Status

**Audit Report:** Use of External Consulting  
**Date Final Report Issued:** June 2014 (Follow-Up June 2016)  
**Status Date:** Q2-2019

Implementation Schedule				Revised Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
Rec #	Recommendation	Management Response	Original Implementation Date			
1	Develop a corporate-wide policy to govern the use of external consulting. A well-developed policy should include;	Although there is not a specific corporate policy in place respecting use of consulting services, staff do follow the assessment criteria such as that described in the Internal Auditor's recommendations when achieving budget approvals, securing consulting services and managing RFPs. This has been effected within the City's 2014 Procurement By-Law requirements that the Internal Auditor recently confirmed through a separate audit was being applied effectively. Management nonetheless agree that the process could be made more explicit and transparent and intend to develop the consulting review policy recommended. The Internal Auditor's assistance/input will be sought here as there are vast differences in the services provided across the City and jointly with external partners which makes development of a 'one size fit all' policy challenging. There also exists technology (systems) challenges to insure consistent tracking and accounting of the criteria once set. It is therefore expected the corporate policy framework would be ready by Q1 2015.	Q1-2015	Q3-2019	In progress	<p><b>Q2-2017</b> - A corporate policy and procedure was developed on Guidelines for the Use of External Consultants. The policy references the Purchasing By-law when procurement methods are applied to the use of a consultant. This policy was provided to the Executive Team but has not yet been approved. Along with the policy Finance, will look to develop tools to help assist with these decisions.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - No updates from previous comment.</p> <p><b>Q2-2018</b> - The corporate-wide policy has been re-updated and is currently being reviewed by Finance management.</p> <p><b>Q3-2018</b> - Finance distributed the draft policy in September to all GMs and incorporated feedback. The policy is currently being reviewed by the Executive Team.</p> <p><b>Q4-2018</b> - A detailed policy was proposed to the Corporate Management Team. The feedback received was that the policy was too administrative so the policy was changed to a guideline. Finance will communicate the guidelines and the responsibilities of the service areas to consider these guidelines before approving consulting services.</p> <p><b>Q1 - 2019</b> - Finance presented revised guideline to staff Capital Steering Committee. Further comments were received and incorporated and a determination that the guideline be incorporated into the tools and training for Project Managers.</p> <p><b>Q2-2019</b>- The guidelines have been finalized and will be published to staff in the next quarter.</p>
	<p>Criteria and Guidance</p> <ul style="list-style-type: none"> <li>- When external consulting can and should be used</li> <li>- The overall governance policy should define capital vs. operating expenses and the application of each for external consulting use</li> <li>- Define the process for selection</li> </ul>	See (1) above	Q1-2015	See (1) above	See (1) above	See (1) above.

## Outstanding Recommendation Status

**Audit Report:** Use of External Consulting  
**Date Final Report Issued:** June 2014 (Follow-Up June 2016)  
**Status Date:** Q2-2019

Implementation Schedule				Revised Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
Rec #	Recommendation	Management Response	Original Implementation Date			
	Business Case development requirement - Identify expertise or capacity requirements - Identify the development plan for in-house staff to address future requirements - Cost Benefit Analysis The business case should answer The following questions (at a minimum) - Is The expertise available in house? - If expertise Is available in-house, Is there capacity to do The work? - If The expertise Is not available in-house, Is this work required only for The short term? - If this work and skill set Is required for a long term or on a repetitive basis what Is The plan to develop The skill in-house? - The internal business case process currently under development at The City of Guelph should be considered as The tool to use to justify The use of external consulting. - Define The expenditure limit that would require The use of The business case tool.	Per (1) above		See (1) above	see next row	See (1) above.

## Outstanding Recommendation Status

**Audit Report:** Vendor / Payment Process Audit  
**Date Final Report Issued:** May 2017  
**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
13.3	Ensure all approved change orders are sent to the vendor related to timing, scope and dollar value.	Agree – Due to system limitations this improvement/control recommendation is not available at this time. As part of the WAM/JDE evaluation IT staff will ensure this functionality is a requirement of the new system.	Q2-2018	Q4-2020	In progress	<p><b>Q4-2017</b> - Continues to be part of JDE/WAM re-implementation which is scheduled for Q3-2018.</p> <p><b>Q1-2018</b> - Status remains the same from the last update</p> <p><b>Q2-2018</b> - Status remains the same from the last update. Due date revised to Q1-2019 due to project timeline changes related to CMMS.</p> <p><b>Q3-2018</b> - System review still in progress. No further updates.</p> <p><b>Q4-2018</b> - Due to CMMS pause we cannot provide an accurate timeline update at this time.</p> <p><b>Q1-2019</b> - Finance communicated this requirement to the IT team and the JDE Implementation Consultant. JDE has the capability to set thresholds and restrictions about what information will be sent to the vendor and what will be considered internal changes such as changes to account numbers, etc. Given the timeline associated with the implementation of JDE we do not feel the value proposition is there to configure these changes in WAM. In the interim, we will investigate the possibility of implementing additional mitigating controls.</p> <p><b>Q2-2019</b> - This system functionality will be implemented with the JDE Procurement project expected to be completed by Q4 2020. Management has reviewed mitigating controls and other stop gap measures but the cost of reconfiguring a system that will be retired in the next year is not prudent. Further, management does not consider this a priority, high risk concern, and as a result is willing to accept the risk associated with waiting until the JDE Procurement project is completed.</p>

## Outstanding Recommendation Status

**Audit Report:** Single Source Purchase  
**Date Final Report Issued:** October 2017  
**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
8.1	In conjunction with Legal Services and other key stakeholders review the City's by-laws, policies and procedures related to delegation of authority to ensure clarity.	Agree: (1) Form a working group, consisting of key stakeholders, to review the City's by-laws, policies and procedures related to delegation of authority. (2) Present review findings to ET.	End of Q2-2018	Q3-2019	In Progress	<b>Q3-2018</b> - On schedule to complete by Q4-2018 <b>Q4-2018</b> - On schedule to complete by end of Q2-2019 <b>Q1-2019</b> - On schedule to complete by end of Q3-2019 <b>Q2-2019</b> - On schedule to complete by end of Q3-2019
8.2	Based on the review recommended in item 8.1, present any recommended By-law changes to Council for consideration.	Agree: Present recommended by-law changes to ET for approval, prior to laying a report and recommendation(s) before Council for consideration.	End of Q2-2018	Q4-2019	In Progress	<b>Q3-2018</b> - On schedule to complete by Q2-2019 <b>Q4-2018</b> - On schedule to complete by end of Q4-2019 <b>Q1-2019</b> - No change from previous update <b>Q2-2019</b> - No change from previous update

## Outstanding Recommendation Status

**Audit Report:** Payroll Process Audit

**Date Final Report Issued:** May 2018

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
1.1	Update the non-union compensation policy, obtain appropriate approval where needed, communicate policy to staff and post on Infonet.	Agreed - At the conclusion of the Payroll Audit findings implementation, the approved non-union compensation policy will be communicated and accessible to staff on the Infonet site.	Q3-2018	Q4-2019	In progress	<p><b>Q3 - 2018</b> - Currently reviewing policy. Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019.</p> <p><b>Q4-2018</b> - Currently reviewing policy. Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019.</p> <p><b>Q1-2019</b> - Compensation &amp; Data Analyst has been assigned to complete a NUME benefits review and comparison by Q2-2019 and policy will be updated</p> <p><b>Q2-2019</b>- The new Manager, Total Compensation &amp; HR Systems started on June 24th and will update the non-union compensation policy for review by GM, HR and approval by the Executive Team and Council</p>
1.2	Develop, implement and communicate procedures for City and Payroll staff to ensure activities are processed in a consistent and accurate manner.	Agreed – The proper training of all parties involved in payroll processing from departmental initiation through the payroll processing itself will be completed.	Q3-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Training will be offered to all parties involved in payroll process once policies and procedures are formalized.</p> <p><b>Q4-2018</b> - Training will be offered to all parties involved in payroll process once policies and procedures are formalized</p> <p><b>Q1-2019</b> - Compensation staff have identified priority areas for timekeeping and payroll processing requiring formal, documented procedures. SOPs are being created and training tools and sessions to be rolled out corporate wide Q3-2019.</p> <p><b>Q2-2019</b>- The new Manager, Total Compensation &amp; HR Systems started on June 24th and will oversee the ongoing development, implementation, and communication/training of documented timekeeping and payroll procedures for City and Payroll staff</p>
1.3	Review policies and procedures periodically and update when necessary.	Agreed – A review and update, as necessary, of the policies and procedures related to payroll processing will be completed annually and signed off by the GM of HR.	Q3-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Payroll and Benefits Associate to start Q1-2019 to assist with documenting policies and procedures for review and update.</p> <p><b>Q4-2018</b> - Payroll and Benefits Associate to start Q1-2019 to assist with documenting policies and procedures for review and update</p> <p><b>Q1-2019</b> - Annual review of HR compensation policies by Mgr, Compensation &amp; HR, GM will be scheduled each September to allow time for necessary updates and submission for review of updates annually in Q1.</p> <p><b>Q2-2019</b>- The new Manager, Total Compensation &amp; HR Systems started on June 24th and will schedule an annual review of timekeeping and payroll policies and procedures</p>



## Outstanding Recommendation Status

**Audit Report:** Payroll Process Audit

**Date Final Report Issued:** May 2018

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
2.1	Develop and formalize a performance monitoring program in order to assess payroll processing efficiency and effectiveness, identify potential customer service enhancements and identify potential efficiencies.	Agreed – This will likely take a great deal of effort to construct following the completion of the payroll processing improvements. Consequently, the performance monitoring piece will be at the end of the overhaul timeline.	Q1-2019	Q3-2019	In progress	<p><b>Q4-2018</b> - To be included in consultation with key stakeholders to be initiated with new Compensation and Data Analyst</p> <p><b>Q1-2019</b> - Payroll processes are still being reviewed and improved with recommendations from the Payroll Audit. A performance monitoring program will not be initiated until the recommendations are all complete.</p> <p><b>Q2-2019</b>- Payroll processes are still being reviewed and improved with recommendations from the Payroll Audit. A performance monitoring program will not be initiated until the recommendations are all complete</p>
3.1	Review all payroll processes and identify key activities that need to be reviewed and/or approved including but not limited to those activities listed above.	Agreed – Once the permanent replacement for the HR Manager, Total Rewards and HR Systems is in place, the appropriate segregation of duties will be established to ensure that the oversight is strengthened.	Q1-2019	Q3-2019	In progress	<p><b>Q3-2018</b> - Data input by myHR, review by HR Manager, Total Rewards and HR Systems implemented with further segregation linked to P &amp; B Associate.</p> <p><b>Q4-2018</b> - Data input by myHR, review by HR Manager, Total Rewards and HR Systems implemented with further segregation linked to P &amp; B Associate.</p> <p><b>Q1-2019</b> - Payroll processes are being reviewed by payroll staff to identify areas requiring further segregation of duties and SOP requirements.</p> <p><b>Q2-2019</b>- Preliminary work has begun to ensure the appropriate segregation of duties amongst compensation/HR staff, but further work will be needed once a replacement Payroll Associate is hired</p>
4.1	Update the By-law to provide clarity with respect to CAO's duties regarding setting, modifying and administering non-union compensation policy and if needed obtain appropriate approvals.	Agreed – A complete and thorough vetting of the current CAO Delegation of Authority By-law will be prepared for the new term of Council.	Q1-2019	Q4-2019	In progress	<p><b>Q3-2018</b> - Currently reviewing and vetting of CAO By-law - target date Q1-2019 to go to Council.</p> <p><b>Q4-2018</b> - Currently reviewing and vetting of CAO By-law - target date Q1 2019 to go to Council</p> <p><b>Q1-2019</b> - DCAO, Corporate Services has begun drafting updated CAO Bylaw. Revised Bylaw expected to go to Council following the arrival of a new CAO.</p> <p><b>Q2-2019</b>- DCAO, Corporate Services has begun drafting updated CAO Bylaw. Revised Bylaw expected to go to Council following the arrival of a new CAO</p>
6.1	Review and update the policy definition and criteria for additional pay 5% premium. Policy update to include but not limited to: exceptions to policy must be approved by the CAO and additional pay does not exceed an employee's grade level rate or the maximum.	Agreed – The criteria for the additional pay will be reviewed/revised and approved by ET.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019 (March 2019). Process put into place to ensure CAO/DCAO sign off any exceptions</p> <p><b>Q1-2019</b> - Payroll staff will draft a policy for all 5% premium processes in preparation for review and incorporation into the CAO By-law. Separate pay codes will be created to clearly distinguish each of the 5% premium pay types.</p> <p><b>Q2-2019</b>-Policy definition/criteria and tracking system has been created, which includes specific pay codes, start/end dates, monthly review and approval process by GM, HR, and approval letter templates. This will be complete once the CAO by-law is approved by Council.</p>

## Outstanding Recommendation Status

**Audit Report:** Payroll Process Audit

**Date Final Report Issued:** May 2018

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
6.2	Ensure compliance to policy and procedures.	Agreed – The compliance to the policy will be subject to IA follow-up and internal reviews by the new Manager.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - Policy finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019 (March 2019). Process put into place to ensure CAO/DCAO sign off any exceptions</p> <p><b>Q1-2019</b> - Compliance will be built into the policy parameters. Staff will also implement a monthly review with the GM, HR of all staff with 5% premiums to ensure the appropriateness of those still receiving the premium.</p> <p><b>Q2-2019</b>- Procedures have been created and training will be provided to appropriate stakeholders. Working to ensure premium pay is not calculated for vacation or culpable absences</p>
6.3	Develop, document and implement a procedure that outlines the process including authorization, requirements and timing to ensure compliance to policy and that activities are processed in a consistent and accurate manner.	Agreed – It will be tied in as requiring authorization by the CAO.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - Policy finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019 (March 2019). Process put into place to ensure CAO/DCAO sign off any exceptions</p> <p><b>Q1-2019</b> - A signed employee change form with the appropriate level of authorization(s) (i.e. GM, DCAO, and/or CAO) will be implemented. Extensions beyond the policy time limits for premiums will require CAO approval.</p> <p><b>Q2-2019</b>- Template letter has been created with the parameters for the premium pay and signatures required from the appropriate DCAO for approval prior to the start of the premium pay period. This will be complete once the CAO by-law is approved by Council.</p>
7.3	Communicate to staff the importance of timely submission and report late submissions to service area management.	Agreed – A communication plan will be developed outlining the specific expectations of service area staff. Included in that plan will be the monitoring of the submissions reflective of deadlines and the reporting of late submissions to service area management.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - Reminders sent to department leaders to ensure deadlines are met. Payroll Associate started January 21, 2019 - part of this role will be to work with HR Manager, Total Rewards and HR Systems to develop the communication plan and expectations.</p> <p><b>Q1-2019</b> - Communication of the importance of timely submission of premium pay changes will be included as part of the 5% premium policy update and re-implementation.</p> <p><b>Q2-2019</b>- Communication of the updated NUME Compensation policy and procedures by the new Manager, Total Compensation &amp; HR Systems over the next quarter</p>
9.6	Investigate using Kronos in conjunction with software currently used by EMS to enhance oversight of accrual information for EMS employees.	Agreed – Will investigate Kronos – JBE integration for accruals.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Staff capacity has been extremely limited and currently there is not sufficient expertise within the City to undertake this project. This is being included as part of the Kronos upgrade or RFI for a new HRIS. Trevor, Sasha, and David meeting April 23rd to discuss further.</p> <p><b>Q2-2019</b>- EMS is investigating other timekeeping and accrual options. The contract Compensation &amp; Data Analyst is monitoring and will provide recommendations as part of the corporate wide timekeeping and payroll systems review</p>

## Outstanding Recommendation Status

**Audit Report:** Payroll Process Audit

**Date Final Report Issued:** May 2018

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
10.1	Ensure there is a back-up to the HRIS Specialist to avoid potential disruption in system performance/service.	Agreed – The HRIS Specialist will need to document the system configuration and have a back-up staff member trained.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - HR and IT are documenting both the system configuration and processes. HR currently in the process of recruiting a Compensation and Data Analyst to replace the HRIS Specialist. <b>Q1-2019</b> - Training has begun, but more is required. HR in discussion with IT to address. <b>Q2-2019</b> - Training is ongoing, but more is required. HR in discussion with IT to address
10.2	Provide system training to the payroll staff in order to help in carrying out their responsibilities more effectively and efficiently.	Agreed – Identified Payroll staff will be supported to attend appropriate training for their applications.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - All training requirements will be identified and included in the multi-phased HT tech plan. <b>Q1-2019</b> - Compensation staff have initiated a training needs review plan with Training & Development staff and have begun scheduling systems training. Further training and resources are required, particularly for Kronos system utilization. <b>Q2-2019</b> - ongoing from Q1 update
10.4	Create a committee of key stakeholders to review and identify City wide payroll process requirements and compare to JDE functionality available to identify opportunities to improve effectiveness and efficiency.	Agreed – Engage with the business units to form a representative stakeholder committee to evaluate the JDE functionality and the requirement of any opportunities to improve the processing.	Q1-2019	Q4-2019	In progress	<b>Q4-2018</b> - Compensation and Data Analyst to facilitate stakeholder engagement to improve customer service, effectiveness and efficiencies <b>Q1-2019</b> - The recruitment for the contract Compensation & Data Analyst position is underway and once hired, the employee will commence this project. <b>Q2-2019</b> - Contract Compensation & Data Analyst has been hired and the employee has commenced this project
10.5	Review existing exception reports to validate relevance and to identify potential additional/replacement reports that would enhance the payroll process.	Agreed – Sourcing a JDE payroll consultant to examine the current report utilization and provide recommendations for improvement.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - We will be developing a multi-phased HR tech plan this year with IT which will include this recommendation. <b>Q1-2019</b> - Exception reports have been reviewed. An external consultant will be required to validate and create/replace reports. <b>Q2-2019</b> - Compensation & Data Analysts continue to undertake this review and evaluation. Audit and Accountability Fund Expression of Interest has been submitted for possible provincial funding for this review
10.6	Investigate the options of interfacing data from Firehouse to Kronos and implement the most effective and efficient option and review and update the JBS interface to ensure it transfers to Kronos accurately and completely.	Agreed – By investing in the transfer of data from the two non-Kronos applications, the reduced risks associated with manual interventions would improve the system integrity. The data bridges for JBS would be updated to ensure that it transfers to Kronos accurately and completely, validated by an audit record of transfers. A similar process will be investigated to address the data transfer from Fire House in the same manner as JBS.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - We will be developing a multi-phased HR tech plan this year with IT which will include this recommendation. <b>Q1-2019</b> - Currently there is not sufficient expertise within the City to undertake this project. HR has initiated discussions with Fire regarding options for interfacing Firehouse into Kronos, and with EMS to eliminate JBS and conduct all EMS timekeeping in Kronos. <b>Q2-2019</b> - Fire and EMS leaders are investigating other timekeeping and accrual options. The contract Compensation & Data Analyst is monitoring and will provide recommendations as part of the corporate wide timekeeping and payroll systems review

## Outstanding Recommendation Status

**Audit Report:** Payroll Process Audit

**Date Final Report Issued:** May 2018

**Status Date:** Q2-2019

Implementation Schedule				Management Status Update		
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12.1	Determine the appropriate level of authorization required to add/modify grade levels.	Agreed – The GM, HR in addition to the DCAO Corporate Services should annually review the master grade level strategy. Any adjustments to the modelling should be approved by the GM, HR. In regard to modifications to the non-union grade level, the modification should be reviewed/approved by the CAO, or designate as required, guided by the authorities within the CAO Delegation of Authority By-law.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - Currently reviewing policy. Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019 <b>Q1-2019</b> - Compensation staff are compiling a list of situations when a grade may need to be added/modified and will provide this list to HR leaders for their consideration when drafting policy/guideline to determine the appropriate authorization for these modifications. <b>Q2-2019</b> - The new Manager, Total Compensation & HR Systems started on June 24th and will review staff findings and recommendations with the GM, HR to help inform this section of the CAO bylaw revisions scheduled to go to Council in the Fall 2019.
12.2	Develop and implement a procedure to provide guidance and responsibilities regarding the management of non-union grade levels for full time, contract and temporary employees.	Agreed – Covered in 12.1 above.	Q4-2018	Q4-2019	In progress	<b>Q4-2018</b> - Currently reviewing policy. Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019 <b>Q1-2019</b> - Compensation staff are compiling a list of situations when a grade may need to be added/modified and will provide this list to HR leaders for their consideration when drafting policy/guidelines to determine the appropriate authorization for these modifications. <b>Q2-2019</b> - The new Manager, Total Compensation & HR Systems started on June 24th and will review staff findings and coordinate communication to HR staff and City leaders
13.1	Ensure the business continuity plan is updated, tested and finalized and implemented.	Agreed – system critical processes like Payroll should have a full business continuity plan which is approved / updated annually by the DCAO Corporate Services.	Q1-2019	Q1-2020	Not started	<b>Q1-2019</b> - Will need to finalize work on payroll process reviews and SOPs prior to updating the business continuity plan. <b>Q2-2019</b> - The new Manager, Total Compensation & HR Systems started on June 24th and will address
13.2	Develop, document, test and implement a disaster recovery plan for payroll critical services.	Agreed – the testing of the disaster recovery model should be completed annually and resulting improvements addressed/updated into both the business continuity plan as well as the disaster recovery plan as necessary.	Q1-2019	Q1-2020	Not started	<b>Q1-2019</b> - Will need to finalize work on payroll process reviews and SOPs prior to updating a disaster recovery plan. <b>Q2-2019</b> - The new Manager, Total Compensation & HR Systems started on June 24th and will address

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14.1	Review payroll staff responsibilities and segregate incompatible duties however; if there is a business reason not to segregate incompatible duties, implement and document compensating controls to monitor activity.	Agreed - Staff responsibilities should be separated so that the risks associated with inappropriate activities are minimized. If, due to the limited number of staff in the functions, the new Manager will review and approve all processing of incompatible functions to ensure that there is a presence of oversight and detection/review.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Payroll Associate hired and started January 21, 2019. Currently in process for hiring Compensation and Data Analyst. HR Manager, Total Rewards and HR Systems is signing off all exception and ensuring there is oversight until new payroll staff are hired.</p> <p><b>Q1-2019</b> - Processes are being reviewed step-by-step of the payroll run process, areas requiring segregation are being identified, options for segregating duties are being discussed, and new processes being implemented and SOPs to be created. An example of segregation of duties include one Payroll Specialist uploading a payroll deposit file to the bank, the second Payroll Specialist reviews and authorizes the file, and a Compensation &amp; Data Analyst completes a final review and approves the release of payment.</p> <p><b>Q2-2019</b>- The new Manager, Total Compensation &amp; HR Systems started on June 24th and will review the preliminary work that has begun to ensure the appropriate segregation of duties amongst compensation/HR staff, but further work will be needed once a replacement Payroll Associate is hired</p>
15.1	Provide I.T. staff with end user read only access.	Agreed – IT Staff should not have the access to write/modify.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - HR Manager, Total Rewards and HR Systems is currently investigating and will be included in the HR Tech Plan</p> <p><b>Q1-2019</b> - May never be able to completely remove IT write/modify access entirely, we will be able to establish audit trail processes for circumstances where IT is required to write/modify HR records. Pre-approval for IT activity will be documented (i.e. it is expected that the IT employee will perform a prescribed list of tasks in the system each year end, etc.) and the audit trail will be reviewed by HR leaders on a regular basis.</p> <p><b>Q2-2019</b>- IT requires some editing capabilities, however, further mitigating controls need to be put in place to reduce risk and strengthen audit records</p>
15.2	Identify incompatible duties when granting end user access in Kronos and JDE and segregate where possible however; if it is not possible due to a business reason document and implement compensating controls.	Agreed – End user access to Kronos and JDE will be assessed for incompatible duties. Effort will be taken to segregate these duties. In the event that business reasons prevent this from being achieved, a record of the business reasons will be documented and approved by the New Manager. Where segregation of incompatible functions cannot be achieved, the new Manager will institute compensating review procedures to ensure proper processing, minimizing the corporate risk.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Payroll Associate hired and started January 21, 2019 responsible to add new hires in the system with the Compensation and Data Analyst (when hired) to verify bi-weekly new hire entries. Payroll and Benefits Specialist preparing payroll has calculations verified and final bank transfer completed by other Payroll and Benefits Specialist to separate duties. HR has requested reports from IT regarding user access profiles and will review for incompatibilities, then make the necessary revisions to segregate duties.</p> <p><b>Q1-2019</b> - Further training of Compensation &amp; Data Analysts required prior to addressing this recommendation.</p> <p><b>Q2-2019</b>- End user access in Kronos has been revised to segregate duties and access based on roles. Further training is required for Compensation staff in order to undertake the updates necessary for defining end user access in JDE. Preliminary work has begun to ensure the appropriate segregation of duties amongst compensation/HR staff, but further work will be needed once a replacement Payroll Associate is hired</p>

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15.3	Ensure access is granted to only functionality needed to carry out job responsibilities.	Agreed – A thorough review of the software access granting rights will be completed and access rights will be specifically aligned with job function.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Compensation &amp; Data Analyst is compiling a list of user access levels in Kronos and will review rename/reassign functional access based on role. Functional access profiles will follow a standard naming convention related to the division and position title rather than an employee's name.</p> <p><b>Q2-2019</b>- End user access in Kronos has been revised to segregate duties and access based on roles. Further training is required for Compensation staff in order to undertake the updates necessary for defining end user access in JDE</p>
15.4	Ensure JDE roles and user access granted is reviewed periodically along with the service area to validate accuracy.	Agreed – Once the tasks in 15.3 are completed, all modifications will only be applied if the new Manager approves in writing. An annual audit of access will be completed and signed off by the new manager.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Compensation &amp; Data Analyst with IT support is reviewing HRS Security Business Unit assignments/names to update and reassign as necessary (i.e. to capture new leadership positions and naming conventions that are now in place since the HRS project was initially rolled out over five years ago). The HRS numbers determine which employees can be seen by JDE users when they log in to JDE. Checklists for the creation of new leader positions will include the requirement to update/create an HRS number and assign to the appropriate reporting staff.</p> <p><b>Q2-2019</b>- The new Manager, Total Compensation &amp; HR Systems started on June 24th and will arrange for further training that is required for Compensation staff in order to undertake the updates necessary for defining end user access in JDE</p>
15.5	Consider implementing a role based security access model in Kronos to enhance efficiencies.	Agreed – Staff will investigate and depending on the software limitations, will establish a role-based security access model.	Q4-2018	Q2-2020	In progress	<p><b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Further training of Compensation &amp; Data Analysts required prior to addressing this recommendation.</p> <p><b>Q2-2019</b>- Further training of Compensation &amp; Data Analysts required prior to fully addressing this recommendation, but this recommendation is being explored as part of the timekeeping and payroll systems process review. Kronos upgrade is not proceeding in Q4-2019; however, a 2020 capital budget request will be submitted for a new HCM system, which will include a scheduling and timekeeping system. In addition, we submitted an application to Ontario Government Audit and Accountability Fund to receive funding to hire a 3rd party consultant to review and audit the timekeeping and scheduling operational practices with the goal to identify efficiencies and potential savings.</p>

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16.4	Develop a procedure regarding Super User granting and removal of access. Ensure procedure identifies but not limited to: responsibilities, approvals, frequency a password is changed and review of activity.	Agreed - Achieved under 16.1 above.	Q3-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Manager working on documenting SuperUser password procedure.</p> <p><b>Q4-2018</b> - HR Manager, Total Rewards and HR Systems working on documenting Super User password procedure</p> <p><b>Q1-2019</b> - Procedure created, SOP documentation created, audit trail functionality in Kronos is being tested by IT, and quarterly update of password and activity has been scheduled.</p> <p><b>Q2-2019</b> - Procedure created, SOP documentation created, audit trail functionality in Kronos is being tested by IT, and quarterly update of password and activity has been scheduled. Final review will be completed by the new Manager, Total Compensation &amp; HR Systems</p>
18.1	Develop, document and implement procedures to protect data based on its sensitivity and ensure only those employees who need the information have access.	Agreed – Following an extensive review of the capabilities of the Kronos / JDE software, in conjunction with the user profiles, an invested effort will be made to ensure that user profile determines the extent of the employee datafile that is accessible.	Q3-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Working with consultant to determine access and restriction options to define by role for approval by HR Manager, Total Rewards and HR Systems</p> <p><b>Q4-2018</b> - Working with consultant to determine access and restriction options to define by role for approval by HR Manager, Total Rewards and HR Systems</p> <p><b>Q1-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting an HR filing policy that is expected to be completed in Q2. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices.</p> <p><b>Q2-2019</b> - HR Mgr, Talent &amp; Organizational Development is still drafting an HR filing policy that is expected to be completed in Q3. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices</p>
18.2	Review payroll data to ensure data is adequately protected as per 18.1 and complies with the Access and Privacy policy.	Agreed – Payroll data will be categorized. If unnecessary information is gathered regarding an employee, or information has been updated, notation will be made that the data has been reviewed and removed from the network drives. Payroll data will be protected through validated sign-on into the system and sensitive information will not be downloaded to individual network drives. The new Manager will ensure that the data retention process is in compliance with the Access and Privacy Policy.	Q3-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Working with Clerk's to review and update compliance with privacy obligations</p> <p><b>Q4-2018</b> - Working with Clerk's to review and update compliance with privacy obligations</p> <p><b>Q1-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting a Human Resources FILE retention policy that will reference the City's Records Retention Bylaw, legislated retention timelines and criteria, and input from Payroll staff. Will include document purge timelines to ensure employee information is housed securely and only kept on file as long as is required as per the Access and Privacy policy.</p> <p><b>Q2-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting an HR filing policy that is expected to be completed in Q3. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices</p>

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19.1	Develop, document and implement employee file retention procedures to assist Human Resources staff and to comply with legislation and City's By-law.	Agreed – Very clearly, adherence to the City's retention By law is required. A systematic review of each and every active employee should be completed to identify missing or invalid information, with a secured purging of duplicate or unnecessary file contents measured against a clear table of contents.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Working with Clerk's to review and update compliance with privacy obligations</p> <p><b>Q1-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting a Human Resources retention policy that will reference the City's Records Retention Bylaw, legislated retention timelines and criteria, and input from Payroll staff. Will include document purge timelines to ensure employee information is housed securely and only kept on file as long as is required as per the Access and Privacy policy. File room purge is expected to commence in Q3 within the parameters of the employee file retention policy and will be scheduled annually thereafter.</p> <p><b>Q2-2019</b>- HR Mgr, Talent &amp; Organizational Development is drafting an HR filing policy that is expected to be completed in Q3. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices</p>
19.2	Ensure employee files comply with the City of Guelph's retention by-law.	Agreed – see above; on an annual basis there should be a dedicated effort to identify and remove closed information specifically complying with the By-law.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Working with Clerk's to review and update compliance with privacy obligations</p> <p><b>Q1-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting a Human Resources employee information and file retention policy that will reference the City's Records Retention Bylaw, legislated retention timelines and criteria, and input from Payroll staff. Will include document purge timelines to ensure employee information is housed securely and only kept on file as long as is required as per the Access and Privacy policy. File room purge is expected to commence in Q3 within the parameters of the employee file retention policy and will be scheduled annually thereafter.</p> <p><b>Q2-2019</b>- HR Mgr, Talent &amp; Organizational Development is drafting an HR filing policy that is expected to be completed in Q3. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices</p>
19.3	Communicate to staff the retention period for documentation that supports time recorded in Kronos.	Agreed – The new Manager will further develop the system of onboarding and off boarding to include the audit of assembled documents in employee files. The retention period for documentation will be communicated to departmental points of contact.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Working with Clerk's to review and update compliance with privacy obligations</p> <p><b>Q1-2019</b> - HR Mgr, Talent &amp; Organizational Development is drafting a Human Resources employee file retention policy that is expected to be completed in Q2. This will be communicated to City leaders regarding retention periods and methods for timekeeping supporting documentation.</p> <p><b>Q2-2019</b>- HR Mgr, Talent &amp; Organizational Development is drafting an HR filing policy that is expected to be completed in Q3. It will incorporate legislated (ESA, CRA, MFIPPA, OMERS requirements, etc.) retention, privacy, and access parameters, as well as City Bylaws and best practices</p>



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19.4	Ensure employee documents are filed timely.	Agreed – The new Manager will establish a staffing assignment that ensures that all records are filed within a timely manner not to exceed 2 weeks from receipt.	Q4-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Working with myHR staff to ensure timely filing</p> <p><b>Q4-2018</b> - Working with myHR and new Payroll and Benefits Associate to ensure timely filing and filing backlog to be cleared by temporary staff to be hired in Q1-2019. Continue looking for opportunities to maintain electronic records to reduce paper filing. Hired a temporary filing clerk to assist.</p> <p><b>Q1-2019</b> - Temporary filing clerk will have the filing backlog completed by mid-April. Will then commence an employee file purge in compliance with the new HR file retention policy referenced in recommendation 19.2, the City's Records Retention Bylaw, and the Access and Privacy policy. An annual employee file purge will be scheduled annually thereafter to ensure compliance with policies and legislation related to employee record retention. The Payroll Associate will ensure that all filing is completed on a bi-weekly basis and no further backlog occurs. Only original, signed documents (employment offer letters, benefit enrolment forms, etc.) will be retained in paper copy in the employee file; the remainder will be stored digitally in the employee's JDE profile (proof of education, etc.)</p> <p><b>Q2-2019</b> - Filing backlog has been eliminated. Filing will be completed on a weekly basis when a replacement Payroll Associate is hired. Compensation staff are working to increase digital document management and have reduced paper backup and filing for pay run process by 25%</p>
19.5	Develop and implement a standard form for use by the departments to communicate new hire data as well as other changes to the employees profile to enhance efficiency and effectiveness. This form would be used by Human Resources to enter data into the system and therefore must include all key information.	Agreed – Standard forms for all determined process will be developed, implemented and audited for completeness. There will be a discontinuance of information being received by email, telephone, or other generic and non-specific means.	Q4-2018	Q3-2019	In progress	<p><b>Q3-2018</b> - Developed draft form currently be reviewed by HR team.</p> <p><b>Q4-2018</b> - Developed draft form currently being reviewed by HR team</p> <p><b>Q1-2019</b> - HR leadership has directed the creation of a standard employee record change form with escalating approvals (i.e. employee, direct leader, GM, DCAO, CAO, as appropriate for the requested change). This would replace the current draft forms to consolidate change requests into one form. This project will commence shortly and be completed in Q2.</p> <p><b>Q2-2019</b> - Draft form created, further review by the Manager, Total Compensation &amp; HR Systems will be undertaken prior to release corporate wide</p>
20.1	Review the annual increase process and identify options of automating the calculation to enhance efficiency and effectiveness.	Agreed – Ideally, HR would like to have this systems process automated before the next PDP cycle. However, it may require an additional cycle given the workload of the department to respond to and implement the breadth and depth of change management.	Q4-2018	Q4-2019	Not started	<p><b>Q4-2018</b> - We will be developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - No automation is currently possible based on our current systems and current expertise levels amongst IT or HR staff in our current pay related systems. Automation of this (and other HR) processes is a key factor for consideration in the RFI that is going out to HRIS vendors in Q2.</p> <p><b>Q2-2019</b> - Manager, Total Rewards &amp; HR Systems will lead this review with the support of the Compensation &amp; Data Analysts</p>

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20.4	Communicate the importance of providing the Compensation Specialist with the required information timely. When not received timely report exceptions to the Executive Team.	Agreed – Required information from departmental contacts will be supplied in accordance with an agreed upon timeline that supports business process; failure to meet this will result in exceptions reporting to the service area DCAOs in the form of a quarterly summary. In the matter that the incident level is concerning and ongoing (3 incidents/month), the exception will be brought to the DCAO's attention immediately.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - PDP process to be communicated, with deadlines, on Feb 1, 2019. Improvements to automate this system will be identified and included in the multi-phased HT tech plan in 2019. Executive Team to be notified of missed deadlines</p> <p><b>Q1-2019</b> - Regular reminders are being sent out to City staff and leaders regarding completion deadlines of the NUME PDP process. Further emails will be sent to leaders who miss these deadlines, including escalation to the leader's leader as necessary.</p> <p><b>Q2-2019</b> - Manager, Total Rewards &amp; HR Systems will communicate the importance of providing this information in a timely manner and develop a exception based reporting process for ET's review.</p>
21.1	Implement a process to ensure all payroll balance sheet accounts are reconciled/analyzed on a monthly basis, approved and provided to Finance at least twice a year.	Agreed – A monthly reconciliation with analysis will be completed and approved by the Finance and HR representatives.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Payroll and Benefits Specialist balances CPP, EI, Tax, EHT G/L accounts to the payroll register with sign off by the HR Manager, Total Rewards and HR Systems. Starting Q1-2019 meetings will be held with Finance to analyze and approve reconciliations.</p> <p><b>Q1-2019</b> - Compensation staff met with Finance staff for guidance on what to reconcile, and the sign off process for Finance review. Further discussion is required with Compensation staff, Finance staff, and input from the IA team.</p> <p><b>Q2-2019</b> - Possible process has been identified and will be reviewed and implemented following the start of the new Manager, Total Compensation &amp; HR Systems</p>
21.3	Periodically reconcile the payroll register to the journal entry to ensure costs are charged to the appropriate account.	Agreed – A monthly reconciliation of the payroll register to the journal entries that transfer to JDE will be signed off by the new Manager.	Q4-2018	Q3-2019	In progress	<p><b>Q4-2018</b> - Monthly reconciliation of payroll register to the journal entries to be completed by new Compensation and Data Analyst upon hire.</p> <p><b>Q1-2019</b> - Payroll staff have liaised with Finance staff for direction on this recommendation. Further discussion is required with Compensation staff, Finance staff, and input from the IA team.</p> <p><b>Q2-2019</b> - Possible process has been identified and will be reviewed and implemented following the start of the new Manager, Total Compensation &amp; HR Systems</p>

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22.1	Develop and implement a formal non-union vacation policy and procedure to clearly document vacation payout policy and process to provide guidance to staff.	Agreed – This is a major focus for the DCAO Corporate Services; to restore equity on hire and separation with respect to vacation entitlements and pay-outs. Q4 of 2018 will be a heavy communication period to the corporation for systems development/refinement to restore equity. This action will be supported by the development and education on the related policy and procedural application of that policy. The new Manager will oversee this policy's application and any deviation will require approval by the CAO, or designate as required.	Q4-2018	Q3-2019	In progress	<b>Q4-2018-</b> Currently reviewing policy. Policy will be finalized once the CAO by-law is revised and approved by Council targeted for Q1-2019. Processed was implemented includes a proration when employees are hired and leave the organization. Any carryover of vacation is now signed off by the DCAO <b>Q1-2019</b> - NUME staff received communication from HR in Q4-2018 regarding the change to the NUME vacation policy regarding prorating vacation when leaving the City (i.e. resigning, retiring, etc.). Policy will be drafted for consideration and review, in alignment with the forthcoming CAO Bylaw. <b>Q2-2019-</b> Possible process has been identified and will be reviewed and implemented following the start of the new Manager, Total Compensation & HR Systems. Accrual calculators for all unions and NUME staff have been created to ensure a consistent approach when new/transferring staff start a new role or when an employee is leaving the City.
23.1	Develop, document and implement a change management process for Kronos.	Agreed – A Register source document needs to be established relating to the evolution of the Kronos configuration. A mapping of the current configuration identifying baseline and then progression from there.	Q4-2018	Q4-2019	Not started	<b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation. <b>Q1-2019</b> - This will require expertise that is not currently available within the City. <b>Q2-2019-</b> The new Manager, Total Compensation & HR Systems started on June 24th and will lead this change management process for review by GM, HR
23.2	Ensure adequate time is available to test proposed changes appropriately in Kronos development database prior to moving to production.	Agreed – The Register should also capture the trial testing of the modification before dropping it live; signatures and accountabilities should align with the approval of test and approval of 'go live' strategy.	Q4-2018	Q4-2019	Not started	<b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation. <b>Q1-2019</b> - Test environment is not currently available in Kronos, as the only test environment is being used for the years long Transit Trapeze project. HR staff do not expect this testing environment to be available for their testing needs for another year or so. <b>Q2-2019-</b> The new Manager, Total Compensation & HR Systems started on June 24th and will lead this process review for approval by the GM, HR
24.2	Develop an overtime report that staff can run from Kronos that provides overtime details including the overtime comment and associated notes.	Agreed – The overtime report is a critical influence on the deployment of labour resources. A report that can be system generated will inform 24.1 above.	Q4-2018	Q4-2019	Not started	<b>Q4-2018</b> - HR is currently exploring with IT the possibility of developing a report from KRONOS that includes hours and comments. <b>Q1-2019</b> - An OT report that includes comments/notes is allegedly available in Kronos. However, the report is labour intensive to prepare, difficult to read in the format it is presented in, and currently there is limited expertise amongst City staff at the level required to produce this report. This will be addressed in the KRONOS upgrade or new HRIS via RFI <b>Q2-2019-</b> An OT report that includes comments/notes is allegedly available in Kronos. However, the report is labour intensive to prepare, difficult to read in the format it is presented in, and currently there is limited expertise amongst City staff at the level required to produce this report. This will be addressed through the Audit and Accountability Fund Expression of Interest that has been submitted for possible provincial funding. A consultant will be hired with the provincial funding

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25.2	Ensure departments are managing their employees time entry and approval in Kronos and not Payroll.	Agreed - With the expansion of Kronos licenses (required), departments should provide final approval for their staff directly into Kronos. Payroll staff will no longer apply the 'approval' into Kronos on behalf of a department. Payroll staff will no longer 'approve' time in Kronos for departments through emails, phone calls, etc.).	Q4-2018	Q4-2019	In progress	<p><b>Q4 - 2018</b> - We will be developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Further Kronos licences will need to be purchased. Payroll staff have significantly reduced the entries and approvals they were making in the past by sending out communication regarding errors in timekeeping entries, approval deadlines, etc. Claims Management staff are entering Kronos missed time entries.</p> <p><b>Q2-2019</b>- Additional licences have been purchased and provided throughout the corporation. Training modules (paper based and video) are being created for inclusion on the infonet</p>
25.3	Develop and implement a strategy for the issuance of Kronos time entry and approval licenses to ensure departments have sufficient licenses to efficiently and effectively manage their employees time worked.	Agreed – Through a redeployment of Kronos licenses, a strategy for the effective and efficient approval that maintains segregation of duties within each department where any staff member in a position of authority does not approve their own time; standard practice of assignment. In the event that there is an inability to separate the time, a compensating control would be documented/ implemented.	Q4-2018	Q4-2019	In progress	<p><b>Q4-2018</b> - We are developing a multi-phased HR tech plan this year with IT which will include this recommendation.</p> <p><b>Q1-2019</b> - Expect to begin this in late Q3, when Compensation staff have had a chance to review, document, and identify efficiencies within Kronos time entry and approval processes. Completion of the majority of the Kronos related recommendations from the OT and Payroll audits will position Compensation staff to have a clear understanding of which staff should have access to which features/functions in Kronos as part of the employee's specific role at the City of Guelph; no more and no less access than is required to complete the tasks they are required to do as part of their job. By Q4 Compensation staff expect to have a comprehensive understanding of the access required by staff members and the technical understanding of Kronos necessary to create role specific access and processes, which will drive the strategy for issuing licences to Kronos users.</p> <p><b>Q2-2019</b>- Additional licences have been purchased and provided throughout the corporation. Training modules (paper based and video) are being created for inclusion on the infonet. Guidelines and standard operating procedures are being created to skill-up timekeeping and approvers throughout the corporation to ensure departments are able to effectively manage their employees time worked. Workflow notifications via email are being explored for Kronos tasks and exceptions.</p>

## Outstanding Recommendation Status

**Audit Report:** Solid Waste Resource  
**Date Final Report Issued:** Closed Session - March 2016  
**Status Date:** Q2-2019

**Confidential - Closed Session**

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Implementation Due Date	Status (Not Started / In Progress / Complete)	Departmental Comment
5	The City Solicitor should: a) implement a formal policy requiring legal staff to bring any agreements that are or become high risk to the attention of the City Solicitor for any action deemed necessary; b) Monitor open files assigned to legal staff on a regular basis and implement a system for notifying the applicable General Manager when lengthy delays in completing are observed; c) implement a policy that requires Legal approval on all contracts prior to execution, with evidence of approval to be provided on the relevant document; require departments to provide Legal Services with a copy of all executed contracts; and d) Purchase and maintain contract management software that will be a repository for all contracts to which the City is party, to monitor and alert staff to contract expiration dates and other "trigger" dates or events; this software could also be used in complying with b) c) and d) noted above.	Recommendations #2,3,4, 5 & 6 will be addressed together. ET will direct a review of how corporate contracts are negotiated and approved to ensure that the correct accountabilities, communications, business cases, risk assessments, internal review timelines and staff capacity is properly assigned and understood. Issues related to the proactive involvement of Legal services will be resolved by ET and then rolled out by CAO, ET and CMT.	Q4-2016	Q4 2019	In Progress	<p><b>Q2-2017</b> - The City Solicitor shall implement the formal policy required pursuant to (a) and the system required pursuant to (b) by no later than the end of Q1-2018. The policy required pursuant to (c) and the requirement pursuant to (d) are now in place under the Legal, Realty and Risk Services - Request for Service Policy (June 22, 2016) and the LRRS Execution Memo, in conjunction with the Document Execution Record and the Document Execution By-law. Pursuant to the requirement under (e), the contract management software will be purchased, maintained and pilot tested by no later than the end of Q1-2018.</p> <p><b>Q4-2017</b> - No Update from previous comment. (Due date changed to Feb-2018)</p> <p><b>Q1-2018</b> - On May 3, 2018, the City Solicitor will be providing ET with a status update in respect of item (e) above. (Due date changed to Q1-2019)</p> <p><b>Q2-2018</b> - Items 5(a) to (c) to be implemented in Q4-2018, and item 5(d) remains in process.</p> <p><b>Q3-2018</b> - Completion subject to approval of the Legal, Realty and Risk Services - Request for Service Policy</p> <p><b>Q4-2018</b> - 5(a), (b) and (c) are complete, given that the Legal, Realty and Risk Services - Request for Service Policy has now been approved, communicated to the Corporate Management Team and posted on the infonet. 5(d) remains in process</p> <p><b>Q1 - 2019</b> - Item 5(d) remains in process and is currently forecast to be implemented by the end of Q3-2019</p>
				see (5) above	see (5) above	<b>Q2-2019</b> - Item 5(d) remains in process and is currently forecast to be implemented by the end of Q4-2019

## Outstanding Recommendation Status

**Audit Report:** Fuel Security and Systems Audit  
**Date Final Report:** Q2-2019  
**Status Date:**

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Implementation Date	Status (Not Started / In Progress / Complete)	Departmental Comment
4.1	Investigate the feasibility of automating the recording of individual's unique access code, asset type, odometer reading and pump number and implement if feasible in order to reduce risk of error.	Agree with recommendation, we will investigate.	Q2-2017	Q3-2019	In progress	<p><b>Q2-2017</b> - Working with Guelph Lab to explore options (on pause due to other priorities). Fleet Manager to review off the shelf options.</p> <p><b>Q4-2017</b> - Due to changes to staffing resources project completion time line extended. Extended into Q3 2018 to reflect fuel pump replacement. (Due date changed to Q3-2018)</p> <p><b>Q1-2018</b> - Q1-2018 - Fuel Vendor provided \$75,000 quote to automate Transit fuel site as a pilot. Funding not included in budget and to be added (and approved in 2019 budget. (Due date changed to Q2-2019)</p> <p><b>Q2-2018</b> - Funding approved through existing re-priorized fleet capital budgets. WinFuel (Vendor) indicated project/work can be scheduled in to their Q4 work plans.</p> <p><b>Q3-2018</b> - Pilot Project to electronically capture vehicle &amp; odometer data on target to commence Q1 2019</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - New Municipal St yard. fuel site project and commissioning has been delayed. Revised target to implement card reader technology at fuel site and roll out user/operator training is date Q3-2019</p> <p><b>Q2-2019</b> - New fuel site at 45 Municipal Yard has been commissioned and old UG tanks removed. Hardware requiring use Access/ID card to activate pumps added to 45 Municipal. Hardware will be added to all pumps over the next 6 months. Once hardware has been added to all pump locations, requirement will be activated</p>
4.3	Look into the possibility of correcting the discrepancy transactions at their source in the fuel system instead of only correcting the information that gets uploaded into WAM in order to have accurate consumption in the fuel system and take advantage of off the shelf consumption reporting.	Agree with recommendation. With the assistance of IT this will be investigated.	Q2-2018. Note delay with completion date is reflective that WAM is currently being reviewed by IT and may be updated this year.	Q3-2020	In progress	<p><b>Q2-2017</b> - Implementation progressing/will progress as indicated. No change in date.</p> <p><b>Q4-2017</b> - Meetings have been held with IT staff to determine why the different computer programs are not transferring data accurately.</p> <p><b>Q1-2018</b> - Fuel data updates tied to WAM 2.2 project which is now delayed to Q4-2018. (Due date changed to Q4-2018)</p> <p><b>Q2-2018</b> - WAM 2.2 roll out delayed, due date revised Q2-2019</p> <p><b>Q3-2018</b> - No update from previous comment</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - WAM 2.2 replacement has been delayed - revised due date Q3 - 2020</p> <p><b>Q2-2019</b> - No change from Q1-2019</p>

## Outstanding Recommendation Status

**Audit Report:** Fuel Security and Systems Audit

**Date Final Report:** Q2-2019

**Status Date:**

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Implementation Date	Status (Not Started / In Progress / Complete)	Departmental Comment
6.1	Request IT staff to schedule automatic daily uploads between the fuel software and WAM. If IT is unable to schedule these tasks to occur automatically, a process be developed to ensure that the transactions are manually processed at a consistent time at least weekly.	Agree with recommendation. Fleet staff will make the request of IT and if the request is not possible, Fleet staff with assistance from Finance will develop a procedure to transfer data.	Q4 2017 for review and request noting that WAM is currently being reviewed, implementation date of Q2 of 2018.	Q3-2020	In progress	<p><b>Q2-2017</b> - Currently staff are processing transactions at least weekly, when possible daily. Need to identify back up staff member to complete this task. No change in date.</p> <p><b>Q4-2017</b> - Program Manager - Fleet Planning to be back up to complete this task.</p> <p><b>Q1-2018</b> - Q1-2018 - Fuel data upload improvements tied to WAM 2.2 project which is now delayed to Q4-2018. (Due date changed to Q4-2018)</p> <p><b>Q2-2018</b> - WAM 2.2 rollout delayed due date revised Q2-2019</p> <p><b>Q3-2018</b> - No change - implementation tied to roll out and improvements of WAM 2.2.</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - WAM 2.2 replacement has been delayed - revised due date Q3 - 2020</p> <p><b>Q2-2019</b> - No change from Q1-2019</p>
6.2	Investigate why system integrity reports do not identify the orphaned files in a timely manner; or if the system was operating effectively, why the integrity errors were not followed up in a timely manner.	Agree with recommendation. Fleet staff will make the request of IT to investigate program further and correct if necessary or possible. If system is working properly, Fleet staff will develop a process to address integrity errors.	Q4-2017	Q3-2020	In progress	<p><b>Q2-2017</b> - Fleet manager working on process. Will also follow up with GPS to address errors. No change in date.</p> <p><b>Q4-2017</b> - No updates from previous comment. (Due date changed to Q4-2018)</p> <p><b>Q1-2018</b> - Fuel data integrity reports (if available) tied to WAM 2.2 upgrade project, which is now delayed to Q4-2018.</p> <p><b>Q2-2018</b> - WAM 2.2 rollout delayed due date revised Q2-2019</p> <p><b>Q3-2018</b> - No update from previous comment</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - WAM 2.2 replacement has been delayed - revised due date Q3 - 2020</p> <p><b>Q2-2019</b> - No change from Q1 2019</p>
6.3	Report fuel transactions on a line by line basis throughout all systems so that analysis can be performed in any of the software systems instead of all data being grouped together in blocked summaries.	Agree with recommendation. Will look at ability to create this process and if possible we will implement in 2018 as part of our review of Fleet charges.	Q4 2017 for review, implementation if possible Q3 2018	Q3-2020	In progress	<p><b>Q2-2017</b> - Implementation progressing/will progress as indicated. No change in date.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - No change (due Date changed to Q4 2018)</p> <p><b>Q2-2018</b> - WAM 2.2 roll out delayed due date now Q2-2019</p> <p><b>Q3-2018</b> - No update from previous comment</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - WAM 2.2 replacement has been delayed - revised due date Q2/Q3 - 2020</p> <p><b>Q2-2019</b> - No change from Q1 2019 comments</p>
7.2	Review monthly fuel transactions by asset and by individual to verify the legitimacy of transactions to assess reasonableness of fuel costs. Specific review be conducted in the following areas: <ul style="list-style-type: none"> <li>• Consecutive fuel transactions by individual or asset to ensure all transactions are legitimate and are charged to the appropriate business units</li> <li>• Abnormal fuel amounts for the assets</li> <li>• Vehicles with low KM/L</li> <li>• Disbursements made after hours.</li> </ul>	Agree with recommendations. Staff will consider during Fleet charge Review.	Q4-2018	Q3-2020	In progress	<p><b>Q2-2017</b> - See item 7.1. No change in date.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - No updates from previous comment.</p> <p><b>Q2-2018</b> - WAM 2.2 rollout delayed, due date revised Q2-2019</p> <p><b>Q3-2018</b> - No update from previous comment</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1 - 2019</b> - WAM 2.2 replacement has been delayed - revised due date Q3 - 2020</p> <p><b>Q2-2019</b> - No change from Q1 2019 comments</p>

## Outstanding Recommendation Status

**Audit Report:** Fuel Security and Systems Audit  
**Date Final Report:** Q2-2019  
**Status Date:**

Implementation Schedule				Management Status Update		
Rec #	Recommendation	Management Response	Original Implementation Date	Revised Implementation Date	Status (Not Started / In Progress / Complete)	Departmental Comment
8.1	Consider implementing the GPS perimeter monitoring to provide notification whenever a City vehicle leaves the City's perimeter in order to understand where City vehicles are travelling each day and the amount of fuel consumed.	Agree with recommendation in principal. However, reviews should be conducted of vehicle travel within and outside of the City to ensure it is appropriate. Not sure of the benefit our creating a geo fence around the City, this information is obtainable without the need for geo fence. It is believed that the monthly fuel statistics and line by line reporting will provide information to Division Managers and General Managers to determine if vehicles are being used appropriately, so that appropriate action can be taken. The use of City vehicles outside of City limits must be permitted by the appropriate supervisor/manager.	Q4-2018 will consider this item after points 7.1, 7.2 and 11.1 are implemented	Q3-2020	In progress	<p><b>Q2-2017</b> - Implementation progressing/will progress as indicated. No change in date.</p> <p><b>Q4-2017</b> - No updates from previous comment.</p> <p><b>Q1-2018</b> - No updates from previous comment.</p> <p><b>Q2-2018</b> - ET to approve fleet policy that no City Vehicle permitted outside of City limits with out prior approval by respective GM.</p> <p><b>Q3-2018</b> - No updates from previous comment</p> <p><b>Q2-2018</b> - ET to approve policy/practice that City Vehicles are not permitted outside of City limits with out DCAO approval</p> <p><b>Q1 - 2019</b> - No update from previous comment</p> <p><b>Q2-2019</b> - In the next 3 months, we will implement a city limit perimeter to our radio system to track vehicles</p>
11.1	Communicate to General Managers for each service area to formulate a list of individuals who use City vehicles for commuting purposes. This list be reviewed regularly in order to ensure that it is in compliance with the City's Corporate Vehicle Usage Policy and employees are on call on a regular basis.	Agree with recommendation. Correspondence will be sent to General Managers asking for information and will be reviewed at least annually. Notification of pending request for information will be provided at a future CMT meeting.	Q3-2017	Q4-2019	In progress	<p><b>Q2-2017</b> - Messaging being developed. To be discussed at a CMT meeting. No change in date.</p> <p><b>Q4-2017</b> - Messaging developed. Discussed with a number of General Managers and HR staff. Message release paused to coincide with messaging from HR. HR may take lead to cascade messaging out as appropriate. (Due date changed to Q2-2018)</p> <p><b>Q1-2018</b> - List of who takes city vehicles home compiled and sent to HR. Most operational areas (PW, WW, Waste Water, Solid Waste) allow city vehicles to be taken home by staff while on stand-by. Handful of work sections continue to allow city vehicle take home privileges when not on stand by. CMT/ET to determine if/when changes to Corporate policy.</p> <p><b>Q2-2018</b> - Human Resources has compiled a list of city staff taking home city vehicles. PS DCAO will review matter with ET.</p> <p><b>Q3-2018</b> - No change from previous comment.</p> <p><b>Q4-2018</b> - No update from previous comment</p> <p><b>Q1-2019</b> - While ET is still reviewing the matter Corporate wide, the Operations Department removed any take home privileges and effective June 1, 2019 will only permit vehicles to be taken home when on stand by or on call.</p> <p><b>Q2-2019</b> - No change from Q1 2019 comments</p>



# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, September 3, 2019
Subject	<b>Procedural By-law Update</b>
Report Number	CS-2019-62

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## Recommendation

That the proposed Procedural By-law, included as Attachment-2 to the report CS-2019-62 titled Procedural By-law Update, dated September 3, 2019, be approved and that By-law (2018)-20352 be repealed.

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## Executive Summary

### Purpose of Report

To update the Procedural By-law based on feedback received from members of Council, in consultation with the Executive Team and Corporate Management Team, and to make administrative changes resulting from a review of the Procedural By-law.

### Key Findings

The City Clerk's Office has engaged with City Council through an online survey and in-person meetings to seek feedback on the Procedural By-law. In response to this feedback, the City Clerk's Office is recommending updates to the Procedural By-law to allow for better management of City Council and committee meetings with a particular emphasis on managing the length of meetings, hearing delegations, and enforcing appropriate decorum. Feedback was also received from City Council that does not require updating the Procedural By-law and can be implemented through changes to internal processes.

### Financial Implications

None.

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## Report

In November 2018, the Chief Administrative Officer directed City Clerk's Office staff to undergo engagement with City Council on potential changes to the Procedural By-law. This engagement and review of the Procedural By-law was outside the traditional and planned twice per term governance review that was planned by staff in the City Clerk's Office. Through this engagement process, an online survey was sent to members of Council seeking feedback on the Procedural By-law and in-person meetings were conducted with members who requested to discuss their survey responses in detail. A total of five out of thirteen members responded to the

online survey and two in-person meetings were held. Consultations on proposed changes were also held with the Executive Team and Corporate Management Team. Throughout this engagement process, there were common themes that emerged. These included managing the length of meetings, hearing delegations, enforcing decorum, speaking times of members and closed meeting practices. A summary of feedback received, including City Clerk's Office recommended actions, is included as Attachment-1.

Some of the recommended actions require an update to the Procedural By-law. These changes are described in greater detail below. A summary of the proposed changes that are administrative in nature is also included in this report. Some of the recommendations do not warrant an update to the Procedural By-law and can simply be implemented by changing internal processes. If staff are not recommending a change to the Procedural By-law in response to feedback received, it is noted in Attachment-1.

A copy of the proposed Procedural By-law with all recommended changes noted in red is included as Attachment-2.

## **Proposed Changes to the Procedural By-law based on Feedback Received**

### **Automatic Adjournment Times**

A consistent theme that emerged throughout the engagement process was a need to better manage the length of meetings. Currently, the Procedural By-law prescribes an adjournment time of 11:00 p.m. for Council and Special Council meetings and 8:00 p.m. for Committee of the Whole meetings, unless otherwise decided before that hour by a majority vote of the members present. The Procedural By-law also dictates that only one motion to extend the automatic adjournment time shall be permitted per meeting, which allows Council to continue for another hour, at which point the Procedural By-law must be suspended by a 2/3 majority vote of the entire Council to allow the meeting to continue. Concerns have been raised by the public, staff and Council regarding the effectiveness of decision-making at meetings that extend past 11:00 p.m. and often past midnight.

In order to reduce the length and number of meetings which go past midnight, City Clerk's Office staff recommend amending Sections 4.13 and 4.14 of the Procedural By-law to implement an automatic adjournment time of 11:59 p.m. for regular and special Council meetings and 9:30 p.m. for Committee of the Whole meetings. These automatic adjournment times cannot be waived by suspending the rules of procedure. Staff are also recommending that one hour prior to the automatic adjournment time the chair, in consultation with the clerk, shall identify any time sensitive issues on the agenda that must be dealt with before the meeting is adjourned. Additional items not dealt with before the automatic adjournment time will be moved to the next scheduled meeting. If there are items on the agenda that must be dealt with before the next scheduled meeting, Council or committee shall establish a date and time for their consideration. This could include the use of already established placeholder meeting dates as approved by Council on an annual basis.

City Clerk's Office staff recommend that the automatic adjournment time not apply to Council Planning meetings as there are legislated timelines that must be met

when considering planning applications, which is noted in Section 6 of the proposed Procedural By-law.

### **Delegations**

In keeping with the theme of reducing meeting length, feedback was received which suggested that delegations should only be permitted to speak at Committee of the Whole or special Council meetings. In June 2016, as a part of the Meeting Management Review project and establishment of the Committee of the Whole, City Clerk's Office staff recommended that delegations be permitted at either Committee of the Whole or Council but not both, unless new information was provided following a Committee of the Whole meeting. This recommendation was removed by Council at the June 27, 2016 Council meeting. As a result, delegations have been allowed to speak at both Committee of the Whole and Council meetings. City Clerk's Office staff support allowing delegates the opportunity to appear before Council once – either at Committee of the Whole or at Council. As a result, it is recommended that Section 4.8 of the Procedural By-law be amended to remove the ability for delegations to speak at both Committee of the Whole and Council unless new information is presented publicly following a Committee of the Whole meeting. New information will be considered as items that were not previously made available or publicly released (i.e. amendments, additional staff information, government or agency reports, etc.) at the time of the Committee of the Whole meeting. Staff will develop procedures to formally document what is considered new information.

### **Decorum**

Feedback was received regarding the decorum of the public, delegations and members of Council. Enforcement of decorum is ultimately the responsibility of the chair. Section 3 of the Procedural By-law currently outlines appropriate conduct of Council and committee members as well as the public but does not explicitly refer to the conduct of delegations. Staff recommend amending Section 3.5 of the Procedural By-law to include stronger language regarding the appropriate decorum of the public and members of Council and to include the conduct of delegations.

### **Correspondence and Public Presentations**

Based on feedback received regarding correspondence from the public that may be inappropriate or defamatory in nature, City Clerk's Office staff recommends that Section 4.9 (c) of the Procedural By-law be amended to include a disclaimer that the City Clerk's Office will not accept any written submission or petition that contains any obscene or improper content or language or defamatory allegations, as determined by the City Clerk in consultation with the City Solicitor.

In addition, City Clerk's Office staff recommends that Section 4.7 of the Procedural By-law regarding public presentations be amended to include a clause that limits funding requests made by outside organizations or individuals to designated budget meetings during the annual budget process.

### **Proposed Administrative Changes to the Procedural By-law**

- Minor grammatical and administrative changes throughout.
- Section 4.1 (a) amended to clarify that the 72 hour notice period is for regular open and closed Council and committee meetings.

- Sections 3.3 and 4.6.6 amended to permit electronic devices in closed meetings for the sole purpose of accessing the electronic agenda management system.
- Section 4.9 (g) added to prohibit written submissions with respect to a by-law appearing on an agenda.
- Section 4.9 (h) added to limit written submissions for Council budget meetings to those budget meetings designated for receiving written submissions.
- Section 4.11 (c) amended to replace the word 'lost' with 'defeated'.
- Section 4.11 (h) amended to remove clauses iii, iv, v, and vii as the current practice is that these are all recorded votes.
- Section 11.2 (d) added to include the Chief Administrative Officer Recruitment, Selection and Performance Sub-committee.
- Section 11.3.2 revised to replace "Elliott Board of Management" with "Committee of Management for the Elliott".
- Section 11.3.4 added to include the Chief Administrative Officer Recruitment, Selection and Performance Sub-committee.
- Appendix 1 – Motion Table amended to include extension of delegation speaking time and to remove the ability to extend Council and committee meetings past 11:00 p.m. and 8:00 p.m. respectively.

### **Proposed Changes That Do Not Require Amending the Procedural By-law**

- Provide members of Council with additional materials and training to reinforce:
  - the notice of motion process;
  - enforcement of decorum; and
  - the appropriate use of points of order and privilege.
- Remove the closed report component for public appointments to advisory committees, local boards, agencies, commissions and associations. This will result in fewer closed meetings of Council and increased transparency and efficiency in the appointment process.

### **Financial Implications**

None.

### **Consultations**

Executive Team

Corporate Management Team

### **Corporate Administrative Plan**

#### **Overarching Goals**

Service Excellence

#### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

## Attachments

- Attachment-1      Procedural By-law Update: Summary of Feedback Received and Recommended Actions
- Attachment-2      Proposed Changes to the Procedural By-law

## Departmental Approval

Dylan McMahon, Manager, Legislative Services/Deputy City Clerk

## Report Author


Lindsay Cline, Council and Committee Coordinator



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### Approved By

Stephen O'Brien  
General Manager, City Clerk's Office/  
City Clerk  
Corporate Services  
519-822-1260 Extension 5644  
stephen.obrien@guelph.ca



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### Recommended By

Trevor Lee  
Deputy Chief Administrative Officer  
Corporate Services  
519-822-1260 Extension 2281  
trevor.lee@guelph.ca

## Attachment-1 – Procedural By-law Update: Summary of Feedback Received and Recommended Actions

Item	Feedback Received from Council	Recommended Action
<b>Committee of the Whole Structure</b>	<ul style="list-style-type: none"> <li>- The Committee of the Whole structure should be reviewed.</li> </ul>	<ul style="list-style-type: none"> <li>- No action at this time. The Committee of the Whole structure has been reviewed twice since its adoption, most recently in June 2018.</li> </ul>
<b>Length of Meetings</b>	<ul style="list-style-type: none"> <li>- Council's ability to waive rules of procedure to go past 11:00 p.m. should be removed.</li> </ul>	<ul style="list-style-type: none"> <li>- Amend Section 4.13 of the Procedural By-law to implement an automatic adjournment time for Council and Committee at the Whole meetings (11:59 p.m. for Council and 9:30 p.m. for Committee of the Whole).</li> <li>- One hour before the automatic adjournment time, Council shall determine what remaining items on the agenda need to be dealt with immediately and what items can be moved to the next scheduled meeting or a date/time of which Council shall determine.</li> <li>- The automatic adjournment times cannot be waived by suspending rules of procedure.</li> </ul>
	<ul style="list-style-type: none"> <li>- The Procedural By-law should be reviewed with an eye toward reducing the length of meetings.</li> </ul>	<ul style="list-style-type: none"> <li>- There are already several mechanisms in the Procedural By-law designed to reduce meeting length, such as the consent agendas, and limiting speaking times of members and the public.</li> <li>- The automatic adjournment times noted above will also assist in reducing meeting lengths.</li> </ul>
<b>Notice of Motion Process</b>	<ul style="list-style-type: none"> <li>- Notice of Motion process takes too long.</li> </ul>	<ul style="list-style-type: none"> <li>- No action at this time. The Notice of Motion process was reviewed by staff in December 2017 and the current process was adopted by Council.</li> </ul>
	<ul style="list-style-type: none"> <li>- Notice of Motion process is unclear.</li> </ul>	<ul style="list-style-type: none"> <li>- Staff will provide additional materials and training to clarify the Notice of Motion process. This does not require an update to the Procedural By-law.</li> </ul>
	<ul style="list-style-type: none"> <li>- Before going through the Notice of Motion process, Councillors should be able to go to the Mayor to add items to an agenda.</li> </ul>	<ul style="list-style-type: none"> <li>- No action at this time. Staff do not support providing the Mayor with additional authority to add items to agendas for meetings the Mayor is not chairing.</li> </ul>
<b>Decorum</b>	<ul style="list-style-type: none"> <li>- Language should be added to Procedural By-law to more clearly specify appropriate decorum for delegations.</li> </ul>	<ul style="list-style-type: none"> <li>- Amend Section 3.5 (a) of the Procedural By-law to include conduct of delegations.</li> </ul>

## Attachment-1 – Procedural By-law Update: Summary of Feedback Received and Recommended Actions

Item	Feedback Received from Council	Recommended Action
	- Sections of the Procedural By-law dealing with decorum should be more strongly and consistently enforced.	- Enforcement of decorum is the responsibility of the chair. Staff will provide further training to chairs to address this feedback.
	- Members of Council should be restricted from engaging in private conversations, verbally or electronically, which disrupt the business of Council.	- Amend Section 3.1 (f) of the Procedural By-law to include language that restricts members from engaging in conversations that disrupt the business of Council.
	- Restrictions on partisan signs should be extended to clothing, brochures, etc.	- Amend Section 3.5 (a) of the Procedural By-law to extend the prohibition of signs and placards to include the handing out of brochures, pamphlets, buttons and literature. - Staff do not recommend taking action on the restriction of clothing. Enforcement and trying to distinguish between what is and what isn't partisan clothing would be difficult.
	- Chairs should read aloud information about appropriate decorum at the start of every meeting.	- Staff will provide chairs with a script outlining appropriate decorum to read aloud at the start of every meeting. This does not require an update to the Procedural By-law.
<b>Delegations and Correspondence</b>	- Delegations should only be permitted to speak at Committee of the Whole or Special Council Meetings.	- Amend Section 4.8 of the Procedural By-law to remove the ability for delegations to speak at both Committee of the Whole and Council meetings unless new information is presented.
	- Delegations at Council should only be able to speak against a Committee of the Whole recommendation.	- No action at this time. Staff do not support limiting delegations ability to speak for or against a recommendation.
	- Adding in disclaimer that correspondence can be excluded if deemed inappropriate/slanderous.	- Amend Section 4.9 (c) of the Procedural By-law to include a disclaimer that written correspondence deemed inappropriate or defamatory in nature shall not be accepted, as determined by the City Clerk in consultation with the City Solicitor.
<b>Public Presentations</b>	- Community requests for funding should only be permitted at key times during the year or budget time.	- Amend Section 4.7.1 to limit requests for funding by outside organizations or individuals to designated budget meetings.
<b>Speaking Times</b>	- Speaking times for Councillors should be limited to five minutes for questions and five minutes to speak to a motion.	- No action at this time. Current Council Chambers technology does not allow for the enforcement of speaking times.

## Attachment-1 – Procedural By-law Update: Summary of Feedback Received and Recommended Actions

Item	Feedback Received from Council	Recommended Action
	- Speaking times for Councillors regarding amendments should be less than for main motions.	- No action at this time. Current Council Chambers technology does not allow for the enforcement of speaking times.
	- A 2/3 majority vote should be required to allow a Councillor to speak longer than the permitted speaking time.	- No action at this time. Current Council Chambers technology does not allow for the enforcement of speaking times.
	- A five minute countdown timer that delegates can see should be placed in the Council Chambers.	- No action at this time. Staff would support adding a speaking timer during future Council Chambers updates/renovations.
<b>Points of Order and Privilege</b>	- Points of order and privilege are being used inappropriately.	- Staff will provide additional training on the appropriate use of points of order and privilege. This does not require an update to the Procedural By-law.
<b>Presentations and Staff Recognitions</b>	- Presentations and staff recognitions should be limited to no more than three per meeting.	- No action at this time. Staff do not support limiting the number of staff recognitions.
<b>Breaks</b>	- Meetings where dinner is served should have a break noted at a specific and consistent time on the agenda.	- No action at this time. Generally, meals are served before the open meeting starts. Committee of the Whole agendas have breaks built in when there is a change in Service Area.
<b>Closed Reports and Meetings</b>	- All closed reports should have an open reporting date or legal opinion indicating that the information should remain confidential.	- No action at this time. Staff do not support the publication of closed meeting materials.
	- All closed reports should be approved by the City Clerk and City Solicitor before being included on the agenda.	- No action at this time. Current internal processes and timelines do not allow for the review of all closed reports by the City Clerk and City Solicitor.
	- Vote outcomes from closed meetings, not including the names of Councillors, should be made public after each closed session.	- No action at this time. This would provide limited usefulness to members of the public.
	- Closed meetings of Council should be recorded.	- No action at this time. Staff do not support the recording of closed meetings.
	- Remove the closed report component for public appointments to advisory committees, local boards, agencies, commissions and associations.	- Does not require a change to the Procedural By-law. Staff supports amending internal processes to accommodate this change.



## THE CORPORATION OF THE CITY OF GUELPH

By-law Number (2019)-\*\*\*\*\*

A By-law to provide rules for governing the order and procedures of the Council of the City of Guelph, and to repeal By-law Number (2018)-20352.

# 1. Definitions

In this by-law,

**"Act"** means the Municipal Act, 2001, c.25 as amended or replaced from time to time.

**"Acting Mayor"** means the Councillor who is appointed, in alphabetical order by last name, to serve one month each, to act in the place and stead of the Mayor as required.

**"Ad Hoc Committee"** means a committee created by Council with a defined ending, to report directly to Council on a specific matter.

**"Advisory Committee"** means a committee created by Council, to report to the Committee of the Whole on a specific subject.

**"By-law"** means an enactment, in a form approved by Council, passed for the purpose of giving effect to decisions or proceedings of Council.

**"CAO"** means the Chief Administrative Officer of the City.

**"Chair"** means the Mayor or Acting Mayor of any meeting of Council or the chair or acting chair of any meeting of a committee.

**"City"** means The Corporation of the City of Guelph.

**"Clerk"** means the Clerk, or his or her designate.

**"Closed Meeting"** means a meeting, or part of a meeting of Council or a Committee, which is closed to the public as permitted by the Municipal Act.

**"Committee"** means Committee of the Whole, advisory committee or other committee, sub-committee or similar entity.

**"Committee of the Whole"** means a committee comprised of all Members of Council that directly reports to Council.

**"Committee of the Whole Consent Report"** means a report from Committee of the Whole outlining items approved by the committee and forwarded to Council for consideration.

**"Confirmatory By-law"** means a by-law passed at the conclusion of Council meetings, confirming the actions of Council taken at that meeting and any previous meetings which did not have a confirmatory by-law, in respect of each resolution and other actions taken, so that every decision of Council at that meeting shall have the same force and effect as if each and every one of them had been the subject-matter of a separately enacted by-law.

**"Consent Agenda"** means a listing of consent items being presented to Council and Committee of the Whole for its consideration.

**"Consent Item"** means a report that is presented for approval without debate and with no delegation or presentation.

**"Council"** means the City's elected representatives, comprised of the Mayor and Councillors.

**"Councillor"** means a Member of Council, other than the Mayor.

**"Delegate"** means any person, group of persons, firm or organization, who is neither a Member of the Committee of the Whole, Council or an appointed official of the City and who is speaking to committee or Council.

**"Deputy CAO"** means staff who report to the CAO and are responsible for multijurisdictional service areas.

**"Electronic Device"** means computers, cellphones, smartphones, personal digital assistants, smartwatches, tablets, voice recorders, cameras or any other similar device.

**"Items for Discussion"** means agenda material that is presented for approval which has an associated presentation or delegation(s).

**"Local Board"** means a local board of the City as defined in the Municipal Act.

**"Majority"** means, for the purpose of voting, unless otherwise specified, more than half of the Members of Council or committee present at the vote and not prohibited by statute from voting.

**"Mayor"** means the head of Council and includes the Acting Mayor when acting in place of the Mayor.

**"Meeting"** means any regular or special Council or committee meeting when a quorum is present as defined in the Municipal Act.

**"Member"** means, according to the circumstances, a Member of Council, including the Mayor, or a member of the committee including the chair.

**"Motion"** means a proposal, moved by a member and seconded by another member, for the consideration of Council or a committee.

**"Notice of Motion"** means a written notice, given by a member, advising Council that the motion described therein will be brought forward at a subsequent meeting.

**“Open Meeting”** means a meeting which is open to the public.

**“Presentation”** means information presented to Council or committee in person by an individual or group on an issue which typically does not require any action to be taken by Council or committee.

**“Quorum”** means a majority of the members.

**“Recording Device”** means any device used for the purpose of recording whether it be analogue, digital or other means of recording, including but not limited to computers, cellphones, smartphones, tablets, voice recorders, cameras or any other similar device.

**“Registered Delegate”** means an individual who has submitted a request for delegation to the Clerk within the prescribed timelines to address Council or committee in relation to a matter appearing on the agenda.

**“Resolution”** means a motion that has been carried.

**“Rules of Procedure”** means the rules and procedures set out in this by-law.

**“Regular Meeting”** means a meeting of Council or committee held at the times and dates specified in this by-law and approved by Council or committee as part of an annual calendar.

**“Special Meeting”** means a separate meeting of Council or committee held at a time different than a regular meeting as approved by Council or committee and which is focused on one or more particular and specific items or subjects.

**“Vice-chair”** means a Member of Council appointed by Council who shall have all the power and duties of a chair in their absence; and consequently the words “Vice-chair” are interchangeable with the word “chair” in all sections of this by-law.

**“Workshop”** means a meeting convened for the purpose of educating or training the members, for providing the members with information and/or advice, or to solicit input from the members.

## **2. Purpose and Principles**

### **2.1 Purpose**

- (a) Council and Committee of the Whole shall observe the Rules of Procedure contained in this by-law in all proceedings of the Council and committee. This by-law shall be used to guide the order and dispatch of business of the Council and committee and wherever possible, with the necessary modifications, for all advisory committees and ad hoc committees unless otherwise provided.
- (b) This by-law sets out processes that are open and transparent.

## 2.2 Principles

- (a) Each member has the right to:
  - i. One vote, subject to the declaration of pecuniary interest;
  - ii. Information to help make decisions, unless otherwise prevented by law;
  - iii. An efficient meeting; and
  - iv. Be treated with respect and courtesy.
- (b) No item shall be placed on an agenda with respect to a matter which is not within the jurisdiction of Council or committee. The Mayor and/or chair, in consultation with the Clerk, will determine if a matter is within the jurisdiction of Council or committee.
- (c) In the event of conflict between the provisions of this by-law and the Act, or any other legislation, the provisions of the legislation shall prevail.

## 2.3 Suspension of Rules

- (a) No provision of this by-law shall be suspended except by an affirmative vote of at least two-thirds of the entire Council (nine members) for each incidence of suspension of the rules.
- (b) The suspension shall only apply to the procedure(s) or rules(s) which are stated within the motion to suspend and only during the meeting in which such motion was introduced.
- (c) The following procedure(s) or rule(s) cannot be suspended:
  - i. No other business in special meetings;
  - ii. Majority of members for quorum; and-
  - ~~ii.~~ Automatic adjournment time.

## 3. Conduct at Meetings

### 3.1 Council and Committee Members

- (a) Council Members shall govern themselves according to Council's Code of Conduct and Council-Staff Relations Policy.
- (b) The Mayor or chair shall preserve order and rule on points of order and privilege.

- (c) Every member desiring to speak shall indicate so in order to be recognized by the Mayor or chair.
- (d) Every member, on being recognized, shall remain seated in his or her place and address themselves to the Mayor or chair.
- (e) A member called to order by the Mayor or chair shall immediately cease further comment and may appeal the call to order to the Council or committee. The Council or committee, if appealed to, shall decide on the case without debate and by way of a majority vote of the members present. If there is no appeal, the decision of the Mayor or chair shall be final.
- (f) No member shall, without leave of the Council or committee:
  - i. speak to an issue for more than five (5) minutes (cumulative);
  - ii. use offensive words or speak disrespectfully of the Mayor, Members of Council, committee, staff or the public;
  - iii. speak on any subject other than the subject under debate;
  - iv. speak in contempt of any decision of the Council or committee;
  - v. leave his or her seat or make any noise or disturbance while a vote is being taken or until the result is declared;
  - vi. engage in private conversations, verbally or electronically, which disrupt the business of Council; or,
  - vii. disobey the rules or decisions of Council or a decision of the Mayor or chair on points of order or privilege, or upon the interpretation of the Rules of Procedure. If a member persists in such disobedience after having been called to order by the Mayor or chair, the member may be ordered by Council or committee to leave his or her seat for the meeting. In the event that a member refuses to vacate their seat, the Mayor or chair may request that the member be removed by the Clerk and/or staff as required. In case of adequate apology being made by the member they may, be way of majority vote of the members present, be permitted to take their seat.

### **3.2 Member Absent from Council**

The office of a Member of Council becomes vacant if the member has been absent from meetings of the Council for three (3) successive months without being authorized to do so by a resolution of Council unless otherwise permitted by S. 259 (1.1) of the Act.

### **3.3 Electronic Devices**

- (a) Each member shall place any electronic devices on an inaudible setting during any meeting. ~~except for any closed meeting where electronic devices must be turned off as required by Section 4.6.6.~~
- (b) No member shall use an Electronic Device as a recording Device during any meeting.
- (c) No member shall use an Electronic Device to broadcast or otherwise publish or post audio, video or photographs of any meeting.

### 3.4 Hearing Delegations

- (a) Except for points of order or privilege, Members of Council shall not interrupt a delegate while he or she is addressing Council or committee.
- (b) Members may address a delegate only to ask questions of clarification and not to express opinions or enter into debate or discussion.
- (c) All registered delegates for any particular agenda item shall be heard before Council or committee enters into discussion or debate on that item.
- (d) After all delegations have been heard, the related item shall immediately be brought forward for the consideration of Council or committee.

### 3.5 Conduct of Public and Delegations

- (a) Members of the public and delegations in attendance at a meeting, shall not:
  - i. address Council or committee without permission;
  - ii. bring food or beverage, with the exception of water, into the Council Chamber or meeting room unless so authorized;
  - iii. engage in any activity or behaviour or make any audible noise that could affect the Council or committee deliberations, including clapping, shouting, jeering or any other form of disorderly conduct; or
  - iv. bring any signs or placards into, or hand out any brochures, pamphlets, buttons or literature ~~into~~ the Council Chambers;
- (b) No person, except Members of Council and appointed officials of the City of Guelph, shall be permitted to come within or behind the horseshoe during a meeting of the Council or committee without the permission of Council or committee.
- (c) No person shall make detrimental comments, or speak ill of, or malign the integrity of staff, the public, Mayor, Members of Council or committee.

## **4. Rules and Procedures for Council and Committee Meetings**

### **4.1 Public Notice of Meetings**

- (a) The Clerk shall give public notice of all regular open and closed Council and committee meetings by inclusion on the City's website at least 72 hours prior to the meeting.
- (b) The Clerk may, at his or her discretion, publish notice of Council and committee meetings in a local newspaper or other local media source.
- (c) Public notice shall include:
  - i. date;
  - ii. time; and
  - iii. location of meeting.
- (d) The Clerk shall give public notice of all special open and closed meetings of Council and committee by inclusion on the City's website as soon as possible after the meeting is called and no later than 48 hours prior to the meeting.

### **4.2 Location, Date and Time of Meetings**

Committee of the Whole, regular Council and Council Planning shall meet in the Council Chambers of City Hall, 1 Carden Street, unless with adequate public notice, as required in Section 4.1, the Council selects an alternate meeting location, date, or time. In the event the regular meeting date falls on a public holiday, the Council or committee shall meet at the same hour on the next day not being a public holiday.

### **4.3 Consolidated Agenda**

- (a) The Clerk shall prepare a Consolidated Agenda advising Council or committee of the names of registered delegates and written submissions relating to matters on the agenda.
- (b) Items or matters will not be added to the agenda after distribution to Council or committee unless directed by the Mayor or chair, CAO and/or Deputy CAO(s) and if the urgent nature of the matter requires a decision prior to the next Council or committee meeting.

### **4.4 Quorum and Commencement of Meetings**

- (a) Unless there is a quorum present within fifteen minutes after the time appointed for the meeting of the Council or committee, the Council or committee shall stand adjourned until the next meeting date.
- (b) As soon as there is a quorum present, the Mayor or chair shall call the members to order. In the absence of the Mayor or chair, the Clerk shall call the members to order and the Council shall choose a chair from the members present and that person shall preside over the meeting or until the arrival of the Mayor or chair.

## **4.5 Disclosure of Pecuniary Interest**

Prior to a particular matter being addressed, members shall declare any pecuniary interests they may have, and the general nature thereof, in connection with that matter pursuant to the Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50, as amended. Such members shall then be precluded from participating in any way regarding the matter in question.

## **4.6 Closed Meetings**

### **4.6.1 General Principles**

- (a) Meetings shall be open to the public.
- (b) Notwithstanding Section 4.6.1(a), a meeting or part of a meeting may be closed to the public in accordance with Section 239 (2), (3) and (3.1) of the Act.
- (c) Council shall approve and maintain a closed meeting Protocol.

### **4.6.2 Date and time of Meetings**

Further to Section 4.2:

- (a) ~~Where possible, when~~When a closed meeting of Council is required, it shall be held no earlier than 4:30 p.m. on the day of an existing regular Council or Council Planning meeting.
- (b) ~~Where possible, when~~When a closed meeting of Committee of the Whole is required, it shall be held no earlier than 12:30 p.m. on the day of an existing Committee of the Whole meeting.

### **4.6.3 Resolution**

- (a) Prior to holding a closed meeting, Council or committee shall state by resolution in an open meeting, that Council or committee will be holding a closed meeting, the subject matter and the permitted closed meeting exemption under the Municipal Act.

### **4.6.4 Recording of Minutes**



- (a) The Clerk and/or his or her designate shall attend all closed meetings and record the proceedings, including procedural motions and direction given to staff, without note or comment.
- (b) The Clerk may delegate the Clerk's duties with respect to recording minutes in a closed meeting of Council or committee to a staff person. For closed meetings of committee or Council where the CAO's performance or contract is addressed, the Clerk may delegate the Clerk's duties with instructions to a third party.

#### **4.6.5 Reporting in Open Session**

- (a) The Mayor or chair shall report out in an open meeting immediately following the closed meeting and summarize the actions taken in the closed meeting.
- (b) Matters discussed in a closed meeting which require a decision will be brought forward to an open meeting of Council or committee.

#### **4.6.6 Electronic Devices**

~~All electronic devices must be turned off throughout closed meetings of Council or committee with the exception of on call/on duty medical or emergency services personnel. Such personnel shall advise the chair, and place their electronic devices on the audible setting in order to be notified, and upon notification, leave the room to respond.~~

Electronic devices shall be permitted in closed meetings of Council and committee for the sole purpose of accessing the electronic agenda management system. Electronic devices shall not be used for any other purpose while in a closed meeting.

#### **4.6.7 Closed Meeting Voting**

- (a) In relation to a matter considered in a closed meeting pursuant to Section 4.6.1(b), Council or committee may vote:
  - i. on procedural motions;
  - ii. on motions to rise, report and introduce a proposed recommendation on an open meeting agenda; or
  - iii. to give direction to staff or a third party of the City.
- (b) Notwithstanding Section 4.11(g), votes held in closed meetings shall be by a show of hands unless a recorded vote is requested by a member in accordance with the regulations contained in the Act.

### **4.7 Presentations**

#### **4.7.1 Public Presentations**

- (a) A request from an outside organization or individual to make a presentation to Council or committee shall only appear on an agenda upon approval of the Mayor, chair and Deputy CAO for the appropriate Service Area.
- (b) Public presentations are for information only.
- (c) Public presentations at a meeting shall be limited to a maximum of 10 minutes and shall be heard at the beginning of a Council or committee meeting.
- (d) Presentations by outside organizations or individuals shall not be permitted for the sole purpose of generating publicity or promotion.
- (e) Outside organizations or individuals shall provide the Clerk with written material for inclusion on the agenda by the agenda production deadline.
- ~~(f)~~ Presentations by outside organizations or individuals shall not be added on the consolidated agenda.

~~(f)~~(g) Public presentations by outside organizations or individuals making specific funding requests shall only be permitted at designated budget meetings.

#### **4.7.2 City Presentations**

- (a) Presentations by City staff at meetings shall endeavour to be a maximum of 10 minutes.
- (b) Presentations by staff providing information with no accompanying report shall be heard at the beginning of a regular Council or Council Planning meeting.
- (c) Presentations recognizing achievements shall be heard at the beginning of a Committee of the Whole meeting.
- (d) Where a staff or third party presentation accompanies an item on an agenda, the item shall be placed under items for discussion with the report and shall be brought forward for consideration immediately after the presentation has been made. If delegates wish to speak on an item with a presentation, the item shall not be considered until all delegates on the item have been heard.

#### **4.8 Delegations**

~~(a)~~ Delegations may be heard at Committee of the Whole or Council meetings. Delegations who have spoken at Committee of the Whole can only delegate to Council regarding the same item if new information has become available. New information will be considered items that were not previously made available or publicly released (i.e. amendments, additional staff information, government or agency reports, etc.) at the time of the Committee of the Whole meeting.

~~(a)~~(b) A delegate may address Council or committee for a period of time not exceeding five minutes. Council or committee may extend the five minute time

period by a majority vote of the members present. Such a motion shall be decided without debate.

~~(b)~~(c) For the purpose of Council and committee meeting agendas, delegates have until 10:00 a.m. on the Friday of the week prior to the meeting to notify the Clerk that they wish to delegate or to submit written submissions on items on the agenda.

~~(e)~~(d) Notwithstanding Section 4.8(~~ba~~), designated representatives of senior levels of government or the County of Wellington appearing before Council or committee shall have no time limitations placed on their delegation.

~~(d)~~(e) A delegate may only address Council or committee with respect to an item on the agenda.

~~(e)~~(f) Delegates shall only be permitted at Council budget meetings designated for the explicit purpose of receiving budget delegations.

~~(f)~~(g) No delegation shall be made to Council or committee on matters relating to litigation or potential litigation, including those matters which are before and under the jurisdiction of any court or administrative tribunals unless such matter is referred to Council by the said administrative tribunal or court.

~~(g)~~(h) No delegate shall speak on a matter that is not within the jurisdiction of the Council or committee. The Mayor and committee chairs in consultation with the Clerk will determine if a matter is within the jurisdiction of the Council or committee.

~~(h)~~(i) No delegations shall be made to notices of motion on a Council or committee agenda. Delegates will have an opportunity to speak at a subsequent Council or committee meeting when that item will be discussed.

~~(i)~~(j) No delegations shall be permitted to speak on a notice of motion to reconsider.

~~(j)~~(k) No delegations shall be made at workshops.

~~(k)~~(l) A delegate may not address Council or committee with respect to a by-law on the agenda.

~~(l)~~(m) Delegates shall not be permitted to appear before Council or committee for the sole purpose of generating publicity for an event.

~~(m)~~(n) No delegations shall be permitted to speak to presentations at Council or Committee of the Whole meetings.

~~(n)~~(o) No delegations shall be permitted to closed Agenda items.

~~(o)~~(p) A delegate shall only register themselves to speak and may not register other delegates.

~~(p)~~(q) If a delegate is unable to attend the meeting for which they are registered they may provide their written submission to the Clerk.

~~(e)~~(r) Delegates wishing to speak on a matter not on the agenda:

- i. Shall provide the Clerk in writing a request outlining the subject matter of the delegation and the action being requested to be taken by Council.
- ii. The Clerk will advise the appropriate chair and Deputy CAO of the request.
- iii. The Clerk will advise the requestor that the chair and Deputy CAO has been made aware of the request.
- iv. The requestor will be advised of the actions taken or when the item is coming forward to Council or committee.

#### **4.9 Written Submissions/Petitions**

- (a) Individuals may submit written correspondence on matters listed on the agenda by the timelines specified in Section 4.8(b) for inclusion on the agenda and consolidated agenda.
- (b) Petitions shall include a statement or position, legible names of signatories and their signatures.
- (c) ~~Petitions shall not contain~~The City Clerk's Office shall not accept any written submission or petition that contains any obscene or improper matter or language or defamatory allegations, as determined by the City Clerk in consultation with the City Solicitor.
- (d) The individual or group initiating the petition, or submitting the petition to the Clerk, must provide a key contact name, mailing address, and telephone contact information.
- (e) Names and personal information will be redacted from the information published in the agenda. Council or committee will be advised of the number of signatures only.
- (f) Electronic petitions will not be accepted.

(g) No written submissions shall be accepted with respect to a by-law on the agenda.

~~(f)~~(h) Written submissions for Council budget meetings shall only be accepted for those budget meetings designated for receiving written submissions.

#### **4.10 Motions and Order of Voting**

- (a) After a motion has been moved and seconded, it shall be deemed to be in the possession of Council or committee. Council or committee may consent to the withdrawal of the motion at any time before amendment or decision.

- (b) Council or committee shall not debate any motion until it has been moved and seconded. When a motion has been seconded, it may upon request, be read or stated by the Mayor, chair or Clerk at any time during the debate.
- (c) When a Councillor moves a motion or an amendment to a motion that is not included as part of the agenda package, that Councillor shall provide a copy of the motion to the Mayor or chair prior to the vote being taken.
- (d) Whenever the Mayor or chair is of the opinion that an amending motion is contrary to the main motion, the Mayor or chair shall apprise the members thereof immediately. A Member of Council or committee may appeal the ruling of the Mayor or chair to Council or committee. If there is no appeal, the decision of the Mayor or chair shall be final. The Council or committee, if appealed to, shall vote on the motion without debate and its decision shall be final.
- (e) A motion in respect of a matter which is not within the jurisdiction of the Council or committee shall not be in order. The Mayor or chair in consultation with the Clerk will determine if the matter is within the jurisdiction of Council or committee.
- (f) When a motion is under consideration no other motion shall be received unless it is a motion:
  - i. to refer the motion to committee, Council, staff or any other person or body. Such a motion to refer:
    - a. is open to debate;
    - b. is amendable; and
    - c. shall preclude amendment or debate of the preceding motion.
  - ii. to amend the motion. Such a motion to amend:
    - a. is open to debate;
    - b. shall not propose a direct negative to the main motion;
    - c. shall be relevant to the main motion;
    - d. is subject to only one further amendment, and any amendment more than one must be to the main motion; and
    - e. if more than one, shall be put in the reverse order to that in which they were moved, and shall be decided or withdrawn before the main motion is put to the vote.
  - iii. to defer the motion to another time. Such a motion to defer:
    - a. is not open to debate;

- b. is not subject to amendment; and
  - c. applies to the main motion and any amendments thereto under debate at the time the motion to defer is made.
- iv. to adjourn the meeting notwithstanding Section 4.13(d). Such a motion to adjourn:
  - a. is not open to debate;
  - b. is not subject to amendment; and
  - c. shall always be in order.
- v. to call a vote on the motion. Such a motion to call a vote on the motion:
  - a. cannot be amended;
  - b. cannot be proposed when there is an amendment under consideration;
  - c. when resolved in the affirmative, shall be forwarded by voting on the motion, without debate or amendment;
  - d. when resolved in the negative, shall be followed by resumption of debate; and
  - e. shall always be in order.
- (g) Once all motions relating to the main motion have been dealt with, and once the main motion is put, there shall be no further discussion or debate and the motion shall be immediately voted on.
- (h) A motion may be voted against by the mover and seconder.

#### **4.11 Voting at Open Meetings**

- (a) When one or more motions as set out in Section 4.10 have been made, the order of the vote shall be as follows:
  - i. to defer the motion;
  - ii. to refer the motion;
  - iii. upon the amendments in the reverse order to that in which they were moved, dealing with an amendment to an amendment immediately before the amendment it proposes to amend; and

- iv. then, upon the main motion or upon the main motion as amended, if any amendments have been carried.
- (b) Except as otherwise provided, every Member of Council or committee shall have one vote.
- (c) Any motion on which there is a tie vote shall be deemed to be ~~lost~~defeated, except where otherwise provided by any act.
- (d) A failure to vote by a member who is present at the meeting at the time of the vote and who is qualified to vote shall be deemed to be a negative vote.
- (e) When the motion under consideration contains distinct clauses, and a member has requested to vote on each distinct clause, then a vote shall be taken separately on each clause; including each clause added by way of an amendment.
- (f) After a vote has been called by the Mayor or chair, no member shall be recognized to speak to the motion or make any other motion after the result of the vote has been declared.
- (g) Members shall distinguish their vote by voting either in favour or opposed using an electronic voting system. Should Council or committee meet in a location where there is no electronic voting system, or should the electronic voting system be inoperable, each member must distinguish their vote by a show of hands.
- (h) Unless otherwise requested by a member, no recorded vote is required for the following privileged and incidental motions:
- i. Adjournment;
  - ~~ii. Recess; and/or~~
  - ~~ii.~~
  - ~~iii. Suspension of the Rules of Procedure;~~
  - ~~iv. Extend the automatic adjournment beyond 11:00 p.m.;~~
  - ~~v. Add an item not appearing on the agenda~~
  - ~~vi.iii.~~ Moving out of a closed meeting; ~~and/or~~
  - ~~vii. Call the vote.~~
- (i) The Mayor or chair shall vote on any motion while in possession of the chair, however, if the Mayor or chair wishes to propose a motion he or she shall step down and shall not resume the chair until the vote is taken.

## 4.12 Points of Order or Privilege

### 4.12.1 Point of Order

- (a) A member may raise a point of order at any time, whereupon the Mayor or chair shall:
  - i. interrupt the matter under consideration;
  - ii. ask the member raising the point of order to state the substance of and the basis for the point of order; and
  - iii. rule on the point of order immediately without debate by Council or committee.
- (b) A Member of Council or committee may appeal the ruling of the Mayor or chair to Council or committee which will then decide on the appeal, without debate, by way of a majority vote of the members present. If there is no appeal, the decision of the Mayor or chair shall be final.

#### **4.12.2 Point of Privilege**

- (a) A member may raise a point of privilege at any time if he or she considers that their integrity, the integrity of Council or the committee as a Whole or staff has been impugned, whereupon the Mayor or chair shall:
  - i. interrupt the matter under consideration;
  - ii. ask the member raising the point of privilege to state the substance of and the basis for the point of privilege; and
  - iii. rule on the point of privilege immediately without debate by Council or committee.
- (b) A Member of Council or committee may appeal the ruling of the Mayor or chair to Council or committee.
- (c) If there is no appeal, the decision of the Mayor or chair shall be final. The Council or committee, if appealed to, shall vote on the motion without debate by way of a majority vote of the members present and its decision shall be final.
- (d) Where the Mayor or chair considers that the integrity of any city employee has been impugned or questioned, the Mayor or chair may permit staff to make a statement to Council or committee.

#### **4.13 Automatic Adjournment of Council and Special Council Meetings**

- (a) ~~Council shall adjourn at 11:00 p.m. unless otherwise decided before that hour by a majority vote of the members present. If Council is adjourned before the agenda is completed, Council shall establish a time and date for consideration of the balance of the agenda. Council and Special Council meetings shall have~~



an automatic adjournment time of 11:59 p.m. that cannot be waived by suspending the rules of procedure.

- (b) ~~Only one motion to extend the automatic adjournment beyond 11:00 p.m. shall be permitted per meeting, and the maximum allowable extension shall be to 11:59 p.m. One hour prior to the automatic adjournment time the chair, in consultation with the Clerk, shall determine any time sensitive issues on the agenda that must be dealt with before the meeting is adjourned or can be moved to the next scheduled meeting. If there are items on the agenda that must be dealt with before the next scheduled meeting, Council shall establish a date and time for their consideration.~~
- (c) A motion to adjourn may be made by any member who has been recognized by the Mayor or chair. The motion must be moved and seconded. A motion to adjourn shall not be made during a vote on any other motion.
- (d) Notwithstanding Section 4.13(a), ~~if a motion to extend the automatic adjournment time is required prior to the hearing of all delegates on a matter being considered at the time such motion to adjourn is made, Council shall not adjourn the meeting until all listed delegates on the matter have been heard. Once the listed delegates have been heard, Council shall deal with the matter being considered at the time the motion to adjourn was made, as well as any other time sensitive issues on the agenda identified by the Clerk.~~if the automatic adjournment time occurs prior to the hearing of all delegates on the matter being considered at that time, Council shall not adjourn the meeting until all listed delegates on the matter have been heard. Once the listed delegates have been heard, Council shall deal with the matter under consideration prior to the automatic adjournment of the meeting.

#### **4.14 Automatic Adjournment of Committee of the Whole Meetings**

- (a) ~~The Committee of the Whole shall adjourn at 8:00 p.m. unless otherwise decided before that hour by a majority vote of the members present. If the Committee of the Whole meeting is adjourned before the agenda is completed, the committee shall establish a time and date for consideration of the balance of the agenda.~~Committee of the Whole meetings shall have an automatic adjournment time of 9:30 p.m. that cannot be waived by suspending the rules of procedure.
- (b) ~~Only one motion to extend the automatic adjournment beyond 8:00 p.m. shall be permitted per meeting, and the maximum allowable extension shall be to 9:00 p.m. One hour prior to the automatic adjournment time the chair, in consultation with the Clerk, shall determine any time sensitive issues on the agenda that must be dealt with before the meeting is adjourned or can be moved to the next scheduled meeting. If there are items on the agenda that must be dealt with before the next scheduled meeting, the committee shall establish a date and time for their consideration.~~

- (c) A motion to adjourn may be made by any member who has been recognized by the chair. The motion must be moved and seconded. A motion to adjourn shall not be made during a vote on any other motion.
- (d) Notwithstanding Section 4.14(a), if the automatic adjournment time occurs prior to the hearing of all delegates on the matter being considered at that time, the committee shall not adjourn the meeting until all listed delegates on the matter have been heard. Once the listed delegates have been heard, the committee shall deal with the matter under consideration prior to the automatic adjournment of the meeting.~~if a motion to extend the automatic adjournment time is required prior to the hearing of all delegates on a matter being considered at the time such motion to adjourn is made, Committee of the Whole shall not adjourn the meeting until all listed delegates on the matter have been heard. Once the listed delegates have been heard, the committee shall deal with the matter being considered at the time the motion to adjourn was made, as well as any other time sensitive issues on the agenda identified by the Clerk.~~

## 5. Regular Meetings of Council

The rules and procedures contained in Sections 3 and 4 shall apply with necessary changes.

### 5.1 Location, Date and Time of Meetings

Notwithstanding Section 4.2:

#### 5.1.1 Time of Regular Meetings

Regular Council meetings shall be held at 6:30 p.m.

#### 5.1.2 Closed Council Meetings

When a closed meeting of Council is required, where possible, it shall be held no earlier than 4:30 p.m. on the day of an existing regular Council meeting.

### 5.2 Order of Business

The Clerk, in consultation with the Mayor and staff, shall have discretion to prepare for the use of members, an agenda containing the following:

- Call to Order
- Singing of O Canada
- Silent Reflection
- First Nations Acknowledgement
- Closed Meeting Summary
- Disclosure of Pecuniary Interest and General Nature Thereof
- Confirmation of Minutes
- Presentations
- Consent Agenda

- Items for Discussion
- Special Resolutions
- By-laws
- Announcements
- Notice of Motions
- Adjournment

### **5.3 Closed Meeting Summary**

Following a closed meeting of Council or committee, the Mayor or chair shall disclose, in a general manner, how the agenda items were dealt with in the closed meeting.

### **5.4 Confirmation of Council and Committee of the Whole Minutes**

- (a) The Clerk shall present the minutes, without note or comment, of any previous open and closed Council or committee meetings to Council for adoption.
- (b) When the minutes of Committee of the Whole, or any Council meeting, have been adopted, the Mayor and Clerk shall sign them.

### **5.5 Committee of the Whole Consent Report**

- (a) The report from Committee of the Whole to Council, for items which do not have presentations or delegations, shall be submitted to Council in the form of a consent report, and shall be dealt with by Council as follows:
  - i. The Committee of the Whole consent report shall be presented by the respective chair or, in his or her absence, by the vice-chair who shall move the adoption of their report.
  - ii. Council Members shall identify any items contained on the Committee of the Whole consent report which they wish to speak to and the matter shall be extracted from the consent report to be dealt with separately under items for discussion.
  - iii. The balance of items on the Committee of the Whole consent report, which have not been extracted, shall be voted on in one motion.
- (b) In the event that Council adopts a motion to be referred back to staff, staff shall report back to a regular Council meeting and not back to a Committee of the Whole meeting.
- (c) Reports from local boards and advisory committees submitted in writing shall be signed by the chair or secretary. When such reports are requesting Council action, they shall include appropriate resolutions for consideration.

### **5.6 Council Consent Agenda**

- (a) The Council consent agenda shall consist of the following items that do not have presentations or delegations:
  - i. reports from staff;
  - ii. correspondence for the direction of Council, which may include:
    - correspondence for which a policy decision or approval of Council is required;
    - correspondence accompanied by a recommendation from staff; and
  - iii. items of a timely nature.
- (b) Council Members shall identify any items contained on the consent agenda which they wish to speak to and the matter shall be extracted from the consent agenda to be dealt with separately under items for discussion.
- (c) The balance of items on the consent agenda, which have not been extracted, shall be voted on in one motion.

## **5.7 Items for Discussion**

- (a) Items for discussion shall consist of the following items that have presentations and/or delegations:
  - i. Reports from staff;
  - ii. Correspondence for the direction of Council; and
  - iii. Correspondence extracted from the weekly Items for Information.
- (b) In the event that Council adopts a motion to be referred back to staff, staff shall report back to a regular Council meeting and not back to a Committee of the Whole meeting.

## **5.8 Reconsideration of a Council Decision**

- (a) Council may reconsider an entire resolution that was decided during any term of Council. A reconsideration of a portion of a resolution shall not be permitted. Such reconsideration can either amend the previous decision or rescind it.
  - i. No resolution shall be reconsidered more than once during the term of Council.
  - ii. A motion to reconsider shall not be reconsidered.
- (b) A resolution that was decided by Council cannot be reconsidered if action has been taken in implementing the resolution resulting in legally binding commitments that are in place on the date the motion to reconsider is considered by Council.

- (c) If Council passes a resolution and adopts the same matter by by-law, only the resolution may be reconsidered. If the decision resulting from the reconsideration warrants, the by-law will be amended or repealed accordingly.
- (d) A motion to reconsider shall be introduced by way of a notice of motion to Council and considered as a special resolution at a subsequent regular meeting of Council pursuant to Sections 5.11 and 5.12.
  - i. No delegations shall be permitted to speak on a notice of motion to reconsider.
- (e) Only a Member of Council who voted with the majority in respect of a previous decision or who was absent from the vote or was not a Member of Council at the time may move or second a motion for reconsideration.
- (f) A motion to reconsider must be carried in the affirmative by a vote of two-thirds of the entire Council.
- (g) If a motion to reconsider is decided in the affirmative:
  - i. the reconsideration effectively returns Council to just prior to the original Council decision.
  - ii. reconsideration of the original motion shall then be the next order of business unless the motion specifies a future date.
- (h) A notice of reconsideration received from the Local Planning Appeals Tribunal shall not be deemed a reconsideration of a Council decision.

## **5.9 By-laws**

- (a) The Clerk shall submit to Council a summary of all by-laws proposed for adoption that includes the by-law numbers and titles.
- (b) A complete copy of every proposed by-law shall be brought to the Council meeting and be available to any person interested in reviewing.
- (c) Unless otherwise requested, all by-laws proposed for adoption shall be passed in one single motion.
- (d) The Clerk shall be responsible for their correctness should they be amended at a Council meeting.
- (e) Every by-law passed by Council shall:
  - i. be signed by the Mayor, or the presiding officer;
  - ii. be signed by the Clerk or designate;
  - iii. be sealed with the City seal; and
  - iv. indicate the date of passage.
- (f) Council shall enact a by-law to confirm all actions taken by Council.

## **5.10 Announcements**

Council meeting announcements shall be provided to the Mayor in writing prior to the Council meeting, and the Mayor shall read the announcements at the end of the Council meeting.

## **5.11 Notices of Motion**

- (a) Prior to initiating the notice of motion process, a member shall first submit the proposed motion in writing to the Deputy CAO and relevant Committee of the Whole Service Area chair for approval to place the matter on a Committee of the Whole agenda. If approved, the motion shall be submitted in writing to the Clerk prior to the regular agenda deadline for inclusion on a committee meeting agenda.
- (b) If the matter is not placed on a Committee of the Whole agenda by the relevant Service Area chair and Deputy CAO, at a regular Council, Council Planning or Committee of the Whole meeting, a member shall give notice that he or she intends to introduce a motion at a subsequent regular meeting of Council to initiate any measure within the jurisdiction of Council.
- (c) The notice of motion shall be submitted in writing, on the prescribed form, to the Clerk prior to the regular agenda deadline for inclusion on any regular Council, Council Planning or committee meeting agenda.
- (d) The motion may not be submitted as part of a consolidated agenda.
- (e) A motion for which notice has been given, other than one to reconsider or rescind a prior decision of Council, shall be in the form of a referral to the Committee of the Whole or, if no future Committee of the Whole meeting has been scheduled, to regular Council.
- (f) The motion for which notice has been given, shall be included as a special resolution on an agenda of a regular Council meeting.
- (g) If a motion is introduced and not brought forward in the next two (2) subsequent regular Council meetings, the motion expires.
- (h) No delegations shall be permitted to speak on a notice of motion.

## **5.12 Special Resolutions Arising from Notice of Motion**

- (a) Motions for which notice has been given shall be listed on the next regular Council agenda, unless the member introducing the motion has specified another regular Council meeting date as per Section 5.11(a), under the special resolutions section of the agenda. Special resolutions for which previous notice has been given shall not be placed on a consolidated agenda.
- (b) In introducing a special resolution to Council, a member shall be permitted the opportunity of providing material and information in support of the resolution.

### 5.13 Special Resolutions Arising from Closed Meeting

- (a) Where Council has passed a procedural resolution at a closed meeting to report out at a meeting, such resolution shall be introduced under the special resolution or closed meeting Summary heading of the agenda pursuant to Section 4.6.7 (a) (ii).
- (b) Council or staff may provide contextual information prior to Council's consideration of the special resolution.

## 6. Council Planning Meetings

The rules and procedures contained in Sections 3, 4 and 5 shall apply with necessary changes. Rules and procedures regarding automatic adjournment times shall not apply to Council Planning meetings.

Council Planning shall consider matters where a public meeting is required to hear applications under the Planning Act.

### 6.1 Public Notice of Meetings

Notwithstanding Section 4.1, staff shall give legislated notice of items on any agenda in accordance with the applicable legislation.

### 6.2 Location, Date and Time of Meetings

Notwithstanding Section 4.2:

#### 6.2.1 Time of Meetings

Council Planning meetings shall be held at 6:30 p.m.

#### 6.2.3 Closed Council Meetings

When a closed meeting of Council is required, where possible, it shall be held no earlier than 4:30 p.m. on the day of an existing Council Planning meeting.

### 6.3 Order of Business

The Clerk, in consultation with the Mayor and staff, shall have discretion to prepare for the use of members, an agenda containing the following:

- Call to Order
- Singing of O Canada
- Silent Reflection
- First Nations Acknowledgement
- Closed Meeting Summary
- Presentations

- Disclosure of Pecuniary Interest and General Nature Thereof
- Setting of the Consent Agenda
- Public Meetings Pursuant to The Planning Act
- Items for Discussion
- Special Resolutions
- By-laws
- Announcements
- Notice of motions
- Adjournment

## **6.4 Delegations**

- (a) Notwithstanding Section 4.8 (a), the time limitation for delegations speaking at a public meeting to hear applications under the Planning Act, shall not exceed ten minutes. Council may extend the ten minute time period by a majority vote of the Council Members present without debate.
- (b) Council may ask questions of staff after a staff presentation and prior to delegates addressing Council.
- (c) Once all registered delegates have spoken, the Mayor or chair shall ask if anyone present wishes to speak. Such individuals shall be permitted to speak without advance notice pursuant the Planning Act and as per Section 6.4 (a).

## **6.5 Council Planning Consent Agenda**

The rules and procedures contained in Section 5.6 shall apply to the Council Planning consent agenda.

# **7. Committee of the Whole Meetings**

Notwithstanding Section 4.2, the rules and procedures contained in Sections 3, 4 and 5 shall apply with necessary changes.

## **7.1 Location, Date and Time of Meetings**

### **7.1.1 Time of Meetings**

Committee of the Whole meetings shall be held at 2:00 p.m.

### **7.1.2 Closed Meetings**

When a closed meeting of committee is required, it shall be held no earlier than 12:30 p.m. on the day of an existing scheduled Committee of the Whole meeting.

## **7.2 Chairing**

- (a) Chairs will chair the portion of the committee meeting where business is forwarded from their respective Service Areas or portfolios.



- (b) Chairs will assume the head of council seat when chairing their portion of the meeting.

### **7.3 Service Area Reporting**

Service Areas will report to committee on their designated month.

### **7.4 Order of Business**

The Clerk, in consultation with the chairs, Mayor and staff, shall have discretion to prepare for the use of members, an agenda containing the following:

- Closed Meeting Summary
- Disclosure of Pecuniary Interest and General Nature Thereof
- Presentations
- Consent Agenda (rotating based on Service Area reporting)
- Items for Discussion (rotating based on Service Area reporting)
- Chairs and Staff Announcements
- Notice of motions
- Adjournment

### **7.5 Committee of the Whole Consent Agenda**

- (a) Committee of the Whole shall use a consent agenda which shall consist of items that do not have presentations or delegations.
- (b) A Member of Council may request that a matter appearing on the Weekly Information Items to Council be listed on the appropriate Committee of the Whole consent agenda for discussion or consideration.
- (c) Reports from local boards and advisory committees submitted in writing shall be signed by the chair or secretary. When such reports are requesting Council action, they shall include appropriate motions for consideration.
- (d) Those matters which are time sensitive may be included on the consent agenda as approved by the CAO and appropriate Deputy CAO.
- (e) Council Members shall identify any items contained on the Committee of the Whole consent agenda which they wish to speak to and the matter shall be extracted from the consent agenda to be dealt with separately under items for discussion.
- (f) The balance of items on the Committee of the Whole consent agenda, which have not been extracted, shall be voted on in one motion.

### **7.6 Announcements**

Service Area updates may be made by the Mayor, chair, CAO, Deputy CAO's or their designates. Service Area announcements provided to the chairs prior to the

meeting shall be read by the chair at the end of the relevant Service Area portion of the meeting.

## **8. Special Council Meetings**

The rules and procedures contained in Sections 4 and 5 shall apply with necessary changes.

### **8.1 Calling of Special Council Meetings**

- (a) The Mayor may at any time summon a special meeting of Council within 48 hours. The Mayor shall also summon a special meeting of Council when so requested in writing by a majority of Members of Council.
- (b) Upon receipt of a written petition of the majority of the Members of Council, the Clerk shall summon a special meeting for the purpose mentioned in the petition.
- (c) Upon the calling of a special meeting the Clerk shall give notice to all members, not less than 48 hours prior to the time fixed for the meeting of the:
  - time;
  - place; and
  - business to be considered.
- (d) On emergency or extraordinary occasions, the Mayor may call a special Council meeting without the notice provided in Section 8.1(a).
- (e) Only items disclosed on the meeting agenda may be considered by Council. Items will not be added to the special meeting on a consolidated agenda.

### **8.2 Workshops**

#### **8.2.1 Location, Date and Time of Meeting**

Council workshops shall be held no earlier than 6 p.m.

#### **8.2.2 Delegations**

Delegations will not be heard at Council workshops.

## **9. Inaugural Council Meeting**

- (a) The first meeting of Council following a regular election shall be held on the first Monday in December at 6:30 p.m. in the Council Chambers of City Hall or at such alternate location as determined by the Clerk.
- (b) At the inaugural meeting, each member present shall make his or her declaration of office and sign Council's Code of Conduct. The Clerk may

provide additional policies or procedures to Council as appropriate. Council shall not proceed with any regular business at this meeting.

## **10. Council Meeting as Shareholder**

- (a) Council meets as the shareholder of the following Corporations:
  - i. Guelph Municipal Holdings Incorporated; and
  - ii. Guelph Junction Railway Company
- (b) Shareholder meetings shall be held as special meetings on separate dates, unless otherwise directed by the Mayor and/or CAO.

## **11. Committees**

### **11.1 Appointments to Committees**

- (a) Council shall appoint chairs for Committee of the Whole. Council shall consider rotating the chairs' position every two years. In appointing the chairs, consideration shall be given to workload balance, individual interests and Councillor development.
- (b) Council shall appoint vice-chairs for Committee of the Whole. Council shall consider rotating the vice-chairs' every two years. In appointing a vice-chair, consideration shall be given to workload balance, individual interests and Councillor development.
- (c) Council shall make public and member appointments to agencies, boards, committees and commissions at regular Council meetings.

### **11.2 Committees Reporting Directly to Council**

The following committees are appointed by and report directly to Council:

- (a) Ad Hoc Standing committee
  - i. Emergency Governance
- (b) Quasi-judicial committees
  - i. Business Licence Appeals Committee

(c) Committee of Management for The Elliott

~~(c)~~(d) Chief Administrative Officer Recruitment, Selection and Performance Sub-committee

### **11.3 Committee Composition**

The Mayor is ex-officio on all committees and:

- i. may attend meetings;
- ii. attendance does not count towards quorum; and
- iii. may participate in meetings.

### **11.3.1 Emergency Governance Committee**

The Emergency Governance Committee shall be comprised of a minimum of four (4) and a maximum of six (6) Members of Council and quorum shall be four (4) members.

### **11.3.2 ~~Elliott Board of Management~~Committee of Management for The Elliott**

The ~~Elliott Board of Management~~Committee of Management for The Elliott shall be composed of all Members of Council.

### **11.3.3 Business Licence Appeals Committee**

The Business Licence Appeals Committee shall be composed of five (5) Members of Council appointed for the term of Council to hear appeals under the Business Licence By-law.

### **11.3.4 Chief Administrative Officer Recruitment, Selection and Performance Sub-committee**

The Chief Administrative Officer Recruitment, Selection and Performance Sub-committee shall be composed of the Committee of the Whole service area chairs for Corporate Services, Public Services, Infrastructure, Development and Enterprise Services, Audit and Governance.

## **11.4 Ad Hoc Committees and Advisory Committees**

### **11.4.1 Ad Hoc Committees**

- (a) Council may appoint ad hoc committees, with a defined ending, to consider a specific matter and report to Council.
- (b) Only the members of an ad hoc committee shall participate in debate or ask questions at ad hoc committee meetings.

### **11.4.2 Advisory Committees**

- (a) Advisory committees are created by Council with no defined ending, to report through the appropriate Service Area on a specific subject matter.
- (b) No Members of Council shall be appointed to advisory committees.
- (c) The appointment of a member of the public to an Advisory committee may be forfeited if the member is absent from meetings of the committee for three (3) consecutive months without being authorized to do so by a resolution of the committee.

## **12. Report Deadlines and Weekly Information Items**

### **12.1 Report Deadlines**

Reports, presentations and other agenda materials are due to the Clerk's office on the dates and times set out in the Council and Committee Report Deadlines schedule prepared following the adoption of the Council and committee meeting dates.

### **12.2 Weekly Information Items**

- (a) Weekly Information Items shall consist of the following items:
- i. Reports from staff for information;
  - ii. Correspondence received that may be of interest to Members of Council;
  - iii. Boards' & committees' minutes and information;
  - iv. Intergovernmental Consultations; and
  - v. Items available in the Clerk's office.
- (b) Weekly Information Items will be published and distributed weekly on Fridays.
- (c) Members of Council may request an item from the Weekly Information Items be placed on the appropriate Committee of the Whole or Council agenda for discussion.

## **13. General Rules**

### **13.1 Robert's Rules of Order**

In relation to the proceedings of Council and committees and for which Rules of Procedure have not been provided in this by-law, Roberts Rules of Order 11<sup>th</sup> Edition shall be referenced where practicable.

### **13.2 Other General Information**

**13.2.1** This by-law comes into force on ~~December 17, 2018~~ September 23, 2019.

**13.2.2** The short title of this by-law is the Procedural By-law.

**13.2.3** Appendix 1, the "Motions Table", forms part of this by-law and shall be used as a reference.

## **14. Procedural By-laws for Other Boards, Committees or Commissions**

Where a board, committee or commission of the City has not adopted a procedural by-law, such board, committee or commission shall be deemed to have adopted this procedural by-law with necessary modifications including the requirement that all meetings be open to the public, subject to the same exceptions applicable to Council meetings as set out herein.

## **15. Repeal of Previous By-law**

By-law Number (2018)-20352 is hereby repealed.

**PASSED this 23<sup>rd</sup> day of SEPTEMBER, 2019.**

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**Cam Guthrie – Mayor**

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**Stephen O'Brien – City Clerk**

**Appendix 1 - Motions Table**

<b>Motion</b>	<b>Debatable</b>	<b>Non-debatable</b>	<b>Amendable</b>	<b>Non-amendable</b>	<b>Special Majority</b>
adjourn		X		X	
point of privilege		X		X	Chair Rules*
point of order		X		X	Chair Rules*
call a vote on the motion		X		X	
motion to amend	X		X		
defer		X		X	
refer	X		X		
<del>extend Council meeting beyond 11:00 p.m.</del>	<del>X</del>			<del>X</del>	<del>Majority of the members present</del>
<del>extend Committee of the Whole meeting beyond 8:00 p.m.</del>	X			X	<del>Majority of the members present</del>
reconsideration	X			X	2/3 of entire Members of Council (9)
appeal the chair's ruling		X		X	
suspend the Rules of Procedure		X		X	2/3 of entire Members of Council (9)
<u>extend delegation speaking time beyond five or ten minutes, whichever is applicable</u>		<u>X</u>		<u>X</u>	

\*A point of order/privilege is ruled on by the Mayor/chair. Any member may appeal the chair's ruling which must then be decided by a majority vote of the members present without debate.

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Office of the Mayor and Council
Date	Tuesday, September 3, 2019
Subject	<b>Councillors' Request for Additional Training Funding, 2019</b>
Report Number	OMC-2019-01

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## Recommendation

1. That Councillors Rodrigo Goller, Mark MacKinnon, Dominique O'Rourke each be authorized to exceed their 2019 Training Funding allocation of \$4875.00 in order to cover costs associated with attendance at the Association Municipalities of Ontario (AMO), 2019.
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## Executive Summary

### Purpose of Report

To request Council approval for Councillors requiring additional training funding to attend the AMO Conference August 18-21 2019, in Ottawa, Ontario.

### Key Findings

Each Councillor has an allocated amount from the Council Office Training Budget. As prescribed by Policy, Council approval is required for any Councillor to expend monies beyond this yearly allocation.

### Financial Implications

The Council's training funding for 2019 is \$58,500.00. This funding is shared equally and provides each Councillor with \$4875.00 in support of conference registration, transportation, hotel, meals. To date approximately \$25,000 is unexpended as not all Councillors have planned to attend training conferences this year.

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## Report

Council's pool of training funds in 2019 is \$58,500.00, which is shared equally between 12 councillors. At this time of year, this fund is underspent by approximately \$25,000 as not all members of Council have plans to attend training conferences this year. Councillors Rodrigo Goller, Mark MacKinnon, Dominique O'Rourke attended the FCM conference in the spring and this depleted their training funding. They each found value in the AMO conference agenda and are attending this conference. It is requested that they be permitted to access additional training



funds and be approved to spend up to an additional \$4875.00 each to cover costs of attending AMO in 2019. The unspent training funds will be used to support this request and we do not expect this will create a negative variance for 2019.

### **Financial Implications**

The Council dedicated training funding for 2019 is \$58,500.00. This funding is shared equally and provides each Councillor with \$4875.00 in support of conference registration, transportation, hotel, meals. To date approximately \$25,000 is unexpended as not all Councillors have planned to attend training conferences this year.

### **Overarching Goals**

Service excellence.

### **Departmental Approval**

Mayor Cam Guthrie

### **Report Author**

Betsy Puthon, Executive Assistant to the Mayor

*Each Councillor approved by email*

---

#### **Approved by**

Councillor Mark MacKinnon

Councillor Dominique O'Rourke

Councillor Rodrigo Goller



---

#### **Recommended By**

Mayor Cam Guthrie



# Building the City's Strategic Plan.

## **Together.**

Committee of the Whole Staff Presentation  
September 3, 2019

# Strategic alignment

## Our Strategy and Performance



Adapted from City of Hamilton

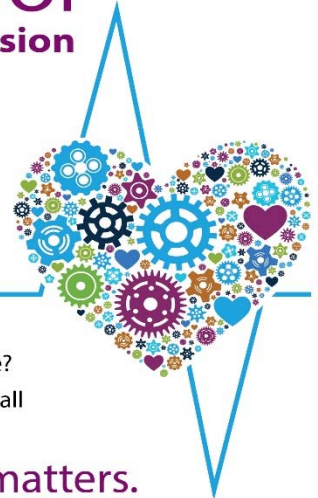


# Building the Plan

- ✓ Environmental scanning
  - Corporate Management Team
  - Municipal and Provincial changes
- ✓ Priority setting workshops
  - Corporate Management Team
  - Council and Executive Team
- ✓ Vision, Mission and Values
  - Staff survey
  - One day workshop
- ✓ Strategic Plan Approval
  - September 23

**Time for  
a vision, mission  
and values**

**pulse  
check**



Where are we going?  
How will we get there?  
Let's make sure we're all  
on the same page.

**Your voice matters.  
Take the vision, mission,  
values survey.**

**June 12 to 19**

Online and paper copies of the survey are available.  
For more information visit the InforNet or speak with your manager.



Building the City's Strategic Plan.  
**Together.**



# Community and Strategic Plans

Community's 20 year vision

## We protect the environment

- Protect and sustain what we have
- Reclaim what might otherwise be wasted
- Go further than any other city
- Prepare for the future
- Steward our resources



City's four year vision

## Sustaining our future

- Create an ambitious and achievable climate adaptation plan
- Mitigate climate change by reducing our carbon footprint
- Plan and design an increasingly sustainable city as we grow





# City of Guelph

## Facilitators Report of Council-Staff Strategic Planning Process

September 2019

John Matheson

# Purpose

- Guelph's strategic planning process to date
- Report back on municipal senior staff and City Council's strategic planning work
- Overview of how priorities are incorporated into the strategic planning process.
- Analysis and Recommendations for the Council-Staff Joint Strategic Plan
- Next steps

## Guelph's Process to Date



# Sources of Input

- Interviews
- Media analysis
- Council members 1:1 conversations
- 1 Introductory meeting and 2 Workshops
- Deputy CAO interviews
- Meeting with corporate management team
- Update from the new CAO
- General StrategyCorp and City of Guelph staff collaboration

# Environmental Scan: Research, Council-Staff Meetings and Interviews

# Staff and Council SWOT

## **Strong position to start from**

- Growing community, high resident engagement and satisfaction
- Experienced leadership, relative autonomy as single-tier, engaged staff
- Innovative population, well positioned on Tech Corridor

## **Some growing pains**

- Change resistance among some residents, managing residents' expectations
- Retirement among municipal workers, competition from other employers, adaptation of municipal workplace a challenge (e.g., tools, job descriptions)
- Improving strategic partnerships

# Staff and Council SWOT

## **External conditions lead to uncertainty**

- Rapid population and employment growth, transforming economy
- Provincial policy changes, political polarization, unknown changes to critical revenue tools
- Expanding expectations for municipal government, no new tools or revenue

## **Opportunities on the horizon**

- Agri-food and “green” technology sector, position on tech corridor
- Educated residents and innovative businesses often leading change
- Many local partnership opportunities (e.g., schools, county, health unit, federal government)

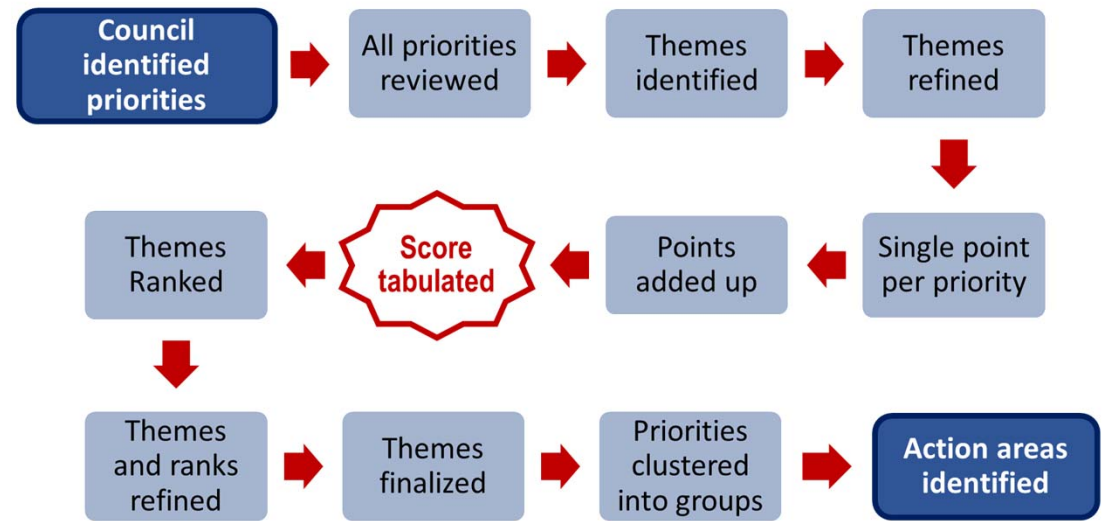
# First Council-Staff Workshop: Identifying Policy Priorities

# The Policy Priority Exchange

Exchanged ideas on strategic priorities

Each councillor and senior staff member identified their top 6 strategic priorities and 6 additional priorities

Discussed these priorities and how they fit in the current political context



## Second Council-Staff Workshop: Validating Themes of Priorities

# “Policy Speed Dating” Results

7 priorities with more than 10 votes

6 priorities with less than 10 votes

Brought back to council for validation at Second Workshop

Top Council Priorities	Next Priorities
1. Transit & Transportation	8. City Building & Development
2. Climate Change & Environment	9. Cultural Master Plan
3. Budgeting & Service Standards	10. Infrastructure
4. Housing Attainability & Poverty Reduction	11. Public Health & Ageing
5. Corporate Management	12. Community Safety & Policing
6. Economic & Workforce Development	13. Electoral Reform
7. Managing Strategic Relationships	



# Feedback from Council and Staff

- Concern that “priorities” were outdated given new political and fiscal context
- Need to maintain / build confidence of Guelph residents & businesses by delivering on major projects
- Greater benefits for everyday Guelph residents and businesses required
- Missing measures to meet the safety and social service needs of the community

# Key Takeaways

## **1. Incorporate community health and wellness:**

- Mental health / addictions
- Persistent homelessness
- Community policing improvements
- “Sense of place” and community connections

## **2. Elevate city building:**

- Guelph council and city government demonstrate good management by fulfilling previous commitments
- Deliver on what is mandatory and critical, but also reach for new opportunities that match the priorities identified

## Towards a Strategic Plan: Integrating the Results

# Sustain and Grow

## **Guelph is in an enviable position**

- Well managed finances
- Ambitious, engaged residents and businesses
- Strong sense of place

## **Challenges beyond municipal control**

- Provincial policy and financial arrangement changes
- Climate change
- Changing economy

# Guideposts for New Priorities

- The environment and climate change
- Transit and transportation planning
- Running a modern, efficient, and well-equipped municipal corporation
- Building a city that serves all its people and businesses while creating places people enjoy
- Providing the services that promote community safety, health, and general well-being

# Getting the culture right

## Our vision

An inclusive, connected, prosperous city where we look after each other and our environment.

## Our mission

Working together to deliver responsible and responsive public service to our growing and diverse community.

## We value

<b>Integrity</b>	Operate with integrity	<ul style="list-style-type: none"><li>• We treat our colleagues and community members with respect.</li><li>• We take our responsibility as public servants seriously and protect the community's fiscal future.</li><li>• We trust each other and operate with transparency and accountability.</li></ul>
<b>Service</b>	Community-driven	<ul style="list-style-type: none"><li>• We serve our community with pride.</li><li>• We work with our community to understand and deliver what they need.</li><li>• We have empathy for the values and aspirations of everyone we work with and serve.</li></ul>
<b>Inclusion</b>	Stronger for our differences	<ul style="list-style-type: none"><li>• We know better ideas come from listening and collaborating with a diversity of people.</li><li>• We build trusting relationships and effective teams through honest and open communication.</li><li>• We encourage each other to bring our uniqueness to work.</li></ul>
<b>Wellness</b>	Adaptable and resilient	<ul style="list-style-type: none"><li>• We recognize that healthy and engaged employees can better serve our community.</li><li>• We anticipate and manage change proactively.</li><li>• We help each other adjust to change as employees and as an organization.</li></ul>
<b>Learning</b>	Always learning	<ul style="list-style-type: none"><li>• We are curious and courageous.</li><li>• We support each other to learn, grow, experiment and share.</li><li>• Our successes and failures drive continuous improvement.</li></ul>





Guelph.  
**Future Ready.**  
City's Strategic Plan

# Powering our future

*an economy that empowers us*



Contribute to a sustainable, creative and smart local economy that is connected to regional and global markets and supports shared prosperity for us all.

## Directions

Accelerate our innovation economy through partnerships

- Leverage the role of Guelph within Toronto-Waterloo innovation corridor
- Foster downtown business innovation to support a thriving downtown Guelph
- Support and attract circular economy businesses
- Leverage partnerships with the University of Guelph and Conestoga College
- Support the work of key sectors of Guelph's economy, such as advanced manufacturing, agri-tech and clean tech

---

Support businesses to succeed and add value to our community

- Build collaborative partnerships with businesses
- Ensure policies and zoning bylaws support a healthy economy
- Encourage the growth of Guelph's employment base, offering meaningful opportunities for all

---

Support businesses as they build capacity to adapt to changing workforce needs

- Leverage partnerships with businesses to attract new talent to Guelph to fulfill our economic needs, including skilled tradespeople and workers in emerging tech sectors





# Sustaining our future

*an environment that sustains us*



Care for our environment, respond to climate change and prepare our community for a net-zero-carbon future.

## Directions

Create and execute an ambitious and achievable climate adaptation plan

- Invest in “green” infrastructure to prepare Guelph for the effects of climate change
- Increase our tree canopy

---

Mitigate climate change by reducing Guelph’s carbon footprint

- Reduce the City of Guelph’s energy footprint through retrofits
- Advocate for federal and provincial regulations and policy change aimed at reducing carbon emissions
- Support environmental innovation and programming by aligning with partners such as Our Energy Guelph initiative

---

Plan and design an increasingly sustainable city as Guelph grows

- Ensure we have adaptable “green” infrastructure to support population and economic growth for future generations in physical areas such as the Guelph Innovation District and Clair-Maltby
- Protect the green infrastructure provided by our woodlands, wetlands, watercourses and other elements of our natural heritage system



# Navigating our future

*a transportation network that connects us*



Foster easy, accessible movement through trails, paths, roads and corridors to tie our community together and connect our economy with other regions.

## Directions

Build our capacity to adopt clean and efficient technology

- Prepare Guelph's transportation network for autonomous vehicle technology and an increase in electric vehicles
- Update our transportation plans and our program and service delivery models

---

Provide attractive, affordable and reasonable transportation options for everyone

- Provide affordable transit
- Improve connections to places people work in Guelph
- Invest in and promote active transportation
- Improve the safety, efficiency and connectivity of the whole transportation system

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Improve local transportation and regional transit connectivity

- Improve transportation connectivity and safety within city limits, while advocating for better regional connectivity with public transit and rail service



# Working together for our future

*a modern government that work with us*



Run an effective, fiscally responsible and trusted local government with engaged, skilled and collaborative employees.

## Directions

Attract and develop accountable employees who work collaboratively and creatively to deliver services

- Find ways to better recruit and retain talented employees
- Alleviate pressures on services that are created as more City employees retire
- Develop strategic partnerships with stakeholders to improve service delivery
- Encourage a culture of innovation and high performance

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Improve how the City communicates and delivers services to residents

- Improve services by using technology and data
- Accelerate digital delivery of services
- Improve front-line customer service and communications

---

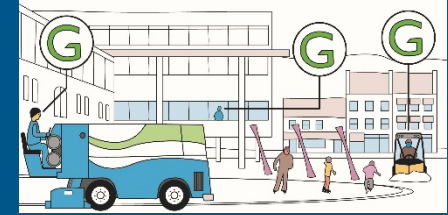
Develop a long-term financial and resource strategy that is achievable and affordable

- Maintain our core service delivery
- Clarify the correct service levels the City is expected to deliver
- Establish a multi-year budgeting and planning process
- Explore new funding options, service-delivery models and partnerships to ease the tax burden



# Building our future

*a community that supports us*



Make strategic investments that nurture social well-being, provide landmark beauty and offer a safe place where everyone belongs.

## Directions

Maintain existing and secure new community assets

- Manage existing infrastructure
- Continue working to develop new assets that respond to our growing and changing social, economic and environmental needs, such as the Baker District redevelopment and South End Community Centre
- Support the development of new assets through advocacy and policy work

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Take action to help increase the availability of housing that meets community needs

- Advocate for increased funding from federal and provincial governments
- Work with partners to create smart programs and policies that enable more people to obtain housing

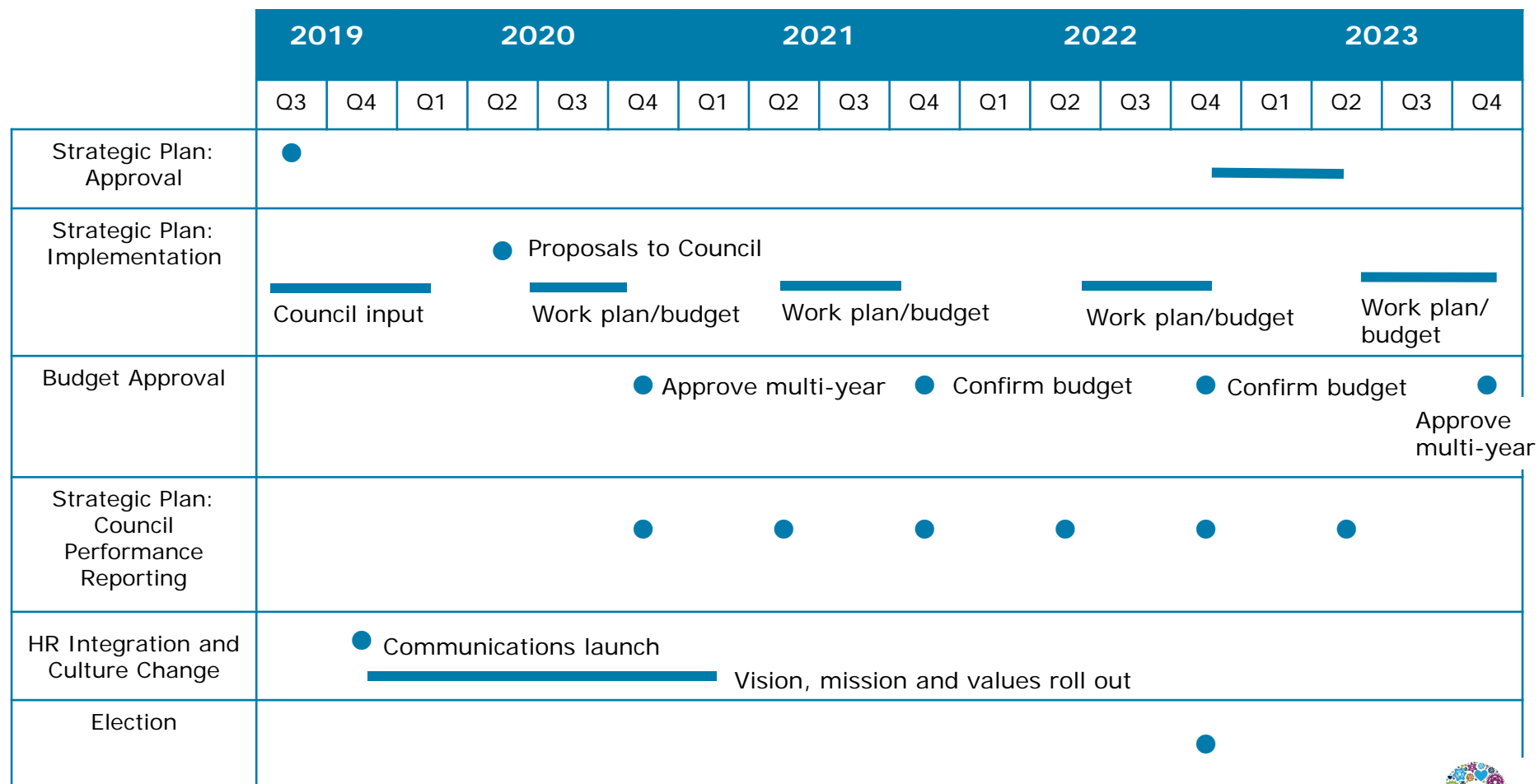
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Continue to build strong, vibrant, safe and healthy communities that foster resilience in the people who live here

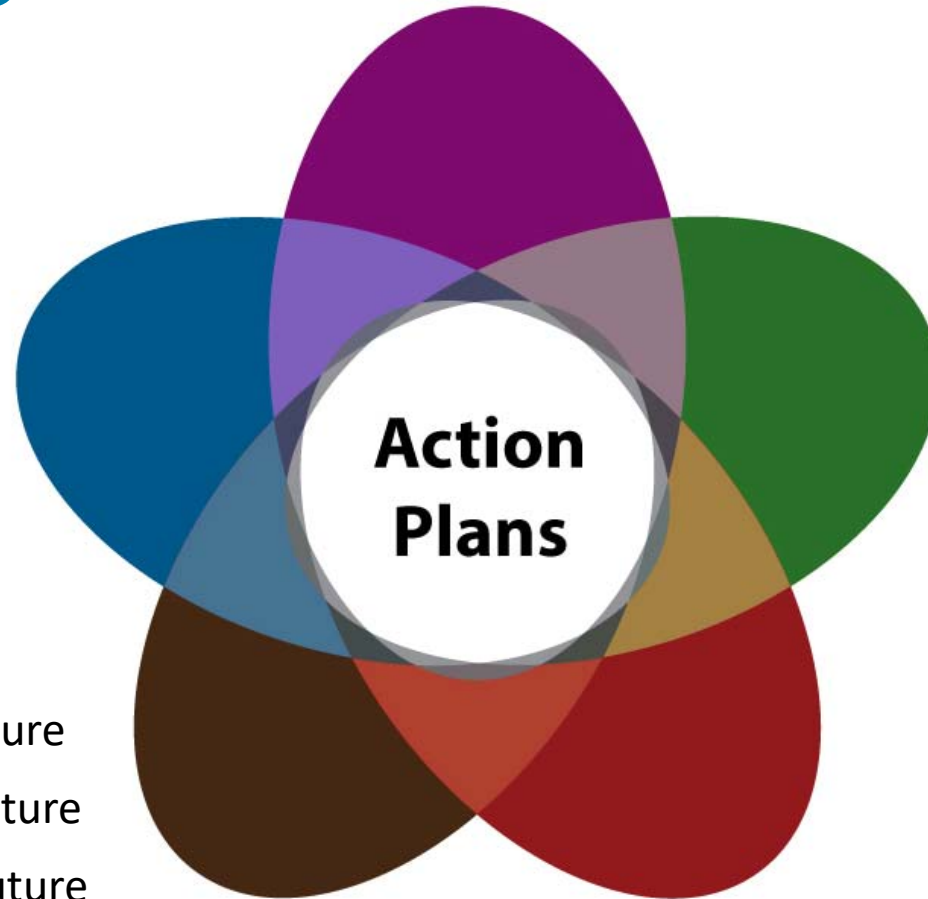
- Work to enhance community well-being and safety through direct service and program delivery
- Create greater impact by aligning our efforts with local and provincial partners
- Help prevent and mitigate the challenges associated with mental health and addictions by working to address root causes



# Implementation timeline



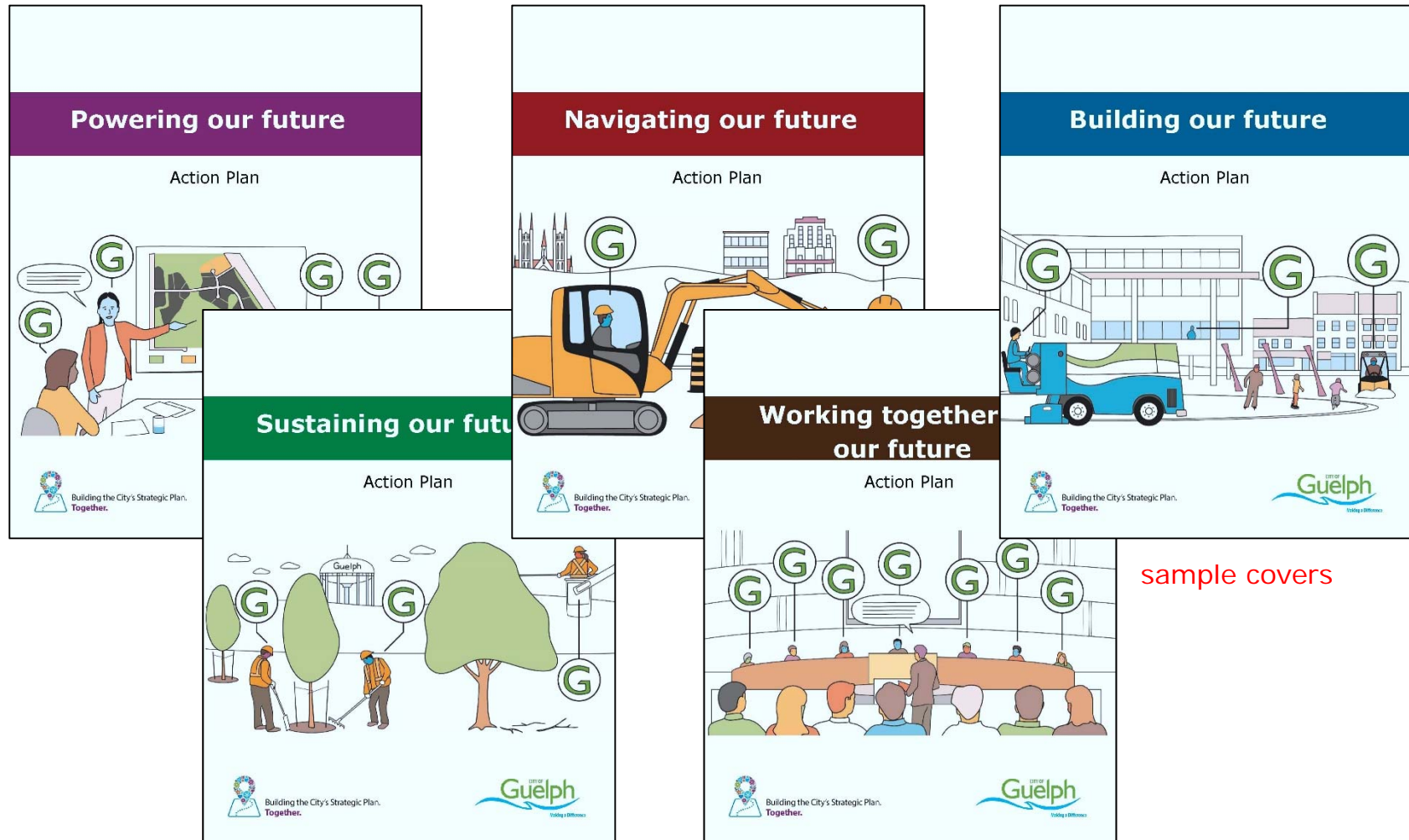
# Action plans: focusing our efforts



- Powering our future
- Sustaining our future
- Navigating our future
- Working together for our future
- Building our future



# Action plans: Q2 2020



sample covers



# Action plan contents

sample

Background.....	1
• Community Plan alignment	
S.M.A.R.T. goals/objectives .....	1
• Short-term	
• Long-term	
Situational analysis.....	2
• Risk assessment	
• Gap analysis of 'planned' vs. 'work required' to meet goals	
• Potential levers for corporation to action e.g.: advocate, deliver, invest, regulate/policy or convene	
Options to achieve goals .....	4
Resource considerations .....	4
• Budget	
• Timelines	
• Staff	
Tracking and monitoring.....	5
• Reporting process	
• Key performance indicators	





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# Recommendations

- That the City of Guelph Strategic Plan 2019-2023 be approved.
- That staff be directed to develop a series of Strategic Plan action plan proposals and report back to Council with these proposals by the end of Q2 2020.
- That the costs associated with the implementation of the Strategic Plan as outlined within report number CAO-2019-16, dated September 3, 2019 be referred to the 2020 budget process.



# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, September 3, 2019
Subject	<b>City of Guelph Strategic Plan 2019-2023</b>
Report Number	CAO-2019-16

---

## Recommendation

1. That the City of Guelph Strategic Plan 2019-2023 be approved.
  2. That staff be directed to develop a series of Strategic Plan action plan proposals and report back to Council with these proposals by the end of Q2 2020.
  3. That the costs associated with the implementation of the Strategic Plan as outlined within report number CAO-2019-16, dated September 3, 2019 be referred to the 2020 budget process.
- 

## Executive Summary

### Purpose of Report

Council, the City's Executive Team and City staff have been engaged in a process to develop the City's Strategic Plan for 2019 to 2023. The process builds on the completion of Guelph's Community Plan and aims to provide the Corporation with clear strategic direction to support the first multi-year budget and improved performance tracking. This Plan will act as the corporate blueprint to achieve ambitious goals on behalf of the community and prepare Guelph for the future.

The Strategic Plan clearly states the directions where the City will focus its efforts over the coming years. The strategy will integrate fully with the City's budget process, work planning and PDP process providing a road map for operating and capital budgets as the Corporation transitions to multi-year budgeting.

This report officially presents the draft City's Strategic Plan to Council, including refreshed vision, mission and values and five strategic priority areas with supporting directions. The report also provides more information to Council on the process to implement the Strategic Plan through the development of a detailed tactical work plan that will direct budget and resource allocation over the coming years.

### Key Findings

Council, with the support of the Executive Team and senior staff have provided direction throughout the process to develop the Plan. Strategy Corp was retained to

facilitate a significant portion of the strategic planning process. Their work included hosting a series of Council and Executive Team workshops and one-to-one meetings, and the completion of a broader environmental scan and situational analysis regarding the provincial and federal policy landscape.

The City's Strategic Plan also outlines how the City will contribute significantly to the long-term goals and aspirations outlined in Guelph's Community Plan. Early analysis shows the Strategic Plan will contribute significantly across the directions and goals included in the Community Plan's six themes.

The strategic planning process has engaged and acted on the feedback of Council, Executive Team, Corporate Management Team (CMT) and hundreds of City staff in a series of workshops, a staff survey and one-to-one meetings. The Plan contains a refreshed corporate vision, mission and values, and outlines five key priority areas and 15 directions.

The Strategic Plan provides the following components:

- Refreshed vision and mission
- Core values for the organization that build on the current set
- Five focus areas:
  1. Powering our future: an economy that powers us
    - Contribute to a sustainable, creative and smart local economy that is connected to regional and global markets and supports shared prosperity for us all.
  2. Sustaining our future: an environment that sustains us
    - Care for our environment, respond to climate change and prepare our community for a net-zero-carbon future.
  3. Navigating our future: a transportation network that connects us
    - Foster easy accessible movement through trails, paths, roads and corridors to tie our community together and connect our economy to other regions.
  4. Working together for our future: a modern government that works with us
    - Run an effective, fiscally responsible and trusted local government with engaged, skilled and collaborative employees.
  5. Building our future: a community that supports us
    - Make strategic investments that nurture social well-being, provide landmark beauty and offer a safe place where everyone belongs.
- Alignment to the Community Plan
- Implementation timelines and the link to multi-year budgeting
- Approach to develop action plans for each focus area

## **Financial Implications**

In 2019 Council approved one-time funding \$150,000 to roll-out the Community Plan over two years and initiate development of the City's Strategic Plan. These funds have been committed to a comprehensive two-year Community Plan roll-out

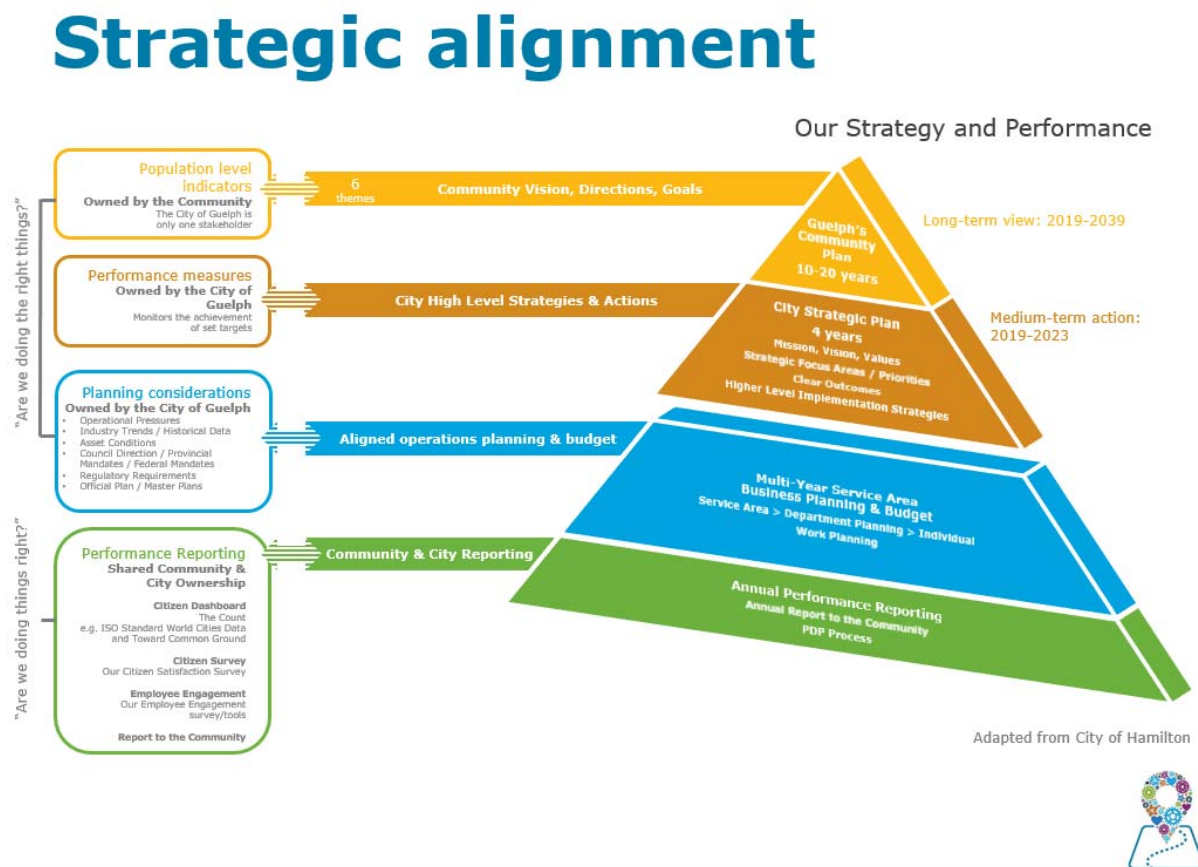
and have successfully been used to create the City Strategic Plan as presented in this report number CAO-2019-16.

Moving forward, the funding required to implement and track the new Strategic Plan is estimated to be up to \$300,000. This one-time funding will be used over the duration of the Plan to develop a set of five action plans, roll-out corporate culture change initiatives and implement a new digital public facing performance reporting system. The total costs associated with the implementation of the Strategic Plan will be referred to the 2020 budget process for consideration and approval.

## Report

Council, the City's Executive Team and City staff have been engaged in a comprehensive process to develop the City's Strategic Plan for 2019 to 2023 (see the City's Strategic Plan presentation for the detailed plan). The process builds on the completion of Guelph's Community Plan and aims to provide the Corporation with clear strategic direction. The Strategic Plan, once approved will drive service area work planning, direct the City's multi-year budgeting process and show a direct line of sight from strategic direction to employees through aligned individual and organizational performance reporting (see Figure 1 Strategic alignment graphic).

Figure 1 Strategic alignment graphic



The process to develop the City's Strategic Plan has been overseen by the Executive Team and a staff Steering Committee consisting of representatives from across the corporation.

The process methodology included:

- Environmental scanning
  - Analysis of factors impacting the Guelph community and the organization at the local, provincial, federal and global level
- SWOT analysis (assessing organizational Strengths, Weaknesses, Opportunities and Threats)
- Priority setting workshops
  - Council and Executive Team workshops
  - Corporate Management Team workshop
- Vision, mission and values refresh
  - All staff survey
  - Full-day staff workshop
  - Council feedback
- Strategic Plan validation
  - Councillor one-on-one's and small group meetings
- Strategic Plan approval
  - September 3: Committee of the Whole
  - September 23: Council meeting

The project officially kicked off with a CMT environmental scanning and SWOT analysis workshop at the end of April 2019. This set the scene for the work ahead and also gathered important baseline information from senior leaders about the things the new strategy needed to address and respond to.

The findings from this session were used to orient Council to the challenges and opportunities facing the corporation and community over the next four years. At their workshop on May 23, Council and Executive Team undertook a prioritization exercise that surfaced their emerging priorities. A second workshop on July 15 enabled further dialogue and refinement of the broad areas of strategic interest. Staff then worked with Strategy Corp to develop the five key strategic priorities and 15 supporting directions.

To validate the emerging strategic priorities and directions, Council were then invited to request a one-to-one meeting or to attend one of two small group sessions on August 13 and 14.

Alongside the work to develop the strategic priorities and directions, extensive work was undertaken to review the Corporation's vision, mission and values. This was seen as critical to ensuring a strong corporate culture equipped to achieve the Strategic Plan. This process involved a staff survey yielding more than 440 responses, a full-day workshop consisting of more than 40 staff from across the organization and Council engagement on the topic at one of the Council workshops.

The engagement identified that although the current vision, mission and values were still relevant, there was work required to make them more reflective of the current municipal and local context and to have a more inspiring tone. Additional values were also raised that reflect where the organization's culture needs to be.

Although initial feedback has been very positive, the new draft vision, mission and values still require one additional validation with staff. This validation will continue throughout early September, and the feedback will be used largely to develop a supporting list of behaviours, and not significantly impact the values themselves.

### **Timeline for Strategic Plan and new Vision, Mission, Values roll-out**

A Steering Committee subgroup of staff was created to collaborate on a feasible and coordinated approach to implementing the Strategic Plan and associated vision, mission and values. That group has proposed a high level change management approach and timeline (see Figure 2 Implementation timeline) that includes the following:

- Development and implementation of action plans to support each strategic priority
- Internal and external communications roll-out (launch, ongoing communications e.g. Town Halls, infonet, updates, toolkits for leaders)
- HR integration (incorporate into recruitment and onboarding practices, core competencies and PDPs, training, policy updates)
- Work plan and budget integration for multi-year transition
- Monitoring, evaluation and performance reporting

### **Developing Implementation Action Plan Proposals**

Turning the Plan into reality will require staff to develop tactical action plan proposals for Council that clearly outline the following draft components:

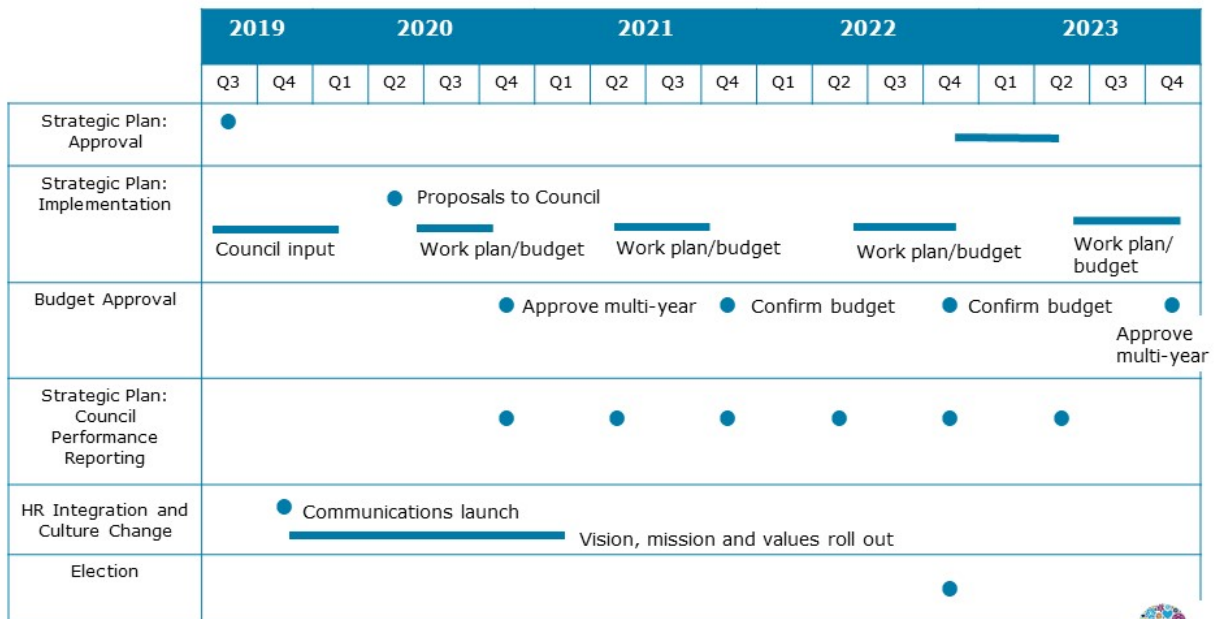
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  - Gap analysis of 'planned' vs. 'work required' to meet goals
  - Potential levers for the Corporation to action e.g.: advocate, deliver, invest, regulate/policy or convene
4. Options to achieve goals
5. Resource considerations
  - Budget
  - Timelines
  - Staff
6. Tracking and monitoring
  - Reporting process

- Key performance indicators

The staff subgroup has proposed that each strategic priority area be led by a General Manager and co-lead, who together will oversee a group of staff to produce and monitor a feasible set of implementation proposals. This also provides additional succession planning and career development opportunities. It is anticipated that staff will complete this analysis and present back to Council in Q2, 2020 for final approval. This is a critical step to ensure that the Strategic Plan is fully integrated into the multi-year budget cycle and operational work planning.

Figure 2 Implementation timeline

## Implementation timeline



## Financial Implications

In 2019 Council approved one-time funding \$150,000 to roll-out the Community Plan over two years and initiate development of the City's Strategic Plan. These funds have been committed to a comprehensive two-year Community Plan roll-out and have successfully been used to create the City's Strategic Plan as presented in this report number CAO-2019-16.

Moving forward, the funding required to implement and track the new Strategic Plan is estimated to be up to \$300,000. This one-time funding will be used over the duration of the Plan to develop a set of five implementation action plans, roll-out corporate culture change initiatives and implement a new digital public facing

performance reporting system. The total costs associated with the implementation of the Strategic Plan will be referred to the 2020 budget process for consideration and approval.

## **Consultations**

The Strategic Plan development process included engagement on multiple occasions with City Council, the Executive Team and senior staff. More than 440 employees were engaged in the vision, mission and values work.

The Community Plan, which informs the Strategic Plan process, reached more than 10,000 residents, organizations, businesses and City staff.

## **Corporate Administrative Plan**

### **Overarching Goals**

Service Excellence

Financial Stability

Innovation

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

## **Attachments**

Attachment-1 StrategyCorp Strategic Plan Facilitation Report

Attachment-2 Strategic Plan at a Glance

## **Departmental Approval**

Barbara Swartzentruber, Executive Director, Strategy, Innovation, Intergovernmental Services

## **Report Author**

Jennifer Smith, Manager, Corporate & Community Strategic Initiatives



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### **Approved By**

Colleen Clack

Deputy CAO

Public Services

519-822-1260 ext. 2588

Colleen.clack@guelph.ca



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### **Recommended By**

Scott Stewart

Chief Administrative Officer

Office of the Chief Administrative Officer

519-822-1260 ext. 2221

cao@guelph.ca





# City of Guelph: Towards a Strategic Plan Facilitation Report

August 2019

# Contents

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# Introduction

Guelph's municipal leadership have come together to put forward a vision for the City that builds on the Community Plan and unifies the Council and municipal administration into a single strategic vision to guide decision making and priority actions for the next four years. This Strategic Plan will then form the foundation of Guelph's first multi-year budget, expected to be developed in 2020 and enter its first year in 2021.

The Community Plan was developed over the course of more than a year. Beginning in 2018, municipal staff consulted the people who live, work, study and visit Guelph to develop a collective vision for what they want the community to look like over the next 10 to 20 years. The result was a series of ambitious goals pertaining to city building, environmental stewardship, economic development, community health and wellness, culture and recreation, and transportation.

This Strategic Plan process builds on work that has been done over the years by successive Councils and municipal staff members. It will build on what they have accomplished in creating a safe and caring city where individuals can reach their potential and businesses can thrive, while striving to be leaders in environmental stewardship.

Guelph is already one of Ontario's top five and Canada's top ten places to invest because it is welcoming to all: it offers sustainable local employment, has a diverse and skilled workforce, is a tourist destination of choice, and offers competitive land and building development to suit most business needs.

The City is recognized as a leader in ensuring the highest of environmental standards are met, receiving awards in the areas of leadership, sustainability, and water conservation. Council and municipal staff have demonstrated their passion about preserving Guelph's environment, while building on existing strengths in a way that is sustainable and minimizes the ecological footprint of the City.

Residents of Guelph love where they live, as reported through regular surveys (most recently in 2017) and the city is growing, as more people choosing Guelph as their city in which to live and work. The City is looking to manage this growth in a way that works for residents and businesses that already call Guelph home, remaining firm in its goal of building healthy and future-ready infrastructure while promoting high standards of urban design, and preserving public spaces, natural heritage and the land that supports it all.

Guelph is a diverse and welcoming city where the wellness of all is a shared priority – it is also a place that honours the traditional knowledge and immense contributions of the Indigenous peoples of Canada, ensuring that Métis and First Nations peoples participate in the daily life of the community in a way that respects their unique history, culture, and interests.

This Strategic Plan will guide the City in its everyday commitment to maintain what makes Guelph a unique and vibrant place to live and one where everyone feels like they belong, while helping to identify ways to improve the quality of lives of residents, the broader community, and the world while Guelph grows into its future.

## Environmental Scan

An environmental scan along with interviews with Council and senior staff were undertaken as part of the strategic planning process. What emerged was a snapshot of some of the opportunities and challenges faced by the community and corporation of the City of Guelph, as well as some of the strengths and weaknesses that should be kept in mind as we develop priorities and strategies.

### Starting from a Position of Strength

Overall, Guelph is a rapidly growing municipality which enjoys high levels of community satisfaction and engagement, as reported through their Citizen Satisfaction Survey. This is bolstered by a strong economy and bustling downtown coupled with a strong community identity. Guelph's residents have access to some of the Canada's most technologically advanced workplaces given the city's position on the Toronto-Waterloo Region Tech Corridor while local employers are supported in talent recruitment by several prominent post-secondary institutions located within or near the city.

Moreover, Guelph's single-tier municipal government ensures a high-degree of local autonomy and allows the city to pursue a locally driven brand centred on technology and innovation in the "green" and agri-food sectors. This was recently demonstrated through its winning the federal Smart Cities Challenge for the Guelph-Wellington County to become Canada's first circular food economy, and its development of a wide-ranging vision for its future in its "Community Plan".

Guelph City Council has experienced consistent leadership, with the mayor and most Councillors re-elected to their posts in the 2018 municipal contests. Over the years, the Council and the Corporation of the City of Guelph have developed a platform of sound fiscal management that puts the community on solid footing to manage the population and employment growth expected between now and 2041.

The senior management of the Corporation has shown itself to be adaptive and innovative in its approach to leadership. Municipal staff are widely seen as talented, innovative, dedicated, and experienced. This diverse workforce demonstrates a collaborative aptitude and an openness to change, appearing highly engaged while enjoying a good reputation among the public and council.

### Growing Pains Causing Some Weakness

Guelph's highly engaged community provides many opportunities for Council members and staff but managing the expectations of residents and businesses can also present a challenge. Municipal leaders must constantly adjust to keep pace with public expectations. These expectations can also lead to increasing workload demands for municipal staff as public priorities change and new work is assigned, sometimes without a corresponding reduction in other, lower priority work. This is occurring as Guelph must decide how to replace ageing infrastructure and other assets while relieving existing public facilities that are at capacity. These shifting priorities can have the effect of proactive work or preventative actions being deferred in favour of shifting human and financial resources to new interests.

As increasing numbers of employees reach retirement age, leadership positions throughout the organization will become vacant, making succession planning critical. Though work is underway, the corporation and council must catch up to an update the City's Talent Blueprint (the organization's people plan) and the unprecedented generational transition that is already underway.

While most municipal staff appear to be engaged, the Corporation does not have recent empirical data on how engaged its employees are and the last survey several years ago indicated some disengagement (a new engagement survey is expected over the term of this Council). More recently, anecdotal evidence gathered through the strategic priorities and planning exercise suggests staff are more engaged and have been enjoying a period of relative stability and clear focus, with an emphasis on continuous improvement and innovation. As will be discussed in the next section, this period of stability may be truncated by forces beyond the control of the municipality and anecdotally, staff have observed this

The City also faces stiff competition for talent from other municipal employers and the private sector. Further, some union relationships lack flexibility for management to redeploy staff or adjust job descriptions to changing public expectations and technology. This, at times, contributes to a reactive or slow approach to managing change in the Corporation.

Councillors and staff agree on the importance of strategic partnerships and want to focus on improving the effectiveness with partners such as Wellington County, local post-secondary institutions, public health units and other public agencies. This is an increasing necessity for Guelph and other municipalities across Ontario, as long-standing funding arrangements with other levels of government change, and the provincial government makes changes to the municipal policy environment. Better relationships with these partners can help provide allies when necessary but can also prove useful when looking at new ways of developing policies or delivering services.

## A Mixed Global Forecast Threatens Unsettled Local Conditions

Factors ranging from automation and artificial intelligence to climate change and political polarization are driving unprecedented social, economic, and political upheaval around the world. Guelph, like most other communities, has a unique experience of this change, making strategic planning today equal parts challenging and essential.

In addition to these global challenges, Guelph is also experiencing rapid population and employment growth – with roughly 130,000 people today, Guelph is forecasted to grow to 191,000 people working at 101,000 jobs by 2041. The choices Guelph makes today about where and how to grow, what lands to protect, and how to connect all its residents, jobs, and places together will have implications that will last for generations.

As with all municipalities in Canada, the composition and powers of Guelph are at the discretion of the province and thus the City has limits to its autonomy – including how revenues are raised and what services municipal resources are spent on. The election of a new Ontario government in 2018 has resulted in it unilaterally changing funding arrangements with municipalities on previously cost-shared programs. In addition, pending regulatory changes on tools designed to help municipalities fund the infrastructure required for growth will have impacts that are not yet entirely known – particularly for Guelph as it attracts thousands of new residents and jobs.

Changing expectations among residents and businesses also pose challenges for municipal governments in general, and particularly Guelph with its highly engaged community. Expanding definitions of what issues and services are considered “municipal” has happened without corresponding policy and funding capacity or other tools to deal with them. A pressing example of this mismatch is climate change mitigation and

adaptation, where Guelph will need to pay for the effects of extreme weather and efforts to reduce its corporate emissions with very few of the most powerful relevant policy or financial levers under the City's control.

To offset residents' increasing cost of living, Guelph's municipal government is also under pressure to reduce taxes while increasing services or branching out into new services not traditionally under the purview of the municipality. This reduces flexibility for the corporation's upcoming collective agreement renegotiations and hampers its ability to replace ageing infrastructure while ensuring new infrastructure is in place to support increasing demand.

## Opportunities on the Horizon

Guelph's highly engaged community of residents, workers, students, agencies and businesses provides an exceptional foundation for the municipality to reach for new opportunities as they appear. Guelph's emerging reputation as a central Canadian hub for environmental innovation, activism and stewardship is likely to improve its performance attracting new people and jobs that align with its eco-business credentials.

Resident-, business-, and post-secondary-led innovations are helping position Guelph at the forefront of major changes in the economy from the local to the international scale – Guelph's recent \$10 million award from the national Smart Cities competition for its joint submission with Wellington County to implement their vision for the circular economy is a recent example of how this municipality's unique attributes and interests, combined with its highly engaged residents and cutting edge businesses, can provide tremendous advantages to the city.

Unsurprisingly, the rapid pace of technological change can also create new opportunities for finding efficiencies and delivering services better or faster. Guelph's educated and future oriented workforce is also well positioned to respond to the changing economy, particularly when compared to other communities of its size in North America.

This workforce also has plenty of room to grow – Guelph's geographical location in the Toronto-Waterloo Region Tech Corridor also provides it with tremendous advantages. Here it can capture new businesses and employers who are looking for locations outside of the two hub cities, and residents that are attracted to the scale, character and connectedness of Guelph.

There are also ample opportunities for Guelph to establish or augment partnerships with local academic institutions, private companies, agencies, neighbouring municipalities, and community organizations. These partnerships can be established to explore cutting edge policies, respond to emerging issues, and collaborate on service delivery.

Though the provincial government presents significant financial uncertainty with its anticipated cuts, the federal government continues to provide opportunities for grants and partnerships that are relevant to the goals and aspirations of the community.

## Workshops to Support Strategic Priority Setting

In this context the City of Guelph's senior staff and Council members have collaborated to develop a new strategic plan for the Council term that began in November 2018. Several activities were undertaken to support this effort:

Beginning in April 2019, the Corporate Management Team conducted a workshop to perform a strengths-weaknesses-opportunities-threats (SWOT) analysis and environmental scan.

StrategyCorp used this SWOT, environmental scan analysis, and the Community Plan as the foundation for a series of one-on-one meetings and interviews it held with Guelph senior managers, City Councillors, and the Mayor. Through these interviews, and simultaneous information gathering and analysis on anticipated provincial policy direction, new details of the SWOT analysis and environmental scan were uncovered and subsequently validated by all parties.

### Workshop 1: The Priorities Exchange

At the first workshop, held on May 23, 2019, council members and the City's executive team were encouraged to identify their own priorities for the council term and share them with their colleagues through an exercise called "Policy Speed Dating".

Through this exercise, participants were led through several rounds of match ups where they could pitch their priority to others and explain why it should be a priority for this Council term. After each round, participants wrote down at least one idea they heard from someone else that they liked and had a chance to refine their own ideas.

After several rounds, workshop participants recorded their "Top 6" priorities for the Council term and "6 Other" Priorities that they would like to make progress on, if possible.

A limitation of this was that scheduling challenges resulted in participants not being able to help participate in the sorting of priorities into themes or provide StrategyCorp facilitators with initial thoughts on the themes that were emerging.

Following the workshop StrategyCorp analysed the lists of priorities, repeatedly grouping them into different themes. To reduce the limitation caused by participants not being present for the sorting exercise, StrategyCorp collaborated with municipal staff to refine the categories and which priorities fit into them.

Following the grouping of the priorities into themes, scores were assigned to ascribe a level of council interest in making the theme part of its strategic priorities. To do this, all Council members' priorities were given a single point, regardless of whether it was identified as a "top" priority or a "next" priority.

For priorities that fell under multiple themes, the point assigned to that priority was divided by the number of themes it fell under, so that its total value remains 1 (e.g., if a priority fell under two themes it was given 0.5 points under each of the two relevant themes).

This was done to ensure that broader or more general priorities were not counted multiple times, overstating the support of the theme among council members. The individual priority is then captured with all the others in the theme to be considered for the strategic plan opportunities.

The first workshop themes and ranks were:

### **Top Council Priorities**

1. Transit & Transportation
2. Climate Change & Environment
3. Budgeting & Service Standards
4. Housing Attainability & Poverty Reduction
5. Corporate Management
6. Economic & Workforce Development
7. Managing Strategic Relationships

### **Next Priorities**

8. City Building & Development
9. Cultural Master Plan
10. Infrastructure
11. Public Health & Ageing
12. Community Safety & Policing
13. Electoral Reform

Of the Top Council Priorities, four themes were policy areas (Transit and Transportation, Climate Change and Environment, Housing Attainability and Poverty Reduction, Economic and Workforce Development) whereas three priority areas would help the Corporation operate efficiently and effectively (Budgeting and Service Standards, Corporate Management, Managing Strategic Relationships).

## **Workshop 2: Validating and Refining the Priority Themes**

Following the first workshop and analysis, a second Council and executive team workshop was held. On July 15, 2019, StrategyCorp presented Council and executive team members with the thematic priorities and the rankings with the intent of incorporating further refinements.

A concern shared by many Council members was their sense that the political and fiscal context that their municipality was operating in had changed significantly between workshops.

Most of the priorities that were identified in the previous workshop had been identified by Councillors and senior staff on the assumption that the municipal-provincial fiscal arrangements would be relatively static and municipal finance projections were unlikely to change. As discussed in a previous section, the Provincial Government had made unilateral decisions on cost-shared programs with the municipalities and began a process of reforming growth-related municipal finance tools.

With this new information, Council members, staff and StrategyCorp discussed how the strategic priorities of the Council and staff would need to be re-examined.

Several Councillors discussed the need to maintain the confidence of Guelph residents and businesses by delivering on major projects or plans that they had already been committed to in previous Council terms. Councillors suggested that if the Provincial Government's intent had been known at the time of the first workshop, they would have emphasized the need to continue building the city according to its ambitions – making “City Building and Development” more likely to be a “Top Priority”.

In this vein, some Councillors spoke to providing tangible benefits to residents of all ages, stages, backgrounds, and financial means to be relevant to all of Guelph (e.g., community centres, a new library facility). The anticipated provincial funding cuts and/or policy changes that result in reduced funding



sources put into stark relief that projects they thought were on track for completion may not be realized without additional attention.

Council members also noted that the priorities emerging from the first workshop did not include adequate measures to meet the safety and social service needs of their community. Examples of community safety, mental health, and a growing population of people experiencing persistent homelessness were all provided by Councillors to underline their belief that a new category needed to be part of the strategic priority setting. It was also noted by one Councillor that in the election of 2018 community safety was one of the issues they heard about most from the constituents they connected with.

In light of this feedback, StrategyCorp and municipal staff committed to including themes that would adequately cover these concerns in the next draft of the Strategic Plan.

# Synthesizing Council and Staff Priorities into a Strategic Plan

Guelph is in an enviable position – it is a City that has demonstrated tremendous ambition while maintaining sound finances. It has created a modern sense of place in one of the province’s most historic communities, built a home for several nascent industries and launched thriving economic sectors, and nurtured a public sentiment deeply focused on environmental sustainability and residents’ wellbeing.

However, through these exercises Council and the executive team recognized that several challenges beyond their direct control are emerging and can have tremendous impacts on everything that makes Guelph unique.

More frequent and intense storms from climate change, shifting provincial and federal politics and priorities, and an economy that is undergoing a rapid and unpredictable transformation all contribute to a general sense of uncertainty when looking to the future. For this reason, when developing the roadmap for this term of council staff and council must identify the core aspects of what makes Guelph the desirable place it is today and develop strategies for sustaining them when everything from provincial funding, to the weather, to the types of work people do every day seem to change without notice.

Council and the executive team recognize that residents and businesses in Guelph need the confidence that can only come when the municipal administration demonstrates that the City is well managed, and their local government delivers on what is expected. But to keep Guelph’s authentic civic character, the municipal government must also reach for the opportunities that come its way and match the priorities it has set for itself.

Guelph wants to continue to build itself into a unique place that serves a diverse array of residents. As a leader that is committed to shared prosperity, it must seek opportunities to strengthen its economic health and grow its unique businesses and industries. These goals cannot be met at the expense of the environment that so many residents of Guelph hold dear, and new “green” initiatives should be looked at to see how they would work here. Finally, Guelph became Guelph because its people knew how to make it grow into a well functioning community, and Council and City staff know that continuing with this tradition of smart growth management is essential.

In short, in this time of fiscal, climate, and economic uncertainty the Council and executive team of Guelph should keep a close eye on those projects, assets, and programs that make Guelph the unique and highly desirable community it is today. However, the Strategic Plan must also live up to the aspirations of Guelph residents and businesses. In that vein, the final Strategic Plan for Council and Staff must encourage it to make significant progress on:

- The environment and climate change
- Transit and transportation planning
- Running a modern, efficient, and well-equipped municipal corporation
- Building a city that serves all its people and businesses while creating places people enjoy
- Providing the services that promote community safety, health, and general well-being



Building the City's Strategic Plan.  
**Together.**

## Our vision

An inclusive, connected, prosperous city where we look after each other and our environment.

## Our mission

Working together to deliver responsible and responsive public service to our growing and diverse community.

## We value

Integrity	Operate with integrity	<ul style="list-style-type: none"><li>• We treat our colleagues and community members with respect.</li><li>• We take our responsibility as public servants seriously and protect the community's fiscal future.</li><li>• We trust each other and operate with transparency and accountability.</li></ul>
Service	Community-driven service	<ul style="list-style-type: none"><li>• We serve our community with pride.</li><li>• We work with our community to understand and deliver what they need.</li><li>• We have empathy for the values and aspirations of everyone we work with and serve.</li></ul>
Inclusion	Stronger for our differences	<ul style="list-style-type: none"><li>• We know better ideas come from listening and collaborating with a diversity of people.</li><li>• We build trusting relationships and effective teams through honest and open communication.</li><li>• We encourage each other to bring our uniqueness to work.</li></ul>
Wellness	Adaptable and resilient	<ul style="list-style-type: none"><li>• We recognize that healthy and engaged employees can better serve our community.</li><li>• We anticipate and manage change proactively.</li><li>• We help each other adjust to change as employees and as an organization.</li></ul>
Learning	Always learning	<ul style="list-style-type: none"><li>• We are curious and courageous.</li><li>• We support each other to learn, grow, experiment and share.</li><li>• Our successes and failures drive continuous improvement.</li></ul>

# Guelph: future ready

Strategic priorities

Powering our future	Sustaining our future	Navigating our future	Working together for our future	Building our future
<b>an economy that empowers us</b>	<b>an environment that sustains us</b>	<b>a transportation network that connects us</b>	<b>a modern government that works with us</b>	<b>a community that supports us</b>
Contribute to a sustainable, creative and smart local economy that is connected to regional and global markets and supports shared prosperity for us all.	Care for our environment, respond to climate change and prepare our community for a net-zero-carbon future.	Foster easy, accessible movement through trails, paths, roads and corridors to tie our community together and connect our economy with other regions.	Run an effective, fiscally responsible and trusted local government with engaged, skilled and collaborative employees.	Make strategic investments that nurture social well-being, provide landmark beauty and offer a safe place where everyone belongs.

Directions

Accelerate our innovation economy through partnerships	Create and execute an ambitious and achievable climate adaptation plan	Build our capacity to adopt clean and efficient technology	Attract and develop accountable employees who work collaboratively and creatively to deliver services	Maintain existing and secure new community assets
Support businesses to succeed and add value to our community	Mitigate climate change by reducing Guelph’s carbon footprint	Provide attractive, affordable and reasonable transportation options for everyone	Improve how the City communicates and delivers services to residents	Take action to help increase the availability of housing that meets community needs
Support businesses as they build capacity to adapt to changing workforce needs	Plan and design an increasingly sustainable city as Guelph grows	Improve local transportation and regional transit connectivity	Develop a long-term financial and resource strategy that is achievable and affordable	Continue to build strong, vibrant, safe and healthy communities that foster resilience in the people who live here

Implementation

Action plans
<b>SMART objectives</b> Potential short-term goals: 12-18 months Potential long-term goals: 24-48 months
<b>Performance metrics</b>
<b>Community Plan alignment</b>
<b>Key program gap analysis</b> Planned work vs. required to meet goals Potential levers: advocate, deliver, invest, regulate/policy, convene
<b>Options to close gap between current performance and goal achievement:</b> including resourcing, budget impacts and timelines Conduct risk analysis and stop, start, continue exercise

× 5  
Strategic priorities

- Powering our future
- Sustaining our future
- Navigating our future
- Working together for our future
- Building our future

Presented to Council  
end of Q2 2020, ready  
for multi-year budget  
integration



# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, September 3, 2019
Subject	<b>Update on the Brant Community Hub</b>
Report Number	PS-2019-18

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## Recommendation

That recommendation number one associated with the closed Report PS-16-30 entitled Brant Community Hub Update, adopted on Monday, November 28, 2016, be rescinded and that the associated resolution be removed from any outstanding Council motion lists.

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## Executive Summary

### Purpose of Report

To provide an update and close off previous direction from Council on the Brant Community Hub. The specific motion from Report PS-16-30 being rescinded states "That staff be directed to draft a non-binding offer to lease and/or letter of intent between a suitable community partner and the City of Guelph for the use of the two acre lot at Brant Avenue for a Community Hub which would form the basis of a long-term lease arrangement."

### Key Findings

Due to changes in provincial government and pressures on provincial funding, potential community hub proponents are unlikely to secure funding to build in the community. The same funding pressures may deter potential hub tenants from committing to leases within the hub.

### Financial Implications

None.

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## Report

A community hub consists of a building located in a neighbourhood setting, where community service providers offer integrated programs that address the needs and priorities identified by the local community.

In 2013, a Brant Hub working group consisting of Wellington Dufferin Guelph Public Health, the Guelph Neighbourhood Support Coalition, the City of Guelph, members of the Brant Avenue Neighbourhood Group, and the Upper Grand District School Board formed to focus on the development of a community hub and to consider the lands that consisted of Brant Avenue Park and the Brant Avenue Public School. The

initial concept for a community hub in the Brant Neighbourhood was driven by community members.

In April 2014, in response to Report CESS-CSS-1413, entitled Brant Neighbourhood Hub Development, Council directed staff to assess the possibility of developing a community hub in the Brant neighbourhood.

In February 2016, the City and the Upper Grand District School Board agreed to the sale of land from the cash in lieu of parkland reserve, and the sale closed in May 2016.

Staff consulted with the community between May and June 2016 immediately following the sale of the property to share information about the purchase of the land. Since that time, staff have been engaged in occasional discussions with potential proponents of a community hub on the Brant Avenue Park.

It has become clear to proponents that current provincial funding conditions make capital funding from the province for the development of a new building unlikely. Additionally, the same funding pressures may deter potential hub tenants from committing to lease agreements within a hub. Based on this information, potential proponents informed City staff that they no longer had plans to pursue a community hub development on the Brant Avenue Park lands at this time. For the same reasons, it is unlikely that another proponent would come forward with a proposal to develop a community hub on the lands.

As a result, staff are recommending that Council rescind previous direction from its closed session of City Council on November 28, 2016. The lands would continue to be treated as other City-owned parks, and any future projects will be identified through the Capital budget process.

Community Investment staff will continue to support discussions that could bring together various services in existing buildings as appropriate to meet the service needs of the Brant neighbourhood.

## **Financial Implications**

There are no financial implications from rescinding the report. Any further redevelopment of this parkland will be included in the Capital budget process.

## **Consultations**

Parks and Recreation

Brant Community Hub Committee

## **Corporate Administrative Plan**

### **Overarching Goals**

Service Excellence

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

## **Attachments**

Attachment 1: Confidential Attachment – Internal Memo (Section 239(2)(c) of the Municipal Act, 2001 relating to sale or purchase of land)

## **Departmental Approval**

Danna Evans, General Manager

## **Report Author**

Alex Goss, Manager, Community Investment



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### **Approved By**

Danna Evans  
General Manager, Culture, Tourism,  
and Community Investment  
Public Services  
519-822-1260 extension 2621  
danna.evans@guelph.ca



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### **Recommended By**

Colleen Clack  
Deputy Chief Administrative Officer  
Public Services  
519-822-1260 extension 2588  
colleen.clack@guelph.ca

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, September 3, 2019
Subject	<b>Tourism Entity Negotiation</b>
Report Number	PS-2019-19

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## Recommendation

That staff be directed to enter into negotiations with a potential eligible tourism entity, as outlined in Report PS-2019-19, with regard to implementing a Municipal Accommodation Tax.

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## Executive Summary

### Purpose of Report

To provide Council with information and to seek direction for staff to proceed into negotiations with a potential eligible tourism entity for the purpose of developing an agreement to implement a Municipal Accommodation Tax on all transient accommodations within the City of Guelph.

### Key Findings

The City of Guelph has the opportunity to implement a Municipal Accommodation Tax on all applicable transient accommodations in the city. Per Ontario Regulation 435/17 under the Ontario Municipal Act, 2001, the City may retain up to 50 percent of the collected revenues, and at least 50 percent of the collected revenues must go to an eligible non-profit tourism entity.

Currently, there is not an existing non-profit entity whose mandate includes the promotion of tourism in Guelph, and such services are delivered by the City's tourism services department. In April 2019, staff issued a request for interest seeking organizations or individuals interested in developing a not-for-profit entity which has the organizational capacity, or the desire, to include tourism promotion and development in its mandate.

Staff are now prepared to enter into negotiations with an eligible tourism entity for the purpose of developing an agreement to implement the Municipal Accommodation Tax.

### Financial Implications

There are no direct budget impacts associated with entering into non-binding negotiations with an entity at this time.

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## Report

In 2017, the Province of Ontario amended the Municipal Act, 2001, and issued Ontario Regulation 435/17, which came into effect on December 1, 2017. This legislation grants the authority to single and lower-tier municipalities to implement a mandatory tax in respect of the purchase of transient accommodation (a Municipal Accommodation Tax or "MAT"). A number of municipalities have already implemented a MAT including Markham, Waterloo Region, Oakville, and Barrie.

A MAT would be applicable on all qualifying transient accommodations including hotels, motels, inns, bed and breakfasts, resorts, and short-term rental companies (i.e. Airbnb) for stays up to 30 days.

Revenues generated from other hotel services such as meeting room rentals, food and beverage, and room service would be excluded from the MAT. The Regulation does not apply to post-secondary institutions that are renting rooms within their student residences.

The Regulation allows municipalities the option to implement a mandatory tax for transient accommodation through a bylaw and set that tax rate. Per the Regulation, municipalities have the flexibility to determine the design, administration, and collection of the tax. At least 50 percent of the revenues from the tax must be shared with an eligible non-profit tourism entity. Up to 50 percent of the revenues from the tax may be retained by the municipality.

Currently, there is not an external existing non-profit entity whose mandate includes the promotion of tourism. In April 2019, the City issued a Request for Expression of Interest for Not-for-Profit Tourism Promotion, reference number: 19-107 (RFEOI), seeking expressions of interest from public or private sector organizations or individuals interested in developing a not-for-profit entity who has the organizational capacity, or the desire, to include tourism promotion and development in its mandate. Staff evaluated the four submitted respondent proposals. Per the RFEOI submission criteria, three proposals were considered appropriate and staff held individual interviews with each respondent for additional assessment. Specific results from the RFEOI are found in Attachment-2 to this report.

At this time, staff are prepared to begin negotiations starting with one selected respondent to act as the non-profit tourism entity. That proponent's proposal aligned with the submission criteria and detailed opportunities for building on tourism promotion, product development, and tourism growth, as well as leadership from local tourism stakeholders in the form of an advisory panel.

Staff will return to Council by the end of Q2 2020 to seek direction to execute the agreement and announce the tourism entity. Also at that time, staff will present the bylaw that would seek approval of the proposed tax rate (between one and four percent) and revenue share with the entity.

## Financial Implications

There are no financial implications or impact to budget to enter into negotiations with an entity. However, there are financial implications if the City of Guelph implements Municipal Accommodation Tax in the future.

As of 2019, the key accommodations within Guelph includes a total of 14 properties representing 1,074 rooms. Per the Regulation, the City can determine the rate of the tax of one to four percent. At four percent, Guelph hotels and motels would generate an estimated \$1 million in revenue annually based on the 2017 Hotel Tax Study conducted by the Regional of Tourism Organization 4 (RTO4). If the City were to retain 50 percent of the revenue, it is estimated that \$500,000 could be used for tourism product development and tourism infrastructure.

The tax can also be applied to short-term rental stays (i.e. Airbnb). Based on the same Hotel Tax Study, at four percent, the Guelph short-term rental market would generate another estimated \$14,000 in revenue annually. At 50 percent retention, that is an estimated \$7,000 to tourism projects.

Although the intent is to grow tourism promotion and tourism infrastructure to increase overnight accommodations in Guelph, there is an opportunity to reduce the overall tax supported operating costs as a result of the tourism entity delivering tourism services. The City could use some or all of the portion of the revenue collected to offset expenses while continuing to see benefit of development and delivery of tourism services to visitors, businesses and residents.

## **Consultations**

In 2018, staff began investigating the possibility of implementing a MAT with direction from the Tourism Advisory Committee (TAC). Tourism Services staff held consultations, including individual interviews and group meetings, with identified key stakeholders regarding the potential and impact of a MAT in Guelph. The consultation process involved four themes;

1. MAT implementation and rate (timeline, percentage, thoughts, concerns)
2. MAT administration (self-reporting versus audit model, exceptions)
3. Mat revenue (distribution to business development versus tourism marketing)
4. Tourism in Guelph (recommended markets, improvements, ongoing initiatives)

On September 24, 2018, staff hosted a meeting that included stakeholders from Guelph's hotels and motels, and representatives from the Regional Tourism Organization 4 (RTO4) and the Ministry of Tourism, Culture and Sport. The stakeholders identified that:

- A competitive tax rate should be implemented.
- Attracting overnight mid-week groups and business travelers should be an area of focus.
- The entity needs clear mandate and a focus on tourism promotion.

At the Tourism Advisory Committee meeting on July 15, 2019, the committee voted in favour of the staff recommendation to Council:

"That the Tourism Advisory Committee supports the recommendation to Council that staff develop an agreement with an eligible tourism entity."

## **Corporate Administrative Plan**

### **Overarching Goals**

Financial Stability

Service Excellence

Innovation

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

Our Resources - A solid foundation for a growing city

### **Attachments**

Attachment-1 Regional Tourism Organization 4 Hotel Tax Study – Guelph

Attachment-2 Results of Expression of Interest for Not-For-Profit Tourism Promotion

### **Departmental Approval**

Danna Evans, General Manager, Culture, Tourism, and Community Investment

Bruce Banting, Associate Solicitor, Legal, Realty, and Court Services

James Krauter, Deputy Treasurer and Manager Taxation Revenue, Finance

Dylan McMahon, Manager Legislative Services

### **Report Authors**

Dana Keller, Tourism Destination Development Coordinator

Stacey Dunnigan, Manager, Culture and Tourism



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#### **Approved By**

Danna Evans

General Manager, Culture, Tourism  
and Community Investment

Public Services

519-822-1260 extension 2621

danna.evans@guelph.ca



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#### **Recommended By**

Colleen Clack

Deputy Chief Administrative Officer  
Public Services

519-822-1260 extension 2588

colleen.clack@guelph.ca

## **Regional Tourism Organization 4 Hotel Tax Study - Guelph Tourism Innovation**

**Date: January 11, 2018**

By applying a range of hotel tax rates from one percent to four percent, the Guelph accommodation market could potentially generate from \$267,000 to \$1,067,000 in hotel tax revenues, based on the market's 2017 forecasted performance.

### **Estimate of Hotel Tax Revenue Generated By Guelph Accommodation Market at Various Rates**

<b>Based on:</b>	<b>2016 Historic Performance</b>	<b>2017 Projected Performance</b>
<b>1%</b>	\$261,000	\$267,000
<b>2%</b>	\$523,000	\$533,000
<b>3%</b>	\$784,000	\$800,000
<b>4%</b>	\$1,046,000	\$1,067,000

*Table 1 Source CBRE Hotels - Estimate of Hotel Tax Revenue Generated*

As displayed below, Airbnb listings in Guelph generated an estimated total of \$359,000 in revenue over the past 12 months. If a four percent to ten percent tax rate were applied, the Airbnb market in Guelph could potentially generate an estimated \$14,000 to \$36,000 in tax revenue.

### **Estimate of Airbnb Revenue - April 1, 2016 - March 31, 2017 Guelph**

<b>Revenue</b>	<b>Tax Rate Based on:</b>	<b>Total Guelph Projected Performance</b>
	4%	\$14,400
	5%	\$18,000
<b>\$359,000</b>	10%	\$35,900

*Table 2 Sources: Airdna, CBRE Hotels, Dec 2017*

# Council Memo



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Date	September 3, 2019
To	City Council
From	Stacey Dunnigan, Manager, Culture and Tourism
Service Area	Public Services
Department	Culture, Tourism, and Community Investment
<b>Subject</b>	<b>Results of Expression of Interest for Not-For-Profit Tourism Promotion</b>
	<b>Reference Number: 19-107 (RFEOI)</b>

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## Purpose of Memo

To provide the results from the Request for Expression of Interest (RFEOI) for potential a not-for-profit Tourism entity.

## Request Results

In April 2019, staff issued a Request for Expression of Interest for Not-for-Profit Tourism Promotion linked to possible Municipal Accommodation Tax.

Through the process, proposals from the Downtown Guelph Business Association, the Royal City Hotel Association, and Guelph Chamber of Commerce were received and considered. Staff held individual interviews with each respondent for additional assessment.

Staff has selected the proposal from Guelph Chamber of Commerce as the best to begin negotiations with. Important elements of the proposal include:

- Proposed minimum 50 percent of collected revenues
- Proven success to incubate and develop new organizations, such as Innovation Guelph
- Capacity to initiate program quickly
- Proposed advisory panel for new entity that includes key sector stakeholders
- Alignment between Destination Guelph community tourism strategy and their new strategic plan

The two other respondents were notified by staff of this decision.

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**Approved By**

Danna Evans

General Manager, Culture, Tourism  
and Community Investment

Public Services

519-822-1260 extension 2621

Danna.evans@guelph.ca

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**Recommended By**

Colleen Clack

Deputy Chief Administrative Officer  
Public Services

519-822-1260 extension 2588

Colleen.clack@guelph.ca

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, September 3, 2019
Subject	<b>Centennial Pool License Agreement with the Upper Grand District School Board</b>
Report Number	PS-2019-21

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## Recommendation

1. That staff be directed to approve and execute a mutual surrender and amicable termination of the Centennial Pool License Agreement commencing January 4, 2020 with the Upper Grand District School Board.
  2. That staff be directed to relocate City of Guelph programs, rental contracts and staff at Centennial Pool to other City-owned aquatic facilities as of the 2020 winter session.
- 

## Executive Summary

### Purpose of Report

To approve the mutual termination of the current Centennial Pool License Agreement.

### Key Findings

The City of Guelph's Recreation Services Division currently holds a license agreement (the License Agreement) with the Upper Grand District School Board (UGDSB) for the use of Centennial Pool, which is located within Centennial Collegiate and Vocational Institute (CCVI) at 289 College Avenue West. The current five-year term of the License Agreement is due to expire on March 31, 2021.

Due to the deteriorating condition of the aquatic facility mechanics, a working committee made up of staff and the UGDSB was convened to assess the continued use of the facility and the impact to users.

The results of a recent facility assessment, and the associated immediate expense to repair equipment as it fails, along with the required renovations to be completed in order to achieve a facility that is accessible and safe for patrons and staff for the duration of the License Agreement were taken into consideration.

This analysis has concluded that the continued use of Centennial Pool until the end of the License Agreement is not fiscally responsible and that the License Agreement should be terminated early.

In addition, all municipal aquatic services including lessons, public swimming programs, and rental for other aquatic uses will be reallocated effective the 2020 winter program session.

There will be no loss of full time staff due to this closure. Part time staff will be scheduled at Victoria Road Recreation Centre (VRRC) and West End Community Centre (WECC) for the 2020 winter session.

The UGDSB-approved 2019/20 budget does not direct any funds toward the maintenance or renewal of Centennial Pool as it is under the care and control of the City through the License Agreement. The UGDSB does not have the financial capacity to continue the operation of this pool and is amendable to an amicable cessation of this License Agreement.

## **Financial Implications**

The operating budget for Centennial Pool is tax supported. It includes shared full-time staffing with other recreational facilities, part-time customer service staff, and the required aquatic staff: lifeguards, deck supervisors and instructors. In addition, there are costs associated with utilities, general maintenance, operating supplies, and contracted services. It is expected that revenue generated will be partially achieved through program and rental dispersal to the WECC and VRRC aquatic facilities.

The 2020 operating budget allocated toward Centennial Pool will be partially reallocated to the WECC or VRRC to accommodate the closure of this facility. Staff will work with Finance and report on any efficiencies realized or further budget changes resulting from this approval through the 2020 budget process.

In addition, any capital funds forecasted for this facility will be redistributed and allocated to other life cycle projects within the Parks and Recreation Department.

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## **Report**

### **History**

The City of Guelph has had agreements for the use and license for the use of Centennial Pool with the Upper Grand District School Board and its predecessor boards since its construction in 1967. The latest agreement was executed on April 1, 2016 for a five-year term being fully completed and ending on March 31 2021. The License Agreement was entered into primarily due to the renovations of VRCC, which would leave the aquatic facility at VRCC unavailable for approximately 15 months until it re-opened in June 2017.

The current License Agreement conveyed the operational and maintenance responsibilities of the pool to the City of Guelph. Centennial Pool is now approximately 50 years old and as such, the capital requirements to keep the pool operational and safe for staff and patrons is becoming unsustainable.

An estimated \$1.2 million will be required to invest in this facility to upgrade mechanical equipment, meet accessibility standards, and ensure the health and safety of staff and customers of the pool. It will also result in a lengthy closure to complete the required work.



## **Current State**

The License Agreement is due to expire on March 31, 2021. The capital investment necessary to continue to operate this asset safely has been steadily increasing and the use of the pool has been steadily decreasing with patrons choosing to utilize the recently renovated VRRC facility and existing WECC facility more frequently. The deteriorating condition of Centennial Pool has been an identified concern, and staff have been providing only necessary legislated, health and safety, and other required investments to keep the pool functional.

Recently a Facility Inventory and Building Condition Assessment was completed on this facility. This assessment indicated that the five-year capital maintenance requirements, based on the current condition of the facility, will cost approximately \$886,950. It also gave the facility a D rating, meaning that the facility and its components are not functioning as intended, significant deterioration and distress has been observed, and that repairs and rehabilitation are required within the next year to restore functionality.

Due to the age of some of the larger mechanical components coupled with the cost of repair, any critical failure could lead to the immediate closure of the facility. City staff have been diligent and fiscally responsible to date, however have concluded that this type of significant investment is not fiscally responsible, nor is the disruption of our customers in the event of a sudden closure. In order to maintain the current License Agreement, significant repair and maintenance tasks noted are recommended immediately, and which would see the pool closed for an estimated nine to twelve months, without the capital funds required to do so.

In addition, the facility assessment specifically addressed the current operational state and the investment required to upgrade the pool. What it does not address is the limitations with respect to public accessibility and the dollar value associated with a reconfiguration of washrooms and change rooms, or an elevator to access the viewing gallery. This estimate has brought the total capital investment required to \$1.2 million dollars.

While some community members and rental clients use this facility for specific programs and courses, and are satisfied with its amenities, staff have determined that all programs and rentals can be accommodated in the renovated VRRC and WECC.

The UGDSB's approved 2019/20 budget does not direct any funds toward the maintenance or renewal of Centennial Pool as it is under the care and control of the City through the License Agreement. The UGDSB does not have the financial capacity to continue the operation of this pool and is amenable to an amicable cessation of this License Agreement.

Staff have met with the main user groups of Centennial Pool and they are currently satisfied with the proposed relocation plans in the event of a closure. A joint communication plan with the UGDSB and Corporate Communications will be actioned upon approval of this report.

The mutual arrangement with the UGDSB has been successful and we appreciate the joint efforts made to sustain this community amenity. We look forward to other partnerships opportunities in the future.

## **Financial Implications**

The operating budget for Centennial Pool is tax supported. It includes shared full-time staffing with other recreational facilities, part-time customer service staff, and the required aquatic staff: lifeguards, deck supervisors and instructors. In addition, there are costs associated with utilities, general maintenance, operating supplies, and contracted services. It is expected that revenue generated can be partially achieved through program and rental dispersal to the WECC and VRRC aquatic facilities. There will be no loss of full time staff due to this closure. Staff will be scheduled at VRRC and WECC at the beginning of the 2020 winter session.

Once approved, the 2020 operating budget allocated toward Centennial Pool will be partially reallocated to WECC or VRRC to accommodate the closure of this facility. Staff will work with Finance and report on any efficiencies realized or further budget changes resulting from this approval through the 2020 budget process.

In addition, any capital funds forecasted for this facility will be re-distributed and allocated to other life cycle projects within the Parks and Recreation Department.

## **Consultations**

Upper Grand District School Board

Legal, Realty, and Court Services

Finance

Corporate Facilities

Corporate Communications

## **Corporate Administrative Plan**

### **Overarching Goals**

Financial Stability

Service Excellence

### **Service Area Operational Work Plans**

Our Resources - A solid foundation for a growing city

## **Attachments**

None.

## **Departmental Approval**

Heather Flaherty, General Manager

## **Report Author**

Lynne Briggs, Manager Recreation Services



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**Approved By**

Heather Flaherty  
General Manager, Parks and  
Recreation Department  
Public Services  
519-822-1260 extension 2664  
heather.flaherty@guelph.ca



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**Recommended By**

Colleen Clack  
Deputy Chief Administrative Officer  
Public Services  
519-822-1260 extension 2588  
colleen.clack@guelph.ca

# Locomotive 6167



# Locomotive 6167

## Timeline

- 1967 gifted to Guelph from  
Canadian National Railway
- 2002 restoration began
- 2012 moved to Farquhar Street
- 2014 officially added to the Museum collection
- 2020 moved to John Galt Park



# Locomotive 6167

## Weight and Dimensions

- 490,000 lbs
- 15' 7" high
- 10' 9" wide
- 94' 4" long





# Locomotive 6167

On the move



# Locomotive 6167

## John Galt Park Location



Photo from Google Maps



# Locomotive 6167

John Galt Park Location



# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, September 3, 2019
Subject	<b>Locomotive 6167 Move</b>
Report Number	PS-2019-17

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## Recommendation

That Report PS-2019-17, titled Locomotive 6167 Move, dated September 3, 2019 be received.

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## Executive Summary

### Purpose of Report

To provide information on the requirement to move Locomotive 6167, an artifact within the Guelph Museums collection.

### Key Findings

The City of Guelph holds a land agreement with Metrolinx to use land on Farquhar Street to display Locomotive 6167. In December 2018, the City received notice of termination of the lease agreement, as Metrolinx looks to expand to the south platform for 'two-way-all-day' GO Transit service. As a result, the locomotive needs to be relocated by December 2020. John Galt Park, next to the River Run Centre, has been selected as the ideal location, providing improved access to and visibility of Locomotive 6167, as well as enhanced programming space. The placement of the locomotive at John Galt Park will have limited impact on river views and other space use at that location. With budget approval, the locomotive would be moved in the spring of 2020.

### Financial Implications

Costs to move Locomotive 6167, including but not limited to crane and moving system, protection of the locomotive during the move, temporary road closures and traffic supports, landscaping restoration of the site, and construction of a new platform are estimated to be \$650,000. This budget request is being referred to the 2020 Capital Budget process.

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## Report

Locomotive 6167, originally used as a passenger and freight train based out of Moncton, New Brunswick, was presented to Guelph as a Canadian centennial gift from Canadian National Railway in 1967. In 2002, Council established a committee to restore the locomotive as a stationary display. The locomotive was moved from the east end of the current downtown transit terminal to its current location on

Farquhar Street in 2012. Locomotive 6167 became part of the Guelph Museums collection in 2014.

Locomotive 6167 has two sections – the engine and the tender. Combined, the two sections weigh 490,000 pounds, and measure 94 feet and 4 inches long, and 15 feet and 7 inches high. Separated, the engine is about two thirds of the weight and length.

Due to the construction of Guelph Central Station, in 2012 the locomotive was moved to the closest available location, just a short lift and haul over the Metrolinx railway tracks, which was the most cost effective option. A lease agreement was approved with Metrolinx, providing access to the land with the understanding that the locomotive would need to move at some point in the future to allow space for the south platform. At the time, the risks were low as expanded services were being projected to happen late in the 30-year plan for Metrolinx.

On December 15, 2018, Metrolinx provided written notice for the termination of the lease agreement with the City. This triggered the section of the agreement that required Locomotive 6167 to be moved within two years. The move of the locomotive allows for the extension of the south platform for 'two-way-all-day' GO Transit service.

Early in 2019, an internal working group including staff from Engineering, Project Management, Guelph Junction Railway, Guelph Museums, and the former Restoration Committee Chair (Volunteer) was assembled.

There are two main ways that the locomotive can move: 1) by rail, on the locomotive's own wheels or on a rail float car, or 2) by city roads, moving on a flatbed truck.

## **Location Consideration**

Consideration has been given to several locations at which to place the locomotive, with City-owned property as a priority. Many of our city parks are open enough to support the scale of the locomotive, however, they are heavily programmed or actively self-animated (e.g. playgrounds). There is no intention to change the use of an existing park. Some locations farther away from downtown hold connections to rail heritage but are already heavily used spaces, and the move costs prohibitive.

The original restoration and move committee in 2012 favoured downtown and areas with connections to rail lines. Still holding true in 2019, downtown is appealing for walkability, links to other downtown attractions, tourism events, and accessibility to other historical landmarks and tours. After considering many locations and options, John Galt Park was selected as an ideal site. The land is owned by the City, and positioning the locomotive there will not interfere with existing trails and programming. In addition, this location is in relatively close proximity to the current location of the locomotive.

## **Moving Process**

Although John Galt Park is in relative close proximity to the current location of the locomotive, the move itself still poses some challenges. The engine, tender, and wheels (trucks) will need to be moved separately. A specialized moving company will use a large gantry (or bridge) crane to straddle and lift the locomotive up in order to place a transporter system underneath it. The transporter system spreads

the weight across many axles, and uses hydraulics and axle compression to move smooth and level. The system will move the locomotive over the current Metrolinx rail lines, through Guelph Central Station, down Macdonell Street, turning on to Woolwich and entering the park. The locomotive will be lowered using the same gantry crane to nestle in beside the old stone wall in John Galt Park, on tracks mounted on an engineered concrete plinth. The existing trail will be maintained, although slightly altered to pass in front of the locomotive. Support from Guelph Transit, Traffic, Guelph Hydro/Alectra Utilities, and Guelph Police will be coordinated to ensure as little impact as possible on commuters and the community. The preparation and move will take a couple of days. Following the move, restoration of the landscaping will be required to ensure an inviting experience for visitors to the locomotive.

The route across the Metrolinx rail lines and through Guelph Central Station is preferred as it is the most direct route with the least distance from the current location to the new location. Further permissions will be required from Metrolinx in order to cross their active lines. Also, this preferred route does not require the locomotive to travel over or under a bridge which eliminates further weight or height investigation and possible risk of damage to infrastructure or the locomotive.

### **Deaccessioning Option**

As an alternative, Council could direct staff to have Locomotive 6167 deaccessioned, either by gifting or destroying it, in order to clear the Metrolinx lands by December 2020.

Deaccessioning is defined as the process by which an artifact, work of art, or other object is permanently removed from a collection. The process and criteria at Guelph Museums is laid out in the Guelph Museums Collection Management Policy. The policy guides the decision of deaccessioning to ensure reasons are ethical, defensible, and objective. Among the criteria, an artifact may be deaccessioned if Guelph Museums is incapable of providing the conditions necessary for curatorial care.

If the only option is to deaccession, the City could gift the locomotive to another museum or organization, however this is unlikely feasible based on cost and timing. Alternatively, the City would remove and retain within the Civic Museum the most historically-valuable rail pieces and distribute or destroy the remainder.

### **Financial Implications**

The total cost of \$650,000 to move and relocate the locomotive to John Galt Park will be referred to the 2020 Capital Budget process.

The total cost includes the actual move (gantry crane and transporter system), protection of the locomotive during the move, temporary road closures, traffic support, and landscape restoration at the new site. The major costs are the crane and transporter system estimated at \$185,000 and the design and construction of a new plinth on which to mount the locomotive for about \$120,000.

Included with the 2020 Capital Budget request will be an operating impact of \$4,000. This impact includes increases in horticultural and snow removal support, and opportunities to increase events and activation.

## **Consultations**

Engineering

Guelph Junction Railway, General Manager

Former Chair, Locomotive 6167 Restoration Committee

## **Corporate Administrative Plan**

### **Overarching Goals**

Service Excellence

Financial Stability

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

## **Attachments**

None

## **Departmental Approval**

Danna Evans, General Manager

## **Report Author**

Tammy Adkin, Manager Guelph Museums



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### **Approved By**

Danna Evans

General Manager, Culture, Tourism,  
and Community Investment

Public Services

519-822-1260 extension 2621

Danna.Evans@guelph.ca



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### **Recommended By**

Colleen Clack

Deputy Chief Administrative Officer  
Public Services

519-822-1260 extension 2588

Colleen.Clack@guelph.ca

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, September 3, 2019
Subject	<b>Revised Community Investment Strategy</b>
Report Number	PS-2019-20

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## Recommendation

1. That the Community Investment Strategy, included as Attachment-1 of Report PS-2019-20, be approved.
  2. That the new Community Investment Strategy programs, as listed in Attachment-2 to Report PS-2019-20, be funded from the Community Investment Reserve.
  3. That Appendix A of the City's General Reserve and Reserve Fund Policy be amended to reflect the updated language for the Community Investment Reserve as identified in Report PS-2019-20.
- 

## Executive Summary

### Purpose of Report

To seek direction from Council prior to the implementation of a revised Community Investment Strategy.

### Key Findings

The Community Investment Strategy (CIS) provides a transparent and responsive decision-making framework to guide the full range of mutually beneficial relationships between the City and Guelph's community benefit sector in pursuit of community and City goals, and responsible stewardship.

The revised CIS responds to the needs of Guelph's residents, the community benefit sector, and the City. It recognizes that the community benefit sector is a valuable economic sector in Guelph. It also recognizes that the City alone cannot achieve our goals and relies on a strong sector to work towards the City's new goals and strategies together. The revised CIS proposes a reframing of Community Investment to better align with the corporate goals of the City's Community Plan and developing corporate Strategic Plan.

The revised CIS recommends the implementation of new and innovative investment programs to strengthen community and the community benefit sector.

### Financial Implications

The changes proposed in the CIS will be funded from the Community Investment Reserve, currently totaling just over \$1.3 million, to be expended over the next



three years or until the reserve is depleted. A tax supported base budget increase for the CIS is not being considered at this time.

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## Report

The Community Investment Strategy (CIS) provides a transparent and responsive decision-making framework to guide the full range of mutually beneficial relationships between the City and Guelph's community benefit sector in pursuit of community and City goals, and responsible stewardship.

CIS was originally developed in 2012 to create consistency between a number of different investment programs and service agreements with external organizations across Public Services.

Implementation of CIS began 2013 with direction from Council and was tied to the Community Wellbeing Initiative in terms of its framing and goals. The goals of the wellbeing initiative focused on community vitality, democratic engagement, education, environment, healthy populations, leisure and culture, living standards, and time use.

The implementation of the CIS led to the formalizing of different investment programs to create greater consistency and transparency to various investments the City was already making across Public Services. These programs are:

- Community Benefit Agreement Program - service or longer-term agreements with a direct benefit to the City of Guelph. Often these agreements are with organizations that are doing work that could be considered municipal work, but that the Community Benefit Sector can do more effectively and efficiently.
- Wellbeing Grant program - an annual grant program that helped connect the work of the community benefit sector to the goals of the Wellbeing Initiative. Grants were small and used for either operating or project needs.
- Innovation Fund - a small funding program to support people with innovative ideas to provide financial support and connect them to other resources in the community.

In addition, the City's subsidy programs (namely the Affordable Bus Pass, Fee Assistance in Recreation, and later the Personal Assistant Leisure cards, Welcome to Guelph passes, and the animal licensing subsidy) became part of the Community Investment division as they were seen as investments directly to our residents.

While the investment strategy has been largely successful since its inception in improving the wellbeing of Guelph residents, there has been significant change in the past six years including governments at all levels, the state of the community benefit sector, issues facing residents, and the strategic direction of the community and the City of Guelph.

The revised CIS responds to the needs of Guelph's residents, the community benefit sector, and the City. It recognizes that the community benefit sector is a valuable economic sector in Guelph. It recognizes that the City alone cannot achieve our goals and relies on a strong sector to work towards the City's new goals and strategies together. The revised CIS proposes a reframing of Community Investment to better align with the corporate goals of the City's Community Plan and developing corporate Strategic Plan.

The revised CIS will focus on reducing barriers to access investments to level the playing field for eligible organizations. It will build a culture of collaboration and partnership between organizations and the City. It will leverage resources across the community and across multiple sectors. It will invest in achieving our shared community and City goals. It takes a holistic view that community, arts, services, recreation, and other areas are all important to the quality of life of residents. It will ensure that investments impact the community in real and measurable ways. It will build the capacity and resilience of the community benefit sector to be more financially sustainability and continue producing results. It will be adaptive and flexible to changing circumstances and needs, and will ensure the City's investment programs are innovative to match the community. Finally, it will strengthen a transparent, consistent, and defensible system that maintains responsible stewardship of taxpayer resources.

The revised CIS also recommends the implementation of new and innovative investment programs to strengthen the community and better align with community and City goals. The new investment programs are intended to be one-time and pilot programs to be funded out of reserves for at least the next three years or until the reserve is depleted. The attached revised strategy shares a high-level an implementation plan and provides some context of Guelph's community benefit sector.

### **Financial Implications**

The changes proposed in the CIS will have no financial implications on the City's tax-supported operating budget. Based on community consultations, requests for additional operating funding for the current Community Investment programs were identified. Bearing in mind the looming impacts of Provincial funding cuts, and given Council's approval of the one-time funding earlier this year, staff will defer any base budget increase for these programs.

In May of 2019, Council approved \$1.3 million into the Community Investment Reserve from the Guelph Municipal Holdings Inc. one-time special dividend, as outlined in [Report CS-2019-56, entitled Dividend Allocation Policy](#). The revised strategy proposes use of the Community Investment Reserve, to allow these pilot programs to operate over at least three years. The investment in the community would therefore be approximately \$360,000 annually including a new temporary staff member as a dedicated Contract Coordinator. Staff will report back annually on the investment programs and will bring forward sustainable funding requests to a future operating budget process.

As part of the City's on-going reserve maintenance, the Community Investment Reserve (205) also requires updating to ensure the policy aligns with the updated CIS. For this reason, staff are also requesting an update to Appendix A of the General Reserve and Reserve Fund Policy as follows:



Reserve Name	Number	Purpose	Target Balance	Source of Funds	Use of Funds	Authority / Timing
Community Investment	205	To fund the Community Investment Strategy (CIS)	No established maximum balance, reserve balance must be positive.	One-time transfers as approved by Council, and/or as approved through the operating budget.	Programs as identified in the 2019 updated CIS and associated temporary staffing.	DCAO and Treasurer approved in-year transfers in accordance with the pre-approved purpose/use.  Council approval required for any other transfer.

## Consultations

Stakeholders consulted include over 90 investment recipients, community benefit organizations, City staff, and other municipal staff engaged through a public survey, a forum for investment recipients, and individual discussions.

Changes to the Community Investment Strategy will be communicated to all stakeholders following a decision.

## Corporate Administrative Plan

### Overarching Goals

Financial Stability

Innovation

### Service Area Operational Work Plans

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

## Attachments

Attachment-1 Community Investment Strategy

Attachment-2 Table of Proposed Investment Programs

## Departmental Approval

Danna Evans, General Manager

Tara Baker, City Treasurer, General Manager, Finance

## Report Author

Alex Goss, Manager, Community Investment



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### Approved By

Danna Evans  
General Manager, Culture, Tourism,  
and Community Investment  
Public Services  
519-822-1260 extension 2621  
Danna.evans@guelph.ca



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### Recommended By

Colleen Clack  
Deputy Chief Administrative Officer  
Public Services  
519-822-1260 extension 2588  
Colleen.clack@guelph.ca

# **Community Investment Strategy Review**

## **Contents**

- Part 1: Background and Current Context
- Part 2: Assessment of Community Investment Strategy
- Part 3: Revitalized Community Investment Strategy
- Part 4: Proposed Investment Programs
- Part 5: Implementation plan

## **Part 1: Background and Current Context**

### **Current Strategy – Background**

The Community Investment Strategy (CIS) provides a transparent and responsive decision-making framework to guide the full range of mutually beneficial relationships between the City and Guelph's community benefit sector in pursuit of Community and City goals, and responsible stewardship.

CIS was originally developed in 2012 to create consistency between a number of different investment programs and service agreements with external organizations across Public Services.

Implementation of CIS began in 2013 with direction from Council, and was tied to the Community Wellbeing Initiative in terms of its framing and goals. The goals of the wellbeing initiative focused on community vitality, democratic engagement, education, environment, healthy populations, leisure and culture, living standards, and time use.

The implementation of the CIS led to the formalizing of different investment programs to create greater consistency and transparency to various investments the City was already making across Public Services. These programs are:

- Community Benefit Agreement (CBA) program - service or longer-term agreements with a direct benefit to the City of Guelph. Often these agreements are with organizations that are doing work that could be considered municipal work, but that the Community Benefit Sector can do more effectively and efficiently.
- Wellbeing Grant Program - an annual grant program that helped connect the work of the community benefit sector to the goals of the Wellbeing Initiative. Grants were small and used for either operating or project needs.
- Innovation Fund - a small funding program to support people with innovative ideas to provide financial support and connect them to other resources in the community in partnership with three other stakeholder organizations,

In addition, the City's subsidy programs (namely the Affordable Bus Pass, Fee Assistance in Recreation, and later the Personal Assistant Leisure cards, Welcome to

Guelph passes, and the animal licensing subsidy) became part of the Community Investment division as they were seen as investments directly to our residents.

While the investment strategy has been largely successful since its inception in improving the wellbeing of Guelph residents, there has been significant change in the past six years including governments at all levels, the state of the community benefit sector, issues facing residents, and the strategic direction of the community and the City of Guelph.

The CIS is being revitalized and updated to ensure that it meets the needs of the community, and can deliver on our shared goals between the community and the City. There are many organizations, neighbourhoods, and individuals that all contribute to the quality of life of Guelph residents, and the CIS endeavours to 'meet them where they are at' because we can only achieve our goals by working together and leveraging the resources of many.

Included in this review is:

- an overview of the changes in Guelph and within our community benefit sector to provide a current context of this work
- a summary of community investments made in the past four years and some of the impact that investment has had
- an overview of feedback for improvements and best practices heard in consultation with investment, City staff, and other municipalities
- recommended changes to the investment strategy including new investment programs to support the community
- a summary of resources needed to implement the strategy over the next three to four years

## **Changes in Guelph**

Guelph has changed significantly since the beginning of the Community Investment Strategy in 2013. It is important that the investment strategy is responsive to these changes and continues to meet the needs of Guelph residents and the community benefit sector.

The Guelph and Wellington County Vital Signs Report (VS 2018), shows that Guelph is a quickly growing population with growth rates nearly double the provincial rate. Guelph is an ageing population with the largest groups between the ages of 45 and 60 years old. Guelph is an increasingly diverse community with approximately one in five residents being born outside of Canada, most recently coming from Philippines, India, China, Eritrea, and Vietnam.

In recent years, unemployment rates in Guelph have been some of the lowest in the country at 4.8% in 2016 (VS 2018). However, despite the growth, diversity, and economic outlook, affordability in Guelph is a persistent challenge for many residents. Inflation rose 9.1% in Ontario between 2013 and 2018, and in Guelph the living wage increased from \$15.95 in 2013 to \$16.90 in 2018. Approximately

one in eight children living with low income, and one in ten households struggle with housing that is not adequate or affordable (VS 2018). A number of other changes point to the strengths and challenges affecting the quality of life of Guelph residents.

The Community Plan identified that people live in Guelph because of a good quality of life. There is growing diversity and a strong sense of community, and Guelph is a resilient community to be sustained for our children and future generations. Residents identified that Guelph has a unique natural environment, is a place for discovery and innovation, has a vibrant arts and culture scene, is an active community, and takes a stand to make the world a better place.

The Community Plan also recognizes that there is more work to do. Housing affordability and homelessness are significant issues and priorities for residents. Jobs and workforce development are needed to support both residents and businesses to thrive. Diversity is a strength that is valued in Guelph, but there is more work to be done in order to be more inclusive so people do not get left behind. Building a resilient community by addressing the root causes of issues and working with children and young families is important to Guelph residents. Investments in the community should be more sustainable by encouraging groups to work together differently and identifying new resources.

### **State of Guelph's Community Benefit Sector**

The community benefit sector (made up of not-for-profit organizations, charities, and groups) is focused on improving the quality of life of residents. It is one of the sectors best-positioned to build on the strengths and address the challenges expressed in the Community Plan.

The community benefit sector is a sector vital to Guelph. Guelph is home to 308 registered charities, and estimated at over 600 not-for-profit organizations. This amounts to one not-for-profit organization for every 214 residents, comparable to the national average of 1:218. Of the charities, most are places of worship (112), education including many arts and festivals (62), community welfare (56), and community benefit (55).

The community benefit sector also encourages and drives volunteerism in our community. Approximately six in ten people in Ontario volunteer, and most in the community benefit sector.

The community benefit sector is a significant part of Guelph's economy. Based on provincial employment numbers, it is estimated that over 7,000 people in Guelph work in the community benefit sector. Nationally, the sector makes up approximately 8% of Canada's GDP and is one of the biggest economic sectors in the country. It is also a sector of fast GDP growth typically growing at rates faster than the for profit economy. A ten-year study ending in 2007, showed the community benefit sector grew by 85%, compared to 76% growth of the total economy.

The community benefit sector is vital to our community and can be a strong partner to achieve the City's and community's goals. The community benefit sector in Guelph is strong, but is also facing considerable challenges in recent years.

In consultation with the community benefit sector, it became clear that they are experiencing significant financial pressures which could lead to significant change in the sector.

The community benefit sector is trying to adapt to the changes seen in Guelph. Organizations are working with increasing diversity and complexity of individuals as clients and participants. This is leading those organizations to change and redesign practices, events, and services to be more inclusive and supportive of the community. This increase, combined with the increase to Guelph's population overall, is leading to greater demands on the sector for programming.

Many organizations cited that the current provincial government is creating funding pressures at a time of increased demand. For some organizations, the provincial government has already implemented funding decreases through service agreements and provincially funding programs such as Trillium Foundation. Other organizations are experiencing indirect funding decreases where partnered organizations are receiving direct funding cuts, pulling out of partnerships, and causing significant loss of revenue for other organizations. Many organizations in the sector also described a "cooling effect" caused by changes from the provincial government, and are now experiencing noticeable decreases of donors and sponsorships from private individuals and businesses. While many organizations in the community benefit sector generate revenue through programming, an estimated 60% comes through government funding and donations.

Many organizations also indicated that they are experiencing increased challenges in finding volunteers to support their work. This matches national trends of decreased volunteerism where the most recent data shows volunteers down 3% between 2010 and 2013. These challenges have led organizations to invest greater effort in redesigning volunteer supports and incentives, or to absorb increased costs within the organization through the hiring of additional staff.

Finally, the cost of doing business has generally gone up. Taking into account inflation, increased costs of wages, office rent, and fees and services (including City fees), operating expenses are up.

In summary, the community benefit sector is dealing with increased demand and complexity of programming, decreases to funding and donations, decreases in volunteerism, and increased operating expenses. The sector is being expected to make some significant changes to how they operate while under significant financial pressure. This makes the sector particularly vulnerable at this time and some organizations could struggle or even close as a result.

Given the value of the sector on Guelph's economy, quality of life of Guelph residents, and the City's own community and strategic goals, the Community

Investment Strategy aims to bolster the resilience and sustainability of the sector and our communities. The strategy will support the City and the sector to adapt to the changes already experienced, achieve our mutual goals and objectives for Guelph, and ensure that Guelph residents have the highest quality of life possible.

### **Alignment to Community Plan and City Strategic Plan**

The Community Plan offered valuable insight into the aspirations, ideas, and concerns of residents. Along with the developing City Strategic Plan, the plans will highlight how the City and community can come together to achieve our shared objectives and priorities. This is an excellent opportunity to update the Community Investment Strategy. Initially implemented starting in 2013, now is the time to realign the CIS with broader corporate and community objectives to ensure a greater impact and return on investment for the corporation and our residents.

The CIS is well-positioned to support the City to achieve the strategic objectives of the Community and proposed Strategic Plans. This is because CIS is grounded on the knowledge that the City cannot achieve our goals alone; alignment and support from community organizations and partners are critical to our success. Often, with financial and non-financial investment from the municipality, the community is best positioned and most effective to address the needs of the community.

For that reason, CIS will align to the community's identified values of:

- Everyone's wellbeing
- Environment Stewardship
- Fiscal Responsibility
- Integrity
- Innovation
- Inclusiveness
- Respect

The Community Plan identified a number of themes that highlight the ongoing need for City investment and support in each of those areas. CIS is the strong mechanism to support and partner with community organizations that are working hard to achieve our shared objectives. Through CIS, the City will support the community's efforts to address the directions and goals that emerged in the Community Plan in the following ways:

<b>Theme from Community Plan</b>	<b>The Community Investment Strategy will:</b>
<b>We protect our environment</b>	Support environmental and food security sector organizations that share the same goals as the City
<b>We create value</b>	Encourage collaboration and capacity building with funded organizations  Develop and monitor innovative investment programs including a range of supports beyond financial investment
<b>We are home</b>	Support organizations that help residents meet their basic needs and improve standards of living  Support for more affordable housing in the community  Show leadership for affordability of City programs and services and decrease financial barriers to access  Invest in neighbourhood initiatives that build a sense of belonging
<b>We feel well</b>	Support health and mental health organizations  Support groups looking to challenge stigma around mental health and addictions
<b>We play and explore</b>	Invest in organizations that promote arts and culture in innovative ways  Support organizations that promote recreation and sport opportunities  Support festivals, events, and other opportunities across the City
<b>We move freely</b>	Support for City transportation that is affordable to residents  Support transportation organizations with mutual goals

## **Part 2: Assessment of Community Investment Strategy**

### **Summary of Investments**



Between 2015 and 2019, extensive investments were made in the community to improve the wellbeing of Guelph residents. The value of the investments is most easily calculated by examining the amount of investment in the community in addition to other funds, savings, and revenue generated by the investment, as well as volunteer team leveraged to support work carried out through the investment. For both the Community Benefit Agreement Program and the Wellbeing Grants, we ask recipients to report on other investments leveraged as a result of the City's contributions. Below is a summary of those leveraged investments and their total value.

<b>Investment Program</b>	<b>Total Investments in 2019</b>	<b>Investments Leveraged in 2018</b>	<b>Total Value of Investment</b>
Community Benefit Agreements	\$1,685,000	\$853,000 (other funds, cost savings, and revenue) \$1,776,000 (volunteer time)	\$4,314,000
Wellbeing Grants	\$301,100	\$1,007,000 (other funds) \$4,522,000 (volunteer time)	\$5,830,100
Value of subsidies directly to residents - Affordable Bus Pass (ABP) and Fee Assistance in Recreation (FAIR)	\$766,000 (2018 data) \$23,000 In sales of FAIR	ABP: \$621,000 in revenue FAIR: \$4,000 in revenue	ABP: \$1,387,000 FAIR: \$27,000

<b>Total Investments in 2019</b>			
<b>Sector</b>	<b>Grants</b>	<b>CBAs</b>	<b>Total CI Funding</b>
Arts and Culture*	\$125,600	\$300,168	\$425,768
Environment	\$18,500	\$0^	\$18,500
Human and Social Services+	\$130,000	\$1,078,911	\$1,208,911
Recreation+	\$17,500	\$308,392	\$325,892
<p>* This analysis only focuses on investments made through Community Investment and not those made through other cultural programming (i.e. public art)</p> <p>^ Service or benefit agreements with direct environmental impact have been handled within the climate change office</p> <p>+ Not all funding fits cleanly into sector categories. Half of the CBA for the Guelph Neighbourhood Support Coalition was put in human services, and half in recreation to reflect the variety of work that they carry out with the City's support.</p>			

<b>Investment Program</b>	<b>Total Investments made over 5 years (2015-2019)</b>
Community Benefit Agreements	\$7,247,400
Wellbeing Grants	\$1,444,100
Innovation Fund (Elevator Project)	\$200,600
Total direct investment	\$8,892,100
Value of subsidies directly to residents	ABP Total value of \$3,222,000 led to revenue \$2,764,000  FAIR Total value of \$103,000 led to revenue of \$18,000

## **Impact of Investments – 4 years**

### **Progress towards wellbeing goals**

The following is a four year assessment of successful grant recipients. Grant recipients are required to submit end of year reports highlighting the scope and impact of the grant as well as a budget report on how the resources were used. While the reports are used primarily to assess their eligibility for future grants, some of the information has been pulled out below to demonstrate examples of impact the grant investment has had.

The following are the eight domains of wellbeing and their associated goals identified by the community, and a summary of work done through investment in the Wellbeing Grant program in the last four years.

### **Wellbeing Domain 1: Community Vitality**

Residents will:

- Connect, understand and celebrate Guelph and its diversity
- Feel safe and respected
- Have opportunities to discuss and resolve issues together
- Support and care for each other

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	107,870	\$499,850	1,300	41,884
<b>2017</b>	134,930	\$400,611	1,252	58,434
<b>2016</b>	215,750	\$294,875	1,572	49,419
<b>2015</b>	102,751	\$298,109	1,623	36,862

### **Wellbeing Indicators**

Sense of belonging: Benchmark: 64.8% with strong (very or somewhat) sense of belonging (2009-2010), most recent data shows sense of belonging rising to 73.3% (2013-2014)

Perception of safety: the proportion of youth across Guelph, Wellington and Dufferin that feel safe in their neighbourhoods remained unchanged between 2011 and 2015 at 85%.

Volunteering: local data unavailable

## Wellbeing Domain 2: Democratic Engagement

Residents:

- Are heard and their needs are valued
- Experience a culture and environment of comfort and trust so that people can collaborate and engage
- Are more involved in civic life and have ownership of what is happening in Guelph

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	35,079	\$48,500	192	3,860
<b>2017</b>	21,544	\$114,000	196	4,192
<b>2016</b>	73,588	\$19,800	206	2,370
<b>2015</b>	51,203	\$151,771	405	10476

### Wellbeing Indicators

Participation in municipal elections: Benchmark: 33% of residents voted in municipal election in 2010, most recent data shows the number rising slightly to 36% of eligible residents voted in the 2018 municipal election

Residents feel local government policy made them better off: local data unavailable

Proportion of women elected to municipal government: Benchmark: 46% of Council were women (2013), current Council is 38% women (2019)

## Wellbeing Domain 3: Education

Residents:

- Have access to informal opportunities to learn new skills that support their wellbeing

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	64,732	\$139,428	891	48,399
<b>2017</b>	27,250	\$443,428	985	51,818
<b>2016</b>	42,162	\$261,348	1,877	65,053
<b>2015</b>	29,074	\$98,295	1,355	32,215

### Wellbeing Indicators

Readiness of kindergarten children for school: Benchmark: 30% of kindergarten children were vulnerable in one or more areas of school readiness (2012), this number rose slightly to 32% (2015)

High school students literacy pass rate: Benchmark: 84% of Grade 10 students passed the provincial literacy test in 2011-2012, this number rose slightly to 85% in 2014-2015

Proportion of adults with a university education: Benchmark: 31% of adults had at least a university degree in 2006, this number rose to 36% of adults in 2016.

#### **Wellbeing Domain 4: Environmental**

Residents will:

- Use active transportation methods to get around and enjoy Guelph
- Enjoy a healthy and integrated natural heritage system that values ecological infrastructure strengthening
- Reduce residential energy, water consumption and household waste

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	39,278	\$69,000	1,696	30,110
<b>2017</b>	34,299	\$87,891	1,602	32,466
<b>2016</b>	30,133	\$64,373	1,654	30,047
<b>2015</b>	27,472	\$53,500	1,491	29,149

#### **Wellbeing Indicators**

Greenhouse gas emission rate: local data unavailable.

Daily water use by residents: Benchmark: water use was at 184 litres per day in 2011, down to 167 litres per day in 2014.

#### **Wellbeing Domain 5: Healthy Populations**

Residents:

- Are physically, mentally, and emotionally healthy
- Have equitable, affordable, accessible, effective, and appropriate resources to support and maintain their health

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	262,301	\$126,558	751	53,974
<b>2017</b>	86,119	\$400,550	538	39,768
<b>2016</b>	136,585	\$109,200	1,576	59,982
<b>2015</b>	30,961	\$92,400	1,045	16,154

## Wellbeing Indicators

Self-perception of health: Benchmark: 66% of residents rated their health as very good or excellent in 2009-2010, this dropped slightly to 62% in 2013-2014.

Quality of health care services: local data unavailable

## Wellbeing Domain 6: Leisure and Culture

Residents will:

- Enjoy arts, culture, heritage, sport and recreation opportunities that are accessible, affordable and contribute to individual and community identity
- Have opportunities through sport, recreation, arts, cultural activities to gather, stay connected and celebrate community
- Have access to a range of local cultural and recreational spaces for meeting, sharing and participating

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	124,810	\$472,058	3,194	86,963
<b>2017</b>	89,601	\$436,156	3,023	87,756
<b>2016</b>	83,301	\$499,285	3,153	82,261
<b>2015</b>	85,832	\$304,540	2,935	62,372

## Wellbeing Indicators

Participation in monthly physical activities: local data unavailable.

Residents accessing recreation and cultural facilities: local data unavailable.

Municipal expenditures to arts and culture: local data unavailable.

## Wellbeing Domain 7: Living Standards

Residents will:

- Live in housing that is affordable and adequate for their needs
- Eat good quality, nutritious, affordable and accessible food
- Have access to and benefit from economic opportunities
- Be able to move around the community to participate in community life

	<b>Guelph participants</b>	<b>Resources leveraged</b>	<b>Volunteers</b>	<b>Volunteer Hours</b>
<b>2018</b>	11,194	\$140,432	373	12,765
<b>2017</b>	2,431	\$54,905	348	9,998
<b>2016</b>	11,469	\$65,651	220	15,490
<b>2015</b>	951	\$39,593	374	8,942

## Wellbeing Indicators

Income gap: local data unavailable.

Unemployment: annual average unemployment rates in 2013 were 6.6% in Guelph, the average unemployment rate has dropped significantly to 3.8% in 2018.

Living in core housing need: the proportion of renters living in core housing need increased slightly from 26% in 2011 to 27% in 2016.

Number of individuals experiencing food insecurity: the number of people experiencing food insecurity rose from 14% in 2009-2011 to 17% in 2012-2014.

### **Wellbeing Domain 8: Time Use**

Is about optimizing the flow of residents around the City to maximize availability of personal time. While this domain was an option for selection by grant applicants, no organizations identified this domain as a priority for their work.

Wellbeing Indicators

Residents working more than 50 hours a week: local data unavailable

Commuting time: local data unavailable

### **Limitations in Tracking of Wellbeing Goals**

Staff have been able to measure outputs related to the work done by grant recipients, as well as measuring concrete impacts in terms of Guelph residents' participation in grant activities, resources leveraged by City investment, and the amount and depth of volunteer contributions in Guelph. However, measuring the specific impact or contribution towards the achievement of the Wellbeing Initiative Goals at a population level has been a challenge.

With the update of the Community Investment Strategy, staff will tie the strategy's goals to corporate goals outlined in the Community Plan and proposed Strategic Plan to ensure that tracking of the larger goals is built into the strategy corporately, and that the contributions of the community benefit sector are tied to those goals through annual reporting.

### **Strengths and Challenges of Current Strategy (Feedback from Applicants, Recipients, and Staff)**

Through the update process, Community Investment staff and consultants engaged with other municipal granting staff, local funders, Wellbeing Grant applicants and recipients, Wellbeing Grant panel members, Community Benefit Agreement recipients, and internal staff liaisons supporting CBAs.

Based on that feedback, a number of strengths, challenges, and opportunities were identified for the Community Investment Strategy as they relate to the amount of funding, connection to City goals, categories of funding, accessibility of the investment programs, and role of City staff.

In terms of the amount of funding, those engaged identified Guelph being able to offer multi-year funding agreements for key programs through CBAs was something that built stability and allowed for long-term planning. However, staff heard consistently that financial stability was the biggest concern with City investments. While all were appreciative of what the City was able to offer, many also identified the need for additional funds due to other financial pressures. Often recipients would receive a portion of what their needs for City funding were, and would therefore have to adapt their budgets and expenses accordingly.

Overall, there was feedback from recipients and applicants that the City should invest more in the community. Many specific sector organizations identified their sectors as underfunded by the City including arts and culture, human services, and sports and recreation. The range of sectors considered underfunded can be an indication that it is the funding pool itself that is underfunded. Increasing the pool of City funding was seen as an opportunity by some, though no additional funds are available at this time. Many people suggested that the City of Guelph look to multi-year grant funding to provide additional stability for organizations, and explore innovative programs to support organizations to build capacity and resilience in the short-term.

For the most part, organizations appreciated that City goals were clear, and that they could align their work within the goals to more clearly demonstrate their value to the City and the local need for their work. Some stakeholders suggested that the Wellbeing goals felt a bit outdated.

Guelph's ability to offer operating grants through the wellbeing program was seen as a strength by other municipalities and grant recipients. Many appreciated this support while also expressing some confusion on the distinction between project and operating based funding.

In terms of accessibility of the programs, generally, applications and reporting processes were seen as manageable and not overly complicated. However, in some cases, the funding programs were not seen as inclusive as the burden of completing applications or assessments was greater for small, volunteer-led organizations when compared to larger groups, and for organizations where a language barrier may be an issue.

Organizations without official not-for-profit status are ineligible under current programs, and some groups, including some indigenous groups, are therefore unable to apply. This eligibility challenge for some groups could push them to partner with eligible organizations, however this was seen as creating a challenging power dynamic where organizations become dependent on their host organization because of lack of status. Some stakeholders suggested creating clearer pathways for unregistered groups to partner to access funding, and for addressing some of the barriers for volunteer-led not-for-profits.

Many stakeholders appreciated the role of staff in coordinating and administering investment programs. Some suggested additional support that would be helpful for the sector. These include staff sharing information about funding opportunities (beyond the City's), building connections between organizations that could lead to new partnerships, supporting capacity building within the community benefit sector, and for City staff to play a greater role in the dissemination and celebration of stories and successes of investment recipients. There was a recognition that some organizations may need different levels of support from staff in order to reduce barriers for smaller organizations while maintaining transparency.

## **Promising Practices**

### **Opportunities and Lessons Learned from Other Municipalities**

A scan of nearly 20 municipal funders was conducted in 2019 with the support of an external consultant to understand municipal funding practices and identify potential promising practices.

Coming out of the scan, it is clear that Guelph is implementing several promising practices already. Guelph's use of a residential panel to make granting decisions was seen as a strong way to maintain transparency, remove potential conflicts of interest for Council, and free up City staff to support applicants and reduce barriers without compromising the integrity of the decision-making process. Guelph's use of operating funds was implemented by only a few other municipalities, but seen as a strength in terms of building the sustainability of the sector in local municipalities. Finally, most municipalities look to grant a range of funding priorities including arts and culture, human services, and recreation. While some municipalities focus exclusively on single streams, there was some recognition that this was limiting for those municipalities.

Promising practices from other municipalities considered by staff include seeking out joint funding opportunities with other local funders around common goals. Working collaboratively on specific goals can help create a larger funding pot and allow for the sharing of staff resources. The scan identified that on occasion, funds can be administered by external organizations where there may be a clear advantage or benefit back to the municipality for doing so. While there are potential challenges around consistency and accountability, they can be mitigated if distributing smaller amounts of funding and if the municipality can remain involved in directing the program. Placing clear emphasis on the intended impact of the funding is an increasing trend across municipalities to be more intentional about how investment programs are achieving municipal goals.

Some municipalities have struggled to find a balance between encouraging strategic investments attached to goals, and ensuring that smaller organizations are not too constrained by the requirements and have support to meet them. Municipalities are looking for ways to separate staff and Council from decision-making for community investment programs to avoid potential conflicts and allow staff to more freely focus



on coaching and encouraging collaborations. Municipalities are also increasingly looking to offer multi-year funding out of a recognition that multi-year funding can offer greater stability for organizations, which in turn allows them to focus more on programming and events, and therefore have a greater impact on the City.

### **Municipal Funding levels**

While funding for community initiatives is often unclear in municipal budgets, below is a summary of grant program budgets across municipalities where information was available. These figures generally do not include service or community benefit agreements. Based on these figures, per capita grant funding varies significantly across municipalities with most (including the City of Guelph) within the \$2-3 per capita range.

<b>Municipality</b>	<b>Population</b>	<b>Grant amount 2018 (arts, culture, human services, recreation, social services, other public services programming)</b>	<b>Per capita grant</b>
Barrie	141,000	\$335,000 (arts and culture focus)	\$2.37
Brant County	37,000	\$206,000 (mix of culture, services, recreation)	\$5.57
Guelph	132,000	\$301,100 (mix of everything)	\$2.28
Greater Sudbury	162,000	\$1,276,000 (mix of culture and service)	\$7.88
Kingston	124,000	\$190,000 (services focus)	\$1.53
Oakville	194,000	\$166,000 (arts and culture focus)	\$0.86
Peterborough	81,000	\$230,000 (mix of everything) (2017)	\$2.84
St. Catharine's	133,000	\$340,000 (arts and culture focus)	\$2.56
York Region	1,110,000	\$700,000 (services focus)	\$0.63

## **Part 3: Revitalized Community Investment Strategy**

The following is the revitalized Community Investment Strategy (CIS) based on the review and updating content.

### **Vision**

To provide a transparent and responsive decision-making framework to guide the full range of mutually-beneficial relationships between the City and Guelph's community benefit sector and residents in order to achieve shared community and City goals.

### **Framing of the Strategy**

CIS includes a full range of mutually-beneficial investments at the City's disposal including:

- Financial investment - funds available to organizations, partnerships, and individuals to improve the community from reserves and base-budget

- Investment of discounted and reimbursed City services - services offered to reduce barriers to access to ensure equitable use of services for the benefit of the community
- In-kind investments of City surplus assets and resources - surplus resources available to organizations, partnerships, and individuals to improve the community
- In-kind investments of staff support - staff to provide strategic guidance and support to ensure ongoing connection, partnership, alignment, and access to resources and new opportunities

The CIS will focus on how the City invests back in the community to help achieve the City's and community's mutually-beneficial goals identified in the Community Plan and upcoming Strategic Plan. This involves:

- Investing in organizations working towards shared goals through investment programs (including grants, benefit agreements, surplus assets and proposed investment programs)
- Investing in community through partnerships (including Local Immigration Partnership, Guelph Neighbourhood Support Coalition, Toward Common Ground, Poverty Task Force, etc.)
- Investing in people through programs specifically reducing barriers to access (including subsidies, Welcome to Guelph, affordable housing)

Underpinning this work is the understanding that investing in our shared goals demonstrates leadership in the community, builds partnerships, and leverages extensive resources beyond the City's contributions to ensure that our goals are met effectively and efficiently.

### **Role of City Investment**

The City can build and strengthen mutually-beneficial relationships by:

- Maximizing access to City resources to advance shared goals
- Enhancing knowledge of existing and emerging community needs
- Facilitating connections and partnerships between community groups
- Support growth of activities and services in Guelph that are inclusive and reduce barriers to access
- Strengthening City and neighbourhood connections and facilitating access both ways
- Continuing to provide opportunities for stakeholder voices to be included in program planning and implementation

### **Role of the Community Investment Team**

The Community Investment Team will provide leadership, administration, support and resources in order to achieve the CIS vision. Staff will support partnership building between community benefit organizations and the City of Guelph. This includes support for organizations to navigate City services and ensuring the City is

not an obstacle to their work and success. Staff will support organizations to discuss barriers to City programs and services to ensure accessibility and inclusion. Staff will continually monitor existing programs, and explore new opportunities for investment to support the community benefit sector in achieving our mutual goals and strategies.

### **Scope of the Strategy**

CIS will focus on investments made related to the Public Services service area. Community Investment will be able to have knowledge of and track all investments (in organizations, partnerships, and people) made within the corporation, but will only be responsible for administering investment that relate to Public Services directly. Where there are exceptions to this, those exceptions will be clarified in annual reporting to Council.

### **Principles**

The implementation of CIS will be guided by the following principles:

- **Accessible and Inclusive:** Reduce barriers to access investments for organizations, neighbourhoods, and individuals.
- **Collaborative:** Build connection and a culture of collaboration and partnership between organizations and the City; a system that leverages resources across the community and across sectors.
- **Community Driven:** Invest in our shared community and City goals through organizations and in individuals. Ensure that community groups and residents have a voice in the implementation of the strategy.
- **Holistic:** Holistic view that community, arts, services, recreation are all important to the quality of life for Guelph residents. Ensure that investments impact the community in measurable ways.
- **Resilient:** Build the capacity and resilience of community benefit sector to be more financially sustainable and to continue producing results and achieving goals.
- **Responsive:** Adapt to changing circumstances and community needs. The City's investments are flexible and innovative to match the community.
- **Transparent:** A transparent, consistent, and defensible system that maintains responsible stewardship of taxpayer resources.

### **Outcomes**

Long-term outcomes for the Community Investment Strategy will be driven by the outcomes of the Community Plan and the City's Strategic Plan. The long-term outcome being the extent to which not-for-profits are able to support the City to achieve its own goals. The contribution of these not-for-profits towards the larger outcome will be measured by identifying the impact of each investment on City and Community goals.

Short-term outcomes will also be specific to the strategy to ensure that it is working as intended and as an indication that investments are achieving the purpose of the CIS.

<b>Short-Term Outcomes</b>
Accessible <ul style="list-style-type: none"> <li>• number of applications</li> <li>• number of new successful applicants</li> <li>• applications from under-represented groups</li> </ul>
Collaborative <ul style="list-style-type: none"> <li>• number of identified collaborations in applications</li> <li>• number of connections with other funders</li> <li>• number of connections made by CIS staff between organizations</li> <li>• number of resources leveraged beyond the City</li> </ul>
Community Driven <ul style="list-style-type: none"> <li>• people invested in directly</li> <li>• investment to build community and neighbourhood connection</li> <li>• interventions supporting City Goals</li> <li>• number of residents impacted</li> <li>• volunteers/hours leveraged through funds</li> </ul>
Holistic <ul style="list-style-type: none"> <li>• Even distribution of sectors in investments made</li> <li>• Even distribution of investment into City goals</li> <li>• community involvement in CIS initiatives</li> </ul>
Resilient <ul style="list-style-type: none"> <li>• funds leveraged as a result of City investment</li> <li>• organizations supported through sustainability challenges</li> <li>• capacity building opportunities created through investment</li> <li>• multi-year funding opportunities created</li> </ul>
Responsive <ul style="list-style-type: none"> <li>• applicants for funding opportunities targeting emergent issues</li> <li>• organizations that align to City goals for investment opportunities</li> <li>• impact of investments on the community</li> </ul>
Transparent <ul style="list-style-type: none"> <li>• monitoring of investment programs</li> <li>• communication and reporting on investment outcomes</li> <li>• processes and policies followed</li> </ul>

## **Eligibility for Investment**

City Investment Programs will be accessible to eligible groups or individuals. The basic eligibility criteria for organizations will remain unchanged. The proposed new programs include eligibility for individuals that would be required to reside in the City of Guelph. Though, specific investment programs may have additional eligibility requirements.

Eligible Organizations must:

- be able to demonstrate how their work benefits Guelph residents and contribute to community and City goals
- be an incorporated not-for-profit, charity, or an unincorporated collective with a not-for-profit purpose (unincorporated collectives include more than one individual with a written memorandum of understanding to conduct work for a not-for-profit purpose for the benefit of residents)
- have the majority of their operations OR the majority of clients/participants be in Guelph
- be in good standing with the City of Guelph, and if applicable, its own governing bodies
- have been in operation for at least one year
- not be another level of government, or the legislated responsibility of another level of government
- not be a political organization that formed for a political purpose or engages in partisan political activity (activities which support or oppose specific political parties, candidates, or elected officials).
- Uphold the Charter of Rights and Freedoms and the Ontario Human Rights Code

## **Accountability and Transparency**

### **Decision-making process**

Based on promising practices from other municipalities highlighted during the municipal scan, decision-making is ideally non-political and separate from non-senior staff. This allows for consistency and transparency of decision-making while freeing up staff to support community development issues while coaching organizations seeking support and encouraging collaborations between organizations.

To keep City Council informed of decisions made, staff will submit annual information reports to Council to report on the investment programs and the impact they are having in the City.

To ensure clarity on community investment decisions, the following table of decision-making roles and responsibilities is within the Community Investment Strategy:

<b>Stakeholder</b>	<b>Role</b>	<b>Decision-making</b>
Mayor and Council	Oversight of all City's community investments	Overall budget of investment programs  Approval of Investment Strategy

<b>Stakeholder</b>	<b>Role</b>	<b>Decision-making</b>
		Approval of community panel applications
Senior Staff	Oversight of alignment between CIS and corporate strategies / objectives	Approval of program policies and allocation of funds to specific investment programs  Final decision on large community investments and long-term agreements  Final decision on appeals
Community Investment Staff	Management of investment programs  Recommendation of approvals of some investment programs  Development and monitoring of policies, procedures, guidelines and criteria  Monitoring and oversight of investment agreements and reporting  Monitoring and oversight of Community Investment Strategy and progress  Support, coaching, relationship, partnership management with community organizations and customers	Operational decision-making on how to best implement investment programs
Community Panel	Make informed decisions about funding allocations within some investment programs  Provide input and feedback into investment programs, policies, and procedures	Approval of specific allocations for some investment programs
Partner organizations and third party administrators	Administer some investment programs with support of community investment staff	Approval of specific allocations for some investment programs in consultation with Community Investment staff

Stakeholder	Role	Decision-making
		Day-to-day operational decisions in consultation with Community Investment staff

## Appeals

There is no appeals process for community investment programs as a whole, but specific investment programs will include a transparent appeal process. The intention of the appeals process is to ensure that established processes and policies were followed in decision-making. Appeals will be heard by community investment staff and a final decision made by senior staff in Public Services.

Specific appeals criteria and parameters will be defined in specific program policies as they are developed and revised.

## Part 4: Proposed Investment Programs

Investment programs are designed to strengthen existing programs, build on promising practices from other municipalities, better align with the City's goals, and respond to current challenges and opportunities facing the community benefit sector in Guelph.

Some proposed programs are to be funded out of the Community Investment Reserve to minimize the impact on taxpayers while maximizing the impact on the community. These programs will be implemented from 2020 to 2022 and are intended to build the resilience of the sector through pilot programs and one-time funds, and encouraging joint funding opportunities with other funders.

Beyond the programs outlined below, Community Investment staff will continually explore new opportunities for investment to support the community benefit sector in achieving our mutual goals.

Of note, the Innovation Fund will not continue as a current program within the proposed investment programs. Initially administered through a third party organization, the organization and partners had a change of capacity which created challenges to implement. Given the changing circumstances, staff decided to put the program on hold. Following the pause, funding was included within the Community Benefit Agreements with an addition of a new partner. The intention of the Innovation Fund will continue through the proposed new Micro Grant and Emergent Initiatives investment programs that aim to support residents and organizations with innovative program solutions.

Further sustainable funding requests beyond the three years or the depletion of the reserve will be referred to future operating budget requests.

## Existing and Changing Programs

### **Community Benefit Agreements (CBAs)**

Funding amount: \$1,725,850 in the 2020 base budget

CBAs are multi-year funding agreements that focus on investing in work that is mutually beneficial to the City and meets common strategic objectives. CBAs exist currently in operating budget with 13 organizations and formalize both financial and in-kind contributions from the City in exchange for services or activities rendered. In the new strategy, goals of the CBAs will align with the goals of the Community Plan and Strategic Plan to ensure greater alignment with the City.

### **Community Grants (formally named Wellbeing Grants)**

Funding amount: \$307,100 in the 2020 base budget

Community Grants will be the City's main granting program and currently exist as the Wellbeing Grant Program in operating budget. The program will be rebranded to focus on Community Plan and Strategic Plan goals rather than the Wellbeing goals previously established. The program will remain focused on improving the lives of Guelph residents. The grants will remain as cross-sectoral grants that support both operating and project needs of community benefit organizations. The Community Grant program will add multi-year funding for operating grants up to three years in length to provide efficiencies for both City staff and applicants. Work will be done to ensure that organizations that face barriers to applying have the support they need. Finally, the Community Grant program will include additional supports including Community Share Resources, and City Fee Reimbursements as described below.

### **Community Shared Resources (CSR)**

Funding amount: \$50,000 annually from reserve

The CSR program current exists as the Surplus Asset program and is slated for implementation in fall 2019. There is currently no budget to support the program as it aims to leverage existing surplus resources that the City is disposing of. Proposed here is to include funds out of the Community Investment Reserve to offset potential expenses or lost revenue to City departments associated with the donation of assets that could otherwise be sold. This use of reserve would encourage donations and leverage further needed resources for the community. The program will be attached to the Community Grant program and organizations can apply for CSR as part of the Community Grant application.

### **Subsidy Programs**

Funding amount: \$20,000 in the 2020 base budget

Subsidy programs by the City of Guelph include the existing Affordable Bus Pass, Fee Assistance in Recreation (FAIR), and the Animal License Subsidy. These programs are largely revenue generating, though there is a small operating budget for the FAIR program. These programs will continue as investments of City services directly to residents to improve affordability and quality of life for Guelph residents.

### **New Investment Programs**



### **City Fee Reimbursement**

Funding amount: \$50,000 annually from reserve

The City Fee Reimbursement is a proposed new program that would offset City fees for community benefit organizations that are experiencing cost barriers from city fees as part of doing business. These fees would be reimbursed out of the Community Investment Reserve and reimbursements would be done internally to City departments to ensure no lost revenue. This program will level the playing field for organizations that incur City fees (some well beyond their grant amounts), and for small organizations where City fees presents significant challenges to their operations. The program will be attached to the Community Grant program and organizations can apply for reimbursement as part of the Community Grant application.

### **Emergency Fund**

Funding amount: \$30,000 annually from reserve

The Emergency Fund is a proposed new program that would offer one-time funds and support to organizations that offer a significant benefit to Guelph residents and the City, but are struggling financially. The program would offer funds and support to explore alternative business models to ensure the financial sustainability of the organization. Applications will be approved based on established criteria and community benefit organizations can apply at any time.

### **Resilience Fund**

Funding amount: \$30,000 annually from reserve

The resilience fund is a proposed new program that would offer one-time funds to organizations looking to grow and build capacity and sustainability. Similar to the Emergency Fund above, the program would support training, capacity building, and financial sustainability planning, but seeks to engage community benefit organizations before there is an emergency situation. Applications will be approved based on established criteria and community benefit organizations can apply at any time.

### **Emergent Initiative Fund**

Funding amount: \$100,000 annually from reserve

The Emergent Initiative fund is a proposed new program that would offer one-time funds to organizations and collaborative organizations looking to address a significant challenge or issue in Guelph. Similar to CBAs, the initiatives will need to have clear connections to mutual and strategic objectives with the City. Initiatives will focus on exploring innovative solutions to identified challenges. In addition to funding, some initiatives may receive additional support through Community Plan implementation to ensure that innovative approaches to programs are considered, and that those approaches can be modelled for future programs. Staff will also explore additional supports from external organizations for mentoring and other supports for emergent initiatives.

### **Guelph Micro Grants**

Funding amount: \$50,000 annually from reserve

The Guelph Micro Grants program is a proposed new program that aims to support individuals with great ideas to improve the quality of life of residents in their neighbourhoods. The program will include small one-time funds from the reserve to go to residents. Staff are exploring opportunities to have the program administered by third party partner and be able to offer the program to all Guelph residents across the City. The program will have a minimal application process to ensure barriers to applying are eliminated. Staff will support internal conversations within the City to ensure that connections are made between resident initiatives and relevant City departments.

## **Part 5: Implementation Plan**

### **Resourcing**

#### **Resourcing for Investment Programs**

In total, there would be no increase to base budget to implement the revised Community Investment Strategy. New proposed investment programs would include \$310,000 in reserve funding to be accessed over a three to four year period (depending on implementation and uptake of investment programs). An evaluation of the strategy and an assessment of the need to continue some of the investment programs will occur towards the end of the period.

#### **Staff Support**

In order to implement the revised Community Investment Strategy, additional contract staff support will be needed. The strategy proposes adding one temporary full-time position to be funded out of reserves for three years. The temporary position will focus on the daily administration of the new investment programs, conduct research, track progress, engage with community organizations and offer additional support to staff administering existing programs.

The staff position will offer critical support to the Community Investment team at no additional expense to tax-payers.

### **Implementation Plan**

The revised CIS will be rolled out in four stages.

#### **Stage 1: Community Grants**

Changes to the Community Grants program will be implemented in fall 2019. In addition to the changes described in the Community Grant, Community Shared Resources, and City Fee Reimbursement programs will be implemented at the same time. Changes to the policy will create additional clarity for applicants and the changes will be communicated to stakeholders and through the media.

#### **Stage 2: New program development**

Details of proposed programs will be developed by the end of 2019 with the roll out of new programs happening at different times in 2020. Staff will work with other local funders and partners to identify optimal timelines for program launch.

**Stage 3:** Implementation and reporting

By the end of 2020, all investment programs will have entered implementation phase and staff will report on progress made early in 2021.

**Stage 4:** Monitoring and future opportunities

Throughout 2020-2022, staff will explore future investment program opportunities, will assess the value of the various investment programs, and plan for the sustainability or winding down of investment programs as appropriate. Staff will bring forward sustainable funding requests to a future operating budget.

## Tables of Proposed Investment Programs

### Existing Programs Funded in Base Budget

Investment Program	Eligibility	Funding Location	2019 Budget	2020 Budget	Funding	Details/Changes	Decision-making
<b>Community Benefit Agreements</b>	Community Benefit Organizations	Base Budget	\$1,685,000	\$1,726,000	Existing	Cost of living increase (CPI) Connected to City goals; revision of reporting requirements	Staff and Management Team to DCAO
<b>Guelph Community Grants</b>	Community Benefit Organizations	Base Budget	\$301,000	\$307,000	Existing	Name change from Wellbeing Grants; three-year funding; Multi-sectoral grant; Connected to City goals; More thorough reporting	Grants Panel
<b>Subsidy Programs</b>	Individuals	Base Budget	\$20,000	\$20,000	Existing	Connected to City goals	Staff to DCAO

Budget - Existing	2019	2020	Change	Notes
<b>Operating</b>	\$2,006,000	\$2,053,000	\$47,000	Increase includes the contractual 2.0% cost of living increase for CBAs and 2.0% base budget increase for grants

**Proposed New Programs Funded from Community Investment Reserve**

<b>Investment Program</b>	<b>Eligibility</b>	<b>Funding Location</b>	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>Funding</b>	<b>Details/Changes</b>	<b>Decision-making</b>
<b>City Fee Compensation</b>	Individuals and Community Benefit Organizations	Reserve	\$0	\$50,000	New	Funds to offset waiver of City fees for special events and festivals; Payments internally to departments	Grants Panel
<b>Community Shared Resources</b>	Community Benefit Organizations	Reserve	\$0	\$50,000	Existing	Name change from Surplus Assets Compensation Fund to be added to reserve to compensate departments for lost revenue	Grants Panel and Departmental Staff
<b>Emergency Fund</b>	Community Benefit Organizations	Reserve	\$0	\$30,000	New	One-time funding; Funds sustainability planning	Staff and Management
<b>Resilience Fund</b>	Community Benefit Organizations	Reserve	\$0	\$30,000	New	One-time funding; Capacity building, training and support	Grants Panel
<b>Emergent Initiative Fund</b>	Community Benefit Organizations	Reserve	\$0	\$100,000	New	Challenge based funding; One-time funding; Potential multi-year; Potential loan initiative	Staff and Management Team to DCAO with potential support from external partner
<b>Guelph Micro Grant</b>	Individuals	Reserve	\$0	\$50,000	New	One-time funding administered directly to residents; Minimal application process; Build connection to City departments as needed	Potential support from external partner

<b>Budget</b>	<b>2019</b>	<b>2020</b>	<b>Change</b>	<b>Notes</b>
<b>Community Investment Programs</b>	\$0	\$310,000	\$310,000	Includes funds in Community Investment Reserve for at least three years
<b>Dedicated Staffing Support</b>	\$0	\$100,000	\$100,000	Includes one full-time temporary coordinator position (to be benched by HR) and minimal operating funding (e.g. phone, mileage)
<b>Three-year Total from Community Investment Reserve</b>			\$1,230,000	

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, September 3, 2019
Subject	<b>Property Tax By-law Update</b>
Report Number	CS-2019-77

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## Recommendation

1. That pursuant to Section 23.1(1) of the Municipal Act, By-law (2013)-19529 Schedule "P" be amended by adding delegated authority to the Assessment Review Board to hear Municipal Act Section 357 (1) (d.1) applications as set out in Attachment-1 hereto and by adding delegated authority to staff for the apportionment of taxes under Municipal Act Section 356.
2. That pursuant to Section 342(1) of the Municipal Act, By-law (2015)-19987 be amended by changing the payment schedule of the 11 month pre-authorized payment plan to January through November.

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## Executive Summary

### Purpose of Report

To recommend administrative updates to by-laws concerning property taxation.

### Key Findings

In the City of Guelph, certain aspects of property taxation are defined through by-law. This includes delegation of authority for Municipal Act Section 357 tax applications and matters concerning the administration of pre-authorized payments. Staff is recommending changes to these areas and therefore amending by-laws are required.

Staff is recommending Municipal Act tax applications under Section 357(1)(d.1) be delegated to the Assessment Review Board (ARB) and applications under Section 356 be delegated to staff. Section 357(d)(d.1) applications require judgement regarding whether cancellation, reduction or refund of property taxes is warranted due to sickness and/or extreme poverty. A number of municipalities across the province have already delegated the authority to the ARB. The ARB regularly hears these types of compassionate and complex applications and has a thorough and defined process for their review. Section 356 applications allow for the apportionment of unpaid taxes in a block of land to two or more corresponding parcels. This will allow the City to expeditiously apportion any tax arrears and collect on the same.

Staff is also recommending the payment schedule for the 11-month pre-authorized payment plan be changed from November through September to January through November. This change will ensure that for all pre-authorized payment plans, payment received in any calendar year is for taxes payable within that same year.

## **Financial Implications**

There are no financial implications resulting from delegating authority to the ARB.

Monthly cash flow projections will be updated to reflect the change in pre-authorized payment schedule.

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## **Report**

### **Delegation of authority update**

Schedule "P" of By-law (2013)-19529, being a by-law to delegate authority pursuant to the Municipal Act, delegates Council's decision making authority for Municipal Act Section 357 tax applications to staff. This provides for expedient processing of matters that are administrative in nature and supported by changes in assessment recommended by the Municipal Property Assessment Corporation.

Municipal Act applications under Section 357(1)(d.1) are not administrative in nature nor supported by changes in assessment. These applications are compassionate and complex and must determine if a cancellation, reduction, or refund of property taxes is warranted due to sickness and/or extreme poverty. The City rarely receives this type of application and does not have a defined process for their review. These types of appeals can reveal significant personal and financial information of an individual and are at times very emotional. A number of municipalities across the province including Hamilton, Newmarket, and Milton have already delegated their authority for these applications to the ARB. The ARB regularly hears these types of applications and has a thorough and defined process for their review. Therefore, staff is recommending the ARB be provided with delegated authority to hear applications under Section 357(1)(d.1).

Municipal Act applications under Section 356 allow the City to apportion unpaid taxes in a block of land to two or more corresponding parcels. Through the land development process, the tax roll may not be updated until after a block of land is developed and split into individual parcels and sold to new owners. The developer in this case may continue to be assessed and taxed for land they have since sold but have no desire to pay as they no longer own the property. Delegated authority for Section 356 applications would allow staff to apportion any unpaid taxes for the block to the corresponding parcels in a timely manner.

A By-law to amend Schedule "P" of By-law (2013)-19529 is included in Attachment-1.

### **11 month pre-authorized payment plan update**

Schedule "D" of By-law (2015)-19987, being a by-law to establish property tax pre-authorized plans, provides the provisions for the 11 month pre-authorized payment plan. The payment schedule for this payment plan runs November through September with no payment in October. This has created ongoing confusion with property owners as payments made in November and December are for taxes due in the next calendar year and not the year they were paid. Further compounding is



when a property closes in November or December, lawyers often attribute these payments as credits to the current year instead of payments toward the next. This payment schedule also creates additional work for Finance staff setting up year-end accruals and accounting for these credits as prepayments and not overpayments.

Changing the payment schedule for the 11 month plan to January through November with no payment in December would address these issues. Therefore, staff is recommending implementing this change immediately. New enrollees to the 11 month plan will be assigned the January through November payment schedule. Those currently on the 11 month plan will continue as is, with the change to their payment schedule occurring in 2020 and communicated with the 2020 final tax bill. Effective January 2021, all enrollees in the 11 month plan will have the same payment schedule.

A By-law to amend Schedule "D" of By-law (2015)-19987 is attached at Attachment-2.

### **Financial Implications**

There are no financial implications resulting from delegating authority to the ARB. Monthly cash flow projections will be updated to reflect the change in pre-authorized payment schedule.

### **Consultations**

Once ratified, the ARB will be provided with a certified copy of the amended Delegation of Authority By-law, allowing them to hear applications under Section 357(1)(d.1).

### **Corporate Administrative Plan**

#### **Overarching Goals**

Service Excellence

#### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

### **Attachments**

Attachment-1 Amending by-law to By-law (2013)-19529

Attachment-2 Amending by-law to By-law (2015)-19987

### **Departmental Approval**

James Krauter, Manager of Taxation and Revenue / Deputy Treasurer

### **Report Author**

Greg Bedard, Supervisor, Property Tax



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**Approved By**

Tara Baker, CPA, CA  
General Manager Finance and  
City Treasurer  
Corporate Services  
519-822-1260 Extension 2084  
tara.baker@guelph.ca



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**Recommended By**

Trevor Lee  
Deputy Chief Administrative Officer  
Corporate Services  
519-822-1260 Extension 2281  
trevor.lee@guelph.ca

By-law Number (2013)-19529  
New Schedule "P"

**DELEGATION OF AUTHORITY TO APPROVE TAX WRITE-OFFS AND  
INCREASES**

<b>Power to be Delegated</b>	Authority to approve the tax apportionments, write-offs and increases under Sections 356, 357, 358 and 359 of the Municipal Act.
<b>Reasons in Support of Delegation</b>	<ul style="list-style-type: none"> <li>○ Section 356 applications allow the Municipality to apportion unpaid taxes on a block of land into two or more parcels.</li> <li>○ Section 357 applications allow for the Municipality and MPAC (Municipal Property Assessment Corporation) to quickly rectify assessment classification changes since the return of the year end assessment roll.</li> <li>○ Section 358 applications allow the taxpayer to rectify prior year's errors through the municipality and local assessment office.</li> <li>○ Section 359 applications allow for the City to increase taxes due to gross or manifest errors.</li> <li>○ All three processes allow errors to be quickly rectified without having to go through the formal assessment review process.</li> <li>○ Legislated process under the Municipal Act.</li> <li>○ These assessment changes can be considered "routine" in nature.</li> <li>○ These do not represent any unusual dollar amounts.</li> <li>○ Contributes to the efficient management of the City of Guelph.</li> <li>○ Meets the need to respond to issues in a timely fashion.</li> <li>○ Maintains accountability through conditions, limitations and reporting requirements.</li> <li>○ Supports the Strategic Plan.</li> </ul>
<b>Delegate(s)</b>	<p>The following staff or their successors thereof:</p> <ul style="list-style-type: none"> <li>○ Chief Administrative Officer (CAO)</li> <li>○ Deputy Chief Administrative Officer (DCAO)</li> <li>○ General Manager, Finance / City Treasurer</li> <li>○ Manager of Taxation and Revenue or</li> <li>○ A person who is appointed by the CAO or selected from time to time by one of the above delegates to act in their stead.</li> </ul>
<b>Council to Retain Power</b>	No
<b>Conditions and Limitations</b>	Allowances for write-offs are within the total amount approved for net supplementary and write-off taxation revenue as part of the annual operating budget.
<b>Review of Decision</b>	<p>Applicants have thirty-five days to appeal any Section 356, 357 and 359 decisions through the Assessment Review Board.</p> <p>Section 358 decisions are final.</p>
<b>Reporting Requirements</b>	Annual information report on tax write-offs and increases pursuant to this delegation of authority.

**THE CORPORATION OF THE CITY OF GUELPH**

**By-law Number (2015)–19987**

A by-law to establish property tax pre-authorized plans and to repeal By-law Number (1998)-15906, being a by-law to provide The City of Guelph taxpayers with an alternative (pre-authorized) tax payment program.

WHEREAS Section 342 (1) of the *Municipal Act, 2001*, S.O. 2001 c.25, as amended (hereinafter referred to as the "Act") provides that a local Municipality may pass by-laws for alternative instalment and due dates for taxes imposed; and

AND WHEREAS By-law Number (1998)-15906 was passed November 2<sup>nd</sup>, 1998, being a by-law to provide City of Guelph Taxpayers with an alternate (pre-authorized) tax payment program;

AND WHEREAS Council deems it necessary and expedient to pass the subject by-law to establish property tax pre-authorized debit plans and to repeal By-law Number (1998)-15906;

**NOW THEREFORE, THE COUNCIL OF THE CORPORATION OF THE CITY OF GUELPH HEREBY ENACTS AS FOLLOWS:**

1. That the Corporation of the City of Guelph hereby establishes General Conditions as described in Schedule "A" to this by-law, for enrollment and continued participation in all pre-authorized tax payment plans.
2. That the Corporation of the City of Guelph hereby establishes Specific Conditions for an Instalment Pre-Authorized Debit plan to pay property taxes as described in Schedule "B" to this by-law.
3. That the Corporation of the City of Guelph hereby establishes Specific Conditions for a 9 Month Pre-Authorized Debit plan to pay property taxes as described in Schedule "C" to this by-law.
4. That the Corporation of the City of Guelph hereby establishes Specific Conditions for an 11 Month Pre-Authorized Debit plan to pay property taxes as described in Schedule "D" to this by-law.
5. That the Corporation of the City of Guelph hereby establishes Specific Conditions for a 12 Month Pre-Authorized Debit plan to pay property taxes as described in Schedule "E" to this by-law.
6. That the Corporation of the City of Guelph hereby establishes Specific Conditions for an Arrears Pre-Authorized Debit plan to pay property taxes as described in Schedule "F" to this by-law.
7. That enrollment in any one of the Pre-Authorized Debit plans for property tax payments described in sections 2, 3, 4, 5 or 6 of this by-law automatically implies adherence to all of the General Conditions outlined in Schedule "A".
8. That By-law Number (1998)-15906 is hereby repealed.
9. That this By-law shall come into full force and effect upon the final passing thereof.

**PASSED this TWENTY-THIRD day of NOVEMBER, 2015.**

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**CAM GUTHRIE - MAYOR**

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**STEPHEN O'BRIEN - CITY CLERK**

**By-Law Number (2015)-19987**  
**Schedule "A"**

**Pre-Authorized Property Tax Payment Plan – General Conditions**

The following general conditions apply to all Property Tax Payment Plans:

1. All Pre-Authorized Tax Payment Plans under this by-law shall commence for the 2016 taxation year and will continue each and every year thereafter until such time as Council determines to amend or cancel.
2. The payments shall be automatically debited from the taxpayer's bank account.
3. All Taxpayers must complete the City of Guelph Customer Agreement and Authorization Form (application).
4. All new applications for a property tax payment plan must be properly executed and submitted to the City ten (10) days prior to the next withdrawal date.
5. Taxpayers may withdraw from a property tax payment plan with ten (10) days written notice to the Finance Department at the City of Guelph.
6. The Manager of Taxation and Revenue may refuse an application for enrollment in a property tax payment plan if the property does not appear to be accurately or completely assessed.
7. The Manager of Taxation and Revenue may remove a property from a property tax payment plan if two (2) or more instalments fail to be honoured during the same taxation year.
8. Other charges added to the Tax Roll during the course of a taxation year will form part of a property tax payment plan and must be paid as part of the next pre-authorized withdrawal.
9. If a property is taken off a property tax payment plan, the unpaid balance (if any) shall be subject to the provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes.
10. Any account removed from a plan will return to the regular instalment payments.

**By-Law Number (2015)-19987  
Schedule "B"**

**Pre-Authorized Property Tax Payment Plan – Four (4) Instalments**

The following criteria apply to the Four (4) Instalment Property Tax Payment Plan:

1. Taxpayers applying for enrollment in the pre-authorized payment plan must not have any arrears on their property tax account.
2. The payment plan will consist of four (4) instalment payments corresponding to the four (4) Council approved instalment due dates.
3. Payments will be withdrawn from the bank account designated by the taxpayer on the due dates stipulated on the interim and final tax bills.
4. The amount of the first two payments will be as per the interim billing.
5. The amount of the second two payments will be as per the final billing.
6. The provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes shall not apply to accounts included in the Four Instalment property tax plan that maintain their payment obligations.

**By-Law Number (2015)-19987  
Schedule "C"**

**Pre-Authorized Property Tax Payment Plan – Nine (9) Instalments**

The following criteria apply to the Nine (9) Instalment Property Tax Payment Plan:

1. Taxpayers applying for enrollment in the pre-authorized payment plan must not have any arrears on their property tax account.
2. The payment plan will consist of nine (9) instalment payments beginning in January and ending in September of each year.
3. Payments will be withdrawn from the account designated by the taxpayer on the last business day of each month commencing in January and ending in September of each year.
4. The provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes shall not apply to accounts included in the Nine Instalment property tax plan that maintain their payment obligations.

**By-Law Number (2015)-19987  
New Schedule "D"**

**Pre-Authorized Property Tax Payment Plan – Eleven (11) Instalments**

The following criteria apply to the Eleven (11) Instalment Property Tax Payment Plan:

1. Taxpayers applying for enrollment in the pre-authorized payment plan must not have any arrears on their property tax account.
2. The payment plan will consist of eleven (11) instalment payments beginning in November of the preceding year and ending in September of each year.
3. Payments will be withdrawn from the account designated by the taxpayer on the last business day of each month commencing in November of the preceding year and ending in September of each year.
4. The provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes shall not apply to accounts included in the Eleven Instalment property tax plan that maintain their payment obligations.
5. No new enrollees will be accepted into this plan after November 1, 2019.
6. This plan will be discontinued September 30, 2020, at which time all enrollees will be switched to the plan outlined in Schedule "G".



**By-Law Number (2015)-19987  
Schedule "E"**

**Pre-Authorized Property Tax Payment Plan – Twelve (12) Instalments**

The following criteria apply to the Twelve (12) Instalment Property Tax Payment Plan:

1. Taxpayers applying for enrollment in the pre-authorized payment plan must not have any arrears on their property tax account.
2. The payment plan will consist of twelve (12) instalment payments beginning in January and ending in December of each year.
3. Payments will be withdrawn from the account designated by the taxpayer on the 15th or next business day of each month commencing in January and ending in December of each year.
4. The provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes shall not apply to accounts included in the Twelve Instalment property tax plan that maintain their payment obligations.

**By-Law Number (2015)-19987**  
**Schedule "F"**

**Pre-Authorized Property Tax Payment Plan – Arrears Plan**

The following criteria apply to the Arrears Property Tax Payment Plan:

1. This plan is designed for those taxpayers that are in arrears of their property taxes for less than three complete years.
2. The taxpayer and the Manager of Taxation and Revenue determine a mutually agreeable monthly payment amount.
3. Payments will be withdrawn from the account designated by the taxpayer on the last business day of each month during the term agreed to between the taxpayer and the Manager of Taxation and Revenue.

**By-Law Number (2015)-19987**  
**Schedule "G"**

**Pre-Authorized Property Tax Payment Plan – Eleven (11) Instalments**

The following criteria apply to the Eleven (11) Instalment Property Tax Payment Plan:

1. Taxpayers applying for enrollment in the pre-authorized payment plan must not have any arrears on their property tax account.
2. The payment plan will consist of eleven (11) instalment payments beginning in January and ending in November of each year.
3. Payments will be withdrawn from the account designated by the taxpayer on the last business day of each month commencing in January and ending in November of each year.
4. The provisions of by-laws of the City establishing the Penalty and Interest charges for non-payment of taxes shall not apply to accounts included in the Eleven Instalment property tax plan that maintain their payment obligations.

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, September 3, 2019
Subject	<b>Second Quarter 2019 Operating Variance Report</b>
Report Number	CS-2019-23

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## Recommendation

That report CS-2019-23 Second Quarter 2019 Operating Variance Report dated September 3, 2019 be received for information.

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## Executive Summary

### Purpose of Report

The purpose of this report is to provide a projection of the 2019 year-end position for the Tax Supported and Non-tax Supported Operating budgets based on actual financial information as of June 30, 2019.

Further this report highlights any budget variance concerns, challenges and risks that Council should be aware of, as well as staff's plan to address them for the remainder of the year.

### Key Findings

Overall, the City's Tax Supported Budget is projecting a favourable variance of \$1,229,000 or 0.5 per cent of the total budget.

The City's Non-tax Supported Budgets are projecting a total \$905,000 net favourable variance.

Attachment-1 provides a projected budget-to-actual variance by department.

A significant risk to the City's financial position are the provincial government budget announcements that impact Paramedic Services, Public Health agencies, Police Services, Conservation Authorities, research and innovation programs, Library Services, Child Care Services and likely more that are not yet clearly identified. The changes announced by the provincial government download costs that were previously funded by the province to the property tax payers. Official communication was received, holding funding at 2018 levels but more recent announcements suggesting changes to the funding levels have not been provided in writing.

Some notable variance drivers identified as contributing to year-end projected variances are:

- a. Positive revenue related variances contributing to departmental results mainly in the areas of blue box grant revenue, stormwater billing units, planning fees, and water and wastewater basic and consumption usage.
- b. A favourable year-end position for salaries, wages and benefit costs due to the naturally occurring recruitment process for hiring vacant positions.
- c. A favourable year-end position for hydro mainly due to sustained energy conservation and efficiency measures.

## Financial Implications

There are no direct financial implications resulting from this report. The actual financial results will not be known until year-end. Any surplus or deficit will be transferred to or from the City's reserve and reserve funds at year-end in accordance with the Year-end Operating Surplus Allocation Policy.

The year-end position is important in determining the City's overall fitness as assessed by an external credit rating agency. This credit rating affects the price in which the City can issue debt and therefore affects the affordability of long-term capital projects for the City tax and ratepayers.

## Report

City departments were provided financial information as of June 30, 2019. Actual expenditures, revenues and related commentary were analyzed and any significant budget deviations, challenges, and risks that are expected to have an impact on the year-end financial position were identified with Finance staff support.

Table 1: Summary of Projected Operating Variance for December 31, 2019

	<b>Total Annual Net Budget for Year 2019 (\$)</b>	<b>Projected Net Variance Dec 31, 2019 including projected reserve transfers</b> (brackets note favourable variance)	<b>Projected Variance for Dec 31, 2019 (%)</b>
<b>Tax Supported</b>			
City Departments	\$135,867,341	\$(938,000)	(0.3%)
General Revenues, Expenses	\$(218,027,153)	\$59,000	0.1%
Local Boards	\$52,936,596	\$0	0.0%
Shared Services	\$29,223,216	\$(350,000)	(1.2%)
<b>Total Tax Supported</b>	<b>\$0</b>	<b>\$(1,229,000)</b>	<b>(0.5%)</b>
<b>Non-tax Supported</b>	<b>Gross Expenditure Budget</b>		
Water Services	\$29,077,660	\$(170,000)	(0.6%)
Wastewater Services	\$31,947,863	\$(485,000)	(1.5%)
Ontario Building Code	\$3,350,000	\$0	0.0%
Court Services	\$2,007,300	\$0	(0.0%)
Stormwater Services	\$6,885,000	\$(250,000)	(3.6%)
<b>Total Non-tax Supported</b>	<b>\$73,267,823</b>	<b>\$(905,000)</b>	<b>(1.2%)</b>

## Corporate Variance Drivers

The variance drivers identified below are not currently quantifiable, and due to seasonality, timing and unknown market forces or events beyond the control of the City; certain expenses and revenues may not be realized until the later part of the year.

### 1. Revenues

Year-end favourable revenue variances are projected for:

- By-law due to increased animal tags, business and taxi licenses revenue.
- Police due to higher than anticipated record checks and alarm fee revenue.
- Solid Waste Resources due to increased Stewardship Ontario grant revenues for the blue box program because of better diversion rates.
- Planning and Building Services due to increased development application fees and permit fees due to increased activity.
- Water and Wastewater Services due to higher billable consumption revenue.
- Stormwater Services due to increased billing units.
- Investment revenues due to increasing Bank of Canada interest rates which are improving the City's cash and investment portfolio returns.

Year-end unfavourable revenue variances are projected for:

- Parking revenue shortfalls are occurring due to temporary loss in permit parking revenue due to Wilson Parkade construction.
- Transit revenue is lower than projected due to lower advertising revenues.

### 2. Compensation

Overall total salary, overtime, and temporary wages are currently trending lower than budget and are projected to be in a favourable position at year-end, inclusive of the natural length of time it takes to fill vacancies. Overtime is currently trending higher than budget however this is not a concern as departments have been meeting service requirements through the deployment of overtime within the context of the overall compensation budget.

Major factors that have contributed to increased overtime costs include:

- Unplanned storm events that require service levels or statutory requirements to be met.
- Special events such as parades and festivals.
- Staff turnover, short-term and long-term leaves.
- Critical nature of emergency services and transit operations.
- Emergency repairs to critical infrastructure.

#### Benefit Costs

Effective April 1, 2019 the Government of Ontario made significant changes to the Ontario Health Insurance Plan (OHIP) for children and youth. OHIP will no longer provide drug coverage to children and youth under 25 who are covered by a private plan. Staff have consulted with the City's insurance provider and early projections forecast an increased cost to the City of Guelph of approximately \$155,000. Any deficit at year-end would be funded from the Compensation Contingency Reserve in accordance with the General Reserve and Reserve Fund Policy.

### 3. Utilities

Overall year-to-date energy and water expenditures are trending approximately 12 per cent below budget. This is based on historical consumption and expenditure trends. Staff will continue to monitor the energy market, provincial strategies and programs, and will refine expenditure projections in the third quarter.

4. Fuel

Fuel is currently trending lower than budget across the corporation for all fuel types despite the introduction of federal carbon tax in April 2019. The average price for regular diesel has been \$0.99 a litre year-to-date compared to budget of \$1.05 per litre. Staff will continue to monitor fuel usage and price increases.

## **City Departmental Variances**

In addition to the variance drivers explained above, the following departments are projecting year-end variances greater than \$150,000:

- Planning and Building Services is projecting net favourable variance of \$283,000 mainly due to higher than budgeted planning application fees, and staff vacancy savings.
- Environmental Services is projecting a favourable variance of \$429,000, primarily driven by higher than budgeted revenues in blue box program payments from Stewardship Ontario and savings in expenditures.
- Operations is projecting an unfavourable variance of \$270,000 due to a greater number of major weather events in the first quarter of 2019. In accordance with the General Reserve and Reserve Fund Policy, surplus/deficits in winter control are transferred to/from the Environment and Utility Contingency Reserve.
- General Expenditures are projecting a net unfavourable variance of \$182,000 due to increased software licensing and human resources negotiations costs for collective bargaining

## **Local Boards and Shared Services**

- The County of Wellington is projecting a year-end surplus of \$350,000 (city share) for Social Services, mainly due to staffing vacancies, delay in hiring new positions, and higher rental revenues. Additional detail can be found on page 9 of the [June 12, 2019 Social Services Financial Statements and Variance Projections as of May 31, 2019](#) Committee Report.

## **Risks**

Fluctuations with actual revenues and expenditures will continue for the remainder of the year until the actual financial results are determined at year-end. The current financial projection based on June 30, 2019 actuals is indicating the City may be in a surplus position. This is subject to change due to the risks already outlined as well as the following:

a) Collective Bargaining

At the time of writing this report, the Ontario Public Service Employee Union (OPSEU) Local 231 (Paramedics) collective agreement, which expired on March 31, 2018, has not been ratified. The approved budget included a contingency for an anticipated economic increase; there is risk of negative variance if the final

agreement is higher than the anticipated increase. In addition to the economic increase, costs related to bargaining and negotiations could increase depending on the length of arbitration and the outcome.

b) Local Boards

Guelph Police Services are currently projecting year-end actuals to be in line with budget. However, if the severity of crime or level of crime increases it may impact overtime resulting in a negative variance.

c) Soccer Dome Operations

Council approved report PS-2019-07 titled Agreements with the Guelph Community Sports and Guelph Soccer Club Incorporated on June 4, 2019. This report identified a potential negative operating variance in 2019. The financial outcome is unknown at this time and staff will continue to monitor this program throughout the year and incorporate the final results into the year-end operating variance report.

d) Provincial Funding Changes

As reported in the First Quarter Variance Report CS-2019-18, the province released its first budget under the conservative government in early April 2019. There were a number of announced service provision changes, program cancellations and cost-sharing allocation changes. The changes announced through this budget impact Public Health agencies, Police Services, Conservation Authorities, research and innovation programs, Library Services, Child Care Services and likely more that are not yet clearly identified.

One of the more significant announcements for the City was the 2019 funding freeze announced for the Paramedic Services, which was subsequently deferred to 2020 by the Province in the late spring after significant advocacy from the municipal sector regarding unfairness of in-year cuts. At this time, the City has not received any formal notification of the 2019 Paramedic Services revenue and the actual payments from the Province continue to be received at the earlier announced frozen rates. For this reason, there is a risk that Paramedic Service revenues will produce an unfavourable variance at year-end in the range of \$800,000 (of which approximately \$300,000 would be the responsibility of the County). Staff will continue to monitor and advocate for the funding submitted for in the 2019 budget planning document.

A presentation of the impact of provincial legislative changes was made to Council on June 24, 2019. The legislative changes may not only have immediate fiscal impacts but also policy, relationship, process and system impacts that will be felt in subsequent years.

## **Financial Implications**

There are no direct financial implications resulting from this report. The actual financial results will not be known until year-end. Any surplus or deficit will be transferred to or from the City's reserve and reserve funds at year-end, subject to Council approval, in accordance with the Year-end Operating Surplus Allocation Policy.

The year-end position is important in determining the City's overall fitness as assessed by an external credit rating agency. This credit rating affects the price in



which the City can issue debt and therefore affects the affordability of long-term capital projects for the Guelph tax and ratepayers.

## **Consultations**

Departments are responsible for managing their programs according to municipal standards and within the approved budget. The responsibility of monitoring the operating budget is shared by the departments and the Finance department. Department managers were provided financial reports based on their actual revenue and expenditures to June 30, 2019 with which they provided a projected year-end commentary in consultation with the Finance department.

## **Corporate Administrative Plan**

### **Overarching Goals**

Financial Stability

Service Excellence

### **Service Area Operational Work Plans**

Our Resources - A solid foundation for a growing city

Our Services - Municipal services that make lives better

## **Attachments**

Attachment-1 Operating Budget Variance by Department as at June 30, 2019

## **Departmental Approval**

Karen Newland, Manager, Finance Client Services

## **Report Author**

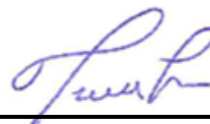
Ron Maeresera, Sr. Corporate Analyst, Finance Client Services



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### **Approved By**

Tara Baker, CPA, CA  
General Manager, Finance/  
City Treasurer  
Corporate Services  
519-822-1260 extension 2084  
tara.baker@guelph.ca



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### **Recommended By**

Trevor Lee  
Deputy Chief Administrative Officer  
Corporate Services  
519-822-1260 extension 2281  
trevor.lee@guelph.ca

Department	Annual Budget 2019	Year-to-date Net Expenditures June 30, 2019 (\$)	Projected Variance for Dec 31, 2019 (Favourable)/Unfavourable (\$)	Projected Reserve Transfer To/(From)	Net Projected Year-end Variance (\$)	Projected Net Variance for Dec 31, 2019 (%)
<b>TAX SUPPORTED</b>						
<b>CAO</b>						
MAYOR AND COUNCIL	\$ 1,128,860	\$ 529,011	\$ -	\$ -	\$ -	0.0%
CAO ADMINISTRATION	\$ 666,225	\$ 185,525	\$ -	\$ -	\$ -	0.0%
STRATEGY, INNOVATION & INTERGOVERNMENTAL SERVICES	\$ 874,470	\$ 495,595	\$ -	\$ -	\$ -	0.0%
INTERNAL AUDIT	\$ 288,663	\$ 86,123	\$ (15,000)	\$ -	\$ (15,000)	(5.2%)
CORPORATE COMMUNICATIONS	\$ 1,316,920	\$ 377,119	\$ -	\$ -	\$ -	0.0%
<b>SUB-TOTAL CAO</b>	<b>\$ 4,275,138</b>	<b>\$ 1,673,373</b>	<b>\$ (15,000)</b>	<b>\$ -</b>	<b>\$ (15,000)</b>	<b>(0.4%)</b>
<b>INFRASTRUCTURE, DEVELOPMENT &amp; ENTERPRISE</b>						
IDE ADMINISTRATION	\$ 193,530	\$ 13,676	\$ -	\$ -	\$ -	0.0%
PLANNING AND BUILDING SERVICES	\$ 3,640,320	\$ (6,414)	\$ (283,000)	\$ -	\$ (283,000)	(7.8%)
FACILITIES MANAGEMENT	\$ 5,892,207	\$ 2,615,147	\$ -	\$ -	\$ -	0.0%
ENGINEERING AND TRANSPORTATION SERVICES	\$ 4,641,161	\$ 3,546,587	\$ (125,000)	\$ -	\$ (125,000)	(2.7%)
ENVIRONMENTAL SERVICES	\$ 13,064,880	\$ 5,529,093	\$ (429,000)	\$ -	\$ (429,000)	(3.3%)
BUSINESS DEVELOPMENT & ENTERPRISE SERVICES	\$ 1,527,902	\$ 903,247	\$ (60,000)	\$ -	\$ (60,000)	(3.9%)
<b>SUB-TOTAL INFRASTRUCTURE, DEVELOPMENT AND ENTERPRISE</b>	<b>\$ 28,960,000</b>	<b>\$ 12,601,336</b>	<b>\$ (897,000)</b>	<b>\$ -</b>	<b>\$ (897,000)</b>	<b>(3.1%)</b>
<b>PUBLIC SERVICES</b>						
PUBLIC SERVICE ADMINISTRATION	\$ 438,850	\$ 246,019	\$ -	\$ -	\$ -	0.0%
PARKS & RECREATION SERVICES	\$ 14,162,492	\$ 6,172,292	\$ 51,000	\$ -	\$ 51,000	0.4%
CULTURE, TOURISM & COMMUNITY INVESTMENT	\$ 6,531,282	\$ 4,520,604	\$ 55,000	\$ -	\$ 55,000	0.8%
GUELPH TRANSIT	\$ 18,669,181	\$ 9,891,794	\$ -	\$ -	\$ -	0.0%
OPERATIONS	\$ 15,313,954	\$ 8,444,889	\$ 270,000	\$ (270,000)	\$ -	0.0%
FIRE SERVICES	\$ 27,631,596	\$ 13,404,156	\$ 150,000	\$ -	\$ 150,000	0.5%
GUELPH-WELLINGTON PARAMEDIC SERVICES	\$ 7,101,695	\$ 4,395,267	\$ -	\$ -	\$ -	0.0%
<b>SUB-TOTAL PUBLIC SERVICES</b>	<b>\$ 89,849,050</b>	<b>\$ 47,075,021</b>	<b>\$ 526,000</b>	<b>\$ (270,000)</b>	<b>\$ 256,000</b>	<b>0.3%</b>
<b>CORPORATE SERVICES</b>						
CORPORATE SERVICES ADMINISTRATION	\$ 328,500	\$ 171,043	\$ -	\$ -	\$ -	0.0%
HUMAN RESOURCES	\$ 2,906,621	\$ 1,022,907	\$ (35,000)	\$ -	\$ (35,000)	(1.2%)
INFORMATION TECHNOLOGY	\$ 3,408,910	\$ 603,983	\$ (108,000)	\$ -	\$ (108,000)	(3.2%)
CITY CLERK'S OFFICE	\$ 1,704,450	\$ 795,331	\$ (12,000)	\$ -	\$ (12,000)	(0.7%)
FINANCE	\$ 2,853,372	\$ 705,719	\$ (127,000)	\$ -	\$ (127,000)	(4.5%)
LEGAL, REALTY AND COURT SERVICES	\$ 1,581,300	\$ 195,774	\$ -	\$ -	\$ -	0.0%
<b>SUB-TOTAL CORPORATE SERVICES</b>	<b>\$ 12,783,153</b>	<b>\$ 3,494,757</b>	<b>\$ (282,000)</b>	<b>\$ -</b>	<b>\$ (282,000)</b>	<b>(2.2%)</b>
<b>TOTAL CITY DEPARTMENTS</b>	<b>\$ 135,867,341</b>	<b>\$ 64,844,487</b>	<b>\$ (668,000)</b>	<b>\$ (270,000)</b>	<b>\$ (938,000)</b>	<b>(0.7%)</b>
<b>GENERAL EXPENDITURES AND CAPITAL FINANCING</b>						
GENERAL EXPENDITURES	\$ 6,792,497	\$ 88,836	\$ 337,000	\$ (155,000)	\$ 182,000	2.7%
GENERAL REVENUES	\$ (256,512,596)	\$ (267,139,388)	\$ (123,000)	\$ -	\$ (123,000)	0.0%
CAPITAL FINANCING	\$ 31,692,946	\$ 34,094,825	\$ -	\$ -	\$ -	0.0%
<b>SUB-TOTAL GENERAL AND CAPITAL FINANCING</b>	<b>\$ (218,027,153)</b>	<b>\$ (232,955,727)</b>	<b>\$ 214,000</b>	<b>\$ (155,000)</b>	<b>\$ 59,000</b>	<b>0.0%</b>
<b>TOTAL CITY</b>	<b>\$ (82,159,812)</b>	<b>\$ (168,111,240)</b>	<b>\$ (454,000)</b>	<b>\$ (425,000)</b>	<b>\$ (879,000)</b>	<b>(1.1%)</b>

Department	Annual Budget 2019	Year-to-date Net Expenditures June 30, 2019 (\$)	Projected Variance for Dec 31, 2019 (Favourable)/ Unfavourable (\$)	Projected Reserve Transfer To/(From)	Net Projected Year-end Variance (\$)	Projected Net Variance for Dec 31, 2019 (%)
<b>LOCAL BOARDS</b>						
GUELPH POLICE SERVICES	\$ 42,019,900	\$ 20,192,992	\$ -	\$ -	\$ -	0.0%
GUELPH PUBLIC LIBRARY	\$ 9,363,062	\$ 4,844,991	\$ -	\$ -	\$ -	0.0%
THE ELLIOTT LONG-TERM CARE	\$ 1,553,634	\$ 1,165,226	\$ -	\$ -	\$ -	0.0%
<b>SUB-TOTAL LOCAL BOARDS</b>	<b>\$ 52,936,596</b>	<b>\$ 26,203,209</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>SHARED SERVICES</b>						
WDG PUBLIC HEALTH	\$ 3,946,400	\$ 2,959,765	\$ -	\$ -	\$ -	0.0%
COUNTY (SOCIAL SERVICES)	\$ 22,109,116	\$ 11,717,944	\$ (350,000)	\$ -	\$ (350,000)	(1.6%)
<b>SUB-TOTAL LOCAL BOARDS &amp; SHARED SERVICES</b>	<b>\$ 26,055,516</b>	<b>\$ 14,677,709</b>	<b>\$ (350,000)</b>	<b>\$ -</b>	<b>\$ (350,000)</b>	<b>(1.3%)</b>
<b>GRANTS</b>						
GRANTS - SPECIAL PROJECTS	\$ 3,167,700	\$ 3,151,000	\$ -	\$ -	\$ -	0.0%
<b>SUBTOTAL GRANTS, LOCAL AND OUTSIDE BOARDS &amp; AGENCIES</b>	<b>\$ 82,159,812</b>	<b>\$ 44,031,918</b>	<b>\$ (350,000)</b>	<b>\$ -</b>	<b>\$ (350,000)</b>	<b>(0.4%)</b>
<b>TOTAL TAX SUPPORTED</b>	<b>\$ -</b>	<b>\$ (124,079,322)</b>	<b>\$ (804,000)</b>	<b>\$ (425,000)</b>	<b>\$ (1,229,000)</b>	<b>(0.5%)</b>
<b>NON-TAX SUPPORTED</b>						
WATER SERVICES	\$ 29,077,660	\$ 8,219,355	\$ (170,000)	\$ -	\$ (170,000)	(0.6%)
WASTEWATER SERVICES	\$ 31,947,863	\$ 7,666,397	\$ (485,000)	\$ -	\$ (485,000)	(1.5%)
ONTARIO BUILDING CODE	\$ 3,350,000	\$ (505,271)	\$ -	\$ -	\$ -	0.0%
COURT SERVICES	\$ 2,007,300	\$ 419,050	\$ -	\$ -	\$ -	0.0%
STORMWATER SERVICES	\$ 6,885,000	\$ 2,358,523	\$ (250,000)	\$ -	\$ (250,000)	(3.6%)
<b>TOTAL NON-TAX SUPPORTED</b>	<b>\$ 73,267,823</b>	<b>\$ 18,158,054</b>	<b>\$ (905,000)</b>	<b>\$ -</b>	<b>\$ (905,000)</b>	<b>(1.2%)</b>

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, September 3, 2019
Subject	The City of Guelph Workplace Diversity and Inclusion Plan
Report Number	CS-2019-84

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## Recommendation

That report CS-2019-84, The City of Guelph Workplace Diversity and Inclusion Plan dated September 3, 2019 be received.

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## Executive Summary

### Purpose of Report

To provide City Council with an overview of the Diversity and Inclusion Plan, a corporate plan that will strengthen our Human Resources (HR) practices, and help build a more inclusive and engaged workplace. The positive impacts of the Diversity and Inclusion Plan extend far beyond HR practices, to include our reputation as an employer, our service to the community and our performance.

### Key Findings

An organizational commitment to diversity and inclusion continues to be an effective strategy to foster employee engagement and innovation in our services as follows:

- The Diversity and Inclusion plan is a strategic response to the labour market conditions we face at The City of Guelph. We have unprecedented retirement across the municipal sector and a smaller labour market in Ontario, overall. Candidates are more diverse, and expect to work within inclusive teams and organizational cultures. These features demand focus, investment and action with our employment practices and priorities.
- Research shows that an organizational commitment to diversity and inclusion helps drive performance.
- New partnerships and programs are helping to build our capacity and reputation as an employer that values diversity.
- The Diversity Strategy (2012–2017) did not have a designated budget. Approximately \$15,000 from various accounts in the HR department fund current activities. The funds support basic respect in the workplace training and activities related to attraction, development and retention of our teams. We have made three consecutive requests for dedicated

Diversity budget in the past three years. The first two were unsuccessful, with the 2018 request to support a \$15,000 budget allocation deferred to 2019.

The new Diversity and Inclusion Plan (2019-2022) provides a plan of action to create an environment where people feel involved, respected, valued and connected. It uses the experience of our employees and best practices to outline ways to create a safe space for people to bring their ideas, backgrounds and perspectives to their colleagues, their work and their service to this community. The new plan recognizes that we all have a role to play in making this a great place to work, and this requires training, a modest budget enhancement, and the consistent sharing and recognition of the journey we are taking, together.

### **Financial Implications**

The \$15,000 deferred item will be requested through the 2020 budget process.

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## **Report**

Our organization recognizes the important role that both diversity and inclusive work practices play in supporting engagement of our teams and innovation for our services. The plan will help our employees seek and value diversity as a strength for their work, and commit to working well together to achieve our corporate strategic plan goals. The Diversity and Inclusion Plan (2019-2022) has a specific focus on our HR practices, as enablers of both employee engagement, and innovation.

### **Inclusive workplaces are more effective:**

- two times more likely to meet or exceed their financial targets
- three times as likely to be high performing
- six times more likely to be innovative and agile
- eight times more likely to achieve better business outcomes (Bourke, 2018)

There are compelling incentives for an organization that is starting to work toward the new goals and actions identified in our corporate strategic plan.

### **Effectiveness with attraction, development and retention of talent is critically important.**

- The municipal sector retirement boom of 78,000 Ontario municipal employees by 2021, including 51 per cent of all municipal senior leaders (Onward, 2018).
- The City of Guelph is part of this trend with 25 per cent of our current workforce over the age of 55, and 13 per cent of the full time workforce eligible for retirement by 2021 with an unreduced pension.
- We have a very a competitive local labour market, and our employee census data show areas of strength as well as opportunities to be more effective related to talent attraction and selection.

These labour market realities require focused investment and action. The Diversity and Inclusion Plan will help to ensure our HR department and leadership have the skills to engage with their teams, and to recognize, attract and retain the unique talent and skills we need.

### **The Diversity and Inclusion Plan recognizes our growth**

The new plan builds on our existing employment programs, and supports the organization to continue to move toward the following global benchmarks of diversity and inclusion.

1. Employees develop more clarity about the behaviours that help us to create an inclusive workplace.
2. Our leaders are talking about our Diversity and Inclusion Plan with more confidence and frequency.
3. A Global Benchmark on Diversity and Inclusion audit shows upward progress with recognizing, valuing and, embedding inclusion competencies within our employment practices.
4. Demographic data on workforce across the talent management trajectory shows recruitment results to be more reflective of the labour market.
5. Employee engagement data is showing progress toward greater and more consistent levels of engagement.
6. Our network and industry partners have greater awareness of the progress of the Diversity & Inclusion Plan.

Progress toward these benchmarks will lead the City toward greater levels of employee engagement and enhance our ability to deliver on the needs of our corporate strategic plan.

### **Financial Implications**

#### **Commitment of resources helps maintain our momentum.**

In 2015, an assessment of the City's employment systems recognized that we have built a strong foundation in terms of policies and programs that help to build a workplace that is compliant with legislation and their requirements. We use various HR programs to build this foundation:

- A foundational Respect in the Workplace training is offered to employees and leaders, including all new employees for approximately \$10,000/year. This is roughly 1/3 of the corporate employee development budget.
- A Valuing Diversity training supports new employee onboarding.
- The Accessibility Project Specialist designs, coordinates and offers much of the training needed for Accessibility for Ontarians with Disability Act (AODA) compliance.

The HR team and leaders also coach and support people in their efforts to build a respectful workplace.

The new Diversity and Inclusion Plan maintains our foundation, and sets goals to address the outstanding recommendations in the employment system review, and move beyond compliance toward a more inclusive and engaged workplace. These goals are achievable within the three-year timeframe.

An increase in the development and training budget will help to ensure our employees have the awareness and skills they need to address the behavioural changes identified in recent Provincial and Federal initiatives:

- Ontario Human Rights legislation expanded to include Gender Identity and Gender Expression (2012)
- [The Truth and Reconciliation Commission of Canada](#), Calls to Action (2015) #57 “Professional Development and Training for Public Servants”

We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills based training in intercultural competency, conflict resolution, human rights, and anti-racism.

Further investments will:

- Mature employee engagement programs to help leaders and teams to recognize and leverage the wisdom and experience that diversity brings to our teams.
- Build on the successful programs we have developed and further enhance outreach and partnerships to support talent attraction, and the reputation of The City of Guelph as an employer.

## **Consultations**

A cross-functional project team, led by HR, developed a vision statement and a set of goals and actions that would help to strengthen the HR strategy (Talent Blueprint). The team used various sources of data to help develop the recommendations, including the employment systems review, feedback from employees in the IDE Setting the Course project, our employee performance reports, employee engagement data, and an audit of our systems against an international benchmark in Diversity and Inclusion.

The proposed goals and actions were validated with the HR department, union executives, employees and leaders using surveys, presentations, workshops, meetings and one-to-one consultations.

External subject matter experts, including the Canadian Centre for Diversity and Inclusion, supported the project team through their process of plan design.

## **Corporate Administrative Plan**

The Diversity and Inclusion Plan will support our Talent Blueprint. It will have a significant impact on our abilities to serve this community through our new corporate administrative plan.

## **Overarching Goals**

Innovation

## **Service Area Operational Work Plans**

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

## Attachments

Attachment-1 Diversity and Inclusion Plan

## Report Author

Joanne Oliver, Talent and OD Specialist



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### Approved By

David Godwaldt  
General Manager, Human Resources  
Corporate Services  
519-822-1260 Extension 2848  
david.godwaldt@guelph.ca



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### Recommended By

Trevor Lee  
Deputy Chief Administrative Officer,  
Corporate Services  
519-822-1260 Extension 2281  
trevor.lee@guelph.ca



# City of Guelph Diversity and Inclusion Plan

Prepared by:  
Joanne Oliver  
Talent and Organizational Development Specialist  
Human Resources

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## Vision

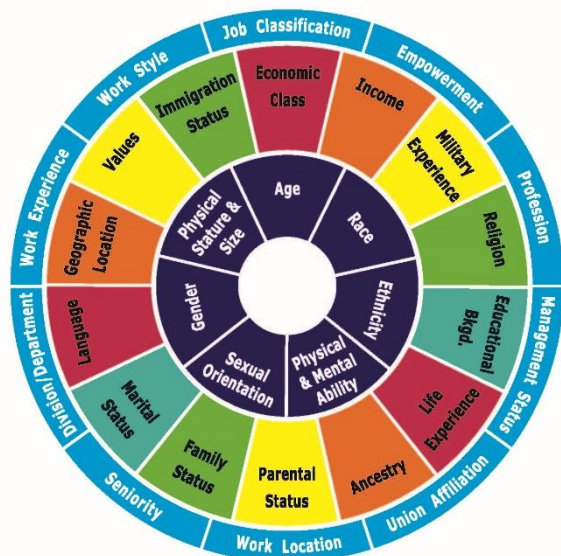
City of Guelph (City) employees feel welcome, valued, and engaged in their service to our teams and our community. Our commitment to diversity and inclusion (D and I) helps us to become a municipal leader.

## Mission

The Diversity and Inclusion Plan (2019-2022) strengthens our Human Resources (HR) practices to help build a more inclusive and engaged workplace. Our employees will seek and value diversity as a strength for their work, and commit to working well together to achieve our corporate strategic plan goals.

## What are Diversity and Inclusion?

**Diversity** is about the individual. These are the facts about all the different ways that each of us is unique, including our own personal identity, our background, education and experiences that gives us a unique perspective on the work that we do. The City uses a model that helps our employees to understand the myriad of dimensions that combine to make us each a unique person. We express our diversity through the unique ways that we attach value to these different aspects of our selves.



**Figure 1: Guelph Diversity Lens**

The City introduced the model in 2012, and over 600 employees have engaged in a discussion about diversity through the Valuing Diversity training sessions. The illustration is a helpful reference and invites people to consider how the values they place on these different dimensions of diversity contribute to their own sense of identity. We are all truly unique in the ways we create our sense of self.

**Inclusion** is about the way we act in the workplace by recognizing that because we are all unique, we don't know what we don't know. And, that means we need make a conscious choice to act mindfully and seek to include multiple perspectives in our interactions, problem-solving and decision-making by respecting, embracing, and valuing the diverse perspectives we all bring to the work that we do.

## How inclusive workplaces help us to work better, together

A commitment to valuing diversity and practicing inclusion addresses many of the key priorities for employers today.

## **Building flexibility and fostering innovation**

The Community Plan reflects a year of listening and engaging our community in a conversation about what matters most to them. It confirms six theme areas for Guelph, reflecting the diversity of our community's interests and needs. The Community Plan will provide guidance for the City's new Strategic Plan. The Strategic Plan will identify significant changes, and will need flexibility, creativity, and the resiliency of our workforce. These are all features of inclusive workplaces, which are:

- two times more likely to meet or exceed their financial targets
- three times as likely to be high performing
- six times more likely to be innovative and agile
- eight times more likely to achieve better business outcomes (Bourke, 2018)

Employee expectations are also changing, and this challenges employment systems and practices to be more flexible (Bersin by Deloitte, 2014). Employees are seeking employers that value their diversity and have programs and work cultures that make them feel welcome and valued. An inclusive approach to employment system design and practice offers HR and leaders a great chance to attract, develop, and lead the talented people on our teams' need to perform.

## **Employee engagement and innovation**

When workplaces focus on inclusion, they create higher levels of employee engagement, and are better able to innovate as an organization.

- Catalyst, a global non-profit that helps organizations build the business case for D and I, found in its research the more included employees felt, the more innovative they reported being in their jobs, and the more they went above and beyond the 'call of duty' to help other team members to meet workgroup objectives. (What Diversity and Inclusion Mean for Employee Engagement, 2018).
- Gallup, Inc. has found that employee engagement and inclusiveness are connected. It found the combination of employee engagement and gender diversity resulted in 46 per cent to 58 per cent higher financial performance — comparable revenue and net profit, respectively — for business units above the median on both engagement and gender diversity, compared with those below the median on both. It also found that engaged employees are more likely to say their company values diverse ideas and does what is right.
- CEB Inc., now part of Gartner, Inc., found workers in highly diverse and inclusive organizations result in a 26 per cent increase in team collaboration and an 18 per cent increase in team commitment. Additionally, employees who are part of organizations with high levels of diversity report a seven per cent higher intent to stay than their peers in organizations that have low levels of diversity. (What Diversity and Inclusion Mean for Employee Engagement, 2018).

This is particularly relevant in our workplace where employees have an important role to play in helping to find efficiencies and innovation within the work of a local government. Employee engagement scores from 2016 reported a 41 per cent engagement level (below the municipal sector average (56 per cent)), which threatens the likelihood of success with innovation. Past surveys and current performance data suggests that the following activities support engagement in our teams:

- building trust in our recruitment processes
- managing performance effectively
- creating enabling work environments

A clear commitment to D and I, leadership, and trust building will help the organization to value our employees, and help build the conditions that we need to make a difference together.

## **Being part of the Guelph Story**

Our recruitment strategy “Being part of the Guelph Story” encourages all people to value and consider the different skills, experiences and behaviours that they can contribute to help our municipal workplace thrive. Internally, we recognize that all people have a unique career journey. These strategies help promote the City as a workplace that values diversity, and this will continue to be important over the next three years.

### **We have a competitive labour market**

- Guelph consistently has one of the highest levels of employment in Ontario.
- There are several public sector employers in Guelph, and over 10 municipal governments within an hour drive or train ride from Guelph.

### **Retirement is booming**

- A 2018 data report showed that 78,000 Ontario municipal employees can retire by 2021, including 51 per cent of all municipal senior leaders (Onward, 2018).
- 25 per cent of our current workforce is over the age of 55, with 13 per cent of the full-time workforce eligible for retirement by 2021.

### **Canada’s workforce is more diverse than ever before**

- Older people are re-entering the workforce at greater rates than in the past, and many are choosing to work beyond the normal retirement age (Canada, Ontario Labour Market Bulletin - Ontario: June 2018).
- City has several employees that have joined our workforce after their retirement, or continue to serve our community past the age they are eligible for retirement. We expect this trend will continue.
- The labour market is shrinking, and global talent is critical to support Canada’s labour market needs. Nearly half of the recent immigrants to Guelph (1205) are international professionals with transferable skills and experiences (Guelph Wellington Local Immigration Partnership, 2019).
- Ontario census data helps us to understand that not all take part in the workforce to the same degree. Youth, people who have immigrated to Canada, people with disabilities and people that identify as being First Nations, Métis or Inuk (Inuit) have significantly higher levels of unemployment than the working population as a whole.

Practicing inclusion will help to ensure leaders and employees have the support to practice inclusive leadership and work practices. This includes greater skill and confidence with designing recruitment strategies that attract talent from across this diverse labour market.

## **What is our current state of D and I at the City?**

The City uses several sources of data to understand our progress towards building an inclusive workplace.

## The Diversity Strategy



PEOPLE. PRACTICES. COMMUNITY.

The goals of the Diversity Strategy (2012-2017) focused on developing organizational commitment and competency towards fully enabling our Diversity Strategy. The intention behind the goals was to integrate the value of diversity deep within our employment systems, as well as service design, response, and delivery.

### Actions taken 2012-2018

- Developing an employee census program to understand talent attraction, mobility and retention across different demographic categories.
- Conducting an employment system review to identify and address unintentional barriers that may be limiting our success with attraction, development, leadership, and engagement with our current and potential employees.



- Launching the **Partnership for Success** program to help strengthen our talent recognition and attraction efforts. The program focused on roles the employee census identified, and developed several successful partnerships and programs:
  - A mentorship program to support HR and leaders with developing cross-cultural communication skills and awareness of the talent and potential of international professionals.
  - Helping to develop a post-graduate program in Municipal Government at Conestoga College.
  - Developing a robust high school coop program specifically targeting roles in skilled trades and front line customer service or clerical roles.
  - Sponsor and participating in outreach activities.
  - Developing an internship program for recent immigrants with international experience.
  - Supporting women in skilled trades through outreach, mentoring and leadership development programs in partnership with Skills Ontario.
- Providing annual report status about the diversity strategy project.
- Updating policies and programs in response to the employment system review.
- Expanding the scope of financial support for continuing education program to create more equity in opportunities.
- Creating the Leadership Charter, which sets a clear set of behaviours associated with leadership at City.
- Creating alternative work programs that recognize diversity and support the performance of our teams.

### The Employment Systems Review

The Employment Systems Review recognized that the City has a solid foundation for building a diverse and inclusive workplace (City of Guelph, 2015). The report made over 80



recommendations to support greater equity in our employment systems, and many are implemented at this point.

### **The Employee Census Data Report**

The report identified several areas that invited the HR team and leaders to review their recruitment efforts. The employee census contains four categories, and aligns with data collected by Statistics Canada and federal contractors. This gives the City an opportunity to compare our recruitment efforts with the local labour market, and to build capacity with other local employers and federal contractors, such as the University of Guelph and Conestoga College.

The Employee Census Data Report offered more guidance, identifying that the following types of roles at The City were underrepresented relative to the labour market in 2012.

Women:

- skilled crafts and trades workers
- intermediate sales and service
- semi-skilled manual workers
- others sales and service
- other manual workers

People who identify as First Nations, Inuk (Inuit) or Métis:

- semi-professionals and technicians
- skilled crafts and trades workers

People who identify as having a disability:

- semi-professionals and technicians

People who identify as visible minorities:

- middle and other managers
- professionals
- technicians
- supervisors crafts and trades workers
- clerical personnel
- intermediate sales and service
- other sales and service personnel
- other manual workers

With the potential retirement affecting all service areas, HR and leaders are challenged to ensure that outreach, engagement, recruitment, and employee development activities are effective with engaging with the diversity of our labour market.

### **Our employee engagement data**

The City surveys all full-time, regular part-time and long-term contract employees to understand levels of engagement and identify areas for improvement. At an organizational level, with a 72 per cent participation rate, engagement remained statistically flat during the 2012, 2014 and 2016 surveys. Within service areas and departments, engagement scores are much more dynamic.

The City saw modest improvements in the following questions:

Survey question:	2014 Agree/ strongly agree	2016 Agree/ strongly agree
We have a work environment that is open and accepts individual differences (e.g. gender, race, ethnicity, sexual orientation, religion, and age)	72 %	73 %
I feel this organization values diversity.	59 %	60 %
My coworkers respect my thoughts and feelings.	65 %	66 %
Our people/HR practices create a positive work environment for me.	38 %	42 %

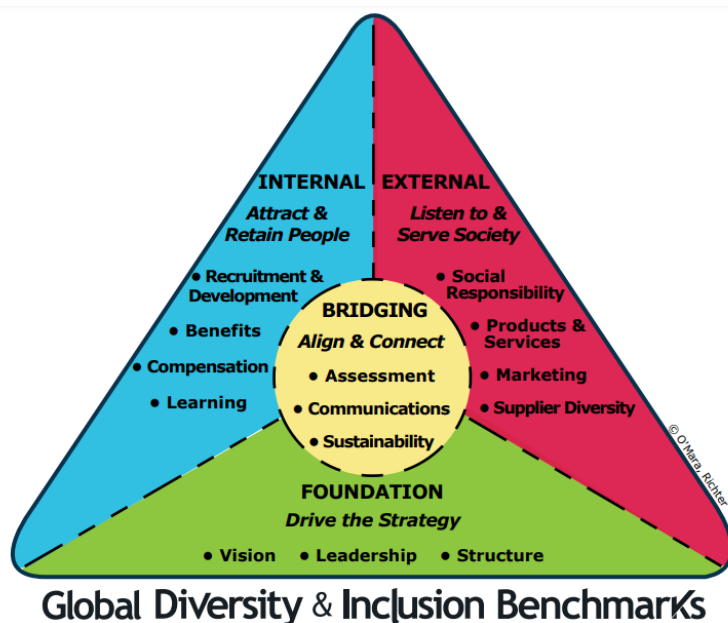
**Table 1: Comparison of 2014 and 2016 Engagement Survey Questions about Diversity and Inclusion**

The next employee engagement survey is fall 2019.

## Using a global benchmark to understand our journey

The Global Benchmark on Diversity and Inclusion (GBDI) draws upon international and cross-sectoral experience with diversity and inclusion to provide a journey template for employers that hope to move their workplace culture towards greater inclusion. It is organized in theme areas of Foundation, Internal, External and Bridging, and there are 14 categories that can be assessed using a scale of one to five.

The following illustration shows the 14 categories that are distributed into each of the four theme areas.



**Figure 2: Global Diversity and Inclusion Benchmark Diagram**

Assessment Level	Description
1. Inactive	No D and I work has begun; diversity and a culture of inclusion are not part of organizational goals.
2. Reactive	A compliance mindset; actions are only taken in compliance with relevant laws and social pressures.
3. Proactive	A clear awareness of the value of D and I; starting to implement D and I systemically.
4. Progressive	Implementing D and I systemically; showing improved results and outcomes.
5. Best Practice	Demonstrating current best practices in D and I; exemplary for other organizations globally.

**Table 2: Descriptions of the 5 benchmark levels**

The Diversity Strategy (2012-2017) helped build a solid foundation in terms of vision, leadership, and structure. The benchmark level 2, Reactive, recognized that much of the foundation work focused on compliance. The internal processes are typically associated with our employment systems, and there was significant movement from Reactive (2) through to Proactive (3) and even Progressive (4) systems within this theme area.

## **The Diversity and Inclusion Plan (2019-2022)**

The D and I project team recognized the progress made and proposed actions that would help the Talent Blueprint (HR strategy) to build a more inclusive workplace, where employees and leaders are more ready to support activities required in our new corporate strategic plan. Employees and leaders validated the Diversity and Inclusion Plan (2019-2022) goals and actions through a series of meetings and surveys, and presented them to the HR Management team.

### **Focus areas of the Diversity and Inclusion Plan**

#### **Commit to an inclusive culture.**

In their report, “The six signature traits of Inclusive Leadership: Thriving in a diverse new world” (Deloitte Insights, 2016) Deloitte highlights that a leader’s commitment to diversity and inclusion based on both their values and the business case is essential. Commitment, they found, comes through ensuring active engagement in knowing and understanding their teams, and investment in finding ways to help employees feel connected to the workplace. This includes adjusting their leadership to engage with each of their team members. Leaders, they suggest, must be able to confidently and clearly explain its value to the organization, and it must be resourced effectively. Commitment also requires diversity and inclusion to be treated as a service priority. These concepts of “commitment” are reflected in the recommendations of the project team, and became the first priority area.

#### **Use flexible mindsets and work practices to be more inclusive.**

Flexibility will help leaders and employees to recognize diversity and practice the inclusive skills needed to help people feel recognized and valued in our teams. Flexibility goals include activities that will serve employees throughout their careers, and help them with the skills and experiences needed to innovate, build resilience, and have effective working relationships.

#### **Grow a diverse workforce and drive an inclusive culture through networks and industry partners.**

The project team recognized that partnerships are an important part of all our work at the City. Partnerships and innovation is critically important in helping the organization to recognize and attract the talent that the workforce needs for the future. Several recommendations identify effective partnerships as a means of helping the employment systems develop to meet the needs of the organization.

## Commit to an inclusive culture.

Goals	Actions	Start
Engage our current and potential workforce in understanding the commitment, action, and accountabilities we all have in building an inclusive workplace.	The Executive Team members and union leaders make a commitment to valuing diversity and practicing inclusion as leaders at the City.	2019
	Communicate within HR, our workforce and externally about the process and plans related to the D and I Plan.	2019+
	Ensure the leadership charter values diversity and reflects inclusive leadership skills.	2019
	Establish a steering committee to provide oversight, guidance and support to the plan.	2020
Act on reviews of our employment systems and engagement results.	Consider diversity and inclusion competencies as part of our recruitment process.	2020
	HR policies updated or drafted to provide guidance to leaders on when and under what circumstances appointments can be made to fill positions. The number of appointments made without a competitive process should be reported in other HR performance reports.	2019+
	Select search firms based, in part, on their expertise with diversity recruitment.	2019
	Continue to use the employee census to help inform employee program evaluation and design.	2019
	Update core competencies to include diversity and inclusion knowledge and skills.	2020
Embed our commitment to diversity and inclusion within HR policy or program changes.	Adequately resource the HR department through the budget process to help build and maintain commitment to diversity and inclusion.	2020
	Revise and launch the Recruitment, Assessment and Selection Policy to include a stronger and clearer commitment to outreach recruitment that will help to diversify the applicant pool.	2019
	Develop policies, guidelines, and tools to welcome and engage with people in our workplace (e.g. religious accommodation, positive space, accessibility and dress codes).	2019+
	Ensure employee engagement surveys ask questions that relate to building an inclusive workplace culture.	2019

**Table 3: Commitment Goals and Actions****Use flexible mindsets and work practices to be more inclusive.**

Goals	Actions	Start
Build the capability of leaders to practice more flexibility and agility in their work with employees.	Increase leaders' commitment to make efforts to know their employees on the front lines and recognize them for the work they do.	2019
	Invest in learning, development and performance management that supports a more inclusive leadership culture.	2020
	Make efforts to ensure the performance review process is free of bias.	2020
	Foster a group of people that are passionate about diversity and inclusion to help share insight and successes with practicing inclusive leadership.	2020
Innovate and invest in learning and development programs and practices to meet our employee's unique learning needs.	Promote new methods to support employee on the job learning (cross-training, job shadows, and project teams).	2019
	Launch a buddy-training program for new or transferring employees.	2019
	Develop more online learning tools that employees can access.	2020
Employees have more skills in building effective relationships with their co-workers and the community.	Develop training and learning experiences to address the recommendations of the Truth and Reconciliation Report (includes the history of residential schools, and skills training in intercultural competency, conflict resolution, human rights, and anti-racism).	2020
	Develop training that helps build employee relationship building skills.	2021
	Recognize and learn from employees and teams that have built effective relationships with community groups.	2021

**Table 4: Flexibility Goals and Actions**

## Grow a diverse workforce and drive an inclusive culture through networks and industry partners.

Goals	Actions	Start
Leverage networks and industry partners to foster innovation in our employment systems.	Collaborate with community partners to share ideas, and build our skills with diversity and inclusion.	2019
	Launch a reciprocal mentorship program to support leaders and HR with developing diversity and inclusion skills.	2021
Develop a working group that helps to build a more inclusive recruitment process.	Embed inclusive messaging into all job adverts, employment outreach activities and onboarding materials to attract a diverse candidate pool and reinforce messaging for all new team members.	2019
	Develop strategic outreach to engage a greater breadth of qualified people with City employment opportunities.	2019
Celebrate and recognize both achievements and initiatives to build a more inclusive culture.	Share the progress of our diversity and inclusion plan with external stakeholders, and Council.	2019
	Work with community partners and networks to create, promote and take part in events and initiatives that recognize the value of diversity.	2021

**Table 5: Networks Goals and Actions**

## Tracking our Journey 2019-2022

The GBDI offers several leading indicators to help the HR department and our teams understand our progress. We selected two indicators from each of the three focus areas to help us track our journey:

1. Employees develop more clarity about the behaviours that help us to create an inclusive workplace.
2. Leaders are talking about our Diversity and Inclusion Plan with more confidence and frequency.
3. A GBDI audit shows upward progress with recognizing, valuing and embedding inclusion competencies within our employment practices.
4. Demographic data on workforce across the talent management trajectory is more reflective of the labour market.
5. Employee engagement data is showing progress towards greater and more consistent levels of engagement.
6. Network and industry partners have greater awareness of the progress of the D and I plan.

## **Responsibilities for the plan**

Successful implementation needs corporate, cross-service area and departmental activities and initiatives. The HR department will lead and manage many of the actions associated with the goals, but success is only possible with all levels of leadership helping to champion, be flexible, and build partnerships with our teams.

### **D and I project team members**

Trevor Lee, Executive Sponsor, DCAO Corporate Services

Joanne Oliver, Project Coordinator, Talent and Organizational Development Specialist, HR

Alex Goss, Manager, Culture Tourism Community Investment

Jamie Zettle, Program Manager, Parking

Leanne Warren, Accessibility Project Specialist, Facilities Management

Benjamin Jehnissi, Transit Supervisor, Transit

Glen Marcus, Strategic Business Advisor, Public Services

David Gordon, Organic Waste Contract Manager, Waste Resources Innovation Centre

David Bloomer, Sorter, Waste Resources Innovation Centre

Nicole Borics, Learning and Development Coordinator, HR

Kerry Pletch, Manager, Talent and Organizational Development, HR

Dana Ure, Manager, Client Services, HR

Lynette Anstey, Human Resource Associate, HR

David Godwaldt, General Manager, HR

Jennifer Smith, Manager, CAO Office

### **Consultation with the following Union Executive members:**

Paul Clulow, CUPE 241

Liz McGee, CUPE 973

Celine Renaud, ATU1189

Colin Hunter, Fire

Consultation services to support the plan provided by The Canadian Centre for Diversity and Inclusion (CCDI)



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# Information Report

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Service Area      Infrastructure, Development and Enterprise Services  
Date                Friday, June 21, 2019  
Subject             **Downtown Community Improvement Plan – Background Report: 2010-2018 and Potential CIP Review Directions**  
Report Number    IDE-2019-55

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## Executive Summary

### Purpose of Report

- To present an overview of the previous Community Improvement Plan (CIP) which ended in 2016.
- To report on the City's Downtown Community Improvement Tax Increment Based Grant (TIBG) Programs: the Major Activation Grant under the Downtown Guelph Community Improvement Plan.
- To present draft directions for potential revisions to the Downtown CIP; and the City's financial approach to TIBGs.
- The next step in the process will be to present proposed revisions to the CIPs at a Statutory Public Meeting in accordance with the requirements of the Planning Act.

### Key Findings

- In 2012, the City took a significant step in the coordinated establishment of improved investment programs through the Downtown and Brownfield CIPs. This supported the Heritage Redevelopment Reserve that was established in 2007 for the same purpose. These major programs were supported by the establishment of a Tax Increment Based Grant Reserve for each program. In 2017, these three TIBG reserves were consolidated into one Redevelopment Reserve Fund for ease of managing the administrative process.
- The programs were all designed to incent projects that would create significant tax assessment increases in areas deemed a high priority in the City. The corresponding property tax levy could be used to offset eligible costs recognized under the programs and fund the TIBG payments.
- The TIBG program established in 2012 had a total funding commitment of \$33M. The City investments are estimated to support (both existing and projected):
  - \$316 million in construction value (9X leverage)
  - \$3.4 million in increased yearly City tax revenue
  - 827 residential units created
  - 16,000 m<sup>2</sup> commercial floor area built or rehabilitated
  - \$293 million in increased property assessment

- 29 ha of contaminated land remediated (7 sites)
- 331 estimated permanent jobs created
- The \$33M City investment in TIBGs has leveraged a nine-fold private investment in strategic projects when fully built out approved projects will have increased the city tax revenue by approximately \$3.4 million annually.
- The \$33M funding envelope has been substantially committed since 2014, and as a result, no new major projects have been able to receive funding from the program in the past 5 years.
- Revisions to the Downtown CIP are being considered to reflect the evolution of the downtown real estate market since 2012 and to continue to align public investments with city building and economic development CIP objectives.

## **Financial Implications**

The financial model approved by Council in 2012 was to fund the original \$33M commitment to the TIBG program through an incremental annual build-up of the base budget for contributions to the TIBG Reserve Fund. Each year for ten years the funding would increase to a peak amount of \$3.5M in 2021 at which point the base budget would then begin to decline back to zero in 2027. This funding strategy was in place to match the TIBG program requirements and commitments of \$33M.

The proposed revisions to the CIP programs hinges on moving the financial commitment for redevelopment from a one-time TIBG program to a long-term sustainable redevelopment incentive program as recommended by Council on July 9, 2018, staff report IDE-2018-90. Staff are recommending that future funding for TIBG programs be modeled on the financial assumption that the base budget amount of \$3.5M will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City.

By maintaining the base budget redevelopment contribution at the 2021 levels a total of \$25M would be available for renewed TIBG programs between the years of 2022-2031. Sustained financial capacity to award beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new projects to be received or considered in late 2020.

Both the development community and the City realize the benefits of a long-term financial approach for redevelopment incentives. Program stability for the development community reinforces better and more strategic development projects as it removes the unwarranted sense of urgency to apply as quickly as possible. Further, it enables the City to be more flexible and agile to respond to development opportunities as they arise.

## **Report**

### **Details**

#### **Downtown CIP Background**

The Previous Downtown CIP was developed over the same period as the Downtown Secondary Plan consultations (2009-12). The Downtown Guelph Community Improvement Plan focus is on incentives that spur private sector investment in

Downtown Guelph, an area of the city that had seen little private development investment over the preceding 20 years.

The small scale programs were initiated in 2010. The first three programs (Feasibility Study Grants, Façade Improvement Grants and Minor Activation Grants) are funded through the BDE Operating Budget. Downtown Renewal staff have Delegated Authority to administer and award these grants, and report back annually on the programs.

These programs are based on the cost-sharing principles. The Study and Façade programs provide funding to a maximum of 50% public cost-share with limits on the City contribution. The Minor Activation program is a maximum 30% contribution by the City up to \$120,000 per address. Grants are paid following the completion of the work.

The larger scale programs are known as the renovation grants; the Major Activation Grants are tax-increment based incentives that are funded through the Redevelopment Incentive Reserve shared by the Brownfield CIP and Heritage Redevelopment Reserve Policy. These grants, because of their scale, remain as Council approvals. They also work based on grant payments not being made until the work is complete and reassessed. Both the Minor and Major Activation Grants target, at different scales, the redevelopment of vacant or underutilized sites that would explicitly add new assessment value as well as other public or economic activation benefits to the Urban Growth Centre. These programs were approved through an amendment in 2012.

CIPs exist in many municipalities that surround the City of Guelph, particularly around the challenges of core area investments in mid-sized cities that continue to grow through greenfield expansion areas. The cost and complexity of urban renovation or development projects means that projects are generally not competitive compared to suburban development forms.

The CIP contains a range of scale of programs to support initiatives that would both renovate existing buildings as well as incent major new projects. The goal is to improve the downtown by encouraging existing businesses and owners to re-invest as well as land new projects and enterprises and to build a new economic environment in an area that has had little private investment and lagging assessment growth as a result.

A policy developed early on was that while the CIP tool does allow municipalities to incent private developments in one geographic area distinct from others, there would remain a level playing field in terms of requiring all City fees and development charges (DCs) to be paid.

The Downtown CIP was also established as a response to the provincial growth planning directions. The Downtown Secondary Plan outlines the vision of intensified land use in Downtown Guelph, and the CIP has been a key tool to shift the momentum and spur the transformational shift contemplated in the plans.

### **Brownfield CIP Background**

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as

a result of historical land use practices. These sites can have significant environmental, economic and social impacts on the community. However, remediation and redevelopment can result in improvements to soil and groundwater conditions, lead to job retention and creation, improve public safety and security and allow for efficient use of existing hard and soft services.

The purpose of a Brownfield Redevelopment CIP is to provide financial incentives that partially offset the cost of investigation and remediation of sites with redevelopment potential and stimulate private investment in brownfields.

The City's first Brownfield Redevelopment CIP was approved in 2004 and established the following financial incentives:

- Environmental Study Grant (ESG) program
- Tax Increment Based Grant (TIBG) program
- Tax Assistance (TA) programs

The Brownfield CIP has been reviewed/updated in July 9, 2018 and approved by Council, staff report IDE-2018-90.

### **Heritage Redevelopment Reserve Program Background**

While Guelph had, on an ad hoc basis, supported early heritage projects (the Mill Lofts and Stewart Mill) through the use of tax increment based grants, the policy was formalized in 2007 following the Gummer Building fire and subsequent support of that project as the first approved under the Heritage Redevelopment Reserve Policy (HRR).

The HRR is possible through broad provisions under the Ontario Heritage Act allowing municipalities to "grant or loan" funds toward the conservation of designated heritage resources. The HRR uses the TIBG approach, looking at the pre- and post- development assessment increases created by a project to support the conservation and restoration of elements related to the designation by-law. Sites that have been supported through this policy also enter into a Heritage Conservation Easement Agreement to establish appropriate controls over the long-term protection of elements that have had public investment support.

### **Tax Increment Based Grant Mechanism**

The Major Activation Grant program in Downtown CIP, the Brownfield CIP's TIBG program, and the HRR program all rely on the tax increment based grant mechanism. TIBGs use the increase in City taxes (tax increment) generated by an increase in property assessment as a result of the renovation to offset eligible costs related to the project. Each of the three programs outlines different eligible costs connected to the goals of the program. The grant is the lower of the eligible costs, the tax increment for 10 years or the upset limit set out in the agreement.

TIBG programs are popular among municipalities because of their low risk. There is no grant funding paid until the redevelopment project is complete, the property is reassessed, and increased taxes have actually been collected.

In 2012, Council approved a CAFES Report 12-01 that set the financial and accounting parameters for the three TIBG programs with a \$33 million funding

envelope. This envelope was largely committed by 2014 and the City has not been able to award large TIBGs since that time.

## **TIBG Programs Performance**

Overall, the CIPs have been successful in incenting private development that has remediated and redeveloped brownfields, intensified downtown, conserved cultural heritage resources. The CIPs have brought about long-term fiscal, economic, social and environmental benefits as part of these incented projects. The TIBG programs are the highest value programs within the CIP and the HRR programs.

The City has awarded 17 TIBGs applying to 11 sites with estimated grants valued at \$32.5 million

*Table 1 TIBG Grant Values by Project*

<b>Program</b>	<b>Projects</b>	<b>Grant Value</b>
Downtown	7	\$19.4M
Brownfield	6	\$10.3M
Heritage	3	\$2.8M
<b>Total</b>	<b>11*</b>	<b>\$32.5M**</b>

\*Does not sum because three projects have multiple grants.

\*\*The remaining \$500k from the original \$33M envelope is budgeted for Brownfield Environmental Study Grants.

## **CIP and TIBG Funding Review**

Reviews of both CIPs have been initiated and include lessons from administering the CIPs over the past five years. Staff are reviewing the funding mechanism for TIBGs to allow the continuation of this valuable program. The Heritage Redevelopment Reserve Policy is not a CIP and is not under review at this time, although it is affected by the TIBG funding discussion. The Brownfield CIP was updated and approved in 2018.

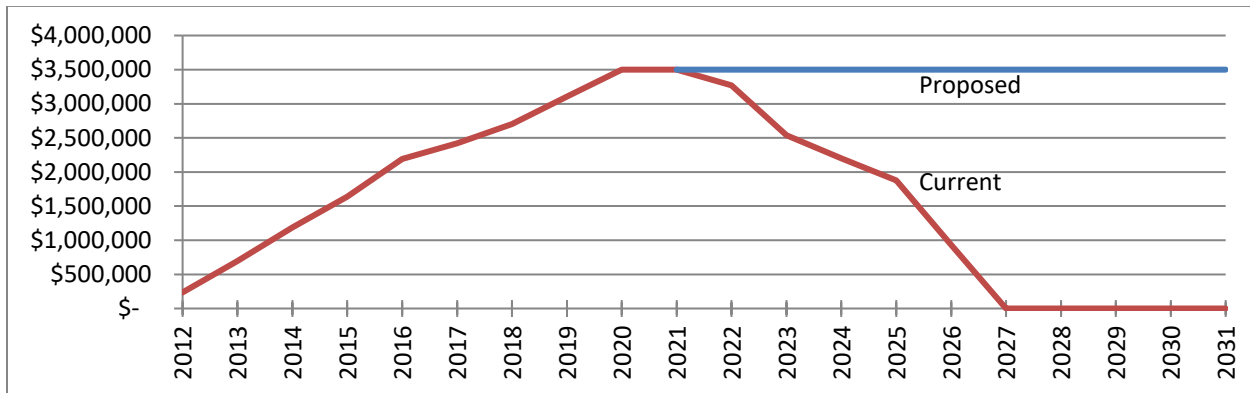
## **Draft Future Directional Changes to the CIP Plan**

### **1. Long Term Sustainable Funding Approach**

The financial modeling approved to fund the original \$33M commitment to the TIBG program called for an incremental annual build-up from 2012 to 2021 of the base budget for contributions to the TIBG Reserve Fund to a peak amount of \$3.5M at which point the base budget would then begin to decline back to zero in 2027 (see the red line on Chart 1 below). The funding strategy was originally planned over a ten-year period but has extended to a 15-year timeline to match the expected grant expenditures; the estimated base budget peak year of \$3.5M will be reached in 2021.

Staff are recommending that funding for TIBG programs be modeled on the financial assumption that the base budget amount of \$3.5M will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City (see blue line in Chart 1 below). Further, staff are recommending that this amount be indexed annually effective 2022 to keep the redevelopment program competitive with the tax rates in effect in future years.

*Figure 1 - TIBG Reserve Fund Base Budget Strategy*



Reconfiguring the one-time five-year program to a long-term sustainable redevelopment model better supports long-term strategic projects that will most benefit the city. Furthermore, reliability and stability in the program better supports the development community with a longer time horizon offering more flexibility in program design to meet changing needs. Sustained financial capacity beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new grants to be reviewed and considered in 2020.

## 2. Downtown, Brownfield and Heritage TIBGs

In 2012, the programs were opened up on a 'first come, first served' basis. And while the \$33M budget was established through the combined estimates of uptake, with each program identified and allocated, this structure was modified as opportunity projects came to be identified through applications. This meant that the initial 'allocations' had to be adjusted between programs – with the result that Downtown projects took more of the allocation than initially projected. The reallocation led to tension and confusion amongst the public and developers. Staff would like to address this dynamic in future administration of the programs. Staff will suggest proposed funding envelopes for each of the three programs while being able to have some flexibility to the distribution of the funds.

*Table 2 - Funding Allocation of Previous CIP*

Funding Allocation	2012 Projection (in millions)	2020 Committed (in millions)
Downtown CIP	\$12	\$19
Brownfield CIP	\$16.5	\$10.5



Funding Allocation	2012 Projection (in millions)	2020 Committed (in millions)
Heritage	\$4	\$3
TOTAL	\$32.5	\$32.5

Whereas the Downtown TIBG is premised as a discrete program with 5-year program iterations, and used to incent specific redevelopment goals, the Brownfield program does not have the same discrete 5-year focus and is viewed as open to address ongoing community benefits of addressing site contamination issues in the city. That is, while remediation and redevelopment of brownfield sites results in increased tax revenue from previously under-utilized or abandoned properties, the fundamental benefit is how the program mitigates potential risk to groundwater resources, reduces risks to human health and the environment, and enhances the City's social well-being.

Accordingly, additional flexibility is proposed for the Brownfield TIBGs that would enable the City to support valuable projects on a continuous basis within certain financial parameters. TIBGs would continue to be reviewed by staff and awarded on a case-by-case basis and recommended for approval by Council.

The existing framework of the programs may be left in place but changes in the focus of the plan achieved through developing a strategy for targets for more non-residential development and investment could be a looked at. Changes in focus may be achieved by considering eligibility, relative levels of program support by type of use, content of evaluation of applications, greater concordance between the Downtown and Brownfield CIP.

Staff are considering that Downtown grants be evaluated in a competitive framework such that grants are allocated to the best projects within a specific annual 'envelope'. Staff are also considering an annual call for proposals with projects to be evaluated against clear evaluation criteria and then brought to Council for approval.

### 3. Review of Downtown CIP Targets and Possible Revisions

Given the investment environment in 2010, the eligibility requirements for the first round of Downtown TIBG funding were wide open – all types of land uses were supported. The Downtown Secondary Plan places a significant emphasis on creating new downtown residential development, and as there had been no privately developed residential projects over the previous two decades, these were seen as equally important to other development types such as employment or commercial projects.

With the success of the first five years in the residential market, the recalibration of efforts towards employment is under consideration. While there have been smaller successes, there has not been significant new office space created in downtown as yet.

Although value of downtown residential real estate has increased dramatically since 2010, development costs have increased as well. The development industry have indicated through discussions that there is still shortfall in market values to make downtown residential projects truly viable. Residential development in the Downtown can be expected to remain as the main opportunity for development plans and necessary to achieve required return on investment.

The potential need to continue to support residential development exists but, the opportunity also exists to increase/influence the nature and levels of assistance to specific forms of non-residential use as a standalone developments and/or mixed use development.

The amount of assistance for non-residential development can be greater than for residential on a per sq.ft. basis. This could be reviewed on an annual basis. Accordingly, staff are considering a reduction or phase out to grant amounts for residential development but sustaining the current scale of the program for commercial and office development.

#### **4. Development Charge Deferral**

The most fundamental critique of the TIBG mechanism, is how late the benefits/payments come in the project's development timeline. Grants earlier in the timeline would be more impactful to the proponents, per City dollar invested. One potential revision that is under review/consideration is allowing TIBG grant recipients under all three programs to have all or a part of their Development Charges (DCs) deferred up to the amount of the upset limit and eligible costs within the grant programs. DCs would be recovered with interest through the TIBG payments.

### **Next Steps**

Revisions to CIPs follow the same Planning Act process as Official Plan amendments. Subject to Council feedback, the next steps will be:

- Stakeholders meetings, first one held on May 7, 2019, second planned for August 2019;
- To formally present proposed revisions at a statutory public meeting of Council;
- Revisions to the plan based on stakeholders meetings and Council Feedback;
- A decision in late 2019. Concurrent with the recommended approval of CIP revisions, the recommended sustainable TIBG funding model will be presented to Council for endorsement.
- Following the approval from Council the CIP report will be forwarded to the Ministry of Municipal Affairs and Housing for review.

### **Financial Implications**

Funding of the TIBG's are based on revenue received through property taxes based on development or improvements and the corresponding property tax increment. Thus if there is not an increase in property taxes levied and paid there will not be a TIBG for the property. This is an extremely low financial risk mechanism that allows municipalities to incent growth. This also ensures that after the TIBG is paid out

there is an ongoing additional revenue stream from those additional property taxes the municipality may otherwise not have had.

The financial modeling approved to fund the original \$33M commitment to the TIBG program called for an incremental annual build-up of the base budget for contributions to the TIBG Reserve Fund to a peak amount of \$3.5M at which point the base budget would then begin to decline back to zero. The funding strategy was originally planned over a ten-year period but has been stretched to fifteen years to match the TIBG program, it's estimated that this base budget peak year will be reached in 2021.

The proposed revisions to the CIP programs hinges on moving the financial commitment for redevelopment from a one-time TIBG program to a long-term sustainable redevelopment incentive program. Staff are recommending that funding for TIBG programs be modeled on the financial assumption that the base budget amount of \$3.5M (to be reached in 2021) will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City. Further, staff are recommending that this amount be indexed annually effective 2022 to keep the redevelopment program competitive with the tax rates in effect in future years.

By maintaining the base budget redevelopment contribution at the 2021 levels, a total of \$25M would be available for renewed TIBG programs between the years of 2022-2031. Sustained financial capacity to award beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new projects to start as early as 2022.

### **Potential Affects from Bill 108**

Bill 108 which is part of the Ontario Government's Housing Supply Action Plan, has received Royal Assent on June 6, 2019. The impact of this Bill may have changes to the DC payment calculation and timing of the payment, which may result in cash flows and reserve fund shortfalls – which in turn may potentially delay the growth related servicing of downtown infrastructure. Further review of the Bill will have to be studied and determine the effects on this program.

### **Consultations**

An initial stakeholders meeting was held on May 15, 2019 to obtain feedback from developers that have used the program in the past, there were 7 individuals in attendance. In support of the Downtown Community Improvement Plan, a statutory public meeting will be held in the coming months to obtain feedback from key stakeholders who have had direct experience with the previous programs.

### **Corporate Administrative Plan**

#### **Overarching Goals**

Innovation

Financial Stability

## **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better

## **Attachments**

Attachment-1: City of Guelph Downtown CIP Background Report, Prepared by  
Sierra Planning and Management

## **Departmental Approval**

James Krauter CMTA, AIMA, P1

Deputy Treasurer, Manager of Taxation and Revenue

Melissa Aldunate, Manager of Policy Planning and Urban Design

Todd Salter, General Manager of Planning and Building Services

## **Report Author**

Rino Dal Bello, BES, MCIP, RPP  
Program Manager, Downtown Renewal



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### **Approved By**

Helen Loftin  
General Manager  
Business Development and Enterprise  
Services  
Infrastructure, Development and  
Enterprise Services  
519-822-1260 extension 3567  
helen.loftin@guelph.ca



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### **Recommended By**

Scott Stewart  
Deputy Chief Administrative Officer  
Infrastructure, Development and  
Enterprise Services  
519-822-1260 extension 3445  
scott.stewart@guelph.ca





# CITY OF GUELPH

## DOWNTOWN COMMUNITY IMPROVEMENT PLAN: BACKGROUND REPORT





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Appendix A: Case Study Review - Detailed Summaries

## 1 INTRODUCTION AND PURPOSE

### 1.1 Retained Services

The City of Guelph currently operates two Community Improvement Plans (CIP) in the form of the Downtown CIP and the Brownfield CIP. In addition, financial incentives for heritage restoration are contained in the Heritage Redevelopment Reserve (HRR) Program which is provided for under the Ontario Heritage Act. The Downtown CIP has elapsed based on its five-year mandate and the intent of this project is to update and re-establish the Plan and its funding.

The City of Guelph commenced an update to the Downtown CIP in 2017, at the same time as a related reassessment of funding was required for both the Brownfield and Heritage Incentive plans. An update to the Brownfield CIP was initiated at the same time, which has since been approved (as per Staff Report IDE-2018-90, dated July 9, 2018) and is now in effect.

The City has retained the services of Sierra Planning and Management to undertake the process of completing the update to the Downtown Community Improvement Plan (CIP) in terms of consulting advice and Plan development, integrating with the work completed by City staff to date. Importantly, the mandate for this work is not isolated to the Downtown Plan but should be considered as part of a coordinated funding strategy applicable to all the City's plans in place at this time – namely the combined rationale for funding the Downtown CIP, Brownfield CIP and Heritage Redevelopment Reserve (HRR) Program.

### 1.2 Purpose of this Report

In addition to summarizing the existing Downtown CIP programs, program take-up / funding to date, and other incentives offered by the City, this report addresses a number of key items or questions that must be answered in order to determine how best to move the Downtown CIP document forward. These items are outlined below:

1. Justification of the quantum for the ongoing annual contribution to a funding reserve to support Tax Increment-Based Grants (TIBGs);
2. Analysis of the allocation of the annual funding contribution to each of the Plans (whether this is a formal allocation or flexible guidance) and the extent to which the plans can be adjusted to reflect differing priorities for type of development (residential versus office versus other); and
3. Establishing a protocol for effectively aligning available funding to those projects which are deemed to represent the most effective use of public resources (i.e. effectively the projects which generate the most significant ongoing benefits to the City). This will result in a clear process of evaluation of applications.

These items, as addressed within this report, are backed by primary and secondary research undertaken by the consulting team to inform this process.

It has not yet been determined if changes will be required to the City's Official Plan, however, the draft update plan developed in the next phase of work will reference all relevant enabling policies.

### 1.3 Limitations of Analysis

The contents of this report and its analysis is based, in part, upon a range of primary and secondary sources. Sierra Planning and Management endeavours to ensure the accuracy of all secondary sources of information but cannot warranty the accuracy of secondary source material. In the event that secondary source information is inaccurate or incomplete, Sierra Planning and Management will not be held liable for original errors in data.

This report and the information contained within it is prepared specifically for the purposes as laid out in this report. Reliance on information and opinion contained in this report for other purposes is not recommended. The contents of this report should not be extracted in part from the entire report without the permission of Sierra Planning and Management.

### 1.4 Relevant Background

As identified above, the City of Guelph currently has three tax increment-based incentive programs available for take-up - the Downtown Guelph CIP, the Brownfields Redevelopment CIP, and the Heritage Redevelopment Reserve (HRR) Program. An overview of these programs is provided in the following exhibit with further details provided in the sections below.

*Exhibit 1: Summary of Incentive Programs Offered by City of Guelph*

	Downtown	Brownfield	Heritage
Type:	CIP	CIP	Policy
Purpose:	Stimulate private sector investment to meet Downtown Secondary Plan targets.	Incentivize redevelopment of contaminated properties.	Encourage redevelopment of protected heritage properties.
Programs Available:	1. Feasibility Study 2. Façade Improvement 3. Renovation (minor) 4. Major Redevelopment (TIBG)	1. Environmental Study 2. Tax Assistance during remediation 3. Remediation Assistance (TIBG)	1. Redevelopment of Ontario Heritage Act protected resources (TIBG)
Location:	Urban Growth Centre	City-wide	City-wide
Established:	2010; 2012 Major Amendment	2004; 2012 Update	2007
Update:	2017 (overdue)	2018 (completed)	As and when required.

Source: Sierra Planning and Management based on City of Guelph data



### 1.4.1 Existing Downtown CIP Programs

The Downtown Guelph Community Improvement Plan (CIP) is a tool to revitalize and enhance the Downtown as a focal area for public and private investment. The focus of the Downtown CIP is to deliver municipal incentive programs to support private sector investment in the form of façade improvement, feasibility study grants, and larger-scale renovation and redevelopment programs called minor and major downtown activation grants. The existing Downtown CIP has 4 distinct programs that provide a variety of financial incentives to land owners and developers. The exhibit below provides an overview of these programs and identifies any key funding changes proposed to date in the draft update to the Downtown CIP.

*Exhibit 2: Overview of Existing Downtown CIP Programs*

Program	Description	Eligibility	Eligibility Provisions	Funding
<b>Façade Improvement Grant Program</b>	To stimulate reinvestment in the Downtown by providing incentives to promote exterior façade restoration / improvements.	Located within CIPA; Property's registered owner, assessed owner, or tenant.	Improvements must address Downtown Façade Improvement Guidelines; Commercial uses on ground floor.	50% of eligible work cost up to max \$10,000 per property address with one façade; max. \$20,000 for corner lots; \$30,000 for properties with multiple addresses / facades.  <b>Proposed increase in max. amount to \$12,000, \$24,000 and \$36,000 respectively.</b>
<b>Feasibility Study Grant</b>	Allows property owners to determine if building renovations or upgrades are physically or financially feasible.	Located within CIPA; Property's registered owner, assessed owner, or tenant.	Only buildings with likelihood for renovation / reuse at higher potential are eligible.	50% of cost of eligible feasibility study costs to max. grant of \$5,000 per building; Grand total is the lesser of 50% of the cost of the eligible work or \$5,000.
<b>Minor Downtown Activation Grant Program</b>	Supports re-development of underutilized and vacant properties into viable commercial or residential uses; Assists with capital costs (incl. project, construction) for converting /	Located within CIPA; Property's registered owner, assessed owner, or tenant; min. of 2 residential units or 2,153 sq. ft. (200 sq. m) of	Priority given to residential or mixed-use projects; Grant may be in addition to existing grants secured through other City incentive programs (BRCIP, HRR) or other non-activation grant	30% of project's capital costs of redevelopment/ rehabilitation up to max. of \$120,000 per municipal address.  <b>Proposed increase to max. \$140,000 per municipal address.</b>

Program	Description	Eligibility	Eligibility Provisions	Funding
	rehabilitating under-utilized/vacant lands.	office / commercial.	programs <sup>1</sup> within the DCIP - when there is duplication of eligible works, costs will not be funded twice.	
<b>Major Downtown Activation Grant Program</b>	Supports redevelopment of underutilized and vacant properties to encourage large-scale residential and commercial redevelopment; Grant in the form of a Tax Increment Based Grant (TIBG) to enable larger scale investment to increase business and residential tax base.	Located within CIP Area; Property's registered owner, assessed owner, or tenant; min. of 8 residential units or 8,611 sq. ft. (800 sq. m) of office / commercial.	Financial incentive may be granted in addition to other existing grants, but costs are not funded twice.	30% of project's construction value, or max. amount equal to 100% of increase to municipal portion of taxes up to 10-year period, whichever is less.  <b>Proposed decrease to 30% of construction value, or max. amount equal to 80%<sup>2</sup> of increase to municipal-portion of taxes up to 10-year period, whichever is less.</b>

Source: Sierra Planning and Management based on Downtown Guelph CIP Implementation Guidelines, 2012.

#### 1.4.2 Related Programs

Related incentive programs offered by the City - the Brownfield Redevelopment Community Improvement Plan and the Heritage Redevelopment Reserve Program - complement the Downtown Guelph CIP, as described below.

#### **Brownfield Redevelopment Community Improvement Plan (2018 Update)**

The updated Brownfield Redevelopment Community Improvement Plan contains financial incentive programs to stimulate private sector investment in the remediation, rehabilitation, adaptive re-use and redevelopment of a brownfield site. The program is designed to partially offset the cost of site assessment and remediation through three complimentary programs that

<sup>1</sup> 'Non-activation grant programs' are understood to be the Façade Improvement Grant Program and the Feasibility Study Grant Program.

<sup>2</sup> The plan update will consider other percentages, including TIBGs for residential properties to be equal to 50% of the increased municipal property taxes.

can be applied to the same project: Environmental Study Grant (ESG), Tax Assistance (TA), and Tax Increment Based Grant (TIBG). All three programs are set to run for a duration of 5 years from the date of the 2018 CIP update approval.

*Exhibit 3: Brownfield Redevelopment CIP Programs Summary*

Program	Details
<b>Environmental Study Grant (ESG)</b>	<ul style="list-style-type: none"> <li>Grant equivalent to 50% of the cost of a Phase II Environmental Site Assessment, designated substances and hazardous materials survey, remedial work plan, or risk assessment.</li> <li>Maximum total grant of \$30,000 per property/project.</li> <li>Maximum of two studies per property/project.</li> </ul>
<b>Tax Assistance (TA)</b>	<ul style="list-style-type: none"> <li>Offset site investigation and remediation by cancelling municipal property taxes and education property taxes for up to three years.</li> <li>Cancellation of education property taxes is subject to approval by the Minister of Finance.</li> </ul>
<b>Tax Increment Based Grant (TIBG)</b>	<ul style="list-style-type: none"> <li>Offset site investigation and remediation costs, and LEED® costs using a grant equivalent to 80% of the municipal property tax increase created by the project for up to 10 years after the project completion.</li> </ul>

*Source: Sierra Planning and Management based on approved 2018 update to the Brownfields Redevelopment CIP.*

### Heritage Redevelopment Reserve (HRR) Program

The City of Guelph has established a Heritage Redevelopment Reserve (HRR) Program to reduce costs associated with the retention of heritage features during redevelopment projects by providing incentives that encourage the preservation, restoration or re-use of designated cultural heritage features.

The HRR uses the Tax Increment Based Grant (TIBG) approach by examining the pre-and post-development assessment increases created by a project to support the conservation and restoration of elements related to designation by-law.

#### 1.4.3 Program Funding History

##### Tax-Increment-Based Grants (TIBGs) Funding

Funding for tax increment-based grants (TIBGs) under each of the CIPs and the Heritage Redevelopment Reserve Program (HRR) is administered on a combined basis under a single reserve established by Council. To date, funding commitments have amounted to \$33 million

since 2012 (when the TIBG was added to the CIP) with approximately 14 projects accounting for a 100% commitment of these reserve funds. The City's \$33 M investment in TIBGs will result in an increase of \$3.4 M in City tax revenues annually.

As a result of offering the program on a "first come, first serve" basis, no new major projects have been able to use the programs since 2014. Of these 14 projects, and specific to the Downtown CIP, 6 projects have received approval for grants totalling \$19 million since 2012. The initial funding allocations assigned in 2012 included \$12 M for the Downtown CIP, \$16.5 M for the Brownfield CIP, and \$4 M for the Heritage Program. Due to the popularity of the Downtown CIP programs, a larger share of the allocation was taken than initially thought.

### Funding for Other Programs

Other funds available in support of the Downtown CIP, include a range of grants through the Feasibility Study Grants, Façade Improvement Grants, and Minor Downtown Activation Grants (added in 2012). A summary of the total grants issued for each of the programs is provide below.

*Exhibit 4: Downtown CIP Programs Take-Up Summary (2010 – 2016)*

2010-2016 Downtown CIP Minor Program Activity				
	Grants Issued	Construction Value (\$)	Total CIP Grant Value (\$)	Leverage (Public\$ to: Total\$)
<b>Feasibility Study Grants (2010-2014)</b>	2	\$40,248	\$14,950	1 : 2.6
<b>Façade Improvement Grants (2010-2014)</b>	47	\$2,133,897	\$627,934	1 : 3.4
<b>Minor Activation Grants (2012-2016)</b>	4	\$2,337,934	\$443,800	1 : 5.3
<b>Totals:</b>	<b>53</b>	<b>\$4,512,079</b>	<b>\$1,086,684</b>	<b>1 : 4.2</b>
2012-2016 Downtown CIP Major Program Activity				
	Grants Issued	Construction Value (\$)	Total CIP Grant Value (\$)	Leverage (Public\$ to: Total\$)
<b>Major Activation Grants (TIBGs) (2012-2016<sup>3</sup>)</b>	6	\$235,500,000	\$19,351,163	1 : 12.2

Source: Sierra Planning and Management based on data provided by the City of Guelph (Staff Report IDE-18-01, dated February 12, 2018).

Notes: Projects that are not completed or have been cancelled are not included above.

<sup>3</sup> Major Activation Grant program was unavailable in 2015 and 2016 due to all funds being committed by 2014.

It is understood that since its inception in 2010, the Downtown CIP has been funded at a level below the recommended amount (except for 2012 when a major amendment to the CIP was completed and the Downtown CIP program was funded at the recommended level of \$260,000, as per Staff Report IDE-18-01). Details of the historic program funding levels from the City's Operating Budget are provided below.

*Exhibit 5: Historic Downtown CIP Program Budget Contributions (2010-2016)*

Total Funding for Downtown CIP Programs (excl. Major Activation Grants (TIBGs))							
	2010	2011	2012 (Major CIP Amendment)	2013	2014	2015	2016
<b>Budget Amount</b>	\$140,000	\$160,000	\$260,000	\$130,000	\$130,000	\$130,000	\$130,000
<b>Total Program Funding:</b>						<b>\$1,080,000</b>	

*Source: Sierra Planning and Management based on data provided by the City of Guelph (Staff Report IDE-18-01 Attachment 1, dated February 12, 2018).*

Based on the goals and targets that will be established as a result of stakeholder consultation, the final plan update will recommend the appropriate level of funding. Based on our review of programs in other larger communities, this determination should be referenced against the type (or suite) of programs on offer – for example, in those communities where a Development Charge-equivalent grant is utilized, this program alone can increase the required funding for non-tax increment programs by a significant degree. We further note that, notwithstanding that DC-equivalent grants are ultimately to be funded through a CIP or other non-DC reserve, municipalities have pursued different strategies to achieving this, including establishing the CIP reserve over time in response to expenditures incurred in advance of full funding of the reserve. It is also evident that where the DC-equivalent grant is a significant amount, some municipalities have debentured the amounts required (for example in some major industrial CIP applications).

#### 1.4.4 Project Area Description

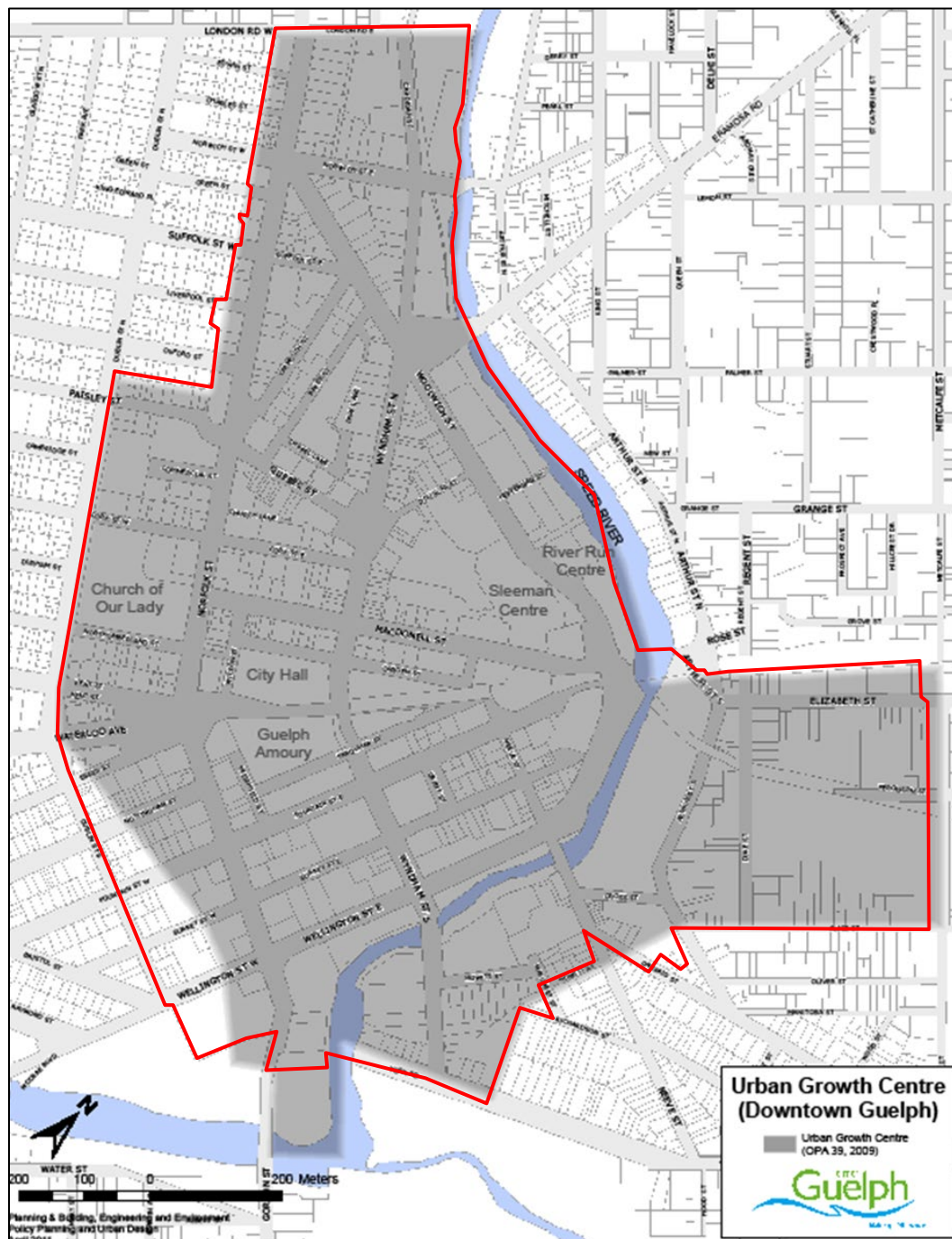
The existing Downtown CIP Project Area (CIPA) is generally bound by the Speed River to the north, Dublin Street and Norfolk Street to the south and west, and Howitt Street and Alice Street to the east. The CIPA is shaded on the following exhibit.

As identified within the Downtown CIP document (2011), these boundaries reflect the Downtown Guelph Urban Growth Centre<sup>4</sup>. However, since that time the Downtown Guelph Secondary Plan has been developed (2012, consolidated 2016) which amends the boundary for

<sup>4</sup> An 'Urban Growth Centre' is defined within the Growth Plan for the Greater Golden Horseshoe (GGH) as "mixed-use, high-density, and public-transit oriented developments, which are meant to become focal points within the GGH".

Downtown Guelph slightly. This new boundary is shown on the exhibit below in red, overlaid on the current CIPA.

*Exhibit 6: Existing Community Improvement Project Area and New Downtown Boundary (as per Secondary Plan)*



Source: Downtown CIP, 2011 and Downtown Secondary Plan, 2016, City of Guelph



At the time of the Secondary Plan approval in 2012, the 2006 Provincial Growth Plan for the Greater Golden Horseshoe (GGH) was in effect, which targeted 40% of intensification to be within the built boundary, with the Urban Growth Centre (UGC) expected to accommodate a significant share, and identified that Downtown Guelph UGC should be planned to achieve a minimum of 150 residents and jobs (combined) per hectare.

Proposed changes released on January 15<sup>th</sup>, 2019 simplifies the minimum intensification and density targets approach to reflect local realities and make it easier to understand and measure the impacts of growth. For Guelph, this translates into a minimum intensification target of 50% of growth to be accommodated within the delineated built-up area<sup>5</sup>. Resident and job density targets remain unchanged for the Downtown Guelph UGC.

#### 1.4.5 Relevant Staff Reports

As relevant to this assignment, Staff Report IDE-2018-01 Downtown, Brownfield and Heritage Grant Performance Monitoring: 2010-2017 and Potential CIP Review Directions, dated February 12, 2018, was developed to provide Council with details related to the overall performance of the existing incentive programs. The key recommendations identified within this report include:

- Consideration for recalibrating the Downtown CIP program to focus on employment / office uses;
- That Downtown CIP TIBGs be evaluated in a competitive framework to incentivize the 'best projects' within a specific annual allocation; and
- Potential amendments to enable all TIBG recipients to have Development Charges (DCs) deferred up to the amount of the eligible costs within the TIBG, which would then be recovered (with interest) when TIBGs are paid out.

Since then, Staff Report IDE-2018-90 Decision Report: Brownfield Redevelopment Community Improvement Plan Update, dated July 9, 2018, was developed to provide the updated Brownfield Redevelopment CIP for approval as well as an interim framework for the financing of the Brownfield TIBGs. The February 2018 Staff Report detailed a modified approach to the future financing of the TIBG programs, but with the delay of the Downtown CIP update, a financing strategy for Brownfields has been developed to ensure that the Brownfield CIP programs are available over the interim period. This approach includes:

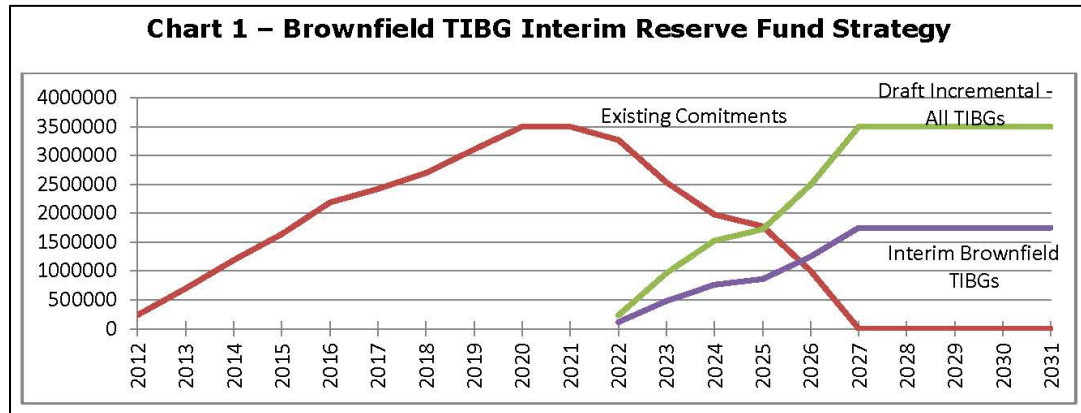
- An annual budget amount of \$3.5 M for TIBG programs that is held constant until the desired development results are achieved (as initially discussed in the February Staff Report), rather than declining back to zero in 2027, as was previously the case. This is in line with the original funding envelope developed in 2012 of \$33 M; and

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<sup>5</sup> Delineated built-up area can be defined as all lands within the defined built boundary or urban area for the purposes of measuring the minimum intensification target set forth in the Growth Plan.

- Identification of distinct funding envelopes for each of the three incentives (as per February Staff Report), and that in the interim, half of the incremental funds be made available to the Brownfield TIBG (see exhibit below for details). This would enable up to \$116,000 to be available for grant payments in 2022, increasing to \$1.75 M by 2027.

*Exhibit 7: Interim Funding Strategy for Brownfield TIBG (Extracted from Staff Report)*



Source: City of Guelph Staff Report IDE-2018-90

## 1.5 Next Steps: Consultation and Downtown CIP Revisions

This information report will inform the future work required on this project, both consultation process planned to occur in early 2019, as well as the required revisions to the Downtown CIP document.



## 2 COMPARATIVE RESEARCH

### 2.1 Introduction and Focus

The purpose of comparative research was to address the specific questions that have arisen in the course of considering the updates to both the Downtown CIP as well as its sister document, the Brownfield Redevelopment CIP. For both of these plans there were, and are, ongoing questions as to the following:

1. When is the assistance to development in the Downtown and on Brownfields sufficient to pare back funding? This question raises a number of additional perspectives, all of which are addressed later in this report under emerging directions;
2. Is the funding envelope for tax increment-based grants sufficient – is it too high, too low? And how is funding for tax increment assistance addressed as policy in other municipalities?
3. What should the funding amounts be for all of this going forward? And what should the split be (if any) between the Brownfield CIP, Downtown CIP and the Heritage component?
4. How does the Plan secure the most effective benefits for Downtown such as incenting commercial development more than residential development, pursuant to City policies which can emerge from its commercial lands strategy, and the need and opportunity to create new employment in the downtown as required by provincial planning policy and guidelines.

The interim funding solution for the Brownfield Plan is a reflection of the need to answer these questions and staff reporting to date necessitates a strategy for combined approaches to funding such that final funding plans for both plans can be put in place. Our comparative assessment is designed to illustrate how other cities have pursued their plans regardless of whether they have actively asked the above questions or followed common practice. Nonetheless the section which follows, and the appendix material is a detailed compendium of such structure which can be used to offer alternative directions for completing the update to the Downtown CIP, finalizing funding pots and engaging in meaningful consultation with stakeholders prior to making final recommendations.

### 2.2 Overview

The following provides a case study review of a range of CIP supports for downtown renewal and office/commercial-focused (re)development. These incentive programs were assessed considering the complexity of issues faced in Guelph.

For the purposes of this document, CIP program support for major centres in the Greater Golden Horseshoe (GGH) have been summarized, and include:

- City of Vaughan;
- City of Toronto;
- City of Oshawa;
- City of Hamilton;
- Town of Ajax;
- City of Waterloo;
- City of Mississauga; and
- Town of Richmond Hill.

The research included a longer list of cities<sup>6</sup> which were progressively less relevant to Guelph, but which showcase the spectrum of approaches and common practice.

A summary of the fuller suite of CIPs reviewed as part of this assignment is provided in the Appendix A. The case studies researched include a variety of incentives, including but not limited to, those related to the development of brownfield redevelopment, commercial development, and community revitalization. This is relevant because the research is undertaken to gain perspective on the questions above – we therefore include not only downtown CIP programs, but also sector-specific plans and brownfield plans as these provide applicable policy approaches to funding and implementation of financial incentives.

The research was focused on assessing the following:

- Scale and breadth of programs offered specific to downtowns in larger cities, including sector-specific plans and/or programs;
- Approaches to funding of significance for Tax-Increment Based Grants, regardless of the type of incentive offered;
- Provision of defined intake periods; and
- Evaluation methods and criteria used to determine which applications were successful.

Collectively these areas enable a picture to emerge of how CIPs are organized in other medium to large cities and therefore the implications for updating the Downtown CIP for the City of Guelph.

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<sup>6</sup> Additional cities researched include Barrie, Brampton, Cambridge, Cobourg, Kingston, Kitchener, Ottawa, St. Catharines, Thunder Bay, and Windsor.

## 2.3 Research Findings

### 2.3.1 Sector Focused Plans and Programs

#### Research Outcome: Certain Plans are Target-Driven

Based on our research it is evident that the majority of plans are conceived of in practical terms, focusing on the inputs necessary to achieve generally held objectives. Accordingly, and understandably, the plans focus on the funding availability and the program benefits with often less consideration for a precise enunciation of the required outcomes of the program.

This statement simplifies the reality that plans do differ in the extent to which they are constructed to deliver a specific outcome. This represents a gradient from those programs that do not specify targets other than the obvious ones - eligible area and type of development – residential or commercial, brownfield clean-up or building or landscape improvements, heritage buildings, etc. – to programs which are highly sector-focused. Truly outcome focused CIPs are those that specify a target achievement of either investment of built space. This is, of course, easier done in some markets and development contexts than others (the greenfield Vaughan Metropolitan Centre being one that is more definable in terms of expected outcomes than an historic downtown or more complicated land ownership and building mix such as in the Yonge Street corridor of Richmond Hill).

- The City of Vaughan and the City of Mississauga, both major centres within the GTA, have both initiated Community Improvement Plans to incentivize office development focused within the downtown core areas. The CIP for Vaughan offers incentives that are geared towards encouraging major office in the Vaughan Metropolitan Centre (VMC) (i.e. 107,639 sq. ft. (10,000 sq. m) or above in GFA). Office projects with a minimum of 53,820 sq. ft. (5,000 sq. m) are eligible for support under Mississauga's CIP. Programmatic support through Vaughan's CIP is also provided for the Weston Road & Highway 7 Primary Centre.
- Both municipalities have set targets for the amount of office space to be developed through the CIP – Vaughan is targeting the development of 1.5 million sq. ft. (139,355 sq. m) of office space while Mississauga is targeting 500,000 sq. ft. (46,452 sq. m) within the downtown core.
- These CIPs have come into effect based on the existing challenges faced by the municipalities. In the case of Mississauga, and similar to Guelph, office relocation to greenfield employment areas has resulted in losses to the downtown. Both communities, however, have sought to reduce the higher cost of urban office development through a CIP tool to address intensification and employment growth priorities.
- In the case of Vaughan, this is primarily an economic development project to compete effectively with other emerging central business districts in the 905 Region of the GTA

and create a viable commercial office centered on high density, speculative office development that can support a variety of transit-oriented development. In short, to spur the development of a city centre. In that regards, targets are essential. Targets could reasonably be included in an updated Downtown CIP in Guelph as long as mechanisms are in place within the plan to achieve these.

### Research Outcome: Sector Targeting

It is important to note that the urban landscape in Guelph is quite different from that found in the VMC or Mississauga's downtown. These urban nodes have larger land areas and parcel fabric offering greater opportunity for new office development – in particular, major office uses.

- Within these two urban CIPs, Tax Increment Equivalent Grants (TIEGs) is a key support offered to office projects. The City of Vaughan also offered - via its Section 28 CIP provisions - Development Charges (DC) relief in two variations: the first being a DC Grant / Reduction which "freezes" the total applicable City-wide DCs at a discounted rate, as well as a DC Deferral program. Cash-in-Lieu (CIL) of Parkland Exemption / Reduction is also offered in Vaughan - developments which provide at least 10,000 sq. m of office space will receive a 100% parkland exemption for the office. If the office space is part of a mixed-use development, a discount of \$4,400 for each high-density residential unit is applied towards the CIL rate for every 70 sq. ft. (6.5 sq. m) of office space provided.
- While not solely dedicated to incentivizing office development, the City of Toronto also provides for a Tax Increment Equivalent Grant for targeted sectors to develop specific uses (including corporate office, corporate headquarters, and office space) through the Imagination, Manufacturing, Innovation and Technology (IMIT) Program. This program is offered on a city-wide basis, excluding the Financial District and the Liberty and Queen/Carlaw SmartTrack Station areas.

### Research Outcome: Recognize Market and Land Ownership Constraints

The Town of Richmond Hill has recently enacted a CIP focused on encouraging new office development with a target of 125,000 to 150,000 sq. ft. (11,613 to 13,935 sq. m) of office space annually within the Town's Centres, Corridors and older business parks. This came about due to the fact that the Town has experienced slow growth in the development of office space in the past and wanted to focus support for it within the designated Centres, Corridors and older business parks to help meet municipal employment targets.

In the case of Richmond Hill, the older lot fabric of the Yonge Street corridor has, for many years, constrained the pace of change along this commercial strip due to the need to assemble lands. It has also led to a market preference for residential development, in part because of the density transition necessary to scale down to the surrounding neighbourhoods, but also because of the lack of land available for large footprint commercial buildings and their parking needs. Larger sites and ample room for parking in the business parks has led to a range of lower density

office developments in the City's business parks – and a consequential lack of commercial development in the Yonge corridor.

To overcome this, the CIP works with the market – not by precluding residential development, but – by promoting incentives for second and third floor offices above ground floor retail as part of mixed-use projects. Residential-only development is not supported.

The approach in some municipalities is to recognize that downtowns cannot easily compete with out of town locations, or even business parks for the ease of commercial development and the resolution of the expensive question of on-site (underground or otherwise) parking. It is not a taxation matter within the same jurisdiction but certainly a development cost issue. As such, the CIP needs to be realistic in its capacity to intervene and redirect the land development market, especially if the scale of financial incentives is limited to either tax increment grants or development charges-equivalent grants.

### **Research Outcome: Create CIP Programs that Solve Known Problems of Development**

It may seem counterintuitive to raise the need to focus Downtown CIPs on specific problems when the aim was general downtown renewal but following the initial success of a broader approach to downtown rejuvenation, tailoring the level of program support to specific aims and objectives is a realistic option to consider.

There are many municipalities that have utilized Section 28 provisions to meet very specific economic development goals – CIPs specific to areas which can promote certain sectors. Sometimes the CIPs are even more prescriptive, limited to one specific kind of development:

1. Targeting wind farm manufacturing, agritourism;
2. Agritourism;
3. Hotel; or
4. Seniors Housing.

Some are broader employment land CIPs designed to achieve build-out of existing older business parks, retain existing employers by facilitating expansion in-situ, or act as inward investment attractors.

The common thread among these plans is a willingness to design a suite of financial incentive programs, a community improvement project area and an eligibility framework that targets certain outcomes and is more surgical in nature as a result.

In addition, plan makers have been willing to operationalize these plans on an as needed basis – using the programs and CIP created for certain periods of time until some level of development is achieved (such as the development of a hotel), then rescinding the program until warranted in the future based on the municipality's understanding of the real estate and investment market. In other cases, the scale of the incentives on offer decline over the duration of the CIP – the

maximum funding allowable under a program is achievable subject to evaluation requirements in year 1, while the scale of resources on offer declines if the application is submitted in year 2, or year 3, and so on.

**Research Outcome: Downtowns are complicated and broad support for development remains an effective strategy**

In the context of a large, multi-faceted economy such as the downtown, a simplistic approach to sector-specific promotion is more likely to run into obstacles – both market and political. The most effective way to intervene to adjust the land market in the direction that is most desirable from a public policy perspective is to a) recognize the limited capacity of the municipality to fund development through incentives and b) support a breadth of development in downtown but progressively favour the development of employment over residential uses.

Downtowns are public and civic hubs and therefore any CIP for a downtown environment needs to balance all of the potential benefits associated with new investment. This may translate into preference given to projects that are deemed to contribute to the public realm and overall synergies created, even if the land use mix is not per a sector-specific strategy.

### 2.3.2 Funding Approaches

**Research Outcome: Funding Levels Vary Considerably**

Of the case studies reviewed, funds allocated to CIP programs were typically in the range of approximately \$500,000 to \$2.4 M per year. The City of Toronto is an outlier with an annual allocation of \$34 M from its operating budget for just one of its incentive programs (IMIT Program).

Five of the eight CIPs reviewed have an enactment period in place which is typically 5 years. Those CIPs that do not identify an enactment period include:

1. City of Toronto IMIT Program which will be in force on a continual basis until the set goals of the CIP have been achieved, with a review undertaken every four years, and
2. City of Oshawa Urban Growth Centre CIP, while continuous, the City has the ability to discontinue any program within the CIP without requiring an amendment to the CIP.

The City of Hamilton identifies separate funding amounts available for its distinct CIPs, which are typically location-oriented. For example, it allocated over \$1 M in 2018 for Downtown-focused initiatives and just under \$1 M for initiatives specific to the Barton/Kenilworth Corridor. Additionally, it allocated \$250,000 for brownfield development through its ERASE CIP, the CIPA of which overlaps with the Downtown CIPA, as is the case in Guelph.

### Research Outcome: Approach to Funding Varies

Based on our review of funding approaches in place to operationalize the CIPs reviews, it is evident that funding is based on an approach that best serves the municipality in question. In smaller communities that we have worked in, the potential to create CIP reserves of sizeable proportions in a short period of time is often not workable and hence alternative mechanisms are often pursued. Either this can be a reliance on tax increment grant funding, or Development Charge-equivalent grants where DCs are chargeable, or it can involve innovation in municipal finance to achieve a one-time contribution to one of more corporate reserves. As an example, this can arise from the sale, refinancing or full amortization of financial obligations that are already reflected in the tax support requirements of the municipality. The revenues or cost savings can be applied to many projects, including infrastructure but also a CIP reserve.

The establishment of a CIP reserve is necessary to fund the various programs. The reserve requirement is important in the case of major funding such as from a DC-equivalent grant. Whether the DC is paid, and a grant provided for part or all of the DC charge, or simply an accounting transfer, the funds need to be sourced from a CIP reserve in order for the DC reserve account to balance. This assumes that the municipality wishes to ensure that the DC reserve is effectively made whole at the time of the incentive rather than at some later time. In all cases, as legislation dictates, the DC charge itself cannot be adjusted upward from what the charge would otherwise be simply to cover the grants paid to CIP applicants. The grant is a Section 28 funding mechanism, must be funded from a reserve, and the DC reserve must not be increased to cover this CIP grant by charging higher DC rates.

The concern on the part of the development community, as evidenced in the stakeholder consultations for the Brownfield CIP update, that the use of tax grants represents a back-ended funding solution when a more front-ended solution is preferable.

In our experience the extent to which a municipality is willing to address this is a direct reflection of the importance that is placed by the municipality in the development in question – in other words, it is a direct response to the problem identified that needs a CIP solution.

- Many municipalities are willing to provide both front-ended support in the form of minor grant funding for planning approvals, feasibility studies, environmental assessment as well as back-end funding in the form of tax increment grants;
- Fewer municipalities are willing to provide both large upfront grants in the form of DC equivalent grants and back-ended tax increment grants. However, this varies dramatically depending on the problem for which the CIP is attempting to solve (or opportunity that it is seeking to achieve). In the case of certain industrial CIPs, any and all funding through tax grants, tax cancellations, and DC grants (if not outright DC exemptions) are pursued to achieve the investment (or retain the investment).

- A number of municipalities are willing to consider the use of DC grants and tax increment grants on a partial basis so that the needs of the applicant and the fiscal impact to the municipality are managed more effectively.

### Research Outcome: City of Guelph Funding Reserve Approach Represents Effective Financial Management

There has long been a debate regarding the use of tax increment funding. This is not restricted to CIPs. The notion of a tax increment is that the development yields an incremental increase in taxation. Tax increment funding is used in a range of areas including funding public infrastructure and facilities where the commercial development arising from such infrastructure is deemed to be a function of the initial investment in public capital. As such, the taxation generated can be applied to the costs of financing the public infrastructure. This approach is used for a variety of types of investment that require public funding infusion and include sport and entertainment centre, arenas, and more.

The notion of a tax increment for incentivized real estate development, building renovation or expansion is similar – that the development would not have occurred in the same manner, or in a timely manner, or would not have likely happened in the foreseeable future, if the incentive was not provided. In this way, the tax revenue is deemed to be found-revenue that otherwise would not have arisen and as such is a source of funding that can be provided to the project rather than absorbed into general revenues.

Although this is a simplification, it points to the policy that foregoing revenues is acceptable because of the longer-term benefits of the development. Some municipalities have placed restrictions on the amount of the increment which can be used as an incentive and there are a number of reasons for this, including the stepped approach of a declining amount of increment in the later years of a tax increment grant agreement.

We are not aware of any detailed assessment that has been undertaken as to the net fiscal impact of a tax increment grant – that is, the extent to which for a given period of time (say the period of the grant itself plus 5 years) there is a draw on municipal operational resources because of the existence of the development and hence a negative impact. Largely, the revenue is considered foregone revenue, justified on the basis that without the grant, the revenue would not have been created.

Another, perhaps more broadly agreeable, view is that the tax increment is a cost of doing business in order to achieve development on complicated sites and in non-market preferred areas. This is precisely the role of the CIP – to achieve adjustments in either the location, timing or form of development to meet the public interest.

The City of Guelph is in the minority of municipalities that have actually built reserves to fund tax increment grants rather than list the funding as simply foregone revenue. It is foregone for a period of time but does represent a cost to the municipality and therefore funding the tax



increment from a built-up reserve represents effective financial management. Presumably, the costs of building the reserve are factored into the tax support requirements on an annual basis, thereby ensuring that the municipality is made whole in terms of operational costs associated with the ensuing development.

We do question therefore why the tax cancellation program under the brownfield plan is termed a “foregone revenue” program. While any education-portion taxes are foregone, these are not to the municipal account. However, the municipal taxes are generated as a result of development and therefore whether considered foregone or otherwise, the principle is exactly the same as for the tax increment grant programs. Accordingly, for consistency at least, tax cancellation should be part of the funding pot reserve. We recognize that tax cancellation under the Provincial BFTIP program (Brownfield Financial Tax Incentives Program) is limited in its extent of usefulness and does not have a significant take-up.

The benefits of budgeting the TIBG/CIP grant funds in a reserve include:

- Minimize the impact on the operating budget;
- Increased transparency;
- Improved financial reporting (liabilities); and
- Better financial control.

The next element of comprehensive planning is to build on the fact that the City has a reserve fund in place by gaining as much intel as possible on the applications that can take advantage of the funding. Accordingly, having a set intake period can assist with this. Refer to Section 2.3.3 below for further discussion.

### 2.3.3 Intake of Applications

#### **Research Outcome: Guided Application and Intake Deadlines can offer Focus, but with limits**

Of the case studies examined, a majority of municipalities allow intake for all CIP program applications on a continuous year-round basis (no defined intake periods). The City of Oshawa and the City of Waterloo do have defined semi-annual intake periods but only for their minor grant programs. Intakes occur semi-annually – one in the spring and one in the fall. Each intake period is approximately a 4 to 6-week window with a pre-requisite for applicants to attend a pre-application meeting with City staff. The purpose of these specified periods is to ease the administrative burden and required resources for application processing.

Above and beyond that, having specified period for receipt and evaluation enables a comprehensive evaluation approach to unfold, so that funds can be apportioned based on relative merit. Evaluation on a first-come-first-served approach is still based on merit of the application but this is made far easier by having an intake deadline so that all projects in a given period (e.g. once a year) can be clearly evaluated on an “apples to apples” basis.

There are however some drawbacks with this approach:

1. While administrative ease is important in a staff resource-constrained environment, so is the need to respond to investment opportunities. For the small-scale applications for façade improvement and building renovation grants there is no significant advantage to restricting intake to a limited number of times per year, other than administrative efficiency. Only if funds are highly limited for these programs does this approach offer a balanced solution.
2. Even if intake deadlines are put in place for any project that involves a major tax increment grant (or potentially a DC-related grant), this only benefits the City to the extent of potential applications in any one year. Because intake would have to be at a minimum once per year, it does not provide intel on applications that may be submitted in the following year or two which may potentially be better projects for such funding.

Where all of this leads is the clear realization that processes to achieve effective intel on future projects is as important to the adjudication of funding allocations as the submissions themselves. Only by investing staff time and placing the responsibility for full disclosure of plans on the part of land owners and their developer partners, can the funding envelope be effectively managed over the duration of a CIP.

It is therefore an important aspect of the CIP update to ensure materials and processes are in place to continue to work with the land owners and development community so that a strategic plan for the distribution of the CIP reserve can be more clearly demarcated. This is not easy, but it can serve as a basis to make decisions such that public funds are geared not only to projects that have the best potential benefit to the public interest but which are also timely and which do not have a degree of uncertainty attached to them that might result in significant delays and diminish the effectiveness of the CIP.

### **Research Outcome: TIGS not restricted to Intake Deadlines**

When looking at the intake periods for Tax Increment / Increased Assessment Grant Programs, all municipalities reviewed continuously accepted applications - many of which are provided on a first-come, first-serve basis as long as the eligibility criteria was met and within the limits of available funding. Research found that this is typically done because intake dates may not be in line with the schedules of the major development projects and waiting for the intake period may not be feasible.

The Town of Ajax accepts applications for their TIEG at the same time as the developer's submission of site plan applications or other planning related application processes.

In those CIPs that we have drafted, we draw a distinction between approval in-principal for back-ended grants such as TIGS and final approval. This is necessary because approval can only be conditional until all of the required development has occurred and the timelines for such are in line with municipal expectations.

In view of this, it is possible to undertake an intake deadline approach to projects for major tax grants as a way to flesh out clearly what the timelines are for development as well as the expected funding draw from the reserve. This can be on the basis of applications for approval in principle with a requirement to meet stated conditions and timelines in order to maintain approval status.

#### 2.3.4 Evaluation Methods and Criteria

##### **Research Outcome: Program Support and Evaluation Should Increase Municipal Capacity to Manage Spending for the Best Projects – A move toward more pro-active plan management**

Achieving the right mix of projects rests significantly on a strong and consistent evaluation process year to year as well as information as to the possibilities for other applications forthcoming in the current and next fiscal year (as discussed above).

Based on the research undertaken for this assignment, municipalities across the Greater Golden Horseshoe (GGH) employ a variety of methods for assessing and evaluating applications as well as the criteria upon which the decision is based. These have been summarized below.

##### **Identifying Priority Sites within the CIP**

The Town of Ajax Downtown CIP identifies priority development sites which take precedence over other applications in the queue. The targeted sites are / were primarily vacant lands within the Downtown CIP project area. The CIP has generated a total of 6 development proposals, which are currently all in different stages of the development process, 3 of which are on priority sites. These are being developed as medium to high density residential and mixed-use developments.

##### **Competitive Scoring**

The City of Oshawa and City of Mississauga administer the TIEG program grants on a scored case-by-case basis. In Mississauga's case, scoring enables the level of incentive to be tied to the quality of the development and the City's strategic objectives. The criteria is weighted in favour of projects that advance the vision of the Downtown21 Master Plan and are aligned with the City's Official Plan, Downtown Built Form Standards, and other City policy documents.

The City of Oshawa provides for a similar evaluation or ranking process, prioritizing the highest scoring applications to receive grants. Criteria is focused on the level of job creation, intensity of uses, benefits to the community, and project construction value.

This type of evaluation is objective and detailed, but it is based on taking applications as they come, and adjudicating based on a concept of project merit. This is made easier where the assumption is that the tax increment funds from each project are net new funds and are foregone as a result of the grant. **In the case of the City of Guelph where the specific reserve represents a cap of available tax increment funding, a more effective basis for determining**

**how to use that cap may be warranted.** Furthermore, an annual cap might be better viewed as a guideline and the potential to go above and below that line is warranted as long as the overall cap for the duration of the CIP is not overspent.

### Other Scoring Methods

The City of Waterloo employs an evaluation matrix to determine the total level of funding granted to applicants for the Major Activity Program (Tax Increment Grant) associated with Employment Uses. This is determined based on the constructed project square footage, floor space ratio (FSR), whether it is a designated heritage resource, and/or whether it achieves LEED or other sustainable standards recognized by the City. As the achievements increase for the built project, the amount of grant funding and the duration of the grant increases.

For example, those projects that achieve a minimum floor area of 5,000 sq. ft. (465 sq. m), minimum FSR of 1.0, and have no designated heritage resource and no sustainability certification receive 80% of the municipal tax increment associated with employment uses over a 6-year period. Those projects that achieve a minimum floor area of 5,000 sq. ft. (465 sq. m), minimum FSR of 1.0, have designated heritage resource, and achieve sustainability certification receive 100% of municipal tax increment associated with employment uses over a 10-year period.

These methods are perhaps the best that can be established – an attempt to set clear outcomes that are policy-desirable and work to achieve these. Despite its understanding of the local development market, the municipality cannot fully predict the market and other dynamics that impact when projects come forward.

However, as part of this CIP update process, it is intended to assess language to help the City manage its funding commitments. This includes placing clear obligations on timing of construction initiation, scale of development, as well as phasing of development and the capacity of the City to revisit funding commitments annually for projects approved in principle but which have not moved forward based on agreed terms.

### 3 IMPLEMENTATION AND ELIGIBILITY FRAMEWORKS

#### 3.1 Methods to Target Downtown Plan to Achieve Balance Between Commercial / Mixed-Use and Residential Projects

##### 3.1.1 Guelph Downtown Applications to Date by Type of Land Use

The projects approved within the first five years of the CIP were focused on the residential market, set to create approximately 827 housing units. These projects included only 16,000 sq. ft. (1,486 sq. m) of total commercial space, mainly comprising retail and service space. This reflects market dynamics and policies through which the CIP should be viewed in order to effect a greater degree of commercial development. Our review is also considering whether the City should rework the CIP to focus on attracting employment and office uses to locate within the downtown core by phasing out the grants available for residential but retaining those available for commercial and office uses. As discussed in Section 2.0, the achievable form of commercial development in the Downtown should become a more prominent aspect of the implementation plan.

##### 3.1.2 Applications in Progress / Prospective Applications

Select properties have been identified by the City to be targeted for redevelopment utilizing the Tax Increment Based Grant (TIBG) over the next 5- and 10-year periods. Those properties targeted by the City for the next 5 years (to 2022) are mostly mixed-use in nature, as summarized below. The locations of these properties are depicted on Exhibit 10.

*Exhibit 8: Potential CIP Priorities within 5 Years (2018 to 2022)*

Site	Address	Land Use Designation (per DSP)	Development Potential			Projected Payment Start Date
			Residential Units	Commercial (sq. ft.)	Institutional (sq. ft.)	
A	45 Yarmouth	Residential	75	5,000	-	2021
10	Baker	Mixed-Use	350	25,000	80,000	2025
13	Market Fresh <sup>7</sup>	Mixed-Use		25,000	-	2023
17	WCDSB (assumed office)	Mixed-Use		20,000	20,000	2025
27	Metalworks – Ph. 4	Mixed-Use	150	15,000	-	2024
35	NW Gordon / Wellington	Mixed-Use	80	10,000	-	2022
38	PetroCan Site	Mixed-Use	140	10,000	-	2023
46	71 Wyndham S	Mixed-Use	140	-	-	2022
<b>TOTALS</b>			<b>935</b>	<b>110,000</b>	<b>100,000</b>	

Source: Sierra Planning and Management based on information provided by the City of Guelph.

<sup>7</sup> Current assumption with parking and re-opening second floor.

In terms of these prospective applications, the table below expresses the balance of uses in terms of gross floor area by assuming an average residential gross floor area per unit of 750 sq. ft. On this basis, over three quarters of the potential future development in the Downtown is residential in nature, with commercial at only 12% and institutional at 11%.

*Exhibit 9: Potential CIP Priorities within 5 Years: Breakdown of Total GFA by Land Use*

			Development Potential						
Site	Address	Land Use Designation (per DSP)	Residential		Commercial		Institutional		Total Non-Residential GFA as % of Total
			Est. GFA <sup>8</sup>	Est. % of Total GFA	sq. ft.	Est. % of Total GFA	sq. ft.	Est. % of Total GFA	
A	45 Yarmouth	Residential	56,250	91.84%	5,000	8.16%	-	0.00%	8.16%
10	Baker	Mixed-Use	262,500	71.43%	25,000	6.80%	80,000	21.77%	28.57%
13	Market Fresh <sup>9</sup>	Mixed-Use		0.00%	25,000	100.00%	-	0.00%	100.00%
17	WCDSB (assumed office)	Mixed-Use		0.00%	20,000	50.00%	20,000	50.00%	100.00%
27	Metalworks - Phase 4	Mixed-Use	112,500	88.24%	15,000	11.76%	-	0.00%	11.76%
35	Gordon / Wellington NW Corner	Mixed-Use	60,000	85.71%	10,000	14.29%	-	0.00%	14.29%
38	PetroCan Site	Mixed-Use	105,000	91.30%	10,000	8.70%	-	0.00%	8.70%
46	71 Wyndham S	Mixed-Use	105,000	100.00%	-	0.00%	-	0.00%	0.00%
		TOTALS	701,250	76.95%	110,000	12.07%	100,000	10.97%	

Source: Sierra Planning and Management based on information provided by the City of Guelph.

It should not be expected that residential will be reduced to a secondary role in downtown development and residential development both in downtown and in the shoulder areas for downtown is critical to the ongoing sustainability of a vibrant, walkable and safe downtown.

<sup>8</sup> Estimated at 750 sq. ft. (gross) per unit.

<sup>9</sup> Current assumption with parking, reopening second floor.

However, the question remains (from the outset), should the continued assistance for residential development in downtown be a CIP priority relative to other uses.

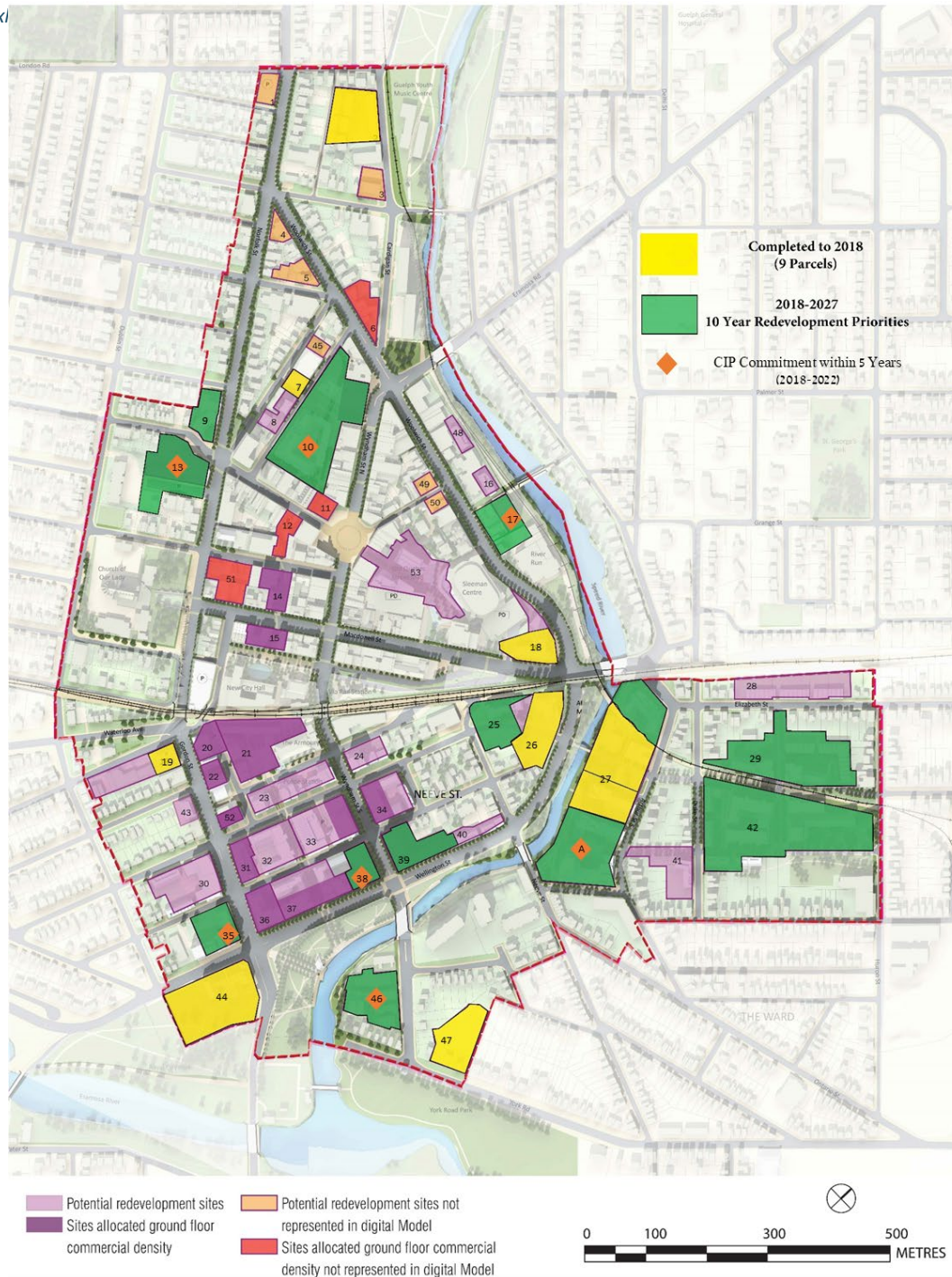
In answering this:

- a) The first consideration is the application of all levels of planning policy – The GGH Growth Plan to the City Official Plan to the Secondary Plan for Downtown;
- b) A second question is whether the downtown residential market requires assistance in the form of development incentives. This can be based on a review of the rates of downtown residential development relative to other parts of the City, the nature of development (as higher density again relative to other parts of the City), the average sale price of these units and the socio-economic profile of the resident base in and on the fringes of Downtown. On this basis does, does the residential market require assistance? While it is not within the scope of this document to assess the residential market, this should form part of the update process which follows;
- c) Separate and apart from the health of the residential market, where there is a clear overlap between development that involves environmental remediation, brownfield development, heritage preservation and residential development (or any combination of those with residential development), there is a policy and economic development mandate to support residential development through the incentive programs.

Despite the potential need to continue to support residential development, the opportunity exists to increase the levels of assistance to specific forms of non-residential use as standalone developments and renovations/expansions as well as mixed-use projects. The level of assistance for non-residential development can be greater than for residential on a per sq. ft. basis. It can also be reviewed on an annual basis as required to ensure its effectiveness.



Exl



Source: Sierra Planning and Management based on Downtown Guelph Secondary Plan, 2016, and other information provided by the City of Guelph.

Note: Numbers on map correspond with those properties identified in Exhibits 8 and 9 above.



Using the 2018 Total Tax Rates for the City portion of property taxes, the anticipated development of the targeted properties identified above would result in a total tax increment value of \$318 M. This translates into annual payments of nearly \$2.1 M by the City for the issuance of the Tax Increment-Based Grant for the identified properties based on the development potential identified and using the applicable municipal tax rates for 2018. It should be noted that this does not assume the reality of gradual build-out of the projects over the 5-year period which will result in a gradually increasing amount of tax revenue in each of the years. It also assumes that the projects are built within 5 years.

*Exhibit 11: Potential TIBG Annual Payments (Years 1 to 5)*

	Residential Units	Commercial (sq. ft.)	Institutional (sq. ft.)	Public Parking (spaces)
TOTALS Year 1-5	935	110,000	100,000	800
Valuation Assumptions (per unit / sq. ft.)	\$ 300,000	\$ 160	\$ -	\$ 25,000
Estimated Property Value to base Tax Increment	\$ 280,500,000	\$ 17,600,000	\$ -	\$ 20,000,000
2018 Total City Tax Rate	1.001254%	1.842307%	n/a	1.842307%
City Tax Portion (2018)	\$ 1,404,259	\$ 324,246	\$ -	\$ 368,461
<b>Potential TIBG 1-5 Years Annual Payments:</b>		<b>\$ 2,096,966</b>		

*Source: Sierra Planning and Management based on data provided by City of Guelph*

*Note: Estimates are approximate and for analytical purposes only. Residential set at 50% increment, commercial and parking set at 100% increment, no taxes collected from institutional uses although Payment in Lieu (PIL) payments will provide additional revenue potential and can be addressed similarly to tax increments.*

Limiting assumptions aside, the indication is that downtown prospective projects in the period to 2022 can account for a broad average of \$2.1 million of City-only tax annually at some point going forward. However, this does assume only a 50% increment for residential. Nevertheless, it is helpful to demonstrate that:

1. Assuming construction and build-out is progressive per a 5 year schedule;
2. Delays in completing existing projects for which there is a commitment of TIBG dollars does not result in a shortfall of available funds as unspent annual allocations are carried forward; and
3. Assuming that residential support is reduced to 50% from the proposed current reduction (from 100% to 80%) of the increment, the level of potential draw is somewhat in excess of the amount allocated to the Downtown and Heritage funds from the total

TIBG reserve of \$3.5 million. Currently, the Brownfield CIP is allocated up to half of the \$3.5 million cap.

It is therefore important to address the extent to which there is likely to be overlap between these downtown projects and projects which may be eligible for Brownfield CIP support. The level of known overlap at this time is as follows:

*Exhibit 12: Brownfield Sites Among Development Opportunities to 2022*

Potential Brownfield Among Development Opportunities to 2022			
Site		GFA	% of Total
17	WCDSB	40,000	
27	Metalworks - Phase 4	127,500	
38	PetroCan Site	115,000	
<b>Total</b>		<b>282,500</b>	<b>31%</b>
Unknown Brownfield Among Development Opportunities to 2022			
Site		GFA	% of Total
13	Market Fresh	25,000	
35	Gordon / Wellington NW Corner	70,000	
46	71 Wyndham S	105,000	
<b>Total</b>		<b>200,000</b>	<b>22%</b>

*Source: Sierra Planning and Management based on data provided by City of Guelph.*

As a result, potentially one third to one half of the downtown projects may eventually qualify for brownfield support. In those instances, support will be co-ordinated effectively so that there is no duplication of assistance. The TIBG will be amended to reflect the additional eligibility for environmental remediation costs and tax cancellation assistance will be added if applicable and worthwhile based on BFTIP.

As a result, conceptually, and recognizing that brownfields exist across the City, the level of draw by the Downtown CIP for the TIBG could be reduced by a significant amount if the site investigation, remediation and LEED-related costs of the brownfield element of these projects funded through the Brownfield CIP account for most or all of the available tax increment.

**What is clear from this assessment of basic metrics is that a better approach than creating a hardline of 50% of the annual \$3.5 million cap allocated to brownfields, is to scrap that approach in favour of a more effective approach which recognizes the overlap.**

## 4 APPLICATION OF RESEARCH TO A REVISION OF THE GUELPH DOWNTOWN CIP

### 4.1 Stakeholder Identification

The outcomes of the research presented in this report will be applied to the detailed review of the language and content of the Downtown CIP. There are a number of ideas presented and relevant communication and engagement with the stakeholders to this plan is important.

Stakeholders comprise two broad categories: (1) Internal, departmental stakeholders that reflect the multi-dimensional nature of any downtown regeneration project; and (2) external stakeholders in the business and residential communities.

Community improvement planning, particularly for downtown environments, requires a sympathetic policy and investment environment; that is, the policies and public infrastructure decisions other than the CIP itself need to work in the same direction – providing the best possible conditions for a holistic improvement to the public and private realms to occur, investment grow, and new population and employment added to the core.

Internal stakeholders comprise Planning and Building Services, Economic Development, Finance and Operations Departments and Divisions at a minimum.

External Stakeholders should include the following types:

- Property owners;
- Developers;
- Applicants under the CIPs;
- Commercial business owners;
- Major institutional land owners: religious, educations, health, government services;
- Merchants associations, property owners' associations, Chamber of Commerce; and
- Public at large.

### 4.2 Identifying Key Directional Changes to the Plan

There are a number of key directions for adjustment and redefinition of the Downtown Plan that are possible. The consulting team will work with the City to develop and test these various foci (as discussed in this report) and develop a priority list of changes that should be put forward in any engagement with stakeholders.

#### Confirmation of Programs and Recommended Changes

- Working with City staff, the consulting team will work through the required changes to the existing suite of programs based on the agreed directions arising from City staff

consideration of this report. That can result in either retention, deletion, or adjustment of any programs.

- It should also be noted that the existing framework of programs can be left in place but changes in the focus of the plan achieved through developing a strategy for targets for more non-residential development and investment (as an example). These changes in focus can be achieved through revisions to:
  - Eligibility;
  - Relative levels of program support by type of use;
  - Approach and content of evaluation of applications; and
  - Achieving ever-greater concordance between the Downtown and Brownfield CIPs.

### Funding Levels and Approach

- Discussion has centered on the TIBG elements of the program suite. In addition to that, consultation should address the value for money attached to each of the smaller programs.
- For example, we note that the Feasibility Grant Program has a low leverage ratio – this is to be expected but more importantly has this grant actually moved any projects further along toward completion. Though they are small budgets, a discussion should be had as to the value for money attached to this. It may be better to have a floating fund for assistance to projects that, as a result of efforts to undertake renovations or façade improvements, run into technical difficulty or design constraints that could benefit from a discretionary municipal fund to help cover the cost of professional assistance.
- We also note the views of the Ministry to limit accessibility to some grants to a maximum “over the duration of the CIP”. We think that this is helpful language.
- With respect to the TIBG funding, the current approach is reasonable as a working annual cap. However, there is a further discussion to be had with regard to the distribution of the funds by Plan, as well as potentially by type of land use and/or form of development. It is reasonable to conclude that any reassignment of funding pots should always be a working allocation for guideline purposes – and more particularly, that the funding should have sufficient flexibility to respond to funding opportunities and timeliness of such to best impact the public interest. However, we recognize that based on current practice, the City prefers to have a recommended funding allocation of the available \$3.4 million between the three tax increment-related programs. Accordingly, once the range of relevant changes to the Downtown Plan are further assessed and drafted into an updated plan, this will be accompanied by a more precise allocation. This will also include an identification of the amount from the Downtown

allotment that will be used to fund the developers share of the downtown (off-site) infrastructure.

### Streamlining the Plans

- The two plans operate effectively together as is. However, our next phase work to redraft the Downtown CIP is an opportunity to review concordance with both plans, ensure language is effectively the same between the two plans, and that the principles are similar in both plans. For example, the proposal that was approved in the Brownfield Plan update to streamline eligibility in the environmental study grants to 2 studies and a maximum of \$30,000 for a **project/property** over the duration of the plan is a principle of clarity regarding access to funding by project and property that should be utilized in the Downtown Plan.

### A role for Development Charge Equivalent Grants?

- At a minimum, the DC deferral program should apply to downtown.
- Consideration should be given to a DC equivalent grant under Section 28 provisions with respect to Downtown commercial office development and/or renovation and conversion, should the latter result in DC liability.

### A lens on the Initial Questions as to Duration and Focus on the Downtown Plan Since its Inception in 2010

- The overlap between Brownfield and Downtown CIPs is important, reflective of the ongoing need for a multi-faceted approach to CIP development and operation in the Downtown core.
- Residential development in the Downtown can be expected to remain as a central plank in development plans, necessary to achieve required return on investment.

The opportunity exists to influence the nature and scale of non-residential development in downtown to enhance the role of the core for employment and gathering purposes. This can be achieved by focusing both the levels of program support as well as promoting the form of development that best fits commercial development in a downtown context (mixed use).

- Consideration is worthwhile for a number of other measures of assistance to improve the feasibility of Downtown locations for investment. The Downtown Zoning By-Law has recently come into effect, with an essential driver for this being a downtown that is investment-ready.
  - Parking by-law exemptions if supported by market-tolerance for lower parking standards (including grants equivalent to parking cash in lieu costs). These may

be in addition to existing exemptions provided by the zoning by-law. The consulting team will address the required specifics of this potential incentive through further discussion with the City to ensure alignment with the provisions and existing parking exemptions included in the Downtown Zoning By-Law.

- Parkland Cash in Lieu equivalent grants<sup>10</sup> (aligned with the provisions of the parkland dedication by-law).
- Consider increases in density for commercial as part of mixed-use zoning and do so not in a restrictive manner which reduces residential density. While the Downtown Zoning By-Law does not directly limit density, and generally permits heights established in the OP, this provision of a Downtown CIP would be to enable further density if it results in greater commercial use as part of mixed-use schemes.
- Avoid use of Section 37 bonusing payment requirements where this additional commercial density is achieved. In developing the draft CIP update regard should be had to the emerging guidelines being prepared by the City for the application of Section 37 provisions. In order to align CIP-based financial incentives with prospective Section 37 payments by developers, it may be necessary to ensure that incentives are not cancelled out by other effective charges, while, at the same time, enabling the increased density (per bullet point above).
- Allocate greater levels of heritage-related tax funding where this involves non-residential use and leverage any provincial and federal capital dollars. Also utilize any prescriptions under the Heritage Act for tax cancellation.

It is important to note that the cost of the Parkland Cash In Lieu equivalent grant and the DC equivalent grant, in particular, can be significant and the updated plan will include recommendations as to the amount to build into a reserve, how to build the reserve over what time period, and which types of applications should be prioritized and to what level of funding. We can confirm that these funding needs would, at present, be in excess of the TIBG funds although the final plan will establish a recommended balancing of all program funding needs.

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<sup>10</sup> Note: Parking and Parkland Cash In Lieu requirements can be funded from a CIP reserve for smaller projects which are not subject to TIBGs.

### 4.3 Expected Timelines to Complete Updated Plan

The consulting team will work with the City to develop the timelines for the following actions:

1. Stakeholder meetings
2. Council update
3. Draft update to plan
4. Statutory Public Meeting
5. Revisions as necessary
6. Council approval.

## Appendix A: Case Study Review



## City of Vaughan Community Improvement Plan for Office Uses in Two Community Improvement Areas (Vaughan Metropolitan Centre (VMC) and the Weston Road & Highway 7 Primary Centre) (2015)

<b>CIP Focus:</b>	To accelerate office development in the VMC and primary centres by allowing for more competitive office market rents through alleviating certain financial barriers faced by landowners in developing office space.
<b>Timeframe:</b>	Five-year enactment period, with a target of 1.5 million square feet of office space developed. Program will conclude in December 2020 or earlier if all 1.5 million square feet of office space has qualified under the program.

Program Description	Eligibility	Amount/Funding
<b>Development Charges Grant/Reduction</b> to encourage the development of office uses by “freezing” the total applicable City-wide DCs at a discounted rate.	<ul style="list-style-type: none"> <li>The office component of any development must be 10,000 square metres or larger;</li> <li>Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.</li> </ul>	62% reduction in the City-wide DC rate applicable to office in the form of a rate “freeze”. May be applied retroactively to development applications submitted on or after January 1, 2014.
<b>Development Charge Deferral (VMC Only)</b> is intended to match York Region’s current DC deferral policy for high-rise office development.	<ul style="list-style-type: none"> <li>The office component of any development must be 10,000 square metres or larger;</li> <li>Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.</li> </ul>	Payments of City-wide DCs relating to qualifying office uses may be deferred for up to a maximum of eighteen (18) months.
<b>Tax Increment Equivalent Grants</b> is intended to provide financial assistance to eligible owners who undertake qualifying office developments in the Weston Road and Highway 7 CIPA.	<ul style="list-style-type: none"> <li>The office component of any development must be 10,000 square metres or larger;</li> <li>Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.</li> </ul>	<ul style="list-style-type: none"> <li>Grant maximum of 70% of the Property Tax Increment for qualifying office uses on a declining basis of 7% per annum, over a 10-year period.</li> <li>Amount is pro-rated to office portion of development.</li> </ul>
<b>Cash-in-Lieu of Parkland Exemption/Reduction</b> will be provided for qualifying developments that provide office space.	<ul style="list-style-type: none"> <li>The office component of any development must be 10,000 square metres or larger;</li> <li>Office development can be in multiple buildings to reach the 10,000 square metre requirement, but must be part of the same site plan and/or building permit;</li> <li>For the mixed-use CIL of parkland incentive, the residential and office components must be part of the same site plan to qualify.</li> </ul>	<ul style="list-style-type: none"> <li>100% parkland exemption for office uses; and</li> <li>A discount for high-density residential dwelling units of \$4,400 per unit for every 70 square metres of office space developed will be applied to the CIL of Parkland rate in force.</li> </ul>

CIP Funding Reserve Amount:	<p>\$999,155 in 2016, included funds set aside for CIP projects.</p> <p>Total investment budget of \$17.5 M over a 15-year period.</p>
CIP Performance:	<p>As of February 2018, the City had received and was processing four CIP applications, that collectively totaled approximately 67,300 m<sup>2</sup> (724,400 ft<sup>2</sup>) of new office space, representing 48% of the targeted office space goal. The four applications will generate an estimated \$13.3 million in new property tax revenue over the next 10 years. Estimated revenue to be forgone is \$9.9 million from Cash-in-Lieu of Parkland and property taxes (over 10 years). The four applications under review in 2018 represent nearly 4,000 new jobs added to the VMC and Weston / Hwy 7 primary centre when completed.</p> <p>With raised awareness amongst VMC landowners (through the marketing initiatives identified below) the investment in major office space has led to a number of office tenants relocating to the VMC – including KPMG, Miller Thomson, GFL Environmental, Harley Davidson Canada and FM Global.</p>
Intake Period:	Continuous - Applications are to be submitted as part of the site plan or plan of subdivision submission.
Notes:	<p>The City has undertaken broad marketing efforts to create awareness of the CIP and office development opportunities targeting the real estate brokerage community, as well as business within Vaughan and the GTA. This was done through print media to all VMC landowners, information packages provided to business and real estate professionals, and by delivering presentations at brokerage offices and engaging sales representatives that provide site selection advice directly to their office user clients.</p> <p>Applicants are required to have a pre-application consultation meeting with municipal staff in order to determine program eligibility.</p> <p>The City also promotes non-CIP related incentives such as ensuring an expedited development approval process for office and mixed-use development process where office uses are deemed to be the prevalent uses, whereby the City provides a dedicated staff team to meet with the applicant, its tenant(s) and/or its consultants to ensure that the project is delivered as efficiently as possible. Additionally, the City offers podium parking incentives by excluding up to two storeys of above-grade parking (integrated into the buildings podium) from calculations of height and density for those buildings with a minimum of two storeys of below-grade parking.</p>

## City of Toronto City-Wide Community Improvement Plan (enabled in 2008, updated in 2018): Imagination, Manufacturing, Innovation and Technology (IMIT) Program

CIP / Program Focus:	Aimed at reducing the business costs associated with new construction and / or building expansion in targeted sectors, uses and areas across the City.
Timeframe:	No end date identified – continuous until goals have been achieved. Review of plan to occur at four-year intervals.

Program Description	Eligibility	Amount/Funding
<b>IMIT Program</b> provides tax incentives to encourage the renovation or construction of buildings in targeted sectors and brownfield remediation for targeted non-retail employment uses by way of development grants or property tax cancellation.	<ul style="list-style-type: none"> <li>Targeted sectors include biomedical operations, creative industries, financial services, information and communications technology, manufacturing, and tourism attractions.</li> <li>Targeted uses include broadcasting, call centres, computer system design and services, convergence centres, corporate office / headquarters, film studio complex, food &amp; beverage wholesaling, office building, incubators, information services and data processing, scientific research and development, software development, and transformative projects.</li> <li>Construction value must be a minimum of \$1 M (City Staff Report PG31.5 dated June 12, 2018 recommends the minimum be increased to \$5 M), meet the City's green standards, be in an eligible location of the City.</li> <li>Development must increase the amount of GFA for eligible uses by a minimum of 500 sq. ft.</li> <li>Be a new build, expansion or substantial rehabilitation of an existing building.</li> </ul>	<ul style="list-style-type: none"> <li>Grant of 60% of the property tax increment attributable to the eligible development over a 10-year period.</li> <li>Incentive levels for construction of new buildings or substantial renovations of existing buildings within designated Employment Areas or Districts increase to 70% of the municipal tax increment for eligible commercial and industrial development over a 10-year period. This can be combined with the City's Brownfield Remediation Tax Assistance program which would result in a total incentive of 77% grant back on municipal level taxes.</li> </ul>

CIP Funding Reserve Amount:	2018 operating budget includes \$34 M for IMIT grant payments for 2018. This is expected to increase to \$63 M for IMIT grants per annum once the approved and pending projects are on the assessment role. Current City commitments total \$618 M over the tax increment period for the 42 projects identified below.
CIP Performance:	<p>A total of 15 developments have been completed to date, are occupied (or partially occupied) and are receiving the IMIT grants. There are an additional 27 projects that have been approved and under construction.</p> <p>Office development within the expanded Financial District boundaries have been incentivized by the IMIT Program in the past. There is a continuing demand for office space to be located in the downtown core, and considering the financial viability of new construction, the Program is no longer considered necessary within this District of the City.</p> <p>Similarly, the Liberty (King-Liberty SmartTrack Station) and the Queen/Carlaw (East Harbour SmartTrack Station) zones are no longer eligible for IMIT Program incentives, as these areas have funding available for SmartTrack Tax Increment Financing incentives. The City determined that the combination of incentives was not required to achieve the vision for non-residential development over the planning period.</p>
Intake Period:	Continuous intake period.
Notes:	<p>City Staff Report PG31.5 recommends that a financial cap of \$30 M total be placed on individual incentives approvals (excluding Transformative Projects and the BRTA portion).</p> <p>The City of Toronto offers a broad variety of additional incentives for businesses, which do not necessarily fall under a CIP. These include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Brownfield Remediation Tax Assistance;</li> <li>• Film &amp; Television Tax Credits;</li> <li>• Financial Incentives for BIAs;</li> <li>• Greening your Business;</li> <li>• Heritage Property Tax Rebates;</li> <li>• Creative Co-Location Facilities Property Tax Subclass Designation;</li> <li>• Industrial Water Rate Program;</li> <li>• Property Tax Rebates for Charities;</li> <li>• Reducing Business Taxes; and</li> <li>• Sewer Surcharge Rebate Program, etc.</li> </ul>

## City of Hamilton Downtown and Community Renewal Community Improvement Plan (2016)

<b>CIP Focus:</b>	To stimulate private sector investment through development and redevelopment in core areas within the City's downtowns, commercial areas and mixed-use corridors.
<b>Timeframe:</b>	No end date identified for most of the CIP Programs, however there are a few exceptions: <ul style="list-style-type: none"> <li>• Barton/Kenilworth Commercial Corridor Building Improvement Grant Program, which was introduced in June 2016, is scheduled to end December 31, 2018;</li> <li>• Barton/Kenilworth Tax Increment Grant Program, a pilot project, is also scheduled to end on December 31, 2018; and</li> <li>• GORE Building Improvement Grant Program, which was offered for a three-year period (ended in 2014).</li> </ul>

Program Description	Eligibility	Amount/Funding
<b>Multi-Residential Property Investment Program</b> is intended to provide financial assistance for residential development projects including converting existing commercial space into multiple residential units, renovations to existing multiple dwelling units, or creation of new multiple dwelling on vacant land.	Multi-unit residential housing, including rental units. Student housing is eligible as long as it meets the definition of a dwelling unit as defined by the City. Hotels, including all-suite hotels, are not eligible.  Additional incentives may be available if affordable housing is developed.	The maximum loan amount is 25% of the Cost to Construct Budget, up to a maximum loan amount per development of \$4 M. Maximum loan term is five years and six months (0% interest for first five years, interest on principle for the last six months is payable). The maximum loan amount outstanding under the program to a single developer or related group will not exceed \$10 M at one time.
<b>Tax Increment Grant (TIG) Program</b> is intended to provide an economic means for developing, redeveloping or renovating residential and/or commercial lands and buildings located in eligible priority areas.	All parking lots and vacant sites are eligible. Properties upon which commercial, residential or industrial buildings are cleared and demolished are eligible with the exception of designated heritage buildings.	Approved grants cannot go above 100% of the municipal realty tax increase during the first year, 80% in year two, 60% in year three, 40% in year four and 20% in year five (end of term).
<b>Commercial Property Improvement Grant Program</b> is intended to provide assistance for aesthetic improvement of commercial properties, including creating a barrier free environment.	Commercial properties eligible if: a new tenant / owner is occupying the property and applies for new signage; or property has been damaged due to fire, vandalism or natural disaster.	Maximum grants paid on matching basis (50/50%) to a maximum of \$10,000 per property. Corner properties can receive up to \$12,500.

Program Description	Eligibility	Amount/Funding
<b>Commercial Corridor Housing Loan and Grant Program</b> is intended to provide assistance for the converting existing built commercial into residential units, renovating existing residential, or constructing new units (by addition). The Program is also intended to provide assistance for the costs of creating new residential units on vacant land.	Development that includes: <ul style="list-style-type: none"> <li>• Converting existing built commercial space into residential units,</li> <li>• Renovations to existing residential units,</li> <li>• Construction of new units via building additions, or</li> </ul> Creating new residential units on vacant land.	The maximum loan amount is \$20,000 per dwelling unit to a maximum of \$600,000 per property (30 units). A minimum of 50% of the loan per unit must be spent on developing / renovating the unit. The remaining % can cover common elements of building (i.e. HVAC, roofing, etc.). Maximum loan term is five years and six months (0% interest for first five years, interest on principle for the last six months is payable).
<b>Hamilton Heritage Property Grant Program</b> assists in the development and re-use of heritage properties.	Work necessary to restore the building to structural soundness, work that conserves or enhances heritage elements / significant architectural features, reconstruction of storefronts, exterior painting in original colours, cleaning of masonry, among others.	Grants are offered up to a maximum of \$150 K (not including \$20 K for heritage reports / studies / assessments) per municipal address for eligible work. For projects valued at less than \$40,000, the grant will be based on a maximum of 50% of the total cost.
<b>Office Tenancy Assistance Program</b> is intended to facilitate the increased attractiveness and marketability of the office stock, attract new office tenants and owner-occupied office uses from outside the City to reduce the office vacancy rate, and to enable existing businesses to expand.	Leasehold improvements made for a tenant establishing a new office location in the City of Hamilton, or for a tenant expanding /relocating within the City. Each application must involve increasing leasehold improvements by a minimum of 1,000 square feet of gross leasable office space.	Maximum loan amount is \$450,000 per application for the term of lease (to a maximum of 5 years). Calculated at 90% of estimated eligible leasehold improvement costs, or an amount multiplied by the square footage of space based on terms of lease (i.e. 12 to 35 months - \$10/sf, 36 to 47 months - \$15/sf, 48 to 59 months - \$20/sf, 60+ months - \$25/sf).
<b>Community Heritage Fund Loan Program</b> is intended to stimulate the rejuvenation of designated heritage properties in the City.	Building must be designated under the Ontario Heritage Act.	City provides interest-free loans up to \$50,000 for the restoration and conservation of heritage elements on designated properties. Maximum loan term is 10 years.
<b>Planning and Building Fee Rebate Program</b> assists to alleviate the property owner of some of the initial costs associated with development or redevelopment.	Eligible projects must support the revitalization of the corridors, be approved by the Committee, and have no appeals made to the Ontario Municipal Board (for Committee of Adjustment Minor Variance Appeals).	City provides a grant in the amount of the applicable fees. Includes Committee of Adjustment Minor Variance Approval and Site Plan Control Applications.

CIP Funding Reserve Amount:	\$1,250,500 allocated in 2018 for Downtown and other City-wide initiatives (from operating levy). Additional funds were available for Brownfield Development (\$250,000), Barton/Kenilworth Corridor-specific programs (\$930,000). Similar allocation amounts were provided within the 2017 budget.																																																																																
CIP Performance:	<p>In 2017, development in Downtown Hamilton (Urban Growth Centre) was strong with 196 building permits issued equal to a construction value of \$82.5 M. This is an increase from 2016 building permits which had a construction value of less than \$60 M, but a decrease from 2015 which had the highest building permit construction value since 2002, at approximately \$130 M. This includes residential and non-residential developments. The City typically sees a higher number of building permits and higher total construction values for non-residential development.</p> <p>Development within the community downtowns (e.g. Binbrook, Dundas, etc.) saw a total of 53 building permits issued in 2017, equating to nearly \$9 M in construction value.</p> <p>The number of applications processed, or the program take-up, for each of the various programs is summarized below. This includes applications for all areas of the City as a total for each program type.</p> <table><tr><th>PROGRAM</th><th>2011</th><th>2012</th><th>2013</th><th>2014</th><th>2015</th><th>2016</th><th>2017</th></tr><tr><td>Multi-Residential Property Investment</td><td>2</td><td>4</td><td>2</td><td>1</td><td>3</td><td>0</td><td>2</td></tr><tr><td>Tax Increment Grant</td><td>2</td><td>8</td><td>8</td><td>10</td><td>9</td><td>7</td><td>8</td></tr><tr><td>Commercial Property Improvement Grant</td><td>34</td><td>55</td><td>84</td><td>116</td><td>59</td><td>79</td><td>87</td></tr><tr><td>Commercial Corridor Housing Loan and Grant</td><td>16</td><td>24</td><td>19</td><td>28</td><td>21</td><td>26</td><td>22</td></tr><tr><td>Hamilton Heritage Property Grant</td><td>2</td><td>2</td><td>8</td><td>22</td><td>15</td><td>11</td><td>22</td></tr><tr><td>Office Tenancy Assistance</td><td>1</td><td>1</td><td>1</td><td>2</td><td>5</td><td>1</td><td>5</td></tr><tr><td>Community Heritage Fund Loan</td><td></td><td></td><td>2</td><td>1</td><td>1</td><td>1</td><td>1</td></tr><tr><td>Planning and Building Fee Rebate</td><td></td><td></td><td></td><td></td><td></td><td>1</td><td>4</td></tr><tr><td>TOTAL APPLICATIONS</td><td>57</td><td>94</td><td>124</td><td>180</td><td>113</td><td>126</td><td>151</td></tr></table> <p>The TIG Program has resulted in an increase in municipal taxes of \$5.6 M annually. Redeveloped properties help to increase the value and desirability of surrounding properties.</p>	PROGRAM	2011	2012	2013	2014	2015	2016	2017	Multi-Residential Property Investment	2	4	2	1	3	0	2	Tax Increment Grant	2	8	8	10	9	7	8	Commercial Property Improvement Grant	34	55	84	116	59	79	87	Commercial Corridor Housing Loan and Grant	16	24	19	28	21	26	22	Hamilton Heritage Property Grant	2	2	8	22	15	11	22	Office Tenancy Assistance	1	1	1	2	5	1	5	Community Heritage Fund Loan			2	1	1	1	1	Planning and Building Fee Rebate						1	4	TOTAL APPLICATIONS	57	94	124	180	113	126	151
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Intake Period:	Continuous - applications accepted year-round. Applicants may only apply once each calendar year.																																																																																
Notes:	An additional program was available between 2012 and 2014 which focused on the revitalization of a specific area within the downtown core (fronting on King Street between James Street and Catharine Street). Between 2012 and 2014, 26 applications were submitted for the GORE Building Improvement Grant Program.																																																																																

	<p>which offered a matching grant for building improvements to a maximum of \$50,000 per application.</p> <p>The City of Hamilton also has a separate CIP to promote the redevelopment of brownfields within the City and encourage productive economic land uses to occur on these lands (ERASE Community Improvement Plan). The City typically receives between 15 and 30 applications annually related to ERASE Incentive Programs.</p>
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## City of Oshawa, Downtown Urban Growth Centre Community Improvement Plan (2016)

<b>CIP Focus:</b>	To encourage residential and non-residential development within the Urban Growth Centre and advance the Growth Plan for the Greater Golden Horseshoe to achieve a combined density of 200 persons/jobs per hectare by 2031.
<b>Timeframe:</b>	No end date identified for the CIP Programs. The City has the ability to discontinue any program within the CIP without requiring an amendment to the CIP.

Program Description	Eligibility	Amount/Funding
<b>Increased Assessment Grant Program</b> is intended to provide financial incentive for the rehabilitation, development and redevelopment of properties in the Urban Growth Centre CIPA by providing a maximum grant to pay a portion of City taxes attributable to the increased assessment over a nine-year period.	Available to all registered property owners within the Urban Growth Centre CIPA.	90% of property tax increase on the Municipal portion in Year 1 declining to 10% in Year 9.
<b>Façade and Accessibility Improvement Grant Program</b> is intended to assist property owners with the financing of building façade and accessibility improvements, in order to create a more interesting, appealing and accessible streetscape to attract more people and businesses to Downtown Oshawa.	All non-residential and mixed-use buildings are eligible. Residential apartments and block townhouses are also eligible.	Grants under this program may be provided for up to 50% of the construction costs to a maximum of \$10,000 per municipal street address, storefront or commercial unit, whichever is less, subject to an overall maximum of \$30,000 per property for a building with multiple street addresses, storefronts or commercial units.
<b>Economic Stimulus Grant Program</b> is intended to assist property owners with the financing of leasehold improvements and associated accessibility enhancements to ground floor or upper storey units. Leasehold improvements are alterations made to rental premises in order to customize a rental unit for the specific needs of a tenant, or to improve the overall quality of a unit.	All commercial buildings are eligible. Permanent interior leasehold improvements and accessibility enhancements are eligible. Some examples include: installation of telecommunication infrastructure; installation or repair of plumbing, heating, HVAC; installation, repair or restoration of masonry, brickwork or wood; installation, replacement or repair of other architectural features.	Grants under this program may be provided up to 50% of the construction and/or renovation costs to a maximum of \$20,000 per eligible floor per municipal street address, whichever is less, where at least \$40,000 in eligible leasehold improvement costs will be undertaken. No municipal street address shall receive more than a total of \$20,000 per floor under this program within a five-year period.

CIP Funding Reserve Amount:	Staff indicated that there is an annual budget allocation for CIP grant funding within the annual budgeting process, however this was not disclosed.
CIP Performance:	<p>Oshawa City Council has approved 2 applications for the Increased Assessment Grant. The first approved application was for a 9 storey, 185-unit purpose-built student residence, which had an initial tax amount of \$3,238 per year which is anticipated to increase to \$341,340 annually upon completion based on a post-development assessed value of \$28 M. The second was for a 2-phase project consisting of (a) 12-storey, 239-unit apartment building with ground floor commercial space and (b) 18-storey, 370-unit condominium rental building with 5,000 sq. ft of ground floor commercial space. Phase 1 is complete and currently occupied.</p> <p>25-30 grants have been approved by the City under the other grant programs (e.g. façade and accessibility, economic stimulus grant, etc.).</p>
Intake Period:	<p>Applications for the Increased Assessment Grant Program are accepted year-round on a first-come, first-serve basis to the limit of available funding. Applications for the other programs are accepted twice annually with deadlines on March 1<sup>st</sup> and September 1<sup>st</sup>. The funding available for the second intake period is dependent on the number of approved grants during the first intake period and availability of funding.</p> <p>Evaluation of applications is based on a number of criteria and evaluation factors, with specific factors identified for each program. Criteria is generally focused on location (within BIA, type of road), number of units being upgraded, the benefit to the community, and the overall construction value of the project (the higher the value, the more points received).</p>
Notes:	The City also has a Conversion to Residential Grant Program to encourage the upgrading of upper floors above commercial frontages, and an Upgrade to Building, Fire and Electrical Safety Codes Grant Program to assist with the costs associated with bringing existing older buildings into compliance with Ontario Building and Fire Codes.

## Town of Ajax Downtown Community Improvement Plan (2005)

<b>CIP Focus:</b>	To encourage and support the (re)development of lands in the Downtown core and supplement the Town's ability to take a lead role as a direct participant in Downtown improvement initiatives.
<b>Timeframe:</b>	20-year enactment period. Planned to end on December 31, 2025.

Program Description	Eligibility	Amount/Funding
<b>Municipal Property Acquisition, Investment and Partnership Program</b> to facilitate direct participation by the Town as an active player in Downtown rehabilitation projects.	Not Applicable. Property acquisition under this program may be pursued by the Town either through the marketplace, as a regular real-estate transaction, or through the Town exercising its powers under Section 28 of the Planning Act.	Allocation of 20% of building permit fees collected for all new residential and office/commercial construction in the Downtown CIPA pertaining to properties participating in the Planning and Development Fees Grant. Other direct municipal contributions, at Council's discretion.
<b>Rehabilitation Grant Program</b> to provide financial relief in the form of tax grants to property owners who undertake rehabilitation/improvement of their properties in the CIPA, which results in a re-valuation and tax increase on these properties.	Significant development proposals for identified Priority Sites including: <ul style="list-style-type: none"> <li>• Mix of high-density residential uses and/or office uses, with ground floor retail uses at a minimum density of 2.5 FSI;</li> <li>• A minimum of 1,000 square metres GFA of new commercial/office.</li> </ul>	Grant equal to 80% of the increase in the Town's portion of property taxes over 10 years. Grant value may not exceed the total value of improvement work.
<b>Planning and Development Fees Grant Program</b> to stimulate new investment in the Downtown CIPA through the provision of a grant to offset, in whole or in part, the cost of specific planning and development fees for residential and/or commercial/office (re)development.	Eligible costs:  Official Plan Amendment; Zoning By-law Amendment; Minor Variance; Consent; Site Plan; Site Plan Amendment, etc.	Grant valued at 100% of applicable/eligible Planning fees. Grant of 80% of eligible Building Permit Fees for new residential and/or commercial/office construction (up to 100% for Priority Sites with significant development proposals).
<b>Development Charge Exemption/Grant Program</b> to encourage higher density, more intensive development in Ajax's Downtown area for all eligible residential and/or commercial/office (re)development proposals.	The program shall apply to new construction only or the adaptive re-use of an existing structure where the payment of development charges would normally apply.	<ul style="list-style-type: none"> <li>• Full DC exemption for office development consisting of two or more storeys;</li> <li>• Full DC exemption for commercial development provided the retail/personal service component is in a non-residential mixed-use building having two or more storeys of offices, and the GFA of the retail/personal service component does not exceed that of the office component; or is part of the high-density mixed-use residential development.</li> </ul>

CIP Funding Reserve Amount:	Reserve funds allocated to Downtown Improvements (e.g., streetscape improvements) between 2014-2018 totaled \$405,000. A 2015 Development Reserve for Pat Bayly Square totaled \$7,908,000.
CIP Performance:	<p>The Downtown CIP has generated 6 development proposals, which are all at different stages within the development approvals process at present. Three of these are the priority sites identified within the CIP document, and are / have been developed as medium to high density residential and mixed-use developments, one of which is adjacent to the signature urban space – Pat Bayly Square (by Medallion).</p> <p>Town staff noted that the Town is struggling with the Development Charge Rebate Program as it puts a significant burden on the tax base.</p>
Intake Period:	No designated intake periods. The Town accepts applications with submission of development proposals presented as part of the site plan applications or other planning related applications.
Notes:	<p>Priority sites are identified within the CIP document, which take precedent in the queue over other applications. These primarily consist of vacant lands within the Downtown CIP project area.</p> <p>Staff indicated that they are experiencing a mix of residential and non-residential uses, which is the goal of the CIP – to create a vibrant downtown for residents to live, work and play.</p> <p>While not part of the Downtown CIP, the documents identifies other downtown assistance initiatives that provide additional relief to property owners who undertake (re)development projects within the Downtown. This includes:</p> <ul style="list-style-type: none"> <li>• <i>Reduced Parkland Dedication Requirements Program</i> for eligible residential development or redevelopment, where 5% of land area or appraised land value is accepted (rather than a higher requirement of one hectare or cash-in-lieu equivalent for every 300 dwelling units). The Town identifies that where the amount of parkland collected under the 5% formula is less than the actual amount of parkland proposed by the applicant, credit for over-dedication will not be issued. Rather, to conform to the intent of urban design policies within the OP, the Town has the ability to require developments to provide parkland beyond what is strictly required under the lesser formula of 5%.</li> <li>• <i>Exemption from Parking Requirements Program</i> reduces the number of on-site parking spaces required for improvement projects when located in areas of higher levels of transit usage exists or is planned. This program is considered by Town staff on a site-by-site basis.</li> </ul>

## Uptown Waterloo Community Improvement Plan (2015)

<b>CIP Focus:</b>	To encourage employment and affordable housing land uses within the uptown core.
<b>Timeframe:</b>	Limited to a five-year lifespan (to 2018).

Program Description	Eligibility	Amount/Funding
<b>Study Grant Program</b> to promote the preparation and submission to the City of high quality professional urban design studies, drawings and heritage assessments.	All urban design studies/drawings: <ul style="list-style-type: none"> <li>• must be submitted to the City in electronic and hard copy format for the City's review, approval and retention;</li> <li>• must be to the satisfaction of the City and must meet the City's Urban Design Manual applicable to Uptown and any other City guidelines;</li> <li>• must be completed by a qualified professional as determined by the City of Waterloo.</li> </ul>	Matching grant of up to \$3,000 per property, based on 50% of the cost to prepare an urban design study and/or professional architectural/design drawings and/or Heritage Impact Assessment.
<b>Fee Grant Program</b> to facilitate re-urbanization projects through the provision of an additional financial incentive that will complement and augment the Minor Activity Program.	All planning and application fees must be associated with a project approved under the Minor Activity Grant/Loan Program, Commercial Building Improvement Program or Facade Improvement Program.	Grant equal to 100% of the fees paid on planning/development applications, building permits and sign permits to a maximum total grant of \$10,000 per property/project.
<b>Commercial Building Improvement Loan</b> to support business retention by helping to fund interior renovations and maintenance.	Projects involving repair, renovation and/or redevelopment of up to 5,000 square feet of non-residential building floor area	Loan to be provided as an interest-free 5-year term loan and loan forgiveness is available for part of the loan.
<b>Minor Activity Grant/Loan Program</b> to facilitate interior building renovations and small building expansions that create additional floor space for affordable residential units or office employment uses.	Projects that involve expansions, conversions and/or new construction up to 5,000 sq. ft.	Grants or loans equal to an amount per square foot of floor space constructed or renovated, to a maximum amount per property.
<b>Major Activity Grant Program</b> to promote major redevelopment projects that create a substantial amount of employment or affordable housing land uses.	Repair, renovation, expansion or redevelopment of existing buildings where activity results in increase in assessment value and taxes on property.	Annual grant equal to a percentage of the increase in municipal property taxes for up to 10 years after project completion.

<p><b>CIP Funding Reserve Amount:</b></p>	<p>Total budget is \$2.77 M over the five-year period, allocated as follows: 2014 - \$43,450, 2015 - \$765,000, 2016 - \$765,000, 2017 - \$780,000, 2018 – \$424,000.</p> <p>2016 and 2018 capital budgets for the CIP reserve included additional funds from the BIA who increased the façade amounts available (i.e. from \$10,000 to \$15,000 to \$20,000 to \$30,000 per property).</p>
<p><b>CIP Performance:</b></p>	<p>Uptake in the CIP was slow at first due to LRT construction in the area but has become more popular - particularly the Façade Improvement Grant and Minor Activity Grant. The Minor Activity Grant, which allows property owners to renovate upper storeys for office employment uses saw considerable interest in 2017.</p> <p>A total of 12 applications were approved in 2016, with a total grant funding of \$179,657, which equals an average of \$3.20 private sector investment for every public dollar. 29 applications were approved in 2017 representing \$1.66 million of construction value driven by \$825,290 worth of CIP grants and loans. 2018 has seen 8 applications processed in the Spring intake period. The total number of applications for 2018 is not currently available, as applications made in the fall are still in process.</p> <p>The Commercial Building Improvement Loan program was scheduled to conclude in December 2017 however, due to increased interest throughout 2017 (City had a total of 8 applications for the CBIL program), the program was extended to December 2018.</p> <p>Over 50% of applicants in 2016 and 40% of applicants in 2017 applied for more than one CIP grant program. There have been no applications for the Major Activity Grant program to date.</p>
<p><b>Intake Period:</b></p>	<p>Two intake periods (Spring and Fall) annually typically a 4 to 6-week window with a requirement for a pre-application meeting with City staff to help expedite the process. This is not a competitive process as the CIP is only in effect for a five-year period (limited funding amount over the period), however applications are evaluated for completeness and eligibility.</p> <p>Benefits of limiting applications to the two intake periods, as identified by City staff, include:</p> <ul style="list-style-type: none"> <li>• Helps City to focus the required resources for the application administration process (focusing efforts during these periods rather than continually throughout the year).</li> <li>• Overall organization of applications – they are all at the same stage.</li> <li>• Helps in terms of promotion – easier to promote in focused periods rather than continually throughout year. Advertise through Uptown BIA organization, small business centre, as well as the City’s traditional social media and print channels.</li> </ul> <p>Note: Applications for the Major Activity Grant Program are not restricted to the intake periods due to the fact that major development projects can vary in schedule and intake dates may not work with project progress.</p>
<p><b>Notes:</b></p>	<p>City staff noted that administration of the loan program (Commercial Building Improvement Loan) is difficult requiring additional administrative resources (Finance and other Departments are involved) over the loan period.</p> <p>The City also has a Parking Exemption Program which enable a minor parking requirement reduction with a Section 40 Parking Agreement.</p>

## City of Mississauga Downtown Community Improvement Plan (2017)

<b>CIP Focus:</b>	To stimulate investment in office development and create more employment opportunities in downtown Mississauga resulting in a total of 500,000 square feet of new office space.
<b>Timeframe:</b>	The CIP was approved by Council in 2017, appealed and came into effect in summer 2018. Active for a five-year period of enactment (to July 2022).

Program Description	Eligibility	Amount/Funding
<b>Tax Increment Equivalent Grant (TIEG)</b> is intended to promote office development by removing financial disincentives associated with increased property taxes.	New office developments.	In year 1 value of grant is 100% of increase in municipal property taxes due. Grant amount reduces by 10% per year over 10-year period.
<b>Development Processing Fees Grant</b> aims to improve feasibility of the developing office uses downtown by rebating the development application and building permit fees.	Office development projects with fees relating to Official Plan Amendments; rezoning; minor variances and consents; site plans, site plan amendments; plans of subdivision.	Limited to application fees charged by City and pro-rated to apply to office portion of development.
<b>Municipally Funded Parking Program</b> is intended to provide parking at reduced costs to office developers.	City may offer below market-value rate for rental or lease of parking facility or may engage in co-locating municipally owned parking within private office building development.	Assessed on a case by case basis and limited to capital budget approval by Council.
<b>Municipal Property Acquisition and Disposition</b> is intended to provide land at market or below market value for developments that include office.	City may elect to dispose of City-owned lands for the purpose of attracting new office building development.  Program also available to public agencies and governments wishing to build offices.	Assessed on a case by case basis and limited to capital budget approval by Council.

<b>CIP Funding Reserve Amount:</b>	Not available at this time.
<b>CIP Performance:</b>	<p>This is a relatively new initiative with the City still in the process of promoting the CIP to local landowners, and therefore performance metrics are not yet available.</p> <p>The City recommended that the Region of Peel provide incentives to enhance the City programs and promote office development in downtown Mississauga.</p>
<b>Intake Period:</b>	Continuous / ongoing.
<b>Notes:</b>	Applications are evaluated on a case-by-case basis.

## Town of Richmond Hill Community Improvement Plan (2018)

<b>CIP Focus:</b>	To encourage new office development and redevelopment by providing grants for properties located within the defined areas, to ensure a range of office space to businesses to provide more opportunities for local employment that supports intensification, and to allow businesses to better access the workforce living in the Town. Target 125,000 to 150,000 sq. ft. of office space annually within the Town's Centres, Corridors and older business parks.
<b>Timeframe:</b>	Five-year plan (enacted July 2018).

Program Description	Eligibility	Amount/Funding
<b>Tax Increment Equivalent Grant (TIEG) for Office</b> supports the development of new office space that is 1,600 square metres or greater within the Town's Centres, Corridors, and Business Parks through the return of portions of property taxes over a 10-year period.	Minimum of 1,600 sq. metres of new office space (stand-alone or mixed-use developments). In mixed-use developments, grant only applies to tax increment associated with office uses.	Maximum grant of 90% of annual municipal tax increment in Year 1, declining by 10% per year over maximum of 10 years. Maximum total grant is the lesser of a) total tax increment over the programs duration, or b) total eligible costs.
<b>Building Renovation Grant</b> provides grants of up to \$50,000 for building renovations resulting in the creation of new office space within some of the Centres and Business Parks.	Conversion of existing commercial / industrial / residential space to office space is planned. Accessibility improvements within existing / new office space may be eligible. General tenant fit-ups are not supported.	Maximum grant of \$50,000 and minimum of \$10,000 per property. Grant provided on a matching funds basis, to a maximum of 50% of eligible costs.
<b>Façade Improvement, Landscape and Signage Grant</b> provides grants ranging in value from \$1,000 to \$32,500 for projects that contribute to the revitalization of the Downtown Local Centre, in particular the linked courtyard network.	Located within the Richmond Hill Downtown BIA and accommodates a non-residential use (can be multi-use, converted residential now being used (in part or whole) for commercial office use).	<p><b>Façade:</b> Matching grant up to 50% of eligible costs to a maximum of \$15,000 per property (single façade); \$25,000 (more than one façade). Minimum grant is \$2,500 per property.</p> <p><b>Signage:</b> Matching grant up to 50% of eligible costs to a maximum of \$2,500 per property. Minimum grant of \$1,000 per property.</p> <p><b>Landscaping:</b> Matching grant up to 50% of eligible costs to a maximum of \$2,500 per property for single frontage; \$5,000 for more than one frontage. Minimum grant of \$2,000 per property.</p>



CIP Funding Reserve Amount:	The initial funding allocation to fund the Building Renovation Grant and Façade, Landscape and Signage Improvement Grant was \$510,000, provided at the beginning of the fiscal year. This allocation was deposited into a CIP reserve fund which will be 'topped-up' on an annual basis.
CIP Performance:	While this is a new initiative, Town staff indicated that there has only been interest in the Building Renovation Grant and the Facade, Landscape and Signage Grant, however nothing has been finalized as of yet. They have not had any interest in the TIEG Program to date.
Intake Period:	Continuous intake period. Additional funding was made available through the Ontario Main Street Revitalization Initiative for projects under the Building Renovation Grant and located within the Downtown Local Centre (must be completed by March 31, 2020).
Notes:	The Town has experienced slow growth in the development of office space and wanted to focus support for it within the designated Centres, Corridors and older business parks to help meet municipal employment targets. Facilitating the attraction, retention and development of office uses within the Yonge Street / Downtown Local Centre to support a live / work balance.

