

2019 State of the City

Thursday, February 7, 2019

7:30 a.m. (introduction begins at 7:45 a.m.)

Delta Hotel, Guelph

CHECK AGAINST DELIVERY

Good morning everyone. Thank you for coming to hear my 5th State of the City address as your mayor. I am humbled and grateful to be re-elected to serve as your mayor. And I am thrilled to be working with my Council colleagues over the next four years to continue to move our great city forward.

I want to thank the Guelph Chamber of Commerce for organizing and hosting this annual event.

I'd like to acknowledge the members of Council with us this morning. I'll ask them to stand to be recognized:

Ward 1 Councillor Dan Gibson

Ward 2 Councillor Rodrigo Goller

Ward 5 Councillors Cathy Downer and Leanne Piper

Ward 6 Councillors Mark MacKinnon and Dominique O'Rourke

I'd also like to acknowledge the Executive Team in attendance:

Deputy CAO for Public Services Colleen Clack

Deputy CAO for Corporate Services Trevor Lee

Deputy CAO for Infrastructure, Development and Enterprise Scott Stewart

There are a number of other staff here this morning as well. Can I ask you all to stand, so that we know who you are?

I also want to thank and acknowledge our Police Chief, Jeff DeRuyter, who as many of you know, is retiring this week.

Chief DeRuyter started with the Guelph Police Service as a rookie back in 1984. I want to thank him for his service to our community throughout all those years, and especially his service as Chief. One of his major contributions was his leadership on the Police Headquarters expansion. Chief, we wish you all the best in your retirement.

I also want to take a moment to welcome the Chief-designate, Gordon Cobey. Chief Cobey doesn't officially start until next month but I'm thrilled he could be here this morning. I know our community will welcome you as you begin your new role.

As many of you know, each year for the State of the City, I like to do something memorable. Something that will stay with you. Something that you can talk to your colleagues and co-workers about. Something you can share on social media.

Last year it was a Monopoly board. This year, I decided to focus my theme around the TV show, The Office.

Many of you are probably familiar with the show. But in case you don't know it, here's a quick summary:

The Office aired for 9 seasons, from 2005 to 2013. It follows a group of office workers at a fictional paper supply company called Dunder Mifflin, and their clueless but loveable boss, Michael Scott.

The employees spend their days in the office selling copier paper, taking part in Michael's ridiculous team building and training exercises, and playing pranks on each other.

The show is a satire of modern office culture. But more than that, it's about relationships. It's about how this group of characters – who are thrown together in the office setting – form meaningful connections with each other.

Over the course of the show, the characters come to love one another. They work together to keep Dunder Mifflin afloat, through lots of changes and challenges. As the audience, we come to love and relate to these characters too – despite the fact that they're not perfect and they make mistakes.

Here are the opening credits of the show, featuring all the characters.

Video – The Office opening credits

I decided that, since this is a new term of Council, we need our OWN video. So here it is:

Video – “The Council”

That was a lot of fun to make. I can hardly wait for all the jokes about how my leadership style is just like Michael Scott's. Or am I Dwight?

I wanted to make this Guelph version of The Office as a fun way to introduce the new Council. But I'm also trying to get across a serious message – a message about teamwork.

I have often said that during an election campaign, it's about "me." But after the election, it's all about "we."

This is true for every member of Council. We ran in the election campaign as 13 individuals – each with our own names on our signs, and our own ideas and perspectives that we presented to the voters.

But now, as a Council, we have become one team. As a team, we are committed to listening to each other, learning from each other, and harnessing our best ideas together.

That's not to say that we're always going to agree on every issue. We're not.

The beauty of our local democracy is that the questions, debates, and compromises that happen in Council Chambers truly make our city better. With only a handful of meetings under our belt so far this term, I can tell you that this is already happening.

We can disagree, and still remain friends afterwards. We can disagree, and still move forward in the best interests of our city.

It's just like on The Office. Jim drives Dwight crazy sometimes. But Dwight always has his back when it really matters.

When we talk about our city, our team also includes City staff. Council is fortunate to be supported in our work by the City's team of professional staff – from our Executive Team, to front-line employees who deliver services. The team also includes the community – residents, businesses, organizations, volunteers, and neighbours. Community members play a vital role in everything we do.

So in this year's State of the City, I want to highlight our team – and how we are working together to make Guelph an even better place to live and work.

It will come as no surprise to anyone in this room that the role of cities has changed dramatically over the past 40 years.

Municipalities have always been providers of services. We build the roads, pick up the garbage, and offer swimming lessons. This role has always been fundamental to ensuring a safe, healthy, and well-functioning city – and it still is today.

But today, in addition to being service providers, municipalities must be problem-solvers. We must be innovators. We need to capitalize on opportunities, in order to keep our city on the map in a globally competitive world. We need to find new ways of solving old challenges. We need to tackle increasingly complex issues like food security, homelessness, and social change. And we need to do it by looking beyond the walls of City Hall, and engaging with a broad range of players – other levels of government; businesses; entrepreneurs; not-for-profit organizations; and residents.

There's that theme of relationship-building again.

One of the key ways we are doing this is through the creation of a Community Plan, which will champion community-wide goals over a 10+ year time horizon.

I concluded my State of the City last year by launching the engagement on the Community Plan. We had staff at a table in the lobby, collecting feedback from people who attended this breakfast.

One year later, the engagement has wrapped up. I can honestly say it was beyond anything our city has experienced before. It included:

- More than 100 engagement activities at community festivals, events, workshops, and meetings
- More than 5,000 people engaged in-person
- More than 4,000 people visited the website and engagement platform
- More than 103 community events and meetings were facilitated by staff and community members
- In-depth workshops were held with the economic, social and health, environment, and arts and culture sectors.

Staff are currently putting all of that feedback together and drafting a Community Plan, which Council will receive in the spring.

Once endorsed, the Plan will be used as a basis to develop Council's Shared Agenda. It will also be used by the Executive Team to renew the City's Corporate Administrative Plan. It will inform work plans and budgets.

In short, the Community Plan will be foundational to much of the City's work over the next decade.

The final Plan will include a community vision, values, areas of focus, and goals. It will spell out how we are going to track and report on progress.

I want to thank the City staff who have led this project, as well as all the organizations and community members who have participated in the process. I am very much looking forward to seeing the Plan this spring.

If there is one project that demonstrates the new role of the municipality – the ways we are rising to meet more complex challenges, and working in partnership beyond the walls of City Hall – it is the Smart Cities challenge.

Through Smart Cities, the federal government challenged communities to address a complex social problem through technology and data. A little over 9 months ago, the City of Guelph and County of Wellington submitted an application.

We are proposing that Guelph and Wellington will become Canada's first technology-enabled circular food economy. We aim to increase access to affordable, nutritious food by 50%, create 50 new circular businesses and collaborations, and increase circular economic revenues by 50% by recognizing the value of waste – all by the year 2025.

We envision a food system where everyone can access nutritious food, nothing is wasted, the impact on our environment is minimal, and food experts and entrepreneurs come together to tackle our most complex food challenges.

The Smart Cities prize is \$10 million. In case you haven't heard – we are one of the finalists. Our final proposal is due on March 5.

We have generated a great buzz about our proposal, and everything I have heard suggests that we are a strong contender.

Of course, I am hoping and expecting we will win. But even if we don't, the partnerships and relationships we have built have made it all worthwhile.

Guelph and Wellington have always been leaders – nationally and internationally – in food and agriculture. We have some of the best brains in the world when it comes to food: from the research and innovation at the University of Guelph; to the rich agricultural heritage of Wellington County; to the more than 1,600 food businesses and entrepreneurs that call Guelph and Wellington home; to organizations like The Seed that are tackling food security.

We have always had those strengths. That is nothing new. But I think this is the first time you would find them all in the same room together. This is some of the best brains in the world, collaborating together in pursuit of a better, more innovative, more effective, more equitable, and more sustainable way of providing one of our most basic needs – food.

The very fact that we are submitting a joint City-County proposal – and that our vision brings the rural and urban together – sets us apart in this Challenge.

We have also made connections internationally. We were selected to collaborate with the Ellen MacArthur Foundation, a UK-based charity that aims to accelerate the transition to the circular economy. The Foundation studies circular economies in all sectors of life, and chose Guelph and Wellington to be part of a “cities and food” initiative.

This is huge. If I can compare it to The Office – this is the Scranton branch merging with Stamford – and becoming the top-selling branch in all of Dunder Mifflin.

One of the most frequent issues that came up during the Community Plan consultations, and for me personally when I was knocking on doors during the election campaign, was housing affordability.

We know we have a housing problem in this city, and it affects people across all income levels and along the housing continuum.

Guelph struggles with both the price of housing, and the availability of different types of housing.

At the home ownership end of the spectrum, we know that growing families are holding on to their starter homes because they can't find – or can't afford - something bigger to meet their needs.

I hear many stories from people who are currently renting, and can't crack into the housing market and buy that first home. Prices are too high, and stock is too low.

As we move along the spectrum, there are also issues with affordability and availability in the rental market. Our vacancy rate is one of the lowest in the province, at 1.4% (3% is considered a healthy vacancy rate). 41% of tenant households in Guelph are spending 30% or more of their household income on shelter costs.

This is a complex challenge, and there is no magic wand.

We have a supply and demand issue in our city. There is simply not enough supply for all the people who want to live here.

One of the major projects that will ease the supply issue is the development of the Clair-Maltby area.

This is the last unplanned greenfield area in Guelph, and the Clair-Maltby Secondary Plan is the policy document that will determine how it is developed. It's located in Ward 6 on the southern boundary of our city, and I know Councillors MacKinnon and O'Rourke are taking a keen interest in this process.

City Planning staff have done an incredible job on the Secondary Plan work so far. This slide shows all the work that has been done and is ongoing – I won't read it, but you get the idea: this is a significant undertaking.

Clair-Maltby is located on the Paris Moraine, which is an important groundwater recharge area for our city and the surrounding area. That's why we are doing a Comprehensive Environmental Impact Study, which includes detailed groundwater studies. This is just one of several technical studies that are supporting informed, science-based decisions around land use planning.

Around the Council horseshoe, there are many longstanding advocates for the protection of water resources – including Councillor Piper – and we take this very seriously.

We are not going on gut or instinct on this one. We are letting the experts do what they do best – provide recommendations that are grounded in science, technical studies, and data.

There will be a public open house in April of this year, followed by a statutory public meeting in May. Council's decision meeting is expected to take place in September.

Another project that would improve housing supply – this time at the affordable and rental part of the spectrum – is the redevelopment of the former IMICO property.

This is a 13-acre site on Beverley Street, close to downtown and the Eramosa River. Councillors Bell and Gibson have been strong advocates for this project on behalf of their constituents in Ward 1.

For 77 years, this property was home to a foundry called the International Malleable Iron Company (IMICO). As a result, the soil and groundwater beneath the site need to be remediated. This is the story with many cities as old as Guelph: some of our best real estate is brownfield land, because of previous industrial uses.

The City has signed a Memorandum of Understanding (MOU) with Habitat for Humanity and an urban developer, with the goal of working co-operatively to redevelop the site with affordable housing in mind.

The development would include market-priced units including condos and rental units; Habitat for Humanity and Creating Homes ownership units; and affordable rental and supportive housing units. It could also include new commercial businesses and community amenities like parks or a community centre.

We know the potential is there to create something amazing on this site. Think of all the other examples of successful brownfield redevelopments in our city: from MetalWorks, to the commercial plaza at Wellington and Gordon. 200 Beverley Street can be just as great.

We are advocating to the Province for funding support for environmental remediation on the property, and we're grateful to have the support of our MP Lloyd Longfield and MPP Mike Schreiner in that effort.

This project would not only offer much-needed affordable housing; it would fix long-standing environmental concerns, revitalize an important Guelph neighbourhood, and drive economic development.

As Michael Scott would say – It's a win-win-win!

At the far left end of the housing spectrum, we know that homelessness is a serious and growing issue in our community. Councillors Goller and Gordon have both talked about this as a crisis that is leaving too many people behind.

I believe it is unacceptable, in a caring and prosperous city like Guelph, to have people sleeping rough in tents or in the streets. That's why I convened a Mayor's Task Force on Homelessness and Community Safety. The Task Force includes all levels of government; the Guelph-Wellington Task Force on Poverty Elimination; the Wellington-Guelph Drug Strategy; front-line agencies and shelters; and organizations like Public Health, Police and EMS, the hospital, and the LHIN.

I want to thank Councillor Downer, who is the Council representative on the Task Force. I also want to thank Councillor Hofland, who participated in our last meeting and has been working on these issues for many years as the founder of the Poverty Task Force.

The Task Force has met twice. We determined a priority list to take action on homelessness in the short and medium term.

The list is built with two fundamental understandings:

1. The issues of homelessness, substance use, and mental health are all related. We know that the majority of people in Guelph who are homeless are also experiencing issues with mental health and substance use. This is not just about finding them a bed for the night.
2. Thanks to the work of the County of Wellington, Poverty Task Force, and other agencies, we have a good understanding of how many people in Guelph are homeless, and who they are. In fact, we have what's called a By-Name List. This is not about numbers or statistics. This is about real people who are members of our community. We also have a good understanding of what the solutions are. In some cases, there are programs that were working, but the funding ran out.

Here is the list of the Task Force's priorities – and these are in no particular order:

1. Permanent supportive housing to house 15 chronically homeless individuals with complex needs from the By Name List.
2. Re-open a Supported Recovery Room – a minimum of 5 beds for people experiencing addiction or mental health crisis, who are too sick to be in a shelter, but not sick enough to be in the hospital. It would be staffed by a registered nurse, and addiction counsellor, and a peer worker, and would meet sleep and recovery needs for clients for up to 72 hours.
3. Fund the Welcoming Streets initiative, which is an outreach worker who supports individuals and businesses in the downtown – connecting individuals to service and supports, and helping to educate and empower downtown businesses. The funding for this pilot project expires March 31.
4. Re-start an Addiction Court Support Worker program, which was in place in 2017 until funding ran out. This is a Counsellor who connects people to addiction services and supports at a time of high motivation: when they are in bail court. The pilot project showed great results – including connections to treatment and services (many for the first time) and fewer contacts with police.
5. System and service improvements, which includes improvements or expansions to services that already exist. This could include expanding service hours to evenings, weekends, and holidays – because the needs are 24/7, not 9-5 Monday to Friday. It could include things like including peer supports, or making sure homeless people and substance users are part of designing services.

In some cases, these projects need partnerships or policy change. But in many of them, the barrier is funding. I will be hosting a follow-up meeting with funding partners such as the LHIN, the County, and the United Way to talk about how to find the dollars to make these projects happen. I am also putting some funding asks on the table through the City's budget.

This morning, I want to take this opportunity to put out a call to action to everyone in this room.

Homelessness is a community crisis, and it's going to take a community response. If there is anything your business or organization can do to contribute to the solutions the Task Force has identified – I would like to talk with you. We are not going to get a magic bag of money from

the Province to deal with this. We are going to have to do it together, through partnerships. If we each give a little, we can get this done.

I want to thank all members of the Mayor's Task Force for their time, their insights, and their incredible dedication. Homelessness can seem like an overwhelming problem. But at the Task Force meetings, I was inspired by the optimism in the room. We **can** end homelessness in Guelph. And, with your support, we **will**.

The City has made tremendous strides over the past few years in ensuring we achieve maximum value for every tax dollar we spend.

Under a Council-approved service review framework, the City has a system to examine the relevance, effectiveness, and efficiency of City services. This ensures we are allocating resources to achieve the best outcomes for the city. Councillor Billings has always been a strong advocate for service reviews and I know she will continue to be.

Service reviews look at questions like: What services do we provide? Are they core to our business? What value are they offering? Are there better ways to deliver the service?

Council has received three service reviews so far – for boulevard maintenance, solid waste, and Transit – and approved the recommendations in all cases.

The solid waste service review revealed that a bad contract was causing our recycling operation to operate at a loss. We were able to get out of that contract and right the ship at our recycling facility.

The recent Transit review gave a dozen recommendations to improve reliability and support growth of the system, including a focus on hiring more drivers. Councillors Allt and Salisbury have both been longstanding advocates for Transit. I am sure they will be strong voices on Council for implementing the recommendations.

The goal is to review as many City services as possible. Service reviews are now ingrained in our organization; they are just part of doing business.

Next year, we will be reviewing Council's composition, employment status, and Ward boundaries. It's not a service review – but it will look at what is the most effective composition for Council in order to best serve our city.

The first phase will look at Council composition, including the method of Councillor election (whether by Ward, at-large, or a combination), the total number of Councillors, and whether they should be full-time, part-time, or a combination.

The second phase will be a Ward boundary review.

The third phase will consider salary and support staff and resources for members of Council.

I know there will be a lot of interest in this review. It will be conducted by a third-party expert, and it will have an extensive public engagement component.

Last week, Council approved the 2019 capital budget and received the 2020-2028 capital forecast. This is a comprehensive, funded, sustainable, and long-term capital plan for the city.

67% of the 2019 capital budget supports infrastructure renewal – the maintenance, repair, and replacement of existing infrastructure.

The capital forecast proposes that the south end community centre start in 2020. I know our Ward 6 Councillors were particularly happy to hear this. This long-awaited centre will include a twin pad arena, pool, gym, walking track, and community rooms.

The forecast also suggests the new main library on Baker Street start in 2021. This will be a major redevelopment project with commercial, residential, and community institutional space in addition to a much-needed new library and an underground parking garage. This project will take a surface parking lot – and turn it into a major engine for economic growth, jobs, community-building, and downtown vitality.

I want to thank the Library Board, who did an excellent job in providing the business case for the new library – and that was key to Council's approval of the project. I also want to acknowledge that Councillor Gordon serves on the Library Board. It's a little-known fact that Councillors serve on a number of local boards and committees – it's an important, but often overlooked, part of their role as members of Council.

Tonight, Council will hear staff presentations on the City's operating budget. Our decision meeting will take place on March 5th. For those of you who would like to watch the meetings from the comfort of your own home – they are all now live-streamed at guelph.ca/council.

One of the primary financial goals of this term is multi-year budgeting. By creating multi-year budgets, we can align long-term goals with long-term funding. We will provide greater certainty to taxpayers about what to expect. We will improve accountability and transparency. And, we will achieve significant administrative efficiencies.

Subject to Council's approval of multi-year budgeting policies later this year, in January 2020 staff will deliver a four-year operating and capital budget for the years 2020 to 2023.

I believe there are opportunities for the City to become faster, more efficient, and more customer-focused in how we deliver services.

I am encouraged by the success of the Building Partnerships initiative, which has made it easier to do business with City Hall, and improved timelines for developments and businesses. This was possible because a team of employees from many different departments were empowered to make changes to the way things have always been done. If we can apply those lessons across the organization, I believe we can make positive changes across the board.

As I said at the beginning, the role of cities has grown and become more complex over the years. We're not only building the roads, picking up the garbage, and giving swimming lessons. We're tackling food security and homelessness; forging innovative partnerships; and finding new ways of doing things in order to maximize efficiency and value.

This brings me full circle, back to The Office.

One of the central threads of The Office is that the employees are selling a product – copier paper – that is becoming obsolete. In the age of the paperless office, online ordering, and big box stores, who needs Dunder Mifflin and salesmen like Dwight?

The very first episodes centre around the potential closure of the Scranton branch, because Corporate can't afford to support branches in both Scranton and Stamford. Over the course of the show, there is a merger with Stamford, there's a buy-out, bankruptcy, and buy-outs again.

Through all this uncertainty, the employees in the office must be willing to adapt, to evolve, and to stick together as a team.

That is exactly what we are doing at the City of Guelph.

Council and administration are forging new paths, together with City employees, other levels of government, institutions like the University of Guelph, business leaders, not-for-profits, and residents. We are a team – and that includes everyone in this room this morning.

Relationship-building is one of Guelph's great strengths. I see it every day. It's truly inspiring to see people coming together – for the Community Plan, the Smart Cities challenge, the Task Force on Homelessness, the Baker Street redevelopment, the Building Partnerships initiative – and the list goes on.

Michael Scott famously gave out "Dundie Awards" to his employees at an annual ceremony – including the whitest sneakers award, the longest engagement award, and the hottest in the office award.

If I were giving out Dundie Awards, I would give one to:

- Chamber
- University
- Poverty Task Force
- (mention others in the room)

All of you deserve awards for the innovative and collaborative work you are doing, each and every day.

So my challenge to you this morning is, let's keep the momentum going. Let's keep talking, and listening, and learning from each other as a team. When we work together, there's nothing we can't accomplish.

Thank you.