

Big G in Conversation: Impact of COVID-19: October 20, 2020

Transcript

Host: Wendy King

Tara Baker, General Manager of Finance and Treasurer

Barbara Schwartzenruber, Executive Director of Smart Cities

John Regan, General Manager of Economic Development and Tourism

Wendy King 0:00

Welcome to Big G in Conversation, the podcast from inside Guelph City Hall. Hi, I'm Wendy King. And like everyone else, the city of Guelph has been impacted by COVID-19. Today I'm going to talk with staff about how this pandemic has hit their services, the community, and of course, the budget. Welcome to Big G in Conversation, the podcast from inside Guelph City Hall. I'm your host, Wendy King. Our topic today is budget in the year of change how COVID has specifically impacted the budget in the city of Guelph. And joining me today, Tara Baker, the city's General Manager of finance and treasurer, Barbara Schwartzenruber, who is the executive director of smart cities, and John Regan, who is general manager of economic development and tourism. So welcome, everybody.

Guests 0:58

Thank you. Good morning.

Wendy King 1:01

So well COVID has obviously impacted all of us in varying ways. But our focus for this podcast is to explain how this unexpected pandemic has really attacked, you know, your city departments, and how you guys all had to change. I'm sure how you do business. So Tara, I'm guessing most everything changed when COVID hit? Could you give us sort of an overview?

Tara Baker 1:26

Yeah, absolutely. So COVID has had a significant impact on the city business. And through 2020, we have been managing those variances and that have been created from our budget that was passed in 2020. Because of all the uncertainty, there's a

number of our businesses that are revenue generating and rely on revenues to operate like, like other businesses, and those specifically are Parking Services, as well as transit in our recreation and cultural culture services. And so those businesses in particular are the most impacted up at the city in terms of a budget perspective. And so really, as we're looking forward into 2021 budget, we are trying to assess how to address those businesses as well as other pressures in that process.

Wendy King 2:26

That's kind of what I was thinking to Tara, when, as you were saying that we don't know where we are yet. You know, we thought we were one place. Now we've gone back a little bit in a number of cities. So you know, how do you know if this is the blip? Or if this is, you know, new normal.

Tara Baker 2:43

So I'll start here. And I think that maybe John might also have some input towards this. And the, we did partner with an organization called RSM. And they were able to do some work based on our revenue, and project out what the impact might look like over the long term in terms of a recovery path. And so we've been really using that work to inform what 2020 looks like. But really even longer than that, because this could be a long term impact for the city and our businesses, as well as other businesses in the city. And so we really think that the information from from this study is helpful and useful, and at least in in our assumptions on how to plan for what that long term impact might look like.

John Regan 3:39

Yeah, and I, I would echo that in from the, from the businesses that we see within our community. We know this is definitely a long term and the the impact has been profound. And I know a lot of the discussion is on rebuild. And I think our focus is helping our businesses adapt, because we we really don't know the outcome. We were still in the pandemic, we don't know what post pandemic is going to look like. And so really helping our businesses adapt. For the time being before we start thinking about rebuilding because we don't know the environment that we're going to be rebuilding in just yet.

Wendy King 4:16

So, John, while you're speaking about that, how have you offered businesses help up to now?

John Regan 4:23

Well, the first one, I believe, was the city was pretty quick in helping with some tax deferrals, which I think Tara will be better to, to speak on. But we've also we've partnered with, well, since a partner we've extended our partnership or helped our partnership with the Small Business Enterprise Center, and also with the innovation Guelph or regional Innovation Center by providing them some funds so that they can their boots on the ground as well. So providing them more resources so that they can help the businesses. Small, medium, and long.

Wendy King 5:01

Tara, did you want to? Did you want to mention that tax deferral?

Tara Baker 5:05

Yeah. So through the early stages of the pandemic back in, in April through to the end of August, really, we had a tax deferral program, where we there were no interest in penalties charges didn't in any way through that period, so that their businesses and our residents could focus on, you know, on on their own personal challenges at that point, and not be worried about property tax payments. And so that was we did find that that that kind of influx in cash in the community could, you know, did help with the recovery, and with the relief at that point, so that those businesses could keep the money with their employees and trying to adjust to the change.

Wendy King 6:00

Right. Have you? Have you had any businesses that have sort of come back to pre COVID employment levels? Or do you know that yet?

John Regan 6:11

Yeah, so we know, some have, from the stats that we've seen or are nearing, perhaps app, but obviously, the tourism and hospitality businesses, again, have had been profoundly hit. And, you know, we're the previous question you talked about, you asked about some of the initiatives we've done. And I wanted to point out that doing a local, by local campaign, so Guelph shops is, has been very well subscribed. And so trying to educate, and there are consumers within the city and our area to shop locally is so important. But we are anticipating, you know, I don't have my crystal ball, or it's not working at the moment. But we know that we're going to

lose some businesses along the way. And that's going to be devastating. And so, again, providing those services through the Small Business Enterprise Center, and, and innovation, Guelph and smart cities, because we know, economic downturns like this. We know it breeds entrepreneurship, and continuing to support those businesses or those people who have been laid off or lost their jobs. How can we get them to pivot? Because everybody comes with transferable knowledge? How can we get them to be self employed? And we've seen some very recent stats, it was in the National Post, I think yesterday, a huge number. record numbers, in fact, of, of small businesses starting and I think that's our, I think that's our sweet spot, really, for where we need to focus our efforts, and having a sustainable economic recovery through the pandemic.

Wendy King 7:55

Right, Barb, just jumping in on that buy local shop local. As executive director of smart cities, I'm assuming your kind of your focus is about the food economy. I was reading some of your your information ahead of time. What do you mean by circular food economy?

Barbara Schwartzenruber 8:15

Yeah, so a circular food economy is really addressing areas where waste happens within the food food system, and looking for ways to do things like John was talking about? Where can entrepreneurs make use of that food waste? Or the byproducts that aren't used? How can we design waste out of the system? How can we make sure that people do have access to healthy nutritious food because there is an abundance it's just not getting to the right places? And I do want to sort of jump in on the conversation about the recovery. And I think there's lots of ways that people are describing it. But you know, is it a V shaped recovery? Is it S? I really think that K shaped recovery describes that there are people and businesses that are managing well through this, and there are many that are not so what we did, we launched our circular food economy initiative in January, and then COVID hit in March. And we realized, well, the things that we were working on are really important, and the social and economic recovery that that needs to happen. But how can we accelerate that and how can we use the projects and the initiatives that we were going to work on and accelerate them so we created a grow back better 10 point plan, and focused on things that we knew immediately would would help businesses and would help with the social recovery. That's that K shaped conversation that we need to have. So things like micro grants that we got out the door to businesses so that they could pivot and Go online and become more sustainable, or even start new ideas because John's right this, this is a time where entrepreneurs thrive, they thrive in the middle of chaos. And they know a lot about agility and resiliency. And so I think what we have to do is help them to see what

the path forward might look like. And in our mind, it needs to be a green and also a very inclusive recovery. Some of the work that we did with our 10 point plan was make sure that our partners in the social sector that are focused on making sure that people have access to food. So the emergency food programs, we supported them to scale up their work, because we know that more and more people became food insecure during this, the impact of the pandemic.

Wendy King 10:52

I was just going to ask you that we've all heard about how many more people are having to go to food banks and all of that, you know, have you? How do you assist that it was interesting that you said, you know, the food is there, you just have to get it to the right place.

Barbara Schwartzentruher 11:08

Yeah, the food system is a bit of a paradox, there's an over abundance. And there's an awful lot of ways. So a lot of the work that we'll be doing over the next four years will be to try to address the waste issue, but also to make sure that people have access. So we're doing some looking at each of our neighborhoods in the city and across the county, because this is a rural urban initiative. And it's a fabulous partnership between the city of Guelph and the county of Wellington. So we'll be looking at where our neighborhoods do or don't have access to healthy nutritious food, and looking at some interventions in order to improve their access. And then doing quite a bit of work as well in our with our waste department looking at how we can get a better handle on household level waste, and help to educate our residents on how to avoid that waste. But where it does happen, making sure that it goes back into the land in a regenerative way through things like compost.

Wendy King 12:12

If nothing else, I feel like this whole time. It's refocused us on things like that, you know, like, I certainly have thought about shop local way more than I ever did before. I'm ashamed to admit but but now I get you know, I really get it. And I feel like a lot of people are feeling that same way. So I know you had big goals in this regard has COVID affected your timeline at all?

Barbara Schwartzentruher 12:37

Well, like I said, we we work. This 10 point plan is about getting \$1.6 million out the door in in what I consider to be stimulus funding so that over the next 18

months, we can really assist with the recovery. And yeah, certainly all of our partners, because this is a across the city and community initiative, are looking at what they can do to accelerate their work. But it's it's \$10 million that is been distributed to partners like public health and innovation Guelph and 10 C , who are helping us to lead the work across across each of the sectors in order to, you know, realize that vision of a food system that's fair and equitable, and also entrepreneurial and innovative.

Wendy King 13:32

at all, it sounds amazing, John, I know your focus is assisting local business and retaining and also attracting new companies. So that's an interesting that you're in at the moment.

John Regan 13:46

Absolutely. The investment attraction side is kind of an interesting piece, and we have put in a request for additional resources for that. Because the city of Guelph, there's not one person dedicated to looking at investment attraction, or real estate. And this is going to be this is mission critical for for Guelph as we go forward. And that's not to say that we haven't been dealing with investment attraction we have, but what's been happening is our staff have been dropping other activities in order to to deal with these very time consuming and, and, and time sensitive requests. So we still get them. Why no, we're working on some now. But this is really important to us. And, you know, when we start thinking about what Canada did with PPE we d globalize PPE in 100 days, and that's pretty darn amazing. And many Guelph businesses have have pivoted to make, whether it be respirators or hand sanitizer, or whatever the case may be. They've pivoted and they've shown such incredible innovation. And I think our opportunity is to find other businesses within within Guelph or in the region to to set up and Guelph to pivot and to look at what the next item or next sector to de globalize is. So that's that's really important for us is to have that investment in attraction piece. And part of Council's mandate is to you know, we we have 200 Beverly, which is a brownfield, which we're hoping to develop into affordable housing with a with a complete ecosystem tied to that. And then also, we have the Hanlon Creek business park, you know, phase one, there's still a couple lots left and phase three, we're hoping it's going to come online very, very soon. So some of those activities, three tension expansion piece that you mentioned to what that is about, it's about visiting businesses and finding out what the red flag issues are, or green flag issues are. So the red flag are, you know, we're gonna lay off, we're gonna close, we're gonna sell whatever the case may be. So being able to have boots on the ground, with our local entrepreneurs, local businesses, big and small, so that we can help address and mitigate any issues prior to becoming a crisis. And then on the green side is who's expanding who's

hiring. So I know Guelph Junction Railway, which is owned by the city, we're back to pre COVID levels. And in fact, what I hear is some of Guelph Junction Railway customers are also hiring, because of new businesses that they have found. So some really good stories, but we need to we need to keep working.

Wendy King 16:20

That's great. As each of you look at your role within this city, are you optimistic about opportunities for 2021?

John Regan 16:28

I am. Very optimistic, you know what, the pandemic is awful, and people have lost their lives, and people have lost their jobs, and people are gonna lose their houses and their businesses. And that, that is very unfortunate. And I think our role is to help everyone to get back on to get back on track, and I'm very optimistic, it's kind of reset, likely has reset our economy, we're doing things so differently. And that is that is just a breeding ground for entrepreneurship and success.

Wendy King 17:07

Tara?

Tara Baker 17:09

Yeah, I feel optimistic as well. Like John said, I think the city does have a role to play and the budget process, I think, will demonstrate how we do plan on on helping and addressing those needs in the community. The Smart City plan, as Barb had discussed, has significant money that we can use a stimulus through both the city and the county. And then I guess, the other the other piece is really done about looking at internally at our own businesses, and, and planning on how to address the change, that could be permanent change in how we deliver services. And so we really need this year of 2021. to, to look at what those impacts are. Because the things are still changing. We're still in the middle of the pandemic right now. And so really our budget this year and hasn't changed or addressed. And what that future impact and service delivery is going to look like we've we've really kept the budget, somewhat status quo, except for the additional requests that we're looking for in terms of economic development. And, and some we also have earmarked \$700,000, that we would like to that we're seeking approval from council to provide that stimulus in the hospitality and tourism sector. So we really, really think that this document that the budget process will address some of the pressing concerns and set us up for the future.

Wendy King 18:56

That sounds great. You guys, obviously got everything figured out. It's amazing to hear. And I think what I've gotten from this is that the word for 2021 is pivot. you've all had to do it and you're all going to be doing it as we all are. So thank you so much for all this great information. Thanks for giving us an idea of what the future may look like. My thanks to Tara, Barb and John for joining us Big G in Conversation. I'm Wendy King. Until next time.

I'm Wendy King with the city of Guelph Big G in Conversation podcast. Thanks for joining me. If you have ideas for a show or comments, you can email bigGpodcast@guelph.ca. Until next time, take care and let's keep the conversation going.