

SPECIAL CITY COUNCIL AGENDA



Council Chambers, Guelph City Hall, 1 Carden Street

DATE November 29, 2012 – 6:00 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

Disclosure of Pecuniary Interest and General Nature Thereof

DELEGATIONS REGARDING THE 2013 TAX SUPPORTED OPERATING & CAPITAL BUDGETS

- Sonya Poweska, Executive Director, Guelph Arts Council
- Elizabeth Dent, Executive Director, Ed Video
- Sandy Ferguson-Escott, Chair, Guelph Non-Profit Housing Board
- Paul Clulow, Secretary/Treasurer, CUPE Local 241
- Craig Chamberlain
- Marty Williams, Executive Director, Downtown Guelph Business Association
- Lianne Howie, Mitchell Woods Public School Parent Council,
- Krista Thompson, Co-Chair, King George Public School Parent Council
- Rosemary Blacklock
- Bill Tufts, Executive Director, Fair Pensions for All,
- Duncan MacKenzie
- Steve Lidkea
- Yvette Tendick
- Terry O'Connor, 1st Vice-President, Guelph & District Labour Council
- Lloyd Longfield, Guelph Chamber of Commerce
- Denise Elizuk, Youth Sports Advisory Council

CORRESPONDENCE

- Alissa Gibson
- David Schaller
- Jack Dyson

ADJOURNMENT



Guelph Non-Profit Housing Corporation

Chair: Sandra Ferguson-Escott

Vice Chair: David Birtwistle

Secretary-Treasurer: Craig Chamberlain

Staff Liaison: Harry Blinkhorn



Primary Objective

- “To provide and operate affordable housing accommodation with or without any public space, recreational facilities and commercial space of buildings appropriate thereto primarily for persons of low or modest income”



Current Objectives

- The GNPHC exists to provide safe affordable rental housing to residents in the City of Guelph
- To grow the availability of new units as is required by the City Of Guelph Affordable Housing Official Plan



Relationship with City of Guelph

- At its inception Guelph Non-Profit Housing Board Members included the Mayor; and multiple City Councilors.
- In recent years the Mayor and multiple councilors have been removed from the Board
- In 2009 the relationship deteriorated to arms length with the debt of GNPH being removed from that of the City of Guelph
- In 2012 we were advised that despite our request for a participating Councilor to be on the Board we would not be receiving the official participation of any City Councilor



Portfolio – 9 Sites with 545 units

Year	Location	Type	# of Units	Ward
1992	York Rd	Apt 24 B, Twn 6-2, 8-3	38	1
1992	Flaherty Dr	Twn 14-2, 30-3, 6-4	50	4
1992	Auden Rd	Twn 17-2, 31-3	48	1
1992	Imperial Rd	Apt 10-1, 15-2, 4-3	96	4
1993	Westwood Rd	Apt 30-1, 15-2, 4-3	49	4
1993	Christopher Crt	Apt 16-1, 68-2, 18-3	102	5
1994	Auden Rd	Twn 35-2, 20-3, 6-4	61	1
1995	Neeve St	Apt 52-1, 11-2	68	1
2005	Paisley Rd	Apt 21-1, 13-2	33	4

Why am I here again?



- GNPH has been in front of you over the years to re-affirm our goals, objectives, challenges and achievements
- In the past two years and again this year, we are here to request attention and funding
- We have received recommendations; all of which have been acted upon and yet our condition prevails and actions have not solved our increasingly dire situation
- Today I am asking for \$100,000 for either Operating funds or Capital funds



Paisley Place

747 Paisley Road

Last project completed by GNPH

- Possible because of Federal-Provincial-Municipal Affordable Housing Program
- Different rules than balance of portfolio
 - Same financing as the 10 unit AHP project owned by Matrix at 182 George Street, Arthur.
- Funding rules have changed to allow projects built after Paisley Place to operate in a more break-even manner
- Funding model for this location creates a deficit every year.
- We have completed each request as asked and to date there are no solutions to the deficit
 - Renegotiated mortgage
 - Requested and received funds from the Province to offset deficits
 - Managing operating and capital costs with a strategy of “only if required to minimize risk and maximize safety”



Realities ~ Residents

- Population is aging and increasing demands being placed on Accessibility Units
- One of our locations (85 Neeve St) is now a majority senior residence with specific needs and we are utilizing units for residents with a longer term need
- Accessibility Requirements become more stringent, thus, increasing cost to specialize units
- Unemployment continues to plague the country; however, “Guelph continues to hold one of the best jobs situations in Canada — at least statistically.”
~Guelph Mercury 10/5/12
- There is a constant and increasing demand for Affordable Housing in Guelph



Realities ~ All Locations

- Costs of utilities increasing
- Cost of maintenance increases as buildings age
- Salaries of experienced, knowledgeable and caring Staff increase with years of service
- Deficits continue and capital reserves are quickly depleting



Realities ~ Affordable Housing

- Operating costs are increasing as buildings age; however revenue and benchmarking payments are not increasing
 - Reserves are being depleted and will be gone within a 5-7 year timeframe
 - There is currently no long term plan in place
 - No solutions have been uncovered
- Paisley Place specific:
 - Annual deficits continue
 - Education taxes continue to be an unexpected annual operating cost
 - In less than 3 years the tax relief will expire and annual tax costs will increase



Realities ~ Affordable Housing

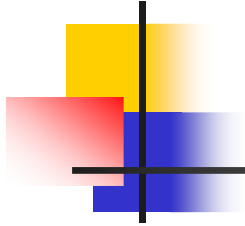
- The City needs affordable housing within Guelph
 - 25 year target to increase Affordable Housing by 36% (2009 start date)
 - Average growth of 98 rental units per year
- GNPHC although no longer part of the City financial situation, remains to be the largest organization responsible for affordable rental housing within Guelph
- GNPH has seen no growth since 2005; and existing units are at risk due to inadequate funding

What we are doing?



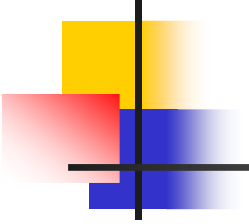
- GNPHC is committed to provide affordable rents for 25 years under the AHP.
- Mortgage rate trends are being watched vigilantly and are re-negotiated as they become available to do so
- Operating costs are being managed closely while taking advantage of all possible environmental and subsidy programs
- Capital cost projects are being delayed until absolutely required to avoid impending disasters
- Income generation – cell phone towers, laundry facilities, Solar panel income

What are we asking for?



- Paisley Place Specifically
 - We request that the City of Guelph continue the process to:
 - Broaden the tax exemption to include taxes for education purposes; and
 - Further extend the tax exemptions for the municipal tax purposes and education purposes to the of December 31, 2035 (to coincide with the end of the mortgage amortization)

What are we asking for ~ cont'd

- 
- \$100,000.00 in this budget for Capital Costs and/or Operating Costs
 - Fund the Affordable Housing Reserve with year-end surplus
 - Continue with a Guelph Non-Profit Housing relationship to ensure we are meeting the City of Guelph Affordable Housing needs
 - As you walk through your neighbourhood, remember they are those less fortunate who need our long term, on-going support, understanding, compassion and a roof over their heads

Date: 21 November 2012

To: Guelph City Council

From: Guelph Chamber of Commerce

Ref: 2013 City of Guelph Tax Supported Operating Budget

The Guelph Chamber of Commerce has made a high level examination of the Corporation of the City of Guelph 2013 Tax Supported Operating Budget. The private sector continues its cautious recovery as governments around the world struggle with deficits and debts. There are external risks on municipal budgets as federal and provincial governments work on fiscal balance. Governments are increasingly looking to private industry for partnership opportunities, and the role of the not for profit sector in delivery of services can also play a key strategic role going forward. Guelph has a strong business community including not for profits, as well as strong educational institutions that provide support to municipal government in many ways, but could be leveraged more in the years ahead. The City of Guelph relies on partnerships with business, not for profits, and education and the Guelph Chamber of Commerce is pleased to offer its services in helping to facilitate some of these partnerships.

Guelph was fortunate in the last year to see some employment growth as some areas recovered jobs lost during the recession, but businesses have forecast the coming year to show flat employment growth. The challenge in the business community is improving productivity: doing more with less by improving processes and embracing technology. The City of Guelph 2011 Corporate Technology Strategic Plan identified four areas for improvement in its dashboard: Risk Management, Resource Management, Performance Measurement, and Project Performance. The current operations review is showing the need for improving processes and management systems to gain efficiencies.

An excellent example of the City of Guelph working with business and education happened over the past year. With business recovery and increased water use, and by using local business and support from the University of Guelph to improve water supply management and optimize waste water treatment, \$3.6m was returned to the water reserve. By showcasing local business expertise, the City of Guelph has regular visits by other municipalities looking for similar improvements. In December, a delegation of 40 municipalities from Brazil will be visiting Guelph, providing opportunities for our local businesses as well. Other delegations have visited from Israel and the Netherlands, and requests for proposals have also been received from as far away as Singapore. Some of the funding for this work came from provincial and federal grants coordinated through Innovation Guelph, which operates as a not for profit organization. By providing a demonstration showcase the City of Guelph helped to contribute to savings in operations, used research capacity at the University of Guelph, and provided business growth opportunities.

Innovation and partnerships should be an important part of the budget process. Incremental changes within departments do not provide the transformative change shown in the above example. Similar opportunities exist using local information technology businesses, and leveraging not for profit organizations in environmental, social, and cultural sustainability projects. The Guelph Chamber of Commerce has recently received funding over a two year period to hire a project manager to help to facilitate these partnerships.

Staff increases have to be very carefully considered in the reality of today's business climate. Businesses have to be increasingly resourceful in working with external and internal resources to deliver their products and services. The proposed 23.18 staff increase in the budget documents is more than most businesses in Guelph. The question to be asked is efficiency of resources rather than head count. Sometimes having a person in house is the best use of resources, and other times external providers can add efficiency. Another consideration is process improvement, or abandoning non value added activity altogether.

Where some departments are showing cost savings, others are showing significant increases. The breakdown is below:

2013 Base Budget	% Increase	\$ Increase
Office of CAO	9.0%	\$155,392
Operations, Transit, & Emergency Services	4.8%	\$2,379,358
Planning, Building, Engineering & Environment	-0.5%	(\$76,481)
Community & Social Services	0.5%	\$87,712
Corporate & Human Resources	2.5%	\$224,151
Finance & Enterprise	-14.0%	(\$590,701)
General Expenditures & Capital Financing	17.7%	\$2,723,984
Local Boards	3.4%	\$1,389,755
Shared Services	4.7%	\$1,223,000

Recently the Guelph Chamber met with staff and with a local IT provider specializing in municipal asset management software that provided crowd sourcing, web accessibility, and predictive maintenance. An opportunity like this could save significant cost in operations with some capital investment. Asset management as it applies to trees, roads, equipment, and street lights could all be examples that would need further investigation, but could be part of a line item "Operational Efficiency" with a cost reduction target for the year. Working through Innovation Guelph, other potential resources could be investigated to maximize returns.

Last year the Guelph Chamber offered assistance in promoting ticket sales for the Guelph Storm to provide cost recovery on the Sleeman Centre. A program was put in place to offer a shared box to local small and medium sized businesses. The result was \$40,000 in revenue to the Sleeman Centre with 20 local businesses sharing two suites and providing opportunities for clients to get together. There may be other such opportunities to promote city assets to provide cost recovery.

Guelph's not for profit, or community benefit sector is exceptionally strong. The City of Guelph could investigate further collaboration opportunities with social services or arts and culture organizations. Community benefits negotiation as a part of the community investment strategy could take some of the stress away from employment growth by having staff at community benefit organizations deliver services rather than City staff. The City should critically examine opportunities improve efficiency and reduce expenses within existing service delivery. Recent media releases outlining a number of potential cuts in services that are valued in the community (splash pads, pools, sidewalk snow-clearing, Christmas tree pick-up), and yet have little impact in terms of overall expense reduction and does little to enhance the perceived value being provided to Guelph citizens. This is particularly the case when the City is proposing staffing increases as outlined.

The Guelph Chamber of Commerce would be pleased to draw on its membership for business expertise in any area we can be of assistance. Recent years has shown Guelph's municipal tax increases trending toward or below the Consumer Price Index. We would like to see this continue in the coming year and be reflected in the budget, moving Guelph closer to 2% tax increase.

Best regards,



Lloyd Longfield, President & CAO

From: Alissa Gibson
Sent: November 19, 2012 2:50 PM
To: Mayors Office
Cc: Andy VanHellemond; ian.findley@guelph.ca
Subject: Closing Splash Pads?!

Your Worship, Mayor Farbridge,

I am writing in response to an article in last Thursday's Guelph Tribune, which outlined some of the possible cuts being considered in order to meet the 2013 municipal budget. While I recognize the magnitude of this task (and the fact that there won't be a solution that will please everyone), I was astounded to read that closing all splash pads and wading pools was on the list of possible program terminations. I would respectfully ask yourself and council to please not close these wonderful city resources! I would gladly pay admission to preserve them – and I'm sure many other families would too!

I know that only some taxpayers use these facilities – namely families with young children. But for those that do, they are a fantastic recreational opportunity, promoting outdoor recreation and healthy, active living (things I think we value as Guelphites). These resources are one of the things that make Guelph such a great place to live, for the following reasons:

- i. **Accessible**– In most neighbourhoods, you'll find a splash pad, wading pool or outdoor pool MUCH closer to your home than an indoor pool. Several are located in very high density neighbourhoods. Also, they are open to public family use for much longer hours per day than indoor pools.
- ii. **Affordable** - Many families can't afford to travel a lot, but these are great way to make summer fun for the children. Even with a fee, it would be a relatively inexpensive way to spend an afternoon
- iii. **Outdoors** – A great place for kids to get active outdoors, even in the middle of a heat wave. Most facilities have an adjacent playground and shaded, grassy areas to picnic, too.
- iv. **Safe** – for families with children of different ages; for example, at a splash park, infants can nap or be carried while older children splash and play nearby. My preschool children love the (relative) freedom of a splash pad; in a pool, I have to hold them the whole time.
- v. **Environmentally friendly** – although they use water and energy, it's better than having everyone stay home and turn on their individual sprinklers!

I can't imagine summer in Guelph without have local splash pads to cool down with (partly because we don't have central air conditioning). I think they are integral part of the fabric of Guelph life. I would ask council to consider the following:

- i) **Adopt a user fee** – even if everyone paid a dollar or two per person, that would subsidize the cost significantly (compared to being free!) and keep it affordable. The outdoor pools and larger splash pads already have on-site staff present that could take admission fees. Other municipalities (like Waterloo) charge an admission fee. The small ones (like Waverly Drive splash pad) may still need to be free, since there is no regular staff person, but their operating costs and attendance rates are probably much less anyways.

- ii) **Offer a season pass** – Like the amusement rides, this would enable it to be affordable those that use the facilities frequently (and would reduce the amount of cash being handled by staff on site, if that is a concern.)
- iii) **Consider Capital costs** – the splash pad in our neighbourhood (Waverly Drive) has only been open for two summers!! And the city hall one has only seen one season of use. (I would assume that council would not dare keep the city hall one open and close all the rest, when children would much prefer to visit one of the other facilities over splashing in front of city hall– the others have more diverse water features, playgrounds, picnic areas etc)

Thank you for reading this email and for your consideration of my opinion (which I think would reflect the majority of families). I have never before felt strongly enough about a municipal issue to write you and the councillors.

Sincerely,

Alissa Gibson

PS – Although I don't think we should abandon yard waste pick-up either, I would gladly drive my yard waste to the dump if it meant my kids could enjoy splash pads in the summer.

From: David Schaller
Sent: November 21, 2012 12:42 PM
To: Clerks
Cc: Todd Dennis; Karl Wettstein
Subject: Have your say on city budget

I do not support a tax increase in 2013. I have made my concerns known with little response.

From: JACK DYSON
Sent: Wednesday, November 21, 2012 04:24 PM
To: Todd Dennis
Cc: Karl Wettstein
Subject: Budget deliberations

As councillors representing the ward in which I live please know that the proposal to cancel sidewalk snow removal service is not at all satisfactory. This decision is a blunt refusal to provide a service to all residents without regard to those unfortunate enough to be handicapped or are physically unable to shovel snow. All of this comes about because of drastic overspending and requiring a constant yearly bailout from taxpayers. Up to this time there has been no mention of reducing city staff, wage freezes or revitalizing dormant sources of revenue. I expect better from you and on behalf of all other disappointed taxpayers I suggest you stand up for what you were elected to do. No more excuses. Frivolous spending has to stop.

Respectfully, Jack Dyson