

Staff Report



To	City Council
Service Area	Office of the Chief Administrative Officer
Date	Wednesday, August 12, 2020
Subject	Managing the Impacts of COVID-19: Update #5

Recommendation

1. That report “Managing the Impacts of COVID-19: Update #5” dated August 12, 2020 be forwarded to the local MP and MPP, FCM, AMO, LUMCO and the Federal Minister of Finance and the Ministers of Municipal Affairs and Housing and Minister of Finance for the Province of Ontario.
 2. That staff be directed to communicate the urgency for additional details about the Safe Restart Agreement given the City of Guelph’s currently projected COVID-19 deficit impact of \$24.3 million, mitigated through cost-containment measures of \$14.3 million and resulting in a \$10 million overall budget deficit impact for 2020, to the Deputy Prime Minister, the Federal Minister of Finance, Ontario’s Minister of Municipal Affairs and Housing, Ontario’s Minister of Finance and the Premier of Ontario.
 3. That the 2021 City Council and Committee Meeting Schedule, included as Attachment-2 to report “Managing the Impacts of COVID-19: Update #5” dated August 12, 2020, be approved.
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Executive Summary

Purpose of Report

This fifth and final formal report provides Council with an update on the work the City has undertaken in response to COVID-19 in the last four weeks. It highlights how the City continues to manage through the challenging impacts of the pandemic, our current fiscal position, and unexpected opportunities.

Key Findings

- This report presents the City’s updated financial position, based in part on the City’s Q2 variance and the recent announcement of the Safe Restart Agreement funding.
- Since the last COVID-19 update, Guelph has pursued several opportunities for consultation with other levels of government. Staff continue to comment and advocate on public transit; COVID-19 impacts on municipalities; Bill 197; the 2021 federal budget; and fiscal supports, regulatory changes and funding for supportive housing and infrastructure.

- \$350,000 was re-allocated from the 2020 allocation of Guelph Municipal Holdings Inc. dividend funding that was approved for the new Community Investment Strategy, to the Emergency and Resilience Fund. Staff designed a program for not-for-profit organizations, unincorporated groups and individuals across all sectors to adapt and develop services and programs to strengthen capacity during COVID-19 and meet community needs.
- We have a unique opportunity to rethink transportation, mobility and public space. With a renewed look at our current master plans underway, staff feel Guelph can emerge from COVID-19 with a stronger and safer approach to mobility and improved open space systems.
- City staff have absorbed the work of City tables—struck early in the City’s response to the COVID-19 pandemic—across various disciplines as part of day-to-day operations.
- City administration, together with the Emergency Operations Control Group (EOCG) is reflecting and preparing for a second wave of COVID-19, which many experts say is inevitable.

Financial Implications

- Financial impacts projected for 2020 have been updated as part of the quarterly in-depth variance review. Total revenue impacts are now projected to be \$20.7 million, in addition to \$3.6 million of additional costs incurred in response to the COVID-19 pandemic.
- The City has successfully created expenditure savings by halting all discretionary spending; laying off temporary casual, part-time and full-time staff; pausing non-critical hiring; and reducing service levels and program offerings. These savings are estimated to be approximately \$14.3 million by year-end.
- The year-end deficit projection based on the current COVID Public Health guidelines, and without including any announced emergency financial relief funding from the provincial and federal governments is currently estimated at \$10 million.
- Staff are currently assessing these impacts as they develop the 2021-24 budget to ensure appropriate adjustments for permanent revenue impacts and enhanced cleaning and safety requirements are included.

Report

This fifth and final formal report about managing the impacts of COVID-19 summarizes important work that staff and our partners have advanced over the past four weeks, since the last report to Council on this topic.

While there is no short-term plan to continue these monthly reports, City staff have absorbed the work resulting from COVID-19 as part of the organization’s day-to-day operations.

At the same time, the recovery work we are currently actioning is also preparatory, in the event there is a second wave of COVID-19 in the coming months.

Financial Recovery

Emergency funding for municipalities: the Safe Restart Agreement

The Safe Restart Agreement between the Federal and Provincial governments was announced on July 16.

The federal contribution to the agreement is \$19 billion to support provinces, territories and municipalities. Of that, \$2 billion has been earmarked for municipal governments, to be matched by the provinces for a total of \$4 billion.

The Federal government has also indicated it will match up to \$1.8 billion in new provincial investments in public transit nationwide. This unlocks a total of \$3.6 billion for public transit across Canada.

In total, the Safe Restart Agreement results in \$7.6 billion in funding for municipal governments Canada-wide.

More specifically, Ontario municipalities will receive \$777 million from the federal government for operational costs, and \$1.2 billion from the provincial government. The province and federal government will contribute an equal share of up to \$2B for public transit.

Allocation amounts for the City of Guelph and other individual municipal governments are unknown; staff understand they will be disclosed in the coming weeks. While the formula that will be used to allocate the funds across municipalities remains unknown, a portion of the funding will be application-based.

Under the Agreement, federal and provincial support will address seven priority areas to help the economy safely restart over the next six to eight months, and to prepare for a second wave of COVID-19, including:

- Funding for municipalities to support operational costs, plus investments in public transit.
- Support for increasing COVID-19 testing, contact tracing and collecting public health data.
- Support for health care capacity, including support for mental health and problematic substance abuse challenges.
- Personal protective equipment for health care workers and other essential workers.
- Support for vulnerable populations, including support for long-term care facilities and those who need home care and palliative care.
- Addressing the reduced availability of child care spaces.
- Establish up to 10 days of paid sick leave for workers who don't have access to paid sick leave.

Advocacy, Consultations and Delegations

Advocating for Transit

In Guelph, transit continues to be one of the services most affected by COVID-19. Decreased ridership and increased operating costs are expected to impact transit services over a prolonged economic recovery period. The University of Guelph

recognizes the importance of transit for students living in Guelph and traveling to school, work, and social and entertainment destinations in the community. Following the last special meeting of Council on managing the impacts of COVID-19, City Council voted to allow the University of Guelph Student Associations to opt out of its agreements for the U-pass since many students are not returning to Guelph this fall. University of Guelph students represent about 60 per cent of Guelph Transit ridership, which means we estimate \$3.5 million less revenue this semester.

As a result of this significant revenue loss, the City of Guelph and the University of Guelph sent a joint letter to Minister Mulroney, Minister Clark and Minister Romano underscoring the importance of transit for students and calling on all three ministries to work together to provide continued support for transit systems, especially those in communities with large post-secondary student populations.

Consultations and Delegations

During this period, there have been several opportunities for consultation with other levels of government. The CAO on behalf of the City of Guelph and Mayor Guthrie on behalf LUMCO have made [written submissions to the Standing Committee on Financial and Economic Affairs](#) as part of public hearings on COVID-19 impacts on municipalities. Additionally, staff have submitted comments on [Bill 197, the COVID19 Economic Recovery Act, 2020](#) to advance the City's interests as the province reopens from COVID-19 closures.

Staff will also provide comments to the [Federal Government consultation](#) in preparation for its 2021 budget.

Looking ahead, Mayor Guthrie, CAO Scott Stewart, DCAO Trevor Lee and City staff are preparing to attend the virtual AMO Conference and Ministerial Delegations from August 17-19. The City will be advocating for fiscal supports, regulatory changes to reduce red tape, funding for supportive housing and infrastructure, and discussing public transit in light of operational changes, ridership and revenue declines.

Economic Recovery

The City's economic development division is looking at ways to leverage existing committees such as the Guelph Economic Development Advisory Committee and business support partners such as Grow Guelph to carry on with economic development activities as identified through the Mayor's Task Force on Economic Recovery.

The Economic Development Strategic Plan will identify areas where private industry can continue to be engaged to better inform and support economic development programming.

Any changes to the Council-appointed Economic Development Advisory Committee will come through Council for approval.

Waiving of lottery licenses for charitable organizations

At the July special meeting of Council on managing the impacts of COVID-19, Council directed staff to investigate the waiver of lottery licensing for charitable organizations, in coordination with the Province's Alcohol and Gaming Commission of Ontario (AGCO), and report back at August's special meeting.

The impacts of waiving the three per cent administrative fee on lottery licences is about \$25,000 annually (the City has collected approximately \$7,000 to date this year). While Council may choose to waive this fee, staff will not be making a recommendation to do so as there is no indication that the AGCO will do the same; waiving fees municipally while fees are still payable provincially would present an inequality for varying sizes of charitable organizations.

Mayor's Task Force on Economic Recovery

At the July 15th Mayor's Task Force on Economic Recovery, Mayor Guthrie announced that as the community moves past the emergency response phase of the pandemic and focuses on recovery and resilience initiatives, the Task Force will meet less frequently (on an as-needed basis). This allows the Task Force to respond to issues as they arise, while focusing on the most urgent priority of getting back to business.

The needs raised by the Task Force informed City staff's exploration of economic recovery programs and tactics, outside of departmental and Council-directed work. Given the Task Force will now meet less frequently, the Economic Recovery Working Table will mirror that approach and meet on an as-needed basis moving forward, and critical economic recovery activities will continue through updated departmental work plans.

Temporary Patio Program and Dining District

Following Council's approval of the Temporary Patio Program's Temporary Use Bylaw on July 15, 2020, City staff developed and implemented an application intake, street review and approval process for on-street patios. All patios on-street and in public parking spaces require a dedicated traffic plan that may include closing the road or reduced traffic speeds among a number of other measures to mitigate safety risks. Processing these types of applications continues to be completed as quickly as possible, however, they are more resource- and time-intensive to evaluate than patios on sidewalks, given the associated public safety issues and need for careful, street-by-street review.

As of the end of July, the City had approved numerous applications for temporary patios, many of which have been in place since June 12th to capitalize on the 2020 patio season.

As the Temporary Patio Program continues to evolve for the better, an additional resource has been dedicated to address the need for ongoing compliance through education. A patio ambassador has been assigned, initially for the downtown, to increase adherence to the Temporary Patio Program's guidelines and safety requirements. This enforcement position is a welcome addition to the temporary patio team and serves to increase awareness and understanding of the rules through an educational, customer-first approach.

The City has worked hand-in-hand with the Downtown Guelph Business Association (DGBA) to bring Guelph's first dining district to life. This downtown activation program supports restaurants' and bars' ability to serve as many patrons as legally possible through road closures and temporary patios as a means to increase revenue and contribute to Guelph's economic recovery. This work continues—albeit in a new form as the DGBA, the dining district applicant, explores the re-opening of Macdonell and Wyndham streets to better respond to the needs of its members. City staff will continue to support the DGBA members' revenue generating success

by facilitating temporary patios on public and private property as safely as possible and will bring a report to Council on the dining district program by April 2021.

Guelph Shops

Guelph Shops successfully launched as planned on July 16. Early uptake reveals:

- The dedicated Guelph Shops webpage was among the top five performing pages on guelph.ca from July 16-24, and was our best performing webpage on launch day with 1,209 unique views.
- About 25 per cent of the City's Economic Development Special Bulletin e-blast readers opened the Guelph Shops link to learn more.
- More than 45 businesses have asked to be added to Guelph Shops.
- 'Shout outs' of encouragement and promotion continue from partner organizations and others e.g. Guelph Chamber, City of Guelph, Guelph Bugle, University of Guelph, Workforce Planning Board, Big Brothers Big Sisters of Guelph, Guelph Tourism, and The Letter M Marketing.

Next, staff will activate print and digital advertising, a Google AdWords campaign, paid social media, and a Perspective Guelph feature in support of amplifying the campaign. In addition, staff are enhancing site features and organization for greater uptake based on user feedback such as adding "By appointment only" to help communicate businesses' service realities.

Tourism Regional Relief Recovery Fund

Tourism Services has secured just over \$100,000 to support bringing visitors back into local communities as the economy reopens. This funding was provided by FedDev Ontario and is managed by the Tourism Industry Association of Ontario (TIAO).

Upon receiving funding, staff responded quickly by supporting gift card giveaways for local restaurants, beginning a partnership with Guelph Box to add the Visit Guelph tourist box, and supporting the open air art gallery in a downtown walkway, among other things.

The funding focuses on destination marketing, visitor experiences, place making and tourism business supports.

Destination marketing will start with hyper local marketing campaigns and packages that transition into regional and province-wide campaigns. To facilitate safe community-driven visitation, Tourism Services will create new experiences to encourage locals and visitors to explore Guelph. Hyper local marketing plans will work to gather already existing photos and videos, along with creating a new project to entice the community to become a tourist in their own community.

Tourism Services will support and collaborate with businesses to reignite the local economy while providing immediate and sustained support for opening and reconfiguring operations to attract visitors.

Grow Back Better: Our Food Future's 10-point Recovery Plan in Response to COVID-19

Following endorsement by Council on May 11, 2019, the Smart Cities Office, Wellington County and other collaborating organizations have been advancing the elements outlined in our ten-point recovery plan, Grow Back Better. The plan refocuses \$1.6 million in Smart City funding to support the economic and social recovery of Guelph-Wellington communities. With Grow Back Better, no elements of the original proposal are being removed—just reprioritized or restructured to respond to the evolving landscape.

Actions to date include:

Increasing Access to Affordable, Nutritious Food

Emergency Food Relief – The SEED's Emergency Food Home Delivery Program and the Harve\$t Impact Community Donation Platform: Since the launch, the SEED has delivered more than 12,000 nutritious food baskets to approximately 1,500 participants. The Harve\$t Impact Community Donation Platform has raised approximately \$16,000 in cash donations with Our Food Future matching funds raised for a total thus far of \$32,000. In-kind donations to the program are valued at over \$350,000 with an additional \$600,000 in private and public donations.

Urban Agriculture Activation: The next phase of our Urban Agriculture (UA) program will be publicly announced in the coming weeks. In partnership with 10C, the Urban Agriculture Activation grant program will support a wide range of projects to boost food production and build economic and social resilience. Three funding streams include:

- **Transformative Urban Agriculture Stream:** \$70,000 towards implementation costs of an innovative, high impact built-form UA project
- **Scaling Out Community Agriculture Stream:** \$20,000 for a collaborative UA project that has the potential to scale community-wide
- **Shovel and Fork Fund:** \$2,000 each for six visible community-based food growing projects

Supporting vulnerable residents – identifying needs and coordinating action: Our collaborators on the Nutritious Foods Workstream are developing a regional survey that will collect information regarding barriers to accessing affordable, nutritious food during the COVID-19 pandemic. This data will help identify systemic challenges and provide valuable data to support interventions that make an impact for vulnerable residents.

Supporting New and Existing Food Businesses

Launch of Seeding Our Food Future Micro Grant Program: A total of 76 businesses applied for the Seeding Our Food Future Micro Grant program. In addition to the \$5,000 grant, 40 companies will be eligible to receive up to 30 hours of expert advice and up to \$10,000 in interest free loans through the Harve\$t Impact Fund. Recipients of the grant were announced on July 29.

Business Tools and Services for Food Sector to Reduce Waste

The first installment of the Provision Coalition's R-Purpose Micro program, a 12-week virtual program with weekly 2-hour intensive sessions, is underway. This

program will be offered two more times over the next eighteen months. In August, participating R-Purpose Micro companies will be virtually presenting circular business pitch presentations to showcase their progress.

Taking Action to Strengthen Regional Food System Resiliency

Waste as a Resource – Residential Food Waste Technology Challenge:

Guelph currently operates a leading-edge waste collection system that includes advanced sensors and artificial intelligence-powered camera systems on collection vehicles and radio frequency identification sensors on all collection bins. Under Our Food Future, we are developing an innovation challenge: asking for ideas for how these and other technologies can be used to better understand residential food waste practices and associated interventions. Building on the Municipal Innovation Exchange (MIX) model, we are working with procurement to launch a challenge by mid-August.

Communications and Engagement Update: On July 28, staff launched the inaugural edition of “The Scoop”, a quarterly newsletter distributed to more than 8,000 community members and collaborators to provide an update on the Our Food Future initiative.

We are also in the process of updating our public record of the initiative. *Launching Our Food Future: Guelph-Wellington’s First Steps to Create a Circular Food Economy* is a comprehensive historical record reference of the project’s mission and trajectory. The new publication compiles details about the initiative, including approaches we are taking; lessons we’ve learned; definitions, tools, templates and technology we’ve developed or adopted; success stories; and our performance to date on key indicators.

In August, Our Food Future will launch The Kitchen Table, a new online collaboration and engagement platform that will help business and community members connect, share ideas, provide input and transform the tremendous community energy around food and sustainability into additional community-led actions. It will also be used to support and promote collaboration on the Urban Agriculture Activation program, as community members view and vote for the ideas they think will make the biggest impact on the region.

Guelph Farmers’ Market

On Saturday July 4, the Guelph Farmers’ Market reopened the backlot and side street following an almost four-month closure of the building and outdoor lot due to COVID-19. As provincial and local regulations shifted, staff coordinated and mobilized vendors in preparation for reopening. This has resulted in 30 local farmers and primary producers selling local fresh produce and fruits. Customers appear to have steadily grown more comfortable shopping outdoors and by the end of July, each market day saw close to 1,500 customers, which is about 60 per cent of normal attendance.

With the outdoor market opened, the focus has moved to protocols needed to open the indoor portion of the building now that the Province has moved into stage 3 of reopening. Challenges exist inside in connection with physical distancing and design of physical barriers or screens. After a deep clean, some physical improvements and consultation with Public Health, staff expect to open the indoor market and welcome back another 30 to 35 vendors by early September.

Capital works and construction

The Capital and Construction Table continues to operationalize the delivery of capital and construction projects that are prioritized based on considerations such as finances, staffing resources and capacity, and other COVID-19-related matters. Because this work has been operationalized, the table is transitioning the work to the City's Capital Planning Steering Committee. If a second wave of COVID-19 begins to impact the delivery of capital and construction projects, the table will reconvene and roll out a response using the procedures that it has developed to prioritize work and ensure the health and safety of staff and the community.

Social and Community Recovery

COVID-19 Emergency Funding – Community Investment Strategy Update

At the June meeting about managing the impacts of COVID-19, staff were directed to adjust the 2020 allocation of Guelph Municipal Holdings Inc. dividend funding that was approved for the new Community Investment Strategy funding programs in the fall of 2019. As a result, \$350,000 was re-allocated to the Emergency and Resilience Fund, and staff designed a program for not-for-profit organizations, unincorporated groups and individuals across all sectors to adapt services or programs, develop new programs, or strengthen capacity during COVID-19 to meet community needs.

The application process opened on July 31. To manage intake and enable quick responses, the first phase of the one-time funding will award at least 50 per cent of the annual amount by August 31, and the remaining funding this October. Successful applicants are expected to start spending awarded funding this year and report in the summer of 2021.

Community Resilience; adapting how we plan to accommodate physical distancing

The Community Resilience Table has been coordinating the cross-functional short and long term work to plan and implement physical distancing measures in public spaces to support resilience in the community. Like that of other tables, this work is being absorbed by staff as part of day-to-day planning and implementation.

Staff have begun reviewing best practices emerging from the need to physically distance. Physical distance requirements have changed the model of programming and civic spaces as essential infrastructure.

Staff are reviewing master plans underway to determine if they address public spaces and infrastructure through the lens of COVID-19. For example, staff are re-examining updated drafts of the right-of-way cross section designs for the Clair-Maltby Secondary Plan with COVID-19 in mind, including bike lanes and sidewalk widths. We must ensure that the design decisions that shape the next generation of public spaces are not simply reactive, but also responsive in the most equitable way.

What has become clear is that we cannot design spaces with a single function in mind if we need them to be useful in emergencies. In the short term, this starts with reviewing our master plans and current site plans with a renewed public and shared space lens. In the longer term, it involves implementing best practices in the master plans and policy documents.

We have a unique opportunity to rethink transportation, mobility and public space. With a renewed look at our current master plans underway, staff feel Guelph can emerge from COVID-19 with a stronger approach to mobility and improved open space systems.

Organizational Recovery

Supporting our employees

Staff continues to develop the people-focused practices, policies and procedures that support City employees, and allow the organization to respond quickly when impacts from COVID-19 occur in the future.

The HR Table identified a need for employee and leader skill development in the area of working from home effectively. Staff completed a needs analysis to understand the development gaps and designed a learning program for employees and leaders who have short amounts of time for development. Twenty leaders completed “Managing Teams Remotely” training with the Schulich School of Business.

Staff are now updating the City’s Alternative Work Arrangement program to be more flexible in meeting organizational and employee needs. Updates include a refreshed Flexible Work Location policy and a Flexible Time Policy. The Flexible Work Location policy provides employees options to work remotely, whether at a hoteling station in a corporate facility, a home office, or any other combination. Creating flexible options for our employees allows the organization to accommodate the needs of the City and employees, while providing new value propositions to attract top talent to the organization. In addition to these policies, staff have committed to communicate the impacts of these adjustments as they relate to matters of the Income Tax Act, specifically the application of the T2200. City staff have a delegation with Minister Phillips to seek clarity and direction on this potential change in our employment relationship with staff.

Updating City facilities

Staff continue to work on updating City facilities to allow for the safe return of employees and the public. Staff have built a prioritized list of facilities, which can be reprioritized based on new government announcements. Facilities that rank high in the prioritization are buildings where staff are currently working and where the public has access. Facilities like the River Run and Sleeman Centre have the materials they need to keep staff safe, but public gatherings in these locations will not happen until much later.

Supporting good governance

The Governance Table is concluding much of its work. In summary, this included supporting a revised governance and legislative schedule for City Council during the initial period of the COVID-19 pandemic and a summary of [projects and bodies of work impacted by COVID-19](#). In addition, the Governance Table facilitated a transition from in-person to remote meetings of City Council.

As noted in the July 2020 Special City Council COVID Update meeting, included as attachment-2 is a proposed 2021 City Council and Committee meeting schedule. In 2019, for the 2020 calendar year, the proposed City Council and Committee schedule was brought before City Council for consideration in July.

Pursuant to the City of Guelph's [Procedural By-law](#), City Council is required to establish an annual City Council and Committee meeting schedule by way of City Council resolution. To support the legislative process for City Council, and to provide for accountability and transparency to the public, it is recommended that Council approve a regular meeting schedule annually.

The following principles guided the development of the proposed schedule:

1. Agendas are published a minimum of ten days prior to a meeting.
2. Committee of the Whole meetings are generally scheduled the first Monday of the month.
3. City Council Planning meetings are generally scheduled the second Monday of the month.
4. City Council meetings are generally scheduled the fourth Monday of the month.
5. Committee of the Whole meetings consist of two or three service areas reporting on alternating months with exceptions to be made for matters of a timely nature.
6. City Council Planning and Regular Council meetings are generally scheduled two weeks apart.
7. Closed City Council and closed Committee of the Whole meetings are scheduled immediately prior to the corresponding open meeting (start times of closed meetings are based on agenda content).
8. Changes to the meeting calendar are posted publicly as soon as possible.
9. One or two City Council meeting placeholders are generally scheduled per month.
10. City Council budget meetings are scheduled in collaboration with the Finance department.

Whenever possible, regular meeting dates and times have been established as follows:

- Committee of the Whole 2:00 p.m. on the first Monday of the month.
- City Council Planning 6:30 p.m. on the second Monday of the month.
- Special City Council and placeholders 6:00 p.m. on the third Monday of the month.
- Regular City Council 6:30 p.m. on the fourth Monday of the month.

Additional scheduling considerations have been made in relation to the following:

- The proposed City Council meeting schedule has been set to take into consideration statutory holidays and various annual conferences that City Council members may attend.
- The proposed 2021 Council meeting schedule includes additional placeholder dates for April, May, June, July and September to accommodate special City

Council meetings as required. All placeholder dates that are not used will be removed from calendars roughly 30 days prior to the meeting date.

- Special City Council meetings include City Council as Shareholder of Guelph Municipal Holdings Inc., City Council as Shareholder of Guelph Junction Railway Limited, budget meetings, or any specific subject matter deemed to require its own meeting. Special City Council meetings may be closed or open depending on subject matter and in accordance with the [Municipal Act](#).
- Budget placeholders for the 2022 budget cycle have been included in November and December.

At this time, staff anticipate that City Council and Committee meetings in 2021 will be held remotely similar to the way they have been throughout the COVID-19 pandemic since March 2020. The Governance Table, City Clerk's Office staff and the Executive Team recommend doing so until advice and recommendations from local, provincial, national and international health agencies support a return to in-person meetings in the Council Chambers at City Hall. The technology in the City Council Chambers limits the ability to support a hybrid model of City Council and Committee meetings where some participants in the meeting could attend in person and others could attend remotely. As a result, staff strongly recommend that meetings in 2021 continue to be held remotely until public health advice and guidance supports a return to in-person meetings.

Preparing for a second wave of COVID-19

The Emergency Operations Control Group (EOCG) is reflecting and preparing for a second wave of COVID-19, which many experts say is inevitable. Staff are preparing to interview EOCG members to gain insights about what worked well in the first wave of the pandemic, and what lessons we learned that can be applied if and when we need to respond to a second wave. This "mid-action brief" will inform activities that may need to ramp up again in the coming months.

The EOCG continues to meet twice a week, and will do so as long as we are in a state of emergency. While business resumption is a focus, we are also ensuring that we are ready and prepared for a second wave, including scaling down operations and reinstating facility closures as required by the Province and/or Public Health.

Financial Implications

The projected year-end cost of COVID-19, including fiscal relief provided to the community, lost revenues as a result of the provincial emergency closure orders, and additional costs incurred for business continuity, safety and enhanced cleaning now totals \$24.3 million.

This is an increase from past estimates and is the result of staff's ongoing analysis of impacts on businesses including extended revenue impacts for closed facilities and cancelled programs beyond June 30, and revised impacts from reduced transit ridership, and a reduction in the use of services like parking, museums and recreation.

The following is an update to the projected revenue impacts and costs for the City:

Projected cost of COVID-19 impacts	As at August 12, 2020	As at May 11, 2020
Fiscal relief measures		
Waiver of interest and penalties for user rates including water, wastewater and stormwater	\$50,000	\$50,000
Waiver of transit fares	\$8,082,500	\$3,440,000
Waiver of parking fees and fares	\$2,000,000	\$1,230,000
Waiver of interest and penalties for property taxes	\$781,000	\$400,000
Increased residential yard waste pick in the spring	\$100,000	\$100,000
Sub-total fiscal relief cost	\$11,013,500	\$5,220,000
Lost revenues from COVID-19		
Parks, Recreation and Culture and Library program cancellation and facility closure	\$6,141,100	\$2,000,000
Parking fines	\$410,000	\$390,000
Other user fees and licences including planning, building, water, wastewater, engineering, clerks office, and police services	\$1,267,000	\$845,000
Closure of Public Drop Off for residential use and other Solid Waste fees	\$368,000	\$355,000
Court Services closure	\$533,000	\$1,020,000
Decline in investment portfolio returns	\$500,000	\$500,000
Economy slowing reducing budgeted growth revenues inclusive of property tax supplementary billings, water, wastewater and stormwater rates	\$500,000	\$1,500,000
Sub-total lost revenues from COVID-19	\$9,719,100	\$6,610,000
Increased COVID related expenses	\$3,627,800	\$1,500,000
Total projected cost of COVID-19 impacts	\$24,360,400	\$13,330,000

In response to the significant financial impacts of COVID-19, the City has taken steps to reduce expenditures. These include halting all discretionary spending; temporary casual, part-time and full-time staff lay-offs; halting non-critical hiring; and prioritizing capital projects. Further, service levels have been adjusted in some areas for the remainder of the year, given the forecasted financial losses and/or

inability for certain services to operate safely in the current environment. These efforts have resulted in updated expenditure reduction estimates of approximately \$14.3 million. The current year-end projection is an overall city deficit of \$10 million. There are still unknowns and risks to the current year-end financial projection. As a result, staff have provided for an additional \$3 million potential deficit and estimate the year-end operating deficit could be in the range of \$6.5 to \$8 million for tax-supported businesses and \$3.5 to \$5 million for non-tax businesses. These projections continue to be estimates based on best information at the date of the report.

Emergency federal and provincial financial relief

The recently announced Safe Restart Agreement for municipalities is welcomed relief. The amount Guelph is expecting to receive from this program is currently not known. While the City's reserves are sufficient to manage the current projected deficit for 2020, this impact would have impaired our ability to respond to further impacts of a second wave or other unexpected events. The City is realizing every opportunity to create budget savings in 2020 to offset this mounting impact. However, without further impacting service, there is only so much that can be done. This emergency funding will enable the City to replenish its reserves so that the long-term financial impacts of this pandemic can be managed without significant increases to the tax levy or user rates.

Cash flow

Cash flow remains strong and staff are confident that even if there is a second wave of COVID-19, the temporary financing put in place by Council in April 2020 will not be required.

Consultations

This report was written in consultation with working table leads and the Executive Team.

Strategic Plan Alignment

Though the journey to recovery is a challenging one for cities, the route is more clear for those with Council-endorsed and community-informed strategic plans that are aligned with other plans and financial strategies that drive the organization. In Guelph's case, our strategic plan—Guelph. Future Ready—and our long-term financial strategy can guide the City's recovery and inform decision-making in our new reality. The recommendations in this report align with the strategic plan. As a whole, the City's response and ongoing work are aligned with each of the priority areas of the strategic plan.

Attachments

Attachment-1 – Federal and Provincial Advocacy Correspondence

Attachment-2 – 2021 City Council and Committee Meeting Schedule

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