

30 June 2020

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
College Park, 777 Bay St
Toronto, ON M7A 2J3

Dear Minister Clark,

RE: Proposals to Support Municipal Recovery

Throughout the COVID-19 pandemic the City of Guelph has remained focused on providing essential services to the public in ways that are safe, accessible and affordable. As the crisis stabilizes and we transition to the ‘new normal,’ it is imperative that we continue to work together to identify solutions that make sense for the people of Guelph.

The City of Guelph continues to call on the province of Ontario to immediately provide municipal governments with robust stimulus supports to enable our economic recovery as we emerge from the pandemic. Financial relief from the federal and provincial governments will be necessary to keep cities afloat as our costs balloon and our revenues decline sharply in light of COVID-19. Supporting cities is crucial in making sure our local communities and economies are able to recover quickly from the COVID recession.

The City has also identified other provincial actions for immediate consideration that would support municipal governments as we transition to our new normal in upcoming weeks.

Continue Enabling Electronic Participation in Council Meetings

The *Municipal Emergencies Act*, 2020, has proven that electronic participation can make municipal government safer and more accessible to the public without compromising the integrity of local democracy and council business. Once the Declaration of Emergency expires, the province should continue to allow local councils and committees to convene electronically to protect against a second wave of infections.

Solution: Amend Section 238 (3.1) and (3.3) of the *Municipal Act* to allow electronic participation to count towards quorum and to allow electronic participation in closed door meetings outside of provincially declared emergencies as deemed necessary by local councils through their procedural bylaws.

City Hall
1 Carden St
Guelph, ON
Canada
N1H 3A1

T 519-822-1260
TTY 519-826-9771

guelph.ca

Extend the Validity of Marriage Licenses Issued by the City of Guelph

The City of Guelph recommends that the province temporarily waive the 90-day period of validity on outstanding marriage licenses issued by the City that expired during the Declaration of Emergency. This would spare the City from having to fund and process refunds for affected residents, including fees already remitted to the province.

Solution: That Ontario pass a time-limited regulation extending the validity of marriage licenses that expired during COVID-19.

Thank you for considering these policy proposals from the City of Guelph. In the coming weeks, the City will continue to identify solutions that will make municipal governments simpler, faster and better as we transition to the new normal. I look forward to sharing these ideas with you.

If you have any questions or comments, I encourage you to contact Leslie Muñoz, Manager, Policy and Intergovernmental Relations for the City of Guelph, at leslie.munoz@guelph.ca.

Sincerely,



Scott Stewart, Chief Administrative Officer
City of Guelph

T 519-822-1260 x 2221
E Scott.Stewart@guelph.ca

CC the Honourable Lisa Thompson, Minister of Government and Consumer Services; Jamie McGarvey, AMO President; Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, City of Guelph; and Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services, City of Guelph.

3 July, 2020

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
College Park 17th Flr, 777 Bay St
Toronto, ON M7A 2J3

The Honourable Prabmeet Sarkaria
Associate Minister of Small Business and Red Tape Reduction
Ministry of Economic Development, Job Creation and Trade
7th Flr, 56 Wellesley St W
Toronto, ON M5S 2S3

Dear Minister Clark and Minister Sarkaria,

RE: Proposals to Make Municipal Governments Simpler, Faster and Better

Consistently modernizing the way we do business is critical in making sure municipal governments like the City of Guelph continue to grow, adapt and evolve. Focusing on solutions that eliminate red tape and make municipal governments more cost efficient is particularly imperative as we enter the recovery phase of the COVID-19 pandemic.

As you know, municipal governments have been hard hit by the COVID crisis. Locally, the City of Guelph has taken on new expenses to protect the health of our residents and businesses. We have also seen a significant decline in revenues. While economic stimulus supports from the provincial and federal governments will be important to help cities like Guelph on the road to recovery, it is also important that we consider changes that will help local governments operate more cost-efficiently. Below you will find legislative and regulatory proposals for your consideration that aim to do just that.

Advance Central Digitalization of the Assessment Roll

Under *the Assessment Act*, the Assessment Roll as returned must be made available by the City of Guelph for public inspection during normal office hours. The current options for doing this are outdated, rely on high contact surfaces and do not allow for proper physical distancing during the COVID pandemic. This provides an opportunity to modernize how members of the public access the Assessment Roll moving forward.

The City of Guelph recommends that full access to the Roll as returned be made available online through AboutMyProperty.ca or a similar online portal so that assessment information can be accessed without attending City Hall in person. This must be done in a way that ensures data mining cannot occur. A digital online portal for the Assessment Roll would also produce savings for the Municipal Property Assessment Corporation by reducing printing and mailing costs.

Solution: Modernize Subsections 39 (1) and (2) of the *Assessment Act*, 1990, to allow for the electronic delivery of the Assessment Roll, for the public, through

City Hall
1 Carden St
Guelph, ON
Canada
N1H 3A1

T 519-822-1260
TTY 519-826-9771

guelph.ca

the Municipal Property Assessment Corporation's 'Aboutmyproperty.ca' service or a comparable online portal.

Digitize the Freedom of Information Request (FOI) Process

Regulations under the *Municipal Freedom of Information and Protection of Privacy Act*, 1990, require modernization to allow municipal governments to digitize the FOI request process. Digitizing FOI requests would improve services for the general public while allowing municipal governments to operate more efficiently and effectively. In particular, the fee structure outlined in O.Reg 823 requires updating to facilitate online transactions, digital disclosures and the collection of fees for these online services.

Solution: Update O.Reg 823 under the *Municipal Freedom of Information and Protection of Privacy Act*, 1990, by allowing online payment transaction fees and the collection of fees for the digital disclosure of requested records.

Extend Bylaw Powers Granted during COVID-19

The City of Guelph supports the provincial government's decision to empower bylaw enforcement officers during the COVID-19 crisis. Enabling bylaw officers to request identification and to issue charges for minor provincial offences eliminated key barriers to effective bylaw enforcement. These powers should remain in place beyond the COVID-19 Declaration of Emergency.

Solution: Amend Part XIV of the *Municipal Act*, 1990, by adding a section granting municipal bylaw officers the power to request identification, where appropriate.

Continue Digitizing Reporting Requirements

The City of Guelph welcomes the provincial government's ongoing efforts to reduce and streamline municipal reporting requirements. Outstanding examples of reporting requirements that could be streamlined through digitization include driver logs and training records.

Solution: Introduce necessary legislative and regulatory changes under the *Highway Traffic Act*, 1990, to allow for the digitalization of driver logs and training records.

The City of Guelph welcomes your consideration of these legislative and regulatory proposals. If implemented they will help municipal governments run more efficiently, allowing us to better serve our communities as we all adapt to the 'new normal' under COVID-19.

If you have any questions or comments, I encourage you to contact Leslie Muñoz, Manager, Policy and Intergovernmental Relations for the City of Guelph, at leslie.munoz@guelph.ca.

The Honourable Steve Clark and the Honourable Prabmeet Sarkaria

3 July 2020

Page 3 of 3

Sincerely,

A handwritten signature in blue ink, appearing to read 'Scott Stewart', with a long horizontal flourish extending to the right.

Scott Stewart, Chief Administrative Officer
City of Guelph

T 519-822-1260 x 2221

E Scott.Stewart@guelph.ca

- C:** The Honourable Rod Phillips, Minister of Finance;
The Honourable Lisa Thompson, Minister of Government and Consumer Services;
The Honourable Sylvia Jones, Solicitor General of Ontario;
Mayor Jamie McGarvey, AMO President;
Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, City of Guelph;
Colleen Clack, Deputy Chief Administrative Officer, Public Services, City of Guelph;
Kealy Dedman, Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, City of Guelph; and
Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services, City of Guelph.



Wednesday, July 22, 2020

Amarjot Sandhu
Member of Provincial Parliament, Brampton West
Chair, Standing Committee on Finance and Economic Affairs
Ontario Legislative Assembly
Room 261, Legislative Building, Queen's Park
Toronto, Ontario M7A 1A8

Julia Douglas
Committee Clerk, Standing Committee on Finance and Economic Affairs
Ontario Legislative Assembly
99 Wellesley Street West
Room 1405, Whitney Block, Queen's Park
Toronto, ON M7A 1A2

Dear Mr. Sandhu and Ms. Douglas,

RE: Standing Committee Hearings on COVID-19 Impacts on Municipalities and the Construction and Building Sectors

I am pleased to submit comments to the Standing Committee on Finance and Economic Affairs on how COVID19 has impacted the City of Guelph.

Throughout the pandemic the City of Guelph has been quick to do what is necessary to keep our community healthy. To do our part in reducing the spread of the virus, the City took extensive measures early on to continue providing essential frontline services to the public with enhanced cleaning and PPE protocols. We also paused non-essential services, converted our facilities into testing centres, installed Plexiglas barriers, provided emergency supports to those experiencing homelessness and launched [Grow Back Better](#), our 10-point plan to ensure an inclusive and green recovery. The City has also delayed property tax payments, made public transit and parking free and made critical investments to advance active transportation and to keep our local businesses afloat. Today, we have a thriving new outdoor Dining District, City Hall services and our Farmer's Market have reopened, and the people of Guelph can once again access many recreational facilities in the community.

Despite these successes as Guelph reopens, emergency measures have led to new and unplanned costs at a time when we are facing a steep decline in revenues. We have had to make tough choices. Like many municipal governments, emergency staff leaves, service reductions and capital project delays have been implemented to mitigate our COVID-19 impacts. We are currently facing a projected in-year deficit of \$8 million and climbing. To date, the City has seen a decline in revenues

of \$12 million and we have spent more than \$1.3 million in unbudgeted COVID-response related costs.

Without adequate supports from the provincial and federal governments, further service level changes, staff impacts, and capital project delays may be necessary, as well as property tax and user fee increases. This difficult conversation is occurring not only in Guelph but in council chambers across the province. The City faces great uncertainty as we adapt to new fiscal realities and begin budgeting for 2021.

Need for Sufficient Emergency Fiscal Relief for Municipal Governments

The City of Guelph has joined cities and towns across Canada to call on the federal and provincial governments to immediately provide adequate levels of emergency fiscal operating relief to municipal governments, followed by stimulus supports to revive local economies. On July 6th, 2020, City of Guelph Mayor Cam Guthrie issued a statement outlining the need for immediate provincial and federal support to cover lost revenue and additional costs caused by the COVID-19 crisis. Mayor Guthrie's call for action is part of a national effort, led by the Federation of Canadian Municipalities, to secure at least \$10 billion dollars in flexible emergency relief for municipalities, to be funded 100% by the federal and provincial governments. The Canadian Urban Transit Association has also called for an additional \$2.4B in funding to sustain hard-hit public transit systems until the end of 2020.

Speed, Equity and Flexibility in Safe Restart Agreement Funds

For these reasons, the City was pleased to hear the Prime Minister's July 16 announcement of the Safe Restart Agreement, which will provide \$19B in Federal funding to the provinces for use across 7 priority areas, including municipal governments. It is the City's understanding that the provinces will match federal funding for municipal governments for a total of \$4B Canada-wide for operating costs and \$3.6B for public transit. Premier Ford has also indicated that the total funding envelope for Ontario is \$7B although it remains unclear how much of this funding will go directly to municipal governments and their public transit systems.

The City of Guelph welcomes the Safe Restart Agreement. While it may be insufficient to address the full municipal need, it will go a long way to support municipal governments as we navigate these challenging times. The City is also pleased to hear that it is only intended to cover the next 6-8 months – it is positive to see federal and provincial acknowledgement that funding above the \$19B will be necessary.

We continue to wait for details on how much the City of Guelph will receive from Ontario's portion of the Safe Restart Agreement. The City encourages the province to proceed quickly in releasing the funds and to recognize both population levels

and ridership when it is determining how to equitably spread the funding across Ontario's municipalities. It is important the funding flow to municipal governments without additional strings attached. Given the current fiscal reality, municipal governments are not in a position to cost-share or match federal and provincial funding. It is also important that the City retain the flexibility to invest any funding it receives based on local priorities and needs.

Ongoing Need for Stimulus Investments in Critical Municipal Infrastructure

Our community will also need stimulus supports over and above emergency operating relief funding to get our local economy back on track. The City of Guelph shares the provincial priority of safely reopening Ontario for business to support economic recovery. To do this, the provincial and federal governments should inject stimulus funding into critical municipal infrastructure projects. Doing so will have a positive impact on our local economic recovery and encourage businesses and developers to stay and grow in Guelph. Alongside emergency operating relief funding, stimulus supports will reduce COVID related risks to essential service delivery and enable the City to avoid higher capital costs in the long term.

COVID19 Stream under the Investing in Canada Infrastructure Program (ICIP)

When it comes to stimulus supports, the City is pleased to hear that a new COVID19 stream has been proposed by the federal government under ICIP. We anxiously await additional details and have prepared a priority list of shovel-worthy projects for provincial and federal consideration. The City has a robust, industry leading asset management strategy that, combined with comprehensive Master Plans, drive our decision making on infrastructure investment and sustainability. We are ready to recommend key projects for provincial and federal funding that will stimulate recovery in Guelph. We encourage the province and federal government to move quickly on the new COVID19 stream and other existing streams under ICIP. The sooner municipal governments have access to and information about stimulus funding, the better.

When it comes to finalizing stimulus program details, I encourage the Standing Committee to consider Guelph's Principles for a COVID19 Stimulus Package:

1. Recovery and stimulus programs should support the priorities identified by municipal governments in their strategic plans
2. Infrastructure programs aimed at stimulating economic recovery should consider the full range of municipal asset needs, as identified through local asset management programs, and focus on sustainable, shovel worthy projects that aim to boost connectivity
3. Programs should consider municipal financial pressures, and be designed to make municipalities less dependent on other levels of government over time

4. Further enhance long-term recovery and resilience by encouraging collaboration with businesses, community organizations and other municipalities with a focus on mission-oriented innovation
5. Invest in enabling municipalities to be “future ready” as we make changes to respond to the new normal and include needs identification and implementation costs into program design
6. Programs should strive to increase environmental sustainability and community resilience to prepare and protect against future challenges
7. Simplify the application and reporting processes to allow municipalities to focus on recovery, service delivery and program execution
8. Avoid overlap or duplication of programs between levels of government; and
9. Programs should encourage capacity building and help scale smaller seed funded programs that prove successful.

It is my hope that the Standing Committee will recognize and respond to the pressing challenges facing municipalities during COVID19. Municipal governments will be at the heart of economic recovery in local communities. The City of Guelph would welcome expedited action from the province so that we can safely continue to help our businesses and residents during this period of recovery.

If you have any questions or comments about this submission, I encourage you to contact Leslie Muñoz, Manager, Policy and Intergovernmental Relations, for the City of Guelph at leslie.munoz@guelph.ca.

Sincerely,



Scott Stewart, Chief Administrative Officer

City of Guelph

T 519-822-1260 extension 2221

TTY 519-826-9771

E scott.stewart@guelph.ca

CC The Honourable Steve Clark, Minister of Municipal Affairs and Housing;
The Honourable Rod Phillips, Minister of Finance;
Mike Schreiner, Member of Provincial Parliament for Guelph;
Mayor Jamie McGarvey, AMO President;
Kealy Dedman, Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, City of Guelph;
Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, City of Guelph;



Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services, City of Guelph.



Wednesday, July 22, 2020

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
Province of Ontario
College Park 17th Flr, 777 Bay St
Toronto, ON M7A 2J3

Dear Minister Clark,

RE: Bill 197, the COVID-19 Economic Recovery Act, 2020

I'm pleased to provide you with input from the City of Guelph on Bill 197, *the COVID-19 Economic Recovery Act, 2020*. The City appreciates the legislation's focus on reopening Ontario for business and getting our economy back on track as we adapt to our new normal in light of COVID19.

I will focus my comments on schedules of particular interest to the City, namely:

- Schedule 3, *the Development Charges Act*
- Schedule 17, *the Planning Act*
- Schedule 6, *the Environmental Assessment Act*
- Schedule 9, *the Marriage Act*
- Schedule 12, *the Municipal Act*; and
- Schedule 18, *the Provincial Offences Act*.

Schedule 3, the Development Charges Act

While Bill 197 does not eliminate municipal administrative and fiscal challenges arising from development charge (DC) payment deferrals, the City of Guelph is pleased with the amendments to the DC framework put forward by the legislation. In particular, the City welcomes the expansion of services eligible for DCs, the elimination of the 10% DC discount and the inclusion of studies as an eligible expense recoverable by DCs. We also support the two year transition timeline – this will give the City sufficient time to adapt to the new framework.

Despite positive elements in Bill 197, the City is disappointed to see that the legislation fails to clarify eligibility requirements for DC deferrals. It is the City's position that eligibility for DC deferrals should be based exclusively on development type rather than on the type of developer. This would prevent non-profits from

qualifying for 20 year DC deferrals in instances where they are developing market housing. Any measure intended to support the construction of affordable housing should be exclusive to affordable developments. Market housing developments should be ineligible regardless of the proponent.

Recommendation: Amend Section 26.1 (2) of the *Development Charges Act* to clarify that 20-year DC deferrals for non-profit housing developments do not include market rental developments proposed by non-profit organizations.

Schedule 17, the Planning Act

Schedule 17 of Bill 197 provides municipal governments with increased clarity on the province's new Community Benefit Charge (CBC) Framework although significant outstanding details remain that are to be addressed via regulation. The City is supportive of the flexibility the CBC framework grants municipal governments when it comes to identifying local priorities to fund using CBCs. The City also supports the reinstating of parkland and alternative parkland rates via by-law as indicated in the Bill.

A shortcoming of Bill 197 is that it makes CBC and Parkland Dedication By-Laws appealable to the Local Planning Appeal Tribunal (LPAT) and empowers the LPAT to amend municipal bylaws. This approach disempowers municipal governments and local councils.

Recommendation: Eliminate provisions in Bill 197 that would enable the LPAT to repeal or amend municipal CBC and parkland by-laws.

Although Bill 197 provides some clarity, many details about the CBC and parkland dedication frameworks are outstanding, including what percentage of land value will be used to calculate the maximum CBC, and CBC exemptions. Given these outstanding details, the financial impact of the CBC framework on municipal governments remains unclear. Additional consultation will be necessary as further details are proposed.

Recommendation: Hold public consultations on proposed regulations related to outstanding elements of the CBC framework prior to finalizing further details to allow municipal governments to provide additional input.

Schedule 6, the Environmental Assessment Act

The City of Guelph supports measures to modernize environmental assessments (EAs) to improve environmental outcomes, reduce duplicative and administratively burdensome requirements and to shorten timelines. Any provincial actions taken to streamline EAs must carefully balance environmental protections to ensure our natural environment is protected for generations to come.

Schedule 9, the Marriage Act

Schedule 9 amends the *Marriage Act* to extend the validity of marriage licenses that expired during the Declaration of Emergency up to 24 months after the emergency ends. The City of Guelph supports this provincial action. The City had previously recommended extending the validity of marriage licenses to the Minister of Municipal Affairs. We appreciate the government's responsiveness to this municipal ask.

Schedule 12, the Municipal Act

Schedule 12 of Bill 197 responds to another ask from the City of Guelph. Enabling electronic participation in council and committee meetings will allow local councils to safely conduct municipal business as we recover from the COVID19 emergency. Leveraging digital technology during council meetings will be helpful in reducing risk as we prepare for a potential second wave.

Schedule 18, the Provincial Offences Act (POA)

The City of Guelph supports measures in Bill 197 intended to allow the digitalization of POA matters. Allowing electronic participation in POA proceedings will modernize the POA process and make it accessible as we adapt to our new normal in light of COVID19.

If you have any questions or comments about this letter, I encourage you to contact Leslie Muñoz, Manager, Policy and Intergovernmental Relations, for the City of Guelph at leslie.munoz@guelph.ca.

Sincerely,



Scott Stewart, Chief Administrative Officer

City of Guelph

T 519-822-1260 extension 2221

TTY 519-826-9771

E scott.stewart@guelph.ca

C Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, City of Guelph;

Kealy Dedman, Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, City of Guelph; and



Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services, City of Guelph.



July 31, 2020

The Honourable Caroline Mulroney
Minister of Transportation
777 Bay Street, 5th Floor
Toronto, ON M7A 1Z8
minister.mto@ontario.ca

Dear Minister Mulroney,

Thank you for your government's leadership during these extraordinary times. On behalf of the City of Guelph and University of Guelph we are writing to draw your attention to continued financial challenges facing Guelph's public transit systems and the impacts on our riders and communities.

As you know, Transit is a critical service that enabled front-line health care workers to get to work, ensured manufacturing sector employees could keep the supply chain moving, and helped maintain access to groceries and pharmacies during the height of the pandemic. Now, as we enter phase 2, stage 3 of the recovery, we are looking ahead to the resumption of routine service and beginning to fully understand ridership and revenue impacts.

For many years, the University of Guelph student associations and Guelph Transit have had an agreement to provide a discounted transit pass (U Pass) to all University of Guelph students. This agreement allowed Guelph Transit to provide enhanced service to the University campus, and other student centric destinations in Guelph to facilitate public transit travel to jobs, off campus housing and entertainment.

On July 15, at the request of the University of Guelph student associations, Guelph Council made the difficult decision to approve the request to suspend the U Pass agreement. As a result of the pandemic, far fewer students will be required to attend in-person classes and fewer students will be able to reside in U of G's on campus residences due to public health requirements. These are not short-term impacts, these are changes to our community that will continue to have impacts for at least the next several years.

During the crisis, most transit systems in Ontario opted to forego farebox revenues in order to maintain access while protecting the health of transit operators. Now, farebox revenues are beginning to restart, however ridership has not rebounded to anywhere near pre-pandemic levels. The City of Guelph has reported transit losses of \$3.4 M due to the pandemic, and now, as a result of the suspension of the U Pass, Guelph Transit is facing an additional \$4.7M in losses. As a direct result of these financial impacts, Guelph Transit has

had to cut services reducing the level of service, the frequency of scheduled trips, and its workforce. There are additional revenue losses due to decreased advertising and decreased charter contracts.

On behalf of the City of Guelph and the University of Guelph, we are asking the Province to recognize the longer-term impacts of COVID-19 on our transit system for both operators and users (such as university students, faculty and employees), and the importance of transit in connecting our communities.

While emergency relief funding to replace lost operating revenue and support for the procurement of personal protective equipment, cleaning agents and disinfectants is important, we must also discuss longer-term support for transit operations.

As you know, the City of Guelph has limited ability to take costs out of Transit budgets. In some cases, a reduction in services will be feasible, but nowhere near 80 per cent. There are fixed costs to providing even reduced services, and these will be unsustainable.

We would welcome a phone call with you at your earliest opportunity to discuss these matters. To confirm your availability, please have your office contact scott.stewart@queph.ca.

Guelph is thankful for your leadership at this time. We are committed to continuing to slow the spread of COVID-19 in our communities and facilitate strong economic recovery in partnership with you and your government.

Sincerely,



Scott Stewart, Chief Administrative Officer
City of Guelph
T 519-822-1260 x 2221
E Scott.Stewart@queph.ca



Daniel Atlin, Vice-President, External
University of Guelph
M 226-820-6471
E Datlin@uoguelph.ca

cc: The Hon. Steve Clark, Minister of Municipal Affairs and Housing
The Hon. Ross Romano, Minister of Colleges and Universities
The Hon. Rod Phillips, Minister of Finance
Ontario Public Transit Association
Canadian Urban Transit Association
Association of Municipalities of Ontario



Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget

By: The City of Guelph

List of Recommendations:

Recommendation 1: To support local economic recovery and protect municipal services, the federal government should prioritize funding for Phase II of the Safe Restart Agreement in the upcoming federal budget.

Recommendation 2: Stimulate local economic recovery by investing in critical municipal infrastructure and by increasing the total federal funding available through the Investing in Canada Infrastructure Program.

Recommendation 3: Enhance federal engagement and partnerships with the provinces and municipal governments to improve the sustainability of funding for critical services delivered by municipalities.

August 7, 2020

The Honourable Wayne Easter, P.C. M.P. for Malpeque
Chair of the House of Commons Standing Committee on Finance
House of Commons
Ottawa

Dear Mr. Easter,

I am pleased to submit the following comments to the House of Commons' Standing Committee on Finance on behalf of the City of Guelph (the City) as part of the federal pre-budget consultation process.

Like all municipalities across Canada, the City of Guelph was called upon to quickly respond to the COVID19 pandemic. To date, we have done what is necessary to keep Guelph healthy and keep its economy open for business. Throughout the pandemic, we provided essential frontline services to the public with enhanced cleaning and PPE protocols. We also delayed property tax payments, temporarily made public transit and parking free, converted our facilities into testing centres, installed Plexiglas barriers to protect employees and citizens, provided emergency supports to those experiencing homelessness and launched [Grow Back Better](#), our 10-point plan to ensure an inclusive and green recovery. Today, we have a thriving new outdoor Dining District, City Hall services and our Farmer's Market have reopened, and the people of Guelph can once again access many recreational amenities in the community.

Despite these successes as Guelph safely reopens, the impact of the pandemic on the City's finances have been notable. Unforeseen costs are up and our revenues losses are mounting. At the time of writing, the City's deficit is between \$10-13M with \$20M in total lost revenues and \$4M in unbudgeted costs related to the City's COVID19 response. While we have yet to receive funding from the Safe Restart Agreement, this federal and provincial initiative is welcome and should go far in supporting the City for the rest of 2020.

Additional support for municipal operating costs and hard-hit transit systems will be necessary following the 6-8 months the Safe Restart Agreement is intended to cover. Local communities will also need a well-designed economic stimulus package from the federal and provincial governments that prioritizes critical municipal infrastructure. Finally, municipalities like the City of Guelph would benefit from enhanced federal engagement with the sector and a longer-term partnership to ensure sustainability for the breadth of services offered by municipal governments, from transit to key services like social housing, public health and long term care.

Prioritize Relief for Municipal Operating Costs and Transit Systems

Under the Safe Restart Agreement, Ontario's municipal governments are expected to receive \$4B in funding from the federal and provincial governments. This emergency relief is expected to last until around the end of the federal government's current fiscal year and is welcome by the City. However, the negative financial impacts of COVID19 are expected to last beyond the 6-8 month mark. More support from the federal and provincial governments will be necessary, especially as it relates to operating costs and public transit. The absence of strong federal and provincial commitments to supports for municipal governments for the 2021/2022 federal and provincial fiscal year has created uncertainty for the City as it budgets for the 2021 municipal fiscal year.

In particular, Guelph Transit has seen a steep decline in revenues and increased costs since the start of the pandemic. Currently, ridership is at 56% of what it was this time last year and revenue losses for 2020 stand at around \$8M and climbing. The majority of this revenue loss comes from the cancellation of the City's UPASS agreement with the University of Guelph's student associations for the upcoming school year. This means that Guelph Transit remains vulnerable to continued declines in revenue throughout 2021 until in-person classes resume and ridership levels stabilize. Since many of Guelph Transit's operating costs are fixed regardless of revenues and ridership, the City of Guelph will need federal support in the upcoming budget to continue to provide the service.

Investing in municipal transit systems is a smart choice for the federal government as it aims to recover from the COVID19 pandemic and economic downturn. Locally, Guelph Transit keeps the community moving. Public transit is essential in getting people to their workplaces and connecting them to services available in the community.

Other municipal services will also need operating relief in the upcoming budget. Federal funding should support key services like child care, housing services, public health and long-term care.

Recommendation #1: To support local economic recovery and protect municipal services, the federal government should prioritize funding for Phase II of the Safe Restart Agreement in the upcoming federal budget.

Invest in Critical Municipal Infrastructure to Stimulate Local Economic Recovery

The Investing in Canada Infrastructure Program (ICIP) has taken on renewed importance as municipal governments work to recover from the current economic downturn. Investing in current and anticipated infrastructure needs is a key tool available to the federal government to stimulate local economic recovery. Funding for critical municipal infrastructure will keep Guelph working and growing when we need it the most.

The City welcomes the recently announced COVID19 Resilience Stream under the ICIP program. In particular, the City supports the Federal government's commitment to cover 80% of eligible project costs. Also welcome is the \$1.184B in funding that has been

allocated to communities in Ontario, recently enhanced flexibility under other ICIP streams, and the federal commitment to a quick approval process.

The City of Guelph has a list of priority, job-creating and shovel-worthy projects ready to nominate to the provincial and federal governments once the first intake is launched. We encourage the federal government to quickly finalize negotiations with the Government of Ontario. The City also recommends that the federal government continue to invest in critical municipal infrastructure to stimulate local economic recovery by increasing the total federal funding available through ICIP.

Recommendation #2: Stimulate local economic recovery by investing in critical municipal infrastructure and by increasing the total federal funding available through the Investing in Canada Infrastructure Program.

Renew Federal/Municipal Partnerships to Enhance Municipal Sustainability

One of the lessons of the COVID19 pandemic has been the need to address the gaps that have emerged as a consequence of the devolution of services and responsibilities from the federal government, to the provinces, to municipal governments. In Ontario, municipal governments have been hit especially hard by the pandemic because of the broad range of services they offer to the public, from long-term care, to emergency housing for those experiencing homelessness, to public health, public transit, employment supports, childcare and more. These services are essential but they require collaboration and partnership between all orders of government to ensure their successful delivery. The pandemic has revealed that how these critical services are funded in local communities is precarious and unsustainable. There is a need for federal leadership.

As the federal government develops the upcoming budget it must consider the need to enhance engagement with municipalities like the City of Guelph in light of the critical role modern cities play providing essential services across the country. A renewed partnership between the federal government, the provinces and municipal governments will be critical as we work together to recover from COVID19 and the economic downturn.

Recommendation #3: Enhance federal engagement and partnerships with the provinces and municipal governments to improve the sustainability of funding for critical services delivered by municipalities.

Thank you for considering these comments from the City of Guelph. Leslie Muñoz, Manager, Policy and Intergovernmental Relations, at the City of Guelph, is available to answer any questions or comments you might have at leslie.munoz@guelph.ca.

Recovering from the COVID19 pandemic will require unprecedented levels of collaboration between the three orders of government. The City of Guelph looks forward to continuing to work with the Government of Canada and the province of Ontario to ensure a speedy recovery for our community.

Sincerely,



Scott Stewart, Chief Administrative Officer

City of Guelph

T 519-822-1260 extension 2221

TTY 519-826-9771

E scott.stewart@guelph.ca

CC Minister of Finance the Honourable Bill Morneau;

Minister of Infrastructure and Communities the Honourable Catherine McKenna;

MP Lloyd Longfield, Member of Parliament for Guelph;

Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, City of Guelph;

Kealy Dedman, Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, City of Guelph;

Colleen Clack, Deputy Chief Administrative Officer, Public Services, City of Guelph;

Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services;

Carole Saab, Chief Executive Officer, Federation of Canadian Municipalities