

Friday, October 16, 2020

**To be sent via email to: submissions@ontario.ca and
minister.fin@ontario.ca**

The Honourable Rod Phillips
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, Ontario M7A 1Z1

Dear Minister Phillips,

RE: City of Guelph's Response to Ontario's Fall 2020 Pre-Budget Consultation Process

I'm pleased to submit comments to the province's Fall 2020 Pre-Budget Consultation process on behalf of the City of Guelph. We are at a critical juncture in Ontario's fight against COVID-19. All orders of government must work together to keep our residents safe and to support our local businesses and industries as we continue down the path of economic recovery. We applaud the province's efforts to date and support Ontario's continued focus on the public health response to the pandemic.

As we brace for the second wave it is essential that we leave no one behind. We must continue to work together to ensure all of our residents have safe access to the essential services they need and that our economic recovery is broad-based and inclusive. As a front-line and mature order of government, the City has been at the forefront of efforts to contain the virus locally and to stimulate local economic recovery. The pressures of the pandemic have meant that we've had to do more with less, while striving to be more efficient and digitally innovative.

Below you will find our recommendations for the upcoming budget to ensure Guelph and the province are able to advance the wellbeing of our local community as well as our local economy. As always, we also encourage the province to prioritize red tape reduction, process streamlining and local digital innovation.

✓ **Continue to Support Municipal Governments with additional Emergency Operating Funds**

The 6-8 month Federal-Ontario Safe Restart Agreement has been critical in supporting municipal governments so we can continue to fund essential public services such as transit, paramedic, fire and social services like housing throughout the public health crisis. While these emergency funds have allowed the City of Guelph to withstand the financial pressures of the pandemic to date, regular

revenues have yet to stabilize and we continue to take on new expenses related to COVID19 in response to the second wave and to enable the municipal shift towards remote working. These fiscal challenges are especially evident as we begin preparing our budget for the 2021 municipal fiscal year. Municipal governments will need continued support from the province until these pandemic pressures fully subside. In Guelph, transit and recreation services have been especially hard-hit by the pandemic. For transit, we will need continued provincial and federal support until ridership and revenues stabilize if we are to continue offering this service at the levels necessary to meet the needs of our residents.

Recommendation: That the province work with the Government of Canada to negotiate a follow up to the Safe Restart Agreement to provide further emergency municipal operating relief funding for the 2021 municipal fiscal year.

Recommendation: That the province work with the Government of Canada to continue to provide transit relief funding for municipal transit services until ridership and revenues stabilize.

✓ **Stimulate Economic Recovery by Investing in Critical Municipal Infrastructure**

Investing in critical municipal infrastructure is one of the key tools available to the provincial government to stimulate economic recovery in local communities. The Investing in Canada Infrastructure Program (ICIP) should be leveraged for this purpose given its ability to fund projects that will create local jobs across the employment spectrum when these investments are needed most. Funding should be flexible and dollars should flow as fast as possible while maintaining necessary transparency and accountability measures.

Recommendation: That the province launch new intakes under the ICIP Green and COVID19 Streams, including for municipalities over 100,000 residents, as soon as possible with simplified application and reporting requirements.

✓ **Prioritize Small Business Supports and Hard-Hit Economic Sectors**

Guelph's entrepreneurs, small businesses, hospitality, tourism, industrial and manufacturing sectors have been hard hit since the Declaration of Emergency was first announced. Strategic action must be taken to make sure our local businesses survive the pandemic and continue to power our future, especially given the uncertainty created by the second and potentially additional waves of COVID-19. Ensuring the wellbeing of our businesses and industries is critical in making sure our local residents are able to continue working. The province must also find ways to support entrepreneurship, innovation, and skills-development. Past recessions have often led to an increase in the demand for entrepreneurship and small business support services. These are "boots on the ground" organizations that

foster entrepreneurship and job creation in our communities. They will be absolutely vital to our economic recovery. The province should also support the recovery of the tourism and hospitality sectors and encourage industrial and manufacturing businesses to continue innovating so that they can withstand the pressures of the pandemic.

Recommendation: That the province extend the ban on commercial evictions to help struggling small businesses survive the second wave and get back on their feet.

Recommendation: That the province invest in Small Business Enterprise Centres and Regional Innovation Centres to support small businesses, aspiring entrepreneurs and innovation that will enable businesses to retool in light of COVID-19.

Recommendation: That the province develop and/or enhance dedicated supports and funding opportunities for the tourism and hospitality sectors.

Recommendation: That the province support and incentivize manufacturing and industrial sector companies based in local communities so that they can retool to meet changing supply and demand pressures.

✓ **Invest in Interregional Transportation**

Although the pandemic has impacted mobility trends, we must continue to focus on making our transportation networks future ready. Investing in interregional transportation now will stimulate economic recovery in the short term while also preparing the necessary infrastructure our communities will need to navigate our future. Guelph is a critical link in the Innovation Corridor between Waterloo Region and Toronto. Investments in all-day two-way Go Service by 2025 and on Highways 6 & 7 will be transformative for our community and for the continued success of the economic engine that is the Innovation Corridor.

Recommendation: That the province invest in making All-Day Two-Way Go Service by 2025 along the Kitchener Line a reality, including any potential infrastructure improvements along the rail corridor in Guelph.

Recommendation: That the province continue investing in improvements to Highways 6 & 7 to enhance connectivity between Guelph and Waterloo Region and between Guelph and Hamilton.

✓ **Encourage a Green Recovery**

As we plan our economic recovery it is essential that we keep an eye on approaches that will enable us to sustain our future while addressing climate change and maintaining our focus on innovative growth sectors. The City of Guelph is committed to relying 100% on renewable energy as a corporation by 2050. We are also committed to becoming a fully carbon neutral community by this same

timeframe. Locally we will do our part to reach this objective and to contribute to the province's Made-In-Ontario Environment Plan. Provincial investments in municipal climate leadership, carbon emissions reductions, brownfield remediation funding, and climate change adaptation will ensure our economy and local infrastructure are future ready.

Recommendation: That the province continue and expand incentives for energy efficiency for building retrofits and new construction projects, renewable energy, electric vehicles (EV), and EV charging infrastructure.

Recommendation: That the province create a dedicated funding stream for brownfield remediation to unlock the economic potential of contaminated lands such as those located in the City of Guelph's downtown core.

✓ **Support our Most Vulnerable through further Investments in Housing**

The pandemic has laid bare gaps in the services available to our most vulnerable here in Guelph. Together with Wellington County, our Service Manager, we have done what is necessary to temporarily house individuals experiencing homelessness locally. While these measures have been critical in the short term, capital and operational investments from the province will be necessary to identify long-term solutions to address the lack of supportive housing in our community.

Recommendation: That the province advance capital and operational investments in supportive housing in Guelph to support our most vulnerable through the pandemic and beyond.

Recommendation: That the province continue to provide pandemic-related funding supports to service managers such as Wellington County to enable the continued provision of essential social services to the public in line with COVID-19 safety protocols.

Thank you for the opportunity to provide input in advance of the provincial budget anticipated this fall. I trust you will give thoughtful consideration to the City of Guelph's recommendations. Should you have any comments or questions, I encourage you to get in touch with the City.

Sincerely,

--- Unsigned Draft ---

CC Minister of Municipal Affairs Steve Clark; MPP for Guelph Mike Schriener; and AMO President Graydon Smith, Mayor of Bracebridge.