

Mayor Cam Guthrie
2016 State of the City
Friday, May 6, 2016
CHECK AGAINST DELIVERY



Good morning. I'm thrilled to be here to present my annual State of the City.

I'd like to thank our sponsor, Bell Canada.

I'd also like to thank the Guelph Chamber of Commerce, who have hosted this event for many years. We are fortunate to have an incredibly active Chamber of Commerce in our city.

I'm very pleased that for this year's State of the City, the Chamber is donating a portion of the proceeds to the Special Olympics Spring Games. In case you hadn't heard, later this month Guelph will be hosting more than 1,000 athletes and coaches from across the province for the Spring Games. The Games have been organized by the Guelph Police Service, and we have more than 600 volunteers signed up to help. By purchasing a ticket to the State of the City this morning, you are supporting that incredible event. Thank you!

I'd like to take a moment to recognize the Members of Council in attendance:

I'd also like to recognize members of the City's Executive Team:

Finally, I want to thank my family, who is here today.

(pause)

As I began thinking about themes for my State of the City address, I thought of the analogy of an employee's performance evaluation.

Right now at City Hall, at this very moment, it's what is affectionately known as "PDP season." PDP stands for "Performance Development Plan." This is a time of year when City employees are meeting with managers, reviewing performance, and setting goals.

I'm sure many of you in this room have similar processes in your own businesses.

Well, as Mayor, I work for **you**.

So I thought, for this year's State of the City, why don't I present a performance assessment to my boss – all of you!

Unlike most performance reviews, this isn't about what I'm doing as an individual. As I said in my State of the City last year, it's not about "me." It's about "we" – the collective accomplishments and goals of Council and the City's administration.

So with that in mind, let's take a look at some categories:

- Expectations – what do citizens and businesses expect of their local government?
- Successes – what's going well? What results are we seeing that met or even exceeded expectations?
- Focus Areas – what needs work? These are the areas when progress has been slower than expected – and where we need to turn some attention in the year ahead.

And finally:

- Future Goals – What is our big-picture outlook for the next five or ten years? We need to know where we're going so that we can set a path to get there.

(pause)

A few weeks ago, I was in Ottawa for a series of meetings with federal officials as part of the Large Urban Mayors' Caucus of Ontario.

Our group of mayors had the chance to meet with Prime Minister Justin Trudeau, and he said something that really stuck with me.

He said that governments at all levels have a tendency to focus on *activities* instead of *outcomes*. (I couldn't have agreed more with his statement.)

Governments are very busy – announcing, designing, and administering new programs; following endless processes; gathering input; and writing reports. We tend to talk a lot about what we're doing.

The question is, are we getting the outcomes we want?

We need to stop talking so much about what we're doing, and start talking more about what we're accomplishing.

As I said, this struck a chord with me. Certainly I know the City of Guelph is guilty of this at times – as are most government organizations. But we are also making a conscious effort to shift our focus to measurable outcomes, and this is a priority for me.

That's a theme I'll be touching on more throughout my presentation this morning.

So let's get to it.

Expectations

Every four years, our city holds one of the biggest citizen engagement exercises you can have. It's called a municipal election.

The thirteen members elected to your City Council came in with a wealth of feedback that they heard on the doorsteps during the election campaign.

In addition to the "doorstep feedback," I felt it was important to shape this term of Council by establishing a Shared Term Agenda – a road map for what we wanted to accomplish this term.

Together, the Shared Term Agenda, the doorstep feedback, the City's Strategic Plan and work plans form the "Expectations" part of the performance evaluation.

This is what we are expected to deliver on – based on what we have heard from you.

The list will be no surprise to most of you in the audience; many of you have probably already heard me talk about these before. It includes:

- Respect for taxpayers. This includes value for money and efficient and effective services.
 - Transparency and accountability.
 - Supporting growth and development across the city, including downtown.
 - Relationship-building with other levels of government.
- And,
- Infrastructure.

I will return to what I said at the beginning –people's expectations are around outcomes, not activities.

Citizens don't want to talk about what colour to paint the cracks in the sidewalks – they just want the sidewalks fixed.

Businesses aren't that interested in our plans to improve processes – they just want efficient service in getting their permits and approvals.

None of the items on the list are what you would call “low-hanging fruit.” They're not going to happen overnight.

But I am proud that we have significantly moved the needle in the right direction on all of them.

This morning, I'd like to talk about where we've made progress – and where we still have some work to do – in each of these areas.

Successes

So, what's going well?

One of the major things we can be proud of is that Guelph is leading the country in employment.

I know the low unemployment rate makes it harder to attract talent – and I've heard that from a number of local businesses.

But I can't tell you how many calls I've received from other mayors and reporters from across Canada asking, What's your secret? What makes Guelph such a great place to start and grow a business? How can other cities duplicate Guelph's success?

Global News asked me that exact question. I told them I couldn't reveal it – it's like telling the secret spice in the KFC chicken!

Of course, there's no secret spice. There is a combination of factors that are working together exceptionally well. The business and community leaders in the room today are a huge part of our success.

As Mayor, I will continue to roll out the red carpet for business. If a business wants to build in Guelph, I will be there with my golden shovel to help dig the first hole.

2015 was the City's second busiest year ever for building permits (with 2,659 building permits issued, to be exact.) Only 2004 was higher. The construction value for these permits was the highest ever recorded, at \$500 million. The number of new residential dwelling units created was the second highest ever recorded.

Yet we're not going to rest on our laurels – we're going to keep the momentum going. We must keep the momentum going!

In addition to providing jobs in our community, strong commercial and industrial growth helps relieve the burden on the individual property taxpayer. And, tax dollars from new and growing businesses help pay for City services and capital projects like the future South End Community Centre and the new skateboard park.

(pause)

Let's turn to accountability and transparency. This is something I heard about on the doorsteps, and in the year and half since being elected your Mayor.

We are moving the needle significantly on this, through something called Open Guelph.

Citizens are looking to have meaningful influence on City priorities and directions. This means more than simply delegating at a Council meeting when a proposal or recommendation is already on the table. It means helping the City to solve problems, or even helping to define what the problem is.

It also means putting citizens in the driver's seat and allowing *them* to decide when and how they want to interact with the City.

We put together a two-minute video on this – and I'm going to let the video do the talking.

Show Open Guelph video

Now let's talk a little more about transparency.

This term, I made a change to Council procedures for closed (or "in camera") meetings.

Under this new procedure, before going into a closed session, I always announce in open session what we are going to be talking about in the closed session.

After the closed meeting has concluded, Council comes back out into open session and I report on any directions that were made.

Since becoming Mayor, I now had the opportunity to sit as a director of Guelph Municipal Holdings Incorporated. After only one meeting I felt changes were needed immediately. With the help of administration and council direction, we made positive changes to its structure.

These changes will make GMHI more transparent and more accountable – and they will improve Council’s oversight of the company’s operational - and more specifically - its financial performance.

For example – quarterly reporting to Council was not required before; but I have now added this as part of the Shareholder Declaration.

There will be further improvements and further information regarding GMHI in the months to come.

(pause)

Our next major theme is growth and development.

I am constantly out doing groundbreaking ceremonies and ribbon cuttings in all corners of our city. The growth, investment, and job creation is amazing to see.

I know the east end has been waiting for commercial development for a long time. In fact, just yesterday I had a meeting with Loblaw’s in my office. I can’t announce a new grocery store this morning – I wish I could – but I can tell you that we continue to hold discussions with Loblaw’s on this issue.

We are also moving ahead in 2017 with a comprehensive commercial review to identify opportunities in our city. York Road may just be one of those opportunities! This way the residents of the east end can get the commercial development that is so sorely needed.

Let’s shift now and talk about development in the downtown.

Since 2012, we’ve added more than 1,000 housing units downtown, and more than 100,000 square feet of office and commercial space is in development.

We’ve leveraged more than \$150 million in private sector investment.

The corner of Gordon and Wellington has been completely transformed with a busy new shopping centre. Condominium projects are selling out. The Metalworks development is taking shape along the banks of the Speed River. Acker’s Furniture is being redeveloped as a community hub space with 10 Carden. The Petrie Building is finally getting restored. There are new high-rise apartment opportunities on Yarmouth.

And – we are building a parkade on Wilson Street.

There are a few exciting big-picture results behind all this progress.

When I see cranes in the sky, I see jobs. I see more people living downtown. I see the spinoffs in retail and services that follow.

Most of you are aware of our Places to Grow targets of adding 6,000 people and 2,000 jobs to our downtown. There has always been concern that Guelph would lose its character as it grew bigger. Our downtown is an example of how we can not only keep our character, but make it even better – while growing at the same time.

People aren't moving downtown because Places to Grow made them do it. They're moving downtown because it's a vibrant and appealing place to be.

Another big-picture outcome is our local tourism economy. This term, we initiated a strategic tourism initiative in order to start to realize our city's potential as a tourism destination. And what has been identified as our key tourism asset? Our historic downtown.

If we can meet our City's tourism potential, it will open the door to significant new investment, jobs, and business growth.

(pause)

I want to turn to relationship building.

I'm proud that one of my first orders of business upon being elected Mayor was to work to repair relationships.

Relationships with important stakeholders such as the Public Health Board and the County of Wellington.

I have a good relationship with Warden Bridge and it's a great asset as we work on areas of common interest such as economic development and shared services. We have taken steps to re-establish the City's membership in the County's Social Services Committee so that our city has a voice at the table in the important matters of housing, child care, and social assistance.

Moving forward, we know that the answer to disagreements with the County and others is not to launch lawsuits. It's to come to the table with an already strong - positive relationship - and work things out.

I am also building relationships with mayors from across Ontario and Canada through the Large Urban Mayors' Caucus of Ontario and a new southwestern Ontario Mayor's Group in which I was chosen as Vice-Chair.

Our relationships with the Federal and Provincial governments are also going very well, and I continue to build ties with our MPP Liz Sandals and MP Lloyd Longfield, as well as through the Association of Municipalities of Ontario and the Federation of Canadian Municipalities.

I have met with many Ministers, provincial and federal officials, and members of all parties to keep Guelph's needs top of mind.

These relationships bring tangible results to our community. Just one example is \$2.6 million in Provincial funding we received for the reconstruction of York Road.

We have heard from Queen's Park and Ottawa that more infrastructure funding opportunities are coming – and the City is ready to jump on them.

(pause)

I would be remiss if I talked about relationship building without talking about relationships on Council.

Many of you may have seen headlines about our divided Council.

There's no doubt that the elected members of City Council bring different ideologies and viewpoints to the table.

There's no doubt that in some key areas, such as setting tax rates during budget season, that there is disagreements. There are differing thoughts about the best way to accomplish our goals for the city.

But let's keep this in perspective.

Most of the time, Council is not divided – in fact, most of the time we're unanimous! Here are just a few examples of unanimous votes:

- Updating the Community Energy Initiative
- Getting caught up on the backlog of sidewalk repairs
- Adding separated bike lanes to Woodlawn Road
- Consolidating and reviewing City's reserves
- Directing staff to prepare better reports for council, and the public, on budget variances.

We have also adopted every Planning application that came before us this term, with the exception of the proposed student housing development on the site of St. Matthias church on Kortright Road.

So the business of the City is getting done – and getting done well.

As a Council, I think we all know we have some work to do in coming together as a team for the good of Guelph.

I'm sure you'd all agree that our city does not have time for gotcha moments or political games. There are simply far too many opportunities and challenges to be met.

So let me be very clear. I am absolutely committed, as I always have been, to working together with Council to get things done for the people and businesses of Guelph.

However, as your Mayor,
I will **NOT** shy away from stating my opinions,
and I will **CONTINUE** to act upon the mandate I was given by the voters of this City.

(pause)

Focus Areas

I've talked about how we have moved the needle significantly so far this term. But there's no doubt, there is still more to do.

As Mayor, I am working hard to create a culture of learning from our mistakes.

As you know, this term of Council inherited the Urbacon fiasco. I felt it was important to act quickly on this issue. Staff retained an outside, third party to do three things:

- First, confirm the numbers and give a final accounting of what this actually cost the taxpayers.
- Second, provide recommendations to prevent a similar situation from happening again. One of those recommendations was establishing a Project Management Office – which has already been done.
- Third, report back to Council on whether to pay back the reserve that was used for the court settlement.

These actions helped close the book on Urbacon.

We have already seen a positive example of the results of that work: the renovation and expansion of the Guelph Police Service headquarters.

This is the first complex capital project that is benefiting from the City's new project management standards. This includes a comprehensive business case, as well as better governance, oversight, communications, and reporting as the project gets built. It is being supported by the City's new Project Management Office.

The Police Headquarters is one of 270 capital projects the City will plan, design, and build over the next 10 years. And every one of those projects needs to be managed with the same high standards.

(pause)

We need to be brave enough to continue to learn from mistakes.

Recently, Council learned of a \$2.6 million negative variance in the Solid Waste budget due to a recycling opportunity with Michigan that failed to deliver the revenues that were expected.

The staff report that came to Council gave an honest and frank assessment of flaws in the original contract from a risk management perspective. The City's Internal Auditor made 16 recommendations that will help ensure this does not happen again.

We haven't closed the book on this yet. A focus for this year will be to implement the auditor's recommendations, make sure we learn from our mistakes, and move forward with our eyes open.

(pause)

One of the key issues we will need to tackle this term - is the infrastructure deficit.

Guelph is an old city with a lot of old infrastructure.

Our water, wastewater, stormwater, and transportation infrastructure is valued at \$2.1 billion dollars. We have an a \$165 million backlog, plus an annual infrastructure gap of \$23 million.

The City administration is doing a thorough review of options for addressing the gap. As a Council, we will need to decide how to proceed so that we can ensure Guelph has the infrastructure we need, at a cost taxpayers can afford.

On the stormwater side, Council has approved a change that will see stormwater being funded from user fees, instead of from property taxes.

Stormwater infrastructure has been under-funded for years, and this new model will help raise the funds we need to make it sustainable. As someone who was an insurance broker for 16 years, I can say confidently that flooding is an issue that can no longer be ignored. To protect businesses and property, I believe this is the right thing to do.

(pause)

Another area of focus this term will be the Baker Street property.

Until now, the city vision for this site has been focused on a new library, a new downtown college campus, and residential development.

This vision may very well come to life, but it hasn't for several years. I knew that allowing more opportunities for the private sector to cast their vision on properties like this was vital for our downtown.

So I am pleased to report that just recently Council approved a recommendation that will swing that door open to go out to the private sector this fall.

The development is still two or three years out. But we have some work to do – and Council has some decisions to make – before we get there. We can all agree, this prime piece of downtown property should be much more than a parking lot.

(pause)

Another important area of focus when it comes to growth and development is the Integrated Operational Review – known as the “IOR.” I talked about this to you all last year.

As many of you know, the IOR’s aim is to improve the building, planning, and economic development processes to make them easier and more seamless for the development community.

A lot of positive things have come out of the IOR. 23 recommendations to be exact. It has moved the needle in the right direction in terms of making the City more efficient, accessible and responsive. There is a lot of good work to be proud of.

Having said that – I have heard from many in the development community that the IOR has not achieved enough results, fast enough. They feel that there has been a lot of focus on activity – and not enough on outcomes.

I can tell you, I, and the City has heard this message.

I've had a number of conversations on the topic with the City's new Deputy CAO of Infrastructure, Development, and Enterprise, Scott Stewart.

Scott recognizes the development community as a partner that he needs to move from the sidelines, to part of the game. He says he wants to hear from developers about what issues are actually solved, and what issues continue to cause them grief.

And – this is a big one for me - Scott talks about “getting to yes.” We recognize that the City is a regulator, and sometimes the answer might have to be “no.” But let's not start there. Let's work together to see if we can find a way to get to “yes.”

In July, a status report will be brought to Council that I understand will begin to wrap-up the IOR project and transition it to creating a culture of continuous improvement.

In my view, this is a positive step. We need to stop focusing on checking off “mission accomplished” on a list of tasks – and start realizing that the work of improving service and changing culture is never really done. We need to continually push ourselves and challenge the status quo to get better with improved outcomes.

I plan to report on this effort next year when I'm before you again presenting the 2017 State of the City. I'm confident we will have moved the needle even further when it comes to effectiveness, efficiency, and working together.

(pause)

Future Goals

Moving on now to the Future Goals segment of the performance review.

This is where we get to gaze into the crystal ball and think about what's next 5, 10, or 25 years from now.

Many of you may have seen this map before.

It makes the case that the Toronto to Waterloo Region corridor really has the potential to be Canada's Silicon Valley.

Silicon Valley has 4.3 million people and 387,000 tech workers. Our innovation corridor has 6.2 million people and about 200,000 tech workers.

What do they have that we don't? An efficient commuter rail service.

I recently was with Mayor John Tory of Toronto and heard him talk about this.

He pointed out that at both ends of our corridor, we have the talented people, we have the educational institutions, we have great companies. But we're trying to connect them with what he called a stage coach and a couple of lanes of outdated highway.

If we can solve the fundamental transportation issue and connect people and startups all along the corridor – we will create thousands of jobs and immense economic prosperity.

That's why I have been at the table with the other municipalities along the corridor to advocate for all-day, two-way GO train service. The Province has committed to this in successive Provincial Budgets. They are doing the necessary behind the scenes work (such as purchasing land and upgrading track infrastructure) to make it a reality.

In the meantime, the Province has committed to adding more GO trains in the morning and evening commute times.

(pause)

So, what does Guelph bring to the Innovation Corridor?

We're not trying to copy the other guys – we're carving out our niche and building on our strengths.

Our strengths in agri-tech, agri-innovation, and clean tech are recognized across Canada and beyond.

I have visited local companies like RWDI, NSF-GFTC, and Life Learn. These businesses could go anywhere – but they're choosing to stay and grow in Guelph. They make an incredible contribution to the innovation and knowledge economy in this province.

Looking to the future, Guelph wants to carve out another niche for itself – as a leader in civic technology.

Civic tech is technology that's making government more effective. As governments around the world seek to use new digital tools to engage with citizens, they need the private sector to help develop those tools. It could be data access software; voting technology; or tools to support citizen feedback or decision-making.

In 2015, this was a \$7 billion industry in North America.

We've already got excellent local companies working in various forms of civic tech, like Enpar on water treatment technologies or Merak Systems and Midnight Illusions on software design and civic apps.

But the City can and should play a bigger role in encouraging the growth of this sector.

This summer, our Open Guelph initiative is piloting the Civic Accelerator, a program that will open up the City of Guelph to companies, entrepreneurs and start-ups with innovative ideas to better serve Guelph citizens. The Accelerator builds on the experiences of similar civic innovation projects in San Francisco, Amsterdam and Montreal.

The Civic Accelerator is a partnership between the City and Innovation Guelph, the Guelph Chamber of Commerce, the University of Guelph's Centre for Business and Social Enterprise (CBase) and Canada's Open Data Exchange. And in fact, our partner, the U of G, just received a \$10,000 award from the McConnell Foundation for the Civic Accelerator.

Guelph is already making a name for ourselves as a leader in open government. Our plan is to **also** make a name for ourselves as a hub for civic technology development.

(pause)

Before I conclude, I want to share one more example on the theme of focusing on outcomes rather than activities.

In last year's State of the City, I issued a challenge to all the business leaders in the room to commit to doing something about poverty in our community. I highlighted the work of a local group that is doing some tremendously innovative things to eliminate poverty – a group called Circles Guelph Wellington.

I thought I would take this opportunity, one year later, to report back to you.

After last year's speech, Circles was contacted by a number of organizations – including Guelph Hydro, the Guelph Chamber of Commerce, Intrigue Media, Sunrise Therapeutic Centre, and Rotary Club. They have since conducted training for Guelph Hydro and done work with other organizations as well.

Circles participants have achieved some significant outcomes over the past 2 years:

- 31% have exited the Ontario Works or Ontario Disability Support Program system
- 25% have increased their level of education

- 43% have gained paid work experience. One participant – a single mom with 5 children – has gained full-time employment.

I want to congratulate all the businesses who took up my challenge last year. I want to congratulate Elaine and Louise, who run Circles (and who are here today – can you please stand?). And most of all I want to congratulate Circles participants who have worked hard to change their lives.

This summer, I will be hosting a symposium at City Hall to talk about poverty, and Circles will be our guest speaker. I will be inviting the business community to attend – so watch your inboxes!

Conclusion

This week, as Kithio mentioned, I had the honour of hosting Guelph’s first-ever “Mayors for the Day” – Lexi and Amy. They did a fantastic job. (Please stand to be recognized).

I also held two Mayor’s Town Halls with students, one at Centennial and one at St. James.

Let me say, Guelph is in good hands – we have a generation of smart and talented leaders ready to help make this city even better.

As I met with the students, and toured with Lexi and Amy around Guelph, I was struck by how much we have to be proud of in this city. It was fun for me to have the chance to see the city through their eyes.

Sometimes, there’s a temptation for all of us to get caught up in the details of trying to solve problems and resolve issues. I go back to the performance review analogy, where the employee worries whether they have met all their goals and checked off all the boxes.

But a performance review is also a chance to take a step back and appreciate all that has been accomplished throughout the year, and all the good work that is to come.

I don’t like making a lot of promises, but I can promise you this: I will **always** be a Mayor for everyone. I will **always** keep my door open. And I will **always** be willing to listen to all opinions.

I am honoured and blessed to be Mayor of this great city. And I am honoured to work together with all of you to make our city even better.

Thank you.