



Finance and Economic Development Committee

Minutes 17

Tuesday, October 6 2020

9:30 am

Electronic Participation

This Meeting was held through electronic participation in accordance with Section 238 of the *Municipal Act, 2001* as amended by Bill 187, the *Municipal Emergency Act, 2020*.

- Notes:
1. *Please note that these Minutes are to be considered DRAFT until confirmed by Committee.*
 2. *Underlining indicates a new or amended recommendation approved by Committee.*
 3. *Except where otherwise indicated, reports requiring Council consideration will be presented to Council on 14 October 2020 in Finance and Economic Development Committee Report 17.*

Present:

Chair: Mayor J. Watson
Vice-Chair: Councillor L. Dudas
Councillors: J. Cloutier, G. Darouze, E. El-Chantiry, G. Gower, J. Harder, A. Hubley, M. Luloff, S. Moffatt, J. Sudds, T. Tierney

DECLARATIONS OF INTEREST

No declarations of interest were filed.

CONFIRMATION OF MINUTES

Minutes 16 - September 1, 2020

CONFIRMED

PRESENTATIONS

MOTION No. FEDC 2020 1/17

Moved by Vice-Chair L. Dudas

THEREFORE BE IT RESOLVED that the Finance and Economic Development Committee waive the *Rules of Procedure* to receive presentations on Items 1 and 2 on today's FEDC agenda, being #1 – Association Of Municipalities Of Ontario – Update and #2 – Invest Ottawa Talent Program Update, and,

THEREFORE BE IT FURTHER RESOLVED that pursuant to Subsection 83(4)(a) of the Procedure By-Law, dispense with the requirement for staff to provide separate written reports on these presentations.

CARRIED

1. ASSOCIATION OF MUNICIPALITIES OF ONTARIO - UPDATE

CITY WIDE

Councillor R. Brockington, Member, AMO Board of Directors provided opening remarks and introduced Graydon Smith, President and Brian Rosborough, Executive Director. A PowerPoint slide presentation was provided to the Committee and touched on the following points:

- AMO Overview
- Advocacy and Member Support
- Conference Update

A copy of the presentation is held on file with the City Clerk. After discussion, the Committee RECEIVED the presentation for information.

2. INVEST OTTAWA TALENT PROGRAM UPDATE

CITY WIDE

Sonya Shorey, Vice-President of Strategy, Marketing & Communications and Natalie MacArthur, Director of Talent Strategy, Invest Ottawa spoke to a PowerPoint Presentation, a copy of which is held on file with the City Clerk. The presentation touched on the following:

- 2019 Talent Shortage
- 2019 Strategy, Objectives and Target Outcomes
- Building a Diverse and Inclusive Talent Pipeline
- 2020 COVID-19 Impacts
- Brokering Connections
- Talent Program Economic Recovery

Questions related to, but not limited to: COVID challenges and support businesses; connecting local businesses with Invest Ottawa; breaking down systemic barriers and tracking jobs.

After discussion, the Committee RECEIVED this item for information.

FINANCE SERVICES DEPARTMENT

CORPORATE FINANCE

3. PROPOSED 2021 BUDGET DIRECTIONS, TIMELINE AND CONSULTATION PROCESS

ACS2020-FSD-FIN-0022

CITY WIDE

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council approve the following:

- 1. The approach and timetable for consultation and consideration of the 2021 budget as outlined in the report.**
- 2. The following directions for developing the draft 2021 budget.**
 - a. That the municipal tax increase be set at 3 per cent overall inclusive of the following:**
 - i. The city-wide tax levy, which includes funding for Library and Public Health, be increased by no more than 2.5 per cent for 2021 and that Council request that the Library and Public Health Boards develop their draft budgets based on their pro rata share of this tax increase;**
 - ii. The Ottawa Police Services levy be increased by no more than 3 per cent and that Council request that the Police Services Board develop their draft budget based on this tax increase;**
 - iii. That the Transit Levy be increased by 4.6 per cent which includes a \$5 million increase to the contribution to capital to replace the cancelled provincial gas tax increase. This represents \$33 for**

the average urban household and \$9 for the average rural household, and is a reduction from the 2020 requirement of \$9 dollars per average urban household and \$4 dollars for the average rural household.

- b. That the assessment growth taxation revenues generated from new properties be estimated at 1.5 per cent of current taxation for 2021 and that Council request that the Police, Public Health and Library Boards and the Transit Commission develop their draft budgets within this allocation.**
- c. That all City user fees and charges increase in accordance with the direction outlined in the Fiscal Framework or the Long-Range Financial Plan V, including incremental COVID cost recovery.**
- d. That the Garbage Fee be increased in accordance with the approved Solid Waste Residential Collections Contracts report and to address the capital investments required for this service per the four-year capital spending plan.**
- e. That the 2021 Capital Budget be developed in accordance with the direction outlined in the 2019 DC Background Study, Long Range Financial Plan V and Fiscal Framework.**
- f. That the rate supported 2021 draft budget be developed in accordance with the approved 2017 Long Range Financial Plan V – Water, Wastewater and Stormwater.**

At the outset, the Committee considered the following motion:

MOTION No. FEDC 2020 2/17

Moved by Vice-Chair L. Dudas

WHEREAS the report (ACS2020-FSD-FIN-0022) titled “Proposed 2021 Budget Directions, Timeline and Consultation Process” and listed as Item 3 on today’s agenda was not circulated with the agenda;

THEREFORE BE IT RESOLVED that, pursuant to Subsection 89(3) of the Procedure By-law (being By-law N^o 2019-8), the Finance and Economic Development Committee approve that the Rules of Procedure be suspended to allow for the consideration of this item.

CARRIED

Prior to the staff presentation, Councillor L. Dudas introduced the following motion:

MOTION No. FEDC 2020 3/17

Moved by Vice-Chair L. Dudas

WHEREAS the financial impacts of the Pandemic to Ottawa's economy will remain unknown for foreseeable future, though economists at Deloitte reported on September 23, 2020 that Canada will not see a recovery until at least Q2 of 2022; effectively the end of this Term of Council; and

WHEREAS City services have seen a dramatic shift in demand and delivery resulting from the Pandemic, for example the precipitous drop in ridership on OC Transpo; and

WHEREAS the City faces increased financial costs due to the Pandemic: e.g. increased sanitation costs, acquiring PPE, etc.; and

WHEREAS the City of Ottawa, like all municipalities in Ontario, is bound by Provincial legislation that it cannot run a budget deficit (without a legislated exemption); and

WHEREAS, according to Statistics Canada, from the January 2020 to May 2020 period, Ottawa saw 3,335, or 13.5%, of businesses permanently close their doors; and

WHEREAS the official declaration of Ottawa's entry into the second wave of the Pandemic by Ottawa Public Health, underscores that the impacts of the Pandemic on residents and businesses will not be abating in the short or mid-term; and

WHEREAS as reported by Ottawa Public Health, since mid-March, 28% of Ottawa households reported a decrease in income. And of those, 19% are having difficulty paying for basic necessities, such as housing and/or food; and

WHEREAS it is important that the City maintain room in Budget 2021 to support new and unforeseen COVID-related expenses, whether it be PPE, housing programs, or expanding business supports; and

WHEREAS the preponderance of the City of Ottawa's revenue is generated through direct property taxes on residents and businesses; and

THEREFORE IT BE RESOLVED that as part of the Budget 2021 process, City staff review operating budgets in detail to identify areas for potential savings resulting from changes in residents' needs due to the Pandemic, with the purpose of bringing before a Council a budget that demonstrates self-discipline and reflects the reality of the financial situation of the City, the Province and the Country; and

BE IT FURTHER RESOLVED that City departmental staff review projects not started, nor tendered or have any dependency on other projects by the City (for instance life-cycle renewal projects), to identify projects that, should the need arise, may be postponed from the 2021 budget year, with the intent to re-evaluate these projects for Budget 2022 when we will have a better understanding of the long-term financial implications of the Pandemic and its economic impacts.

Wendy Stephanson, Chief Financial Officer spoke to a PowerPoint presentation which is held on file with the City Clerk. The following councillors were in attendance for this portion of the meeting: Councillors R. Brockington, K. Egli, M. Fleury, T. Kavanagh, J. Leiper and S. Menard.

Trevor Haché, Healthy Transportation Coalition spoke of affordable rental units and asked if the City would commit to allocating at least \$20 million for new affordable housing near rapid transit, approve a city wide inclusionary zoning by-law that ensure 25 per cent of new development is dedicated to affordable housing and available government-owned land within one kilometre of rapid transit stations is used for non-profit and co-op housing. A copy of his comments is held on file with the City Clerk.

Khulud Baig, City of All Women's Initiative (CAWI) requested that the budget reflects diversity and gender groups. Khulud also requested that the budget process be more participatory and engage the public at the beginning of the summer as opposed to later in the year.

Correspondence was received by Matt Whitehead, Hintonburg Community Association dated October 5, 2020, which is held on file with the City Clerk.

Discussions and questions were related, but not limited to: the value of vacant office buildings; LRT funding and other levels of governments commitment; the need for a revised approach in funding for social services such as child care, housing, recreation services and community groups.

The following comments and requests were provided: IT support at councillor-led public budget meetings; update and re-send the memorandum regarding efficiency savings in 2019 and 2020; provide a dollar amount regarding the 2.54% levy increase; and produce the total of road spending anticipated for the 2021 proposed budget.

The Mayor also noted his direction to staff to ensure there is a freeze on low-income transit passes

The Dudas was put to Committee and CARRIED as presented. The Committee then voted on the report recommendations and CARRIED the item as amended by Motion No. FEDC 2020 3/17.

4. TAX AND RATE OPERATING AND CAPITAL BUDGET Q2 STATUS
REPORT AND COVID-19 FINANCIAL MITIGATION STRATEGIES

ASC2020-FSD-FIN-0021

CITY WIDE

REPORT RECOMMENDATIONS

1. **That the Finance and Economic Development Committee receive the 2020 Tax and Rate Operating and Capital Budget Q2 Status Report and COVID-19 Financial Mitigation Strategies;**
2. **That the Finance and Economic Development Committee recommend Council approve the following:**
 - a) **The COVID-19 Financial Mitigation Strategies for 2020 for Tax and Rate Supported Services as described in this report.**
 - b) **That the following unrestricted capital funds from capital projects be deferred to 2021 or later, as detailed in Document 4, and the following be returned to source:**

- i. **City Wide Capital Reserves \$15,373,123;**
- ii. **Transit Capital Reserves \$4,038,600;**
- iii. **Rate Reserves \$23,232,000 as follows:**
 - (1) **Water Capital Reserve \$16,132,000;**
 - (2) **Wastewater Capital Reserve \$3,100,000;**
 - (3) **Stormwater Capital Reserve \$4,000,000.**
- iv. **Development Charge Reserves \$16,113,827.**
- v. **Debt Authority \$18,683,106 as follows:**
 - (1) **City Wide Debt \$13,740,547;**
 - (2) **Water Funded Debt \$448,338;**
 - (3) **Transit Debt \$3,122,000;**
 - (4) **Development Charge Debt \$1,372,221.**
- c) **That the Chief Financial Officer submit a report to the Ministry of Municipal Affairs and Housing, outlining the City of Ottawa's COVID-19 municipal operating costs and pressures along with any other required information, and seeking additional funding under Phase 2 of the Safe Restart funding program – Municipal Operating Pressures Stream.**

CARRIED

INNOVATIVE CLIENT SERVICES

SERVICE ANALYTICS & PLANNING

5. UPDATE ON THE 2019-2022 CITY STRATEGIC PLAN

ACS2020-ICS-ST-0001

CITY WIDE

REPORT RECOMMENDATION

That the Finance and Economic Development Committee and Council receive this report for information.

Questions were raised with respect to:

- Delays regarding the Community and Protectives Services (CPSC) Priority: Thriving Communities, Action: Invest in recreation infrastructure and improve selection parks and facilities across all City wards;
- Updates regarding the CPSC Priority: Service Excellence Through Innovation, Action: Enhance the client booking and registration experience by replacing our program registration, facilities booking and payment system;
- Capacity to fast track regarding the CPSC Priority: Thriving Communities, Action: Invest in childcare services to improve accessibility, affordability, quality and responsiveness of childcare services across all City wards;
- Importance to continue to push forward regarding the Finance and Economic Development Committee (FEDC) Priority: Integrated Transportation, Action: Start the process to negotiate with federal and provincial levels of government for funding of the LRT to Kanata, Stittsville and Barrhaven;
- Importance of reliable and affordable connectivity regarding FEDC Priority: Economic Growth and Diversification, Action: Develop a Connectivity Ottawa Strategy to support the Smart City 2.0 strategy and enable a digitally connected city; and

- Clarification regarding the inclusion of electrification of buses in the City's Strategic Plan.

After discussion, the Committee RECEIVED the report as presented.

OFFICE OF THE CITY CLERK

COUNCIL AND COMMITTEE SERVICES

6. APPOINTMENTS TO THE WESTBORO VILLAGE IMPROVEMENT AREA
BOARD OF MANAGEMENT
- ACS2020-OCC-FED-0017 KITCHISSIPPI (15)
-

REPORT RECOMMENDATION

That the Finance and Economic Development Committee recommend Council approve the appointments of Erin Crowell, Sharon Bosley-House and Tara Hamilton to the Westboro Village Business Improvement Area Board of Management for the 2018-2022 Term of Council or until a successor is appointed during the next term of Council.

CARRIED

PLANNING, INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

PLANNING SERVICES

7. **BROWNFIELD GRANT PROGRAM APPLICATION – 1068 CUMMINGS AVENUE**
- ACS2020-PIE-PS-0097 BEACON HILL-CYRVILLE (11)
-

REPORT RECOMMENDATIONS

That Finance and Economic Development Committee recommend Council:

- 1. Approve the Brownfield Rehabilitation Grant application submitted by Cummings Caron Property Limited, owner of the property at 1068 Cummings Avenue, for a Rehabilitation Grant under the Brownfield Redevelopment Community Improvement Plan Program not to exceed a total of \$579,921 for which the grant payment period will be phased over a maximum of five years of development, subject to the establishment of, and in accordance with, the terms and conditions of the Brownfield Redevelopment Grant Agreement;**
- 2. Delegate the authority to the General Manager, Planning, Infrastructure and Economic Development, to execute a Brownfields Redevelopment Grant Agreement with Cummings Caron Property Limited, establishing the terms and conditions governing the payment of the grant for the redevelopment of 1068 Cummings Avenue , to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development Department, the City Solicitor and the City Treasurer.**

CARRIED

CORPORATE REAL ESTATE OFFICE

8. DECLARATION OF SURPLUS FOR PROPERTY LOCATED AT 2807
SWANSEA CRESCENT

ACS2020-PIE-CRO-0015

GLOUCESTER-SOUTHGATE (10)

REPORT RECOMMENDATION

That the Finance and Economic Development Committee declare the property municipally known as 2807 Swansea Crescent, legally described as part of Lot 2, Concession 5, Rideau Front, geographic Township of Gloucester, being part of PIN 04165-1019, shown as Parcel 1 on Document 1 attached, as surplus to City requirements.

CARRIED

9. SURRENDER OF RIGHT OF FIRST OFFER - 2475 REGINA STREET
(PARKWAY HOUSE)

ACS2020-PIE-CRO-0017

BAY (7)

REPORT RECOMMENDATION

That the Finance and Economic Development Committee recommend Council surrender the Right of First Offer to purchase the property known as 2475 Regina Street, described as being part of lot 23, Concession 10F, as in NS153639, Nepean/Ottawa, and shown on Document "1", from Parkway House.

Councillor T. Kavanagh provided background information on the residents currently living at Parkway House and expressed her disappointment that the property is not being considered and/or used for affordable housing and to accommodate the current residents.

The Committee then CARRIED the report recommendation as presented.

10. UPDATE ON THE DISPOSAL OF THE CARP AIRPORT FOLLOWING 10 YEARS OF PRIVATE OWNERSHIP

ACS2020-PIE-CRO-0018

WEST CARLETON-MARCH (5)

REPORT RECOMMENDATION

That the Finance and Economic Development Committee receive this update on the history of the disposal of the Carp Airport and the current situation following 10 years of private ownership.

Councillor E. El-Chantiry questioned the need for this report and relayed residents' concerns about the deterioration of the airport property. He requested that staff, for transparency purposes, engage pilots in discussion regarding the process.

The Committee then RECEIVED the update as presented.

11. ACQUISITION OF THE STONEBRIDGE GOLF COURSE THROUGH THE INTRODUCTION OF A SPECIAL AREA LEVY

ACS2020-PIE-CRO-0014

BARRHAVEN (3), RIDEAU-
GOULBOURN (21), GLOUCESTER-
SOUTH NEPEAN (22)

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council;

- 1. Approve a special area levy in the Stonebridge Community for the purchase of the Stonebridge Golf Course from the owner, Mattamy Homes.**

2. **Direct the Chief Financial Officer to administer the special levy for the amount of \$7,000,000 from 2021 through 2029, for the area identified in Document 2.**
3. **Approve the City's acquisition of the Stonebridge Golf Course through the use of funds collected from the special area levy and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute a Tri-Partite Purchase and Sale Agreement in the general form attached as Document 3, in accordance with the terms and conditions detailed in this report.**
4. **Approve the execution of an agreement between the City and the Stonebridge Community Association governing the use of the subject lands and delegate authority to the General Manager of Planning, Infrastructure and Economic Development Department to finalize and execute the Stonebridge Community Association Agreement in the general form attached as Document 4, in accordance with the terms and conditions detailed in this report.**

CARRIED as amended by the following Motion No. FEDC 2020 4/17:

MOTION No. FEDC 2020 4/17

Moved by Vice-Chair L. Dudas

WHEREAS this report from the Corporate Real Estate Office recommends Council approve the acquisition of the Stonebridge Golf Course through the introduction of a special area levy to be charged to homeowners within the area identified in Document 2 of the report; and

WHEREAS the wording of Recommendation 2 provides that the "Chief Financial Officer" be directed to administer the special area levy; and

WHEREAS the Chief Financial Officer, in accordance with the Employee Code of Conduct, has previously advised the City Manager that, as she owns property within the special levy area, she has recused herself from all

