

Mid-year State of the City address

For most of the last 5 years, you have watched our government guide this city, through what turned out to be very good times. Now it's time to outline what we're doing to run the City, during this economic correction.

Things are very different than they were at this time last year, and we felt it necessary to do a lot of things differently, as well. North Bay is not immune to the problems of the world, but we have been meeting with employers and developers to minimize our problems and maximize our opportunities. After all, with every downturn, comes an upturn. And your Council is investing now to keep people working and to make North Bay the logical choice for expansion, when that upturn is at hand.

It's important to know that we have the right tools to guide us through these tough times. We had our Moody's rating confirmed at Aa1, just this January. Their stated reason is that North Bay has a well-structured fiscal plan, low debt, and increasing reserves. They commented that our modest borrowing program reflects prudent planning and a reliance on pay-as-you-go capital financing. And in their March supplement, they stated that North Bay is one of the communities expected to weather the economic downturn.

This Council believes they're accurate, and we want to tell you why.

First, we feel the pain of those who have lost their jobs, and as this Update will show, we're doing everything a municipality can to help people find work. Our plans will not change world markets for nickel or create a need for lumber for housing in the U.S., but it will put people to work locally over the next year-and-a-half, while we help families weather the storm.

North Bay is seeing a robust construction season for 2009 – one that continues to put many men and women to work. We have been very active with developers, convincing them that even though they've seen a pull-back in other communities, North Bay is the anomaly. We share the pain of families who have people out of work, and we're confident that our strong, diversified, and growing economic base will help them find meaningful employment. We've got companies hiring too; something you won't find in a lot of communities. Our hospital continues to look for 100 nurses and nurse practitioners, along with a similar amount of support staff. Voyageur Airways is hiring 25 aircraft maintenance engineers. TRG is advertising for 35 people. We can tell you that there are not 100 unemployed nurses in North Bay and there are not 25 unemployed aircraft techs. That means these people will all come from out of town. And they're going to need a place to live, and they're going to buy a car, and they'll need groceries, and insurance, and they'll see a movie. This is the message we've been taking to the developers. Build those houses now; expand your stores now; join us in becoming part of the North Bay solution.

That is the crux of the message from this Council – don't get caught up in the world events; listen to what we are telling you specifically about North Bay. We are *different*.

You have trusted us in the past and with your support we have changed the way North Bay looks. Continue to trust us and together we will be the model city for Northern Ontario.

Let's outline some of our own investments, and you'll get a sense of where we're headed.

When you elected this government, our City was spending about \$17 million each year on sewer, water, roads, and capital. Last year we spent \$35 million. This year will see \$49 million invested – and that is going to put a lot of people to work, installing water meters, digging sewer lines, and paving streets. Thanks so much to the Federal and Provincial governments for their contributions to our stimulus programs. We can't do it alone – we need all levels of government to share the heavy lifting. So we will put the infrastructure money to good use. Take Front Street as an example. We'll continue redeveloping the underground infrastructure, taking the dip out of the old trestle crossing, realigning Galt and 2nd Avenue, and opening up Ann Street. Now this will open up the final area of former CN rail land, and we'll look to a developer to come in and build 18 more homes. That's 18 units to be built on a one-time eyesore. That's 18 municipal tax bills that will go out to help ease the burden in the future. That's your City Hall taking a proactive approach to our community's development.

Social housing is another big investment. North Bay is taking a lead in Northern Ontario, in supporting social housing. Council had a tour recently of Girard Place on 2nd Avenue. There are 18 one- and two-bedroom units built there; absolutely stunning. The one-bedroom has a kitchen/living area, bathroom, and bedroom, all with a quarry tile heated floor – \$460/month. You've already seen the pilings go in the ground for 55 units of senior housing at the Cassellholme site, and a further 12 units on Trout Lake Road. These are one-time strategic investments we are making during these extraordinary economic times.

Through our investment in DSSAB, this City is now funding a portion of GetTrainedWorkers.com, as this valuable service through the Chamber had lost its core funding. Laid off workers from trade-related environments are taking advantage of opportunities in other fields, as they have many transferable skills. There are 100 postings which relate to almost 200 jobs in our system right now, and we believe this is a good investment of municipal dollars, given the current climate.

There are so many other DSSAB investments that we fund to help our community with the social costs of this economic correction. Early Learning Child Care programs, Child Care Administration costs, the Family Enrichment Program, LIPI Children's Emergency Fund, and the LIPI Recreation Fund – all paid for by municipalities. These are things people are generally not aware that we're involved in.

We're also investing in an Event Hosting Fund. This is where we help organizations attract their national conference, sports event, or other large meetings to hold their next event in North Bay. We help with the bid process, and we have a total of \$10,000 to invest to help fill hotels rooms and restaurants. The IAAP and Shriners conventions are 2

recent examples of groups that took us up on our offer. It's a great investment by the City to bring conferences here and to help protect the jobs in our tourism sector.

Our own North Bay Hydro is making a serious investment in our infrastructure, too. They're spending \$13 million this summer on capital projects, Smart Metres, and a tremendous upgrade in the Pinewood area. This is going to create a huge amount of employment for several fields and lay the ground work for future expansion at the same time. But it's not only about spending money. We've put programs in place that have saved Hydro customers over \$1.1 million annually! They have achieved energy efficiency through lighting and ventilation improvements, 500 old refrigerators were picked up, 500 water heaters were tuned up, and 26,000 compact fluorescent bulbs were distributed. For every \$1 Hydro invested, customers received \$2 in benefits. These are serious, strategic moves put in place to help this community come out on top.

There are many, many more examples of how the City is leading us out of these economic times. The work at Dyno Nobel and Fabrene to achieve hydro savings and the new municipal water installation program come to mind. Together they will save the companies money that makes the North Bay site more affordable. The Brownfield declaration at the burned out Main Street location is another example of a progressive move to spur development. These things don't happen by accident. And it will be no accident that North Bay will be in the news at the end of the year, as the stand-out community.

To the developers we say build now; prices are reasonable and the markets are there for you. To the retailers we say invest now; there are more good times ahead and we want you to be ready for them. To the Province and the Federal governments we say we can't do this without you; your infrastructure money is needed now – it won't have the same effect later. Thanks for what we have received so far, but there is much, much more needed. And too the public we say continue to trust us to do the right thing – *we* are the guys you want running this company in a recession.