

It's great that we're back together after spending a little time with our families over the holidays. We seem refreshed and ready to jump into 2006. Let's take a moment to re-cap 2005; to remind us where we've been and to guide us into this year.

It was a very busy year for all of Council, and particularly for the staff. It was another record-breaking year, with an unprecedented 111 houses built. This indicates that North Bay continues to defy the downward trend throughout the North. Our population is increasing, our commercial businesses are growing, and our industries are expanding. One sector feeds off of another, to continue this upward cycle. Here's how it's working: Last year Nipissing University hired 36 new faculty and staff. Canadore College hired 33. Of these 69 new hires, 2/3 were from out of town. That's 45 new families that moved here, just for those two institutions. Last year we saw Voyageur Airways hitting the 250 employee mark. Now they're at 300. North Bay didn't have a glut of aircraft maintenance engineers sitting idle – these are people who moved here from Kelowna, Calgary, and P.E.I. People who brought their families to North Bay. People who need accommodations. So we had 111 houses built. And these families shop in the city and buy all kinds of goods and services. This creates a demand in the commercial sector, and as every Councillor will attest, we were invited to dozens and dozens of ribbon cuttings, as so many new businesses opened up to satisfy this demand. And many of these businesses were started by people who saw opportunities in North Bay and moved here. And so the cycle continues.

And we expect the cycle to include the industrial sector this year. We've already seen 4 industries on the move. Ron's Welding is putting up a 28,000-sq. ft. building on Exeter Street. G & P Welding purchased our Morbark building and will be expanding at that location. Seymour Windows is building a 20,000-sq. ft. expansion onto their existing site. And Rahn Plastics purchased the Midtronics building on Ferris Drive where they will use some of the purchased equipment to increase their capacity. Those are all industrial expansions that are underway, and we are confident there will be 2 or 3 more this coming year.

To help that along, we sold 30 acres of industrial land to Air Base Property Corporation, at fair market value. They have a great incentive model of \$1 buildings that jump-started our aerospace sector. They will repeat that model by offering fully-serviced land at \$1/acre.

We had many other partnerships in 2005. Fricker Field was created with the Near North School Board, the Ultimate Frisbee group, and the City each putting in 1/3. The Kiwanis Club and the City teamed up to build the new kid's playground at Lee Park. Ontera and Teletech joined with the City to offer free services for our veterans. This partnership method is maximizing our taxpayers' dollars.

We're putting those dollars back into the City. This Council agreed to add \$1 million more every year, cumulatively, on infrastructure and capital expenses. So you saw Airport Road widened, and Gertrude and Marshall Park upgraded. This year you will see Algonquin Avenue 4-laned from High Street down to Jane. We purchased 2 new handicapped-accessible buses and a new Para-bus; and we will do the same for the next 4 years. We've expanded our recyclables to include juice boxes and milk cartons. And we're building a methane facility at the Merrick Landfill site, where soon we will be generating electricity from our garbage. In short, this Council is re-investing in the City.

And Moody's, our bond-rating agency, seems to approve of this direction, as they gave us a double bump up to Aa3 rating this, which is considered a high grade investment. We should all be very proud of how much we actually do with so few dollars, when compared to other communities our size.

Earlier, the word partnership was mentioned. There is no greater partnership than that between all our Councillors, and our Council and staff. This teamwork has paved the way for a 5-year labour deal which lets us all get on with the work at hand. Some of that work needs to be spread out amongst the Councillors. We've got Youth Retention, Immigration, Wind Power, Business Retention and Expansion, and several other committees. We're involved in many facets of the community and it's in the City's best interest that more Councillors take on more of these exciting projects.

Doctor recruitment is one. We launched a strategy that saw 6 new doctors arrive in North Bay. But we really need a long-term program as we have 10 doctors in town that are 65 and over. We need a Councillor on board to show we're serious.

Communities in Bloom is another. This year the City earned a 5-star rating – the highest we can get. No City funds are spent, and all-volunteer board runs the show. We need a Councillor as a champion of this group; someone who will continue to make this a priority for Council.

Regional Partnerships are growing in importance. We should have one Councillor that makes this their priority; their file. When items of regional significance occur, this Councillor should be our go-to person for information.

We should have a Councillor step forward to take on Special Events. For instance, 2005 was the Year of the Veteran. A Councillor would have that file, and make certain that the City was involved as required. This year we'll see several events occur, and this Councillor would be the main contact.

There are many more avenues for Councillors to spread their wings and we look forward to solidifying these roles over the next month.

It was a very good year, and the future shows great promise.

Both Canadore College and Nipissing University are planning expansions. They are designing a joint Resource Centre, a Student Centre is in the works, Canadore has announced its Media Centre, Nipissing has announced its Science Wing, and both institutions are discussing new residence buildings. These total \$50 million that would be spent over the next 5 years. We can look forward to a new French Public elementary school being constructed directly across from the new high school built on Connaught. And we will see École Secondaire continue their expansion. This is proof that the education sector is so vital to our economy.

Around town you will see plenty of activity. On Lakeside Drive, the City will break ground for our \$45 million water treatment plant. Trout Lake Road will see more changes, with everything from a new car dealership building, to a 111-unit seniors' residence. The same can be said for Lakeshore Drive, with its new Watersun condo development and subdivisions built off of feeder streets like Thelma and Premier Road. And look for progressive changes at North Bay Mall, as they re-group and prepare new offerings for their shoppers. To assist the housing starts, we intend to sell more surplus City land, as this in-filling has created opportunities for people to build their dream home and brought \$1 million a year in revenue to the City, which was added to our reserves. And you'll see a lot of development as you drive down highway 17 west. To the left, PHARA will be putting up 36 units for assisted living, and there are several plans being developed on McKeown that will be seen from the highway. As you continue west, the hospital site will presumably see lots of activity this summer, as we anticipate the largest construction project in the region to get underway. And on-and-on it goes.

But we do have our challenges ahead of us. While City staff has cut our own budgets to less than 3%, the Agencies, Boards, and Commissions are not following our leadership. And the Provincial arbitrators are not listening to communities, either. We challenge the ABCs to live within the means of our taxpayers; to allow only the most critical items to be increased. This is not the time for expanding bureaucracies; it's the time to respect the taxpayers' call for no new spending.

Our biggest challenge is how to come to terms with the shortfall in payments from the Province. Let me remind you that Ontario is the only province in the country where municipal property taxes are used to subsidize provincial health and social services programs, like welfare, disability benefits, social housing, health units, and ambulance services. The Province asks us to pay for these services, and they promise to pay us back. Except when we send them the bill, they don't pay us for the money they asked us to spend. We'll have a \$1 million shortfall this year, and unless we do something about it, a \$3 million shortfall in 2007. We understand the Province wants to balance their budget, but using local property taxes from cities is just not right.

There is great confidence in the City. Our 'open for business' approach is working. We must continue to offer economic, environmental, and social leadership. We all recognize that all three elements are required to ensure that North Bay is a better place to live.

Let's have a great 2006 – and let's get to work.