

It's always a pleasure for this Council to review the previous year's activities and to spend some time outlining what will take place in the coming year. Simply put, 2007 was a great year for North Bay.

Your Council and staff spent a lot of time on three important financial areas which has a huge impact on us all.

First, we negotiated a new Base deal, which rescinded the DND deal made between a previous Council and a previous federal government. This deal would have seen the City pay \$4 million a year for the next 20 years, in order to keep our military Base open. The new arrangement is a win-win for the City and for CFB North Bay, as it frees them to run their own Base in their own way. Also, the Health Unit withdrew charges which were laid after the City refused to pay the full amount of their levy. They advised the court that "it would be in the public interest" to withdraw the charges. They had presented a 28% budget increase, while most other Boards held to a 3% increase. And we settled our obligation regarding our debt to the Conservation Authority. We made a one-time payment to remove our security on a loan guarantee, and an additional one-time payment to close out their Heritage Fund loans. Spending time on these three financial issues was an important investment in 2007.

A community can gauge their success by their construction activity, and in 2006 we hit a record \$72 million in building permits. This past year we hit a new all-time record of \$77.6 million.

There was real growth in all sectors, including Industrial, Commercial, and Residential, and all indications suggest this will continue in 2008.

Growth in the Industrial sector was led by Atlas Copco and Goodyear, with both constructing huge facilities in the Industrial Park. Cementation opened their new facility and will soon have neighbours, as we sold 4 more lots in the Park. At the other end of town, JN Precise and Metal Fab both have large expansions set to open in the spring.

The Commercial sector was on fire! Holiday Inn opened on former City-owned land in the south end, Boston Pizza opened up in the north, Future Shop opened in Northgate Square, and Hart Stores opened up in North Bay Mall. We also saw several downtown businesses go through major renovations, and the car dealers are all remodeling or constructing new buildings.

The residential sector stayed strong, with over 80 single-family homes built, plus hundreds of apartment and condo units opened at Marina Point, Watersun, and others. Many of the houses were built on former CN Rail lands, sold by the City. PHARA opened 35 affordable units, and the City played a role by changing the tax category, allowing the 3-government-level partnership to proceed.

The City of North Bay took a real leadership role again this year, as our environmental programs have been showcased in municipalities all across the country. With so much attention to climate change, we're very proud of our continuing record.

The streets of North Bay are a little brighter at night, and it saves our taxpayers over \$50,000 a year. We converted our traffic lights to LED, the same technology used in power indicator lights on TVs and VCRs, and this cut our costs by 85%.

We also converted all light bulbs in municipal buildings to compact fluorescent lights. With our 3 arenas, City Hall, public works, and parks and recreation buildings changing to CFLs, we saved over \$100,000 this year. We're now looking at technology for our street lights; a project that is expected to provide huge financial returns. Meanwhile, we will be taking our street lights off the grid and purchase off-peak hour (evening) market price energy, which we expect will save us \$70,000 annually.

These projects make up part of a broader plan by the City to reduce energy purchases by almost half – either through energy efficiency or through the development of a landfill gas generation facility to provide electricity for local needs. And we just approved a \$100,000 solar project, so look for solar cells on City Hall early in 2008!

So, our population continues to increase, our unemployment continues to decrease, and North Bay continues to buck the national trends, and indeed the trend throughout Northern Ontario. Our real challenge will be to see that this economic boom transfers into a lasting prosperity. There are Cities that *have* and there are Cities that *have-not*. We are still a have-not City.

Any growth, any success we may have realized, has come from within. We really need the Province to recognize this and help us secure our future. We're truly grateful for the many cheques we received from the Province last year – all the Cities that got the same cheques, are equally grateful. But there still is the one big cheque they all got, that North Bay didn't. Our Ontario Municipal Partnership Fund shortfall is going to cost each taxpayer a lot of money again this year. It's exciting to see our Province balance their budget; it's unfortunate that it comes on the shoulders of North Bay taxpayers. We acknowledge the Province has almost completed their year-and-a-half review of the costs of social downloading, but the results will be no surprise to North Bay citizens. We continue to be the most vocal community about the shortfall, as for whatever reason, we are one of the most hardest-hit communities under the new formula. At least now, after 4 years of hammering home this message, the Province has acknowledged there is something wrong. We have every confidence that the wrong will be righted sometime this year. While it will come too late for this year's budget, a successful resolution will allow your Council and staff to focus on exciting projects for the future.

The former Kenroc property is indeed one of those projects. This Council looks to turn that 5-acre parcel over to a developer to create a beautiful commercial/residential product, where a brownfield now sits. This will become a wonderful entrance into the waterfront and turn a liability into an asset. Managing the construction of the underground walkways onto Memorial Drive is another of

those projects. And so is determining where we will locate and how we will pay for our multi-use sports complex and our recycling centre. These are all positive initiatives that need our attention this year.

This Council has proven, year after year, that we have the capacity to continue to turn North Bay around. A famous man once said, “The danger is not that we aim too high and fail to achieve. It’s that we aim too low and we do achieve.”

We have never been afraid to tell the community what’s on our minds and in our hearts, and as long as we continue to be up-front, honest, and show positive change, as long as we continue to aim high, no matter whether we succeed or not, then the community will have gotten the best from us. That’s what we’ll deliver to North Bay in 2008.