

State of the City

January 12, 2005

January 1st, 2005 marked the 150th anniversary of the City of Ottawa. January 1st, 2005 also marked the 4th anniversary of our new City of Ottawa. Our history and our future are linked through this anniversary date and this gives us a great opportunity to reflect on where we've been and where we're going as a city.

I've gone back to review some of the archival material to look at some of the issues Ottawa's first Mayor, John Bower Lewis and his City Council, dealt with 150 years ago when it met in the old Bytown Market Building in Lowertown. Ironically, the first Ottawa City Council had to deal with many of the same issues we around this council chamber have been debating.

Take train service. It also began in Ottawa 150 years ago. A City advertisement in The Ottawa Citizen of 1854 set out the passenger train service schedule on the just newly established Bytown and Prescott Railway. The ad read: 6:00 a.m. service leaving town and stopping at Gloucester, Osgoode, Oxford and Spencers. Fast-forward to 2005, and our north-south O-Train is on track to expand to Leitrim. Our north-south light rail service is now attracting up to 10,000 passengers a day on a line that stretches from Bayview to Greenboro. After the interim expansion to Leitrim, we will build a line that will extend from Barrhaven and South Nepean right into the downtown core. We're also working as fast as we can to build an east-west light rail service. An environmental assessment is well underway and we will have recommendations on preferred east-west routes and technology when completed.

Better, faster and cleaner transit is key to our city's future success. Traffic gridlock on our major roads will eventually choke our city's health and economy unless we act now to plan a better transit system.

On the very day last May when the Federal and Provincial governments announced \$400 million for the O-Train, our Medical Officer of Health announced a smog alert in the City of Ottawa, much of it caused by motor vehicle emissions. An explosion of growth and coping with new infrastructure demands were also big problems 150 years ago. Ottawa's population grew from 5,000 in 1850 to 10,000 in 1855. There were huge problems with sewers and water quality.

Since our new city was created 4 years ago, the population of Ottawa has increased by more than 50,000 people. This has put tremendous pressure on our modern infrastructure, but infrastructure is more than just roads, bridges and sewers. "People infrastructure" is just as important to the quality of life and vibrancy of a city.

I'm pleased this Council has responded by approving key community projects on which we will have broken ground or cut the ribbon during this term of Council, including:

- The new Plant Recreation Centre in Centretown;
- The renovated Glebe Community Centre;
- The new four pad Sensplex and field house in Kanata;
- The new Garry. J Armstrong Long Term Care Health Centre on Porter's Island;
- Expansion of two more ice pads at the Ray Friel Centre in Orleans;
- The construction of a new two ice pad facility in West Carleton;
- A new Thunderdome indoor soccer and recreation facility in Orleans;
- An R.F.P. process for an East-End Arts Facility;
- Capital Funding assistance for several community arts facilities;

- New Petrie Island Beach and recreation complex;
- Expansion of our Park and Ride facilities;
- Through the leadership of Telecom Ottawa, extensive expansion of rural high speed internet;
- Start of construction on the new South Central District Library;
- A new day care facility for City View Centre for Child and Family Services;
- New state-of-the-art skateboard park at Centrepointe in Nepean;
- And others.

Some of these projects have been completed through our public-private partnership office. I pushed to establish the idea of a public private partnership office and credit should be given to this City Council for following through with a commitment to help build things differently in this community. Those Triple P projects in Ottawa have leveraged an investment of almost \$100 million, and I want to take this opportunity to thank Réjean Chartrand in that office for getting those deals and projects off the ground. Everyone knows municipalities throughout Canada are facing massive infrastructure deficits and are looking at new creative ways to help finance and build community projects.

Despite our success with the Triple P projects, our city still needs help from other levels of government if we're going to repair or build new infrastructure. Four years ago, the Big City Mayors launched a campaign to push the Federal and Provincial governments to strike a new deal with our cities. I've been aggressive both locally and at the national scene with other Mayors in making the case for more revenue sharing. Many people scoffed at the idea. Many stated that the Mayors would never get an extra dime. They were wrong. By the middle of this year, we will be receiving new revenue streams totalling \$60 million per year, growing to \$80 million per year in 2006, from Federal and Provincial gas tax rebates, and Federal government GST rebates.

In addition, we will be receiving \$400 million from the Federal and Provincial governments for infrastructure funding for our light rail project.

It is clear now that we've had tremendous success in getting a new deal and it's making a huge difference to our long term budgeting and to our residents.

We now have a 10-year long-term financial plan that is realistic and fundable, and we have to continue to work with the Federal and Provincial governments on key housing issues. The City continues its strong commitment to the housing needs of our most vulnerable citizens. Last night, the Task Force on Homelessness and Safe Streets began to meet to hear from people on the streets how to make Ottawa a better place for them to live. Since 2000, the City has managed over \$30 million in Federal Homelessness funding, that has helped improve our system of shelters and services. This funding supported our community partners like the Mission, John Howard Society, and Ottawa Salus to build 342 new beds and transitional and supportive housing units for our most vulnerable citizens. Four of these projects will open in 2005, with 72 new beds or rooms, including new transitional shelters for homeless youth.

The City also leads the province in responding to the need for affordable housing. Since 2000, we have invested over \$24 million in new housing, including over \$18 million in capital, land, and other incentives in the Action Ottawa program, which will have supported 586 new units of low-income housing by the end of 2005, including permanent, affordable housing for low-income families, people with mental illness and youth. Ninety-nine units are under construction or built, 267 are in the development process, expected to start in 2005, 220 more are in the R.F.P. process.

All told, these investments have generated over \$119 million in new construction, but more importantly will give over 1,000 households or people decent, safe and affordable places to live,

get off the streets, or find the supports they need, but there is much more that needs to be done to make sure every citizen of Ottawa can afford to live here - 11,500 households on the social housing waiting list, over 38% of tenants spend more than 30% of their income on rent - and the City is negotiating with the Province of Ontario to get their strong and meaningful commitment to affordable housing for now and for the future.

In 2005, we expect to see substantial funding from the Provincial and Federal governments, and will see up to 700 new units be funded by 2006. The Federal government has another \$1.5 billion committed to housing, because decent, affordable housing is essential to making Canada's cities work, and the City of Ottawa is committed to making sure those funds help our fellow citizens get the housing they need.

More affordable housing and rapid transit are just two of the biggest priorities for the city in the next few years.

And as we move forward, there are many residents or groups that have expressed a desire to have more input into the job of shaping the future of Ottawa. That's why I agreed to establish a Business Advisory Committee that will provide timely advice and input on key issues affecting small and medium sized business operators, and many of our rural residents have expressed concern over how issues in this chamber affect their daily lives.

I believe that we must do a better job of delivering what our rural residents want - or don't want. In the last several months, I have met with a number of community and business leaders in our rural community. City Manager Kent Kirkpatrick has also had separate meetings with rural Councillors and residents to deal with rural issues. To that end, I'm announcing today the formation of a Rural Summit that will examine how our city can be more responsive to the needs of our rural neighbours. We will roll up our sleeves and deal with rural concerns head on. I have asked the City Manager to set up the framework for a Rural Summit, which will begin as soon as possible. The makeup of the Rural Summit team will be announced shortly. Its task will be to look at everything from by-laws to services in order to find ways to serve our rural residents better.

On January 1, 2001, the City of Ottawa became the fourth largest city in Canada, and the largest agricultural city in Canada too. Since that time, the City has become a leader among the other large cities across the country, and is considered one of the best cities in the world in which to live, and we are a great city. But we are great not because we are now a big City, but because we are a community of strong neighbourhoods and villages.

Every morning, I travel from my own neighbourhood near Carlingwood through or by McKellar Park, Westboro, Hintonburg, Mechanicsville, Little Italy, Chinatown, Centretown and Elgin Street to City Hall - a journey that last 15 minutes, but that speaks volumes about the richness of Ottawa, and about what is really important about our work at City Council - which is building a City of communities, and building a City of communities is what I believe our City government needs to focus on now. If there is one thing I have learned as Mayor, it is that one size does not fit all when we are talking about how we deliver City services - different neighbourhoods and different villages have different needs. Fallingbrook has different needs than Manotick, which has different needs from Lowertown which has different needs from Craig Henry, which has different needs from Galetta, and the City needs to recognize that in a meaningful way, beginning this year. I have asked the City Manager to make strengthening neighbourhoods a key focus of the new Corporate Plan. I have asked him to sit down with his Deputy City Managers and find ways to take all the work that we are already doing in neighbourhoods and villages, across all City departments, and make sure departments are working together and working with communities to resolve locally relevant issues and to support community development to the maximum extent possible. Separate departments working in the same community will be required to coordinate their common efforts and work with community leaders and Councillors. I have asked the City

Manager to come back to Council with at least two pilot projects that will accomplish that this year.

The City of Ottawa is also a leader on the environment. Just two months ago, our City, through Energy Ottawa, won a \$70 million contract to convert landfill gas from our Trail Road site into electricity. Once that plant begins operation, it will convert enough green power to provide electricity for up to 5,000 homes. It will also contribute revenue to the City's bottom line. Also, Energy Ottawa has expanded and operates a green power generating station at Chaudiere Falls on the Ottawa River.

The City of Ottawa is now in a test phase of hybrid buses. One of the biggest wild cards in our budget every year is the cost of fuel for our city fleet. Any savings on fuel while controlling emissions is good for our bottom line good for the environment. I'm also pleased to report fuel savings of over \$200 a month since switching the Mayor's car to a Toyota Hybrid last summer. I have asked the City Manager to consider transferring relevant parts of our automobile fleet to Hybrid vehicles as has been accomplished in several U.S. cities.

In just three weeks, we will finalize the 2005 budget. That budget will focus on services to the public. The City's finances are on solid ground. Ottawa has been granted a Triple A credit rating from Moody's Investors Services, the highest possible grade. The last Moody's report stated that Ottawa's rating is "supported by a low debt burden, fiscal discipline and a commitment to long range financial planning...". We will debate the final numbers in the budget with confidence because our local economy remains strong.

Unemployment is at its lowest level in three years. The economy produced 25,000 new jobs last year. That's the biggest job growth in nearly five years of above normal economic growth, and that job growth will likely improve as our high tech industry continues a steady rebound.

I wish to now take the opportunity of this speech to acknowledge City Staff. Every time someone turns on the tap, travels the roads, calls an ambulance, sees a public health nurse, visits a library, rides a bus, or plays in a park - or undertakes virtually anything else, there is a City employee providing a service involved. The number of contacts with the Public by our staff is in the tens of thousands per day. The service is generally excellent and considerate and where it is not, we endeavour to improve. So, thank you to our staff.

I started this address by looking back to the first ever Ottawa City Council 150 years ago and talking about some of the challenges it had. We at the Council table here today have the same challenge: we're building a city; we're helping to build a world-class capital city. While we've laid a solid foundation over the last 4 years - my job, your job and our job in building this new city is far from over.

Thank You.