

Mel Norton's State of the City address

MEL NORTON SAINT JOHN MAYOR

November 28, 2013

Welcome to the heart of the renaissance City!

Bienvenue au coeur de la ville de la renaissance!

It has been a year and one week since the last state of the city address. What a difference a year makes – what a difference a week makes.

Eighteen months ago your Common Council inherited the worst financial crisis in Saint John's history.

We faced arguably the most arduous and uncertain budget process in the history of the city.

The Pension Plan had a funding deficit of more than \$200 million; was estimated to be funded to less than 70 per cent of its liabilities; the plan was so broke that pension cheques would have bounced in the near future.

We had three options: the status quo requiring payments of \$26.2 million per year (or more) on an indefinite basis (nearly 20 per cent of the budget); attempt to wind-up the plan and convert to defined contribution – crystallizing the funding deficit and funding liability; or adopting the shared risk plan – a combination of immediate reduction of unearned benefits, equal sharing of future requirements for more funding and, if necessary, benefit elimination.

Regional Economic Development:

For too long we have drifted without a unified plan, goals, measurable or vision. For too long we had been working at cross-purposes. Economic partners were not collaborating. True Growth had long stalled.

There were no clear economic priorities for the Greater Saint John Region.

Funding for Clean Drinking Water:

Although Saint John had been treating its drinking water by, more or less, screening out the fish and sticks and applying chlorine for about a century, no funding to seriously enhance drinking

water was available.

The results of a P3 value for money study was not yet known.

P3 Canada had recently questioned our commitment to the P3 process.

We had no money from any other level of government.

We were down but Saint John was not out.

We are as big hearted as we are two-fisted and knowing that council demonstrated that progress was possible.

For example, in the early months of our mandate, council fundamentally changed the reporting structure of City Hall to ensure one point of accountability, i.e. the City Manager not four commissioners as had been the case.

Public consultations on budget priorities were completed.

Budget and priority-setting sessions were held in open and transparent meetings.

Council had set, concise priorities: economic development, pension solution, recreation, drinking water funding, roads and good governance based on controlled spending.

A classy council: council members did not cut-off other councillors. Councillors were passionate but respectful, speaking limits were respected, and the right to hold different opinion is respected.

This past Monday we were graciously hosted by Frank McKenna and Scott McCain at lunch in Toronto.

We had the privilege of speaking to some of Canada's most influential business leaders about the importance of Saint John in the development of Canada.

We shared the vision and the desire of those of us who live here to ensure that Saint John is a key economic contributor on a national scale.

We encouraged those in attendance to throw Saint John the ropes we need to become a "have" city so that we can stop receiving transfer payments and start cashing cheques that we write.

Saint John played a critical part in the development of our country.

Historically, Saint John is a key link for goods and resources entering and leaving Canada.

It was also the first entry point for thousands who came to this country for a new life.

Saint John was once a national economic leader & a world leader in industry and shipping.

Le Saint-Jeanois est enthousiaste, ardent et infatigable

Il donne toute sa vie à son entreprise

Il ouvre son commerce ou son bureau tôt le matin

Il risqué plus, il perd plus, il fait plus d'argent

Il faillit en affaires plus souvent

Mais par la faillite, il arrive toujours

A remonter la cote et à faire fortune à nouveau

It was Saint Johners who literally grabbed the ropes thrown by deckhands from ships and tied those ships safely to our shores.

Members of the Saint John Board of Trade have formed the cornerstone of the business community and have been grabbing the ropes since 1819.

I am thrilled to report on the progress that Common Council and the City of Saint John have made on the priorities we presented in 2012.

We know we continue to face challenges and there is much work to do.

But we must also take time to report the good news.

Earlier this month I was asked: "How are you making out with that pension mess anyway?"

Last December the pension plan was fixed once and for all.

The pension problem, which had so long been an anchor around the City's neck has been cut free. Until that issue was solved we were going nowhere fast.

At our recent council priority session update we took a black marker and struck this item from the priorities.

We have professional city representatives on the board. The pension board is arm's length.

We have a manageable payment plan, pension cheques won't bounce. We've received national recognition for adopting the shared-risk pension deficit solution.

The pension plan was literally saved from the brink of ruin.

Practically speaking, we can now invest more than ever in keys to quality of life: roads, clean drinking water and recreation.

A one-stop shop is being developed through the city's Growth and Community Development Services.

It's integrating planning, building and inspection and engineering services. This team has been meeting with the development community and have been getting good feedback. The recent Development Project Team Bulletin was just published.

We restored city funding to Enterprise Saint John with a three-year commitment.

Thanks to the leadership of all economic partners there are thirty active True Growth 2.0 projects, and we are seeing great progress in projects across all of our sectors.

For example, there is continuing development of the Health & Life Sciences New Brunswick knowledge cluster at the Tucker Park campus, there's a Hackathon this weekend being organized by T4G

We had a number of city services participate in T4G's Big Data conference – which Geoff Flood is hosting again this year in Saint John.

Enterprise Saint John is hosting a shipbuilding supplier registry information session – there are opportunities for businesses here in Saint John.

This past Monday as part of our lunch in Toronto we began our leads generation campaign.

We explained that there are many advantages to doing business in Saint John:

- access to world markets by road, rail and water;
- industry partners who want to see the city prosper;
- a hard working & educated workforce;
- a City Hall that is open for business;
- great (and affordable) physical spaces to do business;
- world-class IT infrastructure; and
- an affordable and high quality of life.

We told business leaders that Saint John has a team ready to assist in the setup of new businesses and the expansion of existing businesses here in the Renaissance City.

We explained that business is welcome to contact us at any time and that we would be following-up. We have already followed-up and leads are already being pursued.

We told them about our economic partners: InvestNB, Port Saint John; Enterprise Saint John; and our city staff who can show business how to be more profitable in Saint John, how you can reduce operating cost by setting up business here, our highly educated and cost-competitive work force, our world-class infrastructure from fibre to rail and our a quality of life second to none.

Two reports delivered Monday demonstrate sustainable efficient service delivery: an update on the city's solid waste collection service showed that in 2013 savings (as compared to 2011) were \$723,000. Complaints have gone down and the service objectives are being met 95 per cent of the time.

A report on roads confirmed \$7.1 million was spent upgrading roads, curbs and sidewalks, and the pavement condition index was raised five points over last year.

Implementation of the service-based budget allows us to make fact-based decisions around service delivery.

The administration at the city has developed "AdvanceSJ," a corporate strategic plan that focuses on how the organization delivers service and demonstrates the best possible value to our citizens in order to achieve Council's Priorities.

Making Saint John a community of choice and building a livable city:

- We have aligned our arts and culture and neighbourhood enrichment services under one program.
- With the completion of work on the Harbour Bridge, your Harbour Passage will be open next year.
- The re-opening will coincide with the unveiling of the Peter Powning sculpture: Shards of Time
- There has been great investment in Market Place West with the addition of a mini skate board park and outdoor exercise equipment.
- We restored full-summer season lifeguards at city beaches
- With industry partner Canaport LNG, Mispic Park and Beach has been significantly renovated and rejuvenated
- We have adopted a new strategic recreation report which will make possible world-class recreation investments like turf fields and multi-purpose facilities
- We restored transit funding allowing previously cut routes and service schedules to be restored.
- Under the leadership of Uptown Saint John and the Green Feet committee we introduced the Campus Harbour Connection providing an active transportation route between the Tucker Park Knowledge Cluster and the Uptown.

This past Friday, the Government of Canada and the Province of New Brunswick demonstrated their faith in the future of Saint John by announcing \$114.6 Million through a P3 partnership to renew the City's drinking water system, the largest infrastructure project in the history of Saint John or the province.

This investment will provide tangible results: a water treatment facility, watershed (water source) improvements, transmission system (water pipes) improvements, water system storage improvements, improved pumping stations, replacement of 22.4 km of water pipes, rehabilitation of 19.3 km of water pipes, and east-side industrial system improvements.

Most importantly our ratepayers will get drinking water of the highest quality, a least-cost solution, a sustainable solution meeting needs today without compromising future generations.

Hundreds of men and women from across all sectors have been making True Growth 2.0 a reality.

We have an all-star cast of Enterprise Saint John board members. We've just finished lining-up the Enterprise Saint John Advisory Board (their names will be made public soon). They are among Canada's top business and entrepreneurial leaders.

This past year, we made a commitment to advancing our energy sector. This is why we went to Calgary.

We have been working successfully to advance the Energy East pipeline.

Calgary was made possible and successful because of the leadership by the province.

We were joined by MP Rodney Weston, Energy Minister Craig Leonard, Peter Gaulton, chairman of Port Saint John, and Jim Quinn, CEO of Port Saint John

We worked closely with industry and government partners to ensure we spoke with those that could make a difference – those that could put crude in the pipeline: TransCanada, Shell Canada, MEG Energy, Cenovus Energy, Alberta Petroleum Marketing Commission, Canadian Association of Petroleum Producers, Canadian Energy Pipeline Association, and the Calgary Chamber of Commerce.

We visited the Calgary Offices of Irving Oil. We were well received in Calgary. They love that we are open for business and we know that business and quality of life are not mutually exclusive.

And now Saint John's economic partners are ready to lead on the exploration and responsible development of New Brunswick's natural gas resource.

Saint John understands that big industry and quality of life are not mutually exclusive – the social license for big development is and always will be a Saint John hallmark.

We know that the next big opportunities for Saint John and New Brunswick will only be possible if

we develop our natural gas resources.

We know that the opportunities, and associated billions in investment and thousands of jobs, include development of petro-chemical related industries, fertilizer plants, conversion of our LNG terminal to an export facility, stable and competitive energy for our existing industry – it is the most critical building-block for business.

I'd like to take a minute to acknowledge a few other initiatives that will contribute to life and business development here in the city.

Our partners in the provincial government have:

- Completed the Harbour Bridge rehabilitation – our bridge received an upgrade of over \$36M;
- Finished the One Mile Interchange (over \$75M) which will soon open; and
- Given Saint John an award for our Municipal Energy Efficiency Program.

Four business leaders were awarded the Freeman of the City – the highest honour the City can bestow. They are:

- James K. Irving,
- Arthur L. Irving,
- John E. Irving, and
- Dr. Richard Currie.

There were two events this year that truly indicated we are on our way to becoming a renaissance city.

- The refurbishment of the Kings Square bandstand– a gift of two generous, community minded donors, John Irving and Richard Currie, who recognized the value that this historic place brought to the city. That beautiful August day will be one for the ages.
- Last month, our 125-year-old City Market was named as the “Best Public Place” in Canada by popular vote and by a panel of professional urban planners – the same planners from across the country who also lauded our new municipal plan, PlanSJ.

This designation demonstrates both the contrasts and potential of Saint John – a 125-year-old building, still so integral today.

Our goal is simple: we want to live in the renaissance city and restore our place in history.

We want to be a full partner with the rest of the country. Like our City Market, we know we can get

there.

But we have a lot of work ahead of us.

In the next few weeks Saint John Common Council will finalize our city budgets.

We will become a community of choice for people and business, we will create a culture of forward-thinking and positive action within City Hall and around our community.

We will actively promote the development of a diverse and growing population.

We will be seen as a well-run municipal government.

We will focus on sustainability – a clean, green city with public transit that meets the needs of our citizens.

We will work toward integrated walkways and bike paths to connect our neighbourhoods and waterways.

We will boast an active network of community champions, advocating economic, social and community investment that drives positive change.

We are not out of the woods yet. We are told that the global economy is turning around. By continuing to focus on our priorities (roads, water, recreation and economic development), Saint John will be well-positioned to take advantage of all opportunities that come our way.

The city can't do it alone.

We need partners like the Board of Trade to continue to do the good work that they have been doing.

We have two requests:

We need your help to identify other business opportunities for our city. We also want to know how we can help you expand your business and create more jobs.

Our economic partners are here to: show you how your business can be more profitable, show you how to take advantage of our skilled workforce; and save operating costs.

Number two: wherever you are – whether you are at a coffee shop in Saint John, or if you are out of town travelling, continue to talk about all of the good things in this great city.

If you need a list of recent wins they include:

1. Water funding

2. Harbour clean-up completion
3. Pension fix
4. One stop shop for development
5. Pipeline
6. Deep water export facility
7. Tank farm
8. Lions Club in the South End
9. New restaurant quality kitchen for King Edward / St. John the Baptist
10. Renovation of the Hayward and Warwick building on Princess
11. Shannex development in Millidgeville
12. Princess Auto
13. Expansion of TD Insurance offices and new job
14. Kent Building Supply store on the west side
15. Crown X on Crown Street courtesy of Downey Ford
16. Loch Lomond Villa The Village
17. New housing on Waterloo Street and Ellerdale courtesy of John Rocca

Tell others about Saint John; become one of our ambassadors.

We have a long way to go, but we have come a long way. I'm excited to see what the future holds for this great city – The Renaissance City.