

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

02 MARCH 1999

3:00 P.M.

PRESENT

Chair: R. Chiarelli

Members: R. Cantin, B. Hill, P. Hume, G. Hunter, A. Loney, M. Meilleur, W. Stewart
and R. van den Ham

Regrets: D. Beamish

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Regular and Confidential Minutes of the 16 February 1999 meeting and amended Confidential Minutes of the 2 February meeting.

CARRIED

DECLARATIONS OF INTEREST

No declarations of interest were filed.

REGULAR ITEMS

ECONOMIC AFFAIRS UNIT

1. EXTERNAL ECONOMIC DEVELOPMENT AGENCIES
CONSULTANT REPORT "PUTTING OTTAWA ON THE MAP"
 - Report Tabled at 02 Feb 99 meeting
 - Regional Chair's report dated 25 Feb 99

Notes: 1. Underlining indicates new or amended recommendations approved by Committee.
2. Reports requiring Council consideration will be presented to Council on 10 March 1999 in Corporate Services and Economic Development Committee Report Number 34.

Councillor Stewart believed it was inappropriate for the Committee to accept the Chaiton report as presented. She felt some recommendations required Council consideration whereas others were more appropriately referred to The Ottawa Partnership (TOP).

Councillor Cantin indicated the Ottawa Tourism and Convention Authority (OTCA) had made suggestions regarding amendments to the Chaiton recommendations, as outlined in correspondence to the Regional Chair dated 15 and 18 February 1999. The Councillor requested that all comments on clarification and amendments from external agencies should also be referred to TOP in conjunction with the Chaiton report.

Chair Chiarelli stated he personally did not have a concern with the clarifications suggested by OTCA. On process, the Chair explained a Strategic Economic Development Plan (SEDP) would be developed by TOP and the Chaiton recommendations were interim subject to the creation of that Plan and its adoption by Council and the agencies. The Chair suggested the OTCA comments be tabled and referred to TOP for consideration during its deliberations.

Councillor Cantin expressed concern that the Chaiton report would be referred to TOP in its present form, as he believed it was incomplete and incorrect on certain topics. Chair Chiarelli did not recommend Committee consider each of the Chaiton recommendations at this time, as that was contrary to the consensus agreement signed and any amendments would require further consultation with the agencies. Councillor Cantin believed the OTCA Chair signed the consensus agreement based on the understanding their comments and suggestions would be included with the Chaiton report. The Councillor moved a Motion on this concern.

Chair Chiarelli pointed out TOP was mandated to develop a SEDP that would return to Council for approval. He noted refinements and changes may evolve as a part of that process that may differ from the Chaiton report recommendations.

Councillor Meilleur requested a presentation from the consultant, Mr. Alf Chaiton.

Mr. Chaiton reviewed the process to date. He placed emphasis on the essential element of the report, that being the need to simplify the structure and mandates so any overlap or duplication might be resolved. He explained the essential part of the report was to create a body to allow discussions on strategy and priorities. Mr. Chaiton pointed out a recommendation for a similar body was outlined in the 1991 "Partners for the Future" report.

The consultant continued by explaining the three priority sectors (advanced technology, tourism and life sciences) were identified as the current main priorities of the Region. Mr. Chaiton added it was logical the three agencies and private sector would be responsible for the growth of those sectors thereby eliminating any questions over

responsibility and mandate. With respect to external marketing, Mr. Chaiton stated there was a role for an agency to work with the three sector agencies on external marketing. In closing, Mr. Chaiton added the remaining recommendations were either brought forward from the 1991 report or were relevant to Ottawa-Carleton's successful competitiveness on the world market.

Councillor Meilleur referenced the Terms of Reference and the reporting relationship to the Regional Chair. Mr. Chaiton pointed out the Committee discussion from the October 1998 meeting clearly indicated the report would return to Committee and Council.

Councillor Meilleur referenced a statement in the report Introduction regarding the need for improvements to gain maximum performance from the agencies. Mr. Chaiton explained in the current environment, noting additional money was not available, there was a need to obtain corporate efficiencies and improvements to achieve goals and growth.

Councillor Meilleur inquired on the development of the recommendations in the report. Mr. Chaiton explained many recommendations came through consultation with Councillors and the suggestion to review the "Partners for the Future" report. He added although that report was prepared in 1991- 1992, a great deal of the material was still extremely relevant.

Councillor Meilleur referenced the statement that the model should suit the individual community needs and should not be imposed. Mr. Chaiton explained the statement referred to the structure of economic development and how other communities grew their agencies. He added many communities had different structures, with the Ottawa-Carleton model also considered by others for adoption. With respect to the Region, Mr. Chaiton commented the structure already existed and consisted of four agencies that must be considered. He added the elements of models used in other communities had been reviewed, however, it was not advantageous to recommend one model just because it may be working well elsewhere.

Mr. Chaiton pointed out he did not recommend the elimination of the agencies. Rather, he wanted to ensure each had an understandable and clear mandate that was not conflicting and would allow the partnership to work together through TOP.

With respect to Recommendation No. 17 on the World Trade Centre, Councillor Meilleur requested further detail. Mr. Chaiton reported the World Trade Centre was recommended as one of the agencies in the co-ordinating body in the 1991 report. However, he explained in discussion with the World Trade Centre organization, it was attempting to re-establish itself. As a result, the recommendation was developed that should the re-establishment be successful, TOP would agree to consider its appropriate role within the economic development decision-making structure of Ottawa-Carleton.

On a point of clarification, Chair Chiarelli stated the Committee requested some form of consensus be developed with the agencies, which had been successful. He explained

Committee was requested to endorse the consensus agreement that established the TOP partnership and its composition; authorized TOP to prepare a SEDP that would involve public consultation; with the SEDP to return to Council for consideration. Chair Chiarelli added the Chaiton report and recommendations were being referred to TOP and the SEDP process.

Councillor Meilleur requested clarification on the impact of the Committee “receiving” the Chaiton report for referral. The Councillor expressed concern that she did not support some of the recommendations in the Chaiton report and wanted to be clear on the understanding of her actions. Chair Chiarelli reiterated the recommendations before Committee were evolved through the consensus agreement signed by the parties that required ratification by Council and the Boards of the agencies. He pointed out Section No. 2 - III outlined the referral of the Chaiton report to TOP.

Councillor Hunter believed the Committee was owed the opportunity to review, question and examine the entire Chaiton report. The Councillor asked Mr. Chaiton if, following the release of his report and feedback received, he would amend any of the recommendations. Mr. Chaiton stated the main objective of the report was to achieve a consensus from the various parties. Councillor Hunter pointed out some recommendations outlined in the consensus agreement differed from that in the Chaiton report, in particular around the composition and mandate of TOP. Mr. Chaiton explained the recommendations were looking for ways to reduce potential overlap and create efficiencies. Speaking specifically to the mandate to review proposals for initiatives for submission to Council, Mr. Chaiton hoped it would create the efficiency desired. He stated the follow up role of TOP was understandable and part of the communication back to Council.

Councillor Hunter inquired on the expected costs for TOP and the SEDP, along with other expenditures required. Mr. Chaiton reported it was expected TOP and SEDP would not create any incremental expenditures. However, he recommended the current funding to the agencies for their initiatives and development of the SEDP should continue as an envelope.

Councillor Stewart inquired what inspired Recommendation No. 16 on the Entrepreneur Centre, noting the Centre was considered a successful model. Mr. Chaiton stated that if in the simplification of the mandates, no agency specifically had the Centre as part of their mandate, then options should be considered - in particular, to determine if there was any synergy in the community that could grow the Centre even farther. The speaker commented on the unavailability of additional funds and suggested there may be opportunities in the community. Mr. Chaiton pointed out the report stated the Centre was working well but options could be considered.

Councillor Stewart referenced Recommendation Nos. 20 and 21 regarding the Employment Task Force and inquired if they were properly referred to TOP. She wondered if the Social Services Department was able to fulfill the obligations in the

recommendations. D. Stewart, Social Services Commissioner, confirmed the Department was capable of responding to the recommendations. He reported the issue on social assistance reform in Ontario was about focusing on employment outcomes and activities around jobs. Mr. Stewart stated they welcomed the opportunity for collaboration and supported any initiative around workforce development.

With respect to Recommendation No. 14, Councillor Stewart requested status updates on approved projects that were identified under the proposed system of purchase of service agreements. She commented on the necessity that TOP kept the Committee and Council informed regularly about the projects they were undertaking.

Councillor Hume remarked he was interested in the benchmarking exercise with other cities such as Calgary, and how Ottawa-Carleton compared. Mr. Chaiton explained the issue of benchmarking consisted of two parts; firstly, to review other structural models and secondly, to review results keeping in mind there were areas to learn from and improve. He referenced the need for a good collection of data and ongoing analysis.

Speaking to the issue of duplication, Councillor Hume inquired if there were common elements determined that could allow TOP to achieve a more stream-lined approach. Mr. Chaiton stated through TOP, the agencies would be able to identify further areas for efficiencies, such as a centralized web site.

Councillor Hume referenced previous comments on the World Trade Centre recommendation. The Councillor inquired on the purpose of this organization, and asked about similar centres in other cities. Mr. Chaiton reported the centres in Montreal and Halifax were very much a part of the community and played a key role. He believed the issue was where the organization fit into the economic development set of activities. Mr. Chaiton reiterated the recommendation only stated if the organization was successful in re-establishing itself without public sector money, their position and role in the decision-making structure should be considered by TOP. By way of further explanation, Mr. Chaiton suggested a World Trade Centre was a network that provided linkages and networking with other centres around the world.

Councillor McGoldrick-Larsen referenced the Region's Economic Affairs Unit. She inquired on the integration with TOP to ensure there was not duplication with the Region's projects. Mr. Chaiton stated duplication would be kept to a minimal through different means; namely, the representation on TOP, the proposal that the Unit would provide the secretariat for TOP, and through the Management Committee that may be created. Mr. Chaiton did not believe TOP would be responsible to review the workplans of other member agencies, such as the Chamber of Commerce and post-secondary education institutions. He noted there would be sufficient two way communications between the Region's Economic Affairs Unit and TOP.

Chair Chiarelli reviewed a Motion submitted by Councillor Loney regarding amendments to Section 2 - III and IV which would provide clarification on the intent. The Chair then reviewed a Motion from Councillor Cantin regarding comments and suggestions from the agencies regarding the Chaiton recommendations.

In reply to an earlier question to Legal from Councillor Meilleur on the significance to “receive” the report, E. Johnston, A/Regional Solicitor, responded. He explained the term was generally used where a body wishes to process an item through transmission without providing formal approval. Councillor Meilleur expressed her support for the creation of TOP, however, stated the necessity for the involvement of Committee and Council.

Councillor van den Ham expressed his support that the Chaiton report be referred to TOP and to the individuals that had the expertise in dealing with economic development. The Councillor had the understanding they were not endorsing any of the specific 24 recommendations in the Chaiton report, but referring the report to TOP for consideration in the development of the SEDP (as set out in Section 2 - III). Councillor van den Ham expressed some concern with the joint Chair composition of the Board. However, he understood this was part of the consensus agreement that would go forward to TOP for consideration. The Councillor reviewed what he believed was the appropriate role for government in economic development and stated he looked forward to the return of the SEDP.

In response to a request from Councillor McGoldrick-Larsen for clarification, Councillor Loney amended his Motion to include the return of the SEDP to the *Corporate Services and Economic Development Committee* and Council.

Councillor Munter reported he had been contacted by two groups that were not included on TOP, specifically the lower tier Mayors and the Ottawa District Labour Council. The Councillor inquired where the proper venue for the concerns of those groups would be addressed.

Chair Chiarelli explained the composition of TOP as outlined in the consensus agreement was the result of a great deal of discussion, consultation and compromise. The Chair confirmed that during the evolution of the SEDP, a consultation process would be held in which submissions could be presented to TOP. He acknowledged the inclusion of other members on the TOP Board may have merit. However, the Chair referenced issues such as the difficulties associated with a large membership, the need for balance, and the goal of a partnership. Chair Chiarelli pointed out the proposed composition was a consensus and the ultimate solution was yet to be determined during the development of the SEDP, to be presented to Council. Councillor Munter acknowledged the process and expressed his support for the TOP concept.

Councillor Munter expressed his support for the Loney amendment Motion, in particular that Council was to receive and refer the Chaiton report and recommendations to TOP. The Councillor, as stated by other Committee members, commented on his support for some of the Chaiton recommendations, however, felt others were subject to debate. He believed the consensus agreement set up the framework and mandate for the preparation of the SEDP.

Councillor Loney emphasized the importance for the SEDP to be a document of Council, and Council must have the right to amend the Plan if they desire. The Councillor referenced past criticism received for the annual funding provided to the agencies without any strategic plan in place. He stated the Chaiton report was required and the exercise had been positive. With respect to the composition of TOP and the inclusion of the Mayors, Councillor Loney did not support this addition as it may not serve the best interest of the Region as a whole.

Councillor Hunter did not believe organizations such as the Board of Trade and Chambers of Commerce should have the mandate to oversee recommendations involving public funds; rather Council was elected for that purpose. The Councillor did not support TOP, with a majority of private sector members, having the mandate to “gatekeep” whether a proposal or recommendation came forward to Council for consideration. He suggested it represented the delegation of responsibility away from the elected officials.

In response to a question from Councillor Hume regarding the composition of TOP, Chair Chiarelli reiterated that through the development of the SEDP, the possibility existed that the composition may change. He explained the need for the TOP body to be constituted in order to establish the SEDP, however, noted the Plan may recommend a co-ordinating body different from the proposed TOP.

Councillor Stewart congratulated the agencies and partners for their efforts to work together to promote a successful economy. However, she concurred with Councillor Hunter that the final decision remained with the elected representatives as Council. The Councillor did not believe there was adequate discussion to forward the Chaiton report *with approval*. In addition, she wished to ensure TOP was aware the Committee may not be fully supportive of the entire 24 recommendations in the Chaiton report. As a means to forward the Committee’s comments, Councillor Stewart moved the following Motion.

Moved by W. Stewart

That the Minutes of the 2 March 1999 Corporate Services and Economic Development Committee meeting be referred to The Ottawa Partnership for information.

CARRIED

The Committee then considered the Cantin and Loney Motions as follows:

Moved by R. Cantin

That in relation to Section 2 - III above, the Chaiton Report, along with all relevant comments / requests for clarification and amendments from outside agencies, be referred to The Ottawa Partnership, and that the proposed changes be among the guiding principles in the development of the Strategic Economic Development Plan.

CARRIED

Moved by A. Loney

That in Section 2 - III, the word “accepted” be deleted and replaced by the word “received”.

And That Section 2 - IV be amended to read: That TOP be convened as soon as possible, proceed to prepare a Strategic Economic Development Plan, and submit that Plan to the Corporate Services and Economic Development Committee and Council for approval not later than 120 days from the date of the first meeting of TOP.

CARRIED

Report Recommendations As Amended

1. WHEREAS the report “Putting Ottawa On The Map” (The “Chaiton Report”) has been tabled with the Corporate Services and Economic Development Committee.
2. WHEREAS the four economic development agencies (OCRI, OEDC, OLSC, and OTCA) have concluded a consensus action plan to deal with the recommendations in the Chaiton Report namely:

- I. That The Ottawa Partnership (“TOP”)**
 - A. be governed in all matters by the vote of a simple majority of its Board of Directors,**
 - B. have a Board of Directors consisting of the Regional Chair; one representative from post-secondary education institutions; one representative from each of OEDC, OCRI, OLSC and OTCA, the Ottawa-Carleton Board of Trade, the Chambers of Commerce, and the Regroupement des gens d’affaires, and three additional private sector members-at-large who shall be elected by a majority of the Directors,**
 - C. be co-chaired by the Regional Chair and one of the other Board members as selected by TOP.**
- II. That TOP shall have a mandate to**
 - A. prepare a Strategic Economic Development Plan (SEDP),**
 - B. receive and review proposals for economic development initiatives and submit to Regional Council a report recommending those proposals that offer the best opportunity to achieve the objectives of the SEDP,**
 - C. submit to Regional Council a report on the extent to which each implemented economic development initiative has achieved the objectives of the SEDP,**
 - D. ensure the highest level of cooperation among economic development agencies and to resolve conflicts arising between those agencies, and**
- III. That the Chaiton Report be received and referred to TOP to be considered in the development of the Strategic Economic Development Plan, and**

- IV. That TOP be convened as soon as possible, proceed to prepare a Strategic Economic Development Plan and submit that Plan to the Corporate Services and Economic Development Committee and Council for approval not later than 120 days from the date of the first meeting of TOP.
3. That Council agrees to participate as the public sector partner in The Ottawa Partnership in accordance with the foregoing consensus action plan.
4. That in relation to Section 2 - III above, the Chaiton Report, along with all relevant comments / requests for clarification and amendments from outside agencies, be referred to The Ottawa Partnership, and that the proposed changes be among the guiding principles in the development of the Strategic Economic Development Plan.
5. That the Minutes of the 2 March 1999 Corporate Services and Economic Development Committee meeting be referred to The Ottawa Partnership for information.

CARRIED as amended
(G. Hunter dissented)

CHIEF ADMINISTRATIVE OFFICE / SOCIAL SERVICES

2. DECISION SUPPORT SYSTEM (DSS)
UPDATE, NEW DIRECTION AND IMPACTS
- Joint Chief Administrative Officer and Social Services Commissioner's report dated 16 Feb 99

That the Corporate Services and Economic Development Committee receive this report for information.

RECIEVED

FINANCE

3. REGIONAL DEVELOPMENT CHARGE REVIEW
PUBLIC MEETING
- Finance Commissioner's report dated 19 Feb 99

Kent Kirkpatrick, Deputy Regional Treasurer, stated the purpose of the report was to schedule a public meeting on the Regional Development Charge (RDC) Review for 6 April 1999.

Councillor van den Ham referenced the timetable and workplan attached to the report. He inquired whether they were on schedule and whether the Steering Committee had approved the final draft. Mr. Kirkpatrick reported the final draft would be complete in two weeks. He stated the calculations were fairly close to completion, and a RDC background study and policy report should be ready for a Councillors briefing scheduled for 23 March 1999.

Councillor van den Ham asked what the expectation was for the level of regional development charges. He indicated the business community had expressed some concern. Mr. Kirkpatrick reported on the success achieved with the Ottawa-Carleton Homebuilders Association as well as with stakeholders for groups representing other community associations. However, the Deputy Treasurer acknowledged some concern had been expressed about the draft development charge quantum information that was coming out concerning area specific charges.

There being no further questions, the Committee considered the staff recommendation.

That the Corporate Services and Economic Development Committee recommend Council approve a Public Meeting of the Corporate Services and Economic Development Committee on April 6, 1999 on the Regional Development Charge Review in accordance with relevant legislation.

CARRIED

PLANNING AND DEVELOPMENT APPROVALS / SOCIAL HOUSING

4. LEASE OF 494 AND 504 ALBERT STREET, OTTAWA
- Joint Planning and Development Approvals Commissioner and
Special Advisor on Social Housing report dated 16 Feb 99

N. Tunnacliffe, Planning and Development Approvals Commissioner, introduced the report. He explained the two properties were deferred from a report in the fall of 1998 pending discussions with City Living. Mr. Tunnacliffe reviewed the report recommendation stating it was in the best interest of the Corporation and the community. He indicated there was a Federal program that enabled City Living to obtain funds to improve the properties, however, Council must first confirm the arrangements surrounding the lease. Mr. Tunnacliffe confirmed the properties would remain in Regional ownership.

In response to a question from Councillor Stewart regarding the 15 year term, Mr. Stéphane Énard-Chabot, President, City Living, explained 15 years represented the repayment schedule for the Federal Government program for the capital improvements.

Mr. Émard-Chabot thanked the Committee for the opportunity for City Living to negotiate on the properties. He commented on the crisis of homelessness in the community and reviewed statistics on the demand. Mr. Émard-Chabot confirmed the rents for the buildings would remain affordable, noting some may even be reduced to bring them down to the welfare housing allocation levels. In closing, Mr. Émard-Chabot stated the proposal fit well with the Golden Report on homelessness and the concept of collaboration from all levels of government. Speaking to the Federal program, the speaker confirmed \$90,000 would be provided for renovations.

In response to a question from Councillor Cantin, J. Potter, Special Advisor on Social Housing, explained current social housing was governed by existing agreements between the Federal and Provincial Governments and housing providers. She stated City Living was one of the providers and they were currently operating housing in accordance with pre-existing agreements. Ms. Potter reported the Provincial Government had referenced a reform process for those agreements, however, she could not speculate on the outcome of that process and the impact it may have on the pre-existing agreements. Mr. Émard-Chabot added the older units were not covered under the agreements being transferred from the Province to the Region.

Councillor Stewart inquired about the responsibility over the 15 year period for renovations and maintenance. Mr. Tunnacliffe confirmed City Living would assume that responsibility. The Commissioner also confirmed the estimated appraisal for the properties, if sold at this time, was approximately \$475,000 for both properties. Councillor Stewart inquired on the Region's role in particular if the properties were not being maintained. Mr. Émard-Chabot confirmed the buildings would continue to meet fire and building code in all aspects. He added it was in everyone's best interest and advantage for City Living to keep the buildings well maintained and rented. E. Johnston, A/Regional Solicitor, confirmed the Region would remain the owner and presumed all liabilities and costs were covered off in the terms of the lease.

Councillor Hill expressed concern with the precedent and possible risk involved for the Region.

Councillor Munter reviewed the options as follows: firstly, to sell the properties at a substantial loss, or secondly, to approve the staff recommendation to lease to City Living in which the properties would be renovated through a Federal grant and provide affordable housing for the growing demand. Councillor Munter hoped the Committee would support the staff recommendation.

Councillor Meilleur concurred with Councillor Munter's comments regarding the homelessness crisis and encouraged the Committee to support the staff recommendation.

Councillor Holmes pointed out, as a result of community upheaval, it took three years to confirm the location of the women's shelter at the corner of Nepean and O'Connor Streets. She stated the shelter was not adequate in size due to the demand for and lack of second stage affordable housing. The Councillor noted the subject properties were in the same area as the shelter, and referenced the support letters provided by key community partners.

Councillor Stewart also expressed her support for the staff recommendation and commented on the community support for the initiative.

That the Corporate Services and Economic Development Committee recommend Council approve a fifteen-year lease of Regional properties located at 494 and 504 Albert Street in the City of Ottawa, to City Living, for the sum of \$1.00 effective 1 April 1999, subject to approval of an application for Residential Rehabilitation Assistance Program (RRAP) funding from Canada Mortgage and Housing Corporation (CMHC).

CARRIED
(B. Hill dissented)

PLANNING AND DEVELOPMENT APPROVALS

5. SALE OF SURPLUS PROPERTY-
1104 ALENMEDE CRESCENT, OTTAWA
- Planning and Development Approvals Commissioner's report dated 3 Feb 99

That the Corporate Services and Economic Development Committee approve the sale of 1104 Alenmede Crescent to Debbie Salmon for the amount of \$103,000 pursuant to an Agreement of Purchase and Sale that has been received.

CARRIED

INFORMATION PREVIOUSLY DISTRIBUTED

ENVIRONMENT AND TRANSPORTATION

1. Mackenzie Avenue Watermain Replacement
Murray Street to Approximately 250M South,
Contract Award (In Accordance with *Corporate Policy Manual*
Section 4.6.9) Contract 98-325
- Environment and Transportation Commissioner's memorandum dated 08 Feb 99

FINANCE

2. Report for Petty Cash and Change Funds - 1998
(As Per *Corporate Policy Manual* , Chapter 4, Annex 4A)
- Finance Commissioner's memorandum dated 16 Feb 99

ADJOURNMENT

The meeting adjourned at 5:25 p.m.

NEXT MEETING

16 March 1999 (CANCELLED)
06 April 1999

CO-ORDINATOR

CHAIR