

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING OF NOVEMBER 15, 2016
FROM:	KATE GRAHAM DIRECTOR, COMMUNITY & ECONOMIC INNOVATION
SUBJECT:	CITY OF LONDON 2017 FEDERAL BUDGET SUBMISSION – CITY BUILDING IS NATION BUILDING

RECOMMENDATION

That, on the recommendation of the Director, Community & Economic Innovation, the following actions be taken with respect to the City of London 2017 Federal Budget Submission:

- a) That Civic Administration **BE DIRECTED** to submit the City of London 2017 Federal Budget Submission to the Government of Canada as part of the federal pre-budget submission process; and,
- b) That this report **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Strategic Priorities and Policy Committee – May 5, 2016 – Shift Rapid Transit Business Case
- Community and Protective Services Committee – October 18, 2016 – London’s Homeless Prevention System Enumeration Results and London’s Emergency Shelters Progress Report: 2011-2015

BACKGROUND

The City of London’s 2015-2019 Strategic Plan Vision outlines a commitment to establish London as “a leader in commerce, culture, and innovation – our region’s connection to the world.” City Council has set clear priorities on initiatives that will require partnerships with federal and provincial governments. Council’s Strategic Plan identifies four strategic areas of focus: strengthening our community; building a sustainable city; growing our economy; and, leading in public service. The City of London’s 2017 Budget Submission, *City Building is Nation Building* (Appendix A), has been developed in full recognition that advancing our strategic initiatives around Rapid Transit, homelessness prevention and housing, and economic development will meaningfully address key performance indicators in all four key areas of focus. The Submission reflects input from across all City of London Service Areas, including working with partners including the Housing Development Corporation and Western University.

The City of London 2017 Budget Submission builds upon the municipal advocacy work currently underway through the Federation of Canadian Municipalities (FCM) and the Association of Municipalities of Ontario (AMO). Both organizations have consistently articulated that only by investing in strong cities and communities can governments build a strong Canada. *City Building is National Building* describes three concrete opportunities to move our City and region forward.

Shift – Our Rapid Transit Initiative

London is Canada’s largest City without a Rapid Transit system. City Council has directed Civic Administration to continue to engage the Government of Canada and the Province of Ontario to bring Rapid Transit to London. Since the City’s submission of the Shift Business Case in May of this year, staff have been working closely with officials from the Ministry of Transportation in reviewing the technical details of this project.

On November 1, 2016, the Government of Canada released its 2016 Fall Economic Statement. The Statement included details of the *Investing in Canada Plan* – an \$81 billion, 11 year plan which would see transformational investments into public transit, social infrastructure and green infrastructure. While many of the specific program design details will not be known until closer to the 2017 Budget (historically released in early Spring), the additional details released in the Fall Economic Statement serve as an important reminder that municipal infrastructure remains an important priority of the federal government.

Homeless Prevention and Housing

In Budget 2016, the Government of Canada announced its commitment to consulting with provincial, territorial, and municipal governments toward the development of a *National Housing Strategy*. Such a strategy would provide greater financial certainty for cities and communities across the country that are actively involved in providing social and affordable housing to citizens.

The City of London's 2010 *Homeless Prevention and Housing Plan* recognizes the critical need to work hand-in-hand with all orders of government to better align local, provincial, federal and private sector planning processes and initiatives. The Government of Canada's *National Housing Strategy* presents an important opportunity to demonstrate the housing solutions that are being developed in London and secure much needed partnerships.

Economic Development

Since the 2008 economic downturn, the City of London, businesses and a new generation of entrepreneurs have been re-making our city into a centre for technical innovation. London has been punching above its weight in many core industries, including advanced manufacturing, food processing, life sciences, and digital creative.

London has positioned itself as a technology leader in Canada. The Government of Canada has announced a renewed interest in developing an "Innovation Agenda" for the country. This presents an important opportunity for the City to showcase tangible initiatives that can further the shared priority in the economic development field. To this end, the City of London will be supporting the London Medical Network (LMN) in their request for funding from FedDev Ontario to create a Centre for Medical Innovation. Through a self-sustaining funding model, the LMN would leverage public and private investments to incubate and grow medical technology start-up companies and serve as a hub to attract additional companies and talent in Southwestern Ontario.

Conclusion

The City of London's 2017 Federal Budget Submission – *City Building is Nation Building* – will present made-in-London solutions to the Government of Canada on the urban challenges of transportation, homelessness prevention and housing, and economic development in our City.

City Building is Nation Building will form the content of the meetings being secured by staff as part of the Federation of Canadian Municipalities (FCM) National Advocacy Days scheduled for November 21-25, 2016 in Ottawa.

PREPARED BY:	RECOMMENDED BY:
ADAM THOMPSON MANAGER, GOVERNMENT AND EXTERNAL RELATIONS	KATE GRAHAM DIRECTOR, COMMUNITY & ECONOMIC INNOVATION



City Building is Nation Building Leveraging the London Advantage

Pre-Budget Submission to the Government of Canada

london.ca



INTRODUCTION

Canada's mid-sized cities are the key to our continued success as a country –

Mid-sized cities are an untapped wealth of potential. Cities like London stand out by combining access to large export markets, skilled workforce, and first-class facilities with greater affordability and a strong sense of community. The social and economic productivity of mid-sized cities has the potential to raise quality of life for entire regions. London is the economic, social, and cultural centre of Southwest Ontario and we know that our success as a region is inextricably linked to the success of our cities.

In its' recent discussion paper, *Making Mid-Sized the Right Size*, Evergreen CityWorks found that mid-sized cities “are at a critical point, with a unique opportunity to re-imagine themselves.” London has been paving the way with innovative social programs, a transformative transit plan, and industry leading businesses. Through building a stronger city, we are building a stronger region, province and country. London's City Council has laid out a bold strategic plan with four clear priorities:

Strengthening our Communities **Building a Sustainable City** **Growing our Economy** **Leading in Public Service**

These pillars drive our work as a city and as a leader in Southwestern Ontario. These are the key planks shaping the vision of London as “A leader in commerce, culture, and innovation — our region's connection to the world.”

Our city has been working hard to achieve this vision. While London is the 11th largest city in Canada, we welcomed the fifth most Syrian refugees to our community. We have undertaken bold reforms of the affordable housing system in our city, creating the Housing Development Corporation to find innovative ways to strengthen supports for our most vulnerable. Our tech sector, now our fifth largest employer, has added over 1000 jobs in the past 18 months, and shows no sign of slowing down. The solutions are here, but we cannot address it alone.

London is planning for the future of our city and our region, and we have the opportunity now to help ensure that future through investments in three key areas:

- Investing in Public Transit through the SHIFT Rapid Transit Plan
- Ensuring access to safe, suitable housing through the Homelessness Partnering Strategy and the National Housing Strategy
- Staking our claim as a global leader in medical technology

The road to a strong Canada runs through our cities. By working together to ensure London is ready to face the future, we can continue to fill our role in Southwestern Ontario as an economic engine, a cultural centre, and a hub for innovation. Our region's connection to the world.



RAPID TRANSIT



Shift is a transformational city-building initiative for London –

Shift – our Rapid Transit Initiative – will provide the foundation of our transit and transportation system. Shift will create jobs, grow our economy, support vibrant neighbourhoods, and reduce greenhouse gas emissions. Rapid transit is a natural evolution of the transit system in London.

The London Transit Commission currently provides more than 22 million trips per year, but is unable to keep up with present demand. Shift would support London's transit needs now and in the future. Over the next 20 years, London will continue to grow by an estimated **77,000 new residents and 43,000 more jobs**. That kind of growth can't be supported by our current transit infrastructure.

Rapid Transit will unlock London's full potential. It will connect our world class education and healthcare institutions with our award-winning neighbourhoods and employers.

It will provide reliable, affordable transportation enabling all Londoners to access fundamental needs like employment, housing, and social supports. A fully accessible transit system means no one is left out as a result of limited access to suitable transportation.

The Ontario Government has been clear in their support and willingness to partner on Shift:

“ The Province will continue working with regions, communities, other levels of government, and private partners to design and select the next generation of infrastructure investments that will improve the competitiveness of Ontario's communities, enhance productivity, promote innovation and develop new economic opportunities, such as ... cost-sharing the capital costs of municipal transit projects such as London rapid transit. ”

-- 2016 Ontario Budget

London is seeking a strategic funding partnership from federal and provincial governments to bring a transformative Rapid Transit system to our City.

London is the largest city in Canada without a Rapid Transit system.

The construction of a BRT system will create 5,500 employment years' worth of good jobs

56% of London's jobs will be within walking distance of the proposed Rapid Transit system.

Shift will eliminate almost 252,000 tonnes of CO₂ emissions by 2050



HOMELESSNESS PREVENTION AND HOUSING

Governments across the country have drawn a line in the sand on poverty –

Too many Canadians are forced to choose between paying the rent and sending the kids to school with a healthy lunch. The City of London is taking steps to address poverty, starting with our poverty reduction roadmap, *A London For All*. This report recognizes the fundamental need for safe, affordable housing as one of its key priorities: 'Homeless Prevention and Housing'.

There is no silver bullet to end poverty, but it is clear that suitable housing is the stable footing on which a better life is built.

CANADA'S HOUSING CRISIS

34,000 people homeless on any given night

1 in 5 renters spend more than half their income on housing

1.5 million Canadians can't find safe, decent housing they can afford

Homelessness Prevention

The City of London is leading the way on innovative community partnerships to tackle complex social problems. Take the 100 Homes Project for example; a collaboration between Salvation Army Centre of Hope, Youth Opportunities Unlimited, and St. Leonard's Society of London which provides housing and support to youth living in emergency shelters. Or London CAREs, which helps individuals who have been persistently homeless to transition to greater independent living and community belonging, and brings together the City of London, the United Way of London and Middlesex, Addiction Services Thames Valley, Regional HIV/AIDS Connection, and the Unity Project.

However, the reality is that no amount of creative, innovative, passionate work on this front can succeed without sufficient investments from our federal and provincial partners.

The current funding model under the federal government's Homelessness Partnering Strategy falls far short for too many communities. Communities like London are **doing truly cutting-edge work and generating real results** with limited resources. Imagine what would be possible with greater investment.

It is time to revisit the Homelessness Partnering Strategy funding structure, now 16 years old, to bring it up to date and ensure it reflects the evolving needs of communities across the country.

London is calling on the Federal Government to bring the Homelessness Partnership Strategy funding model up to date by increasing supports for communities doing innovative, on the ground work.



Housing

Canada's housing crisis is a national problem which weighs heavily on cities. In London, 2,550 households are currently on the waitlist for affordable housing, and countless more are living in housing that is not safe, suitable, or secure. Compounding the issue is London's low vacancy rate: one-bedroom apartments have a vacancy rate of just 2.2%, and many of those available are priced above average market rent.

Each Unit of New Affordable Housing...

- ... stabilizes a family in core housing need.
- ... creates long-term sustainable infrastructure.
- ... creates approx. 3 fulltime equivalent jobs for one year.

The City of London supports the Federation of Canadian Municipalities (FCM) call for sustained investment in affordable housing.

The FCM report, Canada's Housing Opportunity (Oct 2016) calls for "\$12.66 billion over eight years to ensure that that National Housing Strategy (NHS) components can be implemented" and that this funding should be secured in Budget 2017.

These and the other recommendations in the FCM report re-establish the federal role in sustainable investments to support the most urgent needs within a National Housing Strategy. **This funding cannot be in isolation of the tools, policies, and other resources required to maximize and sustain the impact of every dollar.**

Opportunities to maximize the impact of affordable housing investments include:

- Establishing enabling affordable housing policies in all sectors- such as making surplus lands available and work with the provinces and territories to support a National Housing Strategy that leverages all available resources.
- Taking a housing first approach when developing policies and programs in support of health, mental health, addictions, criminal justice, and other sectors with a lens to best practices related to integrated mixed communities
- Ensuring that these commitments are embedded not only in the National Housing Strategy, but also in the Federal Government's budgets, policies, programs, relations with provinces and territories, and with municipalities as partners in local plans and solutions.
- Flexible financial resources that align with local needs, program development and outcomes and not the reverse (i.e. local needs, program development and outcomes align with financial resources).

Every dollar invested in new affordable housing attracts a dollar of private equity investment.

London is calling on the Federal Government to make significant and sustained investments through the National Housing Strategy that directly support local priorities like capital repairs and maintenance to retain social housing stock, new flexible and portable tenant subsidies, and the creation of new affordable housing units.



ECONOMIC DEVELOPMENT

Over the past decade, London has been establishing itself as a hub for technological innovation –

In fact, the tech sector in London – which barely even existed 10 years ago – has become our fifth largest employer. **Over 1,000 jobs have been added in the field in the past 18 months alone.** London’s digital creative companies compete on a global scale and are among some of the most recognizable names in the industry, including Digital Extremes, Big Viking Games, and Big Blue Bubble.

London has a rich and storied history of leadership in the healthcare field going back over 100 years. Our healthcare sector is thriving, **directly employing 24,000 people** and generating research and expertise that is transformative on a global scale.

It is an exciting time in London as the medical and technology sectors combine to export Canadian ingenuity and innovation to the world. The medical technology sector is poised for explosive growth. Local businesses and entrepreneurs are already leading in uniting a truly breakthrough local industry.

Partners from both the public and private sectors in London’s medical innovation space have created a plan to establish a **centre for medical innovation** to bring innovative new technologies to national and international markets. The City of London supports the London Medical Network’s (LMN) request for a partnership of \$18 million through FedDev funding, which would leverage investments by Western (\$8M), the City of London (\$5M), and industry partners (\$8M) for **a total partner investment of \$21 million.**

LMN would serve as an innovation incubator to foster new ideas and establish and grow new and existing businesses. LMN would attract transformative investments to and across Southwestern Ontario, create over 550 new high-skill, high-value jobs in the region over the next 10 years, and enable the launch of new, market-disrupting technologies.

London supports LMN’s request for an \$18 million partnership with FedDev Ontario to create a centre for medical innovation to strengthen London’s medical technology advantage

A Brief History of Medical Achievement in London

1920 – Dr. Frederick Banting drafts 25-word hypothesis leading to the discovery of insulin

1948 – A discovery by Dr. Murray Barr launches the field of genetic research

1987 – A Pacemaker cardioverter defibrillator (PCD) is implanted, a world first

2000 – Transplant team performs first in Canada adult-to-adult living donor partial-liver transplant

2012 – First and only preventive HIV vaccine based on genetically modified killed whole virus proceeding to human clinical trials

... and many others

