



City of Timmins  
State of the City 2019  
Mayor George Pirie  
To  
Timmins Chamber of Commerce  
Thursday, January 24, 2019  
Porcupine Dante Club  
Timmins, Ontario  
12:00 p.m.

## Challenges and Opportunities

Welcome, Bienvenue, Wachay!

Thank you Dr. Gibbons, for the kind introduction and thank you to the Chamber for hosting this event today.

To my colleagues on council, members of the Chamber of Commerce, members of the media, invited guests; it gives me great pleasure to be here today to share with you my first State of the City address as Mayor. I want to thank you all, including the members of the City of Timmins Administration, for being here today.

I would like to thank today's event sponsor, Northern College. As you know I am the Chairman of the Board of Governor's with Northern and it a tremendous pleasure to work with a dedicated visionary team lead by Dr. Gibbons.

It is an honor to stand here today as the Mayor of the City of Timmins. It is a responsibility I take on with great humility and respect for the mandate granted to me by the citizens of this great city. It is a trust never to be betrayed and a duty to be executed with vision, vigor and vigilance. I stepped into this position knowing that I may not always be the most popular person in the room, nor will I be able to please every resident but I have promised to execute my responsibilities dedicated to the greater good of every resident of this city.

It has only been a few short weeks, including the Christmas holiday season since I and council were sworn in. I said at that time that this council will be committed to being the best that we can be to serve the citizens of the City of Timmins. I said we have some immediate issues to deal with and called for a warming shelter to be established to provide a safe environment for those most at risk. I said we had the leadership in the community to get this done.

A warming shelter has been established just in time I believe, and the outstanding leadership responsible for this is Brian Marks at DSSAB, Mike Miller at DSSAB, Dave Landers our CAO, the Timmins Native Friendship Centre, Living Space and the Timmins Police Services. This would not have been possible without the dedicated staff and volunteers who are always the unsung heroes doing the work getting the job done. The City extends a sincere thank you to everyone who helped.

This is a small start and there is still much more to be done, however this is a positive outcome for those residents who need our help the most and indeed for the city. Again thank you to everyone involved for working together to make this a reality.

I said those few short weeks ago that we need to have the difficult conversations on all issues and be courageous enough to make the tough decisions. The world is changing around us and Timmins is not alone in this changing world. Every other municipality of our size and larger is facing the same social issues. The challenge is the opioid crisis. The Porcupine Health Unit, serving a population of approximately 74,000 people dispensed 266,000 needles in 2018. We are not alone, Sudbury dispensed approximately 500,000. We need a safe injection site. I believe this is imperative. Why? Well when a young father and his ten year old daughter bring a 10 litre water container full of discarded needles that they picked up downtown demanding action then action I believe should be taken. This issue is severe enough that City employees are trained on how to pick needles up safely. We cannot bury our head in the sand on this. As I said communities that bury their head in the sand are doomed to mediocracy and will slowly crumble from the inside out. We cannot be one of them. Status quo is not an option.

Challenges! Tuesday morning our CAO and I gave a pre-budget presentation to the Standing Committee on Finance and Economic Affairs. We are well aware of the challenges that the Province faces. \$40 million more spent every day than is taken in. Of course we all know that the Provinces challenges are our challenges. The purse strings have to be and are being tightened.

It is a fact that Municipal governments rely on provincial grants to provide basic local services and investments in infrastructure. Grants either Federal or Provincial can account for up to 20% of municipal revenues. At the provincial level the \$4.2 billion transfer of funds to the municipalities make up only 5.6% of the \$133.7 billion in total transfers to all recipients of transfer payments in the province. However to illustrate the magnified effect these transfers have on our budgets, the \$9.6 million we receive from one fund, the \$510 million Ontario Municipal Partnership Fund which is set up for equalization, northern and rural support, accounts for more than 13% of our budget. We simply cannot incur any decrease in the funding from transfer payments without increasing our taxes or decreasing our services. The quality and quantity of services we provide are largely dictated by the province. Our residential taxes are

already the highest in the north and the ability of our citizens to bear more of this burden is limited.

The challenge is that although our population base has decreased our infrastructure requirements have not. The physical size of the city has not shrunk! The fact is that the population density per square kilometer has declined to 14. By way of comparison Sudbury, which is geographically larger has a population density per square kilometer of 51. However this declining base still has to carry the burden of highway downloads which saw 86.8 km of roadways downloaded to Timmins which in fact represented 80% of all highways transferred amongst the Northern Regional Hubs of Timmins, North Bay, Sudbury, Thunder Bay and Sault Ste Marie. It is worth repeating that North Bay and Sault Ste Marie saw no highway transfers. It is worth repeating that our capital asset management plans call for an investment of over \$12 million this year; over \$21 million in 2020; over \$16 million in 2021; over \$12 million in 2022; over \$10 million in 2023; \$1.2 million in 2024: \$19.1 million in 2025 and \$7.2 million in 2026.

Compounding the problem of the declining population and residential tax base is the shrinking of the industrial, commercial base as a result of the consistent success in the appeal of the MPAC assessments by this group which has seen a 50% reduction in the property tax from the large industrial mines in the area. This is a severe problem for Timmins as we will incur a 6% reduction in our tax base levy by 2021 resulting from these successful appeals.

Challenges! We have talked often about the Porcupine sewage pumping and treatment system. We know that it is vastly over budget and will require some level of debt to be added an already high debt burden in the City of Timmins, to complete the project. We as yet do not know what the go forward plan is.

We know that the Golden Manor will require a significant infusion of funds by 2024 (perhaps \$80 million) to make it compliant with current ministry requirements. We know at some level this will require an additional debt load.

We do not know whether or not Glencore will be able to extend the life of the Kidd Creek Mine. We know if they are not successful the community stands to lose over \$100 million in annual payroll and over \$50 million in annual goods and services spend by 2022.

We do not know if we will be successful in our bid to be the site of Noront's ferrochrome smelter. We do know that we have a very good bid and are optimistic that we will be chosen over Sault Ste Marie. Noront has not given a definitive date on the site selection.

Our citizens know that our immediate future is uncertain. They want and deserve a council who think differently, will work together to come up with better solutions simply because there may far less financial resources available to accomplish what we need to get done. Our citizens expect us to be prudent stewards of their hard earned tax dollars and do not want us to mortgage our future.

Additionally there is angst in the community as we have just seen takeover offers made on two of our large mines.

Additionally there is concern regarding Detour who spends \$165 million in local, Northern Ontario purchasing. The corporation recently went through a major restructuring of its board and Jim Gowans was named chairman. On a recent trip through Timmins Jim advised me that the company and the Moose Cree First Nation were now back at the negotiating table regarding the permitting for the West Detour extension. This is good news as this extension is critical for the long term viability of the operations. This asset is equivalent to approximately 50% of the value of the Ring of Fire and it is serviced largely out of Timmins.

As we know Pan American Silver has made a takeover offer for Tahoe which of course would include the Timmins West and Bell Creek Mine and Mill. The speculation is that Pan American would sell the Timmins operations. It is a given that any purchaser of these operations would not be buying them to close them down so there should be no fear of the unknown here. In fact Tahoe will be hosting the grand opening of its' Bell Creek facilities on the 12<sup>th</sup> of February.

Newmont has recently made a takeover offer for Goldcorp. There again is speculation in the press that Newmont would sell the Timmins assets.

I talked to Gary Goldberg the President and CEO of Newmont yesterday. Newmont does not need to sell a single asset to make this deal accretive to its shareholders. This is where we can turn this conversation to opportunities. In my view and my view alone, as none of this was discussed with Gary, I am very optimistic about this development. Newmont are great operators.

They were one of the three big gold operators in Nevada along with Barrick and Placer Dome. They will be the only one left standing. Open pit mining is in their wheel house and as such they will bring additional horsepower to the Century Pit project and the financial strength to fund a potential billion dollar project. I believe they will think strategically about the mining, exploration potential in the Porcupine and would recognise the inherent value of the land position and operational assets of the Pan American Silver assets in the region.

I believe they will recognise the value in the approximately 20 million ounces of refractory ore in the area and they have the skill set to capitalise on this potential.

In short, I believe they are here because they see the opportunities from Chapleau to Quebec. They mined here before at Harker Holloway and they are back in my opinion because they liked what they saw then and like the opportunity now.

And when they do come back what will they find?

On the educational front they will find all kinds of opportunities. Timmins has vibrant education sector- 4 school boards, 2 colleges and the presence of two universities. These are assets cities our size normally do not have, nor certainly to this extent. Collectively this sector employs thousands of people, serving thousands of students. This sector is and will be key to the long term economic sustainability of the Timmins economy.

Northern College and Algoma University will be making an announcement next week that brings new undergraduate opportunities to the City. Expanding the breadth of post-secondary programming within the City provides new opportunities for youth and residents to obtain their first and second post- secondary credentials right here at home.

Northern has been very successful in attracting international students. These students make a valuable economic contribution to the City and upon graduation, hopefully will stay to take up permanent residence and employment.

Northern will be proceeding with the development of a 23,000 square foot Innovation hub to house its applied research, innovation and entrepreneurship activity that will benefit local industry while providing experiential learning opportunities for its students.

Timmins is home to a campus of Université de Hearst. Université de Hearst is affiliated with Laurentian for academic standing but is completely autonomous financially. Since its

transformation in 2014 centered on the Block System, mobility agreements with France and international recruitment in French Africa, in class and workplace experimental learning and interdisciplinary studies, Université de Hearst has doubled its enrollment. 40 % of the student population is comprised of international students. This academic year, the Business and Administration program was reopened at the Timmins campus and a student residence was purchased and renovated.

Université de Hearst is innovative and progressive. The Block system allows for learning experiences in and out of the classroom. Last spring a three week course was offered in the UK. The Université has created InnovaNor which houses our Centre for psychosocial evaluation and intervention as well as Research and intervention centre in community and economic development. These centres offer much needed local services as the demand on current agencies and waiting lists continue to grow.

In my opinion the cancellation of the Francophone University in Toronto presents the opportunity to have the provincial government eventually apply those funds to growing the Université de Hearst here in Timmins.

College Boreal was established in 1995 and will celebrate its 25 anniversary next year. Approximately 612,000 Francophones call Ontario home. It is the largest francophone community outside of Quebec. In 2008 College Boreal became the first post-secondary institution designated as an official French language service provider under the French Language Services Act. The Timmins campus offers diplomas in business and community services, trades and applied technology, environment and natural resources and school of health sciences. Additionally apprenticeships, employment services, immigration programs, applied research, academic upgrading, continuing education and contract training are all offered.

The opportunities in the agriculture sector are significant. The Northern Policy Institute's position is that as climate change continues, demands for solutions grow. For Northern Ontario, opportunity manifests as the 180,000 square km area known as the Great Clay Belt. We sit on the southern edge of this ancient glacial lake bottom. Out of 29 million acres of potential arable land, roughly only 250,000 acres are farmed today.

The Ontario Climate and Agricultural Assessment Framework paints a much warmer future for the Clay Belt over the next 30 years. They are projecting an increase in growing days which would make our growing season longer than what is currently enjoyed in Eastern Ontario or Manitoba today. The combination of longer growing seasons in the Clay Belt and higher land prices in Southern Ontario has already prompted renewed interest in the area. With an arable land base one and a half times the cropland area of Manitoba, it is possible to surmise that the Clay Belt could support a similar population and economy. Prosperity and population in the Clay Belt will pull the economic centre of balance much further north. Timmins is perfectly situated to take full advantage of this opportunity.

I have talked extensively about the opportunity presented to Timmins by our location in the traditional territories of our Indigenous partners. To that end we met yesterday with the Grand Chief of the Mushkegowuk, Jonathan Solomon, to reignite the long dormant Mushkegowuk-Timmins Economic Alliance. This alliance will bring together the City of Timmins and the First Nation Communities of the Mushkegowuk Council-Attawapiskat First Nation, Chapleau Cree, Fort Albany First Nation, Kashechewan First Nation, Missanabie Cree, Moose Cree First Nation, Taykwa Tagamou Nation (formerly New Post).

The vision is to improve collaboration between Mushkegowuk Council and the City of Timmins to foster long term sustainable economic growth in the City and in the seven Mushkegowuk First Nations.

There is a larger vision and that is the vision of reconciliation. We must educate, engage and enlist our population in this process. We must celebrate and embrace our diverse cultural heritage. Working together we can accomplish great things.

I want to take this opportunity to welcome the 2019 Mushkegowuk Cup to Timmins. We are pleased to be the host of this event which will see some 60 teams come to Timmins. The economic benefits to the City are significant and we are extremely pleased that the Mushkegowuk Council selected Timmins as the site of this year's event.

The opportunities in our Forest sector were outlined in an excellent presentation by EACOM Tuesday night. They continue to weather the storms of the soft wood lumber dispute and are



now 100 years old with no end in sight. Our forests continue to be strong, healthy and sustainable.

The opportunities in our industrial mineral sector are evident with the ongoing success and progress demonstrated by Imerys Talc. They have a 75 year mine life and will continue to be a strong contributor to the economic health of Timmins for decades to come.

Certarus, a fast growing Compressed Natural Gas company with strong roots in Western Canada and the majority of their business in the USA saw the opportunity in Timmins and located here as a base to expand their business into Eastern Canada. They eventually plan to have 25 full time jobs in Timmins.

Ineos Calabrian is another example of a corporation that recognised the opportunity to locate their operations in Timmins again as a base to service Eastern Canada.

The Canadian Space Agency and Centre National d' Etudes Spatiales saw the opportunity to locate in Timmins and located their base at the Timmins Airport.

To capitalize on these opportunities we must work together as a team dedicated to continuous improvement, committed to disrupt our way of thinking, committed to disrupt our way of solving problems working together, council and the leadership within the city to address the issues we face. Respect and trust are paramount. As I have stated reasonable people should be able to disagree reasonably and then get on with the business at hand. We must be prudent stewards of the present to preserve our ability to capitalize on all the opportunities available to us in this vast and magnificent land.

Within the City of Timmins

#### Service Timmins

As identified in in the 2015 Service Delivery and Operational Review one of the City of Timmins' corporate strategic priorities is to "improve customer satisfaction, customer communication and expand community engagement with Stakeholders." On September 17, 2018 the City of Timmins opened Service Timmins, its new customer service center which allows residents to come to one location to handle numerous frontline services provided by the City of Timmins. Service Timmins was designed with the goal of providing customer service excellence by

providing consistently effective, accessible, reliable, and responsive customer experiences for the community. Service Timmins is still a work in progress and much is left to do to effectively deliver a solutions based service. Our administration knows this and through the continuous improvement initiative is continually developing better service strategies. Service Timmins will continue to grow over the years taking on more and more city services in order to provide the best customer service experience for our residents.

### Building and Planning

Our Community & Development Services Department has been busy this year, which indicates we are on the right track for the future of our community.

In terms of building activity, a total of 448 building permits were issued in 2018, representing just over \$40 M in construction value. This compares to 476 permits issued in 2017 with a construction value of just over \$55 M. Despite this, the major difference in construction value between 2018 and 2017 (over 86% of this difference) can be attributed to just 2 large institutional projects. It is also interesting to note that the value of construction in the residential and commercial sectors was higher in 2018 versus 2017. This data clearly demonstrates continued confidence by investors in our local economy. It is also important to note that Building Staff issued all but 4 of the 448 building permits within the provincially mandated timelines for permit issuance (just over a 99 percent compliance rate). This demonstrates the City's commitment to timely review and approvals for new development. The recent training session involving council and planning staff in my opinion was very positive.

To help stimulate local economic development, the City's Community Improvement Plan remains in place. The downtown Community Improvement Plan saw \$42,000 in grant funding provided in 2018 which has resulted in close to \$90,000 in total investment. The City also very recently approved an Industrial/Commercial Community Improvement Plan which is expected to help promote the rehabilitation of brownfield sites and stimulate more commercial and industrial development within our community, including the City's West End Industrial Park and Hallnor Rail Park in the east of the City. We look forward to working with businesses who are interested in taking advantage of this important program.

The first draft of the City's updated Official Plan has been finalized. The plan has been updated to largely reflect changes in provincial policy. Changes to the City's comprehensive Zoning By-

law are also underway which will address new and emerging demands and trends within the Community. Look to see some important changes to this regulatory document in 2019. New application guidelines are well underway which will help our customers better understand planning and building related approvals processes.

### Public Utilities and Environmental

The Public Utilities and Environmental department saw several positive initiatives in 2018. They completed the Greenhouse Gas Inventory and the UV disinfection upgrade at the Timmins Water Filtration Plant. At their annual Household Hazardous and Special Waste event, over 60 tonnes of hazardous and special waste was accepted.

The City of Timmins is one of five cities in northern Ontario working to manage and assess the risks of climate change through the Northern Climate Change Network. With support from the Ontario Centre for Climate Impacts and Adaptation Resources, the City held two workshops to identify risks and vulnerabilities to climate change.

The City also joined the Partners for Climate Protection which provides support to the municipality to implement local climate protection programs. The Partners for Climate Protection program is based on a five-milestone framework. The City completed the first milestone in September 2018 by creating a baseline emissions inventory and forecast.

The Environmental Services department launched the Timmins Recyclepedia app to make it even easier for residents to stay connected about waste management collections and programs. There are three components of the app: the waste wizard, the collection calendar and the Ready, Set, Sort game. This new app should help to decrease the amount of recycling contamination that is currently happening and also assist with the lifespan of the landfill storage space.

### Engineering

The engineering department was kept busy this year with improvements to the quality of life and infrastructure within the City. Close to \$17 million worth of projects were completed in 2018. Some of these include:

- Connecting Link from Bruce Avenue to Legion Drive, including a culvert replacement which was at its end of life.

- William Avenue from Crawford to Main and Front to Huot project which consisted of two blocks of reconstruction including sanitary, storm sewer and water main replacement.
- Sanitary Sewer Lining Project saw lining of approximately 3km of the main trunk sewers to help with the reduction of inflow and infiltration which will help to reduce operating costs at the sewer plant. The work also included manhole rehabilitation. This new trenchless technology project will extend the life of the sewer for an additional 50 years beyond what the original sewer life expectancy would have been.
- Riverside Water main lining of 1.5km of water main. This new trenchless technology project will extend the life of the water main for an additional 50 years beyond what the original water main life expectancy would have been. This work will help prevent water main breaks in that area and therefore no more winter water outages.
- Falcon Water main included the installation of new 200mm water main to increase flow and pressures in the area and allow further development.
- Theriault Water main included lining of approximately 300m of water main and extends the life of the water main for an additional 50 years beyond what the original water main life expectancy would have been.
- Kraft Creek Bridge received funding construction and engineering fees. Work started on June 28, 2018 and finished October 1, 2018.

### Committees

2018 saw the formation of two new committees within the City of Timmins.

The first is the Indigenous Advisory committee that will work to create a respectful process of truth, healing and reconciliation within the City of Timmins. In doing so, it will create an inclusive environment for the Indigenous peoples living in and visiting the City of Timmins. This also gave rise to three new, permanent flags being flown outside City Hall: the Mattagami First Nation, which is the traditional territory of the city, the Nishnawbe Aski Nation, which is the greater treaty land, and the Metis Nation of Ontario. The Committee will aim to provide a forum for consultation between Indigenous peoples and the local business and service community within the City of Timmins. This forum will work to facilitate a process of reconciliation within the City of Timmins.

The second is the Violence Against Women committee. The Violence Against Women Advisory Committee is an initiative that was introduced by the City of Timmins to partner with key

stakeholders on the issue of Violence against Women in and around the City of Timmins. Partners will work together to create strategies to implement throughout the City as a means of working to eradicate Violence against Women.

At this week's council meeting the City of Timmins Porcupine Watershed Public liaison committee was created again to meet the commitment to interact proactively with our citizens on the important issues in our community.

There are two additional committees being developed to again fulfil the commitment to engage our citizens in the task of defining our future: the Francophone liaison committee and the Timmins Youth Advisory council.

I believe passionately in the future of our City of Timmins and will work tirelessly to achieve its potential.

What we do now in the next four years will lay the foundation for our future, a future where the world will come to us to ask us how we did what we did and most importantly how can we invest in this city.

As I said it is our future to seize.