

## **STATE OF THE CITY ADDRESS 2009**

**Mayor Norm Boucher**

**January 13, 2009**

### INTRODUCTION

Good afternoon everyone and thank you so much for being here today. I would like to take this opportunity to thank the Medicine Hat and District Chamber of Commerce and the Medicine Hat Kiwanis Club for their work in making this event possible.

I also would like to extend a warm welcome to my fellow Council members in attendance, and the business community and residents who are here with us today.

During breakfast this morning at our favourite restaurant my wife and I sat with friends we hadn't seen in a while. Bearing in mind the speech I wanted to deliver to you today about reassuring residents of our continued support of the economy, I started talking about the current financial situation and their thoughts on how Canadians, and Albertans in particular, would be affected.

One friend said "Well, I went to an ATM to withdraw money last week and it said insufficient funds. When I went into the bank to inquire, as I knew my cheque had just been deposited, the teller said, "Sorry sir – it's the bank that has insufficient funds not you."

Our friend seated next to him said, "That's nothing. I went into my investment broker last week to ensure I have at least a small fortune to enjoy my retirement next year. He said to me, "With the current market turmoil the easiest way to make a small fortune is to start off with a large one."

A British military officer who walked by our table, heard the discussion, paused and said, "The credit crunch is getting bad, isn't it? I mean, I lent my brother who lives in London, two hundred pounds last week; it turns out I'm now Britain's fourth-biggest lender."

While the global economy is a hot topic of conversation these days, I'm going to focus this State of the City Address on what is to happening right here at home – our home – Medicine Hat and how we plan to move forward by working together. It's good to have you here and share with you the good news from 2008 and the best that is yet to come in 2009.

If there's one thing I have learned, or come to appreciate, during my time in public office it is the value of building partnerships. Council can not do this alone. We need everyone, residents and business owners, to build this community together and get involved in helping us achieve a strategy for our city.

## THE ECONOMY

There is no better time for a greater focus on partnerships than during economic uncertainty. Funds become more limited to hire staff or purchase resources to keep the economy solvent. This is when the community depends on each other to step forward and help through the lean times.

Volunteering, participating and spending money wisely to boost the surrounding market place are all things that we can do during the next year or two for the betterment of our future. City Council remains supportive of business, industry and retail sectors and we commit to working with you during these times of change.

City Council spent some time a year ago on coming up with a strategic plan and today we are working towards the goals we laid out, to take us to 2010. We're a year into that Strategic Plan and are making progress. Our vision for the City of Medicine Hat has not changed and will not change no matter what the economic environment.

Medicine Hat is a vibrant city with residents, businesses and visitors all seeking to make Medicine Hat their "community of choice." It's a partnership working together for a greater good. And there's no doubt there's work to be done. As a City Council, there are some tough decisions to be made, as some projects may be delayed, some revised and still others pushed forward.

One of those projects for 2009 is the multi-purpose regional events centre. One of our goals will be to obtain funding to finance the project with as little cost to the taxpayer as possible. We continue to talk with potential funding partners at the provincial, federal and corporate levels.

One strategy we are looking at is a Public Private Partnership, also known as a P3. A P3 builds on the expertise of each partner through the most appropriate mix of resources, risks and rewards. Once rare and limited, P3s are becoming more common and here's why:

In this competitive global environment and tight economy, governments are looking for new ways to finance projects, build infrastructure and deliver services. By bringing together the strengths of both public and private sectors, a P3 can result in benefits for all parties. Governments can help provide specialized and individual services, while avoiding infrastructure deficits. The public demands for smaller, efficient governments, along with quality services and low or “no” tax increases, are met. The private sector offers an interest and expertise in service delivery operations - the financing, design, construction, and operation of infrastructure projects.

All partnerships have a unique risk/reward component so a detailed financial assessment is required to determine whether a P3 application will benefit our regional events centre. However, after serious consideration of the financial and legal implications, the risks and available financing options and grant sources available for the project, a P3 may be an option for consideration.

There are more partnerships we are involved with, and this is one that I am sure you recognize – a partnership with our neighbours. An alliance of neighbours with a common goal, whether across the street or in the next community, can accomplish much for the common good.

We have been cultivating a neighbour partnership over the past several years to develop an Intermunicipal Development Plan (IDP). The IDP will provide the City of Medicine Hat, the Town of Redcliff and Cypress County with a framework for land use and future development between our communities.

We need coordination with adjacent municipalities in dealing with development, servicing and transportation. We need to ensure land use compatibility and long-term planning objectives are protected. And we need to look at options for delivering some services regionally.

A steering committee made up of political and administrative representatives from the City, Town and County have been working diligently over the past year preparing a draft document. More work has to be done. As the plan is fine-tuned over the coming months, there will be more opportunities for the public to review and respond.

More neighbours are involved as Council continues to support the partnership approach to economic development.

In October, we confirmed another three-year mandate for the Economic Development Alliance of South Eastern Alberta (EDA). Council feels a collaborative approach with the regional partners of the EDA, which include the Cypress and Forty Mile counties, as well as Bow Island and Redcliff, is beneficial to all. I encourage local business and industry to support the EDA in its efforts. Collectively we all stand to benefit from a strong, growing, diverse economy.

The City of Medicine Hat also continues to be part of the Palliser Economic Partnership (PEP), a regional alliance of 16 communities, rural municipalities and Special Areas committed to improving and expanding economic development in Southeast Alberta.

And here's another example of neighbour partnership. Medicine Hat became part of the South East Alberta Watershed Alliance (SEAWA), a watershed planning and advisory council whose members include interested individuals, communities, ranchers, farmers, industries, companies, governments, conservation groups and educational institutions. SEAWA is currently embarking on a State of the Watershed Report and will be working on a Watershed Management Plan in the future.

Closer to home is our own City Centre Development Agency (CCDA). The CCDA and the City have successfully partnered in various events and projects during 2008 including the purchase of the old Monarch Theatre on Second Street. In 2009, we look forward to a continued participation in the Spectrum Festival, Downtown Midnight Madness and Chili-Cook Off.

Planning Services worked closely with the CCDA to build upon the impressive work the CCDA has already been undertaking to create a livable, vital and fun Downtown for citizens and tourists to enjoy.

In 2008 the Downtown was the recipient of a thorough and most welcome redevelopment plan. The City's Planning Services department led a process called a "Charrette" whereby residents, business owners, the municipality and design professionals created a visual plan for areas of our Downtown.

The Downtown is the heart of any city and the character and potential within Medicine Hat's Downtown is exciting and worthy of a process that has engaged residents and business owners. It's amazing what creative ideas flow out when we work together with a common vision. I look forward to seeing the final *Downtown Plan* early this year and continuing to work with our partners to bring it to life.

## INFRASTRUCTURE

2008 was a busy year for our community as those that travel our roadways can attest to. The construction season was in full swing this year and although it fueled frustration levels the work is completed and the roads are in fabulous condition.

A few years ago Alberta Transportation – the Province - took over direction, control and management of Highways 1 and 3 through Medicine Hat. Alberta Transportation began to develop an interim strategy for Highways 1 and 3. Open houses were held to obtain public input prior to making a recommendation. One main area the City would like to see addressed is the intersection of Highway 1 and Dunmore Road. No final decisions have been announced however a few of us will visit Minister Ouellet in Edmonton to ask for accelerated development. We will continue to work with the Province in 2009 toward a successful plan that meets our community's needs.

## ENVIRONMENT

Medicine Hat City Council recognizes the strategic economic and social value of a healthy environment. Stewardship is a shared effort. We've seen that in action in 2008 with the introduction of bike lanes in the northeast.

By asking administrative leaders to research best practices and ways our community can promote and embrace environmental initiatives, the idea of bike lanes as an alternative to automobiles was born.

We asked residents to take part in an Alternative Transportation and Leisure Trails Assessment to understand how these facilities are used and what could be done to encourage everyone to take advantage of these great Medicine Hat amenities. A report will be brought to City Council soon and I am looking forward to seeing what residents are asking for and the subsequent improvements to an already impressive system.

By the way I watched a CBC report from England indicating that the cycling business is thriving there compared to other industries being challenged by the present economy.

## TOURISM

Tourism is an important economic factor in our strategic plan. It is a driving force for many businesses and our community is well served by an engaged and supportive tourism industry that is responsive to Medicine Hat visitors.

A major tourism partnership for our region is the Canadian Badlands. It is 60 communities strong. Medicine Hat is proud to be a part of this unique tourist attraction with some of the most beautiful sought after scenery and tourist activities in the west. In fact, the Canadian Badlands, and more precisely Dinosaur Provincial Park, have been nominated as one of the Seven Wonders of the World.

If you operate a business in the Canadian Badlands, you can position your business as being part of this region by using the Canadian Badlands in your promotional material and on your website.

Another tourism partnership that is thriving is the Medicine Hat Accommodation Association made up of a number of local hotels, motels and bed and breakfast establishments. The creation of the Association provides both Tourism and the City with an excellent representative group that will speak to business and industry issues that are of common concern and provide meaningful information, data and industry perspective in the ongoing provision of tourism services.

Council identified three goals for its tourism services in Medicine Hat:

- To attract tourists to visit Medicine Hat.
- Encourage tourists who stop in Medicine Hat to stay at least two nights, and
- To attract conventions and events to Medicine Hat.

It is anticipated that tourism services and the Accommodation Association together can fulfill these goals.

Here is an interesting story. There are people from Europe and Asia traveling to Hanna to check out where the rock band Nickelback is from. Do we really understand what tourists want?

## SAFETY

No community, no matter what the size or location, can thrive without partners in the preservation of peace and the prevention of crime. In our case, the Medicine Hat Police Service, in cooperation with citizens and other agencies of Medicine Hat, is an integral part of preserving the quality of life in our community.

The Medicine Hat Police Service was successful in a bid through the Solicitor General to partnership with the RCMP in forming the "South Eastern Alberta Integrated Enforcement and Intelligence Teams." The Service has been working with the RCMP on an integrated Intelligence team that has been serving the southeastern region for two years.

A bid to secure funding through Alberta Law Enforcement Response Teams (ALERT) was successful. ALERT will fund four additional Medicine Hat Police Officers and add a number of RCMP officers who will focus their efforts on fighting crime in South Eastern Alberta.

Criminal Intelligence Service Alberta (CISA) will also embed an analyst within the Police Service to coordinate crime data with the Province. CISA exists as a centre of excellence to support the efforts of law enforcement and government in the battle against organized crime. It is also responsible for implementing the Provincial Organized and Serious Crime strategy to combat the spread of organized and serious crime in Alberta.

It is critical that intelligence is shared among stakeholders if we want to be successful against organized crime. In addition to being difficult and costly to investigate, organized crime does not operate within geographical boundaries.

Therefore, it is imperative law enforcement dedicate its resources to investigations that will have the greatest impact. CISA, in conjunction with our Medicine Hat Police Service will complete semi-annual threat assessments to assist decision-makers in identifying targets for enforcement and intelligence gathering in the city.

Let's not forget the professionalism of our firefighting service. We also count on them to deal with serious emergencies.

## ENERGY BUSINESS

Other process changes and research projects that were on the table in 2008 and will continue in 2009 include an independent review of our natural gas and petroleum business, which Council only just received yesterday from the consultants Ernst & Young.

City Council now needs to further consider and discuss the information presented and determine the best source of action concerning the gas business. Should the gas business grow as a separate entity to ensure Medicine Hat residents continue to receive a dividend? Should the gas utility be sold off and investments made in other areas to sustain a dividend? What is the best model for us to follow to continue to sustain the dividend? All these questions require careful consideration and public consultation.

The Gas Utility is a part of our past and future and we feel a deep affinity to it. It is also a significant source of financial security for our community. It must be operated properly to maintain a long-term source of revenue for our community.

## BUDGET

In October, City council and City administration began the arduous task of budgeting and business plans for the next three years. Budgeting, as we all know, is a challenge but throw into the mix a serious shake up in the economy and conflicting priorities and a tough job becomes truly challenging.

So many unknowns in the economy going into 2009 make this budget process a bit more trying. A fairly new City Council, a financial down turn and a slow energy sector make financial forecasts for the coming year and years two and three tough to formulate as we move forward.

## CLOSING

We do the best we can with the information we have to work with and we ask for your patience and support as we work to make the best choices and decisions that we can on your behalf.

City Hall can not be everything to everybody. We get calls about the synchronizing of traffic lights and when completed we get calls because the synchronizing results in longer wait times at the traffic light going in the opposite direction.

We are asked to be environmentally friendly and abstain from the use of salt and chemicals on our roadways and we get calls throughout the winter asking why the City doesn't just use salt and forget about trying to keep all the roads sanded.

Operating in a municipal environment is about finding the right balance between what is best for our residents, our environment and our financial and human resources.

One thing I can say with absolute certainty is our employees are dedicated and efficient.

Folks, as our city grows, it becomes inevitable we need to grow along with it or face risks from poorly maintained roads, facilities and other infrastructure. Hatters want to retain a high quality of life and to do that we need to remain self-sufficient and on the cutting edge. But we can't do it alone. City Council needs your feedback and input to understand and respond to your priorities for the future.

We asked and are asking for your input on a regional events centre, a downtown redevelopment plan, bike lanes, an intermunicipal development plan between our neighbouring towns and municipalities, and our main transportation route the Trans-Canada Highway.

Your input is invaluable. We carefully weigh and measure the information we receive and try to determine the best way to proceed.

We need you to participate on our advisory boards, our committees, at public open houses, at open City Council and Standing Committee meetings. We can't make this city the greatest place in Alberta without your help, support and understanding. We need you to be an involved partner.

As we move into 2009, I challenge you to become a part of your community - a part of the solution. Volunteer. Offer your services to the organizations, groups and businesses that can use them.

Get to understand the challenges and opportunities we face at City Hall and as a community. Provide input based on understanding and knowledge. We all have perspectives and opinions on issues that affect us everyday. We need to use that passion to solve the problems and foster new opportunities.

We challenge you, the residents, business owners and industry leaders to look at 2009 as an opportunity to participate and become a "partner" with the City.

Embrace the people in our organization that are working to serve you and are doing the best they can with what they have to work with. Their goal is to come to work every day and provide the best customer service to you and your fellow residents.

In closing, let me leave you with a quote from Winston Churchill which sums up what I am hoping you take away today.

"If we are together nothing is impossible. If we are divided all will fail."

The City of Medicine Hat City Council, Administration and staff look forward to working with you in the coming year. Medicine Hat is my city, please make it yours.

Thank you and all the best to you and your families in 2009.