Good morning everyone. Welcome. And thank you for being here.

Let me start this morning by telling you how very proud I am to stand in front of you to deliver this speech.

I look forward to this event each year because it presents a unique and important opportunity. This morning, I get to talk to you not just about the issues of the day or the stories making the headlines.

Now, don’t get me wrong – I know that issues make headlines because they are important to our community. But I also know that as important as they are, they will change. Today’s headlines will be rewritten, focusing on something more pressing tomorrow.

Today, however, we talk about the big picture. Today is an opportunity to talk about our community in its entirety. And I can tell you about the many ways in which your elected officials, City staff, and the community have been working together to deliver on the promises and commitments outlined in our Strategic Plan.

When I think of our strategic plan, I see not only the tasks, but the outcome - the sum of the parts, if you will, and I see how those tasks can and have moved our community forward.

When I think of our strategic plan, I also think of fundamental elements that have allowed us to move ahead through it. Over the past year, and in fact, over the past four years, I have seen commitment, creativity and collaboration as constants.

I have seen these things demonstrated by staff who work tirelessly to bring projects from concept to completion.

I have seen these things demonstrated by Councillors who have been both champions and stewards for our strategic plan.
And I have seen these things demonstrated by members of our community who have actively participated in many, many ways to see us succeed.

Because of these things – commitment, creativity and collaboration – I can stand before you today and say this with great certainty: Waterloo is a community that measures up.

This morning, I am proud to be able to take some time to talk to you about the many ways we do.

A Vibrant Uptown Core:
Let’s start this morning by taking a stroll through our vibrant uptown core. The heart of Waterloo continues to grow and change like never before. These are transformational times. Last year, I talked to you about possibilities and plans. Today, I talk to you about potential realized.

Yet in the relatively short amount of time that our Square has been open, more than 50,000 people have attended events there. And some wonderful things have happened there – Perimeter Institute’s Quantum to Cosmos Festival, our Freedom of the City ceremony, welcoming the Olympic torch – to name just a few.

And without commitment, collaboration and more than a little creativity, we would not have seen the opening of our rink in the Square. Council made a difficult decision to stay within budget on this project. That meant delaying construction on some of the features. Community leaders – both individuals and businesses – came forward and presented a solution that had visitors skating on a new rink before the end of the year. Our community will be forever grateful.

Around the corner from Waterloo Public Square, construction on the Perimeter Institute expansion and the Balsillie School of Excellence continue. Both of these institutions have put our community on the map. In Waterloo, research that can and will change the world is done.
Our Bauer Lofts have also changed the face of Waterloo – open in the fall of 2009 this development has transformed a building that was more than 100 years old into a trendy spot to live, eat, shop, or do business.

In addition to the Bauer Lofts, we’ll see significant developments at the corners of Park and Allen streets. Two new developments will add a total of just over 160 new units. One will be a 19 storey building. The other, a 3.5 storey building. Each, though, will offer unique features, and will greatly enhance the options available to people who want live uptown.

If you want to talk about significant transformation, let’s talk about the Barrel Yards on Father David Bauer Drive. A construction value of more than $200 million. Two new 21 storey residential units. Two 11 storey office towers. Two 25 storey condominium towers. And an eight storey hotel. Beginning later this year, construction activity on this site will be constant. What a tremendous addition to our core this well be!

When you consider all of these developments collectively, the result is a transformed uptown. Intensification is taking place across the city. But the heart of Waterloo will be abuzz when these buildings are complete. As a community with hard boundaries, our growth model will change from outwards to upwards. In that regard, we have taken great strides.

And while it perhaps doesn’t sound as exciting, the infrastructure work on Caroline Street, Park Street and William Street has been critical. It has enhanced the flow of traffic in the uptown, as well as added much needed servicing upgrades that will be required for further intensification.

**Investment in Infrastructure:**
On second thought, this is one year when I can say that the infrastructure work taking place actually is kind of exciting. Last year at this time, communities across Canada were facing significant challenges. Aging infrastructure meant difficult choices and deficits across the board.

Thanks to a creative and collaborative response from the provincial and federal governments, economic stimulus funds have helped Waterloo get many of its shovel-ready projects off the ground. Though sorely needed, without the
generous funding from these levels of government, these projects wouldn’t be possible.

I am very proud to say that our approach to this stimulus funding was to ensure that we didn’t incur any debt in making our submissions, staying true to our commitment to fiscal responsibility.

Our recreation facilities will be better as a result of this stimulus funding – that includes Albert McCormick, Moses Springer and the Waterloo Memorial Recreation Complex.

So will our roads. This summer, we’ll see the completion of Columbia Street (from Westmount to the railway tracks) and Bearinger Road, and the reconstruction of Davenport. And we’ll see University between Bridge and Lexington reconstructed.

But we’re not just repaving and reconstructing. On Bearinger and Davenport in particular, we’re making innovative improvements – taking a road diet approach that incorporates not only vehicle lanes but bike lanes and pedestrian islands as well. Our commitment is to ensure these roads are reconstructed in a way that keeps all of our residents safe. an integrated transportation framework.

A Healthy and Safe Community:
There are so many other initiatives linked to a healthy and safe community. Let me highlight a few of them this morning.

There’s excitement on the west side as the combined facility moves from concept through construction. The John M. Harper District Library and Stork Family YMCA celebrated its official groundbreaking this past fall, with construction moving at a steady pace. Residents in that neighbourhood can expect to see the structural steel in place later this spring, with completion marked for the spring of 2011. When complete, this facility will boast – among many other things – the second major green roof installation on a city facility.

We were also very excited to mark the groundbreaking for our fourth fire station on the City’s east side this past fall. Additional staff are being hired for the station and we expect to see it open mid-summer. This will result in faster
response times to all types of emergencies on the east side and enhance fire service across the City.

I’m also proud to say that both our west side combined facility and our east side fire station are being built to satisfy the Leadership in Energy and Environmental Design - referred to as LEED - silver standards. These projects are a reflection of our commitment to environment, to focusing on sustainability.

Within the City, two of our departments have reorganized to enhance their ability to meet the community’s needs. Our By-law department has increased its capacity to respond to concerns and provide better service, and our Recreation and Leisure Services department has finished a significant reorganization. You will see Community, Culture and Recreation Services as the new name of this department, reflecting a new direction that puts community first.

With thanks in part to infrastructure funding, we are also able to move ahead with the development of a premiere sports field at RIM Park. I say ‘in part’ because a great deal of credit is due to the Waterloo Minor Soccer Club. This group has stepped forward to work with the City to help fund these fields by providing $900,000 of the $4.9 million. Without their participation, this project would not be happening.

This project will transform seven existing outdoor fields into four medium-sized fields and two international fields featuring FIFA-approved dimensions, artificial turf, lighting and spectator seating.

These new fields will have a dramatic effect on our community. They’ll help address growing programming needs. They’ll support our local athletes. They’ll be a shining example of a creative, collaborative solution.

Today, I am particularly pleased to tell you that Supportive Housing of Waterloo – SHOW – is slated to open its doors this May. Each of the 30 permanent apartments in this complex on Erb Street will offer affordable rent and supports to those who might otherwise be on the street.

Arts and culture are also key to our community’s well being. Over the past several years, the community has benefited greatly from the work of the prosperity council. Through their work, the request came for each municipality to contribute $1.00 per citizen. I am happy to say that Waterloo has responded to
that call. As part of out budget process, we set aside a total of $153,000 - $120,000 based on that dollar per person request, and the remaining $33,000 being set aside to help support the new enabling organization costs.

Business in Waterloo:
While some communities continue to see challenges in the business sector, Waterloo businesses continue to succeed. We have seen Intelligent Mechatronic Systems (IMS) open its new offices on King Street in Waterloo. We have seen Agfa Healthcare announce that its new Research and Development Facility that’s going to open in the Research and Technology Park, creating 100 new jobs. And we’ve seen RIM expand to include two new office buildings in the City’s north east side.

Just this week, we had the announcement that the province will invest nearly $34 million in Open Text as the high-tech firm creates hundreds of new jobs in Ontario over the next five years. In total, Open Text plans to spend a total of $225 million over the next five years on research and development - a project that will create nearly 400 “high-value” jobs at its operations in Waterloo, Richmond Hill and Ottawa.

This comes on the heels of Open Text’s announcement late last year about its major expansion. When complete, they’ll double their current footprint in the Research and Technology Park. Just think – this company began with a handful of employees who had a dream. Today, it’s a global company. What’s really wonderful is that this global company continues to choose Waterloo as its home. We take great pride in that.

In our retail sector, Conestoga Mall has grown not only in size, but in substance. More than 30 new stores have opened as part of an expansion and renovation. It’s included interior and exterior upgrades and an expanded food court. By spring of this year, the mall will have grown from 100 to 142 stores.

I was very pleased to see the Waterloo Museum included as part of that expansion – it represents a creative opportunity to bring our community’s heritage closer to the people as one of the new tenants in the mall. With thanks to the mall management for the forward thinking that helped make this happen.

We have also seen continued progress on the Ira Needles Commercial Centre. When complete, this development will include a new two storey fitness centre
and 10 screen movie theatre, a Lowes, two four storey office developments – and that’s just a sample of the attractions that will be included in this much needed west side development.

This project is unique in that it crosses the borders between Kitchener and Waterloo – it’s presented a great opportunity to work in collaboration with our neighbour, as well as with the Region. When it’s finished, it will amount to close to a half a million square ft. development in each of our two cities. The end result – both communities will benefit from what will be one of the region’s largest commercial developments.

Beyond our borders, we’ve continued to actively keep Waterloo on the global map. This past year, I was part of a business mission to Chongqing, China. I joined a group promoting our community as a viable home for businesses looking to relocate or expand to North America. Through that visit, we have signed a friendship agreement with Chongqing. This is a relationship that will prove beneficial not only in attracting business, but attracting international students and individuals from around the globe to Waterloo.

In fact, one of our notable achievements over the past year was receiving top grades from the Conference Board of Canada when it comes to attracting new people to our community. In other words, we’ve got what they’re looking for. Only six out of 50 communities ranked came out with a Grade A. The report cited our worldwide reputation for high-tech excellence in education and business. It also spoke of our strong results in our economy, innovation and housing.

**Fiscal Responsibility:**
It’s not possible to talk about measuring up without also talking about finances. I am very proud to lead a Council that has delivered on its commitment to use the Municipal Price Index as a target for our tax rate. For 2010, that meant that property taxes in Waterloo increased 1.57%, which represents the lowest tax rate in the Region.

I am also very pleased with the outcomes of our three year budget process. This process has afforded us not only stability, but the ability to remain nimble in times when we have required change. And it has provided a framework that has allowed staff to plan effectively and efficiently.
As part of that process, Council created the Capital Infrastructure Reinvestment Reserve Fund. In 2010, CIRRF (as we fondly call it) was fully funded – which means that each year, $500,000 is being directed to help address the overall shortage in infrastructure funding.

**Positioned for the Future:**
Up to this point, I’ve talked about projects that are either underway or will begin shortly. I’d like to spend a little time on projects that ensure we are well positioned for the future.

First, our Official Plan – as you know, this is no small undertaking. Work on this project has continued over the past four years. Later this year, the draft of the plan will be complete and presented to Council and to the public for input.

While it’s extremely detailed, here are some key observations from the draft plan:
- it has a distinct focus on intensification and infill
- it recognizes that there is a limited land supply for Waterloo
- it has stressed the need for a stronger relationship between transit and land use, and
- it recognizes that creative, sustainable cities are supported by strong and interconnected social, cultural, economic and environmental systems.

This is a document that sets the stage for development for upwards of 20 years into the future. Additional public input later this spring will be critical.

Our environmental strategy also focuses on the future – identifying actions we can take today to ensure we protect and conserve our environment for tomorrow. Here’s what it’s looking at:
- Energy, air and waste
- Planning and growth
- Water resources
- Green space, and
- Environmental awareness

I’m also pleased to report that our wind energy research initiative will soon be complete. While it’s early to tell, the results to date show we may well be able to harness the wind to power some municipal facilities on the east and west side.
We are also moving ahead with our transition to a stormwater user fee. This is an important and fundamental shift. It supports a more equitable way of funding stormwater management. In creating this model, it allows us to better fund this essential service and to be proactive about infrastructure renewal, water quality enhancements and responding to climate change.

Our first ever transportation master plan is close to complete. It is a comprehensive plan that considers the needs of all modes of transportation – cyclists, pedestrians and vehicles – in balance. Our work here has garnered provincial and national attention – and earned us the proud honour of hosting the *Share the Road* cycling summit this past fall.

**Challenges:**
While I do look forward to this event each year as an opportunity to share and celebrate our community successes, I would be remiss in not also mentioning some of our challenges.

There is a continued effort to bring resolution to the residents – whether they are permanent or students – who live in the area commonly referred to as Northdale. The student population in Waterloo is significant and we can all take great pride in the many ways those students contribute to Waterloo, making ours a community rich with a diverse population.

Unfortunately, it only takes the actions of a few to have a negative impact. We have worked with our community to address the issues that continue to prove challenging in this neighbourhood. This is not a situation that was created overnight. Nor will it change overnight, unfortunately. There is a continued commitment to resolving the issues here. I look forward to hearing more from staff on their review of the proposed vision for this neighbourhood.

I am also pleased that student leaders from both universities are active participants in this process and will play a critical role in any solution.

A further challenge will come in how we develop what remains of our employment lands. These lands are in small supply, but high demand. The challenge comes in making sure we use these lands in a way that has maximum benefit for our community.
Election 2010
As you are all well aware, we are in an election year. This means that residents of Waterloo will be asked to cast their ballot for municipal representatives this fall.

On this year’s ballot, however, you will find a question that asks whether the Region should continue to fluoridate our municipal water. And - depending on the response from the Minister of Municipal Affairs - you may also be asked whether Waterloo should enter into discussions with Kitchener about the advantages and disadvantages of a merger.

I don’t believe this morning is a time for politics or sharing my personal views on either of these issues. In fact, I believe that the answers to both of these questions (should they both appear on the ballot) rest firmly where they belong - in the hands of the people.

So I will encourage you to give careful thought to both of these questions and to have your say on these key issues by exercising your right to vote this fall.

In Closing
Our time this morning will soon come to a close. I started by saying that through this morning’s remarks, you would see that Waterloo is a community that measures up. And that it measures up because of creativity, commitment and collaboration – all of which seem to be constants that run deep throughout our community.

As I look back over 2009 and as I look ahead through to the rest of 2010, the list of initiatives in which we can take great pride is long. When the Strategic Plan 2007-2010 was approved by Waterloo City Council, an important component was ensuring that processes were in place to measure and report the progress being made along the way.

To list all of the projects and initiatives that have been part of our community’s success story would take more than these few minutes we have had today. I would encourage you to glance at the handouts that are on your tables and to visit our Web site for the details of the progress that we are making in our community.
I do hope, however, that in being here this morning, you will agree with me when I say that we are a community that measures up. And that we are a community made rich by the creativity, commitment and collaboration that are the cornerstones of all we do.

With creativity, commitment and collaboration as cornerstones, I believe we are also poised to address the challenges that have yet to be resolved.

That, my friends and colleagues, is the State of the City, of our Waterloo.

Thank you again for joining us, and thank you to the Rotary Club for your support in hosting us this morning.