

COVID-19 Update

Date	May 27, 2020
To	City Council
From	City Manager's Office
Service Area	City Manager's Office
Item No.	CM20-13

RECOMMENDATION

That City Council receive and file this report.

ISSUE

The purpose of this report is to inform City Council of the decisions made by the City Manager through delegated authority to respond to critical matters during the COVID-19 public health emergency.

This report also provides an update on the Municipal Economic Enhancement Program funding announced by the Saskatchewan government on May 6, 2020 and the City of Regina's allocation of \$30.9 million of capital funding.

The report also includes an update on Administration's plan to safely reopen services to the public in alignment with the provincial government's Re-Open Saskatchewan five-phase plan to stimulate the economy.

IMPACTS

This recommendation has no financial, environmental or other implications.

OTHER OPTIONS

There are no other options.

COMMUNICATIONS

One of the City's top priorities during the COVID-19 pandemic has been to provide citizens with timely information on service and program adjustments, as well as encouraging our community to follow public health orders.

This information has been shared on Regina.ca/coronavirus and social media platforms like Twitter and Facebook. The City has also issued public service announcements and provided opportunities for regular media briefings.

DISCUSSION

City Manager's Exercise of Delegated Authority

In response to the COVID-19 pandemic, City Council considered *CM20-7 COVID-19 Update* report on March 20, 2020 and supported the activation of the Emergency Operations Centre to respond to the crisis.

On April 15, 2020, City Council delegated additional powers to the City Manager during the state of emergency to ensure the City could respond quickly and efficiently to the rapidly evolving crisis and that critical decisions could be made in a timely manner.

City Council further, on April 29, 2020, approved *The COVID-19 Pandemic Bylaw CM20-11*, which delegated specific authorities to the City Manager under *The Regina Traffic Bylaw, 1997*, *The Parks and Open Space Bylaw (Bylaw 2004-27)*, *The Regina Animal Bylaw, 2009*, *The Community Services Fees Bylaw*.

In Saskatchewan, *The Cities Act* permits a council to delegate any of its powers or duties, with certain exceptions specified in the Act. These exceptions include the power to make bylaws, the power to borrow money, lend money or guarantee the repayment of a loan and the power to move capital moneys to an operating budget.

Under the City Manager's delegated authority, the powers may only be exercised if reasonably required to respond to the emergency and, if used, Council must be notified as soon as reasonably possible. Council also retains the right to cancel or amend any decisions made.

This report provides Council with the requisite notice of the City Manager's decisions in the exercise of his delegated authority. To date, they are as follows:

1. The food and yard waste pilot project was delayed to fall 2020.
2. Year-round dog parks were reopened on May 15, 2020.
3. Outdoor pools will remain closed this summer.
4. Golf season passes were prorated for the shorter season.
5. Pest control staff were recalled to address mosquito and cankerworm populations.
6. Transit staff have been retained even though levels of service have been reduced, and the launch of transit airport service has been delayed to April 2021.

A full description of each program and service is contained in Appendix A.

Municipal Economic Enhancement Program (MEEP)

On May 6, 2020, the provincial government announced its \$150 million Municipal Economic Enhancement Program (MEEP). MEEP provides per-capita funding to municipalities based on 2016 census data to support investments in infrastructure to stimulate economic recovery and encourage job creation. The City's allocation of capital funding is \$30.9 million.

The program has 14 eligibility categories and, generally, the type of capital projects included in the City's capital plans would meet MEEP's eligibility requirements. To apply, the City must submit a list of projects along with a Council resolution approving the projects and sign a funding agreement. The Ministry of Government Relations will review and approve project plan submissions. Funds must be spent by March 31, 2022 and may only be applied to eligible costs incurred after May 6, 2020.

To meet the July 17, 2020 application deadline, Administration will bring a report to Executive Committee on June 10, 2020 with the projects it recommends be submitted to the provincial government. Council approval of the projects would occur at its June 24, 2020 meeting.

In recommending projects, Administration will consider a number of factors including, but not limited to:

- whether the projects can be planned and completed by March 31, 2022
- the involvement of third parties to undertake the projects to encourage job creation and economic activity
- opportunities to advance Council's goal to make the City 100 per cent renewable by 2050
- opportunities to advance projects in the approved five-year capital plan to an earlier year in order to advance the Official Community Plan and achieve priorities in our master plans.

- opportunities to leverage MEEP funding to mitigate the financial impacts of COVID-19 and the impact on City operating and capital funding in 2020 to 2022.

The last factor – opportunities to leverage MEEP funding to mitigate the COVID-19 financial impacts – will be a key consideration. On April 15, 2020, City Council received a report projecting the estimated impact of COVID-19 on the City's finances based on three timelines: April 30, June 30 and September 30. The financial projections under each of these scenarios assumed a return to 'normal' following these dates. However, two months into the pandemic, it has become clear that a true return to 'normal' will likely not occur in 2020 and may not occur until a vaccine or treatment is found.

Furthermore, Administration expects there will be significant COVID-19 impacts on the City's financial position in 2021 as City revenues will likely not return to pre-COVID-19 levels until at least the second half of 2021 or longer. 2022 revenues will also be significantly impacted as the municipal revenue sharing (MRS) grant is based on PST collected by the province in 2020. As an example, a 25 per cent drop in PST revenues would result in the City receiving over \$10 million less in MRS grant funding in 2022.

In June 2020, Administration will provide an update on the 2020 COVID-19 financial impact and outline 2021 preliminary budget projections. The City faces significant financial challenges and will likely require a combination of expenditure reductions, use of reserves and funding from other levels of government, including MEEP funding, to address those challenges. Without MEEP funding, the City will likely have to consider significant reductions to its 2021 and 2022 capital plans in order to help address COVID-19 financial impacts.

Re-Opening Update

Administration is currently developing the City of Regina's *Re-Open Plan*. This plan focuses on how services can safely be re-opened to the public in alignment with the upcoming phases of the province's *Re-Open Saskatchewan Plan*. In order to appropriately prepare and respond to phases three and four of the province's plan, the City of Regina's *Re-Open Plan* will be brought forward to Council in the near future.

It is expected that many services will not return to pre-COVID delivery levels in phases three and four due to several factors including health and safety restrictions, and limits on public gatherings. As such, modified service delivery options are being explored. Prioritization of services will also be considered, as it will not likely be feasible to immediately resume all City services on the opening dates of the phases.

The City of Regina's *Re-Open Plan* will be a fluid document and will be adjusted to respond to any changes to public health orders or direction from the provincial government, as the *Re-Open Saskatchewan Plan* is dynamic and regular revisions are expected.

DECISION HISTORY

In response to the COVID-19 pandemic, City Council considered *CM20-7 COVID-19 Update* on March 20, 2020 and supported the activation of the Emergency Operations Centre to respond to the crisis.

On April 15, 2020, City Council considered *CM20-8 COVID-19 Financial Update* and delegated additional powers to the City Manager during the state of emergency.

On April 29, 2020, City Council considered *CM20-11 The COVID-19 Pandemic Bylaw*, which delegated specific authorities related to a number of bylaws to the City Manager.

Respectfully Submitted,

A handwritten signature in cursive script that reads "C. Holden".

Chris Holden
City Manager

ATTACHMENTS

Appendix A City Manager's Exercise of Delegated Authority