



Committee of the Whole Meeting
Additional Information

Monday, August 25, 2025, Immediately Following City Council (Public Meeting)
S.H. Blake Memorial Auditorium

	Pages
7. Reports of Committees, Boards and Outside Agencies	
*7.2 Mayor's Taskforce on Building More Homes Advisory Committee Meeting Minutes	3 - 5
Corrected Minutes of the Wednesday, May 21, 2025 Mayor's Taskforce on Building Homes Advisory Committee Meeting, for information. (Distributed Separately on Monday, August 25, 2025)	
12. Reports of Municipal Officers	
*12.2 Art Gallery – City's Financial Contribution	6 - 9
Report 266-2015 - Corporate Services - Finance recommending that Council approve the release of the City's \$5.0 million capital contribution toward the new Art Gallery facility. (Distributed Separately on Friday, August 22, 2025)	
WITH RESPECT to Report 266-2025, we recommend release of the City's-approved contribution to construction of the new Art Gallery, in the amount of \$5.0 million, be released in the following manner:	
50% upon execution of a funding agreement	
50% upon execution of the required land lease amendments;	
AND THAT the Mayor and City Clerk be authorized to sign a funding agreement relative to this project;	
AND THAT any necessary by-laws be presented to City Council for ratification.	
*12.3 Request to Present - Art Gallery - City's Financial Contribution	10
Memorandum from Keri Greaves, Commissioner - Corporate Services & City Treasurer, dated August 12, 2025 requesting that Matthew Hills, Executive Director of the Thunder Bay Art Gallery, provide a presentation relative to Report 266-2025 Art Gallery – City's Financial	

13. Petitions and Communications

***13.3 Pre-Budget Consultations - Budget 2025**

11 - 13

Memorandum from Keri Greaves, Commissioner - Corporate Services & City Treasurer, dated August 18, 2025 outlining five recommendations to submit to the Federal Government's Department of Finance.

(Distributed Separately on Friday, August 22, 2025)

Pending the passage of the resolution at the Committee of the Whole meeting, the resolution will be presented for ratification at the City Council meeting to be held later in the evening and will require a two-thirds vote.

WITH RESPECT to the Memorandum from Keri Greaves, Commissioner – Corporate Services & City Treasurer, Pre-Budget Consultations – Budget 2025 dated August 18, 2025, we recommend that the five recommendations contained in this memorandum be endorsed and submitted to the Federal Government's Department of Finance;

AND THAT any necessary by-laws be presented to City Council for ratification.

15. New Business

***15.1 Establishment of Committee of the Whole - Closed Session - September 2, 2025**

The following resolution is presented to establish a Committee of the Whole - Closed Session Meeting on September 2, 2025:

THAT a Committee of the Whole – Closed Session meeting be scheduled for Tuesday, September 2, 2025 at 4:30 p.m. in order to receive information pursuant to the Municipal Act (Section 239 (2)) relative to:

(3.1) A meeting of a council or local board or of a committee of either of them may be closed to the public if the following conditions are both satisfied:

1. The meeting is held for the purpose of educating or training the members.



Mayor's Taskforce on Building More Homes Advisory Committee Meeting Minutes

Wednesday, May 21, 2025, 12:31 p.m.

MS Teams

1. Mayor's Taskforce on Building More Homes Advisory Committee Meeting 05-2025

Acting Chair: John Stephenson

2. Members

Justyn Desjardins - Representative - Institution Delivering Construction and Trades Training

Harold Lindstrom - Representative - Construction/trades Association involved in Housing Construction

Paul Magiskan - Representative - Indigenous led Stakeholder with Affordable Housing Development Experience

John Stephenson - Member of Public with Working Knowledge of Research involvement in Housing and Housing Affordability and Development

3. Officials

John Collin, City Manager

Summer Stevenson, Project Manager - Housing Accelerator

Katie Piché, Council & Committee Clerk

4. Disclosures of Interest

There were no disclosures of interest.

5. Agenda Approval

Due to member availability, numerous agenda items noted below were deferred to the June meeting.

MOVED BY: Justyn Desjardins
SECONDED BY: Paul Magiskan

WITH RESPECT to the May 21, 2025 meeting of the Mayor's Taskforce on Building More Homes Advisory Committee, we recommend that the agenda as printed, including any additional information and new business, be confirmed, as amended.

CARRIED

6. Confirmation of Previous Minutes

The Minutes of Meeting 04-2025 of the Mayor's Taskforce on Building More Homes Advisory Committee, held on April 29, 2025, to be confirmed.

MOVED BY: Paul Magiskan
SECONDED BY: Harold Lindstrom

THAT the Minutes of Meeting 04-2025 Mayor's Taskforce on Building More Homes Advisory Committee, held on April 29, 2025, be confirmed.

CARRIED

7. Housing Community Improvement Plan

Memorandum from Project Manager Summer Stevenson, dated May 12, 2025 containing a recommendation relative to the Housing Community Improvement Plan, as discussed at the April Taskforce meeting.

Project Manager Summer Stevenson provided an overview of the recommendation.

A question was asked relative to the proposed Housing Community Improvement Plan Project Area expansion map. Summer Stevenson advised that a copy will be emailed to Taskforce members and also, that a public notice will be distributed through the Chronicle Journal on Saturday, May 24, 2025 and will be available on the City website, in advance of the City Council (Public Meeting) on June 16, 2025.

MOVED BY: Harold Lindstrom
SECONDED BY: Paul Magiskan

WITH RESPECT to the Memorandum from Project Manager Summer Stevenson dated May 12, 2025, the Mayor's Taskforce on Building More Homes Advisory Committee recommending that City Council approve the Housing Community Improvement Plan Project Area boundary expansion.

CARRIED

8. Housing Accelerator Fund (HAF) Action Plan Update

Memorandum from Project Manager Summer Stevenson, dated May 13, 2025 was deferred to the June meeting.

9. Work Plan Check-In

Updated Workplan was deferred to the June meeting.

10. Member Updates - Information Sharing

Member Updates were deferred to the June meeting.

11. Next Meeting

The next meeting date will be held on June 18, 2025 at 12:30 p.m. in the McNaughton Room.

12. Adjournment

The meeting adjourned at 12:36 p.m.

Corporate Report

REPORT NUMBER 266-2025-Corporate Services-Finance

DATE

PREPARED

August 18, 2025

FILE

MEETING DATE August 25, 2025

SUBJECT Art Gallery – City’s Financial Contribution

RECOMMENDATION

WITH RESPECT to Report 266-2025, we recommend release of the City’s-approved contribution to construction of the new Art Gallery, in the amount of \$5.0 million, be released in the following manner:

50% upon execution of a funding agreement

50% upon execution of the required land lease amendments;

AND THAT the Mayor and City Clerk be authorized to sign a funding agreement relative to this project;

AND THAT any necessary by-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This Report supports the strategic direction to plan and deliver cost-effective services, with a focus towards ensuring accountability of the City’s financial resources.

EXECUTIVE SUMMARY

In April 2017, City Council approved a \$5.0 million contribution toward the proposed Art Gallery on City-owned lands at the waterfront. The Council resolution made release of the funding contingent on the project securing Federal and Provincial contributions.

Since that time, the Art Gallery’s project budget/forecast has increased from \$49.9 million to \$74.7 million, creating a significant funding shortfall. As a result, the City Treasurer has determined that additional Council direction is required before the City’s contribution can be released.

While release of the funds would not guarantee that the project can be completed, the Art Gallery has indicated that the City's contribution would advance construction to a weather-tight and protected stage and support the Art Gallery's ongoing efforts to secure additional Federal, Provincial, and private funding.

Administration recommends that Council approve the release of the City's \$5.0 million capital contribution toward the new Art Gallery facility, to be provided in two installments: 50% upon execution of a funding agreement and the remaining 50% upon execution of the required land lease amendments.

DISCUSSION

The proposed new Art Gallery facility on City-owned lands at the waterfront, was first supported in principle by City Council in 2013 as a major cultural and tourism asset for the community. In April 2017, Council approved a \$5.0 million capital contribution toward the project.

Subsequently, other Federal and Provincial government partners have committed significant contributions to the project as well as private donors. At this time, committed funds, including site assessment are as follows:

Federal/Provincial	\$41,412,000
Municipal	\$ 5,700,000 (\$5.0M construction, \$0.7M site assessment)
Fundraising	<u>\$ 4,957,900</u>
Total	\$52,069,900

Of this amount, \$37,012,100 has been received by the Art Gallery. The City's \$5.0 million contribution to construction of the facility has not been provided. The resolution of Council stated:

“AND THAT no funding associated with the capital cost of the new Art Gallery or the development of the public lands be released until such time Federal and Provincial funding for the Art Gallery project has been confirmed.”

With an original project budget of \$49.9 million, the project would have been considered fully funded; however, the current estimated completion cost is \$74.7 million, leaving a funding shortfall of \$22.6 million. The City Treasurer has determined that the condition in the Council-approved resolution authorizing the City's \$5.0 million contribution has not been met. As a result, additional direction from Council would be required before any municipal funds could be released.

Any decision whether to release funds for this project must be carefully considered. The projected shortfall represents a significant challenge for the Art Gallery, which continues

to pursue Federal and Provincial funding opportunities, along with private donors and philanthropic support.

The Art Gallery is also exploring a phased approach that would allow the facility to achieve a partial opening while continuing fundraising efforts to reach full completion. The estimated cost to achieve this partial opening is \$64.2 million, leaving a requirement for an additional \$12.1 million beyond funds already committed. A further \$10.5 million is estimated to be required to fully complete the project.

Without the City's contribution, the Art Gallery has indicated that construction could be halted as early as October 2025 due to cashflow shortfalls, leaving the asset incomplete and not weather-tight.

The Art Gallery has identified that the City's contribution would be used to fully enclose the building including completion of the roof, exterior insulation, aluminum cladding, caulking, and sealant.

While release of the City's \$5.0 million contribution would not guarantee partial opening or full project completion, it would significantly advance construction to a weather-tight and protected stage, providing the Art Gallery with additional time to pursue further fundraising efforts and apply for additional Federal and Provincial funding opportunities.

For these reasons, Administration recommends approval of the release of the City's \$5.0 million capital contribution toward construction of the new Art Gallery facility. The release would occur in two installments: 50% upon execution of a funding agreement, and the remaining 50% upon execution of the required amendments to the land lease between the City and the Art Gallery.

FINANCIAL IMPLICATION

In April 2017, City Council approved a financial contribution of \$5.0 million toward the construction of a new Art Gallery facility at the waterfront on City-owned lands. The financing source was determined to be a special debenture with a 10-year term. At a projected interest rate of 4%, the annual (year 1) payment would be \$700,000, representing an increase of approximately 0.29% to the municipal tax levy. Total interest costs over the 10-year period are expected to be approximately \$1.1 million.

The decision to finance the \$5.0 million contribution through a debenture aligns with the City's Debt Management Strategy, which considers additional debenture financing for capital projects that are new, non-recurring projects with significant infrastructure requirements; large legacy and special projects that benefit multiple generations of citizens and/or will generate significant long-term economic growth.

CONCLUSION

It is concluded that although the Art Gallery project is facing a funding shortfall, release of the City's \$5.0 million contribution would advance the facility to a weather-tight and protected stage and provide the Art Gallery additional time to pursue further fundraising opportunities.

BACKGROUND

In April 2017 (Report No. 55/2017 - Community Services), Council approved a \$5.0 million contribution to the Art Gallery for the capital costs associated with construction of the facility. The source of financing for the contribution was to be by a debenture. No funding associated with the capital cost was to be released until Federal and Provincial funding for the Art Gallery project was confirmed.

REFERENCE MATERIAL ATTACHED

None.

REPORT PREPARED BY

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

REPORT SIGNED AND VERIFIED BY

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

08/21/2025 (MM/DD/YEAR)



Corporate Services Department

Memorandum

TO:	Krista Power, Director – Legislative Services & City Clerk	FILE:
FROM:	Keri Greaves, Commissioner – Corporate Services & City Treasurer	
DATE:	08/12/2025 (mm/dd/yyyy)	
SUBJECT:	Request to Present - Report 266-2025 Art Gallery – City’s Financial Contribution	
MEETING & DATE:	Committee of the Whole - 08/25/2025 (mm/dd/yyyy)	

I respectfully request the opportunity for Matthew Hills, Executive Director of the Thunder Bay Art Gallery, to provide a presentation at the August 25, 2025 Committee of the Whole Meeting, relative to Report 266-2025 Art Gallery – City’s Financial Contribution.

Corporate Services Department

Memorandum

TO: Krista Power, Director – Legislative Services & City Clerk **FILE:**

FROM: Keri Greaves, Commissioner – Corporate Services & City Treasurer

DATE: 08/18/2025 (mm/dd/yyyy)

SUBJECT: Pre-Budget Consultations – Budget 2025

MEETING & DATE: Committee of the Whole - 08/25/2025 (mm/dd/yyyy)

As part of the Federal Government's engagement efforts, the Honourable Patty Hajdu, Member of Parliament for Thunder Bay–Superior North, has invited the City of Thunder Bay to participate in pre-budget consultations for Budget 2025 by providing a written submission. The deadline for submissions is August 28, 2025.

While this would typically go through the Inter-Governmental Affairs Committee, due to the short timelines, Administration is recommending that City Council approve the submission of the following recommendations.

Recommendation #1 – Commit to Development of a Municipal Growth Framework to Address Funding and Infrastructure Challenges Faced by Municipalities

Rationale: Canada's municipalities are facing unprecedented pressure as historic population growth drives up demand for services while revenue tools remain largely unchanged since the 19th century. Municipalities receive just 9 cents of every tax dollar collected yet are responsible for an expanding scope of services. At the same time, the cost of delivering essential services is rising well above inflation, further straining local budgets.

In Thunder Bay's case, the issue is not rapid growth; but the need to grow. Between 2016 and 2021, Thunder Bay's population grew by just 1.3%, compared to 5.8% provincially and 5.2% nationally. Meanwhile, over the past decade, the Consumer Price Index (CPI) increased by 31.8%, while property tax revenues rose by only 7.8%. This

gap limits the City's purchasing power and constrains our ability to maintain services, invest in infrastructure, and support long-term affordability.

Thunder Bay is actively working to reverse these trends through a Smart Growth Action Plan that prioritizes investment readiness, attraction and talent. A Municipal Growth Framework is essential to support this direction, modernizing revenue tools, rebalancing intergovernmental responsibilities, and ensuring municipalities have the capacity to grow sustainably and competitively.

The City of Thunder Bay is poised to embrace new residents and businesses, but doing so successfully requires a framework that supports sustainable growth and investment readiness. With limited ability to generate new revenue or take on debt, municipalities are increasingly reliant on property taxes, contributing to higher costs of living when affordability is already a challenge. This growing imbalance highlights the need for a Municipal Growth Framework that redefines how governments work together, identifies new revenue tools that better link municipal resources with national economic and population growth, and ensures municipalities have the capacity to sustainably deliver the local services Canadians rely on.

Recommendation #2 – Commit to Additional and Enhanced Municipal Infrastructure Funding

Rationale: Through the Housing Accelerator Fund, the federal government has provided important support to help municipalities increase housing supply. The City of Thunder Bay is committed to achieving its assigned housing targets, but new housing and population growth inevitably place added pressure on local infrastructure such as roads, water, and transit systems. Federal investment is critical to create readiness for community growth. Without increased investment, municipalities will face challenges in maintaining and expanding this critical infrastructure to meet the needs of current and future residents.

Recommendation #3 – Commit to Additional and Enhanced Federal Support for Cultural, Recreational, and Other Upstream Services

Population growth drives demand for social, cultural, and recreational services that make communities livable and sustainable. To fully realize the benefits of federal housing initiatives and encourage smart growth, the City requires corresponding federal investment in upstream services that support Thunder Bay's ability to attract and retain the talent needed to sustain the delivery of services expected by Canadians, including, but not limited to, housing, health care, child care, public transit, policing, and the successful integration of new Canadians.

Recommendation #4 – Commit to Additional and Enhanced Federal Support for Social Issues Impacting Communities

Rationale: Social issues such as mental health, addiction and homelessness are increasing, placing growing pressures on municipalities. Although these areas have not historically been part of municipal portfolios, cities are increasingly bearing associated costs, including increased policing, security, and the maintenance of public spaces. Federal investment is critical to help municipalities manage these pressures, support vulnerable populations, and maintain safe, livable communities.

Recommendation #5 – Commit to Additional and Enhanced Funding Streams to Support Municipal Efforts to Reduce Greenhouse Gas Emissions

Rationale: The City of Thunder Bay has formally declared a climate emergency and is committed to achieving net-zero greenhouse gas emissions by 2050. This ambitious goal reflects the City's dedication to environmental stewardship, public health, and sustainable economic growth. Achieving net-zero will require substantial investments in energy-efficient infrastructure, renewable energy systems, low-emission transit, and building retrofits, among other initiatives.

While the commitment is clear, reaching net-zero comes with significant financial implications. Upgrading infrastructure, implementing new technologies, and supporting community-wide emissions reductions all require dedicated funding. Federal support is critical to ensure that municipalities like Thunder Bay can advance climate action effectively, without placing unsustainable financial burdens on local taxpayers.

The following recommendation is presented for Council's consideration,

WITH RESPECT to the Memorandum from Keri Greaves, Commissioner – Corporate Services & City Treasurer, Pre-Budget Consultations – Budget 2025 dated August 18, 2025, we recommend that the five recommendations contained in this memorandum be endorsed and submitted to the Federal Government's Department of Finance;

AND THAT any necessary by-laws be presented to City Council for ratification.