

Appendix D

REVIEW OF SERVICES PUBLIC OPEN HOUSE
Thursday, October 28, 2004
Portsmouth Olympic Harbour
'LAKE ONTARIO PARK CAMPGROUNDS'
'TRANSIT CHARTERS'
'CITY PROPERTY & CITY FACILITY LEASING'

Review of Services Project Team Members Present

Sheila Hickey, Director, Strategic Initiatives and Corporate Communications
Jeremy DaCosta, Project Manager
Sharon Fitch, Project Office Assistant
Laura Seiffert, Communications
Bert Needham, Community Services

Members of Council Present

Councillor Smith
Councillor B. George
Deputy Mayor Foster
Councillor Pater

BMA Consulting

Jim Bruzzese
Catherine Minshull

Members of the Public Present

Approximately 47 citizens

THIS IS NOT A VERBATIM REPORT
Questions and Comments Only

City Property and Facility Leasing

1. *Phil Brown:* First, thank you to all of you and to the Councillors for taking time out to come tonight. Yes, the Corporation should be reviewing all its services on an on-going basis. A lot of pent-up baggage. Input is very valuable. Should you be in the business of providing this service – Yes. As for the non-for-profit – it doesn't mean they don't have the skills to make a profit. The community as a whole needs to invest in our youth. Non-for-profit bring youth out of the malls and into community activities. I challenge you to challenge the groups to help close the \$800K gap. Harness that energy and enthusiasm to harness that \$800K. I would like to see the breakdown of costs for the individual buildings.
2. *M. Hughes:* I would like to know about the administrative costs as a portion of the \$800K.
3. So what is the assessment of all the buildings together? Is that where the 3% comes in? What would the market value be?
4. I would like to say the contribution of all the agencies is invaluable. I attend all sorts of functions – the Kennel Club, Potters Guild – the list is endless. It takes a lot of time and energy to make those spaces functional. It's important to work with the groups. I would be devastated to see these close down. I visited last year with KEDCO to do some research and there is a lack of space in the City for groups such as these.
5. The mention of insurance – is the City carrying a burden? Is it included in the \$800K?
6. In the J.K. Tett building is the old Morton Brewery. It has been unsafe for 10 years. The Cataraqui Archaeological Society was just forced to move out. This is a big building – now vacant. Why is this not on the list?
7. Are all the non-profit groups charged the same \$\$ per square foot? You've identified issues but because they're in point form, I'm not sure how to respond. Will you be re-negotiating any of the leases before this process is over? You could bump up the rate to recover some of the costs. With regard to capital costs – you have limited information – need a lot more input before any decisions are made.

8. On one building in particular – the Lyons Hall on Sydenham Rd., my father was part of that group. They put their sweat into renovating that hall. The agreement was for a \$1 lease but the Lyons were responsible for gutting the building and renovating it. The Lyons have done a lot of work for this City – even provided guide dogs, ice rinks, etc. They have strictly run on a non-cost to the City. I would like to have seen the indirect costs. The Mayor at the time could not sell the building. I have traveled the world as a Lyon – a building to call your own is a source of pride. Every Lyons Club has its own hall – the City should be proud of that. There has been a lot of extras that the Lyons have done for the City – we have gone to the City with an open cheque book. Now the City is going to increase our rents/costs. We won't be able to put as much into the community in the future.
9. The last slide said, "main reason for the City to carry on the service..." is deliberately skewed as a bean counter. I am not affiliated with any of the groups but have just listened to this gentleman from the Lyons Club. They give a tremendous service to the community. Boy Scouts, Tett Centre – what a tremendous services to the City. The City funds KEDCO – look at the quality of life of the community – every one of the agencies addressed affects the quality of life. \$800K cost to the taxpayer is next to nothing when you look at what the City pays for Cultural Services. This is a very small contribution to the cultural life of the City. Your Review of Services report by Sheila Hickey [*"That the provision of the City Property and City Facility Leasing contributes minimally to Programs and Services Accessibility"*] seems to suggest that the decision has already been made.
10. The list of properties – is that all of the properties the City leases? Is this going to be an all or nothing proposition? Are you considering the sale of any of these properties? How can the Court House be on this list – they have a long term lease – unless you're planning on selling it? The Court House is a central component to this community.
11. *V. Robertson*: You mentioned insurance – you didn't mention liability. Each organization at the J.K. Tett building required \$2 million in liability insurance. When J.K. Tett belonged to the Federal government, they offered it to the Provincial government who then offered it to the City of Kingston. The City took it at a very low rate. We were begged to take it – we were seduced to take it – we did not approach the City. The Kennel runs dogs during the day – we run the theatrical in the evening. It was run as a partnership then – not now. The City asked us so we should be treated as partners.
12. I am a Lyons Club member. Eight years ago, our sewers came down. It was in our agreement that we keep up the upkeep of the building. We only had a small about in GIC's. We were told we had to put new sewers in. It took all our \$\$'s but we did it. We fought with the City. Our lease says we pay for improvement. Taxes should pay for sewers. We've put in over \$14K now and we have to put out more. Councillor Beavis went to our 30th anniversary. He noticed the brick work deteriorating. The Heritage Committee got involved. The City was not happy that Heritage got involved. Is there a possibility of the City selling our building? It's getting too costly to keep up. We haven't paid our improvement taxes for 3 years. Our club was the one that put in the Lyons Civic Park [\$100K] – if it wasn't for us, it would not have been put in. I'm sorry that Isabel Turner is no longer with us. We've put \$100K into that building.
13. I want to thank Val Robertson and her history piece. The Potters Guild – the City offered them space in the J.K. Tett Centre. The Potters Guild provides service to people who want to make pottery. Martha's Table just had their major fundraising event – the Potters Guild made all the bowls and donated them to Martha's Table. I'm feeling a sense of shock that the City wants to know if they want to continue leasing. We're dependant on the Potters Guild having that space and we've put a lot of effort into improving the space.
14. *J. Barber*: I'm a co-owner of The Landings Golf Course and echo Phil's comments. The folks involved – Mark Segsworth, Barclay Mayhew – where are they tonight? You made reference to an \$800K deficit. Will details of that be posted on your website? We've talked about not-for-profit businesses. The airport tenants are for profit. Over the last 20 years, the City has received \$2 million in taxes and royalties. Since this is focused on not-for-profit agencies, why is the airport part of this study? I looked at the time frame to deal with City Hall staff and the consultation process – you will be making recommendations in January – that's a very tight time frame. The

conclusions are foregone and this is all for optics. What criteria is being used to make the recommendations? The consultant is getting paid \$56K or \$54K – you should be listening to what the client is asking.

15. All these people here have been telling you the value of their organizations. You need to quantify this value and come up with a recommendation.
16. *Jennifer*: I'm from Modern Fuel and I'd like to add to the sentiments of the Tett Centre. Modern Fuel Gallery – that's incorrect – should be Modern Fuel Artists-Run Centre [occupies only 21 feet of space]. We're a resource for artists and students and we go out into the community.
17. *N. Young/Girl Guides*: Recently, the Girl Guides had to move out of the schools – the schools are being jeopardized by cutbacks by the School Boards. We now occupy part of the Tett Centre. The Tett Centre is a landlord's disaster.
18. *Tom-School of Dance*: The state of the building is terrible – the roof leaks. We have kids that come from as far away as Brockville. We have 100 odd kids – that means 100 kids aren't getting into trouble. They're active, no computer games – we make a great contribution.
19. I knew that Council sort of represents the City – you are waiting for direction from the citizens – right? The second part, you stated City staff did not approach groups – groups approached the City. I'd like a little history – how did this whole thing [the review process] really start?
20. I think you should try to be simplistic – the term “not-for-profit” is refreshing. I think it's vital for a community – better than a group of Walmarts. They're not there to feed a shareholder – these are vital to a community. To put them on an “if” list – should be how the City can “enhance” these groups instead.
21. I'm overwhelmed by the number of things I'd like to say. You've received ample evidence that they serve the community in a very important way that makes this City different – gives us an identity. The Court House has been a Court House since it was built and suddenly we're asking if we can afford it? It's leased to the Province – the Province should pay adequately for its upkeep. I need to know what's coming in [\$\$'s] and going out. It's completely impossible to say we can't afford it. I am convinced more money could come in from the tenants. I'm surprised to see that Stella Buck building not on the list. The tenants were put out because of the building structure. Who's making these decisions. I would like to see more information on all the buildings.
22. I can't believe in 3 weeks you're going to be able to assess all this. Three months – 3 years isn't enough.
23. To make your assessment, are you going to visit the Tett Centre?
24. A question about process – what importance are the surveys? What is the deadline for the surveys? Will results of the survey be made known to the public?
25. Is there another municipality that leases to not-for-profit groups? These communities – do they have a large number of historic properties?
26. You stated you will present your recommendations to the public in January – can we review the recommendations a week or two before the next open house so that we can be better educated and be able to put our thoughts together beforehand?
27. Can you make it clearer on your website where this information can be found?
28. Can you contact the organizations being affected in advance of the next open house?