RECOMMENDATION TO COMMITTEE OF THE WHOLE:

WHEREAS on April 17, 2001 Council endorsed the City of Kingston becoming a member of the Federation of Canadian Municipalities (FCM) Partners in Climate Protection Program (PCP), and

WHEREAS the corporate green house gas (GHG) inventory (baseline year 2000) indicates that the Corporation of the City of Kingston spends approximately $6.2 Million dollars annually on energy and generates approximately 27,089 tonnes of GHG, and

WHEREAS the community GHG inventory (baseline year 2000) indicates that the Community of the City of Kingston spends approximately $340 Million dollars annually on energy and the generates approximately 1.4 Million tonnes of GHG emissions, and

WHEREAS the Partners in Climate Protection Program was designated as a key project in addressing the FOCUS Kingston strategic priority on improved air quality, and

WHEREAS the Partners in Climate Protection Program aligns the City of Kingston with the Federal government’s strategic direction with respect to the Kyoto Protocol and reductions in Canada’s greenhouse gas emissions and therefore may also provide access to granting opportunities.

THEREFORE BE IT RESOLVED THAT City Council continues to support Partners in Climate Protection as a strategic priority and that,
RECOMMENDATION TO COMMITTEE OF THE WHOLE (contd.):

Council directs staff to develop corporate and community action plans in accordance with the Partners in Climate Protection Program that will achieve greenhouse gas emission reductions targets of 25% for the corporation and 10% for the community below the baseline year, by the year 2014, and that,

City Council direct staff to aggressively pursue FCM Green Municipal Enabling Funds (GMEF) and other granting opportunities to develop a Local Action Plan (LAP) for achieving our Corporate and Community greenhouse gas emission reduction targets.

ORIGIN/PURPOSE:

Through a council endorsed resolution on April 17, 2001, the City of Kingston became a member of the Federation of Canadian Municipalities (FCM) Partners in Climate Protection (PCP) program to address climate change and promote greenhouse gas reduction. There are over 100 Canadian Municipalities and over 400 international local governments participating in this campaign to reduce greenhouse gas emissions through the PCP five-milestone framework.

The five milestone framework of the PCP program that the City of Kingston is currently engaged for both the corporation and the community is divided as follows:

- Milestone 1: Calculate baseline greenhouse gas emission inventory and forecast
- Milestone 2: Establish a reduction target
- Milestone 3: Develop and finalize an action plan
- Milestone 4: Implement the action plan
- Milestone 5: Monitor, verify and report greenhouse gas reductions

There are 114 Canadian Municipalities enrolled in the PCP program. Approximately 38 municipalities have completed Milestone 1, 18 municipalities have completed Milestone 2 and 12 municipalities have completed Milestone 3.

The City of Kingston has completed the greenhouse gas inventories for both the corporation and the community. The requirements of Milestone 1 have been satisfied.

The intent of this report is to:

- Present the key findings of Milestone 1,
- Request council support for the corporate and community reduction targets as defined in Milestone 2, and
- Allow development of action plans as required in Milestone 3.
OPTIONS / DISCUSSION:

PCP Milestone 1: Corporate & Community Green House Gas Emissions Inventory

To complete the corporate and community inventory the City of Kingston worked with the Federation of Canadian Municipalities (FCM) International Council for Local Environmental Initiatives (ICLEI) and two 4-member work groups from the Queen’s University’s Technology, Engineering, and Management (TEAM) program. The methodology applied to develop this inventory is consistent with the framework established by ICLEI for its Canadian and International PCP partners. A base-line year of 2000 was used for the inventories. Using the baseline inventories, business as usual projections were made for 2014.

Corporate GHG Inventory

The GHG inventory for the corporation is divided into the following four sectors:

- Buildings
- Vehicle Fleet
- Street-Lighting and Signals
- Water and Wastewater Treatment
- Solid Waste.

The baseline energy cost and the green house gas emission distribution are provided on Tables 1. A more detailed breakdown of energy consumption and costs are provided in Appendix A. It is estimated that during the baseline year of 2000, that the corporation spent approximately $6.2 Million dollars on energy and produced approximately 28,000 tonnes of GHG emissions.

Table 1: Annual Green House Gas Emissions and Energy Costs for the Corporation

<table>
<thead>
<tr>
<th>Sector</th>
<th>Baseline Year 2000</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Greenhouse Gas Emissions (tonnes of CO₂ equiv.)</td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>16,101</td>
<td>$3,429,353</td>
</tr>
<tr>
<td>Vehicle Fleet</td>
<td>1,972</td>
<td>$541,042</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>2,162</td>
<td>$515,637</td>
</tr>
<tr>
<td>Water/Sewage</td>
<td>7,002</td>
<td>$1,665,597</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>493</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>27,730</td>
<td>$6.2 Million</td>
</tr>
</tbody>
</table>

Notes: -For solid waste, GHG emissions are due to gasses escaping from landfill sites and thus no cost for energy is involved.
OPTIONS / DISCUSSION (contd.):

Community GHG Inventory:

The GHG inventory for the community is divided into the following four sectors:

- residential
- commercial
- industrial
- transportation
- waste

The baseline community energy cost and greenhouse gas distribution are provided on Table 2. A more detailed summary of energy consumption and costs are provided in Appendix A. It is estimated that during the baseline year of 2000 that the community as a whole spent approximately $340 Million dollars on energy and produced approximately 1.4 Million tonnes of GHG emissions.

<table>
<thead>
<tr>
<th>Sector</th>
<th>2000 Baseline</th>
<th>Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>306,993</td>
<td>63,589,302</td>
</tr>
<tr>
<td>Commercial</td>
<td>321,330</td>
<td>67,854,345</td>
</tr>
<tr>
<td>Industrial</td>
<td>105,929</td>
<td>22,460,335</td>
</tr>
<tr>
<td>Transportation</td>
<td>625,874</td>
<td>186,297,258</td>
</tr>
<tr>
<td>Waste</td>
<td>24,856</td>
<td>0°</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.4 Million tonnes</strong></td>
<td><strong>$340 Million</strong></td>
</tr>
</tbody>
</table>

Notes: © - For solid waste, GHG emissions are due to gasses escaping from landfill sites and thus no cost for energy is involved.

Forecast for Energy Consumption and Cost:

It is estimated that the if a Business as Usual (BAU) approach is adopted towards corporate and community energy consumption that greenhouse gas emissions will increase at a rate of approximately 1.49% per year consistent with the proposed population growth rate (Stevens Associates, 2003). Energy costs have been volatile and are expected to rise at a rate greater than inflation. The Ontario Energy Board (OEB) is expected to implement a new pricing structure for electricity in May, 2005 that better reflects the true cost of electricity production. On this basis it is expected that energy costs for the corporation and the community will increase significantly.
OPTIONS / DISCUSSION (contd.):

PCP Milestone 2: Corporate & Community GHG Reduction Targets

The FCM has recommended a corporate GHG reduction target of 20% below the baseline GHG emission estimate and a community GHG reduction target of 6% below the baseline GHG emission estimate.

Corporate GHG Emission Reduction Target

A corporate emission target of 20% has been adopted by 17 Canadian Municipalities. Sudbury has taken a strong national leadership position by adopting a corporate reduction target of 30% by the year 2019.

It is recommended that the corporation of the City of Kingston adopt a GHG reduction target of 25% below the baseline GHG emission estimate by the end of 2014. The FCM acknowledges that as the municipality develops and implements its Action Plan it may choose to revise its target.

A more aggressive GHG emission reduction target than the minimum proposed by the FCM is proposed for the corporation and the community as a signal to the community and to the Provincial and Federal governments that Kingston chooses to be a leader in energy reduction. Identified as one of three Centers of Excellence for alternative energy within the province the City of Kingston has many local energy champions within the institutional, industrial, entrepreneurial and not for profit sectors.

Community GHG Emission Reduction Target

A community emission target of 6% has been adopted by 17 Canadian Municipalities. Sudbury has taken a strong national leadership position by adopting a community reduction target of 30% by the year 2019.

The FCM has recommended a community GHG reduction target of 6% below the baseline GHG emission estimate. It is recommended that the community adopt a GHG reduction target of 10% below the baseline GHG emission estimate by the end of 2014. The FCM acknowledges that as the municipality develops and implements its Action Plan it may choose to revise its target.

This report recommends that the City of Kingston take on a leadership role by adopting slightly higher reduction targets for both the corporation (25%) and the community (10%).

PCP Milestone 3: Corporate and Community Green House Gas Action Plans

Twelve Canadian municipalities have prepared GHG Action Plans.

Through this report council support is requested to recognize the development of GHG Action Plans as a strategic priority for the corporation and the community. While the City of Kingston has not formally developed a GHG Action Plan for the corporation or for the community several projects and initiatives and cost reduction strategies are underway to address GHG emissions. These projects will be incorporated into our local action plans. Provided below is a summary of these projects and initiatives for both the corporation and the community.
OPTIONS / DISCUSSION (contd.):

Corporate GHG Initiatives

Based on the GHG baseline inventory the building sector within the corporation is responsible for approximately 60% of the green house gas emissions and energy costs. A plan has been developed to address the energy demands of current buildings through the TradeWinds Project and the energy demands of future buildings through the development of a LEED policy direction.

TradeWinds Project - Energy Audits on Municipal Buildings

In 2002, the City of Kingston partnered with Hearthmakers Energy Cooperative and secured a $100,000 grant from the FCM Green Municipal Enabling Fund (GMEF) for an innovative project that linked energy savings to green power purchases. Hearthmakers Energy Cooperative acted as the lead applicant and provided $100,000 in matching funds. In May 2002 council passed a resolution to support the development of a feasibility study to conduct energy audits on municipal buildings and develop a business plan to conduct retrofits. The unique component of this proposal was the intention to direct a portion of the energy savings realized through the retrofits towards the purchase of or the investment in wind power. Council supported this initiative in principal. The incorporation of green power purchases from the retrofit savings was deemed important in order to show innovation and thus make the project more eligible for grant or low-interest loan funding for the required retrofit projects.

Using the baseline study (Milestone 1) municipal buildings that had potential for energy savings were identified. Energy audits have been conducted on the most promising municipal facilities and a preliminary business model to assess the feasibility of directing a portion of the savings towards wind power has been developed. The environment division is in the process of reviewing and finalizing this feasibility study with city building managers. It is anticipated that the Environment Division will provide recommendations to council by the end of the 2004 third quarter to highlight the targeted facilities and to request approval to seek financing through the FCM Green Municipal Implementation Fund (GMIF).

Leadership in Energy and Environment Design (LEED) Civic Policy Direction

LEED is an environmentally holistic approach to building design that provides an international accepted standard for sustainable buildings. LEED incorporates energy efficiency, water efficiency, material selection and site details into the design decision making process. Third party commissioning validates the deliverables of the building. The benefits of LEED civic buildings include reduced operating costs (life-cycle), higher worker productivity, visible community leadership and the local economic development. In April, 2004 council endorsed a recommendation that requires new civic constructions and large retrofits to undertake an assessment of LEED as a design goal for Council’s consideration before finalization of the project design.
OPTIONS / DISCUSSION (contd.):

Ravensview Digester Gas Project

Through a FCM Green Municipal Enabling Fund (GMEF), Utilities Kingston conducted a feasibility study to investigate the potential of using co-generation with digester sewage gas. The findings of the study were positive. Working with Gaia Power the City of Kingston submitted an intent to apply for FCM Green Municipal Implementation Funds (GMIF) to develop co-generation capacity at the Ravensview Waste Water Treatment Plant. This application was positively received by the FCM and a formal proposal application for GMIF funds has been submitted to the FCM. A report to council will be presented to council before the end of June to present the business plan for this initiative.

At present the Ravensview Waste Water Treatment plant, as part of the treatment process flares off approximately half of its waste gas which results in a release of approximately 2100 tonnes of greenhouse gas emissions. It is proposed that through the possible use of a combination of microturbine, fuel cell and absorption cooling techniques that this waste gas could be converted to energy to used by the treatment plant, in the form of electricity, heat and possible cooling, and result in a green house gas reduction of approximately 60%.

This exciting project is utilizing new and yet proven technology in a treatment facility environment. It must be noted that the timing of this project is in parallel with the proposed secondary treatment conversion and expansion of the Ravensview treatment facility. If this pilot project interferes with the planning or construction of the Ravensview expansion project, then it may have to be deferred, or cancelled.

Community GHG Reduction Initiatives

Transit Bio-diesel Project

The PCP emission reporting protocol indicates that since transit serves the community that the emissions generated from buses is incorporated into the community GHG inventory. On May 20, 2003, council supported a recommendation to conduct a 5 month pilot project (June 4, 2003 to October 31, 2003) to incorporate bio-diesel into the Transit fuel mix. Biodiesel is a renewable fuel substitute that adheres to an ASTM (American Society of Testing Materials) standard. It can be composed of vegetable oil, animal fat or used cooking oils. A biodiesel mix of 20% biodiesel and 80% petroleum diesel was used for this program. The incorporation of B20 into the fuel mix for this study resulted in a reduction of approximately 200 tonnes of GHG emissions. As detailed in the June 1, 2004 biodiesel report to council (04-197) the experience of B20 on the transit mechanical systems was positive and given the escalating price of petrochemical diesel it is anticipated that the costs difference between biodiesel and petrochemical diesel will narrow and potentially invert.

Urban Growth Study – Green House Gas Impacts

Based on the community GHG inventory (baseline 2000) it was estimated that transportation accounts for approximately 45% of the communities GHG emissions. To assist in the assessment of the preferred Urban Growth scenario, green house gas estimates were prepared for each of the proposed urban growth scenarios. Given a business as usual approach to transportation in our community the green house gas increases over the baseline year is provided below:
OPTIONS / DISCUSSION (contd.):

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Ranking</th>
<th>Green House Gas Increase over 2001 by 2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>32%</td>
</tr>
<tr>
<td>1&amp;1A</td>
<td>2</td>
<td>35%</td>
</tr>
<tr>
<td>1&amp;5</td>
<td>3</td>
<td>45%</td>
</tr>
<tr>
<td>1&amp;2</td>
<td>4</td>
<td>47%</td>
</tr>
<tr>
<td>1&amp;4</td>
<td>5</td>
<td>51%</td>
</tr>
<tr>
<td>1&amp;3</td>
<td>6</td>
<td>55%</td>
</tr>
</tbody>
</table>

The preferred urban growth scenario presented by J.L. Richards is scenario 1&2. On this basis, it is estimated that the community will produce approximately 45% more GHG emissions in 2026 that it did in 2001 if a BAU approach towards GHG emissions is adopted.

One-Tonne Challenge Pilot Application

The Environment Division worked with Hearthmakers Energy Cooperative and the Kingston Environmental Advisory Forum (KEAF) to develop a proposal to request funds from the Environment Canada One-Tonne Challenge Pilot Program. This funding opportunity provides funding up to $100,000 over a two year period to engage the public to reduce their individual GHG emissions by one tonne a year.

Smog Awareness and Prevention Program

Each time there is a smog warning in the City of Kingston a press release is issued to inform the public of the elevated SMOG index and to highlight ways that they can help to reduce SMOG and GHG emissions.

Switching Gears

The City of Kingston has provided in-kind funding to Switching Gears, a program designed to address the green house gas emissions generated by vehicles and encourage biking in the City of Kingston.

Cuba Energy Mission

Working with Hearthmakers Energy Cooperative the City of Kingston has requested support through the FCM International Centre for Municipal Development to link with Cienfuegos, Cuba to develop an energy mission. Founded in 1987, the mission of the FCM International Centre for Municipal Development is to develop and empower municipal governments worldwide to improve the quality of life and the sustainability of local communities. To that end, the FCM International Centre for Municipal Development will provide funding for a mission from Kingston to Cienfuegos and from Cienfuegos to Kingston. This mission could involve council, staff, Hearthmakers, and energy entrepreneurs. The cost to the City of Kingston for this initiative would be limited to the staff time. The purpose of this mission is to develop mutually beneficial projects and to facilitate knowledge transfer. The development of any resulting technical enterprises from Kingston to Cienfuegos would be eligible for funding through the Canadian International Development Agency (CIDA). The FCM is currently in the process of confirming its budget and country participants. Once this process is complete council will be notified.
LINK TO STRATEGIC PLAN:

*Climate Change and Air Quality*

The City of Kingston community strategy - FOCUS Kingston, identifies climate change and air quality as an environmental priority. In May 2002 council endorsed the ratification of the Kyoto protocol and encouraged other municipalities to do the same. Community consultation conducted for the Cycling and Pathways Study, the Urban Growth Study and the Transportation Masterplan have emphasized the importance of GHG reduction to the future of our community.

*Economic Prosperity*

The development of a strong leadership position for GHG reduction and energy conservation within the corporation of the City of Kingston will position the City of Kingston to be favored by Provincial and Federal climate change and sustainable infrastructure funding agencies. Through the local action plan and the one tonne challenge residents will be encouraged to reduce their energy consumption. This will result in greater economic prosperity within our community. This corporate direction will support local energy champions within the ICI and not for profit sectors to move their innovative initiatives forward and confirm the City of Kingston’s position as a Center of Excellence for alternative energy.

*Controlling our Costs*

The Balanced Scorecard initiative identified measures that control our operating costs as a high priority for action. By making corporate green house gas reduction a key strategic initiative and aggressively pursuing a 25% green house gas reduction target by the year 2014 the corporation will not only benefit the environment but will significantly reduce its energy costs. Based on the baseline inventory it is conservatively estimated that the annual corporate energy bill could be reduced by approximately 1.5 million dollars. This estimate does not consider the escalating cost of energy.

EXISTING POLICY/BY-LAW:

Not applicable.

FINANCIAL CONSIDERATIONS:

Based on the findings of the Green House Gas inventory (base-line year 2000), the corporation and the community as a whole annually spend approximately $6.2 Million dollars and $340 Million dollars respectively on energy. In most cases, achievement of GHG reduction targets would equate to proportional savings in energy costs.

Funding requirements for the Partners in Climate Protection Program are relatively small and consist mostly of staff time within the Environment Division with assistance from specialty consultants and services. Individual projects identified by the community and corporate action plans may require significant capital investment to undertake.
FINANCIAL CONSIDERATIONS (contd.):

Projects with significant capital investment requirements will be presented to Council for funding approval prior to implementation and will be evaluated by staff based on their respective abilities to achieve greenhouse gas reduction, compatibility with their civic environment, as well as their return on investment in energy cost savings.

Funding opportunities offered by the FCM Green Municipal Enabling Funds (GMEF) and Green Municipality Implementation Funds (GMIF), the Federal Government One-Tonne Challenge program, and HRDC On-Site program are available to assist municipal corporations/communities to meet their Kyoto targets. With council’s support the Environment Division will be enabled to aggressively seek community partnerships and these funding opportunities to develop both the corporate and community action plans to realize both the environmental and economic benefits of GHG reductions.

CONTACTS:

Beth Sills, Environment Engineer - Environment Division, 384-1770 ext. 3120
Paul MacLatchy, Environment Manager – Environment Division, 384-1770 ext. 3134

NOTICE PROVISIONS:

Not applicable
DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Community Services: Lance Thurston – Commissioner Community Services : 546-4291 ext. 1250
Corporate Services: Denis Leger – Commissioner Corporate Services: 546-4291 ext. 1328
Operational Services: Mark Segsworth – Commissioner Operational Services: 546-4291 ext. 1345
Utilities Kingston: Jim Keech – President & CEO: 546-1181 ext. 2217

APPENDICES:

Appendix A: Corporate and Community Fuel/Energy Consumption Details and Costs

Terry Willing
Commissioner, Department of Planning & Development Services

Comments:

Ben Meunier
Chief Administrative Officer
APPENDIX A
Corporate and Community Fuel/Energy Consumption Details and Costs

Table A1: Corporate 2000 Fuel/Energy Consumption Details and Cost

<table>
<thead>
<tr>
<th>Sector</th>
<th>Electricity (kwh)</th>
<th>Natural Gas (cu.m)</th>
<th>Oil (litres)</th>
<th>Gasoline (litres)</th>
<th>Diesel (litres)</th>
<th>Sector Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>35093614</td>
<td>2573652</td>
<td>80116</td>
<td></td>
<td></td>
<td>$3,429,353</td>
</tr>
<tr>
<td>Vehicle Fleet</td>
<td></td>
<td></td>
<td>316072</td>
<td></td>
<td>448996</td>
<td>$541,042</td>
</tr>
<tr>
<td>Street lighting</td>
<td>6875163</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$515,637</td>
</tr>
<tr>
<td>Water/Sewage</td>
<td>22085549</td>
<td>30602</td>
<td></td>
<td></td>
<td></td>
<td>$1,665,597</td>
</tr>
<tr>
<td>Total Source</td>
<td>64054326</td>
<td>2604254</td>
<td>80116</td>
<td>316072</td>
<td>448996</td>
<td>$6,151,629</td>
</tr>
<tr>
<td>Total Cost</td>
<td>$4,804,074</td>
<td>$781,276</td>
<td>$25,237</td>
<td>$240,215</td>
<td>$300,827</td>
<td>$6,151,629</td>
</tr>
</tbody>
</table>

(Cost were estimated using energy costs of 7.5 cents/kWh, fuel costs of 30 cents/cu m for natural gas, 45 cents/liter for fuel oil, 40 cents/liter for propane, 76 cents/liter for gasoline and 67 cents/liter for diesel)

Table A2: Community 2000 Fuel/Energy Consumption Details and Costs

<table>
<thead>
<tr>
<th>Sector</th>
<th>Electricity (kwh)</th>
<th>Natural Gas (cu.m)</th>
<th>Fuel Oil (litres)</th>
<th>Propane (litres)</th>
<th>Gasoline (litres)</th>
<th>Diesel (litres)</th>
<th>Total Sector Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>576,222,222</td>
<td>53,280,005</td>
<td>7,974,741</td>
<td>2,000,000</td>
<td></td>
<td></td>
<td>$63,589,302</td>
</tr>
<tr>
<td>Commercial</td>
<td>606,040,000</td>
<td>52,639,989</td>
<td>5,798,552</td>
<td>10,000,000</td>
<td></td>
<td></td>
<td>$67,854,345</td>
</tr>
<tr>
<td>Industrial</td>
<td>192,484,444</td>
<td>20,080,005</td>
<td>5,000,000</td>
<td></td>
<td></td>
<td></td>
<td>$22,460,335</td>
</tr>
<tr>
<td>Transportation</td>
<td>3,076,302</td>
<td>180,732,170</td>
<td>71,209,385</td>
<td></td>
<td></td>
<td></td>
<td>$186,297,258</td>
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<tr>
<td>Total Source</td>
<td>1,374,746,666</td>
<td>125,999,990</td>
<td>13,773,293</td>
<td>20,076,302</td>
<td>180,732,170</td>
<td>71,209,385</td>
<td>$340,201,239</td>
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<tr>
<td>Total Cost</td>
<td>$103,106,000</td>
<td>$37,799,997</td>
<td>$6,197,982</td>
<td>$8,030,521</td>
<td>$137,356,449</td>
<td>$47,710,288</td>
<td>$340,201,239</td>
</tr>
</tbody>
</table>

(Cost were estimated using energy costs of 7.5 cents/kWh, fuel costs of 30 cents/cu m for natural gas, 45 cents/liter for fuel oil, 40 cents/liter for propane, 76 cents/liter for gasoline and 67 cents/liter for diesel)
TO: Bert Meunier, Chief Administrative Officer
FROM: Lance Thurston, Commissioner, Department of Community Services
PREPARED BY: Cheryl Mastantuono, Manager, Policy and Support Services
DATE OF MEETING: 2004-06-22
SUBJECT: Corporate Sponsorships

RECOMMENDATION TO COMMITTEE OF THE WHOLE:
WHEREAS many municipalities use corporate sponsorships as a revenue source for funding municipal projects, initiatives and services in return for public acknowledgement, negotiated benefit and/or other promotional consideration;

AND WHEREAS staff has prepared a position paper with a draft Corporate Sponsorship Policy, Naming of Corporate Assets Policy and an updated Corporate Identity Policy;

AND WHEREAS staff has circulated this document extensively within the Corporation, on the City website, and to the business community, and incorporated the feedback received into the paper and draft policies;

THEREFORE BE IT RESOLVED Council adopts the Corporate Sponsorship Policy, Naming of Corporate Assets Policy and the revised Corporate Identity Policy as found in Report 04-066.

ORIGIN/PURPOSE:
The purpose of this report is to seek Council’s approval of a corporate sponsorship policy, a corporate asset naming policy and a revised corporate identity policy (see Appendices A, B and C). In spring of 2002, the Executive Management Team had a preliminary discussion about the issue of sponsorships. Staff was asked to research the topic and find out how this issue was being addressed in other jurisdictions.

OPTIONS/DISCUSSION:
Background
A discussion paper on corporate sponsorships was brought forward to Council in October 2002 (Report No. CW-076) and was deferred for further internal consultation including the Market Square Community Task Force. Consultation with all internal stakeholders took place over the winter of 2002/03. A subsequent report was brought forward to Council in April 2003 (03-116), with proposed policies and recommending a process for public consultation. The documents were then posted on the City’s website for two months for feedback as well as circulated both in late spring and the fall directly to K.E.D.C.O., the D.B.I.A. and the Chamber of Commerce requesting their input. It is our understanding that the Chamber subsequently circulated the document to all of its members directly. To date there has been no feedback received from these organizations or from the community at large. Comments and ideas were received from staff from across the Corporation and these changes have been incorporated into the document.
As noted in the preface to the attached position paper (Appendix D), the City of Kingston is involved in a wide range of partnerships with the community. These partnerships take many different forms and degrees of complexity. To date there has been no policy framework guiding the City's involvement in such arrangements. Consequently, the City's practices vary widely from department to department. It is important therefore for the City to develop clear and consistent policies. The attached position paper on corporate sponsorships is the first in what is planned to be a series of reports on different potential partnership arrangements.

EXISTING POLICY/BY-LAW:
There are no existing policies or by-laws concerning corporate sponsorship or the naming of City corporate assets. However, as noted in the discussion paper, there are two by-laws that are related:

- By-Law 2000-134 A By-Law to Establish Purchasing Policies and Procedures for the City of Kingston
- By-Law 2000-177 A By-Law to Provide for Civic Addressing

There is also a Corporate Identity Policy, which was last amended in May, 2001. That has been updated in this paper to reflect the Draft Corporate Sponsorship Policy.

LINK TO STRATEGIC PLAN:
Although not specifically cited as a project, this is very much related to Getting Our House in Order.

FINANCIAL CONSIDERATIONS:
Corporate sponsorships provide potential revenue sources for the municipality as outlined in the appended position paper.

CONTACTS:
Cheryl Mastantuono, Manager, Policy and Support Services, Office of the Commissioner (ext. 1253)

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Executive Management Team; Gerard Hunt, Manager of Finance; Hal Linscott, Director of Legal Services; Sheila Hickey, Director Strategic Initiatives and Communications; Mark Fluhrer, Manager, Policy and Support Services, Office of the Commissioner; Malcolm Morris, Manager, Transit; Ann Pappert, Manager, Cultural Services; Carolyn Downs, Manager, Council Support; Adele Lafrance, Manager, Administration, Social Services; Tanie Steacy, Manager, Program Delivery, Social Services; Harold Tulk, Chief, Fire and Rescue; John Smith, Administrator, Rideaucrest; John Cross, Manager, Policy and Support Services, Office of the Commissioner; Jim DeHoop, Director, Information Systems; Bianca Bielski, Manager, Planning; Lynda Breen, Supervisor, Programs, Events and Aquatics; Cliff Edwards, Manager, Grand Theatre; Ed Leeman, Supervisor, Marine Operations; Ian Fraser, Consultant in Philanthropy, Market Square Community Task Force; Steve Kelly, President and C.E.O., K.E.D.C.O.; Bob Scott, President, Kingston Chamber of Commerce; Doug Ritchie, Managing Director, D.B.I.A.

NOTICE PROVISIONS:
No notice requirements.

APPENDICES:
APPENDIX "A" City of Kingston Draft Corporate Sponsorship Policy
APPENDIX "B" City of Kingston Draft Naming of Corporate Assets Policy
APPENDIX "C" City of Kingston Revised Corporate Identity Policy
APPENDIX "D" "Brought to You By…” Partnerships for the City of Kingston Part 1: Corporate Sponsorships
Lance Thurston
Commissioner, Department of Community Services

Bert Meunier
Chief Administrative Officer
APPENDIX “A”
CITY OF KINGSTON DRAFT CORPORATE SPONSORSHIP POLICY

A. Purpose:

This policy is intended to articulate the circumstances under which the City of Kingston will enter into corporate sponsorship arrangements and to outline the process for assessing and entering into sponsorship arrangements.

The City of Kingston is a respected public body that delivers a wide range of valued programs and services. Through sponsorships, private corporations and businesses may see value in associating their name with either the City itself or with one of our programs, services, facilities or initiatives while providing the City of Kingston with a new revenue source.

This policy is intended to provide guidelines that ensure that the goals of the corporate partner and the City are aligned, the public interest is respected and the integrity of municipal programs and services is protected.

B. Scope:

1. Except as otherwise set out, this policy shall apply to all direct business relationships between the Corporation of the City of Kingston and businesses which contribute either financially or in-kind to City programs, services or facilities in return for recognition, public acknowledgement, or other promotional considerations.

2. This policy shall not apply to:
   - instances when the municipality is the sponsor as it is intended to be used when the City is the recipient of a sponsorship
   - instances where the City of Kingston is one of several partners involved in hosting events
   - outside or external organizations receiving funding through the City of Kingston
   - advertising sales
   - funding or gifts in-kind obtained from other levels of governments through normal transfer payments or grant programs
   - sales of expertise, software, property, intellectual property & services, or other more complex public-private relationships involving the delivery of direct service
   - fees charged, purchase of service agreements, leasing of property, or similar revenue earned by the municipality
   - bequests, gifts and gifts-in-kind
   - volunteers

C. Definitions:

For the purposes of this policy, the following definitions will apply:

Advertising Sales:
The selling or leasing of advertising space on City’s printed materials and properties whereby the advertiser is not entitled to any additional benefits beyond access to the space purchased. Advertising is a straightforward purchase of space based on pre-established rates

Corporate Sponsorship:
A mutually beneficial business arrangement or partnership between the municipality and an external company, organization or enterprise wherein the external party contributes funds, goods, or services to a municipal project, service or initiative in return for recognition, acknowledgement, or other promotional consideration.
APPENDIX “A”
CITY OF KINGSTON DRAFT CORPORATE SPONSORSHIP POLICY (cont’d)

Donor Recognition:
Refers to the acknowledgement and expression of thanks issued for a sponsorship, the previously agreed upon terms of publicity and/or promotion that suitably reflect the impact of the sponsorship.

Gifts:
Contributions of cash given voluntarily toward an event, project, program or corporate asset as a philanthropic act, for which Charitable Tax receipt may be issued.

Gifts-in-Kind:
Contributions of corporate products and/or other assets without charge or purchase usually in return for published acknowledgement. Official Charitable Tax receipt may be issued based on ‘fair market value’ or it can be deducted as a business expense.

Volunteers:
The contribution of skills or time through volunteer service does not qualify as a donation as it cannot be deemed property as per the Canadian Income Tax Act.

D. Sponsorship Selection Guidelines
Acceptance of sponsorship will be based on, but not limited to, the following criteria:

1. The sponsorship must:
   - be beneficial for both parties
   - be consistent with the mandate, policies and objectives of the City of Kingston
   - enhance the development, delivery, awareness or continuance of one or more City programs, services, or facilities; or provide for the delivery of programs and services by the community in a manner deemed by the City to be efficient, effective and in the best interests of the community at large.
   - take into consideration the long term implications on staffing and financial resources after the term of the sponsorship agreement has expired
   - must be valued at a level consistent with the recognition or acknowledgement of the corporate partner
   - must give recognition in a manner designed not to detract from the physical attributes of a location, event, facility and service delivery and adhere to the City’s Visual Identity Policy respecting the use of the City Logo and Slogan.
   - be subject to any other applicable approval process mandated by legislation, regulation, bylaw or Council resolution
   - take into consideration the anticipated community impact of the sponsorship, particularly when the corporate partner’s products or public image may be deemed sensitive

2. The sponsorship must not:
   - imply endorsement of the company or its products and services and should prohibit corporate partners from making statements which suggest a company’s products and services are endorsed by the municipality
   - result in or be perceived as giving any preferential treatment outside of the sponsorship agreement
   - be accepted from individuals or corporations currently not in good standing with the municipality (i.e. currently in violation of a bylaw or under litigation)
   - cause a municipal employee or elected official to receive any product, service or asset for personal use or gain
   - be accepted from any corporations recognized as producing tobacco products
   - be accepted from any corporations recognized as producing beer, wine, or alcohol products except for special events not exclusively or primarily targeted at children or youth and held in facilities that can be licensed under the L.L.B.O.
   - be accepted from any corporations who in any manner portray, promote or condone stereotyping of any group or discrimination as defined by the Ontario Human Rights Code
E. Sponsorship Agreements

1. The agreement will be in the form of a letter (for sponsorships under $25,000 that do not include any naming rights) or a contract (for those over $25,000 and/or those involving naming rights). It will outline the following:
   - What the sponsor is contributing and what the value of the contribution represents
   - The obligations of both the sponsor and the City
   - The dispositions and ownership of any assets resulting from the sponsorship
   - Responsibility for the maintenance, insurance and taxes of all assets associated with or resulting from the sponsorship
   - The duration of the sponsorship
   - The licensing and use of the City’s and the Sponsor’s name, trade and service marks and other intellectual property, and any payment for such licensing and use
   - A cancellation provision and the remedies available to both parties upon cancellation

F. Process for Soliciting Sponsorships

1. Sponsorship opportunities valued less than $25,000 may be entered into for up to five consecutive years without a competitive process.
2. Sponsorship opportunities valued between $25,000 and $50,000 per year may be entered into for up to five consecutive years without a competitive process in the following circumstances:
   - Where only one suitable sponsor is available.
   - Where a particular sponsorship opportunity is the intellectual property of a particular proponent and where it is deemed that this concept would be beneficial to the City of Kingston.
3. Sponsorships valued between $25,000 and $50,000 require a competitive process when it does not meet the circumstances outlined above.
4. Sponsorship opportunities valued at over $50,000 and the sponsorship opportunity is limited or exclusive always require a competitive process.
5. Sponsorships that are for greater than a five-year term require Council approval.

G. Sponsorship Approval Process

1. Providing that all provisions of this Policy are met, there are no naming rights involved and provided that the value of the sponsorship is less than the pre-authorized limits set out in the City of Kingston’s Purchasing By-law, sponsorship agreements may be executed by City officials: up to $50,000 by Department Heads.
2. All sponsorship agreements over $50,000 and/or that involve naming rights must be approved by Council.
3. For tracking purposes, the C.A.O., Finance and Legal Divisions must be notified in writing of all sponsorship arrangements. A tracking system will be established in Finance to facilitate information sharing between staff and to provide annual reports to Council on the volume and type of sponsorships.
4. Any naming rights will be subject to the City of Kingston Naming of Corporate Assets Policy.
APPENDIX “B”

CITY OF KINGSTON DRAFT NAMING OF CORPORATE ASSETS POLICY

A. Purpose
This policy is to encompass the naming of any corporate asset including parks, open spaces, facilities, streets and other municipal buildings or properties. The final decision for naming of corporate assets will rest with City Council, including naming opportunities as a result of gifts and sponsorships. The naming of a particular corporate asset is important for public awareness, promotion and emergency access. Therefore, naming will be consistent with the City of Kingston’s vision and will not contravene any policy of the City nor reflect negatively on the City’s public image.

B. Intent
The intent of this policy is to:
- Continue the current traditional practice of naming municipal property, buildings and park elements after significant geographical, neighbourhood and historical elements;
- Recognize on an exception basis, significant contributions that organizations or individuals have made to the public life and the well-being of the people of Kingston;
- Provide direction of how to apply for approval to name, rename or dedicate municipal property, buildings or park elements.

C. Policy Statements
1. There are four main types of naming situations this policy intends to address:
   - Opening of a new corporate asset or reopening of a corporate asset following refurbishment
   - Honouring individuals or groups
   - Recognizing international, national or provincial events/competitions
   - Providing recognition of gifts, sponsorships and joint ventures

2. The selection of a name will be based on a number of criteria including but not limited to:
   - A longstanding local area identification with the residents
   - Understandable to the majority of citizens in Kingston
   - Consistent with any other applicable policies and naming guidelines
   - Assists with emergency response situations by being consistent with street names and geographical locations and meeting the requirements of Kingston Fire and Rescue, Kingston City Police, and Kingston Regional Ambulance Services
   - Consistent with sponsorship levels

3. Preference will be given to names that:
   - Give a sense of place, continuity and belonging reflecting the geographic location, community, neighbourhood or street where the corporate asset is located and/or;
   - Recognize the historical significance of the area and/or;
   - Reflect unique characteristics of the site and/or;
   - Reflect the type of service offered and/or;
   - Are in keeping with a selected theme and/or;
   - Honour individuals, living or deceased, who have made a significant contribution to the community

4. Names will not be chosen that:
   - Cause confusion due to duplication or names sounding similar to existing locations within Kingston
   - Are the names of tobacco companies
   - Lend themselves to inappropriate short forms or modifications
   - Are discriminatory or derogatory considering race, gender, creed, political affiliation, or other similar factors
   - Recognize the birth, marriage or anniversary of specific individuals (this can be done through individual dedications of benches and trees though Parks and Arenas)
APPENDIX “B”
CITY OF KINGSTON DRAFT NAMING OF CORPORATE ASSETS POLICY (cont’d)

5. Names of persons, organizations, corporations, foundations or their families will be considered when they have made a significant contribution to the City by:
   - Enhancing the quality of life and well-being of the City
   - Contributing to the historical or cultural preservation of the City
   - Contributing toward the acquisition, development or conveyance of land or building
   - Achieving excellence in their endeavours and representing Kingston in a meritorious manner
   And/or
   - Where there is a direct relationship or association that exists between former place of residence of the person or group and the asset to be named

6. Naming in honour of elected or appointed public officials, City administrative officials or staff shall occur only after their employment or public service has concluded (minimum 3 years).

7. Where the name of an individual is recommended after an in camera discussion, consent shall be obtained from the individual or their next of kin prior to Council’s public consideration.

8. Where the naming opportunity is as a result of a sponsorship or gift the following factors must be considered:
   - The significance of the contribution made relative to the construction and operating costs of the item being named
   - The cost of establishing the naming option (e.g. cost of the signage to be paid by the applicant unless the City has made the request for the name change)
   - Sunset clause associated with the length of time that the name will be used. Naming agreements may be renewed if the appropriate gift or sponsorship is received.

9. Existing names will not be changed without consideration of the historical significance of the existing name, the impact on the individual or organization previously named, the cost and impact of changing existing signage, rebuilding community recognition and updating records (i.e. letterhead, databases, promotional materials) Each application will be considered on a case-by-case basis.

D. Application Review and Approval Process

1. Applicant(s) shall submit a written request for civic naming to the City Clerk. The written request shall provide the following:
   - Background information concerning the rationale for consideration of the request;
   - Biographical information if named after an organization or individual; and
   - Documentation including letters from organizations and individuals providing substantial support for the request.

2. Each application for naming/renaming shall undergo a process which will:
   - Review the application for conformity with this policy
   - Circulate the application to the appropriate internal stakeholders for comment on the suitability of the application
   - Discuss in camera any naming in recognition of an individual prior to discussing it with the individual or next of kin.
   - Consult with external stakeholders in the community to the level of support or identify possible objections to the requested civic naming
   - Determine whether or not a special event is planned to coincide with the formal naming
APPENDIX “C”

CITY OF KINGSTON CORPORATE IDENTITY POLICY (Revised)

1. CITY OF KINGSTON APPLICATIONS

1.1 Slogan

The Slogan shall be used in conjunction with the City Logo on City letterhead and business cards except for instances noted in Section 1.6. In all other cases, the Slogan may be used in conjunction with the City Logo at the discretion of the appropriate senior manager.

1.2 Vehicles

The Coat of Arms shall be used on all City owned vehicles used by officials enforcing by-laws of the City of Kingston, i.e. Police, Fire and By-Law Enforcement. The City Logo shall be used on all other City owned vehicles. No other Logo shall be used on City owned vehicles, with the exception of the recycling vehicles, which may use the recycling symbol, and vehicles used by Utilities Kingston which may use the Utilities symbol.

1.3 Facilities

The City Logo shall be used to identify the following facilities:

- KEDCO’s Visitor Welcome Centre
- Grand Theatre
- Arenas
- Utilities Building (211 Counter Street Office)
- Municipal Parking Garages

The City Logo may be used on other facilities at the discretion of the appropriate senior manager, with the exception of City Hall, Police and Fire Stations that shall use the Coat of Arms.

1.4 Garbage Receptacles

The City Logo shall be displayed on garbage receptacles in the parks and along Princess Street.

1.5 Signs at Entrance Ways to the City

The City Logo shall be used on “Welcome to Kingston” signs at entranceways to the City and at the Airport, Bus and Train Stations and the Marinas. Location of the signs to be determined by the Commissioner of Operations.

1.6 Stationery

- Letterhead: all departments/divisions shall use the City Logo and Slogan on letterhead, with the exception of letters from the Mayor and Council, Police, Fire and Legal Services, and Council Support when reporting on Council decisions. These areas shall use the Coat of Arms. Utilities Kingston shall use its own logo.
- Business cards: the Mayor and Council may use two types of business cards: one with the City Logo and Slogan, and one with the Coat of Arms. Staff shall use the City Logo and Slogan, with the exception of Fire and Police Services, which shall use the Coat of Arms.
- Internal Memos: the City Logo and Slogan may be used on internal memos.
- Publications and Major Reports: the City Logo and Slogan or Coat of Arms (not both on one document) may be used on publications and major reports at the discretion of the appropriate senior manager.
- Fax Covers: The City Logo and Slogan may be used on fax covers.

1.7 Pins and Buttons

The City Logo may be used on pins and the Tour Guides shall wear I.D. buttons containing the Logo.

1.8 Internet

The City Logo and Slogan shall be placed on the opening page of the City’s web site and on KEDCO’s website.
APPENDIX “C”
CITY OF KINGSTON CORPORATE IDENTITY POLICY (Revised) (cont’d)

2. REQUESTS TO USE LOGO BY OUTSIDE AGENCIES

2.1 Outside Agencies

Requests from outside agencies, profit or non-profit, and requests for commercial use of the City Logo and Slogan, shall require Council approval;

If the City agrees to partner on a project with the Agency, the terms and use of the City Logo and Slogan must be outlined in the Corporate Sponsorship (letter/contract).

Use of the City’s Logo and/or Slogan, properly registered as a federal trade-mark, shall be governed by licensing agreements that include in part:
- an indemnity clause releasing the Corporation of the City of Kingston, its employees and agents of all liability in the event of damages to persons or property;
- an assurance by the event provider or manufacturer that they will provide insurance with adequate coverage to cover any and all costs and that written proof of that insurance shall be provided to the City of Kingston before publication or use of the City’s trademark;
- provision for pre-approval by the City of the use of its trademark,
- provision of notice period required to terminate the licensing agreement,
- grounds for termination, including inappropriate or unapproved use of the City’s trademark.

3. CITY LOGO AS A SOURCE OF REVENUE

3.1 Revenue Source

The City may generate revenue from the sale of t-shirts, baseball caps, big buttons, coffee mugs, spoons, etc. depicting the City Logo.

4. DESIGN STANDARDS

4.1 Design Standards

The City Logo and Slogan shall be used in accordance with guidelines contained in the design manual.

CITY OF KINGSTON LOGO AND SLOGAN DESIGN STANDARDS

The logo and slogan of the City of Kingston are registered trademarks. The following style guidelines govern all graphic reproductions of the trademarks to ensure that the City’s corporate identity is presented in a clear, consistent, and easily recognized fashion.

Style Guidelines
- The logo and slogan may be used together or separately.
- Use of secondary logos: if two logos appear on one page, the City Logo is dominant and the secondary logo may appear at the bottom of the page (the two must be separated)
- When used on vehicles – white “wart” should be avoided, especially when on a dark blue truck. To avoid this, simply place the logo in a square white box. (if square is slightly rounded at the corners, it doesn’t peel off)
- The logo and slogan cannot be distorted. A distortion is anything other than the trademarks as registered.
- The slogan must appear in lower-case italics.
- The logo must be sharp, clear, and surrounded by a protective zone of open space. The open space should be no less than ¼”. The logo must be separated from distracting elements and must not be dominated by other typeface or graphics.
- The logo may not be overprinted or combined with other designs.
- The logo may be reduced or enlarged but proportional changes and distortions are not permitted. The logo may not be reduced to less than 2cm in diameter.
- The logo may be reproduced in full colour (as per the registered trademark); or one colour in both positive and reverse.
- Attention must be paid to ensuring a high quality reproduction of the trademarks.
RECOMMENDATION TO COMMITTEE OF THE WHOLE:

WHEREAS the City has received unsolicited requests from the Kingston Symphony, H’art Studios, the Community Information Centre and the Social Planning Council for funding to support their operations;

AND WHEREAS the organizations have submitted proposals in accordance with the “Guidelines for Consideration of Purchase of Service Agreements” approved by Council in February 2003;

AND WHEREAS no money has been set aside in the 2004 budget to fund such requests;

THEREFORE IT IS RECOMMENDED THAT Council decline these requests at this time and the respective organizations be advised accordingly noting that this decision in no way is intended to reflect poorly on the quality of their services or the importance of their services to the quality of life in Kingston and area.

AND FURTHER THAT Council adopts an interim policy of not accepting unsolicited requests from community organizations for ongoing funding.

ORIGIN/PURPOSE:
Several community organizations have submitted business cases in support of requests for purchase of service agreements with the City. The purpose of this report is to seek Council’s direction on these requests.

OPTIONS/DISCUSSION:

Background
In previous reports to Council concerning the Community Services Investment Program, staff has indicated that funding through the Healthy Community Fund grant program was only one method of providing financial support to community groups and organizations. Another key component is “Purchase of Service” agreements. The City may enter into a purchase of service arrangement with a community organization to provide specific services to or on behalf of the City, that the City is not in a position to provide with its own resources. This funding appears as line items in the operating budget and does not go through a competitive process.
It is important to distinguish between the rationale for project grant funding such as the Healthy Community Fund and operational funding through Purchase of Service agreements. As envisioned through the City’s policy framework, funding through Purchase of Service Agreements is ongoing and helps to maintain and sustain the social and cultural infrastructure in a community by providing funding to certain organizations. Project grant funding, on the other hand, is time-limited and supports innovative and creative projects that encourage partnerships and collaboration, improve service delivery and enhance the quality of life. Appendix “A” contains a table of the funding for organizations included in the 2004 operating budget.

**Discussion**

When the Community Services Investment Program was initially brought forward to Council, it was staff’s recommendation that Council not entertain any unsolicited requests for purchase of service funding. It was staff’s view that Council should be determining its needs and service requirements through a proactive policy-based framework and not be reacting to proposals on an ad hoc basis. Council decided at that time that it would continue to hear unsolicited requests from community groups and organizations. No specific funding has been set aside in any subsequent budgets however, to facilitate any such new requests.

Council adopted guidelines for considering Purchase of Service agreements in February, 2003. (Appendix “B”) The guidelines require the submission of a business case, consultation with staff, and in turn a staff report to Council in which the proposals are brought forward for consideration.

Since implementing the new guidelines, the City has received business cases from the Kingston Symphony, H’art Studios, the Community Information Centre and the Social Planning Council. These requests total $262,958. The business cases from each organization are to form appendices to this report. Owing to their size and volume of paper, they have been provided under separate cover.

Each agency provides unique services to the community and contributes to the wellbeing of our residents and the overall quality of life in Kingston and area. Council was made aware of these funding requests by the Department of Community Services in its 2004 budget presentation. No funds however, were allocated in the budget to accommodate the requests.

**Options**

Council has generally three options it may wish to consider at this time:

- Decline the Proposals
- Fund any or all of the Proposals (whole or in part) in 2004
- Defer the matter for consideration as part of the 2005 budget process

There are “pros” and “cons” for each of the options Council may consider.

**Pros:**
- These organizations urgently need funds to enable them to continue to provide services in the community
- Ongoing funding will demonstrate the municipality’s commitment to maintaining & sustaining important elements of the quality of life in our community
- These organizations are providing unique services in the community that are not duplicated by others
Cons:

- Funding these groups now would be done out of context of other community needs and out of context with the Council budget cycle.
- There is no well articulated policy framework to guide Council or staff in assessing the relative merits of individual proposals; first come, first served in the absence of policy direction or budget allocation is not a desirable practice and exposes the municipality to potential challenge.
- Sustainable future funding for these groups would need to be included in the City’s operating budget in subsequent years. This is a significant challenge in light of Council direction to departments and other City-funded organizations to reduce net budgets.
- Without stable ongoing funding, some of the organizations advise that they are at risk of no longer being able to serve the Kingston community.

Summary
In adopting the Community Investment Program, City Council acknowledged that in some circumstances it is advisable, indeed perhaps preferable, to partner with community organizations in delivering certain community services and programs. These partnerships take the form of either finite project grants to organizations or ongoing funding for specific programs or services offered through an organization. Considerable time and energy has been expended on developing a policy framework and process for addressing grants, and by most accounts the grant program is meeting expectations.

Unfortunately, similar time and energy has not been put towards developing a policy framework to assist Council and staff in assessing the merits of requests from organizations for ongoing municipal funding. The City of Kingston has developed guidelines and a process for community groups wishing to approach Council with funding requests. Unfortunately there is no clear policy framework, apart from the broad scope of the community strategic plan or departmental goals and objectives, to assist Council and staff in assessing the relative merits of unsolicited proposals. Consequently organizations are undertaking business case development and staff are expending time to advise these groups in somewhat of a policy vacuum, which adds to frustration for the organizations if, after expending time and money to develop their proposals, they are declined by Council.

With core funding being cut from other levels of government, and in light of the City’s very limited resources, it is critical that Council not be entering into Purchase of Service agreements with organizations on a first come first serve basis. The City needs to be in a proactive position of determining what type of services it views as being required in the community to further its mandate and which organizations merit ongoing support in delivering those services.

In the absence of a more complete policy framework and given the City’s ongoing financial challenges, staff is not in a position to recommend ongoing funding at this time for either H’art Studios, the Community Information Centre, the Social Planning Council, or the Kingston Symphony.

Until the City has developed a policy framework to guide Council and staff in assessing ongoing service needs, it is the staff recommendation that Council establish an interim policy of not entertaining unsolicited funding requests.
EXISTING POLICY/BY-LAW:
Guidelines for Consideration of Purchase of Service Agreements

LINK TO STRATEGIC PLAN:
Getting our House in Order

FINANCIAL CONSIDERATIONS:
There are no funds set aside in the 2004 operating budget for new Purchase of Service agreements

CONTACTS:
Cheryl Mastantuono, Manager, Policy & Support Services (x1253)

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Hal Linscott, Director, Legal Services
Denis Leger, Commissioner, Corporate Services
Gerard Hunt, Manager, Finance Division
Ann Pappert, Manager, Cultural Services

NOTICE PROVISIONS:
Not applicable.

APPENDICES:
Appendix “A” – Community Funding in the 2004 Operating Budget
Appendix “B” – Guidelines for Consideration of Purchase of Service Agreements
Business Cases from Kingston Symphony, H’art Studios, Community Information Centre and Social Planning Council (under separate cover)

Lance Thurston
Commissioner, Department of Community Services

Bert Meunier
Chief Administrative Officer
### APPENDIX ‘A’
Community Funding in the 2004 Operating Budget

<table>
<thead>
<tr>
<th>Organization</th>
<th>Division Budget</th>
<th>Program Funded</th>
<th>2004 Net Operating Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Museum of the Great Lakes at Kingston</td>
<td>Cultural Services - DCS</td>
<td>General Operations</td>
<td>$64,439</td>
</tr>
<tr>
<td>Polson Free Methodist Church</td>
<td>Cultural Services – DCS</td>
<td>Skateboard Facility</td>
<td>$50,000</td>
</tr>
<tr>
<td>Seniors Association – Kingston Region</td>
<td>Commissioner’s Office – DCS</td>
<td>Recreation</td>
<td>$90,000</td>
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<td>Healthy Community Fund</td>
<td>Commissioner’s Office – DCS</td>
<td>Project Grants</td>
<td>$330,000</td>
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<td>Child Care Service Providers (31)</td>
<td>Children’s Services – DCS</td>
<td>Fee Subsidy</td>
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<tr>
<td>Child Care Service Providers (36)</td>
<td>Children’s Services – DCS</td>
<td>Wage Subsidy</td>
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<td>Special Need Providers (2)</td>
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<td>Special Need Support</td>
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<td>KFLA Health Unit</td>
<td>O.W. – DCS</td>
<td>Dental Administration</td>
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<td>Neighbourhood Sharing</td>
<td>O.W. – DCS</td>
<td>Utility Costs</td>
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<td>Emergency Hostels (5)</td>
<td>O.W. – DCS</td>
<td>Emergency Beds</td>
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<td>Home Care Organizations (3)</td>
<td>O.W. – DCS</td>
<td>Homemaking</td>
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<td>Literacy Providers (5)</td>
<td>O.W. – DCS</td>
<td>Literacy &amp; Job Skills</td>
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<td>Housing Providers &amp; Support Programs (22)</td>
<td>Housing – DCS</td>
<td>Subsidized Housing &amp; Homelessness Programs</td>
<td>$6,916,200</td>
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<tr>
<td>Agnes Etherington</td>
<td>Council Support – Corporate Services</td>
<td>City’s Art Collection</td>
<td>$500</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$8,854,779</strong></td>
</tr>
</tbody>
</table>
Guidelines for Consideration of Purchase of Service Agreements
with the Corporation of the City of Kingston
(Adopted by City Council 2003-02-25)

Rationale:
Within the City of Kingston there are a wide variety of charitable, not-for-profit and informal groups and organizations all contributing to the quality of life in our community through their programs and services.

As outlined in the Community Services Investment Program adopted by Council in September, 2001; the City of Kingston is regularly approached to provide operational funding to these organizations. Many funding programs, including our own Healthy Community Fund, are project-based. The funds are for a fixed period of time and only cover certain types of expenses that relate specifically to the project.

"Purchase of Service Agreements" provide core funding for identified activities within organizations. Organizations who have this type of agreement do not apply through a competitive grant process. Their funding is identified as a line item in the municipal budget. Their activities are evaluated annually on the basis of their merit and benefit to the Municipality and the community.

The financial capacity of the City to meet the growing demand for this type of support is very limited. In order to evaluate requests for Purchase of Service Agreements or offer this type of Agreement to an organization; a set of criteria and guidelines must be in place to ensure that each situation is evaluated against the same criteria/yardstick. The final decision on entering into a Purchase of Service agreement rests with City Council.

Purchase of Service Criteria:

The organization applying for a Purchase of Service Agreement (POS) with the Corporation of the City of Kingston must submit:

- two years of audited financial statements
- two years of Annual Reports
- a Business Case that includes information and verification of the following criteria:
  1. Provides services directly to the Corporation of the City of Kingston or to the community that the City of Kingston would otherwise be compelled or obligated to provide as it is deemed a priority in maintaining and/or enhancing the overall quality of life
  2. Is incorporated as a non-profit organization in the Province of Ontario and/or a registered charity by Revenue Canada
  3. Is in good financial standing with the municipality
  4. Provides services within the municipal boundaries
  5. Furthers the strategic priorities of the Corporation of the City of Kingston
  6. Contains a comprehensive description of the service(s) to be provided through the proposed agreement including, but not limited to:
     - a detailed annual budget that shows all sources of funding for the services being purchased, as well as a complete breakdown of the budgeted expenses
     - a program description
     - program/service evaluation methodology

In no instances will funding through a Purchase of Service Agreement be considered for:

- duplication of funding received from another funder
- budget deficits
- religious activities
- partisan or political activities
- activities that could be deemed discriminatory
- annual fund drives, capital campaigns or special fund raising events
- purchasing of land or buildings
- new construction
TO: Bert Meunier, Chief Administrative Officer
FROM: Terry Willing, Acting Commissioner, Planning and Development Services
Denis Leger, Commissioner, Corporate Services
PREPARED BY: Kimberley J. Brown, Infrastructure Engineer, Engineering Division
Brian Donaldson, By-Law Harmonization Officer, Council Support
DATE OF MEETING: June 22, 2004
SUBJECT: Harmonized Streets By-Law

RECOMMENDATION TO COMMITTEE OF THE WHOLE:

That a By-Law entitled “A By-Law to Regulate the Use of City Streets”, which is a by-law to harmonize the City’s policies on regulating or prohibiting certain activities on its highways, be presented on the understanding that this new harmonized Streets By-Law will come into effect on the day that it receives Third Reading and is passed;

-and further-

That a By-Law to amend By-Law No. 10 (former City of Kingston), “A By-Law Respecting Streets”, by deleting the provisions that deal with the use of the City’s highways, be presented on the understanding that this amending by-law will come into effect on the same day that the new harmonized Streets By-Law receives third reading and is passed;

-and further-

That a By-Law to amend By-Law No. 2-1994 (County of Frontenac), “A By-Law to Regulate the Use of and Traffic, Parking and Stopping on Highways and Bridges under the Jurisdiction of the Council of the Corporation of the County of Frontenac”, by deleting the provisions that deal with the use of former County highways, be presented on the understanding that this amending by-law will come into effect on the same day that the new harmonized Streets By-Law receives Third Reading and is passed;

-and further-
That the following fourteen (14) redundant or archaic by-laws that deal with activities on streets be repealed, on the understanding that the repealing by-laws will come into effect on the same day that the new harmonized Streets By-Law receives Third Reading and is passed.

1. By-Law No. 11 (1938) - “A By-Law to define Certain Areas within the Municipality of the City of Kingston in which the Streets shall be Cleaned”, which provides for the cleaning of certain designated streets as a local improvement at the expense of the property owners.

2. By-Law No. 12 (1938) – “A By-Law to define Certain Areas within the Municipality of the City of Kingston in which the Streets shall be Oiled”, which provides for the oiling of certain designated streets for maintenance purposes at the expense of the City.

3. By-Law No. 29 (1938) – “A By-Law Respecting the Sale of Firewood” (former City of Kingston), which requires vendors to issue detailed receipts to every purchaser of firewood.

4. By-Law No. 125 (1940) – “A By-Law Regulating the Delivery of Milk in the City of Kingston”, which establishes the hours during which milk can be delivered from October 1st to April 30th.

5. By-Law No. 772 (1950) – “A By-Law to Provide that Street Vendors shall Offer for Sale only Pre-Sealed and Pre-Packaged Goods” (former City of Kingston), which requires certain goods to be sold in pre-packaged containers.


7. By-Law No. 88-107 (1988) – “A By-Law to Prohibit the Selling or Disposing of Goods or Services on all Township Roads and Highways” (former Township of Kingston), which prohibits the selling of goods on municipal roads, except by farmers and market gardeners.

8. By-Law No. 89-67 (1989) – “A By-Law to Amend By-Law 88-107 Regarding the Selling or Disposing of Goods or Services on all Township Roads and Highways” (former Township of Kingston), which prohibits the selling of goods on vacant lots adjoining municipal roads.

9. By-Law No. 11-1948 (1948) – “A By-Law to Provide for Widening of Township Roads to 66 feet and the Payment of Same” (former Township of Pittsburgh), which deals with municipal agreements with adjoining owners regarding the acquisition of land for road widening purposes.

10. By-Law No. 13-1950 (1950) – “A By-Law to Amend By-Law No. 11-1948” (former Township of Pittsburgh), which provides for gates in fences that are moved back as a result of road widenings.

11. By-Law No. 10-80 (1980) – “Being a By-Law to Prohibit the Placing of Snow from Privately-Owned Property onto Township Sidewalks, Roadways or Highways” (former Township of Pittsburgh), which prohibits adjoining owners from placing snow on municipal roads.


13. By-Law No. 849-B (1954) – “A By-Law to Regulate the Location of Buildings and Other Structures on Lands adjacent to all Roads within the County Road System of the County of Frontenac”, which establishes a setback requirement from county roads.

14. By-Law No. 20-1997 (1997) – “A By-Law to Authorize the County Engineer to approve Traffic Control Signal Systems and Traffic Control Signals used in conjunction with a Traffic Control System”, which delegates this approval authority to the County Engineer.
ORIGIN/PURPOSE:
The proposed new Streets By-Law is part of the project of “harmonizing” the by-laws of the three former local municipalities and, in dealing with highway issues, the by-laws of the County of Frontenac as well. The two primary by-laws to harmonize are By-Law No. 10 (Streets) of the former City and By-Law No. 2-1994 (Traffic and Parking) of the County. The process has been made more complicated by the fact that By-Law No. 10, which was first enacted in December 1938 and amended many times over the years, is rather archaic. A considerable number of its provisions have been made redundant by subsequent legislative changes or by changing circumstances. These outdated provisions as well as certain other provisions, all of which are described in Appendix D to this Report, are not being carried forward. Another complicating factor is that By-Law No. 10 was designed to deal with a mainly urban setting, whereas a new Streets By-Law has to be suitable to rural and agricultural parts of the new City as well. The proposed by-law will not apply to the normal use of the City’s highways by vehicles for travel or parking, or to encroachments on highways, such as buildings, signs, equipment, hedges and fences. Instead it focuses primarily on the activities of people on highways and deals with a wide variety of matters, such as damaging roadways, boulevards and sidewalks, depositing materials, using in-line skates, riding bicycles on sidewalks, removing snow and ice, and attaching posters to utility poles.

OPTIONS/DISCUSSION:
One option would have been to deal with all highway-related issues in a single harmonized by-law. For practical reasons, however, these issues are being dealt with in a number of separate by-laws. A new Traffic By-Law, which consolidated all existing traffic regulations, was passed in July 2003. A new Encroachments By-Law, representing the second step of this process, was passed in May 2004. Subsequent steps, if this proposed Streets By-Law is passed by Council, would be the enactment of harmonized by-laws dealing with on-street parking and with private entrances.

EXISTING POLICY/BY-LAW:
Certain activities, such as those mentioned above, are currently regulated on some of the City’s highways by various by-laws. By-Law No. 2-1994 of the County of Frontenac contains provisions dealing with damaging highways, driving and moving vehicles with metal cleats, depositing mud and other materials, and moving buildings and structures. The applicability of this by-law is limited to those City highways that were formerly County roads, such as Taylor-Kidd Boulevard and Battersea Road.

By-Law No. 10 of the former City, first enacted in 1938, deals with some of the same issues, but also deals with a broad range of other issues, such as panhandling, recreational activities, and driving cattle. Many provisions were deleted from this by-law in May 2004 as a result of the enactment of the new Encroachments By-Law, such as those dealing with canopies and awnings. The enactment of a new Streets By-Law will permit the deletion of all remaining provisions of By-Law No. 10, with the exception of provisions that regulate private entrances to City streets, parking (in residential driveways), and the discharge of firearms on streets and in public places. The deletion of these provisions will need to await the enactment of harmonized by-laws dealing with these three matters.

The applicability of By-Law No. 10 is limited to City streets that are within the boundaries of the former City of Kingston. There are few by-laws regulating activities on the highways that were formerly under the jurisdiction of the two Townships, apart from those dealing with traffic and parking. If enacted, the provisions of the proposed new Streets By-Law will, however, apply to activities on all City highways.
In developing the proposed by-law, the main goal has been to harmonize the existing by-law provisions rather than to review them from a policy point of view. There is one significant exception to this approach. Section 4.10 proposes to incorporate into the proposed by-law the current policy followed by the City with respect to the use of pesticides on the City’s own property. This provision will, if it is enacted, prohibit property owners and licensed applicators from using pesticides for non-essential purposes on the boulevards of adjoining City highways. Its inclusion has been recommended by the Environmental Services Division, on the basis that it is reasonable to require others to adhere to the policy followed by City staff with respect to the use of pesticides on the City’s own property.

A second goal has been to determine whether the existing provisions, especially those of By-Law No. 10, remain relevant, or whether they have been made redundant by or need to be amended to reflect changed circumstances, legislative changes, or other by-laws or policies of the City. In the case of other applicable by-laws, references to these by-laws have been included in the proposed new Streets By-Law for purpose of clarity. A third goal has been to determine whether the existing provisions, such as those dealing with livestock on highways, are appropriate to both the rural and urban parts of the new City. A fourth goal has been, to the extent possible, to update the language of the provisions without changing their meaning, so that they do not sound quite so dated and are better able to deal with current circumstances.

**LINK TO STRATEGIC PLAN:**
“Getting Our House in Order” is one of the seven priority areas identified in the Community Strategic Plan that have been approved by Council for immediate action. The development of harmonized by-laws is an important element in establishing an effective and integrated municipal corporation, and in working with residents to build a sense of belonging to the new City.

**FINANCIAL CONSIDERATIONS:**
The primary financial implication is the proposed fees that applicants will be required to pay for obtaining a permit to move a structure or load that is in excess of the weight or dimensional limits established by the Highway Traffic Act. The proposed fees, which are to be increased each year by the rate of inflation, are based on the fees that were established in the new Encroachments By-Law, which was enacted in May. The proposed application fee of $84.00, including GST, is intended to be sufficient to cover the costs incurred by the City in reviewing each application for a permit, making a site inspection, and issuing the permit. The current fees, also including GST, are $139.70 for moves on former county roads, but only $27.94 on other City streets. Sections 4.68 and 4.69 of the proposed by-law will also permit the City, after giving advance written notice to an applicant, to charge additional hourly fees, as set out in Schedule A, if the particular circumstances make it necessary for City staff to spend additional time reviewing an application or to provide an escort during the period when the structure or load is being moved.

**CONTACTS:**
Terry Willing, Acting Commissioner, Planning and Development Services, 384-1770, ext. 3181
Speros Kanellos, Manager, Engineering, 384-1770, ext. 3133
Kimberley J. Brown, Infrastructure Engineer, Engineering, 384-1770, ext. 3132
Teresa Fraser, By-Law Harmonization Clerk, Engineering, 384-1770, ext. 3162
Brian Donaldson, By-Law Harmonization Officer, Council Support, 546-4291, ext. 1268.
DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Mark Campbell, Manager, Electric and Fibre Communications, Utilities Kingston, 546-1181, ext. 2207
Jim English, Pollution Prevention Specialist, Environmental Services, 384-1770, ext. 3138
Annette Lees, By-Law Harmonization Clerk, Building and Licensing, 384-6805, ext. 3152
Allen Lucas, Utilities Engineer, Utilities Kingston, 546-1181, ext. 2250
Paul MacLatchy, Manager, Environmental Services, 384-1770, ext. 3134
Mark McLaughlin, Associate Legal Counsel, Legal Services, 546-4291, ext. 3165
Jim Miller, Manager, Utilities Technical Services, Utilities Kingston, 546-1181, ext. 2475
Chris Sleeth, Traffic Supervisor, Engineering, 384-1770, ext. 3149
Damon Wells, Manager, Roads, 542-1436, ext. 103

NOTICE PROVISIONS:
There are no requirements for public notice.

APPENDICES:
Appendix A – Draft By-Law: “A By-Law to Regulate the Use of City Streets”
Appendix B – Draft By-Law: “A By-Law to Amend By-Law No. 10” (former City of Kingston)
Appendix C – Draft By-Law: “A By-Law to Amend By-Law No. 2-1994” (County of Frontenac)
Appendix D – Provisions of By-Law No. 10 which Have Not Been Carried Forward in the Draft By-Law.

Terry Willing, Acting Commissioner
Planning and Development Services

Dennis Leger, Commissioner
Corporate Services

Bert Meunier
Chief Administrative Officer
RECOMMENDATION TO COMMITTEE OF THE WHOLE:
WHEREAS the Grand Theatre is a property owned by the City of Kingston and will be undergoing a large capital restoration and renovation in the next two years;

AND WHEREAS community leaders wish to fundraise for this capital project within the legal framework of a charitable trust;

AND WHEREAS it is anticipated that the incorporation of this charitable trust will not be completed for upwards of nine months;

THEREFORE BE IT RESOLVED THAT:
1. Council approves of the Terms of the Agreement between the Corporation of the City of Kingston and the chairpersons of the Grand Theatre Restoration Fundraising Committee as outlined in Appendix A: Proposed Terms of Agreement; and

2. Council approves of the list of potential naming rights as one part of the Grand Theatre’s community’s fundraising plan as outlined in Appendix B: Naming Recognition Opportunities; and

3. Council authorizes our Legal Department to prepare and execute all required documentation to proceed.

ORIGIN/PURPOSE:
The origin of this report is the Council meeting of February 10, 2004, at which Council directed city staff to work with community representatives "to develop and report back to Council on the legal, financial and consultative framework that:
A. Links a proposed Grand Theatre Foundation to the City of Kingston in a manner that is compatible with the limitations as per the new Municipal Act, and;
B. Ensures that the fundraising effort of the Grand Theatre Foundation is appropriately supported in a manner that achieves its target fundraising goal towards the capital restoration and redevelopment of the Grand Theatre." (Report No: 04-058)
OPTIONS/DISCUSSION:
The Fundraising Feasibility Study and Strategy for the Grand Theatre acknowledges that the Grand Theatre's community of interest is committed to moving forward with a fundraising campaign under the leadership of an independent charitable trust. A great deal of momentum for the project has been attained and all recognize the time sensitive nature of this fundraising opportunity.

Appendix A: Proposed Terms of Agreement outlines in detail the expectations of the City related to the charitable trust, intellectual property, donor and naming rights, financial transactions, reporting and communications and the ad hoc committee’s representation on the project advisory committee.

Structure Highlights: It is noteworthy to identify the fact that it requires up to nine (9) months to establish a charitable trust, and we do not anticipate that incorporation will occur before work begins towards the aims of the trust. Therefore, community leaders have organized into an 'ad hoc fundraising committee' entitled the Grand Theatre Restoration Fundraising Committee. They are well organized and committed to: a) establishing a successful fundraising campaign to raise $2.6 M towards the Grand Theatre capital project; and, b) establish a charitable trust whose sole purpose would be the gathering of funds for the support of renovations to, restorations of, capital and other related needs of the Grand Theatre. Once the charitable trust is legally established, the Grand Theatre Restoration Fundraising Committee will be rolled into the structure of the charitable trust.

Financial Highlights: As outlined in Appendix A: Proposed Terms of Agreement, the Grand Theatre Restoration Fundraising Committee has established a formal relationship with the Community Foundation of Greater Kingston to deposit funds into a separate account and to act on their behalf in the transfer, deposit and management of funds received on behalf of this project. Once the charitable trust is established, the Community Foundation of Greater Kingston will transfer all funds to the trust.

Donors and Naming Rights Highlights: As the campaign shifts into high gear in late June of 2004, it is imperative that the Grand Theatre Restoration Fundraising Committee has approval from the City to pursue donors who seek naming rights to specific locations in the Grand Theatre. Appendix B: Naming Recognition Opportunities provides a list of options that will increase the possibility of the success for this venture.

While staff will be coming back to Council to consider criteria related to the eligibility of possible named corporations (i.e.: no cigarette companies), Appendix A: (section 6) identifies a methodology of protocols to ensure that the consent of the City is obtained and to allow the Committee to move forward.

Representation of the Fundraising Committee on the project: It is the intention to create an advisory committee to provide input on the Grand Theatre project as it proceeds. The Grand Theatre Restoration Fundraising Committee has indicated its desire to have two (2) representatives on the project advisory committee. A future staff report to Council will be seeking the establishment of this advisory committee.

Summary: Civic staff and the community fundraising representatives have reached consensus on terms of the attached agreement. It provides flexibility and efficiency in protocols and processes while safeguarding the interests of the City.

EXISTING POLICY/BY-LAW:
The Grand Theatre is a municipally owned and operated facility under the stewardship of the Cultural Services Division, Department of Community Services.
LINK TO STRATEGIC PLAN:
The Grand Theatre is an important cultural facility in this community and adds tremendous social and economic value to the Corporation of the City of Kingston. Culture is identified by City Council as a priority area in its Strategic Plan - Focus Kingston.

FINANCIAL CONSIDERATIONS:
The goal of the Grand Theatre Restoration Fundraising Committee is to gather funds for the support of any renovations to restore the Grand Theatre. They are seeking $2.6M in donations. As per Appendix A: Proposed Terms of Agreement, the Committee will bear the costs of their activities including:

a. the incorporation of the Charitable Trust including all related costs, expenses, fees and taxes;
b. the obtaining of independent legal, accounting, and other consulting advice in relation to such incorporation;
c. the planning and structuring of the Charitable Trust; and
d. the operation of the Charitable Trust including all related costs, expenses, fees and taxes.

Once the goal is achieved, the charitable trust could continue to provide further support to Grand Theatre opportunities related to future capital and operating objectives.

CONTACTS:
Ann Pappert, Division Manager, Cultural Services Division 546-4291 ext. 1341
Alan McLeod, Senior Legal Advisor, Legal Services 546-4291 ext. 1237
Cliff Edwards, Manager, Grand Theatre 546-4465 ext. 307

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Gerard Hunt, Manager, Financial Services (concurs with report) 546-4291 ext. 2205
Alan McLeod, Senior Legal Advisor, Legal Services 546-4291 ext. 1237

NOTICE PROVISIONS:
N/A

APPENDICES:
Appendix A: Proposed Terms of Agreement
Appendix B: Naming Recognition Opportunities
Lance Thurston, Commissioner
Department of Community Services

Bert Meunier
Chief Administrative Officer
APPENDIX ‘A’
Proposed Terms of Agreement

The Corporation of the City of Kingston

(Hereinafter “the City”)

And

Walter Fenlon and Fred Laflamme

(Hereinafter “the Committee”)

AGREEMENT

WHEREAS the Grand Theatre at Kingston, Ontario is a property owned by the City (hereinafter “the Grand Theatre”);

AND WHEREAS the parties wish to create a charitable trust for the purposes of support of renovations, restoration, capital projects and other purposes in relation to the Grand Theatre (hereinafter “the charitable purposes”);

AND WHEREAS the charitable trust is not anticipated to be incorporated before work begins towards the charitable purposes.

THEREFORE the parties agree as follows:

The Committee

1. The individuals (and described herein collectively as “the Committee”) who enter into this Agreement are jointly and severally obligated as set out under the terms of this Agreement.

The Charitable Trust

2. The Committee agree to incorporate a charitable trust (hereinafter “the Charitable Trust”) for the support of the charitable purposes. The Committee shall be solely responsible for:

   a. the incorporation of the Charitable Trust including all related costs, expenses, fees and taxes;
   b. the obtaining of independent legal, accounting other consulting advice in related to such incorporation;
   c. the planning and structuring of the Charitable Trust; and
   d. the operation of the Charitable Trust including all related costs, expenses, fees and taxes.

3. The Charitable Trust shall be incorporated by the Committee within nine months of the date of this Agreement and this Agreement shall be assigned by the Committee to the Charitable Trust within one month of its incorporation. The Charitable Trust shall be bound by all obligations of the Committee under this Agreement after its assignment except as amended thereafter with the written consent of the City.
4. The Committee shall be free to hire administrative staff and contract with parties of their choice including fundraising consultant and shall also be solely responsible for all related costs, expenses, fees and taxes.

**Intellectual Property**

5. Except as set out herein, the Committee shall not use the Intellectual property of the City in any way or hold themselves out as being agents or representatives of the City in any way without the written permission of the City. The Committee shall be entitled to use the name of the Grand Theatre as well as its logo, a copy of which is attached hereto as appendix “A”, for the charitable purposes, subject to the provisions of section 13 below.

**Donations**

6. Except as set out herein, the Committee shall not enter into a donation or naming right agreements in relation to the Grand Theatre without the consent of the City where the agreement is in relation to the following categories of donor or naming right set out in the proposal of the Committee’s fundraising consultant:

   a. Leader
   b. Builder
   c. Founder
   d. Corporate Leader
   e. Corporate Builder

In respect of other levels of donation, the City may advise of third-parties for whom its consent is required in relation to donations and naming rights.

7. The Committee shall follow the following protocols in relation to donations and naming right opportunities listed in section 6 above:

   a. The identity of sponsorship and naming right opportunities shall be forwarded to the Manager of Cultural Services for the City, or any person designated by the Manager of Cultural Services,

   b. The Manager of Cultural Services for the City, or any person designated by the Manager of Cultural Services, shall consider and provide or deny approval with each opportunity in accordance with the relevant policies of the City.

8. The Committee shall not contact persons in relation to existing donation or naming right agreements without the consent of the City but may contact such persons in relation to new donations or naming opportunities.
Financial Transactions

9. Until the incorporation of the Charitable Trust, the Committee shall transfer and have deposited all funds received in relation to the charitable purposes, whether received from persons associated with the Members of the Committee or individuals or corporations in the community, in a separate account set up by the Community Foundation of Greater Kingston. The parties acknowledge that the Kingston Community Foundation shall issue tax receipts directly to donors in relation to all funds received by them in their account.

10. The Committee has entered into an agreement with the Community Foundations of Greater Kingston, a copy of which is attached hereto, which includes confirmation that upon the formation of the Charitable Trust all funds in the separate account set up by the Kingston Community Foundation. The Committee shall not agree to the amendment of any term or terms of the Agreement with the Community Foundation of Greater Kingston without the consent of the City.

11. The City shall provide the services of a Project Manager who will provide a schedule of milestones to the Charitable Trust which shall set out a timetable for payments from the Charitable Trust to the City. The Community Foundation of Greater Kingston and the Charitable Trust shall pay out any payments required by the Project Manager according to the schedule of milestones within 10 days of notice of the milestone being provided by the Project Manager.

12. All funds received by the Community Foundation of Greater Kingston or the Charitable Trust in relation to the charitable purposes shall be solely expended towards the charitable purposes and reasonable administration costs associated with the charitable purposes. Upon the attainment of the charitable purposes, the City reserves the right to require payment of any and all funds from the Charitable Trust or, prior to the incorporation of the Charitable Trust, the Community Foundation of Greater Kingston subject only to their repayment to donors and the payment of the reasonable expenses of the Charitable Trust.

Reporting and Communications

13. The Committee shall report to the City on a monthly basis. Monthly reporting shall include the following:

   a. financial report including total and sub-totals for deposits for the preceding month as well as running total as well as expenses incurred; and

   b. a description of fundraising activities during the reporting period.

14. The City shall also be entitled to request the Committee to provide interim reports on any matter at any time.

15. All reports shall be provided to the Manager of Cultural Services for the City, or any person designated by the Manager of Cultural Services, who shall be responsible for distributing such reports within the City.

16. A communications plan with the public shall be developed by the Committee which shall be subject to the approval of the Manager of Cultural Services for the City, or any person designated by the Manager of Cultural Services;

17. All reports and communications provided under this Agreement are subject to the provisions of the Municipal Act, 2001, S.O. 2001, c. 25 and the Municipal Freedom of Information and Privacy Act, RSO 1990, c. M54 and cannot be considered confidential given the disclosure requirements which may exist under those and other relevant legislation.
Grand Theatre Advisory Committee

18. The City shall create an advisory committee to provide input to the Grand Theatre restoration and expansion Project Manager. The Committee shall be entitled to appoint two representative to this advisory committee. Membership of the advisory committee shall also include the Project Manager and such other appointments as the City deems necessary.

General Provisions

19. The following general legal provisions apply to this Agreement:

   a. The rights, duties, obligations and liabilities of each of the Parties pursuant to this Agreement shall be limited to those rights, duties, obligations and liabilities set out in this Agreement. Nothing herein contained shall be construed to create a partnership or joint venture between the Parties and the Parties, at all times, are and shall be independent legal entities.

   b. Each of the Parties agrees to execute all such other additional instruments and documents and to do such other acts and things as may be reasonably necessary to give full force and effect to this Agreement.

   c. The headings used in this Agreement are for reference purposes only and do not constitute substantive matter to be considered in construing the terms of this Agreement.

   d. Unless otherwise indicated, reference to section or subsection numbers are to sections or subsections, as the case may be, of this Agreement.

   e. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

   f. Time shall be of the essence of this Agreement.

   g. No waiver by any Party of the performance of any provision, condition or requirement herein shall be deemed to be a waiver of, or in any manner release the other Party from, performance of any other provision, condition or requirement herein; nor deemed to be a waiver of, or in any manner, release the other Party from future performance of the same provision, condition or requirement; nor shall any delay or omission by any Party to exercise any right hereunder in any manner impair the exercise of any such right or any like right accruing to it thereafter.

   h. This Agreement may only be amended or modified by the Parties by means of a written instrument executed by the Parties.

   i. This Agreement constitutes the entire agreement between the Parties and shall replace and supersede any prior agreement, representation or understanding, whether verbal or in writing.
APPENDIX 'A'
Proposed Terms of Agreement

j. This Agreement may be executed in counterparts, each of which taken together shall constitute one and the same instrument and shall become effective when a counterpart has been signed by each Party and delivered to the other Party hereto.

k. This Agreement will be constructed under and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

SIGNED, SEALED AND DELIVERED in the presence of
I/We Have the Authority to Bind the Corporation

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Naming opportunities are designed to provide prominence and recognition opportunities to the major individual and corporate donors. The donations do not reflect the actual cost of renovation for the named area of the Theatre.

The naming rights for each area would be held for up to 15 years, not in perpetuity.

The Theatre has already secured gifts in naming the Lobby (William Rupert Davies), the main auditorium (Regina Rosen) and the Lounge (Springer Lounge).

Properties within the Theatre Centre are available for naming. These include:
- External Courtyard (Founder, $200,000) e.g. Davies Courtyard
- Stage area (Founder, $200,000) e.g. Britton Smith Stage
- Baby Grand (Founder, $200,000) e.g. XYZ Studio Theatre
- Green Room/Rehearsal Room (major corporate sponsor, $100,000) e.g. Empire Life Rehearsal Studio
- Opera Lane (major corporate sponsor, $100,000) e.g. Alcan Opera Lane
- Acoustic Shell (Builder, $100,000)
- Back Stage area (Leader, $50,000)
- Orchestra Pit (Leader, $50,000)
- Theatre Opera Boxes (4) (Corporate Leader, $50,000)
- Lighting and Sound Booth (Leader, $50,000)

Many prominent Theatres have corporate or major donors names based on significant gifts - Hummingbird Centre (formerly O'Keefe Centre), Canon Theatre (formerly Pantages), Four Seasons Centre, Roy Thompson Hall, Massey Hall. While it is not the intention of the Grand Theatre Restoration Fundraising Committee to pursue naming rights the theatre centre itself, if opportunities are viable, they will be brought to Council for consideration. At present, the Committee is recommending that the Theatre naming rights could only be retained for an organization or donor who contributes more than $1 million.