RECOMMENDATION TO COUNCIL:

WHEREAS the City wished to have the benefit of an above ground infrastructure renewal plan for 36 blocks of the downtown area, which includes primarily the lands situated between Division Street to Lake Ontario and Place D’Armes, Queen Street and Johnson Street;

AND WHEREAS the Downtown Action Plan (DAP) was initiated on February 18, 2003, to carry out a 10-year capital plan for infrastructure in the downtown;

AND WHEREAS the Plan is devised as a series of prioritized, phased projects that could be completed as financing and logistics permit;

AND WHEREAS the preparation of the Plan involved significant stakeholder consultation and two open houses, where preliminary recommendations were presented;

THEREFORE BE IT RESOLVED that the Downtown Action Plan: An Infrastructure Renewal and Public Open Space Plan, dated March 2004, be accepted in fulfillment of the Terms of Reference, that the report be received, and that the Plan’s recommendations be approved in principle;

AND BE IT FURTHER RESOLVED that the Downtown Action Plan be forwarded to the Office of the Commissioner of Planning and Development Services to assist with the coordination, implementation and monitoring of the Downtown Action Plan;

AND BE IT FURTHER RESOLVED that the study be forwarded to other Municipal Divisions, as warranted, for information and as a guide for implementation;
RECOMMENDATION TO COUNCIL: (Cont’d)

BE IT ALSO RESOLVED that the following strategies be considered during the 2005 budget preparation and deliberations:
(a) to reallocate a portion of the utilities and road reconstruction budgets and to find additional monies for the Downtown Action Plan project;
(b) to review the scope of the electrical component of the infrastructure replacement programme. This component represents 25% of the entire budget for the DAP;
(c) to lengthen the time span for implementing the DAP from 10 to 15 years.

ORIGIN/PURPOSE:

The purpose of this report is to present the final report for the Downtown Action Plan (DAP) entitled, *Downtown Action Plan: An Infrastructure Renewal and Public Open Space Plan* and to discuss some of the issues and recommendations of the Plan.

In 2002, Council approved the Terms of Reference for the Downtown Action Plan, and further, on February 18, 2003 supported a resolution to retain the consulting team led by Corush Sunderland Wright Ltd. to undertake the Plan. Work on the project began in March 2003.

The resulting report, *Downtown Action Plan: an Infrastructure Renewal and Public Open Space Plan* is intended to further refine the work and principles set out in the *Downtown Design Concept* approved by Council 2001. The Plan was spurred on by the need to replace the underground utility infrastructure (storm and sanitary sewers, waterlines, electrical, telecommunications and fibre optics) in the downtown study area. The Plan will form part of Kingston’s 10-year Capital Plan for the infrastructure in the downtown. Beyond the infrastructure replacement, the DAP will direct increased green space and connections to the waterfront; coordinate streetscape improvements with the replacement of underground services; identify opportunities for tourism, recreation, and entertainment; and improve traffic movement. The Plan specifically addresses in detail above-ground features such as signage, lighting, benches, sidewalks and paving materials.

OPTIONS/DISCUSSION:

The study was administered by a Technical Steering Committee and was supported by a Task Force. The mandate of the Task Force for the Downtown Action Plan was to mobilize resources within various City departments and the community, act as a forum for discussion with the consultants and to serve as a communications link between the City and the entire community. It recommended that the DAP be forwarded to the Office of the Commissioner of Planning and Development Services to assist with the study’s coordination, implementation, and monitoring. This role, through the Commissioner’s Office, will continue as the primary source of information between City Departments, Council, the media, and property owners in the downtown. This function will become critical when implementation of the infrastructure replacement is underway over a period of several years.
OPTIONS/DISCUSSION: (Cont’d)

As a result of meetings of the Technical Steering Committee and Task Force from October 2003 to May 2004 the following ideas (in bold text) were discussed and supported. Note Appendix 2 is an addendum referencing further discussions on key issues from the DAP.

1. There is a consensus within the City to proceed with this project

   Generally, it was supported through the public consultation process and review of the Plan by various City Departments that there is agreement as to the importance of this project and that the City should make plans to proceed with it.

   Staff have noted that the lifespan of the below ground infrastructure was already approaching its end when the “facelift” on Princess Street was done in 1980. The infrastructure is now 25 years older, and in greater need of replacement.

2. It is recognized by the City’s Finance Division and Utilities Kingston (UK) that there is inadequate revenue at this time to proceed with this project. However, the importance of this project is realized and there is a desire to find new ways of financing it.

   A number of meetings have been held with City staff and Utilities Kingston to discuss ways of addressing the magnitude of this project and the ability of the City to pay for it. There have been some creative solutions offered to help bridge the desire to begin implementation and the ability to pay for improvements. Some of these suggestions warrant further examination and include:

   - a willingness by UK and City Engineering to reallocate a portion of the water, sewer, and road reconstruction budget dollars to the downtown;
   - elimination of some of the electrical infrastructure replacement component from the project at this time. It should be noted that the cost of replacing the electrical infrastructure represents about 25% of the entire DAP budget. UK may consider methods of phasing this work over a longer time span;
   - increasing utility rates. However, rates have gone up significantly already and this is not a realistic option. It should be noted that electrical rates are regulated;
   - exploring further the feasibility of moving underground transformers and switchgear to the surface which would lower capital costs and reduce operating/maintenance costs;
   - consideration of a special tax allocation in 2006 to address downtown infrastructure and whether the levy funds rate based infrastructure or whether there is a surcharge on rates;
   - consideration of a loan by the City to UK to do the work on the City’s behalf;
   - reviewing of repair options or new technology to prolong the use of the infrastructure;
   - quantifying how much is being spent on roads, water, sewer and associated repairs in the downtown and transfer this amount to the DAP;
   - lengthening the time span for implementing the DAP from 10 to 15 years. The Finance Division indicates that major work would have to be delayed by up to 7 years when some of the larger projects are completed and financial relief can be expected; and,
   - expanding debenture funding, increasing spending on DAP capital works, using less pay-as-you-go and more debenture financing.
OPTIONS/DISCUSSION: (Cont’d)

3. There is no conflict between short-term actions and long-term replacement of the infrastructure.

It is recognized that the City is concerned that the tight timelines might be exceeding the City’s ability to finance this project. Due to the City’s other major projects, the Finance Division estimates that significant money to implement this project will not be available for about 7 years.

In the interim, there is momentum to begin some implementation. Therefore the remedial or transition component of the Plan is a critical piece (refer to Appendix 1). Many members of the public have expressed the concern that giving the downtown another “facelift” is a poor temporary measure and a waste of resources. However, there is increasing concern expressed by members of the Business Improvement Association (BIA) that downtown is showing wear and is, in areas, run down, fragile, and losing tenants. The BIA also expressed that it has been promised infrastructure replacement for 7 years and nothing has begun.

The 1984 renovation to the downtown (which the BIA is just finishing paying for) was just a surface treatment and now needs complete replacement. A remedial plan which includes the areas unlikely to be addressed within the next 7-10 years would benefit from a freshened road surface. A good cleanup, including a declutter and shave and pave, may give the downtown a psychological lift until the City of Kingston is positioned to do the whole project. This would apply especially to those areas at the end of the project timelines, and keep them viable until full reconstruction.

4. There is a need for continued project coordination and monitoring

Creating measurable indicators and monitoring progress were seen to be important steps in this process. In the City of Kitchener, one of the keys to its successful Downtown Monitoring Plan was the establishment of a Committee to champion downtown revitalization. In the City of Kingston, this role will be facilitated through the Office of the Commissioner of Planning and Development Services. The role of the Commissioner’s Office will be to continue with the coordination, implementation, and monitoring of the Downtown Action Plan.

As mentioned above, continued monitoring and an annual monitoring report is a critical piece of the success of the DAP’s implementation. This monitoring report should establish baseline data as Kitchener did to set targets. Measurables or indicators such as new business start ups, increased number of residents downtown, and money spent could be used to measure progress and success.

One way to metaphorically describe the DAP is as an “umbrella”. The Plan has under it many projects and once again initiates annualized road reconstruction activity in the downtown. There are five projects coming forward in 2004/2005 that can be considered a “project kick off” to the DAP and include:

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>Cultural Services - $70,000 for waterfront and park improvements</td>
</tr>
<tr>
<td>2004</td>
<td>Operations budget of $555,000 for parking related improvements</td>
</tr>
<tr>
<td>2004</td>
<td>Wellington Street Harbour Front Trunk Sewer – (OHIP to Cataraqui Street - starts 2004)</td>
</tr>
<tr>
<td>2004/2005</td>
<td>Clarence Street (between Ontario and Wellington Streets) - Engineering budget of $400,000 for final lift, concrete work and furnishings as per enhanced streetscape treatment, Fort Frontenac archaeological, pre-engineering</td>
</tr>
<tr>
<td>2005</td>
<td>Wellington Street Harbour Front Trunk Sewer – (Princess Street to OHIP - starts in March 2005) – with enhanced streetscape treatment</td>
</tr>
</tbody>
</table>
OPTIONS/DISCUSSION: (Cont’d)

Public Consultation Process
There was significant feedback between the City and the BIA throughout this study. The public consultation process included a dedicated e-mail address, newsletters and public open houses to obtain constant feedback. There was also ongoing stakeholder representation through the Technical Steering Committee and Task Force. Staff and the consultant organized a drop-in session on Princess Street on June 4, 2003, with over 50 members of the BIA and the public participating throughout the day and evening.

Three open houses were held at various times on September 24, 2003 and preliminary recommendations were presented. The sessions were attended by over 100 people and staff received over 30 written comments. The reaction to the preliminary recommendations and the study direction as presented by the consulting team was very favourable, especially with respect to the improvements to the visual landscape of the downtown.

Other Related Studies
There were several other ongoing City studies that were considered and reviewed in the preparation of the DAP to ensure consistency between studies and an exchange of information and ideas both interally amongst staff and between consulting teams.

The North Block Central Business District Study (approved in principle by Council on April 20, 2004)
The study shows that a wide range of development opportunities exist for the four and a half block study area and that with the recommended urban design guidelines, new development can strengthen this central core area in a way that will complement the downtown’s heritage character. A number of topics were covered in this study, including urban design compatibility, heritage issues, and priority locations for retail uses, streetscape treatment, views to the water and to City Hall, and brownfield issues.

The major recommendations of this study include keeping height limits within the study area, but deleting the associated storey restrictions, and considering removing commercial ground floor requirements away from major commercial areas. There is also the recommendation to increase the density limits. All of these recommendations when implemented through official plan and zoning amendments should help to “kick-start” redevelopment for this area.

Cycling and Pathways Study (approved in principle by Council on January 20, 2004)
The intent of this study was to create an inventory and assessment of existing pathway systems in the City of Kingston. The study examines linkages and connections and proposes new pathway extensions and upgrades as well as harmonizes planning policies and provides costing on the proposed improvements. This study is linked to the Transportation Master Plan and the Waterfront Strategy. The Downtown Action Plan incorporates the findings of this report and builds on them where possible.

Market Square (final site plan approval received in August 2004)
The Market Square of Kingston is located immediately behind City Hall. The Market Square is bounded by Market Street, King Street and Brock Street. In 1996, a Task Force was struck to review plans for the revitalization of the Market Square. The results of the review led to the City approval in principle of a concept (site) plan in 2003. The concept shows changes in street parking, the removal of 50 parking spaces on the square and the installation of a skating rink. There are changes to underground servicing and installation of new surface treatment. The plan depicts new outdoor furniture, an amphitheatre, a fountain and new lighting. The site plan received final approval in August 2004.
OPTIONS/DISCUSSION: (Cont’d)

Final Conclusion
There appears to be consensus internally and in the community that the Downtown Action Plan is needed and the design direction of the DAP is sound. The public has indicated strong support for the DAP ideas and recommendations, especially those that impact the visual landscape of the downtown. This is an affirmation of the design direction presented in the Downtown Design Concept and is an endorsement for change and renewal in the downtown. Though financing is a challenge, there is a will to explore new ways of financing, in order to put money towards planning for future infrastructure replacement. The project has both short-term and long-term actions which are practical in the context of the timelines for this project (especially if extended to 15 years). This project in order to be successful needs to be carried forward, coordinated, implemented, and monitored.

Next Steps
There are several pieces of the DAP which will be ongoing and several items that will need to be further implemented.

Downtown Architectural Guidelines - These guidelines are proposed to be completed in 2004. The purpose of the Downtown Architectural Guidelines Study is to provide the City of Kingston with guidelines which take into consideration the downtown’s unique location and circumstances. This will be a study of the architectural character and guidelines for façade renewal, courtyard development, and new construction. Through an examination of acceptable architectural forms, this study will assist private and public sectors in the development of an acceptable built form and simplified approvals process. The architectural guidelines will provide assistance to private sector property owners and will complement the design of the public right-of-way and public open spaces as proposed in the DAP.

Continued Project Coordination and Monitoring – It is recommended that the Office of the Commissioner of Planning and Development Services will assist with the coordination, implementation and monitoring of the DAP.

Implementation (short-term) – The transition plan for 2004 (refer to Appendix 1) is the return of annualized road reconstruction activity in the downtown. The Engineering Division will coordinate construction activity. Staff from various departments will need to work together to address the financial needs in creative ways in the 2005/2006 budgets. Particular attention should be paid to the following options:

- to reallocate a portion of the road, water and sewer reconstruction budgets to the downtown;
- to review the implications of removing some of the electrical component from infrastructure replacement and/or permitting vaults and switchgear to be located on the surface. The electrical costs represents 25% of the entire budget;
- consider for 2006, the implementation of a special levy to address downtown infrastructure;
- to lengthen time span for implementing the DAP from 10 to 15 years;
- to consider increased spending on DAP capital works by using more debenture financing; and,
- to assess combined sewers versus separated sewers.
EXISTING POLICY/BY-LAW:

N/A

LINK TO STRATEGIC PLAN:

The study will link to a number of initiatives of the Community Strategic Plan, adopted by Council on October 24, 2000. The most recent “FOCUS” Strategic Plan Working Document, May 2002, sets out a number of priority areas, and describes the current state, proposed strategies and performance indicators for each. The applicable priority areas include the Official Plan Initiative and the Long Range Infrastructure Plan Initiative. Also, there will be links to the Transportation Master Plan, the Culture, Heritage, Parks and Recreation Strategy, the Economic Prosperity Initiative and the Environmental Initiative.

FINANCIAL CONSIDERATIONS:

The 2002 Capital Budget allocated One Hundred and Eighty Thousand Dollars ($180,000) for this study. This project has been completed within the budget envelope.

CONTACTS:

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Bianca M.V. Bielski, Manager, Planning Division, 384-1770, ext. 3250
Terry Willing, Acting Commissioner, Planning & Development Services, 546-4291, ext. 1150

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Gerard Hunt, Manager, Finance Division, 546-4291 ext. 2205
Speros Kanellos, Manager, Engineering Division, 384-1770, ext. 3133
Mark Segsworth, Commissioner, Operations Department, 546-4291, ext. 1345
Jim Miller, Manager, Utilities Technical Services, Utilities Kingston 546-1181, ext. 2475
Ann Pappert, Manager, Cultural Services, 546-4291, ext. 1341

Technical Steering Committee:
Terry Willing, Acting Commissioner, Planning and Development Services, 546-4291, ext. 1150
Bianca Bielski, Manager, Planning Division, 384-1770, ext. 3250
Cherie Mills, Supervisor, Land Use Policy, Planning Division, 384-1770, ext. 3289
George Wallace, Supervisor, Development Approvals, Planning Division, 384-1770, ext. 3252
Shirley Bailey, Senior Policy Planner, Planning Division, 384-1770, ext. 3253
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Doug Ritchie / Jay Abramsky, Downtown Business Improvement Area, 542-8677
Task Force Members:
Mayor Harvey Rosen
Councillor Rick Downes
Councillor Floyd Patterson
Councillor Leonore Foster
Bert Meunier, CAO

NOTICE PROVISIONS:

No notice provisions apply to this project at this time.

APPENDICES:

Appendix 1 – Transition / Implementation 2004 / 2005
Appendix 2 – DAP Report - Updated Addendum

Terry Willing,
Acting Commissioner of Planning & Development Services

Bert Meunier,
Chief Administrative Officer
# DOWNTOWN ACTION PLAN – TRANSITION / IMPLEMENTATION 2004 / 2005

<table>
<thead>
<tr>
<th>Dept./Associated Project</th>
<th>Capital Projects</th>
<th>Budget 2004</th>
<th>Budget 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities Kingston</td>
<td>Spring 2005 - Wellington Street from Place D'Armes to Princess Streets. Implement premium quality streetscape between Princess and Queen Streets.</td>
<td></td>
<td>Total approx. $3 million (surface infrastructure approx. $850,000)</td>
</tr>
<tr>
<td>PDS/Engineering</td>
<td>Clarence St. - street furniture, lights, paving (2004-2005)</td>
<td>$400,000</td>
<td>Defer to 2005</td>
</tr>
<tr>
<td>PDS/Engineering / North Block</td>
<td>Remove free-flow right lane from Place D'Armes to Ontario Street and reinstate with turf. Reconfigure intersection of Place D'Armes and Ontario Street; install traffic signal.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural Services</td>
<td>Fill in gaps along existing waterfront path so that there is a continuous paved surface along the water through downtown.</td>
<td>$70,000</td>
<td></td>
</tr>
<tr>
<td>Cultural Services</td>
<td>Confederation Park - Relocate three sculptures, remove flagpoles and Centennial Fountain (Fall). Decline gift from RMC.</td>
<td>? (part of $70,000)</td>
<td></td>
</tr>
<tr>
<td>Cultural Services</td>
<td>Construct path through Boucher Park and St. George's Cathedral to King Street, and plant ornamental trees at west end of park. Develop renewal protocol with St. George's.</td>
<td>? (part of $70,000)</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Pay and Display machines</td>
<td>$500,000</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Park It signage</td>
<td>$45,000</td>
<td></td>
</tr>
<tr>
<td>Operations/BIA</td>
<td>Bike racks</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Landscape improvements around parking lots</td>
<td>$33,000</td>
<td></td>
</tr>
<tr>
<td>PDS</td>
<td>Complete North Block Study (April 2004) implementing amendments by fall 2004</td>
<td>Funds approved in 2003</td>
<td></td>
</tr>
<tr>
<td>PDS/Engineering</td>
<td>Incorporate sidewalk patio and café standards into by-law</td>
<td>In-house</td>
<td></td>
</tr>
<tr>
<td>PDS/Planning</td>
<td>Downtown Architectural Guidelines – includes Architectural Character Statement, Façade Improvement Guidelines for Princess Street, Courtyard Development Guidelines and Case Studies</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>PDS/Engineering</td>
<td>Implement consistent closure of Ontario Street every weekend from July 1 to Labour Day. Develop Ontario Street Scenic Route design concept.</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Operations/Planning</td>
<td>Building Conservation Master Plan – City Hall, 19-23 Queen Street and 209 Ontario Street included in review. Incorporates findings of MAP and CIS. In 2002-2003 over $1 million invested in restoration and repair of City Hall.</td>
<td>(2003 - $25,000 to undertake study. Approval in 2004)</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Power wash sidewalk pavements. Repaint site furniture and reset pavers in boulevards where uneven.</td>
<td>?</td>
<td></td>
</tr>
<tr>
<td>Cultural Services</td>
<td>Create annual flower beds or large pots at Confederation Park and Boucher Park. Encourage business sponsored floral program in large pots in Historic District. Link with Communities in Bloom.</td>
<td>?</td>
<td></td>
</tr>
<tr>
<td><strong>Budget Total</strong></td>
<td><strong>$1.075 million (Est.)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Discussion by the Technical Steering Committee and Task Force at several meetings, particularly the April 22, 2004 Final Meeting of the Technical Steering Committee, raised a number of issues that are addressed by this addendum.

There appears to be consensus internally and in the community that the project is needed and the design direction of the DAP is sound. The public has indicated strong support for the DAP proposals and its ideas. This is an affirmation of the design direction presented in the Downtown Design Concept and is an endorsement for change and renewal in the downtown. Though financing is a challenge, there is a will to explore new ways of financing, as well as, the reality of putting money towards planning for future infrastructure replacement. The project has both short-term and long-term actions which are practical in the context of the timelines for this project (especially if extended to 15 years). This project needs to be carried forward and needs to be coordinated and monitored.

Some outstanding issues that still need to be discussed and resolved are as follows:

(a) **Financing** – There is an ongoing financial challenge for a project as wide ranging as the DAP. The report to Council indicates a number of innovative financing approaches that need to be discussed and implemented to address ongoing budget needs. The Finance Division needs to coordinate the discussion of the options with the various departments and make recommendations to Council in 2005.

(b) **Market Square** – There has been some support that Market Square should be the lead project to kick off the DAP. However, the Harbour Front Trunk Sewer project on Wellington Street and the final finish on Clarence Street are identified as project start points in 2004 because of known budgets and timelines. Both these projects will have an immediate and visible impact on downtown, and therefore should lead the process. It should be noted that Market Square project originally was not included in the DAP as it preceded the DAP and had its own standards and budget. There is a reference on Page 38 of the report regarding the $634,000 referenced for Market Square and Market Street, that figure is for the roadway meeting at the curb line to Market Square in the standard finishes in asphalt and concrete proposed in the DAP. This is not the higher level finishes proposed in the Market Square redevelopment which would cost considerably more. Detailed budget estimates will be developed now that the Site Plan design has been finalized.

(c) **Phasing the project block by block vs. lineal segments** – A number of people expressed a desire to see the plan implemented “block by block”. They felt that the current phasing based on stretches of road would result in unacceptable impacts on property owners, who would be impacted by construction several times over the course of the project, and that the block approach would result in areas completed to a high level of finish, hence gaining the support of the community to continue the work.

The lineal phasing in the report was proposed because it is a flexible and efficient method of taking bite-sized stretches of road. The rationale is that pipe services will drive this project, working uphill from Lake Ontario. This approach allows the Engineering Division to make efficient and flexible phasing decisions, based on built data which is still being collected and solutions that can be modeled in advance of the work.

To deal with the block by block approach, the staging of the sections has been laid out in sequence.

(d) **Monitoring and coordination** - Creating measurable indicators and monitoring progress were seen to be important steps in this process. In the City of Kitchener, one of the keys to its successful Downtown Monitoring Plan is the establishment of a Core Committee to champion the downtown revitalization. In the case of the City of Kingston, options for continued coordination and implementation were discussed.

Also critical to the DAP would be to start an annual monitoring report. This report should establish baseline data as Kitchener did to set targets. Measurables or indicators such as new business start ups, increased number of residents downtown, money spent could be used to measure progress and success.
TO: Bert Meunier, Chief Administrative Officer

FROM: Mark Segsworth, Commissioner of Operations

PREPARED BY: Brad Finch, Airport Manager

DATE OF MEETING: September 7, 2004

SUBJECT: Declaring Hangar Nos. 3 and 5 Surplus

RECOMMENDATIONS TO COUNCIL:
That a by-law be presented to City Council to declare Hangars 3 and 5 at the Kingston (Norman Rogers) Airport to be surplus.

ORIGIN/PURPOSE:
The hangars at Kingston (Norman Rogers) Airport were constructed in 1941. The intent of this report is to address the City’s requirement for Hangars 3 and 5 at the Airport.

OPTIONS/DISCUSSION:
A number of studies on the structural integrity of the hangars have been commissioned since the 1980’s. The City has responded to these studies by having work periodically done. For example:

1. In September 1988 an inspection report was completed by McNeely Engineering and Structures Limited. McNeely Engineering was asked by the City to comment on the condition, life expectancy, and cost of annual maintenance on these hangars. A report dated March 6, 1989 was received with recommendations. Recommendations at that time indicated that the life expectancy could well exceed twenty (20) years with proper maintenance and that it would be beneficial to proceed with the installation of new roofs of the metal standing-seams type to prevent further degradation of these large structures.

2. In the 1980’s, new roof sheeting was installed on Hangar No. 3, by an earlier tenant, at its cost, in accordance with its lease agreement. In 1991, the City of Kingston installed new metal deck roofing on Hangar No. 4 and the south half of Hangar No. 5, at a total cost of $214,543.59.

3. In December 2000, Stantec Consulting Ltd was asked to perform a Structural Condition Survey of Kingston Airport Hangars 4 and 5. In 2001, this company also did a modified inspection of Hangar No. 3. The appropriate repairs to Hangars 4 and 5 were undertaken at a total cost of $144,553.69. Another of the recommendations was that flat roofed buildings of this age should have a study done on their structural integrity every five years. The next study ($10,000 for each hangar) will be due in 2005.

In the fall of 2001, McGugan & Associates Inc. was hired to prepare an Appraisal Report as to the Value of Hangars 4 and 5. Excerpts from this report are listed below:
Page 28  "...a total replacement cost of approximately $1,550,000 for each of the subject buildings..."

Page 30  "The Marshall Valuation Service estimates the typical total life expectancy of a wood frame Aircraft Storage Hangar to be approximately 30 years." [NOTE: The hangars are already 63 years old.]

Since 1980 the City has spent approximately $45,000 and $315,000 on Hangars 3 and 5, respectively*. These monies were made available through specific requests for Capital funding each year as no Capital Reserve Fund Program was in place for the hangars.

In Summary, the City has two hangars (3 and 5) that are 63 years old. In round numbers the City has spent approximately $350,000 on major repairs to both buildings over the past twenty plus years and could expect to spend another $100-200K on each hangar over the next few years. Even if the repairs are effected there is no guarantee with buildings of this age that more expensive unforeseen repairs won’t be required.

Given the fact that the City does not utilize these buildings for Municipal purposes and that expenses outweigh revenues it is being recommended that the buildings be declared surplus.

*These totals do not include funds spent by Tenants on Hangar 3.

EXISTING POLICY/BY-LAW:
Procedural By-law No. 98-1, Article 23

LINK TO THE STRATEGIC PLAN:
N/A

FINANCIAL CONSIDERATIONS:

<table>
<thead>
<tr>
<th></th>
<th>Hangar No. 3</th>
<th>Hangar No. 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Rent</td>
<td>($31,000.00)</td>
<td>($20,000.00)</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>$8,000.00</td>
<td>$1,600.00</td>
</tr>
<tr>
<td>Utilities</td>
<td>(by tenant)</td>
<td>$1,300.00</td>
</tr>
<tr>
<td>Grounds &amp; Building</td>
<td>$500.00</td>
<td>$5,000.00</td>
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<tr>
<td>Maintenance</td>
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<td></td>
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<tr>
<td>Insurance</td>
<td>$500.00</td>
<td>$500.00</td>
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<tr>
<td>Capital Improvement</td>
<td>$45,000.00</td>
<td>$45,000.00</td>
</tr>
<tr>
<td>(3% of Replacement Value)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$54,000.00</td>
<td>$53,400.00</td>
</tr>
<tr>
<td><strong>Net Cost</strong></td>
<td>$23,000.00</td>
<td>$33,400.00</td>
</tr>
</tbody>
</table>

Note: All Figures are approximate.
These hangars are having a negative impact on the long term viability of the airport. Revenues collected by the City do not cover the City’s full cost of the hangars.

CONTACTS:
- Brad Finch, Airport Manager 389-6404, extension 101

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
- Gerard Hunt, Manager of Finance
- Alan McLeod, Senior Legal Counsel, Legal Services
- Paul MacLatchy, Manager, Environment
- Barclay Mayhew, Manager, Properties
- Lorraine Thibadeau, Leasing Consultant

APPENDICES:
- Appendix A  Map Illustrating Location of Airport Buildings

Mark Segsworth, P.Eng.
Commissioner, Operations Services

Berf Mednier
Chief Administrative Officer
Appendix A

Location of Hangars 3 and 5