EXECUTIVE SUMMARY:
At the December 13, 2005 meeting of Kingston City Council staff were requested to prepare a report on developing a program to facilitate ratepayers in making donations to a utility fund which would assist those having difficulties in paying their utility bills. To avoid overlap with the current Share the Warmth program and allow time to investigate working with others in the community it is being recommended that such a program not be initiated until later in 2006.

RECOMMENDATION:
It is recommended that a strategy be developed to create a local program that would permit Utilities Kingston’s ratepayers or others to donate to a local “Utility Assistance Fund” to assist those having difficulty paying their utility bills and that this program be in place by September 2006.

Jim Keech, President and CEO, Utilities Kingston

Glen Laubenstein, Chief Administrative Officer
OPTIONS/DISCUSSION:
City Council at its regular meeting held on December 13, 2005, approved the following Motion (1):

**WHEREAS** a delegation was made to Kingston City Council on December 6, 2005 regarding Utilities issues.

**WHEREAS** the delegation made recommendations to Council asking that a fund be established for those having difficulties paying their Utilities bills, and that a program be established to allow ratepayers to donate money through their Utilities bills to this fund.

**THEREFORE BE IT RESOLVED THAT** staff be asked to report back to Council on the feasibility of implementing these suggestions.

City of Kingston and Utilities Kingston have participated in the Share the Warmth program since the winter of 2000-2001. The Share the Warmth program is a national program in which participating utilities distribute leaflets with their bills typically in the late fall or early winter. The pamphlet outlines how customers may direct donations to a fund which is used to assist people who have difficulty paying utility bills. The program is administered locally by the Salvation Army. Utilities Kingston has agreed to participate this year and leaflets are being distributed.

In recent years utility participation in Share the Warmth has declined and it is therefore and very good time to examines other alternatives as requested by Council.

Since approval of the above motion Utilities staff has been investigating the possibility of inserting a line as noted on the Utility Bills, and establishing such a fund. It would be our recommendation that since there is a commitment to Share the Warmth this year, that this commitment be completed and not renewed for 2006. It is also recommended that a detailed strategy to create a local program be developed in time for launching in fall 2006.

The strategy will need to consider the following items:

a) Donations need to be made by a cheque (or other form of payment) that is clearly identifiable as separate from the customer’s utility payment to ensure there is no confusion that the amount is for such a fund, and not payment or overpayment on their utility bill.

b) Payment is not to Utilities Kingston but to the City of Kingston or a partner who can both administer the fund and issue receipts suitable for charitable donations. As Utilities Kingston is a business corporation it cannot issue receipts for charitable donations.

c) Need to identify a party that would be appropriate to administer the distribution of funds based on need.

d) A process will be established for reporting on the success of the program on a regular basis.
Difficulty paying utility bills is a year round problem, however, if it is desired that a program be commenced immediately in addition to the Share the Warmth program, it is possible on an interim basis to create a bill message that would appear on customer's invoices starting the first of February to request donations to a local fund. Utilities Kingston would work with other City Departments to administer the fund.

EXISTING POLICY/BY LAW:
N/A

ACCESSIBILITY CONSIDERATIONS:
N/A

FINANCIAL CONSIDERATIONS:
N/A

CONTACTS:
- Jim Keech, President and CEO, Utilities Kingston, 546-1181, Extension 2217
- Nancy Taylor, Utilities Kingston, 546-1181, Extension 2460

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
- Greg Grange, Director, Community & Family Services Department
- Gerard Hunt, Commissioner, Finance and Corporate Performance

EXHIBITS ATTACHED:
N/A
TO: Mayor and Council

FROM: Cynthia Beach, P.Eng., Commissioner, Growth & Sustainability Group
Tony Fleming, Senior Legal Counsel
Joseph E. Davis, Manager, Brownfields & Initiatives

DATE OF MEETING: 2006-01-10

SUBJECT: Council is requested to approve in principle that the remediation of the Davis Tannery Site would be eligible for Brownfields assistance pursuant to the Community Improvement Plan, providing that the site is purchased by Kincore Holdings Limited and Conestoga Rovers Associates Limited.

Further Council is requested to approve a conditional payment to Kincore Holdings Limited and Conestoga Rovers Associates Limited, with an upset limit of $410,000, to compensate them for actual expenses incurred in furtherance of the transaction in the event that the City cannot transfer title to the property because another purchaser has paid the cancellation price in full.

EXECUTIVE SUMMARY:

Report No. 04-378 approved by Council at its October 5, 2004 meeting provided staff with the authority to proceed and negotiate the appropriate agreements with Kincore Holdings Limited and Conestoga Rovers & Associates Limited (the actual agreement will be with a new corporation created specifically for this project) for the purchase, remediation and development of the Davis Tannery site. As part of the negotiations of this agreement the proponents require Council’s approval in principle that the remediation of the Davis Tannery site, subject to the proponent becoming the owner, would be eligible for Brownfields assistance under the Community Improvement Plan. Staff has reviewed the details of the property and the proposed remediation and development and consider the project eligible, as defined in the Brownfields CIP.

Further if the City is unable to vest title in the property the proponents have requested that the City reimburse them in an amount not to exceed $410,000, as compensation for costs incurred to negotiate the Agreement of Purchase and Sale, conduct environmental investigations, remedial action plan development and site plan development. These costs will be incurred on the expectation that the City will be in a position to transfer title to the property. If another purchaser pays all outstanding taxes, the City must accept that payment, notwithstanding its agreement with Kincore Holdings Limited and Conestoga Rovers & Associates Limited. To recognize this uncertainty, staff recommends that Council approve a condition that authorizes this payment and direct staff to include this clause in the final agreement.
RECOMMENDATION:

It is recommended that Council acknowledge that, in principle, the Davis Tannery site is eligible for Brownfields assistance under the Brownfield Community Improvement Plan. Final approval of Council shall be conditional on Kincore Holdings Limited and Conestoga Rovers Associates Limited (or a newly-formed company incorporated by them for the purpose of remediating and redeveloping the Davis Tannery site) becoming the owners of the Davis Tannery Site and making an application for Brownfield funding that is acceptable to the City.

It is further recommended that Council approve a conditional payment to Kincore Holdings Limited and Conestoga Rovers Associates Limited, with an upset limit of $410,000, to compensate them for actual expenses incurred in furtherance of the transaction in the event that the City cannot transfer title to the property because another purchaser has paid the cancellation price in full.

Cynthia Beach, P.Eng.,
Commissioner, Growth & Sustainability Group

Glen Laubenstein, Chief Administrative Officer
OPTIONS/DISCUSSION:

Eligible Property:

In 2004 a Request for Proposals was issued for the remediation and development of the Davis Tannery site. Kincore Holdings Limited and Conestoga Rovers & Associates Limited ("Proponents") joint ventured on the proposal and were awarded this opportunity. Staff is in the process of finalizing an Agreement of Purchase and Sale.

As a condition of the purchase, the Proponents require some assurance from the City that the Davis Tannery Site and the proposal to remediate and develop that site would be eligible for Brownfields assistance pursuant to the Brownfields Program. Staff has completed a preliminary review of the details known about the property and confirms that the project will qualify for Brownfields assistance, provided that it is occupied and adheres to the City’s Brownfield Community Improvement Plan Process for remediation and redevelopment.

Staff reviewed the known facts and confirms that the Davis Tannery site would be eligible for Brownfields assistance pursuant to the Community Improvement Plan provided the following occur:

- The site is purchased by Kincore Holdings and Conestoga Rovers Associates Limited (or a corporation formed by these two companies for the purpose of purchasing and remediating this site);
- The site is remediated appropriately;
- The site is redeveloped.

Agreement of Purchase and Sale:

Assuming that the tax sale will fail sometime in mid January of 2006, the City will have one year from that date to vest title in the property and subsequently transfer title to the Proponents. The Proponents must conduct significant due diligence during the one year period of time when the City has the ability to vest title. The Proponents will expend significant resources to conduct intensive environmental and geotechnical testing of the site, prepare remediation plans and prepare development plans. Given the relatively unknown condition of the site, these costs could be significant and the Proponents have provided an estimate of $410,000.

Under the Ontario Municipal Act, 2001, the registered owner can redeem the tax certificate at any time up to the vesting date (one year after the tax sale fails) by paying the cancellation price (estimated at over $3 million currently). Therefore, the Proponents will be expending significant resources on due diligence with some uncertainty as to whether the City will be in a position to vest title to the property. Staff views the request for reimbursement to be a reasonable one under the circumstances. The costs that would be considered eligible are those costs that directly relate to the negotiation of an Agreement of Purchase and Sale and due diligence costs. The payment to the Proponents could be funded from the cancellation price, which will otherwise be written off by the City as a condition of the Agreement of Purchase and Sale.

Staff requests direction from Council to include the following clause in the final version of the Agreement of Purchase and Sale.

In the event that this Agreement terminates as a result of the fact that the City cannot vest title to the Lands or cannot transfer said title to the Purchaser because any party other than the current registered owner has purchased the Lands or has paid the cancellation price (as defined in the
Ontario Municipal Act, 2001) for the Lands, pursuant to the tax sale process established under the Ontario Municipal Act, 2001, the City agrees to pay to the Purchaser within 30 days of receipt of proof of costs incurred, an amount not to exceed $410,000 (plus GST) to reimburse the Purchaser for all of its incurred costs including, but not limited to, negotiation of this Agreement of Purchase and Sale, environmental investigations, remedial action plan development, Site Plan development, and other due diligence procedures conducted to the date the City provides notice that it will not complete the transaction.

EXISTING POLICY/BY LAW:

This report falls within the policy dealing with Failed Tax Sale Properties as well as the Council resolutions authorizing staff to negotiate with the proponents as outlined in Report No, 04-378 approved by Council on October 5, 2004.

The City of Kingston’s Community Improvement Plan Brownfields Project Areas 1A & 1B was approved by the Ministry of Municipal Affairs and Housing in April 2006. Under this program the works (those eligible costs as defined by the program) undertaken to remediate the Davis Tannery Site could be eligible for both tax cancellations and incremental tax financing. Due to the timing of this report we are not able to confirm what costs will be eligible under this program, but do support the application in principle pending further testing to develop the remedial action plan. Once this plan is completed, formal applications will be received and processed by staff, Planning Committee and Council for approval.

NOTICE PROVISIONS:

There are no notice provisions required for this action.

ACCESSIBILITY CONSIDERATIONS:

Not applicable

FINANCIAL CONSIDERATIONS:

There are no financial implications to this report. If there is a successful tender for the Davis Tannery, there will not be any requirement to write off uncollectible taxes. The allowance for doubtful accounts includes sufficient amount to cover off Davis Tannery tax arrears. This allowance will not be required if the taxes are paid and the amount would become available to be used for other allowances and/or cash reserves.

No by-law required other than the confirming by-law for Council.

CONTACTS:

Joseph E. Davis, Manager, Brownfields & Initiatives Division
Tony Fleming, Senior Legal Counsel, Legal Services Department, Corporate Services Group
Pat Carrol, Manager of Taxation, Finance Department, Finance & Corporate Performance Group

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Corporate Services Group, Legal Department
EXHIBITS ATTACHED:

Not Applicable
TO: Mayor and Council

FROM: Cynthia Beach, P.Eng., Commissioner, Growth & Sustainability Group

RESOURCE STAFF: Peter Huigenbos, P. Eng., Properties and Partnerships Division

DATE OF MEETING: 2006-01-10

SUBJECT: SIGNING AUTHORITY FOR A FRONT-END AGREEMENT WITH JEROME TAYLOR TO EXTEND CENTENNIAL DRIVE FROM CROSSFIELD AVENUE TO CATARAQUI WOODS DRIVE

EXECUTIVE SUMMARY:

Jerome Taylor is prepared to front-end the costs of designing and constructing the extension of Centennial Drive from Crossfield Avenue to Cataraqui Woods Drive in order to ensure that the road works are constructed in a time frame that is most advantageous to his development and in advance of receiving final approval for the draft plan of subdivision on his lands. The extension of Centennial Drive is funded by Development Charges and capital budget amounts have been approved in the 2006 Capital Budget. The contract for the construction of the works will be in accordance with the City’s Purchasing By-law and Municipal Standard Specifications.

RECOMMENDATION:

1) THAT the Mayor and Clerk be authorized to sign a front-end agreement in a form satisfactory to the Director of Legal Services to reimburse Jerome Taylor for the front-end costs attributed to the extension of Centennial Drive from Crossfield Avenue to Cataraqui Woods Drive.
Cynthia Beach, P.Eng.,
Commissioner, Growth & Sustainability Group

Glen Laubenstein, Chief Administrative Officer
OPTIONS/DISCUSSION:

Mr. Taylor is prepared to front-end the costs of designing and constructing the extension of Centennial Drive in order to ensure that the road works are constructed in a time frame that is most advantageous to his development and in advance of receiving final approval for the draft plan of subdivision on his lands. The required extension of Centennial Drive is shown as Section A in Exhibit A.

The purpose of the front-end agreement is to reimburse Jerome Taylor for the front-end costs attributed to the extension of Centennial Drive. Centennial Drive is a growth-related road and is funded by Development Charges (DC). The DC funds required to extend Centennial Drive north from Crossfield Avenue to Cataraqui Woods Drive are scheduled for expenditure in 2006, and have been included in the 2006 budget. The front-end agreement that has been agreed to in principle by Mr. Taylor is attached as Exhibit B.

The contract for the road construction works will be awarded through a competitive bid process in accordance with the City’s Purchasing By-law and will be constructed to municipal standard specifications, to the satisfaction of the Director of Engineering.

Development Charges cover a standard road design and construction. Works that are required but are beyond the scope of Development Charges are referred to as over-sizing costs. Over-sizing costs will be determined by a Professional Engineer for the review and approval of the Municipal Engineer, and apportioned to the benefiting land owners.

EXISTING POLICY/BY LAW:

There are no existing Policies/By-Laws concerning this subject, on record, to date.

NOTICE PROVISIONS:

Not applicable.

ACCESSIBILITY CONSIDERATIONS:

Not applicable.

LINK TO STRATEGIC PLAN:

Centennial Drive is identified as an arterial in the Transportation Master Plan. The Transportation Master Plan is a planning initiative in the FOCUS Kingston 2000-2010 document.

FINANCIAL CONSIDERATIONS:

Capital budget amounts have been approved in the 2006 capital budget for this project with funding provided from Development Charges.
CONTACTS:

Cynthia Beach, Commissioner, Growth and Sustainability Group, 546-4291 ext. 1150
Speros Kanellos, Director, Growth and Initiatives Department, 546-4291 ext. 3133
Peter Huigenbos, Properties and Partnerships Division, 546-4291 ext. 3148

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Tony Fleming, Senior Legal Counsel, 546-4291, Ext. 1293

EXHIBITS ATTACHED:

Exhibit A - Sketch ‘A’, Centennial Drive Extension Sections
Exhibit B - Draft Centennial Drive Front-End Agreement
CITY OF KINGSTON
REPORT TO COUNCIL

TO: Mayor and Council
FROM: Gerard Hunt, Commissioner of Finance and Corporate Performance
RESOURCE STAFF: Same as above
DATE OF MEETING: 2006-01-10
SUBJECT: Annual Review of Delegation of Authority to Department Heads

EXECUTIVE SUMMARY:
On January 8, 2002 council approved the recommendation in Report C-010 for the Delegation of Authority to Department Heads as per the city’s purchasing by-law 2000-134, as amended. At that time council directed that the Delegation of Authority authorization would be reviewed annually. The purpose of this report is to continue to seek council’s Delegation of Authority to Department Heads in the administrative functions for the approval of tenders and RFPs and award of contracts of the Corporation of the City of Kingston subject to the conditions set out in the city’s purchasing by-law 2000-134, as amended.

RECOMMENDATION:
A. That council continue to delegate its authority to approve tenders and request for proposals (RFPs) and award contracts to Department Heads of the Corporation of the City of Kingston, in accordance with section 3.4 of the Purchasing By-law No. 2000-134, as amended, when all of the following conditions have been satisfied:
   1. When there is a sufficient approved budget;
   2. When all conditions for the establishment of prices in the city’s purchasing by-law (by-law 2000-134), as amended, have been followed;
   3. When the lowest bid or submission is accepted;
   4. When at least three tenders have been received.
   -and further-
B. That the Finance Department continue to provide an information report to council on a monthly basis, detailing the approvals and award of contracts for each monthly period.
   -and further-
C. That this Delegation of Authority become a permanent part of the by-law 2000-134, as amended and that section 3.5 of this by-law be amended accordingly by deleting the sentence: “The delegation of authority will be reviewed on an annual basis”.

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-and further-

D. That by-law 2000-134, as amended “A By-Law To Establish Purchasing Policies And Procedures For The City Of Kingston” be presented and given first and second readings.

Gerard Hunt, Commissioner of Finance and Corporate Performance

Glen Laubenstein, Chief Administrative Officer
OPTIONS/DISCUSSION:
These measures have been in place since council initially approved the Delegation of Authority on June 5, 2001. On a monthly basis council receives detailed information, compiled by the Purchasing section of the Finance Department, of tenders, RFPs and contracts awarded meeting the established criteria. Council also receives numerous reports from various city departments, requesting authorization to award tenders, where the established criteria have not been met.

The criteria and conditions where Delegation of Authority applies are clear. Staff is cognizant of operating within the established criteria, and has been diligent in carrying out their duties. Successes arising from this Delegation of Authority include an improved turn-around time for contract awards, commencement of project works closer to the closing date, a more streamlined approach to award and a consolidated report of information to council on a monthly basis. As a result, it is recommended that the Delegation of Authority become a permanent part of by-law 2000-134, as amended.

In the event council wishes to return to the former practice of having all awards approved by council, it does have other alternatives to deal with these matters as expeditiously as possible, which include:

- That council meet on a more frequent basis, as required;
- That council recognizes that staff may not be able to proceed in the calendar year 2006, with all of the works and/or procurements that were authorized.

EXISTING POLICY/BY LAW:
By-law 2000-134, as amended, a By-law to Establish Purchasing Policies and Procedures for the City of Kingston

NOTICE PROVISIONS:
Not Applicable

ACCESSIBILITY CONSIDERATIONS:
Not Applicable

FINANCIAL CONSIDERATIONS:
During the next few months staff will review the current purchasing by-law and practices and align them with the new organizational structure for reference and definition purposes.

CONTACTS:
Janis Morrison, Purchasing Agent, extension 2229
Kate Halligan, Manager of Accounting Services, extension 2452

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Not Applicable

EXHIBITS ATTACHED:
Not Applicable