



**City of Kingston
Report to Council
Report Number 16-039**

To:	Mayor and Members of Council
From:	Cynthia Beach, Commissioner, Corporate & Strategic Initiatives
Resource Staff:	Peter Huigenbos, Manager, Real Estate & Land Development
Date of Meeting:	December 15, 2015
Subject:	Council Support of a Conditional Grant Agreement from the Eastern Ontario Development Fund

Executive Summary:

The City of Kingston has been awarded a conditional grant agreement from the Minister of Economic Development, Employment and Infrastructure. The Eastern Ontario Development Fund will provide 25% funding, equalling up to \$206,250, to support the City's project in preparing and servicing employment lands in the Cataraqui Estates Business Park. The project came about from the selection by Frulact Group to locate its first Canadian plant and research facility in Kingston. The project will benefit all lots in the business park by bringing servicing closer and expanding service capacity, making the lots more "shovel-ready" for future development.

Recommendation:

That Council confirm its support for works in Cataraqui Estates Business Park, including grading, the extension of services, and the replacement of the Clyde Court sanitary sewer that provides downstream sewer capacity to the business park, all to be funded from Council approved capital budget funds and a conditional grant from the Eastern Ontario Development Fund, as detailed in Schedule "A-1" of the conditional grant agreement.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER
Cynthia Beach, Commissioner,
Corporate & Strategic Initiatives

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER
Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Lanie Hurdle, Community Services	Not required
Denis Leger, Transportation, Facilities & Emergency Services	Not required
Jim Keech, President and CEO, Utilities Kingston	
Desiree Kennedy, Chief Financial Officer & City Treasurer	

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Options/Discussion:

The City of Kingston has been awarded a conditional grant agreement from the Minister of Economic Development, Employment and Infrastructure. The Eastern Ontario Development Fund will provide 25% funding, equalling up to \$206,250, to support the City’s project in preparing and servicing employment lands in the Cataraqui Estates Business Park. The works include grading, extending utility servicing further into the business park and upsizing a section of downstream sanitary sewer.

The project came about from the selection by Frulact Group to locate its first Canadian plant and research facility in Kingston. The project will benefit all lots in the business park by bringing utility services closer and expanding service capacity, making the lots more “shovel-ready” for future development.

The City of Kingston successfully applied for grant funding to the Eastern Ontario Development Fund (EODF), administered by the Minister of Economic Development, Employment, and Infrastructure of Ontario. The funding agreement is effective August 31, 2015 and provides the City with a 25% grant for all eligible project costs. This application for grant funding is done through the delegated authority for staff to undertake works to service employment lands for sale with conditions outlined by Council.

A condition of the provincial grant agreement requires the municipal council to pass a resolution that identifies Council’s support of the project and that the financing amounts identified in Schedule “A-1” of the agreement will be available to complete the project. The recommendation in this report satisfies the condition.

From Schedule “A-1” of the conditional grant agreement:

Definitions

“Project Financing” means

Source	Nature of Financing	Amount
Recipient	Internal Sources	\$618,780
Ontario	EODF Conditional Grant	\$206,250
TOTAL, being the Eligible Project Costs		\$825,000

Existing Policy/By-Law:

The Chief Administrative Officer has delegated authority to enter into agreements to service employment lands. The EODF funding agreement requires a council resolution supporting the project and the confirming the available funds.

The purpose of Eastern Ontario Development Fund is to provide financial assistance and incentives to promote regional economic development in Eastern Ontario and thereby enhance

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Ontario's overall economic competitiveness and opportunities for the Ontario labour force. The promotion of regional economic development includes: (1) attracting and retaining investment, (2) creating and retaining jobs, and (3) promoting innovation, collaboration and cluster development. Specifically, the Fund will provide financial assistance to promote the expansion and attraction of investment/business in Eastern Ontario through support for capital spending, skills development, productivity enhancements, infrastructure needs and other similar economic development initiatives. *Excerpt from the EODF Regional Stream Guidebook*

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

Capital budget amounts exist for the city's share of these development-related costs in the business park.

Contacts:

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Other City of Kingston Staff Consulted:

Lana Foulds, Manager, Financial Planning 613-546-4291 x 2209

Jim Miller, Director, Utilities Engineering, Utilities Kingston 613-546-1181 x 2475

Exhibits Attached:

None