



**City of Kingston
Information Report to Rural Advisory Committee
Report Number RAC-16-007**

To: Chair and Members of Rural Advisory Committee
From: Lanie Hurdle, Commissioner, Community Services
Resource Staff: Julie Salter-Keane, Community Projects Manager
Date of Meeting: August 22, 2016
Subject: Kingston Solar LP (Samsung) Renewable Energy Project –
Community Benefit Program Fund

Executive Summary:

At the March 22, 2016 Council meeting, staff was directed to consult with the public and the Rural Advisory Committee on the types of projects and/or services that could be funded through the Kingston Solar LP Community Benefit Program Fund Agreement. Information received during this public meeting would provide feedback to staff before providing a recommendation to Council in order to finalize the use of the Community Benefit Program Fund.

The Community Benefit Program Fund, similar to the Community Vibrancy Fund Agreement, establishes a fund provided by the applicant to be used by the City to ensure that the Kingston Solar LP (Samsung) Renewable Energy project is providing a positive return to the community. This fund is generated per megawatt and will be provided to the City on an annual basis during the lifespan of the project. The fund is a yearly contribution of \$1,250/MW for twenty (20) years.

The first payment for allocation which covers the operational period of 2015 and all of 2016 for the Community Benefit Fund was \$116,449.32. Staff recently had discussions with representatives from Kingston Solar LP (Samsung) in regards to potential areas of investments for the Community Benefit Program Fund.

The Rural Advisory Committee hosted a meeting on May 16, 2016 to invite the public to offer comments on how to spend the Kingston Solar LP (Samsung) Renewable Energy Project - Community Benefit Program Fund.

Comments received during the public meeting are grouped under the following three themes:

August 22, 2016

Page 2 of 6

1. Planting trees in the public right-of-way and on private properties in the area of the Kingston Solar LP (Samsung) properties;
2. Park improvements; and
3. Acquisition of parkland/natural lands.

Staff will receive feedback from the Rural Advisory Committee members and bring final recommendation to Council.

Recommendation:

This report is for information and consultation purpose only.

August 22, 2016

Page 3 of 6

Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER _____

Lanie Hurdle, Commissioner, Community Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER _____

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Denis Leger, Commissioner, Corporate & Emergency Services Not required

Jim Keech, President and CEO, Utilities Kingston

Desiree Kennedy, Chief Financial Officer & City Treasurer

August 22, 2016

Page 4 of 6

Options/Discussion:

In March 2014, Council passed a motion authorizing the Mayor and Clerk to execute a Municipal Benefit Agreement with Kingston Solar LP (Samsung). The Community Benefit Program Fund is similar to the Community Vibrancy Agreement in that it establishes a fund provided by Kingston Solar LP (Samsung) to be used by the City to ensure that the solar project is providing a positive return to the community. This fund is generated per megawatt and will be provided to the City on an annual basis during the lifespan of the project. This is a separate agreement, in addition to the Community Vibrancy agreement, to recognize the unique and substantial nature of the Kingston Solar LP (Samsung) project.

The terms of the agreement require Kingston Solar LP (Samsung) to pay the City a Community Benefit Program Fund contribution of \$1,250 multiplied by the name plate capacity available within the City. The confirmed name plate capacity within the City is 73.6 megawatts. The City has received payment of \$116,449.32 which covers the period from September 25th to December 31st of 2015 and all of 2016.

With receipt of the first payment, staff is seeking direction from Council on how the funds should be used by the municipality. The City has discretion of the use of the funds provided under the Community Benefit Program Fund as long as they are dedicated to community betterment projects. Kingston Solar LP (Samsung) requested that the funds not be used on operational services, such as road maintenance, snow removal, etc.

Kingston Solar LP (Samsung) offered the following list of potential uses that the fund could be directed to:

- Acquisition of parkland and natural lands.
- Capital improvements to parklands.
- Support to community located in proximity to the solar project.

In March 2016, Council directed staff to consult the public and the Rural Advisory Committee on the types of projects and/or services that could be funded. Information received during this meeting provided feedback to staff before providing a recommendation to Council.

The Rural Advisory Committee hosted a public meeting on May 16, 2016. The purpose of the consultation was to receive input from members of the public and the Rural Advisory Committee on the use of the Community Benefit Fund. Summarized below is the feedback provided during that meeting:

- Acquisition of parkland/natural lands for the compensation of the lands used for the Kingston Solar LP (Samsung) project;
- To address the visual impact of the solar project, plant trees in the vicinity of the solar project on private properties and the public right-of-way;
- Benefit should support the land owners in proximity to the solar project;
- Financially assist Elginburg Public School with the replacement of the play structure and the planting of trees; and

August 22, 2016

Page 5 of 6

- Restore the natural landscape in the area surrounding the solar project.

The general theme of all the comments heard was to assist those properties in the vicinity of the solar project.

In consideration of the feedback received, staff is recommending the following use of the Kingston Solar LP (Samsung) Community Benefit Funds:

1. Establish a program for the planting of trees in the vicinity of the solar project. Staff will administer the program and will report annually to the Rural Advisory Committee on the number of trees planted on public property and allocated to private land owners under this program. This program will be administered by Public Works and is scheduled to start in the spring of 2017 as the tree planting program for the fall of 2016 has already been planned. The public tree plantings will be included in the Doubling the Tree Canopy initiative which is a Council priority identified in the Strategic Plan 2015-2018.
2. Park improvements in the rural area including school properties that are being utilized as community parks in the rural area. Staff will consider a contribution to the Elginburg Public School in response to a request for financial assistance to replace the play structure and to plant trees in the play area to provide shade to children.
3. Acquisition of natural lands and parkland. In consideration of this recommendation, all proposals will be considered and assessed on the strategic need to acquire a property both through the recently approved Waterfront Master Plan and the Natural Lands and Parkland Acquisition Policy. In brief, the Waterfront Master Plan, approved by Council on March 22, 2016, was developed following the Council endorsed mandates of improving current waterfront parks, pathways and lands, improving connections and access to the waterfront, and increasing access to lands on the waterfront that are not currently accessible to the public.

Existing Policy/By-Law:

Not applicable

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

Financial Considerations:

Commencing within sixty (60) days of the Commercial Operation Date of the Solar Project (September 25, 2015) and continuing annually for twenty (20) years, Kingston Solar LP (Samsung) will pay the City the Community Benefit Program Fund contribution of \$92,000

August 22, 2016

Page 6 of 6

yearly. The fund currently has \$116,449 which covers a portion of operations in 2015 and the full year of operations in 2016.

Contacts:

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Julie Salter-Keane, Community Projects Manager 613-546-4291 extension 1163

Other City of Kingston Staff Consulted:

Damon Wells, Director, Public Works Services

Luke Follwell, Director, Recreation & Leisure Services

Exhibits Attached:

Not applicable