



**City of Kingston
Report to Council
Report Number 16-325**

To:	Mayor & Council
From:	Gerard Hunt, Chief Administrative Officer
Resource Staff:	George Wallace, Senior Special Projects Manager
Date of Meeting:	October 4, 2016
Subject:	Implementation of KEDCO Review Report – Service Level Agreements/Role of Council/Staff in Corporations

Executive Summary:

At the Council meeting on June 21, 2016, Council received the Kingston Economic Development Corporation Review Committee 2016 Summary Report and Assessment and subsequently on July 6, 2016, at a special meeting of Council, passed a motion to approve the Report recommendations, as amended by Council (Exhibit A). The approved recommendations included establishing separate arm's length corporations for economic development and tourism, each with its own Board of Directors that would include the Mayor and Councillors and City staff as members. The approval also recommended that consideration be given to amending the corporate structure to place City Council as the membership of each corporation and that formal Service Level Agreements be implemented between the City and each of the stand-alone corporations.

Attached to this report are Draft Service Level Agreements for both the economic development and tourism corporations (Exhibits B and C). The Agreements outline the key objectives and direction for each corporation and address such matters as transparency, reporting and accountability, performance measurement and financial operations. This report also provides recommendations with respect to the membership for each corporation, senior City staff's role as members of the corporations, and interim measures to ensure the continued delivery of economic development and tourism services during the transition from KEDCO.

Recommendation:

That the Draft Service Level Agreements for the separate arm's length economic development and tourism corporations, attached to Council Report 16-325 as Exhibits B and C, be approved and that the Agreements be executed on or before December 31, 2016 in order to achieve an effective date of January 1, 2017.

October 4, 2016

Page 2 of 10

That subject to the Service Level Agreements being finalized to the satisfaction of the City Solicitor, the Mayor and Clerk be authorized to execute the Agreements.

That in the interim, the Kingston Economic Development Corporation continue to deliver economic development and tourism services in accordance with the existing Letters Patent and By-law No. 1 and administer the Service Level Agreements until such time as the restructuring for the separate tourism and economic development corporations occurs, and the transition is finalized, and then the Agreements shall be amended accordingly.

That in the interim, the Kingston Economic Development Corporation present separate operating plans and budget requirements for the provision of economic development and tourism services for the 2017 municipal budget process that reflect the provisions of the Service Level Agreements for each of the corporations.

That the existing Kingston Economic Development Corporation be retained with appropriate amendments to the existing Kingston Economic Development Corporation Letters Patent and the Procedural By-law No. 1, as required, and that the corporate structure remain as is with the Board of Directors constituting the membership of the Corporation.

That the new Tourism Kingston Corporation be structured so that the Board of Directors shall constitute the members of the Corporation and that the City and KEDCO be authorized to initiate the application for the Letters Patent for the new tourism corporation.

That the senior City staff appointments to the Board of Directors for each Corporation (CAO to the Economic Development Corporation and the Commissioner of Community Services/Deputy CAO to Tourism Kingston) be in the capacity of ex-officio, non-voting members.

That Council as a body not be included as members of the economic development and tourism corporations so that the membership of each corporation shall be comprised of the directors, including those individual members of Council as are appointed by due process.

October 4, 2016

Page 3 of 10

Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

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

October 4, 2016

Page 4 of 10

Options/Discussion:

Council's motion of July 6, 2016 recognizing the Kingston Economic Development Corporation (KEDCO) Review Committee 2016 Summary Report and Assessment (the "KEDCO Report") recommended the separating of economic development and tourism (Exhibit A). The KEDCO Report recommended that the Mayor and City Councillors serve as members of the Board of Directors for each corporation and that the CAO (or their designate) be a member of the economic development corporation's Board of Directors and the Commissioner of Community Services/Deputy CAO (or their designate) be a member of the tourism corporation's Board of Directors. In addition, Council asked that consideration be given to the governance structure of membership and asked specifically if Council as a body should be a member of each Corporation.

Through this report, the Chief Administrative Officer is updating Council as well as making recommendations for the ongoing implementation of the KEDCO Report recommendations that were approved on July 6, 2016. Specifically, the purpose of this report is to:

- (a) Seek Council approval for Draft Service Level Agreements for the separate arm's length economic development and tourism corporations (Exhibits B and C) and authorization for the Mayor and Clerk to execute the Agreements when finalized;
- (b) Provide information and recommendations regarding the creation of separate economic development and tourism corporations;
- (c) Provide recommendations with respect to the role of senior staff as members of each corporation;
- (d) Recommend interim measures to ensure the delivery of economic development and tourism services until such time as the corporate restructuring takes place; and
- (e) Outline the next steps in the transition to separate economic development and tourism corporations.

Service Level Agreements:

The following recommendation was approved by Council on July 6, 2016:

"Craft and implement a formal Service Level Agreement between the City of Kingston and both stand-alone economic development and tourism organizations, and adopt a more rigorous annual assessment of operations".

Draft Service Level Agreements for both the economic development and tourism corporations are attached to this report as Exhibits B and C. For the most part, the content of the Agreements is based on Council's Strategic Priorities, the KEDCO Report and KEDCO's 2016 Operating & Sales Plan. The Agreements for both corporations are structured in a similar fashion and envision a cooperative and collaborative arrangement between the City and each corporation in achieving key objectives and directions respecting economic development and tourism. Each corporation and its Board of Directors will be responsible for fulfilling the mission

October 4, 2016

Page 5 of 10

for which it is incorporated and will be accountable to the City in the performance of the activities and services to be provided in accordance with the terms of the Agreements.

Section 2 of each Agreement (Transparency, Reporting and Accountability) establishes quarterly and annual reporting requirements, as well as the requirement for a new or updated Strategic Plan every five years. Section 3 of each Agreement requires that performance metrics be prepared for each of the corporation's core activities (outlined in Appendix A to each Agreement). The performance metrics are to be specific, measurable, achievable, relevant and time-based and must include criteria that provide a realistic measure of the corporation's level of involvement and definitions to assist in comprehending what is being measured. The performance metrics for each corporation are to be submitted to Council within the first year after the Agreements take effect.

Section 4 of the Agreements relate to financial operations and indicate the City's intent to provide funding (subject to the annual municipal budget approval process) to each corporation to undertake its core activities as set out in Appendix A to the Agreements. Each corporation is to seek other potential sources of funding, have its books audited annually and provide a detailed financial report to the City each year. Section 5 of the Agreements set out the term and termination provisions. It is proposed that the Agreements be executed by December 31, 2016 to take effect January 1, 2017.

Appendix A to each Agreement describes the corporation's core activities and priorities and Appendix B provides suggested performance metrics for consideration by each corporation in the adoption of its performance measurements which are to be submitted to Council for approval in accordance with Section 3 of each Agreement.

Structure of the Corporations:

In terms of the corporate structure for the separate economic development and tourism corporations, the following KEDCO Report recommendations, as amended, were approved by Council on July 6, 2016:

- “1. Maintain economic development programs and services within an arm's length organization in Kingston with improved and formalized systems of oversight by the City of Kingston;
2. Separate Tourism Kingston (Destination Marketing Organization) into a stand-alone, arm's length organization with its own Board of Directors, staff, and mandate;
4. Establish independent Boards of Directors for a stand-alone tourism, and a stand-alone economic development organization; it being understood that the Directorship or membership for the tourism organization will include the Commissioner of Community Services, or their designate, and the economic development organization will include the Chief Administrative Officer, or their designate;
5. Ensure respective Boards of Directors continue to maintain seats for the Mayor and City Council;

October 4, 2016

Page 6 of 10

11. The Board of Directors give consideration for both organizations to amend their corporate structure to place City Council as the membership of each organization.”

It is anticipated that the economic development and tourism corporations would each be structured as a non-share capital corporation under the provisions of the *Corporations Act*. Currently KEDCO is structured as a non-share capital corporation and its operations are governed by an existing Letters Patent and a Procedural By-law (By-law No. 1). Each non-share capital corporation needs to have a defined ownership group that comprise its “membership” or its “members”. The classes of membership may be voting or non-voting. It is not permissible under the Act to have no voting members. Each of the separate corporations will require new or revised Letters Patent to establish the purpose for the incorporation and a new or revised Procedural By-law. The structure of the Boards of Directors and the membership of each corporation will be established in the new or revised Procedural By-law which will also address such matters as the number of Directors, term of appointment, advisory committees, meetings of the Directors/Members, Officers of the Corporation, ex-officio Directors, and qualifications for Directors.

In terms of the implementation of the foregoing recommendations, there are different options that could be utilized for creating separate economic development and tourism corporations and for constituting the directors or members of each corporation.

Separating Economic Development and Tourism:

Implementation of Council’s direction to establish separate arm’s length corporations for economic development and tourism could be achieved by either dissolving KEDCO and incorporating two new corporations or by reorganizing KEDCO and amending the existing Letters Patent and incorporating a new tourism corporation. A dissolution of a corporation is a major undertaking necessitating, among other things, the transferring of functions; reviewing any existing agreements to determine if there are any obligations, penalties or liabilities; reconciling the existing assets and financials and redistributing any balance; taxes or any other liabilities; making provisions for the existing employees; closing out corporate and federal accounts.

Staff is of the opinion that reorganizing the existing corporation can achieve Council’s objective to establish separate corporations for economic development and tourism. This would necessitate revisions to the existing Letters Patent and the existing Procedural By-law to remove any references to tourism services. The approach would need to have the existing KEDCO Board agree to amend the existing Letters Patent and Procedural By-law in accordance with the KEDCO Review Report and Council’s recommendations. In accordance with the review report recommendations, a name change for the economic development corporation could be sought and that would need to be reflected in the revised Letters Patent and Procedural By-law. The new tourism corporation would then be incorporated with its own Letters Patent and a new Procedural By-law specific to the tourism corporation. Both corporations would operate in accordance with the respective Letters Patent and alignment with the Service Level Agreements.

October 4, 2016

Page 7 of 10

Directors / Members of the Corporations:

Before moving forward with the drafting of new or revised Procedural By-laws, it will be necessary to determine the preferred structure in terms of the “membership” of each corporation. There are a number of potential options as follow:

- 1) Membership comprised of the Board of Directors;
- 2) Different classes of membership, both voting and non-voting;
- 3) Membership comprised of City Council; and
- 4) Membership comprised of City Council and other members as may be appointed by the Board of Directors.

Currently KEDCO is structured as a non-share capital corporation. The Letters Patent establishes the purpose for which KEDCO was incorporated (“To undertake, promote and fund economic development activities for the City of Kingston, Ontario and area. . .” and indicates that the corporation shall be carried out without the purpose of gain for its members and the directors and officers shall serve without remuneration and shall not receive any profit or remuneration, either directly or indirectly, from their positions. By-law No. 1 provides that the Board of Directors constitute the membership of the Corporation (four members of Council and eight members elected at large).

Sustainable Kingston has a similar corporate structure to KEDCO. Sustainable Kingston is governed by a Letters Patent which establishes the purpose for which Sustainable Kingston was incorporated and a Procedural By-law (By-law No. 1). Sustainable Kingston has a minimum of five (5) and a maximum of nine (9) Directors. Sustainable Kingston has three classes of members: Full Members (voting members); Affiliate Members (non-voting); and, Junior Members (non-voting, under 18 years of age). Directors must be a Full Member of the Corporation.

The Kingston Municipal Non-Profit Housing Corporation is governed by a Letters Patent of Amalgamation which amalgamated a number of non-profit housing corporations when the City amalgamated with the Townships of Kingston and Pittsburgh in 1998. The Amalgamation Agreement sets out the purpose for which the Kingston Municipal Non-Profit Housing Corporation was incorporated. The Board of Directors consists of seven (7) Directors or such other number as may be determined by special resolution. The minimum number of Directors is three (3). Two (2) of the Directors (or such other number as determined from time to time) shall be members of Council who shall be voting ex-officio Directors. According to Clause 36 of the By-law, all members of City Council are members of the Corporation. Membership in the Corporation is also available to persons who are approved by the Board of Directors.

It is recognized that Council as a body comprises the “shareholder” of certain share capital corporations such as Kingston Hydro and the Kingston Frontenac Housing Corporation. Kingston Hydro is structured as an Ontario Business Corporation, as mandated by the province under s. 142 of the *Electricity Act, 1998* and is regulated in many respects by the Ontario

October 4, 2016

Page 8 of 10

Energy Board. That is not the case with either the economic development or tourism corporations, and as such a shareholder structure is not recommended for these entities.

Staff is of the opinion that separate arm's length corporations, with the Board of Directors as the members, which are subject to the proposed Service Level Agreements with clearly defined reporting requirements and specific, measurable, achievable, relevant and time-based performance standards, will satisfactorily address the issues and concerns respecting transparency and accountability.

The KEDCO Review Committee noted "that during the course of its activities, it observed a marked and substantial improvement in transparency, information-sharing and responsiveness on the part of KEDCO". The KEDCO Report noted that the City has a significant role to play in ensuring future transparency and that will require a two-fold approach: service level agreements which mandate and contract for specific activities and outcomes, linking funding to key deliverables; and, more rigorous assessment of operations and deliverables to ensure stated objectives are met and public value achieved. As discussed in more detail above, the attached Service Level Agreements have been structured to ensure that the objectives of enhanced transparency and meaningful performance measurement are achieved.

It is therefore staff's recommendation that the economic development and tourism corporations be structured at the outset with the Board of Directors comprising the membership of each corporation. If at a future date Council is of the opinion that the desired levels of transparency and accountability have not been achieved under this membership model, the Procedural By-law for one or both corporations could always be amended to revise the membership so that Council has more direct control over the corporation.

Staff Roles in the New Corporations:

Council recommended that the directors or members for the tourism corporation include the Commissioner of Community Services, or their designate, and the economic development corporation include the Chief Administrative Officer, or their designate. These staff appointments create a valuable conduit between the Board and the City's governance. However, this recommendation also has the potential to place the staff members in a real or perceived conflict of interest position should the interests of the Board and the interests of the City not be aligned on a particular issue, i.e. staff would be trying to serve two masters. While such conflict would be more readily apparent if the staff were voting members of the Board, the perception of a conflict would still exist if the staff member participated in the deliberations and attempted to influence in a significant way the results of a vote on the matter. It is therefore recommended that the staff members on the Board of Directors be in the capacity of ex-officio, non-voting members.

Interim Measures:

As it may not be possible to have all aspects of the corporate restructuring for the separate economic development and tourism corporations in place by January 1, 2017, there is a need to establish some interim measures to ensure the continued delivery of economic development and tourism services. Staff proposes until such time as the new corporate structure is

October 4, 2016

Page 9 of 10

determined and implemented that KEDCO continue to deliver economic development and tourism services on behalf of the City in accordance with the existing Letters Patent and Procedural By-law No. 1 of the Corporation, and in accordance with the provisions of the Service Level Agreements. As interim measures it is proposed that:

- KEDCO would continue to operate on the basis of its current 2016 funding as approved by Council;
- KEDCO would be responsible for presenting separate operating plans and budget requirements for the delivery of economic development and tourism services for the 2017 municipal budget process that reflect the provisions of the Service Level Agreements for each of the separate corporations; and
- Given the intent that the Service Level Agreements be effective as of January 1, 2017, KEDCO would be responsible for administration of the Agreements until such time as the corporate restructuring for separating economic development and tourism is determined and complete, and then the Agreements would be amended accordingly.

Next Steps:

The next steps in the transition from KEDCO to the separate economic development and tourism corporations are as follow:

- 1) Initiate the applications to:
 - (a) revise the existing KEDCO Letters Patent for the economic development corporation; and
 - (b) incorporate the new tourism corporation (new Letters Patent).

A new or revised Procedural By-law is not required for these applications. The applicants for the revised or new Letters Patent would become the initial directors/members of each Board of Directors. If the new Board is not known, three members of the law firm filing the application(s) could become the initial directors/members. Once the Letters Patent is in place, the initial directors/members could then pass a motion to appoint the new Board and enact the new or revised Procedural By-law.

- 2) Execute the Service Level Agreements.
- 3) Continue the dialogue with the existing KEDCO Board on the transition to separate economic development and tourism corporations.
- 4) Establish the Boards of Directors / Members for each Corporation.
- 5) Revise or enact the new Procedural By-laws for each Corporation.

Existing Policy/By-Law:

There is an existing Letters Patent which established the charter for KEDCO as well as a Procedural By-law (By-law No. 1, as amended) that governs the operations of KEDCO. New or

October 4, 2016

Page 10 of 10

revised Letters Patents and Procedural By-laws will be required for each of the separate economic development and tourism corporations.

Notice Provisions:

There are no notice provisions with this report.

Accessibility Considerations:

Not applicable.

Financial Considerations:

There are no financial considerations at this time. KEDCO will be responsible for the submission of operating plans and budget requests for 2017 for the delivery of both economic development and tourism services in line with the provisions of the Service Level Agreements. The 2017 budget requests will be subject to Council approval. Thereafter, each corporation will be responsible for the submission of annual budget requests in accordance with the provisions of the Service Level Agreements.

Contacts:

Gerard Hunt, Chief Administrative Officer, 613-546-4291, ext. 2205

George Wallace, Senior Special Projects Manager, 613-546-4291, ext. 1864

Other City of Kingston Staff Consulted:

Susan Nicholson, Director of Legal Services and City Solicitor, 613-546-4291, ext. 1293

John Bolognone, City Clerk, 613-546-4291, ext. 1247

Exhibits Attached:

Exhibit A Special City Council Meeting 2016-19 Reporting Out (July 6, 2016)

Exhibit B Draft Service Level Agreement – Economic Development Organization

Exhibit C Draft Service Level Agreement – Tourism Kingston

Reporting out from Special City Council meeting held on
July 6, 2016

Moved by Deputy Mayor Neill
Seconded by Mayor Paterson

That Council rise from the Committee of the Whole and the Chair report.

That the following recommendations, as referenced in the KEDCO Review Committee 2016 Summary Report and Assessment, as amended, be approved:

Economic Development Objectives and Directions:

1. Commit to a holistic and diverse set of economic development objectives that underpin Kingston's economic development organization;
2. Map the Economic Development Ecosystem and prioritize its activities where it can bring the greatest value;
3. Focus economic development activities in six key areas: Investment attraction and investment aftercare; Business retention and expansion (BR+E) and work with local businesses; Support for small business and entrepreneurs; Support for workforce development, high-quality jobs, and skills-building; Support for knowledge industries, young workers, technology transfer from post-secondary institutions, and incubation/innovation enablement; and development, management and marketing of the tourism sector; and

Governance, Structure and Operations:

1. Maintain economic development programs and services within an arm's length organization in Kingston with improved and formalized systems of oversight by the City of Kingston;
2. Separate Tourism Kingston (Destination Marketing Organization) into a stand-alone, arm's length organization with its own Board of Directors, staff, and mandate;
3. Maintain the Small Business Enterprise Centre (SBEC) function within a new stand-alone Economic Development Organization;
4. Establish independent Boards of Directors for a stand-alone tourism, and a stand-alone economic development organization; it being understood that the Directorship or membership for the tourism organization will include the Commissioner of

Reporting out from Special City Council meeting held on
July 6, 2016

Community Services, or their designate, and the economic development organization will include the Chief Administrative Officer, or their designate;

5. Ensure respective Boards of Directors continue to maintain seats for the Mayor and City Council;
6. Establish a Transition Committee to be responsible for oversight and direction over the restructuring process;
7. Enhance the quality of public involvement through the development of advisory committees that address transparency, strategic planning, or special projects and welcoming members of the public to occupy seats in such committees;
8. Create sector and industry-specific advisory committees;
9. Establish formal oversight structures within the City of Kingston related to funding of economic development and tourism operations;
10. Recruit new leadership and undertake internal staffing review;
11. The Board of Directors give consideration for both organizations to amend their corporate structure to place City Council as the membership of each organization; and

Transparency and Accountability:

1. Implement a formal Transparency Plan (policy) that reflects the eight key areas espoused by Transparency International: Ethics; Public Complaints; Leadership; Performance; Human Resources; Budgeting; Procurement and Audit Results;
2. Establish formal Transparency and Accountability committees for each Board;
3. Explore real estate options and most suitable locations for both tourism and economic development stand-alone operations;
4. Craft and implement a formal Service Level Agreement between the City of Kingston and both stand-alone economic development and tourism organizations, and adopt a more rigorous annual assessment of operations; and

Reporting out from Special City Council meeting held on
July 6, 2016

Performance Measurement:

1. Adopt performance measurement systems that measure internal and external metrics, and implement a Continuous Improvement Performance Measurement System (CIPMS);
2. Reflect and exceed wherever possible current best practices for external measures and ensure measures are outcomes based;
3. Develop measurement systems that account for attribution (i.e. extent or level of involvement) and utility (i.e. worthiness of investment);
4. Ensure performance measures are transparent in publicizing indicators, sources, and methodologies;
5. Separate measures need to be developed for the six key areas of economic development;
6. Adopt existing, tested, third-party models of performance measurement wherever possible, and ensure contractual obligations based on reporting on specific measures are maintained; and

Financial Operations:

1. Make annual financial reports publicly accessible;
2. Ensure program leads and Finance Committee members of Boards receive skills development training in financial management;
3. Tie budget line items associated with specific projects directly to performance measures for those projects; and

Communications and Public Engagement:

1. Transition from one-way to two-way approaches to communications for the economic development and tourism organizations;
2. Diversify communications tools adopted and employed by the economic development organization and Tourism Kingston;

Reporting out from Special City Council meeting held on
July 6, 2016

3. Explore means of incorporating technology platforms that will permit and encourage two-way communications and 360-degree feedback; and
4. Undertake a re-branding exercise for the stand-alone economic development organization, but maintain Tourism Kingston branding which was redeveloped recently by Kingston Accommodation Partners and adopted by Tourism Kingston; and

That the mandate of the separate Tourism Kingston organization include the implementation of an integrated tourism strategy as described in City Council's 2015-2018 strategic plan; and

That staff, in cooperation with KEDCO, be directed to implement the aforementioned recommendations.

Carried

THIS AGREEMENT made in triplicate this ____ day of _____, 2016.

BETWEEN:

THE CORPORATION OF THE CITY OF KINGSTON

Hereinafter referred to as the “City”

- and -

THE ECONOMIC DEVELOPMENT ORGANIZATION

Hereinafter referred to as “EDO”

DRAFT SERVICE LEVEL AGREEMENT

WHEREAS Council, at a Special Meeting held July 6, 2016, received the “KEDCO Review Committee 2016 Summary Report and Assessment” (the “KEDCO Report”) dated June 13, 2016 and approved, as amended, the recommendations as referenced in that Report; and

WHEREAS one of the KEDCO Report recommendations approved by Council was to craft and implement a formal Service Level Agreement between the City and a stand-alone economic development organization; and

WHEREAS KEDCO operates as the economic development arm for the benefit of the City of Kingston;

NOW THEREFORE the parties hereto agree as follows:

1.0 Economic Development Objectives and Directions:

The EDO shall undertake and promote economic development activities for the benefit of the City, including activities primarily concerned with, but not limited to, fostering local investment, job creation, assessment growth and community prosperity through the support of strategic economic activities in the industrial, commercial, institutional and technology sectors, and such other complementary purposes not inconsistent with these activities. The City and EDO shall work cooperatively and collaboratively to achieve mutual goals and objectives that envision: a dynamic economy that attracts businesses and skilled employees; an innovative city where private and public enterprises thrive and individuals and entrepreneurs grow; and, a quality of life that positions Kingston as a great place to live, work and invest.

1.1 Key economic development objectives and directions include:

- i) Developing a clearly defined Economic Development Strategic Plan that is consistent with Council’s strategic priorities and the community’s vision;
- ii) Regularly reviewing the Economic Development Strategic Plan in the context of available data (economic, employment and / or demographic) to assess the need for any adjustments in the Plan;
- iii) Developing a strong brand and marketing program that will position the City of Kingston as a great place to live, work, invest and do business;

- iv) Developing a robust approach to investment attraction and aftercare;
- v) Facilitating the growth and expansion of existing companies;
- vi) Supporting and nurturing entrepreneurship, small business and new business start-ups;
- vii) Collaborating with the City and the private sector to maintain an inventory of available employment lands;
- viii) Facilitating the expansion of the City's tax base;
- ix) Attracting and developing jobs and the required workforce;
- x) Working with local, regional, provincial and federal partners to identify high priority growth opportunities and markets and provide support and expertise for the attraction of new jobs and investment in those sectors; and
- xi) Implementing performance measures to track progress towards established goals and regularly reporting results.

1.2 The focus of the EDO's economic development activities shall be as follow:

- i) Investment attraction and investment aftercare;
- ii) Business retention and expansion and work with local businesses;
- iii) Support for small business and entrepreneurs;
- iv) Support for workforce development, high-quality jobs, and skills-building; and
- v) Support for knowledge industries, young workers, technology transfer from post-secondary institutions, and incubation / innovation enablement.

The foregoing activities, as described in more detail in Appendix A to this Agreement, shall be reviewed annually to ensure alignment with Council's strategic priorities.

2.0 Transparency, Reporting and Accountability

2.1 EDO and its Board of Directors will be responsible for fulfilling the mission for which it is incorporated. EDO will be accountable to the Council of the City of Kingston in the performance of the activities and services provided in accordance with the provisions of this Agreement and /or as determined in the approved annual operating budget.

2.2 EDO shall communicate with the City as follows:

- a) Annually, by way of the draft budget, annual work plan and the Board's Strategic Plan as updated to reflect the priorities of City Council;
- b) Annually, by way of the Annual Financial Report as required by Clause 4.6 of this Agreement;
- c) Quarterly, by way of Activity Reports to demonstrate the progress of EDO in achieving its Strategic Plan and the impact of EDO's actions and programs on the key performance measures of economic development as set out in Appendix B of this Agreement. The Quarterly Reports shall form the basis of an Annual Year in Review Report to Council. All Activity Reports shall be publicly accessible;

- d) Once every five (5) years by way of a new or updated five (5) year Strategic Plan which shall be developed to align with the priorities of City Council. Development of the Strategic Plan shall include a full program of public consultation prior to adoption of the Plan by EDO and submission to City Council. If requested by the City, a meeting of City Council and the full Board of Directors of EDO will be arranged as part of the Strategic Plan review process. The Strategic Plan shall be publicly accessible;
- e) By attending meetings of City Council or providing written communication to Council as may be requested from time to time by the City.

2.3 EDO shall establish a formal Transparency and Accountability Plan (Policy and Practice) within the first year of this Agreement that reflects the eight (8) key areas espoused by Transparency International: Ethics; Public Complaints; Leadership; Performance; Human Resources; Budgeting; Procurement; and, Audit Results. The process to develop the Transparency and Accountability Plan shall include a program of community consultation.

2.4 EDO shall create sector and industry-specific advisory committees to allow it to fulfill its mandate as contemplated herein.

3.0 Performance Measurement

3.1(a) Separate performance metrics shall be prepared for each of the core economic development activities outlined in Appendix A to this Agreement. The performance metrics shall be specific, measurable, achievable, relevant and time-based. EDO will adopt performance measurement systems that measure internal and external metrics and implement a Continuous Improvement Performance Measurement System (CIPMS). EDO shall also develop inclusionary criteria for each of the performance metrics, including a realistic assignment of EDO attribution (i.e. extent or level of involvement) and utility (i.e. worthiness of investment), in order to increase the credibility of the performance measurement.

3.1(b) During the first year of this Agreement, EDO will prepare for presentation to City Council a completed Appendix B that builds on the historical performance metrics of the EDO (job creation supported; jobs retained; investment facilitated (new builds, leases, purchases, expansions, government funding); businesses assisted; leads; opportunities; and company visits); and, opportunities) together with some of the potential metrics included for illustration purposes only in Appendix B to this Agreement.

3.2 In each subsequent year of this Agreement, the proposed performance metrics shall be submitted to Council with the draft budget, annual work plan and EDO's Strategic Plan update.

4.0 Financial Operations

4.1 EDO has a fiscal year end of December 31st.

- 4.2 For the term of this Agreement, the City agrees to provide funding to EDO to undertake the Core Economic Development Activities as set out in Appendix A to this Agreement. EDO shall submit an annual budget request to City Council for approval.
- 4.3 EDO may request from the City additional funds to carry out specific programs or projects on behalf of the City. The City may also request EDO to undertake specific projects or programs on behalf of the City and provide additional funding for said specific programs (funding for additional projects hereinafter called “Additional Funding”). Additional Funding shall not be considered part of the base funding for the purpose of calculating the minimum budget increase for the following year. The specific projects or programs and Additional Funding shall be the subject of Amending Agreements which shall be included in Appendix C to this Agreement.
- 4.4 EDO shall actively seek private project funding to obtain grants, contributions, bequests, gifts and assets from sources other than the City in furtherance of its objectives.
- 4.5 The EDO finances shall be audited on an annual basis and the Auditor shall provide a Management Letter, commenting on the management of the EDO finances, to the EDO Board. The Auditor will also provide a summary of any audit difference that may have been noted during the audit.
- 4.6 The EDO Board shall prepare a detailed Annual Financial Report which shall be submitted to the City. The Financial Report shall include the Auditor’s Management Letter and summary of audit differences. The Annual Financial Report shall be publicly accessible.
- 4.7 The EDO Board shall ensure that program leads and members of the Finance and Audit Committee receive skills development training in financial management.
- 4.8 Budget line items associated with specific projects shall be tied directly to the performance measures for those projects in accordance with Appendix B.

5.0 Term and Termination:

- 5.1 This Agreement shall have a term of three (3) years, commencing on January 1, 2017 and being fully complete on December 31, 2019.
- 5.2 This Agreement may be terminated by the City prior to the expiration of the Agreement upon at least six (6) months written notice to the EDO Board, and only in the event that EDO is in breach of the terms and conditions of the Agreement as determined by the City. Particulars of the breach shall be set out in the written notice, and the termination shall be effective only if EDO fails to remedy the breach within the six (6) month period to the satisfaction of the City.
- 5.3 This Agreement shall be automatically renewed for successive four (4) year terms on such terms and conditions as agreed to, unless the City provides written notice to EDO prior to June 30th in the year prior to a renewal year that it does not wish to renew the Agreement.

Draft EDO Service Level Agreement

Dated at the City of Kingston, this ____ day of _____, 2016.

SIGNED, SEALED AND DELIVERED

In the presence of:

**THE CORPORATION OF THE
CITY OF KINGSTON**

Bryan Paterson, Mayor

John Bolognone, City Clerk

**THE ECONOMIC
DEVELOPMENT ORGANIZATION**

, Chair

APPENDIX A

EDO'S CORE ECONOMIC DEVELOPMENT ACTIVITIES / STRATEGIES

EDO shall act as the primary economic development organization for the benefit of the City of Kingston. Kingston's economic development success will be contingent on attracting new investment, retaining and growing existing businesses, supporting entrepreneurship and new company development, and addressing labour force needs in the community. EDO will work cooperatively and collaboratively with the City and other organizations and community stakeholders to ensure that investment opportunities are effectively developed. The Core Economic Development Activities described herein shall be reviewed annually to ensure alignment with Council's strategic priorities.

The focus of EDO's Core Economic Development Activities shall include the following five (5) areas as recommended in the KEDCO Review Committee 2016 Summary Report and Assessment and approved by City Council:

1. Investment Attraction and Investment Aftercare:

- Develop a strong brand and marketing program for the City of Kingston (marketing brochures, event attendance, etc.);
- In collaboration with the City and private sector, maintain an up to date inventory of available employment lands;
- In collaboration with the private sector and the City of Kingston, actively promote available sites for employment uses (marketing brochures, website information, applications to the Investment Ready; Certified Site Program);
- Establish targets for attracting new business and investment;
- Act as a liaison with Provincial and Federal government economic development agencies and ministries in the attraction of new employment uses and the growth of key sectors of the economy;
- Provide professional and confidential service to external clients, their agents and consultants considering investments in the community, including facilitating access to municipal departments and services;
- Develop a proactive program of follow-up contact with new businesses to ensure that their needs are being met and to provide advice on such matters as labour force needs, supply chain connections, etc.;
- Establish sector-specific advisory committees aligned with the mandate of the EDO to help shape attraction activities; and
- Identify high priority growth sectors and provide or contract support and expertise for the attraction of new jobs and investment in those sectors.

2. Business Retention and Expansion

- Develop a structured and action-oriented program to engage existing businesses in the

community to identify and understand their priorities and opportunities / challenges for growth and expansion (e.g. company visit, annual meet-and-greet, information sessions, etc.);

- Ensure that timely and meaningful support structures and programs are in place to assist existing businesses;
- Support existing businesses in identifying and applying for relevant programs from other levels of government;
- Partner with local businesses in the promotion of their products and services through the development of a tradeshow support program;
- Establish targets for retention and expansion of existing businesses;
- Support the growth of local businesses in high priority growth sectors;
- Facilitate research and data collection to assess community needs for incubation in priority areas; and
- Ensure active labour force meets growth needs within high priority growth sectors.

3. Support for Small Business and Entrepreneurs

- Continue to partner with external agencies (e.g. Ministry of Economic Development and Growth) to deliver services to support new entrepreneurs and small business owners – make full use of relevant programs from other levels of government and ensure that all existing contractual obligations to external funding partners are met;
- Establish targets for new business start-ups;
- Provide or facilitate the provision of expert advice and practical assistance to business owners (e.g. on-line information, workshops, information sessions); and
- Work one-on-one with clients to discuss business ideas and challenges and to connect them with the information, expertise and contacts they need to succeed.

4. Support for workforce development, jobs, and skills-building

- Work with business and community partners to regularly monitor and analyze available data in order to identify labour force needs and possible shortages or surpluses in different employment sectors;
- Promote the City as a desirable and exciting community with diverse employment prospects;
- Collaborate with community partners to engage with under-employed labour pools including youth, migrant, immigrant and military populations;
- Attract skilled workers to fill available positions in the community;
- Attract and retain the labour force required to support identified high priority growth sectors;
- Attract high growth small business entrepreneurs and investment capitalists to foster the creation of export based jobs; and
- Liaise with post-secondary institutions and training providers with respect to the skills demands of local businesses.

5. Support for knowledge industries, young workers, technology transfer from post-secondary institutions, and incubation/innovation enablement

- Leverage the City's post-secondary institutions to the fullest extent;
- Investigate expanding the role of post-secondary institutions in innovation and entrepreneurship;
- Work to educate secondary and post-secondary students about the labour market and facilitate interaction between students and Kingston businesses; and
- Facilitate research and data collection to assess community needs for incubation in priority areas.

APPENDIX B

EDO ANNUAL ECONOMIC DEVELOPMENT PERFORMANCE METRICS

The following Performance Metrics are presented for illustrative purposes only. In the first year of this Agreement (2017) EDO will present to City Council a completed Appendix B that builds on the historical performance metrics of EDO (job creation supported; jobs retained; investment facilitated (new builds, leases, purchases, expansions, government funding); businesses assisted; leads; opportunities; and company visits) together with the possible series of metrics listed below for each of the five (5) core economic development activities.

As outlined further in Section 3 of this Agreement, EDO will adopt performance measurement systems that measure internal and external metrics and implement a Continuous Improvement Performance Measurement System (CIPMS). The adopted performance metrics will be outcome based. EDO shall also develop inclusionary criteria for each of the performance metrics, including a realistic assignment of EDO involvement, in order to increase the credibility of the performance measurement. Each of the performance metrics will be supported by definitions that will assist with comprehension of what is being measured.

Social Media

- Website - total visits; average time on site; % new visits; page views;
- Mobile Apps – number of downloads; active users;
- Facebook – new likes; active users; post views; post feedback;
- Twitter – number of tweets; number of followers; and
- Newsletters – issues distributed; number of subscribers; new subscribers; number of unsubscribes.

Investment attraction and investment aftercare

- Number of leads generated;
- Number of leads resulting in new investment;
- Number and value of new jobs created that can be attributed to direct EDO assistance with attraction, recruitment and / or retention;
- Amount of new investment in the community through new build, lease, government grants; and
- Total annual wages or salaries of new FTE jobs at client companies.

Business retention and expansion and work with local businesses

- Number of visitations to local businesses;
- Level of business satisfaction with services provided (via annual survey);
- Number of jobs created or retained through service; and
- Total annual wages or salaries of retained FTE jobs at client companies.

Support for small business and entrepreneurs

- Number of inquiries received;
- Number of consultations provided;
- Number of new businesses started / registered, including youth entrepreneurship programming;
- Number of new jobs created that can be attributed to direct EDO assistance;
- Average salary of jobs created;
- Number of business planning programs and seminars conducted and number of persons that attended; and
- Funding opportunities leveraged.

Support for workforce development, jobs, and skills-building

- Number of businesses engaged for workforce planning consultations;
- Workforce projections conducted and findings reported; and
- Partnered events and activities.

Support for knowledge industries, young workers, technology transfer from post-secondary institutions, and incubation/innovation enablement

- Innovation ecosystem partnerships developed and maintained;
- Youth entrepreneurship programming (e.g. Summer Company and Starter Company); and
- Partnered events and activities.

APPENDIX C

ADDITIONAL SERVICE AGREEMENTS

The following is a listing of the Amending Agreements entered into between the City and EDO for the provision of additional services, projects or programs:

(Note: This Appendix will only be utilized if there are specific projects or programs and associated funding approved by the City and the EDO Board.)

THIS AGREEMENT made in triplicate this ____ day of _____, 2016.

BETWEEN:

THE CORPORATION OF THE CITY OF KINGSTON

Hereinafter referred to as the “City”

- and -

TOURISM KINGSTON

DRAFT SERVICE LEVEL AGREEMENT

WHEREAS Council, at a Special Meeting held July 6, 2016, received the “KEDCO Review Committee 2016 Summary Report and Assessment” (the “KEDCO Report”) dated June 13, 2016 and approved, as amended, the recommendations as referenced in the KEDCO Report; and

WHEREAS one of the KEDCO Report recommendations approved by Council was to craft and implement a formal Service Level Agreement between the City and a stand-alone tourism corporation; and

WHEREAS Tourism Kingston operated previously as a division of the Kingston Economic Development Corporation (KEDCO) and as the Destination Marketing Organization (DMO) for the benefit of the City of Kingston; and

WHEREAS it is proposed that the new stand-alone tourism corporation be known as Tourism Kingston:

NOW THEREFORE the parties hereto agree as follows:

1.0 Tourism Objectives and Directions:

The City and Tourism Kingston shall work cooperatively and collaboratively to achieve mutual goals and objectives that envision Kingston as a premier, four-season experience with a goal of increased visitation and visitor-related spending. The objectives and directions will be guided by the City’s and Tourism Kingston’s Strategic Plans and must meet the needs of the Kingston community now and into

1.1 Key tourism objectives and directions include:

- i) Implementing the Integrated Tourism Marketing Strategy that is consistent with Council’s strategic priorities and that will make Kingston a premier, four-season experience with increased overnight visitation and visitor-related spending;
- ii) Maintaining the new Kingston brand across all tourism markets;

Draft Tourism Kingston Service Level Agreement

- iii) Strengthening partnerships and relationships with tourism stakeholders and other levels of government;
- iv) Developing and supporting new business plans to advance visitor services and experiences;
- v) Facilitating the growth and expansion of existing tourism companies;
- vi) Supporting artistic and cultural business opportunities and promoting the City's cultural heritage resources;
- vii) Researching and identifying gaps in the existing tourism market / product;
- viii) Identifying and supporting opportunities to enhance the tourism potential for the City;
- ix) Building a culture of customer service excellence; and
- x) Implementing performance measures to track progress towards established goals and regularly reporting results.

The foregoing activities, as described in more detail in Appendix A to this Agreement, shall be reviewed annually to ensure alignment with Council's strategic priorities.

2.0 Transparency, Reporting and Accountability

- 2.1** Tourism Kingston and its Board of Directors will be responsible for fulfilling the mission for which it is incorporated. Tourism Kingston will be accountable to the Council of the City of Kingston in the performance of the activities and services provided in accordance with the provisions of this Agreement and /or as determined in the approved annual operating budget.
- 2.2** Tourism Kingston shall operate as the Destination Marketing Organization (DMO) for the City of Kingston.
- 2.3** Tourism Kingston shall communicate with the City as follows:
 - a) Annually, by way of the draft budget, annual work plan and Tourism Kingston's Strategic Plan as updated to reflect the priorities of City Council;
 - b) Annually, by way of the Annual Financial Report as required by Clause 4.6 of this Agreement;
 - c) Quarterly, by way of Activity Reports to demonstrate the progress of Tourism Kingston in achieving its Strategic Plan and the impact of Tourism Kingston's actions and programs on the key performance measures of tourism as set out in Appendix B of this Agreement. The Quarterly Reports shall form the basis of an Annual Year in Review Report to Council. All Activity Reports shall be publicly accessible;
 - d) Once every five (5) years by way of a new or updated five (5) year Strategic Plan which shall be developed to align with the priorities of City Council. Development of the Strategic Plan shall include a full program of public consultation prior to adoption

of the Plan by Tourism Kingston and submission to City Council. If requested by the City, a meeting of City Council and the full Board of Directors of Tourism Kingston will be arranged as part of the Strategic Plan review process. The Strategic Plan shall be publicly accessible; and

e) By attending meetings of City Council or providing written communication to Council as may be requested from time to time by the City.

2.4 Tourism Kingston shall establish a formal Transparency and Accountability Plan (Policy and Practice) within the first year of this Agreement that reflects the eight (8) key areas espoused by Transparency International: Ethics; Public Complaints; Leadership; Performance; Human Resources; Budgeting; Procurement; and, Audit Results. The process to develop the Transparency and Accountability Plan shall include a program of community consultation.

2.5 Tourism Kingston shall create a sector-specific advisory committee to allow it to fulfill its mandate as contemplated herein.

3.0 Performance Measurement

3.1(a) Separate performance metrics shall be prepared for each of the core tourism activities outlined in Appendix A to this Agreement. The performance metrics shall be specific, measurable, achievable, relevant and time-based. Tourism Kingston will adopt performance measurement systems that measure internal and external metrics and implement a Continuous Improvement Performance Measurement System (CIPMS). Tourism Kingston shall also develop inclusionary criteria for each of the performance metrics, including a realistic assignment of Tourism Kingston attribution (i.e. extent or level of involvement) and utility (i.e. worthiness of investment), in order to increase the credibility of the performance measurement.

3.1 (b) During the first year of this Agreement, Tourism Kingston will prepare for presentation to City Council a completed Appendix B that builds on the historical performance metrics of Tourism Kingston operating as a division of KEDCO (sales calls; company visits; economic impact (meetings & conferences; sport tourism); and, opportunities) together with some of the potential metrics included for illustration purposes only in Appendix B to this Agreement.

3.2 In each subsequent year of this Agreement, the proposed performance metrics shall be submitted to Council with the draft budget, annual work plan and Tourism Kingston's Strategic Plan update.

4.0 Financial Operations

4.1 Tourism Kingston shall have a fiscal year end of December 31st.

4.2 For the term of this Agreement, the City agrees to provide funding to Tourism Kingston to undertake the Core Tourism Activities as set out in Appendix A to this Agreement. Tourism Kingston shall submit an annual budget request to City Council for approval.

Draft Tourism Kingston Service Level Agreement

- 4.3 Tourism Kingston may request from the City additional funds to carry out specific programs or projects on behalf of the City. The City may also request Tourism Kingston to undertake specific projects or programs on behalf of the City and provide additional funding for said specific programs (funding for additional projects hereinafter called “Additional Funding”). The Additional Funding shall not be considered part of the base funding for the purpose of calculating the minimum budget increase for the following year. The specific projects or programs and Additional Funding shall be the subject of Amending Agreements which shall be included in Appendix C to this Agreement.
- 4.4 Tourism Kingston shall actively seek private project funding to obtain grants, contributions, bequests, gifts and assets from sources other than the City in furtherance of its objectives.
- 4.5 The Tourism Kingston finances shall be audited on an annual basis and the Auditor shall provide a Management Letter, commenting on the management of the Tourism Kingston finances, to the Tourism Kingston Board. The Auditor will also provide a summary of any audit difference that may have been noted during the audit.
- 4.6 The Tourism Kingston Board shall prepare a detailed Annual Financial Report which shall be submitted to the City. The Financial Report shall include the Auditor’s Management Letter and summary of audit differences. The Annual Financial Report shall be publicly accessible.
- 4.7 The Tourism Kingston Board shall ensure that program leads and members of the Finance and Audit Committee receive skills development training in financial management.
- 4.8 Budget line items associated with specific projects shall be tied directly to the performance measures for those projects in accordance with Appendix B.

5.0 Term and Termination:

- 5.1 This Agreement shall have a term of three (3) years, commencing on January 1, 2017 and being fully complete on December 31, 2019.
- 5.2 This Agreement may be terminated by the City prior to the expiration of the Agreement upon at least six (6) months written notice to the Tourism Kingston Board, and only in the event that Tourism Kingston is in breach of the terms and conditions of the Agreement as determined by the City. Particulars of the breach shall be set out in the written notice, and the termination shall be effective only if Tourism Kingston fails to remedy the breach within the six (6) month period to the satisfaction of the City.
- 5.3 This Agreement shall be automatically renewed for successive four (4) year terms on such terms and conditions as agreed to, unless the City provides written notice to Tourism Kingston prior to June 30th in the year prior to a renewal year that it does not wish to renew the Agreement.

Draft Tourism Kingston Service Level Agreement

Dated at the City of Kingston, this ____ day of _____, 2016.

SIGNED, SEALED AND DELIVERED
In the presence of:

**THE CORPORATION OF THE
CITY OF KINGSTON**

Bryan Paterson, Mayor

John Bolognone, City Clerk

TOURISM KINGSTON

, Chair

APPENDIX A

TOURISM KINGSTON'S CORE TOURISM ACTIVITIES / PRIORITIES

Tourism Kingston shall act as the Destination Marketing Organization (DMO) for the benefit of the City of Kingston. The tourism sector is a vital economic driver for the City of Kingston. Kingston's tourism marketing and development success will be contingent on attracting new tourism investment opportunities, retaining and growing existing tourism businesses, promoting high priority growth sectors of the tourism market, supporting entrepreneurship and new company development, and researching and identifying gaps in the existing tourism market. Tourism Kingston will work cooperatively and collaboratively with the City, other levels of government, partner organizations and other tourism stakeholders in developing the products and services that will attract visitors, ensure longer stays and increase spending. The Core Tourism Activities described herein shall be reviewed annually to ensure alignment with Council's strategic priorities.

Attraction Priorities include:

- Aligning the tourism brand to meet market demands;
- Attracting tourism investment opportunities that support year-round product offerings, grow visitor numbers and increase the length of stay per visit;
- Supporting the development of tourism products and programs that make Kingston enticing and unique;
- Maintaining and further developing relationships and partnerships with tourism industry developers;
- Researching and identifying gaps in the existing tourism market in Kingston;
- Establishing targets for attracting new tourism business and investment;
- Developing a proactive program of follow-up contact with new tourism businesses to ensure that their needs are being met; and
- Working with local, regional, provincial and federal partners to identify high priority growth opportunities and markets and provide support and expertise for the attraction of new jobs and investment in those sectors.

Growth & Retention Priorities include:

- Maintaining and further developing relationships with existing tourism partners through the development of a structured and action-oriented program to engage existing tourism businesses to identify and understand their priorities and opportunities / challenges for growth and expansion;
- Ensuring that timely and meaningful support structures and programs are in place to assist existing tourism businesses – utilize EDO's services to support the growth, retention and expansion of existing tourism services and make full use of all relevant programs from other levels of government;
- Establishing targets for retention and expansion of existing tourism businesses; and

Draft Tourism Kingston Service Level Agreement

- Monitoring and supporting public and private development opportunities with potential to benefit the City's tourism sector.

The **High Priority Growth Sectors** that will be pursued in accordance with the foregoing priorities include:

- Leisure Travel – increasing awareness of Kingston as a Top 4 Ontario destination and promoting the City's authentic and unique travel experiences;
- Sport Tourism – working closely with the City's Recreation & Leisure Department and building on the City's reputation as a leader and innovator in sport tourism, Tourism Kingston will proactively pursue additional sport tourism opportunities through such means as a strategic bidding and evaluation process, an integrated sales management process, attracting events that are best suited to the City's existing infrastructure, sales calls to sport organizations, and allocation of incentive funding to attract and retain new and existing events;
- Conventions, Conferences and Meetings – positioning Kingston as a premier destination for small to mid-sized meetings and conferences; and
- Travel Trade – increasing awareness of Kingston's unique travel experiences and work with partners to explore opportunities for new product development and infrastructure to support longer stays by tour bus operators and cruise ships.

Visitor Information Centre (VIC)

Tourism Kingston will continue to operate the Visitor Information Centre (VIC) located at 209 Ontario Street to provide visitors with the services, information and support needed to optimize their stay in Kingston and to provide vital tourism statistics and visitor and market information. Tourism Kingston will develop a business plan to realign the VIC's direction with market and partner needs.

The core activities of the VIC shall include;

- Conducting and analyzing visitor surveys to gauge customer satisfaction;
- Increasing and showcasing unique Kingston-related merchandise;
- Actively promoting Tourism Awareness Week with partners;
- Enhancing an Ambassador Program;
- Engaging in company visits to raise awareness of Tourism Kingston initiatives and to remain informed on partner activities to enhance visitor experiences; and
- Investigating the implementation of new technologies and programs to enhance visitor experiences.

Partnership Services:

Tourism Kingston will work with local, regional, provincial and federal partners on marketing campaigns, special events, and lead generation activities that market Kingston's core assets to decision makers in the group travel and event management industries. This will include on-site meetings with local tourism organizations to discuss business and sector challenges and opportunities and areas where support could be delivered.

Integrated Tourism Marketing Strategy:

Tourism Kingston will continue to work with the Kingston Accommodation Partners and other industry members to develop an Integrated Tourism Marketing Strategy for Kingston and Area in order to:

- align tourism marketing and attraction strategies of Kingston's tourism organizations;
- focus marketing and advertising expenditures in a meaningful way;
- maximize return on investment and increase overnight visitation and spending; and
- unify the Kingston brand and messaging to target audiences.

APPENDIX B

TOURISM KINGSTON ANNUAL TOURISM PERFORMANCE METRICS

The following Performance Metrics are presented for illustrative purposes only. In the first year of this Agreement (2017) Tourism Kingston will present to City Council a completed Appendix B that builds on the historical performance metrics of Tourism Kingston operating as a division of KEDCO (sales calls; company visits; economic impact (meetings & conferences; sport tourism); and, opportunities) together with some of the potential metrics listed below.

As outlined further in Section 3 of this Agreement, Tourism Kingston will adopt performance measurement systems that measure internal and external metrics and implement a Continuous Improvement Performance Measurement System (CIPMS). The adopted performance metrics will be outcome based. Tourism Kingston shall also develop inclusionary criteria for each of the performance metrics, including a realistic assignment of Tourism Kingston attribution, in order to increase the credibility of the performance measurement. Each of the performance metrics will be supported by definitions that will assist with comprehension of what is being measured.

Social Media

- Website - total visits; average time on site; % new visits; page views;
- Mobile Apps – number of downloads; active users;
- Facebook – new likes; active users; post views; post feedback;
- Twitter – number of tweets; number of followers; and
- Newsletters – issues distributed; number of subscribers; new subscribers; number of unsubscribes.

Sport Tourism

- Number of sales calls;
- Number of opportunities / opportunity room nights;
- Number of bids submitted / number of bids won;
- Number of definite bookings / room nights; and
- Economic impact.

Travel Trade

- Number of sales calls;
- Number of tour bus passengers;
- Number of cruise ship passengers; and
- Economic impact.

Conventions, Meetings & Conferences

- Number of sales calls;
- Number of opportunities / opportunity room nights;
- Number of bids submitted and / or supported / number of bids won;
- Number of definite bookings / room nights; and
- Economic impact.

Partnership Services

- Number of company visits; and
- Number of partnered events and activities; and
- Partners satisfaction survey results.

Visitor Services

- Number of visitors;
- Retail sales;
- Ticket sales; and
- Visitor experience (annual survey).

APPENDIX C

ADDITIONAL SERVICE AGREEMENTS

The following is a listing of the Amending Agreements entered into between the City and Tourism Kingston for the provision of additional services, projects or programs:

(Note: This Appendix will only be utilized if there are specific projects or programs and associated funding approved by the City and the EDO Board.)