



**City of Kingston
Report to Council
Report Number 16-321**

To: Mayor and Members of Council
From: Lanie Hurdle, Commissioner, Community Services
Resource Staff: Julie Salter-Keane, Community Projects Manager
Date of Meeting: October 18, 2016
Subject: Kingston Solar LP (Samsung) Renewable Energy Project –
Community Benefit Program Fund

Executive Summary:

At the March 22, 2016 Council meeting, staff were 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.

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 project is providing a positive return to the City. 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 Program Fund was \$116,449.32. Staff had discussions with representatives from Samsung in regards to potential areas of investments for the Community Benefit Program Fund.

The Rural Advisory Committee hosted a public meeting on May 16, 2016 to invite the public and committee members 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:

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.

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Staff also received feedback from the Rural Advisory Committee on August 22, 2016 (Report Number RAC-16-007).

Recommendation:

That the Kingston Solar LP Renewable Energy Project contribution to the Community Benefit Program Fund be allocated to the acquisition of trees to be planted in the neighbourhood of the Kingston Solar LP properties; and

That the Kingston Solar LP Renewable Energy Project contribution to the Community Benefit Fund be allocated to park improvements in the rural area, including school properties that are being utilized as community parks, in the rural area; and

That Council approve an amount of \$40,000 to replace the play structure, plant trees and construct a shade structure, in response to a request for financial assistance from Elginburg Public School, to be funded from the Kingston Solar LP Community Benefit Program Fund; and

That Council authorize the Mayor and Clerk to enter into a partnership agreement with Elginburg Public School for the distribution of the \$40,000 in a form satisfactory to the Director of Legal Services; and

That the Kingston Solar LP Renewable Energy Project contribution to the Community Benefit Program Fund be allocated to the acquisition of natural lands and parkland in the vicinity of the Kingston Solar LP properties; and

That staff shall no later than April 30th of each year, following the first year that the Community Benefits Program Funds are received by the City, provide an information report to the Rural Advisory Committee to consult and receive input from the Committee and members of the public on the use of the funds for any specific projects for the upcoming year; and

That staff shall no later than April 30th of each year, following the first year that the Community Benefit Program Funds are received by the City, provide an information report to Council of funds received and expenditures made out of the Community Benefit Fund, including a description of the initiatives on which the funds were spent during the preceding year.

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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.

The City has discretion regarding 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.

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 Program Fund. Summarized below is the feedback provided during that meeting:

- Acquire parkland/natural lands for the compensation of the lands used for the Kingston Solar LP (Samsung) Renewable Energy project;
- Plant trees in the vicinity of the solar project on private properties and the public right-of-way to address the visual impact of the solar project;
- 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
- Restore the natural landscape in the area surrounding the solar project.

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

Report Number RAC-16-007 was presented to the Rural Advisory Committee on August 22, 2016 for the purpose of receiving additional feedback on what was heard at the public meeting.

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 neighbourhood 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. 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 through the Natural Lands and Parkland Acquisition Policy.

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 will pay the City the Community Benefit Program Fund contribution of \$92,000 yearly.

Contacts:

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Other City of Kingston Staff Consulted:

Luke Follwell, Director, Recreation & Leisure Services

Damon Wells, Director, Public Works Services

Exhibits Attached:

Not applicable