



**City of Kingston
Report to Council
Report Number 19-134**

To:	Mayor & Members of Council
From:	Lanie Hurdle, Acting Chief Administrative Officer
Resource Staff:	Not applicable
Date of Meeting:	May 8, 2019
Subject:	Tourism Kingston: New Lease Agreement

Executive Summary:

This report is presented for the purpose of requesting Council's approval for Tourism Kingston to enter into a new lease agreement for their office location.

In accordance with the Service Level Agreement (SLA) entered into between the City of Kingston and Tourism Kingston ([Report to Council 16-325](#)), Section 2.0 "Transparency, Reporting and Accountability", clause 2.5 reads:

"2.5 Tourism Kingston covenants and agrees that it shall not, within the prior written approval of the City, enter into any contract with, or incur any financial obligation to, any third party which contract or obligation extends beyond the term of this Agreement, except with respect to funding programs as contemplated in Section 4.4 of this Agreement. The City agrees that this Clause shall not apply to prevent the hiring of permanent employees, so long as such business and/or employment is reflected in the approved budget."

The current SLA between the City of Kingston and Tourism Kingston will end on December 31, 2020, and the request from Tourism Kingston to enter into a new lease agreement extends beyond the length of the current SLA. Therefore, Tourism Kingston is requesting Council's approval to enter into a new lease agreement for their office location, effective in 2019 and up to a 5-year term (Exhibit A). City staff have reviewed the information and are bringing this report forward to confirm the City's consent to enter into a lease agreement beyond the term of the current SLA.

Recommendation:

That Council gives its approval for Tourism Kingston to enter into a new lease agreement for their office location, effective in 2019 and up to a 5-year term, subject to the functionality of the

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new location and within the budgetary amount presented to Council as part of the 2019 Operating Budget for Tourism Kingston.

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Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Lanie Hurdle, Acting Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Gary Dyke, Commissioner, Corporate Enterprise Services	Not required
Peter Huigenbos, Acting Commissioner, Community Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

Tourism Kingston currently operates out of 106-945 Princess Street at Innovation Park. Tourism Kingston undertakes tourism and marketing development initiatives to ensure that Kingston remains a destination of choice for visitors for all over the world. Visitor services are offered at Tourism Kingston's Visitor Information Centre at 209 Ontario Street, across from City Hall.

Tourism Kingston's current lease at 945 Princess Street will come due at the end of July 2019; therefore, they are currently seeking office relocation with a 5-year lease, for a property yet to be decided on.

In accordance with the SLA entered into between the City of Kingston and Tourism Kingston ([Report to Council 16-325](#)), Section 2.0 "Transparency, Reporting and Accountability", clause 2.5 reads:

"2.5 Tourism Kingston covenants and agrees that it shall not, within the prior written approval of the City, enter into any contract with, or incur any financial obligation to, any third party which contract or obligation extends beyond the term of this Agreement, except with respect to funding programs as contemplated in Section 4.4 of this Agreement. The City agrees that this Clause shall not apply to prevent the hiring of permanent employees, so long as such business and/or employment is reflected in the approved budget."

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Staff is recommending that Council gives approval for Tourism Kingston to enter into a new lease agreement effective in 2019 and up to a 5-year term, subject to the functionality of the new location and within the budgetary amount presented to Council as part of the 2019 Operating Budget for Tourism Kingston.

By giving its approval to enter into the lease agreement, the City is only giving its consent to the transaction and does not guarantee or otherwise assume liability on behalf of Tourism Kingston.

Existing Policy/By-Law:

[Report to Council 16-325](#), dated October 4, 2016

City of Kingston By-Law Number 2019-028 A By-Law to Approve the 2019 Operating Budget

Notice Provisions:

Not applicable

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Accessibility Considerations:

Not applicable

Financial Considerations:

Tourism Kingston's lease payments are budgeted annually as part of their Operating Budget, as presented to Council.

Contacts:

Lanie Hurdle, Acting Chief Administrative Officer 613-546-4291 extension 1231

Other City of Kingston Staff Consulted:

Not applicable

Exhibits Attached:

Exhibit A Letter From Tourism Kingston, dated April 18, 2019

— Tourism —
KINGSTON

April 18, 2019

Attn: Lanie Hurdle
Acting Chief Administrative Officer
City of Kingston
216 Ontario Street
Kingston, ON
K7L2Z3

Tourism Kingston's lease will come due at the end of July 2019 thus Tourism Kingston is currently seeking office relocation. Ideally Tourism Kingston will enter into a 5-year lease to a property yet to be decided on or before May 15th for a lease August 1, 2019-2024.

Currently Tourism Kingston is bound by Service Level Agreement with the Corporation of the City of Kingston, Section 2.5.

2.5 Tourism Kingston covenants and agrees that it shall not, without the prior written approval of the City, enter into any contract with, or incur any financial obligation to, any third party which contract or obligation extends beyond the term of this Agreement, except with respect to funding programs as contemplated in Section 4.4 of this Agreement. The City agrees that this Clause shall not apply to prevent the hiring of permanent employees, so long as such business and / or employment is reflected in the approved budget.

We are requesting that an amendment be made by Council at the May 8th Council meeting to allow Tourism Kingston to enter in to a five-year lease.

Sincerely,

Megan Knott

Megan Knott
Executive Director
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