



**City of Kingston  
Report to Council  
Report Number 15-245**

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**To: Mayor & Council**  
**From: Gerard Hunt, Chief Administrative Officer**  
**Resource Staff: Corporate Management Team**  
**Date of Meeting: June 16, 2015**  
**Subject: 2015-2018 Council Strategic Priorities – Implementation Plan**

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**Executive Summary:**

This report provides context for the implementation of Council's priorities and describes the status of work currently underway, planned or contemplated where available, and lays out an approach to continuing to work with Council to provide clarity of scope for those priorities that require further advice and direction.

Subsequent to Council meeting as Committee of the Whole to conduct planning sessions held on March 30, 31 and April 20, 2015, the following Committee of the Whole recommendations were approved by Council on May 5, 2015:

That the Chief Administrative Officer be directed to report back to Council with options/strategies which would result in a 2.5% tax rate increase for 2016, 2017, 2018 and 2019, and

That Council approve the draft strategic priorities as determined during the Council Strategic Planning Sessions; and

That the Chief Administrative Officer be directed to finalize the documentation and bring forward an implementation plan.

Council's priorities provide a vision for the community which is essential to focus energy and resources. It is clear that the priorities build on sustainability, creating energy, vibrancy and opportunities for community engagement to bring them to life. Part of the approach for staff for implementation will be to encourage community participation. This enables the community to partner with Council on their priorities to develop a shared community plan.

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This report outlines information for achieving Council's priorities as established at the 2015 strategic planning sessions and provides options and strategies to achieve the target of a 2.5% (including 1% dedicated to capital) tax rate increase for 2016 through 2019.

The report is laid out in two parts: Part A – Council Strategic Priorities - Implementation Plan 2015-2018, and Part B - Options and Strategies to achieve a 2.5% tax rate increase for the years 2016 through 2019, as directed by Council.

- **Part A** lists the priorities as determined and approved by Council and provides management comments for those priorities. This is intended to provide context, information and in some cases timelines associated with advancing those priorities and related objectives and projects. It should be noted that operating and capital budgets will be structured to reflect resource and timeframe alignments to advance and deliver on the priorities.
- **Part B** provides a summary of the fiscal challenge, discussion on the components of that challenge and identifies strategies to achieve the fiscal constraints target with minimal impact on service delivery. In order to sustain an annual target of 2.5% tax rate increase, we will need to close a gap averaging approximately \$1.2M annually, using a combination of both revenue and cost savings initiatives.

Over the course of the coming weeks staff will prepare the strategic plan document including timelines. The plan will be developed using technology to allow for interactive updates, to chart a course of progress over the coming years. Some hard copies will be also be available. It is expected that the plan document will be finalized in August. At the June 16 meeting of Council a preview of the technology based plan will be presented.

It should be noted that a number of reports are being presented for Council's consideration at the June 16, 2015 meeting that begin implementation of the Council priorities. In addition, the recommendations in this report provide further direction to support the implementation of the priorities.

#### **Recommendation:**

**That** Council receive CAO Report 15-245 as a macro implementation plan to achieve the priorities approved by Council following the 2015 strategic planning sessions held March 30, March 31 and April 20, 2015; and

**That** Council endorse the strategies laid out in Part B of the options/discussion section of CAO Report 15-245, to set conditions to achieve tax rate increases of no greater than 2.5% for 2016, 2017, 2018 and 2019, while maintaining the incremental investment of 1% annually for capital infrastructure; and

**That** the long term (15 year) capital expenditure and financial plans be updated to align timing of projects with Council priorities, while maintaining the financial parameters established by Council; and

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**That** Council challenge the community to support the implementation of Council's vision and priorities by pursuing individual strategies to advance a smart and liveable city; and

**That** Council direct staff to work with various community organizations to foster positive relationships and to align their work plans appropriately to Council's priorities to promote effective community development; and

**That:**

- a) External Agencies and Boards align their strategic plans with Council's priorities; and
- b) The Mayor and Chief Administrative Officer be directed to meet with external agencies and boards to set the expectations for alignment with the overall tax rate targets for the next four years; and
- c) Council members appointed to agencies and boards be directed to take a position in their representation to champion Council priorities and related fiscal constraints; and

**That** expenditures required to introduce open government initiatives be funded from the Working Fund Reserve such that following its introduction it becomes a normal part of the business operations of the City Corporation, and that staff prepare an implementation report to Administrative Policies Committee no later than September 2015 that describes an action plan to advance this priority; and

**That** Utilities Kingston be requested to prepare a report to City Council describing the opportunities associated with providing wireless internet (Wi-Fi) in various locations of the city, including a cost and benefit analysis for the community; and

**That** the dividends from the City's Utilities Kingston fiber optics business for the years 2015 to 2018 (inclusive) be allocated to invest in "smart city" technology solutions; and

**That** Council, request a presentation of the integrated tourism strategy currently under development by Kingston Accommodation Partners (KAP).

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**Authorizing Signatures:**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Gerard Hunt, Chief Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Cynthia Beach, Corporate & Strategic Initiatives

Lanie Hurdle, Community Services

Denis Leger, Transportation, Facilities & Emergency Services

Jim Keech, President and CEO, Utilities Kingston

Desiree Kennedy, Chief Financial Officer & Treasurer

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**Options/Discussion:**

This report provides a path forward to deliver on the priorities established by Council and to serve as direction and guidance for this Council term.

Council has set out its plan for the next phase of the community's development through its strategic priorities. The success of the plan will depend on more than the work of the City Corporation and other entities funded by the tax base. It will need the support and engagement of the community and residents to develop a community plan driven by energy, pride and enthusiasm. In assessing the strategies that must be introduced to achieve the plan and to maintain reasonable taxation and fee levels, staff has concluded that in many cases our role will be to facilitate and partner with the community to advance on several of the priorities. This is a positive step because communities that embrace their own vision and foster a sense of community pride and accomplishment often exceed their expectations.

There is no doubt that there will need to be creative approaches to meet the tax rate targets. While staff is committed to finding solutions to achieve the goal, it will be essential that external boards and agencies, which combined receive approximately 32% of the property tax levy, also commit to the goal. Further discussion on various strategies is presented in Part B of this report.

Part A reflects the priorities of Council and provides management comments for each priority area. Comments are included on specific initiatives/objectives, where there is a clear description of the priority item and where plans are in place to advance on that priority. In some circumstances staff will require more discussion with Council to understand the scope of the priority so that an action plan can be established to achieve the objective. It will be essential that Council meet as Committee of the Whole (COW) to assist in describing certain specific priorities, to ensure that staff efficiently and effectively deliver on the objective. Staff will initiate these discussions with COW on a case by case basis over the coming months.

**Part A: Strategic Priorities and Implementation Plan**

In March and April 2015 Council met and completed a strategic planning exercise resulting in the establishment of six major priorities for their term (2015-2018). These priorities were approved by Council on May 5, 2015 as follows:

1. **Create a smart economy:** Kingston is an exciting place to do business and is committed to greater economic resiliency. Building on Kingston's motto of "where history and innovation thrive", Kingston is positioned to encourage entrepreneurship and innovation.

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During its term, Council will:

- i. Promote Kingston as a leader in innovation and incubation.
- ii. Foster an open-for-business culture.
- iii. Encourage artistic and cultural business opportunities.
- iv. Prepare and implement a city-wide tourism strategy.
- v. Develop a youth employment strategy.
- vi. Increase assessment growth to limit tax rate increases.
- vii. Facilitate the creation of a post-secondary downtown campus.
- viii. Progressively sponsor city-wide broadband Wi-Fi infrastructure.
- ix. Promote fibre access to strengthen Kingston's competitive advantage.
- x. Develop an immigration strategy.
- xi. Pursue political strategies for a high-speed rail stop in Kingston.

**Staff comments:**

The following commentary is intended as a discussion with some specific information to illustrate to Council the various ways we can work to deliver on the priorities. Facilitating community participation will be a key strategy employed as part of the achievement of these priorities.

**i. Promote Kingston as a leader in innovation and incubation**

Over the past few years the staff has continued to engage with post-secondary partners in support of town gown relations, Innovation Park and student entrepreneurial program development. Innovation Park development has been a critical enabler of investment opportunities, and the progressive evolution of the park's connections to the broader sector has created connections and links to opportunities that will continue to be realized over time.

Recently small incubation type businesses have been growing from a new breed of entrepreneurs that understand how to do business across the globe by simply beginning in small spaces that allow for scalability, shared use of resources and limited overhead, which is critical to the infancy growth period of up-start businesses. This grass roots style of entrepreneur is a major part of Kingston's future and is to be encouraged with non-traditional approaches. At the June 16, 2015 Council meeting staff is proposing to create an "incubation type" location at the former Portsmouth Town Hall on King Street. This is an example of how history and innovation thrive by using a heritage building to create a modern innovation/entrepreneurial centre. Space that is currently vacant, costing the municipality maintenance and operating dollars, will become an economic stimulant opportunity for the community. The proposal is structured in accordance with Section 108 of the Municipal Act.

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In order to compete in today's global marketplace Kingston must demonstrate its competitive advantage.

**ii. Foster an open-for-business culture**

Encouraging investment and being open for business has been an ongoing strategic priority of Council. A community's quality of life is a key feature to attracting talent, investment and people. The priority to encourage economic growth through entrepreneurship and innovation creates both opportunity and excitement in the community. The population, housing and employment study completed in 2014 identified a number of sectors that will see employment growth over the next 20 years. The study is available on the City website: <https://www.cityofkingston.ca/business/planning-and-development/planning-studies/projections>. Business and employment opportunities will be available both directly and indirectly from those core focus areas. Cultivating the entrepreneurial and creative spirit and making the city an exciting venue will foster business development and growth opportunities.

Over the past few years Kingston has acquired over 200 acres of industrial land, and has a solid business plan for developing and servicing those lands through realizing sales revenues and reinvesting those into servicing, such that the tax base does not support the financing. This inventory positions Kingston to respond to investor demand in parcel sizes that are flexible for the market place. Successful outcomes will continue from this strategy.

**iii. Encourage artistic and cultural business opportunities**

The Kingston Cultural Plan (KCP) was prepared to articulate a sustainable, authentic and long-term vision for culture vitality in Kingston. Culture and creativity are now recognized as important sources of wealth creation and major drivers in local economies. The KCP, approved in 2010, has created a guiding path on how Kingston can enrich the cultural experience and enhance its unique identity by fostering investment in its cultural assets. The cultural services department has been established to foster and develop cultural vitality through community development. Over the years with investment in facilities like the Grand Theatre and the JK Tett Centre, cultural places have been created to foster and stimulate both artistic and business opportunity. Community partner organizations have formed to create the ability to develop products and services that capitalize on Kingston's rich history and heritage, appealing to more residents and tourists with steady growth and opportunity. Staff intends to prepare an update report on the progress of the KCP in the coming months to provide an opportunity for Council to understand the various aspects of the plan, the progress on implementation since 2010 and how more work can be fostered in the community to achieve objectives of the plan. It is expected that opportunities will exist to capitalize on the tourism strategy to provide better coordination, events and marketing efforts.

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**iv. Prepare and implement a city-wide tourism strategy**

Recently the Kingston Accommodation Partners (KAP) completed a review and developed a tourism strategy that was presented at their annual general meeting. That strategy speaks volumes to the collective interest and vision for Kingston tourism, not only for Kingston but for the surrounding regions. A recommendation in this report requests that Council learn more about KAP's findings by inviting them to present at a future Council meeting. At that time Council can consider embracing the vision that is presented. Opportunity exists to leverage KAP's leadership and through meaningful discussion align tourism marketing and attraction strategies, creating greater return on investment and refocusing marketing and advertising expenditures in a cohesive way. This is an example of how the community organization can participate and lead a priority as KAP has essentially advanced a city wide tourism strategy.

**v. Develop a youth employment strategy**

At the June 16 meeting of Council staff will provide recommendations to Council on the development of a youth employment strategy. The proposal presented by staff is to create a partnership with United Way (Kingston, Frontenac, Lennox & Addington) to develop this strategy. As part of the youth homelessness plan, youth employment and skills development were identified as an area of focus. It is anticipated that the youth employment strategy will be integrated with the immigration strategy, which is another initiative identified in the "creating a smart economy" priority.

**vi. Increase assessment growth to limit tax rate increases**

Fostering new business development and growth in all sectors including residential, multi-residential, commercial and industrial tax classes has provided the city with incremental tax assessment that has been instrumental in enabling the enhancement and expansion of services while maintaining reasonable levels of property tax rate increases. Kingston's promotion of intensification continues to attract investment in the inner core of the city while a consistent pace of development continues in the fringe areas on lands that have been approved for development within the urban growth boundary. Streamlining the development review process and introducing changes recommended from the mayor's task force on development, beginning in 2013, has created a positive and customer focused relationship with investors bringing development to our community. While projects that achieve intensification and require neighbourhood transitions need to be carefully planned. On occasion projects can be delayed by challenges in compliance with policies or at legislative bodies such as the Ontario Municipal Board. A number of future developments are in various stages of the planning process with a number of potential developments expected to be on the horizon. While sound land use planning practices will continue, the pace at which some developments progress may be outside the control of staff or Council. A continued emphasis will be placed on this priority over the next several years to ensure the city continues to experience healthy assessment growth and realize the opportunity to limit tax rate increases.

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**vii. Facilitate the creation of a post-secondary downtown campus**

The facilitation required to support the development of a post-secondary campus into the downtown is only in the very early stages and requires a decision first by a post-secondary institution(s). These types of campus developments have proven successful in other municipalities and are considered part of the strategies to integrate students and community, create vibrancy of place and space and bring energy and vitality to the downtown and campus areas, while enhancing the overall community. Fostering positive relations with students will continue to make Kingston an attractive place for students to live during and after their education and thereby ensuring a future resource base for entrepreneurship, solutions to skill shortages, and job creation potential.

**viii. Progressively sponsor city-wide broadband Wi-Fi infrastructure**

Smart cities require technological infrastructure. The opportunity now is to further invest in the community to enable greater opportunities for technology use. This report seeks Council's authority to redirect the dividends from Utilities Kingston's fibre operations for the four year period 2015 – 2018 (inclusive) to invest in community-related smart city projects, and requests Utilities Kingston to provide direction and advice to Council on investments and the cost/benefit analysis of any potential investments for the community. The priorities related to expansion of WiFi and the promotion of fibre to strengthen Kingston's competitive advantage will be included in the analysis and recommendations requested from Utilities Kingston as a first step in the action plan for progress. While it is recognized that Utilities Kingston owns and operates the City of Kingston fibre investment, it should be expected that private sector providers will also be valued partners in advancing this priority.

**ix. Promote fibre access to strengthen Kingston's competitive advantage**

Kingston has already been recognized for its vision and leadership in community connectivity having been named one of the Top 7 Intelligent Communities in 2014 in the world (out of a field of 400+ communities). Information on Kingston's application can be found on the City website. The City's investment in fibre optics in 1999 as an economic enabler has provided tremendous opportunity for connectivity and economic development for the City of Kingston. Heading into the amalgamation process in 1998 it was recognized that the necessary infrastructure for high speed data access did not exist within the new City of Kingston, and the lack of such infrastructure would be a deterrent to economic development. Thus the political leaders at that time charged what was then the utility department of the new City with developing a business case, followed by a business plan for the building of a high speed fibre optic network.

Since that time Utilities Kingston has built a high speed network consisting of over 1000 route kilometres of fibre that not only encompasses the urban area of the City of Kingston but also spans the region to Napanee and Belleville and Brockville to Ottawa and north to Highway 7, allowing organizations centred in Kingston to reach locations across the world. The quality of this service is second to none and provides its users with a

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symmetrical high speed highly reliable state of the art digital communications system. In 2013, in partnership with Eastern Ontario Regional Network, City fibre was installed in industrial parks, thus providing improved connectivity opportunities to investors. Private sector fibre is also available in the municipality and in 2014 Bell initiated a multi-million dollar project to install fibre throughout the city, primarily for small business and residential use.

Fibre technology is a key to smart cities success and development. It provides connectivity in the community enhancing business functionality, economic development opportunities and in the case of City owned fibre, provides a return to its shareholder, the City of Kingston. Opportunities exist to link with the Eastern Ontario Regional Network, providing connectivity in the rural areas, not serviced by City owned fibre. Further business opportunities are currently being explored. Additional focus will be placed on educating the community on the City's fibre network and opportunities, and some enhanced promotion will also be part of future strategies.

**x. Develop an immigration strategy**

The immigration strategy has been identified as a critical initiative to ensure that the city has a workforce with necessary skills to fill the anticipated future gap in the labour market. Although initially identified as an immigration (in-migration) strategy, it is more of a labour and workforce strategy as the intent is to ensure that there are no gaps in the labour market by training local residents and attracting individuals from other areas. In Kingston, the expected skill shortages will be primarily in health care and education. The immigration strategy will review options to not only attract skilled individuals from other regions but also train and develop skills of the local labour force, including youth, to fill shortages in the labour market. This integration is based on the principle that the immigration strategy will focus on the city's approach to attract, develop and retain the skills required to fill any anticipated labour gap. A report will be provided to Council in the fall 2015 with more information on the process and partners involved in the immigration strategy.

Settlement supports for newcomers to communities is an important part of community development. The City has partnered with Kingston Immigration Partnership (KIP) and others who have been very successful in their work of assisting and supporting newcomers to Kingston. These partnerships are critical to the success of any strategy to attract newcomers and their participation in the strategy development will be welcomed.

**xi. Pursue political strategies for a high-speed rail stop in Kingston**

The high speed rail line, contemplated for many years extending beyond Quebec City and Windsor is one that is critical to Kingston's future growth and development. It is important that as planning continues for the eventual construction of this transportation link and system, that a stop in Kingston be included. Staff encourages Council to continue to monitor this matter politically and to establish a strategic approach to ensure Kingston is included in the plan and corridor of service.

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- 2. Invest in infrastructure:** A strong and robust infrastructure ensures a high quality of life for Kingstonians. It also provides the city with the foundation needed to support a sustainable community.

During its term, Council will:

- i. Make the Third Crossing shovel ready to commence construction.
- ii. Expand the airport.
- iii. Create affordable, sustainable and mixed housing.
- iv. Advance an integrated multi-modal and active transportation system.
- v. Maintain and improve roadways and sidewalks.
- vi. Complete John Counter Boulevard.
- vii. Continue to support the current infrastructure plan (4-year approved budget and 1% annual dedicated tax increase) and recommend continued support to future Councils.
- viii. Explore potential alternative transportation solutions in place of the Wellington Street extension

**Staff comments:**

The following commentary provides up to date information on this Council strategic priority and sets the stage for work over the next four years designed to deliver on the priority objectives.

**i. Make the Third Crossing shovel ready to commence construction**

The **Third Crossing** of the Cataraqui River is a project that has been contemplated for several decades. In 2012 an Environmental Assessment was completed and approved by the Province of Ontario. In February 2013 (Report No. 13 – 097) staff prepared a next steps report at the direction of Council to assist with discussions and decisions on the project, including design, cost, financing and potential timing.

Now that Council has determined the priority of this project, staff will prepare a report to Council in September 2015 which will establish an action plan to meet the objective of Council, at which time Council can provide additional direction to staff, which will form the basis of work over the next three years.

**ii. Expand the Airport**

Council is aware of the capital projects to rehabilitate the **Norman Rogers Airport** Terminal Building and the extension of the runway. Several background reports dating back to early 2012 have been prepared that define the scope, implementation and the expenditure estimates to proceed with this work. These reports are referred to via hyperlinks in Report 15-300, being presented to Council on June 16, 2015. A

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supplementary report (15-186) also describes the airline industry and nature of service and potential service providers. There is not a business case to support the expenditure purely on the revenue generated from airport traffic; however, a compelling argument can be made from an economic development perspective that without such a community asset, economic development will be restricted. Report 15-300, sets in motion the action plan to move this priority forward, and included in that report are timelines to complete the reconstruction work within the term of Council.

### iii. **Create affordable, sustainable and mixed housing**

Creating affordable, sustainable and mixed housing is a challenge that will necessitate the involvement of all levels of government, the not for profit sector and the private sector. The 10 Year Housing and Homelessness Plan includes recommendations about providing housing within a continuum which ranges from social housing to home ownership. The City, as the Service Manager, has a responsibility to maintain 2003 social housing units within the City and County of Frontenac. There will be more financial pressures on the City in the future to maintain the social housing units as the assets are deteriorating and the federal and provincial governments have not announced any plans to support municipalities with this significant challenge. It will be of key importance for Council to be involved in initiatives that put this issue on the provincial and federal political agendas. The City will have to start planning for the replacement of some of the social housing assets over the next few years. This will be in part the focus of the Rideau Heights Regeneration Plan which will be presented to Council this summer.

In the past few years, the City has been allocating \$2M per year for the development of new affordable housing. Unlike social housing, affordable housing is defined as units that are 80% of market rent as established by the Canada Mortgage and Housing Corporation (CMHC). Staff will review options to continue to include \$2M per year in the capital budget for the development of affordable housing. In the past years, the funding was divided between land acquisition for affordable housing and capital investment in the construction of affordable housing. Considering the past projects, staff will also review the guidelines related to this funding and identify ways to maximize investments and support major renewal strategies for social housing units. There is funding in the capital budget for this program until 2016. Staff will review budgetary and policy options to continue this program beyond 2016. A report will be brought to Council in 2016 with recommendations.

It is recognized that part of the solution to creating sustainable and mixed housing is by ensuring that the private sector is involved in the implementation of this solution. One of the initiatives that will be expanded on is the secondary suite program. The development of more secondary suites meets some of the City's priorities for increased densities while providing units that are often available at a lower rental cost. Secondary suites can also be established in any neighbourhood which is a key to creating an integration of housing and income types. In the summer of 2015, staff will present a recommendation to expand the secondary suite program, as of right, in Kingston East. Staff will also investigate ways to reduce process and financial costs related to secondary suites applications in the core of the city where density and transportation targets are higher.

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Staff will continue to put emphasis on the home ownership programs which enables individuals with a limited income to access funds for a down payment on the purchase of a property. This program has been successful in enabling renters to become home owners for the first time and creating more capacity in rental units. Staff will also continue the implementation of the home renovations program which has been providing grants to individuals with lower incomes to renovate their properties and allow them to remain in their homes. This program also includes funding for accessibility projects.

**iv. Advance an integrated multi-modal and active transportation system**

Work is underway with the Transportation Master Plan to continue with an aggressive plan to change transportation modal splits. Council has postponed approval of the draft of the plan to enable further study and that will inform direction for the future intended to contribute to a vibrant and exciting community fostering smart growth, smart infrastructure and related systems and build greater quality of life features for our community. Over the course of the term of Council we expect to continue to see significant progress on this priority, which the City continues to invest in infrastructure rehabilitation, roadways, sidewalks and pathways.

**v. Maintain and improve roadways and sidewalks**

Council has approved a four year integrated infrastructure plan including utilities infrastructure and roads related infrastructure. This includes major work on water and wastewater treatment plants, utility infrastructure, the continuation of the separation of the sanitary and storm systems and major road and bridge infrastructure including the next phase the downtown Princess Street reconstruction and the completion of the John Counter Boulevard road project from Sir John A. Macdonald Boulevard to Princess Street, including a bridge over the CN rail line. Details of which projects are in progress or planned are found on the City website at this link: <https://www.cityofkingston.ca/city-hall/projects-construction/infrastructure-projects>

**vi. Complete John Counter Blvd**

This project will be completed in five phases with the final phase expected to be completed in 2019/2020. Phases one and two, for the construction of four lanes from Division Street to Sir John A. Macdonald Boulevard was completed in 2014. The Council approved capital budget in 2015 for the four year infrastructure renewal program (2015-2018) includes amounts to complete phases of this project. Phase three, commencing in the third quarter 2015, will include land clearing, grubbing and preloading of embankment areas to support the future bridge abutments. This phase will also include wetland and floodplain compensation to create new flood storage and wetland areas to offset the losses associated with the embankment construction. This phase is expected to take approximately 36 months to complete. Phase four, road widening to four lanes from Sir John A Macdonald Boulevard to Indian Road will commence in late 2017 with phase five, bridge construction, commencing in 2018 with a 24 month completion timeline.

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**vii. Continue to support the current infrastructure plan (4-year approved budget and 1% annual dedicated tax increase) and recommend continued support to future Councils**

Continued endorsement by Council of the 1% annual dedicated tax increase for capital purposes has been a key policy strategy that has enabled Kingston to address infrastructure deficits, introduce sound capital asset management plans and provide for new infrastructure in support of a changing community that includes a requirement to invest in infrastructure to attract growth. Long range financial plans incorporate this policy funding for the next 8-10 years, after which it is expected to be discontinued as financial capacity will be sufficient to support long term asset management planning. The City's high credit ratings reflect the value of this policy.

**viii. Explore potential alternative transportation solutions in place of the Wellington Street extension**

In May 2015 Council approved a secondary planning exercise for the inner harbour and old industrial park areas. This plan, expected to take up to two years to complete will provide a vision for the area, and replace a plan that has been in place for over 40 years. As part of that plan, alternate thought is required regarding transportation infrastructure. This provides an appropriate path forward to enable informative policy changes and creates an exciting opportunity to transform this area of the city to take advantage of the waterfront links, trails and pathways, bringing vitality to employment areas and connect the inner harbour with the downtown and inner core areas of the city.

**3. Plan a liveable city:** Quality of life and the positive characteristics of a city make it liveable. The concept of liveability embraces balancing the four pillars of sustainability and promoting community engagement and pride.

During its term, Council will:

- i. Revitalize Brownfields properties.
- ii. Expand and improve public transit.
- iii. Protect heritage.
- iv. Respond proactively to homelessness and food security needs in the city.
- v. Foster intensification in the city core.
- vi. Revitalize north-end including mixed residential and commercial investment along Montreal Street.
- vii. Facilitate implementation of the cultural plan through artist engagement.
- viii. Pursue the implementation of the Sustainable Kingston Plan and introduce sustainability practices in the delivery of services.
- ix. Inform future community planning, initiatives and services by considering cultural, social and neighbourhood demographics.

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**Staff comments:**

As a smart and liveable city we will strive to live within our means by continually seeking new and innovative ways of providing more effective services to our residents while at the same time maximizing the value of tax dollars.

**i. Revitalize Brownfields properties**

For the past several years the City has been successful in implementing its Brownfields program to revitalize contaminated properties and return them to productive use. The rejuvenation of abandoned properties provides opportunities for economic development, expansion of the tax base, environmental improvements and community enhancements. The City will continue to target failed tax sale/abandoned properties with the use of these policies and programs.

The Community Improvement Plan (CIP) providing Brownfields funding is an important tool to guide development in areas where Council wishes to encourage investment. Continued use of the program will be important.

Additional comments are provided on the subject of Brownfields as part of the comments under Council strategic priority number 5 "Advance a Vibrant Waterfront".

**ii. Expand and improve public transit**

The City continues to expand and improve public transit. In September 2013, it introduced new express transit routes providing 15-minute frequency during peak periods. The introduction of the new service assisted in the overall transit system achieving nearly 4.2 million in ridership in 2014 which is 13% greater than the 3.7 million ridership experienced in 2013. The express service was further expanded in May 2015 to provide additional express routes serving central and east Kingston. Council has approved capital funding for improvements in the west-end transfer point at Catarauqui Centre and the City is currently exploring potential improvements in its downtown transfer point. The cost of the latest express service introduced will have to be annualized in the 2016 and future year budgets. In 2015, staff will be initiating the next 5-year transit service plan which will identify additional service level improvements to be considered for the period 2016-2021. Any resulting identified service level improvements will have to be considered within the overall tax rate targets and fiscal capacity.

**iii. Protect Heritage**

Staff recognizes that protecting heritage is not only a benefit to residents but also promotes tourism within the city. Protecting heritage includes educating and creating more awareness with the public about the importance of history and heritage and of designated properties and the significance that they have in the history of the city. In

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order to support this objective of increasing education and awareness, staff has identified a project to relocate and expand on the Heritage Resource Centre (HRC) at City Hall. The intent of this project is to relocate the HRC to the main floor of City Hall in a publicly accessible space. There will be an expansion of the built heritage exhibits and also an introduction of cultural heritage exhibits within the centre. The intent is to create a space where residents and tourists can access information about some of the communities built heritage and the important stories and significance of that built heritage. There is an opportunity to link the HRC information to the City Hall, museums and other guided tours. It is anticipated that the relocation of the HRC will be completed in 2016.

Protecting heritage also includes proactive heritage designation of properties. Staff is currently working on a project to enable the potential designation of over 100 properties. This project is expected to be completed in 2016/2017. The update to the Sydenham District Heritage Plan has recently been approved and the update to the Barriefield Village District Heritage Plan is scheduled to be completed in 2015.

Included in the City's heritage vision is the cultivation of history in the community bringing life to the motto of "where history and innovation thrive". As one of the oldest cities in Canada the importance of history and its recognition is an important aspect of Kingston's way of life and what it has to offer to residents, visitors and investors. Continued engagement of the community to foster civic pride in our intangible heritage will be important.

#### **iv. Respond Proactively to homelessness and food security needs in the city**

The City's 10 Year Housing and Homelessness Plan sets out a path forward to implement a Housing First model in Kingston and the County of Frontenac and eliminate chronic homelessness. The Housing First model focuses on providing housing along with support services to individuals who are chronically homeless in order to enable them to remain successfully housed. The plan recognizes that individuals most in need would not stay housed on a long term basis without the associated support services. This will enable the City to move away from a reactive practice such as the addition of shelter beds to being proactive and creating housing with supports that will provide much needed homes for people in need. This plan has also included the shifting of financial resources from shelter beds to housing and support services. The plan is in its first year of implementation and service providers have generally been very supportive of the more proactive and client based approach, even if this has meant a number of organizational and service changes. A report presented to Council on June 16 provides some of the key elements of the 10 Year Housing and Homelessness Plan endorsed by Council. Staff will continue to monitor its implementation and report back to Council over the next four years.

Food security is another challenge for individuals living in poverty. The City is currently a member of the Food Policy Council Kingston, Frontenac, Lennox & Addington which was established a couple of years ago. The City is also involved in a number of initiatives such as community gardens and funding to the Gathering Place which all contributes to

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food security. A number of organizations in the community are also involved in day to day initiatives to provide more access to food for low income individuals. There is a lot of effort in the community to address this challenge so it is important to understand where the gaps exist and how to collectively work together to meet the needs of the community. In 2014, the City of Kingston and United Way provided a grant through the Community Investment Fund to the Loving Spoonful to complete research, consultation and analysis of challenges to food security. The Loving Spoonful is in the process of completing its project and expects to be able to present findings and recommendations this fall. Staff has had discussions with the Loving Spoonful to work collaboratively and develop an action plan to tackle food security once findings and recommendations are issued. This collaborative process will include a number of organizations and agencies within the community.

**v. Foster intensification in the city core**

In 2015, the City initiated the five year review and update of the Official Plan. In preparation for this update, staff also led an analysis of the employment and the residential lands inventories. Council directed that the urban boundary of the city would not be amended to accommodate full expansion areas but could be slightly amended to round out communities and/or accommodate City owned employment lands. Maintaining existing boundaries and not allowing for full expansion areas will promote development of vacant lands within the boundary that are already serviced. Higher densities are also being encouraged, especially in the Downtown area and along the Princess Street Corridor. The development community has started to demonstrate an interest in building at higher densities than currently allowed in the Downtown and Princess Street Corridor. This is in part driven by the need to accommodate a growing student population at post-secondary institutions. The update of the Official Plan will take all of these factors into consideration and will continue to focus on the importance of high densities in the downtown core, along Princess Street and in other key areas of the city. It will also focus on the importance of infill developments. As developments proceed on the core area and downtown, it is expected that housing pressure will be diverted from near campus neighbourhoods, which can enable some transition back to single family residences. Work that is being undertaken by Utilities Kingston to upgrade sanitary servicing and the Princess Street reconstruction will support the higher densities and infill projects. All of these strategies help to prevent urban sprawl. Effective implementation will require public education where neighbourhoods may be in transition to greater intensification and more dense developments. The Official Plan update will be presented to Council in 2016 and will also include enhanced policies to ensure more protection of agricultural lands.

**vi. Revitalize north-end including mixed residential and commercial investment along Montreal Street**

Rideau Heights has the highest concentration of social housing units within the City of Kingston. This has led to a number of social issues in the past years. The rejuvenation plan for Rideau Heights neighbourhood was initiated over a year ago. There has been a significant amount of community consultation and engagement on this project. The plan

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will focus on reducing the concentration of social housing in the neighbourhood, improving safety and services as well as addressing aging social housing units that are owned and managed by Kingston Frontenac Housing Corporation. The plan is intended to be implemented over the next 15 to 20 years and will be presented to Council in the Q3 2015. This plan will also include cost estimates and financing options for Council to consider. The first step of the rejuvenation was endorsed by Council in 2014 and will be implemented starting in 2015. It includes the demolition of 30 social housing units at 80 Daly Street, expansion and upgrade to Shannon Park, construction of a community centre in partnership with the Limestone District School Board to create a community hub and the integration of market units to start to reduce the concentration of social housing in the neighbourhood.

As the neighbourhood develops, investment is expected to continue on entrance corridors of the city. The Montreal Street corridor is viewed as a prime area for expansion of residential and non-residential uses. This area will be further informed by the secondary planning study for the inner harbour area and the old industrial area, expected to be completed over the coming two years to 2017.

**vii. Facilitate implementation of the cultural plan through artist engagement**

This topic has been discussed under priority 1.iii. “Encourage artistic and cultural business opportunities” of this report.

**viii. Pursue the implementation of the Sustainable Kingston Plan and introduce sustainability practices in the delivery of services**

The generally accepted definition of sustainability is “meeting the needs of present generations without compromising the ability of future generations to meet their needs” (The Brundtland report 1987). The Sustainable Kingston Plan sets out a vision to be Canada’s Most Sustainable City and embraces four pillars for success, as follows:

- **Economic:** Kingston focuses on strengths and opportunities for a vibrant, diverse, and dynamic economy which attracts and retains businesses and skilled employees, contributes to global knowledge, incubates innovation, and brings new goods and services to market.
- **Environmental:** While all pillars have equal standing within the Sustainable Kingston Plan, without a healthy environment the human pursuits of economy, society and culture cannot be sustained. By placing prerequisite importance on the protection and restoration of our natural environment we enable the ecology, of which each of us are a part, to thrive and continue to provide enjoyment and sustenance for Kingstonians.
- **Social:** The Social Equity pillar will help social agencies and residents to raise awareness about social needs and to engage both citizens and community

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partners to plan and act in response to these needs. The end result will be to improve the well-being of the whole community.

- Cultural: The fundamental objective of any sustainable community is the promotion of human well-being through enhancing both Quality of life and Quality of Place.

The community plan was created to engage the diverse community stakeholders to advance the community to be more innovative and resilient and to work together in non-traditional ways. The implementation of community initiatives is underway. The energy of staff, Council and the community should be focused on collaboration that does not require a renewal of the Sustainable Kingston Plan. It was expected that there would be a requirement to update the plan during this term of Council. However, staff now believes that, given the breadth of the community vision included in Council's Strategic Priorities and with the momentum currently building in the community, Council should not proceed to update the plan during its term.

**ix. Inform future community planning, initiatives and services by considering cultural, social and neighbourhood demographics**

As with the Kingston Strategic Plan 2011-2014, identifying community needs and planning to meet them is a key to protecting, preserving and enhancing neighbourhoods. The vibrancy of our neighbourhoods is important to the quality of life in our city. Engaging our citizens in the development or redevelopment of neighbourhoods will ensure that consideration is given to people, places and services.

**4. Green the city:** The protection and preservation of the environment is our collective responsibility.

During its term, Council will:

- i. Expand the trail system.
  - a. Complete the K & P Trail by 150<sup>th</sup> Anniversary (2017).
  - b. Improve, create and connect trails, pathways and green spaces.
- ii. Intensify urban forest.
  - a. Double the tree canopy by 2025.
- iii. Strengthen property standards and parking enforcement methods to beautify neighbourhoods.
- iv. Enhance waste management and recycling opportunities to promote a litter-free city.
- v. Develop policies to prevent urban sprawl and protect agricultural lands.

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**Staff comments:**

Kingston's community vision of becoming Canada's Most Sustainable City is a compelling call for community action. By embracing the four pillars of sustainability, Economic, Social, Cultural and Environmental, the community has made progress on its journey towards its goal. Council's "Smart and Liveable City" vision is a key aspect of sustainable communities.

While all four pillars of sustainability are critical to community success, the environmental pillar is one that many people relate to most. Environmental stewardship is a shared challenge and responsibility. Countries, cities, communities and individuals are more conscientious today than ever before of the state of the environment. From climate change to waste reduction, people must become more aware and take a greater level of responsibility to protect the environment. Optimizing use of City infrastructure, continued support of intensification strategies, reducing urban sprawl and protecting agricultural lands are key land use policies of the City of Kingston, which contribute to improving our environment. Additional information will be provided to Council in 2015 regarding next steps on this priority.

**i. Expand the trail system****a. Complete the K & P Trail by 150th Anniversary (2017).**

In May 2015, Council directed staff to develop a plan with options to complete the K&P Trail with potential alternative routes by July 2017. Staff will report back to Council in Q3 of 2015, as directed, with trail options as well as associated costs to complete this project by July 2017.

**b. Improve, create and connect trails, pathways and green spaces.**

Staff will continue to advance a number of trail projects including the Inner Harbour Trail over the next four years. A plan on the Little Cataraqui Trail system will also be brought to Council this summer and the Waterfront Master Plan, expected to be completed by the end of 2015, will further inform the plans for the trail system as it is finalized. Future capital budgets will continue to include funding on an annual basis to construct the trail system, however like all priorities the pace will be impacted by the financing available and the capacity of staff to do the work.

**ii. Intensify Urban Forest****a. Double the tree canopy by 2025**

One of the ways to assist with climate change and to beautify the city is to develop greater tree cover throughout. Further information will be required from Council to further define and scope out this priority. At this time staff expects that this priority will require a funding plan that does not solely rely on the property tax base.

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**iii. Strengthen property standards and parking enforcement methods to beautify neighbourhoods**

Property standards and parking enforcement are issues that have been identified by both the community and Council as being critical. Some progress has been achieved in the past few years with the beautification of city's gateways. In 2015, staff introduced a new by-law staff position through a pilot project with the Downtown BIA to provide additional support to the downtown area. This includes education and promotion of initiatives with downtown businesses as well as enforcement of City by-laws. This pilot project will be assessed at the end of 2015 to determine any future investments. Staff will also continue to work with the Queen's University Alma Mater Society to improve the property standards enforcement in the University District. Information will be brought to Council with additional details as required. A review of options to address issues surrounding illegal parking in a number of neighbourhoods is being planned, with recommendations forthcoming to council in 2016.

**iv. Enhance waste management and recycling opportunities to promote a litter-free city**

Kingston continues to show good results in residential diversion rates. Recently the Environment, Infrastructure and Transportation Committee received reports to describe the current programs and to set the stage for recommendations to achieve greater success in waste reduction. Over the coming months the committee will deliberate on survey results and recommendations on this topic.

**v. Develop policies to prevent urban sprawl and protect agricultural lands**

As described earlier in this report, The Official Plan (OP) update is underway and is expected to be presented to Council and finalized in 2016. The updated OP will provide enhanced policies on intensification and protection of agricultural lands.

**5. Advance a vibrant waterfront.**

Kingston's waterfront is a prominent feature and asset to the community. A vibrant waterfront requires balanced and respectful development that improves public access.

During its term, Council will:

- i. Revitalize the inner harbour and rejuvenate waterfront Brownfields.
- ii. Facilitate the redevelopment of the Kingston Penitentiary property.
- iii. Develop a visionary waterfront master plan.
- iv. Explore the potential for waterfront tourism opportunities including the feasibility of creating a dock for cruise ships.

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**Staff comments:**

Kingston is recognized globally for its natural assets and quality of life. These are some of the major reasons that Kingston ranks regularly as one of the top places to be in Canada. The waterfront is an attractive and important feature of Kingston.

**i. Revitalize the inner harbour and rejuvenate waterfront Brownfields**

Over the past ten years Kingston has been a leader in reclaiming formerly used industrial lands and rejuvenating those into new and productive uses. The City's Brownfields program, using a community improvement section of the Planning Act, enables the redevelopment of contaminated properties and uses a tax rebate incentive program of up to ten years to assist with financing cleanup costs. Properties once dormant along the waterfront have now been redeveloped, contributing to the transformation of the city. The inner harbour from downtown in a northerly direction along the Greater Cataraqui River is a prime area for future redevelopment. Within walking distance from downtown, the area is seen as a diamond in the rough, ready for transformation. In May 2015 Council approved a secondary planning study for the inner harbour and old industrial area (land adjacent to the inner harbour), which will bring a renewed vision for the entire area and inform the vision and future plans for the city. Properties requiring revitalization and clean up within the area will be part of the redevelopment vision with the Brownfields program being a key tool for its success.

**ii. Facilitate the redevelopment of the Kingston Penitentiary property**

Over the course of the next several months we expect the federal government to determine the future use/opportunity for the former Kingston Penitentiary property. Staff is prepared to work with the federal government to try to facilitate a community process for the redevelopment of the Kingston Penitentiary property. This community process should include elements such as heritage attributes and waterfront access. Although not part of the Kingston Penitentiary property, the neighbouring City owned Portsmouth Olympic Harbour property is also scheduled for a visioning exercise. It is staff's intent to ensure that both exercises align to maximize community benefits. As more information becomes available staff will develop a work plan to support these initiatives, expected for 2016.

**iii. Develop a visionary waterfront master plan**

The City's Waterfront Master Plan is currently underway with the contribution of a working group composed of members of the public and staff. The process started in 2014 and a number of public sessions have been successfully held in the past year. The plan is scheduled to be completed at the end of 2015 and will include strategies and recommendations for the city's entire waterfront for both the urban and rural areas. The development of the plan was divided in various geographical sections to ensure focused consultations, engagement and needs assessment. The plan will include long term plans for land access, trail and pathway developments as well as financial planning implications. It must be recognized that implementation of the plan will span a 15 to 20

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year period due to the magnitude and nature of some of the elements and projects and the associated financial implications.

**iv. Explore the potential for waterfront tourism opportunities including the feasibility of creating a dock for cruise ships**

A major component to the city's economy is tourism and the waterfront is a key to its success. Over the past number of years with the rejuvenation of certain properties, the rehabilitation of downtown infrastructure, the enhanced maintenance of waterfront parks and marinas, and a steady investment in cultural assets and programs, residents and visitors enjoy Kingston's attractions, entertainment, restaurants, tours and general tranquility along the waterfront. As opportunities continue to unfold, docking facilities for larger cruise type ships may be explored.

**6. Foster Open Government**

Kingston is committed to creating a transparent and accountable city that empowers the community to participate in meaningful and innovative solutions. Citizen engagement in the democratic process is central to this work. As such, citizens have the right to access documents and proceedings to allow for effective public involvement in and oversight of civic affairs.

During its term, Council will:

- i. Enhance transparency and encourage citizen engagement by
  - a. Committing to processes that enable open government.
  - b. Developing systems to support open data.
  - c. Strengthening the City's presenting, recording and reporting processes at public meetings.
  - d. Enhancing technology supports for committee meetings.
  - e. Improving public feed-in and feedback systems and processes.
  - f. Introducing participatory opportunities in civic affairs.
- ii. Build on a culture of excellence in customer service.

**Staff comments:**

A smart city uses information and communications technology to enhance its liveability, workability and sustainability (*Smart City Council*).

Smart cities are about a broad integrated approach to improving the efficiency of city operations, the quality of life of its citizens and growing the local economy (*Boyd Cohen, Fast Company Co.Exist*)

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While the definitions may represent different perspectives, a common theme is that open government is embedded in the culture and actions of the organization, that it is sustainable, and that it is essential for an organization aspiring to be “smart and livable”.

Public attention and branding of open government as a public policy trend has gained attention as a result of the confluence between Freedom of Information (FOI) legislation and the emergence of social media and collaborative technologies. As a result, governments at all levels are establishing formal initiatives and adopting commonly accepted principles such as transparency, accountability, innovation and participation, and directions that include open data, access to information, open governance and open engagement.

The City has embraced many of these principles, through examples such as electronic service delivery via the City website, technology improvements to Council meeting management / web streaming, and engagement with the community through social media.

On June 11, 2015 a report was presented to the Administrative Policies Committee on the subject of open government. This was an opportunity for the committee to provide input to assist in developing a framework, an approach and an implementation plan to be initiated in Q3 2015. It is expected that the work required to introduce open government/open data and enhanced public engagement will take approximately two years and a potential estimated investment of up to \$500K. It is recommended that expenditures required to introduce this initiative be funded from the Working Fund Reserve such that following its introduction it becomes a normal part of the business operations of the City and does not have an incremental impact on future operating budgets creating additional pressure on the tax rate target.

The following guiding principles are reflected here describing Council’s approach and commitment to achieving the strategic priorities.

### **Council’s Guiding Principles**

To enable achievement of these strategic priorities, Council will follow the guiding principles listed below:

1. Make decisions based on the principle of “*Kingston as one city*” with a view to an overall integrated community.
2. Consider strategic cost saving measures.
3. Pursue new and innovative non-tax revenue opportunities.
4. Conduct its business in a fiscally responsible manner.
5. Commit to social inclusion by responding to community needs and valuing diversity.
6. Embrace inclusivity and dignity in its approach to program delivery and access.

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7. Brand the message of *history and innovation* as part of enhanced public relations and marketing efforts.
8. Address community expectations by considering available resources and priority of services.
9. Work creatively in partnerships where appropriate across sectors to achieve goals and outcomes.
10. Pursue political strategies to ensure Kingston receives fair and equitable resource allocations from upper level governments.

**Staff comments:**

Guiding principles are important to understand the commitment and approach expected to achieve outcomes. Staff appreciate that delivering on priorities for Council requires a careful balance of delivering services to the community and meeting priorities, focus and service standards. Engagement and communications are keys to successful change.

The City Corporation's mission is: "To enhance the quality of life for present and future generations by providing progressive, professional services and leadership that reflects the needs of all those who work, live, visit or play in the city of Kingston". Our overarching goals are to be customer focused and results oriented. Key corporate strategies will continue to foster a culture of continuous improvement and employee engagement in the workplace by streamlining decision making, defining and clarifying expectations, improving accountabilities and enhancing communications. Delivery of quality services is a priority for the corporation.

Success continues to depend on the organization's culture and operational environment. We will continue to strengthen the organization in the following six key areas:

- Health, Safety and Wellness: *Providing productive and safe work environments and conditions for our employees.*
- Customer Service: *Meeting the needs of our external and internal customers promptly and courteously*
- Leadership and Development: *Attracting, developing and retaining talented and empowered people. Embracing an organization culture of learning.*
- Internal Communications: *Enhancing engagement and communicating more effectively with and among employees on how the work is important to the success of the corporation and the community.*
- Risk Management: *Identifying, assessing and managing risks.*
- Performance Management: *Evaluating and enhancing what we do and how we do it.*

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**Part B: Options and Strategies to achieve a 2.5% tax rate increase for the years 2015 through 2019, as directed by Council**

**Background**

In accordance with Council's direction, arising out of the strategic planning sessions, the tax rate increase must be limited to no more than a 2.5% for the years 2016 through 2019 inclusive. This 2.5% tax rate increase includes 1% for incremental capital infrastructure purposes, leaving 1.5% for inflation and service level changes, recognizing that tax assessment growth will provide additional financial resources in the range of 0.5% - 0.75% annually.

For each one half of one percent above the 2.5% projected in the years 2016 through 2019, \$1M will be needed to close the gap to achieve the target tax rate increase. Based on the information forecast in the 2015 budget, this means that in 2016 \$1.5M will be needed to close the gap; in 2017 an additional \$1.6M will be needed to close the gap, in 2018 approximately \$0.8M will be needed to close the gap and in 2019 an additional \$1M will be needed to achieve Council's direction of a 2.5% tax rate increase for all four years.

<b>Forecast tax rate increases (2015 budget) by percentage by year</b>				
Projections by year	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 projection</b>
Inflation estimate <sup>1</sup>	2.0%	2.0%	2.0%	2.0%
Capital levy	1.0%	1.0%	1.0%	1.0%
Municipal service change <sup>2</sup>	0.7%	0.6%	0.3%	0.5%
External agencies	0.2%	0.4%	0.2%	0.2%
<b>TOTAL</b>	<b>3.9%</b>	<b>4.0%</b>	<b>3.5%</b>	<b>3.7%</b>
Less: Growth	(0.75)%	(0.75)%	(0.75)%	(0.75)%
Forecast Tax Rate Increase (from Report No. 15-144)	3.2%	3.3%	2.8%	3.0%

<sup>1</sup>Bank of Canada target

<sup>2</sup>Service enhancements and growth pressures

1% = \$2M

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<b>Forecast Tax Revenue Gap by Year</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Forecast tax rate increase (Report to Council 15-144)	3.2%	3.3%	2.8%	3.0%
Council's Direction	2.5%	2.5%	2.5%	2.5%
Percentage gap	0.7%	0.8%	0.3%	0.5%
Dollar gap (per year, rounded)	\$1.3M	\$1.6M	\$0.7M	\$1.0M

While encouraging and achieving sustainable assessment (property tax) growth is one way to reduce the tax rate impact, other strategies must be considered including potential efficiencies, service adjustments, new revenue sources and new growth opportunities, while maintaining the integrity of Council's approved priorities. There is no doubt that in order to find sustainable savings now and into the future we will need to do things differently.

To achieve the direction of Council, it is recognized that there is no easy solution to achieving lower costs for services when demands and expectations continue to be at unprecedented levels. Enhanced leadership from Council and staff will be required, along with cooperation from community members and partners (agencies, boards, groups, unions), as decisions are made to adjust services accordingly to support the needs of the community with limited resources. Effective and sustainable community-based solutions can be achieved through a willingness to accept joint responsibility in facing these challenges.

Council, with renewed focus and energy, has been making a number of requests to increase service in some areas. It is important to note that the financial gap presented based on current services levels. Any direction from Council that requires additional net costs to provide service will widen the financial gap.

A significant proportion of the taxation raised annually is allocated to external agencies and their commitment is necessary to achieve the tax rate targets. Staff will engage in discussions with the City's external partners to inform them of Council's direction and will request that their budgets fall into line with this directive for future years. Councillors, as representatives on various City funded boards and agencies are encouraged to take a position in support of Council's priorities and parameters.

The following strategies are intended to support decisions that may be taken and realized over time contributing positively to achieving tax rate targets while embracing our philosophy of continuous improvement.

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**A. Return on Investment Opportunities**

- i. Continue to pursue economic and other development opportunities to achieve growth in the taxation and revenue base
- ii. Assess capacity of City facilities to optimize revenue opportunities
- iii. Capitalize on technology investments to achieve service changes, service enhancements, operational efficiencies and smart city objectives
- iv. Explore opportunities for return on investment from renewable energy installations and develop a business case to support the introduction of LED lighting in parking lots, parks and other appropriate locations

**B. Political Strategies with Upper Level Governments**

The following strategies are provided now and may evolve over time. Kingston as a member of the Federation of Canadian Municipalities (FCM), Association of Municipalities of Ontario (AMO), Large Urban Municipalities of Ontario (LUMCO), Mayors and Regional Chairs of Ontario (MARCO) and Eastern Ontario Mayors Committee (EOMC), should capitalize on the opportunities of the significant representation offered by these organizations in expressing the views of municipalities in Ontario and in Canada.

- i. Continue to pursue heads and beds funding and fairness in the payments-in-lieu-of-taxes revenue source
- ii. Lobby for sustainable infrastructure funding
- iii. Increase political focus and develop a strategy for securing funding for social and affordable housing
- iv. Take a position against further downloading of services without corresponding funding

**C. Services and Service Levels**

- i. Explore service delivery alternatives, models and opportunities and consider service level changes where appropriate
- ii. Consider slowing the pace of investment in new or enhanced levels of service
- iii. Balance new initiatives with existing programs, recognizing resource capacity
- iv. Align resources for completing capital works in progress and adjust time lines to priorities established for the term

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**D. Inflationary Control, Savings, Efficiencies and Non-tax revenue opportunities**

- i. Introduce greater opportunities for efficiencies and effectiveness in “Smart City” operations as part of the corporate culture of continuous improvement, embracing learning, development and engagement, and the use of technology.
- ii. Absorb inflation within existing budget levels where possible as may be determined over the course of budget(s) development
- iii. Consider opportunities including incentives for capitalizing on attrition to achieve greater service integration, service delivery efficiencies and net savings
- iv. Explore opportunities to increase fees to market rates and/or full cost recovery, where applicable
- v. Pursue non-tax revenue opportunities where appropriate within the general scope of services offered by the municipality

**Existing Policy/By-Law:**

Kingston’s Strategic Plan 2011-2014 – works in progress

**Notice Provisions:**

There are no notice provisions with this report.

**Accessibility Considerations:**

The City of Kingston strives to provide service in compliance with AODA standards.

**Financial Considerations:**

There are no financial considerations in this report. Annual operating and capital budgets will provide financial estimates that incorporate the priorities and the plans to achieve results. Certain financial comments and information is provided in the body of this report. While the desire to push forward on major projects is tempting, the City must manage within financial parameters and within the policy framework that has been approved as part of our long range planning. The policy of a 1% incremental annual tax rate increase for tax supported infrastructure has provided a solid financial foundation to allow the City to reinvest in capital assets and to invest in new services to support quality of life in Kingston. A continuation of this policy for the next 8-10 years will strengthen our position from a financial stability/ performance perspective, provided that major capital projects are appropriately timed with alternate funding assistance. Staff will require Council’s aggressive pursuit of grant funding to support major capital infrastructure projects. Council must carefully balance the demands for service enhancements impacting the operating budgets and any major capital expenditures with the financial parameters and the tax rate targets established by Council.

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**Contacts:**

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**Other City of Kingston Staff Consulted:**

Members of the Corporate Management Team

Other staff as required

**Exhibits Attached:**

Exhibit A: Council's Priorities as approved on May 5, 2015



## COUNCIL'S STRATEGIC PRIORITIES 2015-2018

After two nights of planning and discussion, city council has established six priorities to guide progress over the next four years. Council has set the vision of ***A Smart and Liveable 21<sup>st</sup> Century City*** as the guiding theme for these priorities moving forward. The list below identifies the six priorities and outlines some of the initiatives council will be focused on throughout their term.

Council will be meeting again on April 20 to discuss constraints, resource requirements and tax rates for their term.

### **Council's six priorities:**

1. Create a smart economy.
2. Invest in infrastructure.
3. Plan a liveable city.
4. Green the city.
5. Advance a vibrant waterfront.
6. Foster open government.

#### ***1. Create a smart economy.***

Kingston is an exciting place to do business and is committed to greater economic resiliency. Building on Kingston's motto of "*where history and innovation thrive*", Kingston is positioned to encourage entrepreneurship and innovation.

During its term, Council will:

- i. Promote Kingston as a leader in innovation and incubation.
- ii. Foster an open-for-business culture.
- iii. Encourage artistic and cultural business opportunities.
- iv. Prepare and implement a city-wide tourism strategy.
- v. Develop a youth employment strategy.
- vi. Increase assessment growth to limit tax rate increases.
- vii. Facilitate the creation of a post-secondary downtown campus.
- viii. Progressively sponsor city-wide broadband Wi-Fi infrastructure.
- ix. Promote fibre access to strengthen Kingston's competitive advantage.
- x. Develop an immigration strategy.
- xi. Pursue political strategies for a high-speed rail stop in Kingston.



## COUNCIL'S STRATEGIC PRIORITIES (Continued)

### **2. Invest in infrastructure.**

A strong and robust infrastructure ensures a high quality of life for Kingstonians. It also provides the city with the foundation needed to support a sustainable community.

During its term, Council will:

- i. Make the Third Crossing shovel ready to commence construction.
- ii. Expand the airport.
- iii. Create affordable, sustainable and mixed housing.
- iv. Advance an integrated multi-modal and active transportation system.
- v. Maintain and improve roadways and sidewalks.
- vi. Complete John Counter Boulevard.
- vii. Continue to support the current infrastructure plan (4-year approved budget and 1% annual dedicated tax increase) and recommend continued support to future councils.
- viii. Explore potential alternative transportation solutions in place of the Wellington Street extension

### **3. Plan a liveable city.**

Quality of life and the positive characteristics of a city make it liveable. The concept of liveability embraces balancing the four pillars of sustainability and promoting community engagement and pride.

During its term, Council will:

- i. Revitalize Brownfields properties.
- ii. Expand and improve public transit.
- iii. Protect heritage.
- iv. Respond proactively to homelessness and food security needs in the city.
- v. Foster intensification in the city core.
- vi. Revitalize north-end including mixed residential and commercial investment along Montreal Street.
- vii. Facilitate implementation of the cultural plan through artist engagement.
- viii. Pursue the implementation of the *Sustainable Kingston* Plan and introduce sustainability practices in the delivery of services.
- ix. Inform future community planning, initiatives and services by considering cultural, social and neighbourhood demographics.



## COUNCIL'S STRATEGIC PRIORITIES (Continued)

### **4. *Green the city.***

The protection and preservation of the environment is our collective responsibility.

During its term, Council will:

- i. Expand the trail system.
  - a. Complete the K & P Trail by 150<sup>th</sup> Anniversary (2017).
  - b. Improve, create and connect trails, pathways and green spaces.
- ii. Intensify urban forest.
  - a. Double the tree canopy by 2025.
- iii. Strengthen property standards and parking enforcement methods to beautify neighbourhoods.
- iv. Enhance waste management and recycling opportunities to promote a litter-free city.
- v. Develop policies to prevent urban sprawl and protect agricultural lands.

### **5. *Advance a vibrant waterfront.***

Kingston's waterfront is a prominent feature and asset to the community. A vibrant waterfront requires balanced and respectful development that improves public access.

During its term, Council will:

- i. Revitalize the inner harbour and rejuvenate waterfront Brownfields.
- ii. Facilitate the redevelopment of the Kingston Penitentiary property.
- iii. Develop a visionary waterfront master plan.
- iv. Explore the potential for waterfront tourism opportunities including the feasibility of creating a dock for cruise ships.

### **6. *Foster Open Government.***

Kingston is committed to creating a transparent and accountable city that empowers the community to participate in meaningful and innovative solutions. Citizen engagement in the democratic process is central to this work. As such, citizens have the right to access documents and proceedings to allow for effective public involvement in and oversight of civic affairs.

During its term, Council will:

- i. Enhance transparency and encourage citizen engagement by
  - a. Committing to processes that enable open government.
  - b. Developing systems to support open data.
  - c. Strengthening the City's presenting, recording and reporting processes at public meetings.
  - d. Enhancing technology supports for committee meetings.
  - e. Improving public feed-in and feedback systems and processes.
  - f. Introducing participatory opportunities in civic affairs.
- ii. Build on a culture of excellence in customer service.



## COUNCIL'S STRATEGIC PRIORITIES (Continued)

### COUNCIL'S GUIDING PRINCIPLES FOR ACHIEVING STRATEGIC PRIORITIES

#### Council will:

1. Make decisions based on the principle of "*Kingston as one city*" with a view to an overall integrated community.
2. Consider strategic cost saving measures.
3. Pursue new and innovative non-tax revenue opportunities.
4. Conduct its business in a fiscally responsible manner.
5. Commit to social inclusion by responding to community needs and valuing diversity.
6. Embrace inclusivity and dignity in its approach to program delivery and access.
7. Brand the message of *history and innovation* as part of enhanced public relations and marketing efforts.
8. Address community expectations by considering available resources and priority of services.
9. Work creatively in partnerships where appropriate across sectors to achieve goals and outcomes.
10. Pursue political strategies to ensure Kingston receives fair and equitable resource allocations from upper level governments.