



**City of Kingston
Report to Council
Report Number 17-264**

To: Mayor and Members of Council
From: Lanie Hurdle, Commissioner, Community Services
Resource Staff: Same
Date of Meeting: October 3, 2017
Subject: Kingston Penitentiary Tours 2018

Executive Summary:

In December 2016, Council endorsed the renewal of agreements between Correctional Service Canada, St. Lawrence Parks Commission and the City of Kingston to enable the provision of public tours at the Kingston Penitentiary for a second year.

The first year of operations was very successful with 60,000 visitors and a net profit of approximately \$640,000 which was allocated to the United Way of Kingston, Frontenac, Lennox & Addington (United Way of KFL&A) and destination marketing. This year's operations of public tours have proven to be even more popular with 80,579 visitors to date and \$2,940,000 in revenue. The year to date tickets sold (includes tours taken and future tours) is 92,085 and the revenue is \$3,387,000. Tickets for the Kingston Penitentiary tours are currently selling at a rate of 400 to 500 per day. This year's tours are scheduled until the end of October 2017.

In July 2017, Council approved a vision concept plan for the future development of the Portsmouth Olympic Harbour and Kingston Penitentiary properties. Although the vision has been endorsed, it has been acknowledged that the implementation process, including any change in ownership, will be a longer term endeavour. In the interim, Correctional Service Canada has agreed to continue public tours on the Kingston Penitentiary property based on the same terms as the existing agreement. It is beneficial to establish the 2018 agreement as soon as possible so that marketing can be initiated for the 2018 tours. Staff are recommending that Council execute agreements to secure 2018 tours.

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Recommendation:

That the Mayor and Clerk be authorized to execute an agreement with Correctional Service Canada for the City of Kingston to have access to the Kingston Penitentiary property to provide public tours in a form satisfactory to the Director of Legal Services; and

That the Mayor and Clerk be authorized to execute an agreement with St. Lawrence Parks Commission for the delivery of public tours at the Kingston Penitentiary site in a form satisfactory to the Director of Legal Services.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Lanie Hurdle, Commissioner, Community Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Denis Leger, Commissioner, Corporate & Emergency Services	Not required
Mark Van Buren, Acting Commissioner, Transportation & Infrastructure Services	Not required

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Options/Discussion:**2016 Kingston Penitentiary Public Tours**

In May 2016, Council approved partnerships with Correctional Service Canada and the St. Lawrence Parks Commission to operate public tours at the Kingston Penitentiary property. The St. Lawrence Parks Commission operated public tours out of the Kingston Penitentiary from June to October.

During this period of time, 60,000 visitors came to see what was behind the historic walls of the Kingston Penitentiary. Kingston Penitentiary Tours added a one-of-a kind tourism asset to Kingston's tourism portfolio. The compounded economic impact, also known as induced impact, included overnight accommodations, food and beverage, transportation, retail and entertainment. Beyond induced impact, these tours provided full time employment for 40 college and university students as well as record visitation to partner museums including Canada's Penitentiary Museum.

The net profit generated the first year was approximately \$640,000. Half of this amount was allocated to destination marketing for Kingston and the other half to the United Way of KFL&A for re-investment in youth programming.

The quick pace with which the Kingston Penitentiary Tours sold in 2016 demonstrated that demand far exceeded capacity (300,000 concurrent website users when 60,000 available tickets went on sale).

2017 Kingston Penitentiary Public Tours

Tours have been running since May and are scheduled until the end of October. Tours have been conducted in both of Canada's official languages, with as many bilingual tour guides as possible to cater to the needs of visitors. Ticket prices increased from \$25 in 2016 to \$35 in 2017. Tuesday continues to be dedicated as "Kingston Days" with a discount on tours.

With most of the groundwork completed from the 2016 season, the 2017 season is following a similar operational plan with a continued heavy focus on visitor and staff safety as well as strong customer service components to ensure a high quality experience. Due to the extended length of time and number of tours, a more formal management structure has been implemented to support a longer season.

So far in 2017, the public tours have attracted 80,579 visitors and generated \$2,940,000 in revenue. It is expected that the tours will generate approximately \$3,387,000 in 2017. The anticipated net revenue for 2017 is \$1,500,000 which will be split 50/50 between United Way KFL&A and destination marketing.

The City of Kingston continues to play an important role in facilitating this initiative. As per the previous agreements, the City continues to license portions of the Kingston Penitentiary from Correctional Service Canada for \$1 for the provision of public tours and, in turn, the City extended its agreement with the St. Lawrence Parks Commission for the delivery of public tours.

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Visioning Exercise and 2018 Kingston Penitentiary Public Tours

The visioning exercise for Kingston Penitentiary and the Portsmouth Olympic Harbour site started in the spring of 2016. This process is now complete and the vision was approved by Council in July 2017. It is expected that the implementation of this concept plan will be a longer term endeavour; therefore, Correctional Service Canada has agreed to enter into a partnership for the extension of the Kingston Penitentiary public tours from May until October 2018. The tours will be operating under the same terms and conditions as the 2017 tours. Initiating early marketing for the 2018 tours will be beneficial for next year's group bookings and reaching out to increased markets.

It is understood that the tours would be discontinued should the property be disposed of prior to the end of October 2018.

Existing Policy/By-Law:

By-Law Number 2000-134 A By-Law to Establish Purchasing Policies and Procedures

Notice Provisions:

Not applicable

Accessibility Considerations:

Prior to the commencement of the tour, staff will describe the tour plan (patrons will receive a copy of the aerial site plan map) and describe the prescribed route of buildings, communications, emergency procedures, washroom locations, potential hazards and safety precautions. The Kingston Penitentiary is partially accessible and reasonable steps will be taken to ensure full accessibility along the tour route. However, visitors with mobility challenges may still require special tour staff assistance.

Financial Considerations:

These agreements and partnerships are anticipated to be cost neutral to the City. Net profit from public tours will be equally distributed between the United Way of KFL&A and marketing efforts.

Contacts:

Lanie Hurdle, Commissioner, Community Services 613-546-4291 extension 1231

Other City of Kingston Staff Consulted:

Not applicable

Others Consulted:

Ron Holgerson, Interim General Manager/CEO, St. Lawrence Parks Commission

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Exhibits Attached:

Not applicable