



**City of Kingston  
Report to Council  
Report Number 21-006**

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**To:** Mayor and Members of Council  
**From:** Lanie Hurdle, Chief Administrative Officer  
**Resource Staff:** Not applicable  
**Date of Meeting:** December 1, 2020  
**Subject:** Tourism Kingston – Service Level Agreement Renewal

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**Council Strategic Plan Alignment:**

Theme: Regulatory & compliance

Goal: See above

**Executive Summary:**

The current Service Level Agreement (SLA) between the City of Kingston and Tourism Kingston, entered into in 2016 ([Report Number 16-325](#)), will end on December 31, 2020. The purpose of this report is to seek Council's approval on the new and updated draft SLA attached as Exhibit A. The Tourism Kingston Board has reviewed and approved the new SLA, pending Council's approval.

Tourism Kingston works cooperatively and collaboratively with the City to achieve mutual goals and objectives that envision Kingston as a premier, four-season experience with a goal of increased visitation and visitor-related spending. The objectives and directions are guided by the City's Strategic Plan and the Integrated Destination Strategy and must meet the needs of the Kingston community now and into the future.

The SLA outlines the key objectives and direction for Tourism Kingston and addresses such matters as transparency, reporting and accountability, performance measurement and financial operations.

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**Recommendation:**

**That** the Draft Service Level Agreement for the separate arm's length corporation, Tourism Kingston, attached as Exhibit A to Report Number 21-006, be approved and that the Agreement be executed on or before December 31, 2020 in order to achieve an effective date of January 1, 2021.

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

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**Authorizing Signatures:**

ORIGINAL SIGNED BY CHIEF  
ADMINISTRATIVE OFFICER

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**Lanie Hurdle, Chief  
Administrative Officer**

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

Paige Agnew, Commissioner, Community Services	Not required
Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Brad Joyce, Commissioner, Corporate Services	
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 acts as the Destination Marketing Organization (DMO) for the benefit of the City of Kingston. The tourism sector is a vital economic driver for the City of Kingston. Kingston's tourism marketing and development success will be contingent on attracting new tourism investment opportunities, retaining and growing existing tourism businesses, promoting high priority growth sectors of the tourism market, supporting entrepreneurship and new company development, and researching and identifying gaps in the existing tourism market.

Tourism Kingston works cooperatively and collaboratively with the City, other levels of government, partner organizations and other tourism stakeholders in developing the products and services that will attract visitors, ensure longer stays and increase spending. The objectives and directions are guided by the City's and Tourism Kingston's Strategic Plans and must meet the needs of the Kingston community now and into the future.

The current Service Level Agreement (SLA) between the City of Kingston and Tourism Kingston, entered into in 2016 ([Report Number 16-325](#)), will end on December 31, 2020. The SLA outlines the key objectives and direction for Tourism Kingston and addresses such matters as transparency, reporting and accountability, performance measurement and financial operations.

The new draft SLA, attached as Exhibit A, has been updated to reflect a new 5 year term from January 1, 2021 to December 31, 2025. The Tourism Kingston Board has reviewed and approved the new SLA, pending Council's approval.

Tourism Kingston will continue to provide quarterly and annual reports to Council as outlined in Section 2 of the SLA (Transparency, Reporting and Accountability). The annual plan submitted at the same time as the yearly budget will include applicable metrics that will be measured and tracked throughout the year. Tourism Kingston will develop a strategic plan (or updated Integrated Destination Strategy) every five (5) years to align with the priorities of City Council. Development or update of the Integrated Destination Strategy shall include a full program of public consultation.

**Existing Policy/By-Law:**

None

**Notice Provisions:**

None

**Accessibility Considerations:**

None

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**Financial Considerations:**

Section 4 of the Service Level Agreement relates to financial operations and provides clear parameters on funding to Tourism Kingston to undertake its core activities.

**Contacts:**

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

**Other City of Kingston Staff Consulted:**

Alan McLeod, Acting Director, Legal Services & City Solicitor

**Exhibits Attached:**

Exhibit A – Draft Tourism Kingston Service Level Agreement

**THIS AGREEMENT** made in triplicate this    day of                    , 2020.

BETWEEN:

**THE CORPORATION OF THE CITY OF KINGSTON**

Hereinafter referred to as the “City”

- and -

**TOURISM KINGSTON**

**DRAFT SERVICE LEVEL AGREEMENT**

***WHEREAS** in 2016 Council of the City of Kingston approved the creation of Tourism Kingston as a stand alone corporation providing economic development support to the tourism industry within the City; and*

***WHEREAS**, since then, the City and Tourism Kingston have managed their relationship through a formal Service Level Agreement*

***WHEREAS** the parties wish to renew that relationship through an updated Service Level Agreement,*

***THEREFORE** the parties agree to terms as follows:*

**NOW THEREFORE** the parties hereto agree as follows:

**1.0 Tourism Objectives and Directions:**

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

**1.1 Key tourism objectives and directions include:**

- i)** Implementing and updating the Integrated Destination Strategy that is consistent with Council’s strategic priorities and that will make Kingston a premier, four-season experience with increased overnight visitation and visitor-related spending;
- ii)** Maintaining the Kingston brand across all tourism markets and external City, and agency communications;
- iii)** Strengthening partnerships and relationships with local and regional tourism stakeholders and other levels of government;
- iv)** Developing annual business plans to advance visitation;

- v) Facilitating the growth and expansion of existing tourism companies;
- vi) Supporting artistic and cultural business opportunities and promoting the City's cultural heritage resources;
- vii) Researching and identifying gaps in the existing tourism market / product;
- viii) Identifying and supporting opportunities to enhance the tourism potential for the City;
- ix) Developing and implementing strategies to address reduction in tourism industry, due to the pandemic, in collaboration with key stakeholders;
- x) Building a culture of customer service excellence; and
- xi) Implementing performance measures to track progress towards established goals and regularly reporting results.

**2.0 Transparency, Reporting and Accountability:**

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

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

2.4 Tourism Kingston shall maintain its Transparency and Accountability Plan (Policy and Practice), which was previously established, which reflects the eight (8) key areas espoused by Transparency International: Ethics; Public Complaints; Leadership; Performance; Human Resources; Budgeting; Procurement; and Audit Results.

2.5 Tourism Kingston shall create sector-specific advisory committees to allow it to fulfill its mandate as contemplated herein (Travel Trade, Meetings and Conferences, Marketing and Sport).

### 3.0 Performance Measurement:

3.1 (a) Separate performance metrics shall be prepared for each of the following core tourism activities:

- Film
- Meetings and Conferences
- Travel Trade
- Visitor Services
- Marketing and Communications
- Sport and Wellness

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

(b) In each year of this Agreement, the proposed performance metrics shall be submitted to Council with the draft budget, and annual business plan.

### 4.0 Financial Operations:

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

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

4.3 Tourism Kingston may request from the City additional funds to carry out specific programs or projects on behalf of the City. The City may also request Tourism Kingston to undertake specific projects or programs on behalf of the City and provide additional funding for said specific programs (funding for additional projects hereinafter called "Additional Funding"). The Additional Funding shall not be considered part of the base funding for the purpose of calculating the minimum budget increase for the following year. The specific projects or programs and Additional Funding shall be the subject to City Council approval



- 4.4** Tourism Kingston shall actively seek private project funding to obtain grants, contributions, and assets from sources other than the City in furtherance of its objectives.
- 4.5** Tourism Kingston shall undertake an annual audit conducted by a certified public accountant. Tourism Kingston shall submit a copy of the annual audited financial statement to the City within six months of year-end together with the independent auditor's report and related audit findings, including a copy of the Auditor's Findings Report, Summary of Audit Differences and Management Letter, as applicable. Audited Financial Statements shall be made accessible to the public.
- 4.6** The Tourism Kingston Board shall ensure that the Chair and members of the Finance and Audit Committee receive skills development training in financial management.
- 4.7** Budget line items associated with specific projects shall have performance measures for those projects.

**5.0 Term and Termination:**

- 5.1** This Agreement shall have a term of five (5) years, commencing on January 1, 2021 and being fully complete on December 31, 2025. The agreement shall be renewed for one year term unless the City through its contract administrator provides written notice to Tourism Kingston that it does not wish to renew the Agreement, such notice to be given prior to 90 days before the conclusion of the original term or a renewal term.
- 5.2** **(a)** This Agreement may be terminated by either party prior to the expiration of the Agreement upon at least six (6) months written notice to the other party. Termination does not require notice of any breach of the terms and conditions of the Agreement or of any other cause.  
**(b)** In the event of a termination notice being given by either party in accordance with this section, during through the six (6) month notice period:
  - (i) Tourism Kingston shall continue to undertake the tourism activities as approved on a yearly basis through the budget process; and
  - (ii) the City shall continue to provide funding to undertake the tourism activities to the extent that costs have been reasonably and properly incurred.**(c)** Funding thereafter or for other activities including transition or winding up expenses costs shall not be provided by the City. The parties agree to work cooperatively during any transition or winding up process which may arise during the term of this Agreement.

Dated at the City of Kingston, this            day of            , 2020.

**SIGNED, SEALED AND DELIVERED**  
In the presence of:

**THE CORPORATION OF THE CITY OF  
KINGSTON**

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**Bryan Paterson, Mayor**

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**John Bolognone, City Clerk**

**TOURISM KINGSTON**

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**, Chair**

**DRAFT**