



**City of Kingston
Information Report to Council
Report Number 21-093**

To: Mayor and Members of Council
From: Lanie Hurdle, Chief Administrative Officer
Resource Staff: None
Date of Meeting: March 23, 2021
Subject: Quarterly Report: Kingston Economic Development Corporation
– Q4 2020

Council Strategic Plan Alignment:

Theme: Regulatory & compliance

Goal: See above

Executive Summary:

In accordance with the Service Level Agreement entered into between the City of Kingston and Kingston Economic Development Corporation ([Report Number 21-014](#)), the attached report (Exhibit A) provides detailed reporting on Q4 2020 for the Economic Development Organization (EDO). Section 2.0 “Transparency, Reporting and Accountability” of the Service Level Agreement indicates “The EDO 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.” Specific direction to EDO on reporting is included in Section 2.2 which reads in part:

“2.2 The EDO shall communicate with the City as follows:

- a) Annually, by way of the draft budget, annual work plan and the Integrated Economic Development Strategy as updated to reflect the priorities of City Council;*
- b) Annually, by way of the Annual Financial Report as required by Clause 4.6 of this Agreement;*

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c) Quarterly, by way of Activity Reports to demonstrate the progress of the EDO in achieving the Integrated Economic Development Strategy and the impact of the EDO's actions and programs on the key performance measures of economic development as set out in Appendix B of this Agreement. The Quarterly Reports shall form the basis of an Annual Year in Review Report to Council. All Activity Reports shall be publicly accessible;..."

The attached report is provided in fulfillment of the quarterly reporting requirement noted above.

Recommendation:

This report is for information only.

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Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**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	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

Exhibit A to this report provides an activity report from Kingston Economic Development Corporation on results for Q4 2020.

The Integrated Economic Development Strategy was approved by Council on December 15, 2020 ([Report Number 21-012](#)). The key performance measures as set out in Appendix B of the Service Level Agreement, and as outlined in EDO's quarterly reports, demonstrate the progress of the EDO in achieving implementation of the Integrated Strategy.

Existing Policy/By-Law:

Council Report Number 21-014 dated December 15, 2020

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

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

Contacts:

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

Other City of Kingston Staff Consulted:

None

Exhibits Attached:

Exhibit A – Kingston EcDev 2020 Q4 Report



February 19, 2021

Lanie Hurdle, Chief Administration Officer
City of Kingston
216 Ontario Street
Kingston, ON K7L 2Z3

Dear Ms. Lanie Hurdle:

RE: Q4 2020 Performance Measures

Please accept this summary report for activities undertaken by the Kingston Economic Development Corporation in Q4 2020 as required by the Service Level Agreement with The City of Kingston. While 2020 was an unprecedented year, I am pleased on the level of activity and outputs realized by the team. The number of inquiries, consultations and direct outreach significantly increased over 2019 activities.

In the fourth quarter, Kingston Economic Development continued with outreach and support for local business responding to the impacts of COVID-19. In addition, we were successful in securing \$1million from FedDev for a Kingston and area Tourism Business Support Grant which provided direct funding to over 200 impacted businesses.

Another highlight in Q4 was the adoption of the new Integrated Economic Development Strategic Plan which was developed over the course of 2020. The strategy provides greater focus and alignment with City Council strategic priorities and integration with City of Kingston departments and community partners. We look forward to implementing the new strategic direction with our municipal colleagues and strengthening our business ecosystem.

If you have any questions or seek clarification, please do not hesitate to contact me. With a new Service Level Agreement in place, we will continue quarterly reporting on activities and strategic plan implementation milestones.

Sincerely,

Donna Gillespie
Chief Executive Officer

cc. Ms. Gillian Watters, Chair, Kingston Economic Development Board of Directors

QUARTERLY REPORT – Q4 2020

KINGSTON ECONOMIC DEVELOPMENT CORPORATION



KINGSTON ECONOMIC
Development Corporation

Quarterly Report – Q4, 2020

Attraction & Aftercare

Kingston Economic Development has seen an increase in investment interest from both domestic and foreign direct investment although challenges remain with closed international borders due to the COVID-19 pandemic. While recognizing the challenges and uncertainty presented with COVID-19 there are areas of growth and demand including interest in logistics/warehousing and specifically the 'last mile' distribution opportunities.

Shelley Hirstwood, Business Development Officer, Attraction & Aftercare attended the virtual FDI Forum and virtual Grocery Innovations Show in addition to participation in activities with Ontario East Economic Development Commission (Ontario East). Kingston, as a partner with Ontario East, has implemented a strategic lead generation initiative to identify opportunities and arrange virtual FDI meetings through partnership with ResearchFDI. Kingston Economic Development is working with GIS Planning website tool Zoom Prospector provides access to in-depth information, including powerful real estate search, demographic and workforce analysis, industry reports, along with dynamic mapping tools. The technology includes sophisticated data research tools, an ecosystem of products and strategic partnerships that will drive pre-qualified business to Ontario East.

Business Retention & Expansion

Kingston Economic Development secured \$35,000 from Digital Main Street Ontario to facilitate a Digital Service Squad to help small businesses in downtown Kingston, Williamsville, Portsmouth Village, and Frontenac County use digital technologies to adapt to the rapidly changing environment. The Digital Service Squad helped Kingston businesses access Digital Main Street's programs and funding. The Digital Transformation Grant closed in December, with 72 Kingston and Frontenac County businesses applying for the grant. Another 80+ businesses have applied for the ShopHERE program, where they may be eligible to receive a custom-built e-commerce website for free using Shopify.

To support small business during the pandemic, Kingston Economic Development collaborated with Tourism Kingston, Downtown Kingston! BIA, Greater Kingston Chamber of Commerce, and Kingston Accommodation Partners through the Love Kingston Campaign. More businesses were highlighted and supported through retention activity as we moved into the holiday season and what is generally considered one of the most important times of the year for local community shopping. The Love Kingston consumer campaign transitioned to Twitter and YouTube advertisements, which showcased products for holiday season that could be purchased locally. By the end of Q4, the campaign reached over 3.6 million impressions.

Ian Murdoch, Business Development Officer, Business Retention & Expansion has been working with professional, manufacturing and construction sectors as they adapt and shift their

operations to meet with the demands of the COVID-19 pandemic. Although revenue streams continued to be affected in these sectors by difficulties in staff attraction, supply chain delays and international border delays on goods, the sectors continued to show positive growth or maintained revenues for 2020.

The Kingston manufacturing group met for another quarterly meeting to connect, share insights, and look at wants and needs for the future. In 2021, at the request of the Kingston manufacturing community, Kingston Economic Development will move to hosting a monthly manufacturing meeting and dedicate more energy on workforce support, opportunity creation and marketing support of continued growth for this sector.

Kingston Economic Development conducted its second business performance survey of the year. Survey trends indicated that Health & Safety Awareness, consumer confidence and public perception remain the largest impactors of business in Kingston. The survey also outlined that aside from the hardest hit sectors (i.e., accommodations and food/beverage services) year to date revenues for participating businesses have reportedly seen some rebound from a >76% reduction reported in Q1, to less significant downturns of between 26% & 50% year to date as Q4 approached. To view the report visit www.kingstonecdev.com/reports-and-studies.


The second intake for the WE-CAN Project for Rural Mentorship wrapped up with 9 women representing businesses in the medical and wellness space, hospitality, retail, education, and manufacturing/importing sectors. This cohort was focused on customizing solutions for their individual needs.

Between September 28 and November 30, Kingston Economic Development supported 234 Kingston and area businesses through FedDev's Tourism Business Support Program with funding representing \$1M of direct support maintaining over 2,000 jobs. Kingston Economic Development reinvested the 10% administrative back into the Tourism Business Support Program to ensure maximum support available for businesses. Funding was offered on first come first serve basis to qualifying Kingston and area businesses to support COVID-19 recovery expenses.

Start-ups & Entrepreneurs

In partnership with the Centre of Social Innovation, Kingston Economic Development started the intake for the second Social Entrepreneurship Fundamentals program. An 8-week, part-time online program to address pressing social and environmental challenges, and to develop the 21st century skills needed to succeed to 10 local social entrepreneurs in Q1 of 2021.

A new partnership with the Ontario Small Business Enterprise Centre Network continues as centres share webinars and resources from across the province to maximize business support and access to information. A joint funding request from the 46 Ontario Small Business Enterprise Centres (SBECs) for additional resources to support our business communities during the pandemic was approved by the Ministry of Economic Development, Job Creation and Trade.



Kingston Economic Development will receive an additional \$32,000 to offer augmented virtual Business Advisory support including a referral network to local legal and accounting professionals. The Ontario Small Business Enterprise Centres will work collaboratively to develop a centralized website of resources, e-learning curriculum and webinars, and a strategic marketing campaign to create lead generation and awareness about regional Small Business services.

2020 Measurements

Attraction & Aftercare	Q1	Q2	Q3	Q4	Total 2020	Total 2019
Investment inquiries	23	12	12	25	72	121
Leads generated	25	0	18	24	67	15

Business Retention & Expansion	Q1	Q2	Q3	Q4	Total 2020	Total 2019
Inquiries	124	54	40	44	262	160
Consultations with local businesses	152	114	77	101	444	84
COVID-19 Business Outreach	NA	208	204	220	632	NA
Small businesses supported with grants	47	24	15	153	239	NA
Value of grants to businesses	\$152,500	\$52,500	\$34,166	\$808,491	\$1,047,657	NA

Start-ups & Entrepreneurs	Q1	Q2	Q3	Q4	Total 2020	Total 2019
Inquiries for support	108	160	114	133	515	291
Consultations provided	49	59	73	67	248	165
Events and activities hosted	19	12	15	15	61	100
Persons attending programs and events	106	83	137	225	551	951
Partnered events and activities	5	83	51	41	180	27
Innovation ecosystem partnerships developed and maintained	14	14	14	14	14	9

Communications

Social Media

Kingston Economic Development manages two main social media campaigns on multiple online platforms ie. Twitter, Facebook, Instagram, LinkedIn.

@KingstonEcDev account shares information primarily to the Kingston and business community to showcase events and activities.

@KingstonEcDev	Facebook	Twitter	Instagram	Google My Business	YouTube	LinkedIn Company
Followers/ Likes (End of period)	3,000	4,276	1,835		207	3,464
Followers/ Likes (Start of period)	2,918	4,208	1,761		196	3,384
% Change over previous period	2.7%	1.6%	4%		5.3%	2.3%
Organic Impressions	34,568	165,500				20,536
Paid Impressions	203,665	0				0
Actions (Visit website, request directions, call)				209		
Searches				3,823		
Video Views					145,906	
Demographics (Most popular)						
Age	25-44	n/a	25-34			
Gender	Women	Women	Women			
Location	Kingston	Frontenac	Kingston			Toronto

During 2020, @KingstonCanada was utilized to promote Love Kingston shop local consumer campaign and regional staycations. The intent of this platform is typically for external marketing purposes.

@KistonCanada	Facebook	Twitter	Instagram
Followers/ Les (End of period)	11,523	13,895	15,300
Followers/ Les (Start of period)	11,454	13,798	14,681
% Change oer previous period	0.6%	0.7%	4%
Organic Impssions	53,310	206,352	
Paid Impresions	605,204	250,380	
Actions (Visiwebsite, request directions, c			
Searches			
Video Views			
Demographics (Most popular)			
Age	45-54	n/a	25-34
Gender	Women	Women	Women
Location	Kingston	Frontenac	Kingston

Newsletter

Kingston Economic Development distributes an electronic newsletter providing updates on activities and business topics and pleased to see growth in opening rate.

Newsletter	Q1	Q2	Q3	Q4
Issues distributed	4	8	9	7
Subscribers	638	627	595	598
Open rate	44.27%	45.66%	40.78%	47.66%

To review detailed monthly website reports, please contact Nour Mazloum, Communications & Events Officer at mazloum@kingstoncanada.com.

Kingston Economic Development Corporation Financial Summary
For the Twelve Months Ending December 31, 2020

100% Through Year

	Actuals	Original Budget	Amendments	Total Budget	% To Date
Revenues:					
City Funding	\$1,461,500	\$1,461,500		\$1,461,500	100.00%
Provincial Funding*	93,044	247,650		247,650	37.57%
Federal Funding	824,318	138,000	1,000,000	1,138,000	72.44%
Investment & Bank Interest	10,553	15,000		15,000	70.35%
QCAK	25,196	640,000		640,000	3.94%
Other (Strategic Planning, WECAN, DMS)	224,116		75,000	75,000	298.82%
Total Revenue	2,638,727	2,502,150	1,075,000	3,577,150	73.77%
Expenditures:					
Salaries & Wages	720,264	845,000		845,000	85.24%
Overhead					
Administration	198,296	171,300		171,300	115.76%
Boards & Committees	1,854	5,000		5,000	37.08%
Human Resources	26,577	25,000		25,000	106.31%
Marketing Communications	70,958	50,000		50,000	141.92%
Strategic Planning**	151,882				
Projects					
Attraction & Aftercare	150,656	185,000		185,000	81.44%
Business Retention & Expansion	254,613	183,000		183,000	139.13%
Start Ups & Youth Business	165,656	222,850		222,850	74.34%
WES	61,123		75,000	75,000	81.50%
Workforce Development	74,977	75,000		75,000	99.97%
Starter Company Plus Grants	141,000	70,000		70,000	201.43%
Summer Company Grants	25,500	30,000		30,000	85.00%
QCAK Contributions	25,196	640,000		640,000	3.94%
Tourism Business Support Program	791,018		1,000,000	1,000,000	79.10%
Total Expenditures	2,859,570	2,502,150	1,075,000	3,577,150	79.94%
Working Annual Surplus/(Deficit)	-220,843	0	0	0	
*Revenues still need to be booked	\$ 154,606				
**Motion to draw \$65,000 from Corporate Reserves	\$ 65,000				
Expected Annual Surplus/(Deficit)	(1237)				