



**Date:** February 17, 2016

**Time:** 4:00 PM

**Location:** Front Boardroom, 945 Princess Street at Innovation Park

**Attended:** Michael Harris                      Judith Hay                      Heather Ford  
Debi Wells                                      Judith Pineault                      Donna Gillespie  
Gerard Hunt                                      Councillor M<sup>c</sup>Laren                      Councillor Candon

**Staff:** Emily McCracken                      Brock Dickinson

**Regrets:** Bo Wandschneider

**1. Call to Order – 4:00 PM**

**2. Approval of Agenda**

- o Moved by Judith Hay, seconded by Heather Ford

**That** the Committee approves the agenda for the February 17, 2016 Review Committee meeting as presented.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault, Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

**3. Disclosures of Conflict of Interest/Pecuniary Interest**

- i. Donna Gillespie disclosed:

“As an employee of KEDCO I believe there is possibility of or a perception of conflict of pecuniary interest on discussions related to future employment opportunities.

My employment contract as Interim CEO specifically notes that KEDCO makes no promises with respect to whether I could return to my former position or to any other position in KEDCO or in any successor organization. As it does not directly deny the possibility for future employment, I wish to abstain from voting on issues related to operating models, reorganization or staffing structures.”



ii. Councillor McLaren disclosed:

“I, Jeff McLaren, am here because I am a City Councillor. My interests are to do everything I can to ensure the best performance outcomes for the City of Kingston based on the values and the wants the people of Kingston have communicated to me.

The City of Kingston is interested in economic development; KEDCO is the current vehicle of choice. I am interested in ensuring that the vehicle is precisely and finely tuned to deliver the economic development performance that people have communicated they value and want.

Among the values that people have communicated they want in their economic development corporation are:

Accountability: Did KEDCO do....? Transparency: How does KEDCO .....?

Communication: What does KEDCO....? Results: Is KEDCO....?

These are my interests as a Councillor, as a citizen and as a member of this review committee. I do not think my interests are in conflict; I believe my interests are in harmony with the purpose of this committee.”

iii. Gerard Hunt disclosed:

“I, Gerard Hunt, Chief Administrative Officer of the City of Kingston have been appointed to the KEDCO Review Committee by Council of the City of Kingston. I have no pecuniary or conflict of interest.”

**4. Motion for Recorded Votes**

- Councillor McLaren stated, at the advice of the Mayor, in order to demonstrate that the Committees has no conflict of interest it has been suggested that votes are recorded.
- Gerard Hunt noted that this will provide structure and tangible outcomes to the topics discussed during meetings.

- Moved by Heather Ford, seconded by Donna Gillespie

**That** the Review Committee adopts a committee of the whole structure for all meetings going forward.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

## 5. Delegations

- i. Laurence Trainor – Broker, Rogers & Trainor Commercial Realty, appeared before the Committee and spoke to KEDCO’s history and relationships with the business community.
  - Laurence Trainor referenced his history with KEDCO, noting his interactions with the Corporation in 2005, the then CEO heard his concerns and believes he implemented a staff reduction program.

Laurence Trainor noted that KEDCO has failed in three areas over the years: communications, accountability and responsibility. He referenced another Kingston businesses man, the owner of Cancoil Thermal Corporation, stating that ‘KEDCO has its favourites’ in the community.

He stated that there was a total disregard for Rogers & Trainor Commercial Realty over the last decade; noting that only a handful of interactions with KEDCO have taken place.

Laurence Trainor identified two areas for accountability: financials and data. He suggested that the charts made available on the KEDCO website showed the Corporation was performing poorly and was not giving a good return on investment, stating that a truly independent review, without the involvement of KEDCO staff is required.

Laurence Trainor stated that no one disputes the need for an economic development organization in Kingston, but ‘KEDCO in its current form has failed’.

The community would see better success using City staff, by having greater accountability and savings.

He stated that ‘if KEDCO ceased to exist tomorrow, I’m not sure that anyone would notice.’
- ii. Ed Smith – Chair, Downtown Kingston! BIA, appeared before the Committee and spoke to Downtown Kingston! BIA’s working relationship with KEDCO and ongoing collaborations.
  - Ed Smith noted that the Downtown Kingston! BIA appreciates the work that is being done for the review; saying that it was a healthy process for all businesses to go through.

Ed Smith stated that KEDCO, along with the BIA had switched its accounting services to the City of Kingston in recent years and undergoes a full and independent audit annually.

He indicated that the working relationship and collaborations between both Corporations had improved immensely over the previous eight months; two KEDCO staff members now sit on the BIA Board as liaison representatives.

Ed Smith stated that both KEDCO and Downtown Kingston! BIA have different mandates and ensured that there is no duplication of services between the Corporations. Both work together to enhance efforts when strategic priorities are in line.



He stated that the Downtown Kingston! BIA is not in favour of having economic development or tourism become a part of the City of Kingston.

iii. Don Curtis, community member, appeared before the Committee and spoke to the review process and the topics of the KEDCO budget, transparency and Committee objectivity.

- Don Curtis addressed the previous delegation, Ed Smith, Chair, Downtown Kingston! BIA, by noting ‘downtown Kingston looks dead to me.’
- He suggested that the audit is ‘not what it’s cracked up to be.’

He stated that the Review Committee was put together hastily, in an effort to derail a private effort by the Kingston First group; further stating that ‘a broken Committee cannot fix a broken KEDCO.’ ‘You cannot review yourself and present to yourself, by God!’

Don Curtis claimed that the 3000 jobs, between 2009-2014, KEDCO has reported in the city is a fictitious number and cannot be trusted; ‘these jobs are so transparent they are invisible.’

He stated that in previous years KEDCO had a Finance Committee, HR Nominations Committee and Strategic Planning Committee; He said his understanding was that none of these Committees exist at the Corporation today. Don Curtis stated that members of the Committee, specifically the KEDCO Board members, should resign from their positions immediately due to a conflict of interest.

He noted that the Committee has been ‘condescending and dismissive’ towards the delegations they have heard from; stating that he cannot accept this, making it the very reason ‘to shut down this whole farce.’

- Moved by Councillor Candon, seconded by Debi Wells.

**That** the Committee hears a fourth delegation, Marjorie Marr, during the February 17, 2016 meeting.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault, Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

iv. Marjorie Marr and Nadine Lollar, community members, appeared before the Committee and posed five questions before the Committee.

- 
- An independent financial and operating audit of the past five years to understand what has happened with the our investments.



- A breakdown of KEDCO's past expenditures by vendor and procurement processes.
- A summary of KEDCO's procurement processes and policies for travel, entertainment, vehicles, etc.
- A breakdown of all jobs by industry which KEDCO counts towards its scorecard.
- A breakdown of the allocation of expenditures between tourism and economic development.

## 6. Approval of the Minutes

- i. Review Committee Meeting – January 27, 2016
  - Gerard Hunt noted spelling errors in the minutes to be amended. He stated that he had difficulty following the consensus summary in the minutes. He requested that the Committee ensure clarity on voting to assist the recorder.
- o Moved by Gerard Hunt, seconded by Michael Harris.

**That** the Committee approve the Review Committee meeting minutes from January 27, 2016 as amended.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

## 7. Business Arising from the Minutes

- Donna Gillespie noted two items for the Committee to address:
  - Facilitated public town hall with breakout groups
  - Delegations from the previous meeting left questions which were referred to the KEDCO Board of Directors for answers. These answers are included in the Committee packages. She requested clarification as to whether responses to the questions would be sent to the attention of KEDCO or the Review Committee. Councillor Candon stated that all responses should come from the Review Committee.
- o Moved by Gerard Hunt, seconded by Debi Wells.

**That** the Committee addresses and approves the correspondence received from delegations in a fashion that forms part of the minutes.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)



NAYS: (0)  
ABSENT: Bo Wandschneider (1)

#### **8. Responding to the Needs of the Community**

- Councillor McLaren presented the Committee with a draft proposal for the formation of working groups and or terms of reference for discussion.
- Gerard Hunt cautioned that working groups have the potential to delay the process. He suggested the Committee move forward review information as a whole.
- Brock Dickinson stated that the Committee members have spent majority of the previous meeting taking in the questions and concerns of the community and members need to find time to start doing the work.
- Councillor McLaren passes Chair to Judith Pineault.
- Councillor McLaren stated that he created the working groups proposal to allow the committee to become more 'nimble', as a way to save time in data collection going forward. He requested members to table the group with edits.
- Judith Pineault returns Chair to Councillor McLaren.
- Michael Harris suggested the Committee put forward the "Where Has The Money Gone" working group without the outlined goals.
- Gerard Hunt requested clarification on how the working group function outside of the Committee, in regards to structure and reporting to the whole.
- Councillor McLaren passes Chair to Judith Pineault.
- Councillor McLaren stated that the questions raised by the public require data and information and the working group will report back to the whole as this information is collected. He stated that the reporting timeline is open ended, until the group fulfills their mandate.
- Gerard Hunt noted that this working group structure may preclude work that has been requested of Brock Dickinson to complete as the external economic development resource.
- Councillor McLaren confirmed the working groups tasks would address new concerns and expand upon the work that Brock Dickinson was doing.
- Gerard Hunt cautioned that as a Review Committee the members do not have authority to access such a specific amount of detail. He noted, from a professional accountant perspective, member should respect the organization.
- Councillor McLaren suggested that the Committee redact any names during the process to protect individuals.
- Gerard Hunt suggested the Committee seek legal advice or professional advice from an auditor.
- Judith Pineault returns the Chair to Councillor McLaren.
- Heather Ford referenced the Capabilities and Capacity, Structure & Finding Right Business Model working groups, stating that these were topics the members, as a whole were dealing with.



- Michael Harris supported Heather Ford. He noted that he supported the “Where Has The Money Gone?” group, with the amendments of removing goals.
  - Debi Wells noted that she viewed the working groups as a way to streamline the work, the Committee should continue to communicate as a whole outside of the groups.
- Moved by Debi Wells, seconded by Judith Pineault

**That**, the “Minimum Work” paragraphs and associated requirements from the structure of all four of the draft proposed working groups be removed, in order to provide more flexibility”.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

Note: Donna Gillespie, KEDCO Interim CEO noted she would voluntarily abstain from all working groups; but rather act as a resource to the working groups.

- i. Where Has The Money Gone?
- Councillor McLaren proposed a working group ‘Where Has The Money Gone?’ to address community concerns. He requested the Committee’s input on creating this working group.
  - Councillor Candon noted that the group may not have all the answer at this point. He spoke from a Council perspective, saying it is difficult to support funding for an organization that cannot quantify its results.
  - Michael Harris cautioned the Committee on creating this working group. He stated that the financial related concerns needed to be addressed properly, and the Committee members may not have the expertise to do it to the extent that the Kingston community is seeking.
  - Brock Dickinson suggested that the group divide the financial group: historical budgets, return on investment and future budgets. This will ensure the the structure through the process is open and transparent.
  - Donna Gillespie noted that the KEDCO Finance Committee met on February 17, where the KEDCO auditors attended and gave an auditing overview for Committee members. She suggested that it may be of interest for the Review Committee to bring in the KEDCO Finance Committee to speak to the working group regarding corporate finances and audit materiality.
  - Gerard Hunt stated that KEDCO presents Corporate budgets at different levels to City Council annually. He suggested that the budgets from 2011 – 2015 be



broken down by business functions (Tourism, Business Development) and provided to the working group. This breakdown would provide a small description of the services involved with budget lines and would help shape the costing elements.

- Debi Wells noted her support for these reports being created for the group to give a better view on where the Corporation has been in the past and what the future of economic development will look like.
- Moved by: Debbie Wells, seconded by Judith Hay

**That** a working group be formed to address “Where Has The Money Gone?” and to report back to the Review Committee:

- 1) To determine if there is cause to look deeply into finances;
- 2) To put to rest any lingering suspicions of mis-spending;
- 3) To help guide recommendations on future spending guide lines that are acceptable to the public and contribute to the return on investment;

And, that the group request KEDCO budget and actual data for the 5 year period from 2011 to 2015 inclusive, in a manner that breaks down the data by focus areas of operation. The financial information should be accompanied with a description of services provided by those focus areas and any indicators of outcomes associated in order to assist the Committee in understanding information;”

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault, Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

- Councillor McLaren, (Chair), called for volunteers for the ‘Where Has the Money Gone’ working group. The following volunteers put their names forward: Councillor McLaren, Debi Wells, Councillor Candon.
- Moved by Michael Harris, seconded by Heather Ford.

**That** Councilor McLaren, Debi Wells and Councilor Candon be confirmed as the members of the working group.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,



Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

Note: Gerard Hunt to provide act as a resource to the working group.

- ii. Two way communication strategy
  - Heather Ford suggested the Committee work with Brock Dickinson on this topic as a whole.
  - Brock Dickinson stated that the three items (8.ii, 8.iii, 8.iv) have been assigned previously in the draft report structure, suggesting that future meetings can be more working sessions. He noted that this is at the discretion of the Committee.
  - Councillor McLaren passes the Chair to Judith Pineault.
  - Councillor McLaren noted that a strengths, weaknesses, opportunities and threats (SWOT) analysis from the front line staff members at KEDCO is essential to the review process and is not within Brock Dickinson mandate to perform.
  - Judith Pineault returns the Chair to Councillor McLaren.
  - Brock Dickinson stated that the more information provided to the Committee, the stronger the end result will be in the report.
- o Moved by Councillor Candon, seconded by Donna Gillespie.

**That** a 'Two-Way Communications Strategy' working group be formed to report to the Review Committee. The Two-Way Communications Strategy working group will provide input:

- 1) To unite the community;
- 2) To get positive input from stakeholders;
- 3) To get recommendation that will keep successful two way communication lines open.

**Vote carried (5:4).**  
**(See Recorded Votes)**

YEAS: Councillor Candon, Donna Gillespie, Judith Hay, Councillor McLaren and Debi Wells (5)  
NAYS: Heather Ford, Michael Harris, Gerard Hunt and Judith Pineault (4)  
ABSENT: Bo Wandschneider (1)

- o Councillor McLaren (Chair), called for volunteers for the 'Two-Way Communications Strategy' working group. The following volunteers put their names forward: Councillor McLaren, Judith Hay and Councillor Candon.
- o Moved by Michael Harris, seconded by Heather Ford.



**That** Councillor McLaren, Judith Hay and Councilor Candon be confirmed as the members of the working group.

**Vote Carried Unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

**iii. Capabilities & Capacity**

- Discussion ensued on establishing a working group for Capabilities and Capacity.
  - Heather Ford noted her hesitance in performing interviews with front-line staff members.
  - Councillor McLaren passes the Chair to Judith Pineault.
  - Councillor McLaren stated that he felt staff members could provide a different point of view to the Review Committee, potentially opening up the possibility of finding better ways to improve the organization.
  - Gerard Hunt noted that the working groups will help answer the questions that have been posed by the community. He stated his concerns with interviewing front line staff from another organization.
  - Michael Harris noted that staff could feel judged and it is a hardship for them, along with concerns with engaging KEDCO staff in the Review process: that staff interviews could be perceived as bringing more KEDCO influence onto the Committee. He noted that trying to determine capabilities is like 'putting the cart before the horse.' Once the group determines what economic development will look like in Kingston it may require new capabilities.
- o Moved by Councillor Candon, seconded by Michael Harris.

**That** a decision on the formation of a working group for Capabilities and Capacity be deferred to a future meeting.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

**iv. Structure & Finding Right Business Model**

- Moved by Judith Hay, seconded by Councillor Candon.

**That** no other working group be established for this purpose leaving the work to the overall KEDCO Review Committee.

**Vote carried.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault, Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)  
ABSENTION: Donna Gillespie (1)

#### **9. Town Hall: Facilitated workshop with break-out groups**

- Brock Dickinson stated that he had engaged Erik Lockhart, Associate Director, Queen's Executive Decision Centre, who has agreed to facilitate the upcoming town hall. The formatting would use a group decision support software allowing for real time suggestions from participants.  
He noted that they would both be working together to draft an agenda and proposed dates/times for the town hall.
- Donna Gillespie suggested the Two-Way Communications working group convene regarding the topic of the Town Hall.

#### **10. Understanding Economic Development – Brock Dickinson**

- Brock Dickinson gave a presentation on Understanding Economic Development to the Committee. He presented a suggested report structure timeline.  
He noted the types of economic development models and their goals, along with an overview of the standard economic development organization activities and responsibilities.

#### **11. Goals of Economic Development in Kingston: Vision and Mission – Brock Dickinson**

- Brock Dickinson gave a presentation on the creation of a mission and vision for economic development. His presentation engaged Committee members in a discussion around the creation of these topics.

#### **12. Other Business**

- Gerard Hunt requested that all agendas going forward contain a correspondence note at the bottom outlining any materials that are attached to the package.



**13. Adjournment**

- Moved by Michael Harris, seconded by Debi Wells

**That** the Committee adjourn the February 17, 2016 meeting at 7:46 PM.

**Vote carried unanimously.  
(See Recorded Votes)**

YEAS: Michael Harris, Debi Wells, Judith Hay, Heather Ford, Judith Pineault,  
Donna Gillespie, Gerard Hunt, Councillor McLaren, Councillor Candon (9)  
NAYS: (0)  
ABSENT: Bo Wandschneider (1)

**Enclosures:**

1. Working Groups Draft and Proposal, Councillor McLaren, February 17, 2016