



City of Hamilton
WEST HARBOUR DEVELOPMENT
SUB-COMMITTEE
AGENDA

Meeting #: 22-001

Date: January 17, 2022

Time: 2:00 p.m.

Location: Due to the COVID-19 and the Closure of City Hall (RM)

All electronic meetings can be viewed at:

City of Hamilton's Website:
<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>

City's Youtube Channel:
<https://www.youtube.com/user/InsideCityofHamilton>

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

Pages

1. CEREMONIAL ACTIVITIES

2. APPROVAL OF AGENDA

(Added Items, if applicable, will be noted with *)

3. DECLARATIONS OF INTEREST

4. APPROVAL OF MINUTES OF PREVIOUS MEETING

4.1. April 13, 2021

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5. COMMUNICATIONS

6. DELEGATION REQUESTS

7. CONSENT ITEMS

8. STAFF PRESENTATIONS

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| 8.1. | Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) | 7 |
| 8.2. | Pier 8 Animation Program and Hamilton Waterfront Trust (HWT) (Discovery) Centre - Status Update (PED21090(a)) (Ward 2) | 31 |

9. PUBLIC HEARINGS / DELEGATIONS

10. DISCUSSION ITEMS

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| 10.1. | West Harbour Re-Development Plan - Implementation Status Update (PED17181(c)) (Ward 2) | 49 |
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11. MOTIONS

12. NOTICES OF MOTION

13. GENERAL INFORMATION / OTHER BUSINESS

14. PRIVATE & CONFIDENTIAL

- 14.1. Pier 8 Animation Program and Hamilton Waterfront Trust (HWT) (Discovery) Centre - StatusUpdate (PED21090(a)) (Ward 2) - Confidential Appendices "B" and "C"

Pursuant to Section 9.1, Sub-section (c) of the City's Procedural By-law 21-021 and Section 239(2), Sub-section (c) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to a proposed or pending acquisition or disposition of land by the municipality or local board.

15. ADJOURNMENT



Hamilton

**West Harbour Development Sub-Committee
Minutes 21-001**

11:00 a.m.

Tuesday, April 13, 2020

Room 264, 2nd Floor, City Hall

71 Main Street West

Hamilton, Ontario

Present: Mayor F. Eisenberger
Councillors J. Farr (Chair), M. Wilson (Vice-Chair), C. Collins, and
J.P. Danko

**THE FOLLOWING ITEMS WERE REFERRED TO THE GENERAL ISSUES COMMITTEE
FOR CONSIDERATION:**

**1. Pier 8 Animation Program and HWT (Discovery) Centre - Status Update
(PED21090) (Ward 2) (Item 10.1)**

(Collins/Farr)

- (a) That staff prepare a long-term strategy including an assessment of the existing conditions of the HWT (former Discovery) Centre building including the cost of existing operations, future capital requirements, planning approvals, parking requirements, real estate evaluations, market soundings, and other relevant due diligence, and report back to the West Harbour Development Sub Committee identifying options for future uses of the property, as well as various ownership and/or operating models;
- (b) That staff promote the availability of the HWT (former Discovery) Centre property for lease, on the following conditions, and report back to the Sub Committee:
 - (i) Any currently unoccupied and available space within and outside of the building;
 - (ii) Suitable uses being restricted to permitted zoning/land use regulations, with a preference for outdoor year-round programming/animation, and a desire for variety, including some food and beverage;
 - (iii) Minimum Term of 1-year and a Maximum Term of 5 years, with potential for options;

- (iv) Structured on a Fully Net and Carefree basis;
- (v) A portion of the space be available for some public meetings or events.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 - Chair - Councillor Jason Farr
 YES - Ward 5 Councillor Chad Collins
 YES - Ward 8 Councillor John-Paul Danko
 YES - Mayor Fred Eisenberger

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

The Committee Clerk advised of the following changes to the agenda:

13. GENERAL INFORMATION/OTHER BUSINESS (Item 13)

13.1 Amendments to the Outstanding Business List

13.1.a. Items Considered Complete and to Be Removed

- (i) Animation of Piers 5-8 Lands
 Item on OBL: 20-A
 Addressed as Item 10.1 on today's agenda

(Collins/Danko)

That the Agenda for the April 13, 2021 meeting of the West Harbour Development Sub-Committee be approved, as amended.

Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 - Chair - Councillor Jason Farr
 YES - Ward 5 Councillor Chad Collins
 YES - Ward 8 Councillor John-Paul Danko
 NOT PRESENT - Mayor Fred Eisenberger

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

(c) APPROVAL OF MINUTES (Item 4)**(i) December 2, 2020 (Item 4.1)****(Collins/Danko)**

That the Minutes for the December 2, 2020 meeting of the West Harbour Development Sub-Committee be approved, as presented.

Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 - Chair - Councillor Jason Farr
 YES - Ward 5 Councillor Chad Collins
 YES - Ward 8 Councillor John-Paul Danko
 NOT PRESENT - Mayor Fred Eisenberger

(d) DISCUSSION ITEMS**(i) Amendment to the Project Management Agreement Between the City of Hamilton and the Hamilton Waterfront Trust (PW19090(a)) (Ward 2)****(Eisenberger/Collins)**

That staff report back to the West Harbour Development Sub-Committee, after consultation with Hamilton Waterfront Trust, with information regarding changes to the scope of work to deliver the Piers 5-7 works given the increase in total project cost to \$23.5M that would justify the proposed increase in project management fees.

Result: Motion CARRIED by a vote of 3 to 2, as follows:

NO - Ward 1 Councillor Maureen Wilson
 YES - Ward 2 - Chair - Councillor Jason Farr
 YES - Ward 5 Councillor Chad Collins
 NO - Ward 8 Councillor John-Paul Danko
 YES - Mayor Fred Eisenberger

(e) GENERAL INFORMATION/OTHER BUSINESS (Item 13)**(i) Amendments to the Outstanding Business List (Added Item 13.1)****(Collins/Danko)**

That the following amendments to the Outstanding Business List, be approved:

- 13.1 (a) Items Considered Complete and to Be Removed
- (i) Animation of Piers 5-8 Lands
Item on OBL: 20-A

Addressed as Item 10.1 on today's Agenda

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 - Chair - Councillor Jason Farr
YES - Ward 5 Councillor Chad Collins
YES - Ward 8 Councillor John-Paul Danko
YES - Mayor Fred Eisenberger

(f) ADJOURNMENT (Item 15)

(Collins/Eisenberger)

That, there being no further business, the West Harbour Development Sub-Committee be adjourned at 11:48 a.m.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 - Chair - Councillor Jason Farr
YES - Ward 5 Councillor Chad Collins
YES - Ward 8 Councillor John-Paul Danko
YES - Mayor Fred Eisenberger

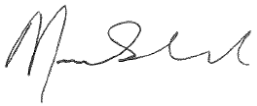
Respectfully submitted,

Councillor J. Farr, Chair
West Harbour Development
Sub-Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Economic Development Division

| | |
|---------------------------|--|
| TO: | Mayor and Members West Harbour Development Sub-Committee |
| COMMITTEE DATE: | January 17, 2022 |
| SUBJECT/REPORT NO: | Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) |
| WARD(S) AFFECTED: | Ward 2 |
| PREPARED BY: | Andrea Smith (905) 546-2424 Ext. 6256 |
| SUBMITTED BY: | Norm Schleeahn Director, Economic Development Planning and Economic Development Department |
| SIGNATURE: |  |

RECOMMENDATION

- (a) That staff be authorized and directed to implement the Discovery Centre Strategy Framework outlined in Appendix "A" to Report PED21090(b);
- (b) That staff be directed to report back to the West Harbour Development Sub-Committee by Q1 2023 with a recommended long-term Strategy for the Discovery Centre property.

EXECUTIVE SUMMARY

Through approval of Report PED21090 on April 28, 2021, Council directed staff to prepare a long-term Strategy for the former Discovery Centre building, as well as to promote the availability of the building for a short-term lease of up to five years in duration. This Report addresses the long-term Strategy for the Discovery Centre.

The premise of the April 28, 2021 staff direction is based on the circumstances that the Discovery Centre, a prime waterfront property, is currently underutilized and constrained by existing land use restrictions, and that a Strategy is required to leverage this City-owned asset.

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SUBJECT: Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) - Page 2 of 11

In conducting a preliminary assessment of the policies and zoning currently in effect on the Subject Lands it has been determined that the permitted uses are extremely limited. Within the building, the uses are restricted to institutional uses such a long-term care facility, day care, and place of worship, and on the surrounding lands, uses are generally restricted to park and recreational uses, or a small-scale restaurant. Commercial uses such as standard restaurants and outdoor patios are not permitted on the Subject Lands. Although recent uses of the property did include a restaurant and outdoor patio, this is the result of uses being previously permitted under pre-existing zoning and jurisdictional permissions afforded to the Federal government as the previous landowner rather than current applicable policies and zoning.

This Report seeks Council's endorsement of a decision making 'framework' as a first step in developing the long-term Strategy for the Discovery Centre. The Discovery Centre Strategy Framework is comprised of a two-phased, four-step approach, and is outlined in Appendix "A" to Report PED21090(b) entitled "Discovery Centre Strategy Framework". The focus of Phase 1 is to develop the Strategy and confirm the vision for the Discovery Centre, while the focus of Phase 2 is to implement the Strategy. Appendix "A" to Report PED21090(b) identifies steps in developing the Strategy, timelines, key deliverables, identified staff reports, key Council decision points, and consultation and engagement.

Report PED21090(b) outlines:

- Geographic definition of the lands that are part of this Strategy development process (referred to as "Subject Lands");
- Historical and current state use of the Subject Lands;
- Preliminary assessment of opportunities, constraints and key decision-making considerations related to re-examining the function of the Discovery Centre;
- Recommended decision-making framework as part of developing the Discovery Centre Strategy;
- Key objectives in developing the Strategy; and,
- Draft Strategic Principles to guide decision-making in developing the Discovery Centre Strategy.

The Recommendations of this Report only seek West Harbour Development Sub-Committee (WHD S-C) approval of the framework itself, and do not make any long-term

SUBJECT: Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) - Page 3 of 11

decision about the building. The framework is designed as a guiding document for the review.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The Recommendations to Report PED21090(b) only seek approval of the framework itself, and therefore financial implications would be limited to the retaining of external consulting services, if required for areas where City staff do not have specific expertise and would be funded out of the existing Capital Accounts 4411606003 and 4411606004 established for the West Harbour Waterfront Capital Program. All implications will be identified during the Discovery Centre long-term Strategy development process and will be identified in future reports for the WHD S-C consideration.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

On April 28, 2021, Council approved Item 10.3 of GIC Report 21-009, being the West Harbour Development Sub-Committee Report 21-001, April 13, 2021 which directed staff to prepare a long-term Strategy for the Hamilton Waterfront Trust (former Discovery) Centre, and to promote the availability of the property for lease.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS - N/A

RELEVANT CONSULTATION

This Report and associated recommendation have been developed with input from staff within Municipal Land Development Office (MLDO), Waterfront Development Office (WDO-PW), and Corporate Real Estate Office, Facilities, Economic Development Division, Building Division, and Planning Division.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

This Report is the first step in implementing Council's direction towards a long-term Strategy. Staff in a separate Report PED21090(a) will be bringing forward

SUBJECT: Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) - Page 4 of 11

recommendations in respect of the direction given staff related to an interim leasing strategy.

1) Defining the Subject Lands

For the purposes of this Report, staff have geographically defined the “Subject Lands” as identified in Appendix “B” to Report PED21090(b) entitled *Discovery Centre Strategy: Subject Lands Map*.

The Subject Lands are comprised of:

- The former Discovery Centre building;
- Outdoor patio area located to the north of the building;
- Landscaped area located to the east of the building;
- Parking area located to the south of the building (Note: mapping has not been updated to reflect recent changes to the parking lot configuration); and,
- Excludes park promenade lands.

Staff has recommended defining the Subject Lands in this manner because the development of the Discovery Centre Strategy should not be limited to only the building’s footprint, but also to the ‘functionally adjacent’ surrounding lands.

As additional geographical context, the Subject Lands are identified within the broader area of Piers 5, 6, 7 and 8, as shown in Appendix “B” to Report PED21090(b) entitled *Discovery Centre Strategy: Subject Lands and Context Map*. It should be noted that the area also contains a significant amount of waterside shorewall, which has the ability to moor vessels of a variety of sizes and be used for dockside uses.

2) Historical and Current State Use of the Subject Lands

Previous staff Report PED21090 summarizes the historical and current state of the Discovery Centre as follows:

“The HWT Centre building is a City-owned facility, that has been primarily vacant for the past few years. Initially built and operated as the Parks Canada Marine Discovery Centre, the building footprint is zoned for institutional use, but has most recently been used as a full-service restaurant with waterfront patio and an informal event and meeting facility. Upon closure, the internal and patio restaurant furnishings and fixtures were removed, leaving the former restaurant primarily vacant open interior space. Parks Canada still occupies the north-east

SUBJECT: Discovery Centre Strategy Framework (PED21090(b)) (Ward 2) - Page 5 of 11

portion of the building as office-space, with the remainder consisting of an entrance lobby, two small meeting rooms with waterfront patio access, a 50-seat theatre, washroom facilities, and direct access to the north portion of the waterfront trail.”

Currently, the building remains primarily vacant, with the exception of the Parks Canada Offices. With the various Covid-19 pandemic restrictions in place since March of 2020, event bookings have been limited. There has been occasional rental of the various rooms and spaces by a variety of external event organizers and community groups throughout the past six months, and interest in future bookings has begun to increase. Due to the underutilization of the space, there is currently minimal revenue generated by the property.

During the summer of 2021, staff implemented a temporary programming and animation plan for Piers 6 and 7 by way of a Letter of Agreement with Ms. Whitney McMeekin, in accordance with Council Direction associated with Report PED21090. Implementing this plan over the last several months has provided a number of public art and community gathering opportunities (e.g. *Pop-Ups at Pier 8* events attracting residents to the waterfront).

3) Preliminary Assessment: Opportunity, Constraints and Key Considerations

Opportunities and Constraints

The policies of the West Harbour Secondary Plan (Setting Sail) apply to the Subject Lands. Setting Sail was adopted by Hamilton City Council in 2005 and approved by the Ontario Municipal Board in 2012. During the planning process for Setting Sail, the former Canadian Marine Discovery Centre Museum was recognized as an existing institutional use, and as such, the Official Plan designated the building as “Institutional” and the building was zoned as “Community Institutional”. Although the museum is no longer operational, the uses permitted on the property remain restricted to institutional uses such as a long-term care facility, day care, place of worship.

Although the Subject Lands are situated in a strategic location within the West Harbour, the formerly tenanted area is currently vacant, and the property is underutilized. This is the result of several factors including the closure of the museum and subsequent change in property ownership from federal to municipal government, and constraints of applicable zoning by-law regulations in attracting new uses.

In conducting a preliminary assessment of the policies and zoning currently in effect on the Subject Lands it has been determined that the permitted uses are extremely

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limited. Within the building, the uses are restricted to institutional uses such a long-term care facility, day care, and place of worship, and on the surrounding lands, uses are generally restricted to park and recreational uses, or a small-scale restaurant. Commercial uses such as standard restaurants and outdoor patios are not permitted on the Subject Lands. Although recent uses of the Property did include a restaurant and outdoor patio, this is the result of uses being previously permitted under pre-existing zoning and jurisdictional permissions afforded to the Federal government as the previous landowner rather than current applicable policies and zoning.

The changed property ownership and planning context, property use constraints, along with the passage of time since the policy and zoning regulations were originally established, provides an opportunity to re-examine options for the use of the Subject Lands.

Key Considerations

Determining what the Subject Lands should be used for, and how best to arrive at the decision, is complex due to factors such as:

- Importance and potential of this strategic waterfront property;
- Constraints of applicable land use policy and regulations;
- Potential planning approvals required to modify uses on the property;
- Relationship between the Discovery Centre with other areas within the West Harbour;
- Investment considerations associated with owning and operating this property asset;
- Parking requirements (zoning requirements and functional/practical requirements of uses on the property); and,
- Diverse stakeholder interests.

Also, the broad scope of options add complexity to the decision-making process. For example, below are a range of issues that require scoping, discussion and engagement, prior to recommended decisions to be made:

- **Permitted Land Uses Decisions**
 - What land uses are complementary to the West Harbour redevelopment?
 - What changes to the current land use framework are required to enable these complementary uses?
- **Property Ownership and/or Operating Model Decisions**
 - What is the desired property ownership and operating model?

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- When do these decisions need to happen?

- **Investment Decisions**

- What should the City do with the lands, and the future of the building?

- **Process Decisions**

- What efforts are required to permit and attract desired uses?

4) Recommended Discovery Centre Strategy Framework

The Discovery Centre Strategy Framework is comprised of a two-phased, four-step approach as follows, and is detailed in Appendix “A” to Report PED21090(b) (*Discovery Centre Strategy Framework*).

Phase 1 – Strategy Development

The purpose of Phase 1 is to develop the preferred Strategy to optimize and leverage the Discovery Centre property. The three steps within Phase 1 are summarized below:

Step 1: Approve the Decision-Making Framework

This step consists of launching the review, scoping and planning the process, and defining the research parameters.

Step 2: Conduct the Opportunity Study

This step consists of conducting research, identifying opportunities and constraints, generating various options, and consulting with the public and various stakeholders.

Step 3: Confirm the Vision

This step consists of analyzing options, selecting the preferred option based on analysis and making a decision to implement the Strategy.

Phase 1 outcomes include decisions pertaining to: permitted land uses; property ownership and/or operating models; investment decisions; and required planning and marketing processes.

During this phase, communication and engagement with the public, external stakeholders and internal staff will be conducted. An important part of Phase 1 research is to seek feedback on preliminary options for the property, and on the draft

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Strategic Principles. Deliverables within Phase 1 include staff reports which will provide a summary of research findings, community feedback, potential Strategy options and ultimately a recommended preferred option for optimizing the Subject Lands. It is anticipated that the timeline to complete the three steps in Phase 1 is from Q4 2021 to Q1 2023.

The key milestone of Phase 1 is a Council Decision to approve the preferred option (the “Strategy”), and authorization of staff to proceed to Phase 2 (Strategy Implementation).

Phase 2 – Strategy Implementation

The purpose of *Phase 2 – Strategy Implementation* is to act on Council’s decision to approve the Strategy by implementing the vision. It is expected that implementation will include a variety of actions.

An example of a Phase 2 outcome is to move forward with any required planning approval processes and to initiate real estate transactional processes, if such actions are approved by Council. Should any planning approvals be an outcome of this phase, public consultation will occur in accordance with the *Planning Act* and City protocols as required. Additional Council decisions will be identified as warranted throughout this phase.

Staff is recommending Council approval of the Discovery Centre Strategy Framework as outlined in Appendix “A” to PED21090(b).

5) Key Objectives in Developing a Long-Term Strategy for the Discovery Centre

The following are the key objectives in developing the long-term Strategy for the Discovery Centre.

- **To Increase Community Satisfaction**
Desirable uses on the Subject Lands will attract people, animating the waterfront, supporting placemaking and increasing community satisfaction of amenities within the West Harbour.
- **To Attract Desired Uses**
Established land use permissions will provide clarity for successfully attracting desired uses and operators to the Subject Lands.
- **To Catalyze Economic Development and Potentially Generate Revenue**

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A fully occupied building, with fully operating uses, will serve as an economic development catalyst and potentially generate revenues sources. These factors support the implementation of the West Harbour redevelopment plan and economic development strategies of the City.

- **To Improve Asset Management Decision Making**
Confirmation of the desired future-state of the Subject Lands will improve asset management efforts such as property asset maintenance, operations, and capital investment decisions.
- **To Improve Corporate Service Planning Efforts**
Confirmation of the desired future-state of the Subject Lands will enable various City services to align their service plans supporting strategic service planning involving the Discovery Centre (e.g. tourism, parks operations, culture and placemaking, and recreation).

6) Draft Strategic Principles

As part of developing the long-term Strategy for the Discovery Centre, there will be many decisions made and options considered. Identification of ‘strategic principles’ is an important part of a decision-making process. The following are draft Strategic Principles to guide the Strategy development phase and should be applied comprehensively throughout the process. The Principles are expected to evolve during the process through community and stakeholder feedback.

Draft Strategic Principles

a) Alignment to Principles of Setting Sail Secondary Plan

Options for leveraging the Discovery Centre property will align with the key relevant principles of the West Harbour (Setting Sail) Secondary Plan: Promote Healthy Harbour; Promote Safe, Continuous Public Access along the Water’s Edge; Create a Diverse, Balanced and Animated Waterfront; Enhance Physical and Visual Connections; Celebrate the City’s Heritage; and, Promote Excellence in Design.

b) Foster Vibrant Community Interaction

Vibrant community interaction will be fostered through a mix of public uses, and ‘public-serving’ commercial uses that are adaptable as the waterfront becomes a mature community. The mix of uses catalyze animation of public spaces and enhance the enjoyment of the West Harbour day and night, and throughout the seasons.

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c) Leverage this Prime Waterfront Property

This prime waterfront property is an asset and will be leveraged so that its design and function enhance the West Harbour and contribute to Hamilton's City building objectives.

d) Incorporate Sustainable Building and Development Features

Potential modifications to the building and/or property will incorporate sustainable building and development best practices.

e) Maintain Public Access along Waterfront Promenade

The public promenade along the water's edge will be maintained.

f) Financial Sustainability

Use of this property will result in the ongoing capital and operating requirements to be met through identification of sustainable funding sources.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent, and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

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Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

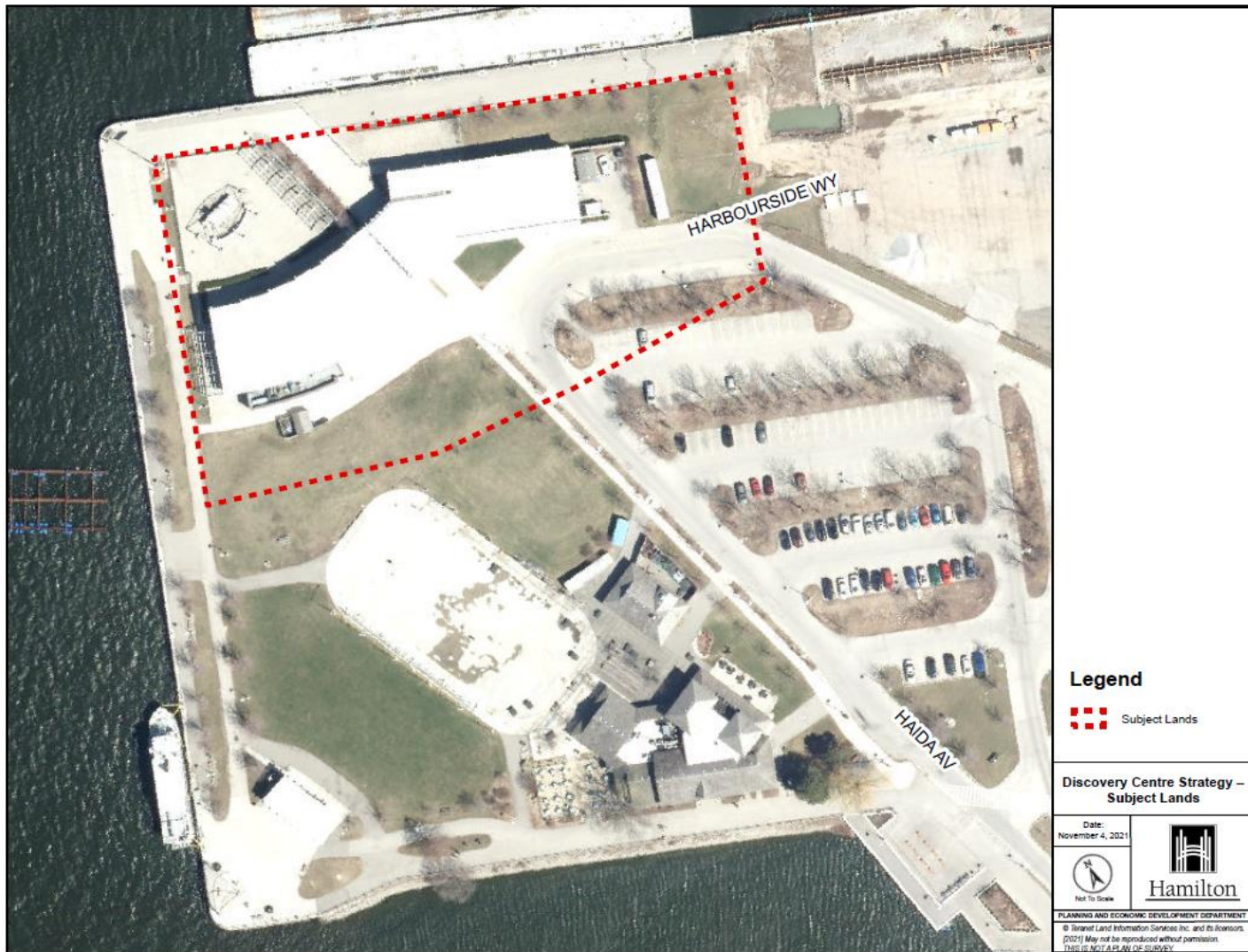
APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED21090(b) – Discovery Centre Strategy Framework
Appendix “B” to Report PED21090(b) – Discovery Centre Strategy Subject Lands and Context Maps

Discovery Centre Strategy Framework

| Phase | Phase 1: Strategy Development | | | Phase 2: Strategy Implementation |
|------------------------------------|---|--|--|---|
| | Step 1 | Step 2 | Step 3 | Step 4 |
| Step Summary | Approve Decision Making Framework | Conduct Opportunity Study | Confirm Vision | Implement Vision |
| Step Description | <ul style="list-style-type: none"> • Launch Review • Scope and Plan Process • Define Research Parameters | <ul style="list-style-type: none"> • Conduct Research • Identify Opportunities and Constraints • Generate Various Options • Consult Community | <ul style="list-style-type: none"> • Analyze Options • Select Preferred Option • Make Decision | <ul style="list-style-type: none"> • Act on Decision • Implement Option |
| Timeline | Q4 2021 – Q1 2022 | Q2 2022 – Q4 2022 | Q4 2022 – Q1 2023 | Q2 2023 - TBD |
| Key Deliverables | Strategy Framework Draft Strategic Principles | Preliminary Options | Preferred Option | TBD |
| Staff Report | Recommendation Report to: <ul style="list-style-type: none"> • Recommend approval of decision making framework | Information Report to: <ul style="list-style-type: none"> • Provide strategy development status update Recommendation Report to: <ul style="list-style-type: none"> • Recommend proposed Strategic Principles • Identify range of potential options • Summarize community and stakeholder feedback and research findings | Recommendation Report to: <ul style="list-style-type: none"> • Recommend preferred option • Recommend approval of defined set of implementation actions • Provide preferred option analysis • Recommend conclusion of Phase 1 (Strategy Development) and commencement of Phase 2 | TBD |
| Council Decision | Approve Decision Making Framework | Approve Strategic Principles | Approve Preferred Option and Proceed to Phase 2 (Strategy Implementation) | TBD |
| Consultation and Engagement | City Staff | Community External Stakeholders City Staff | Community External Stakeholders City Staff | TBD |

Discovery Centre Strategy: Subject Lands Map



Discovery Centre Strategy: Subject Lands and Context Map





Hamilton

WEST HARBOUR DEVELOPMENT SUB-COMMITTEE

Jan 17, 2022

Subject Lands and Context Map



Subject Lands



Historical and Current Use Context



Key Objectives



- To Increase Community Satisfaction



- To Attract Desired Uses



- To Catalyze Economic Development and Potentially Generate Revenue



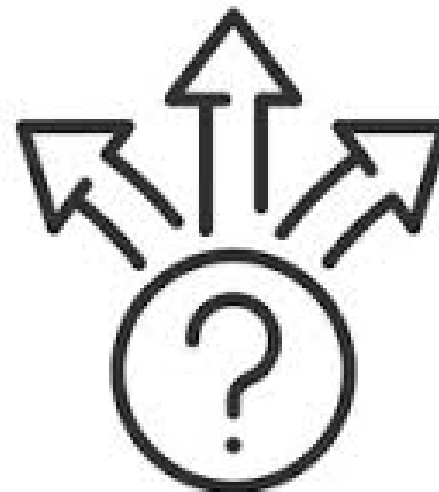
- To Improve Asset Management Decision Making



- To Improve Corporate Service Planning Efforts

Range of Decisions

- **Land Uses Decisions**
- **Property Ownership and/or Operating Model Decisions**
- **Investment Decisions**
- **Process Decisions**



Draft Strategic Principles

- a. **Alignment to Principles of Setting Sail Secondary Plan**
- b. **Foster Vibrant Community Interaction**
- c. **Leverage this Prime Waterfront Property**
- d. **Incorporate Sustainable Building and Development Features**
- e. **Maintain Public Access along Waterfront Promenade**
- f. **Financial Sustainability**

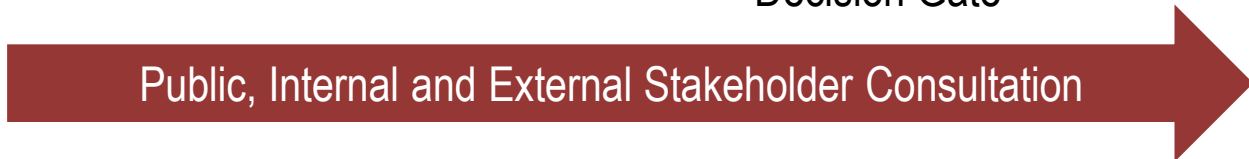


Discovery Centre Strategy Framework

| Phase 1 Strategy Development | | | Phase 2 Strategy Implementation |
|--|----------------------------------|--|---------------------------------------|
| Approve the Decision Making Framework | Conduct Opportunity Study | Confirm the Vision | Implement the Vision |
| Q4 2021 to Q1 2022 | Q2 2022 to Q4 2022 | Q4 2022 to Q1 2023 | Q2 2023 to TBD |
| Approve Decision Making Framework | Approve Strategic Principles | Approve Preferred Option and Proceed to Ph 2 | TBD |




Decision Gate





CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Economic Development Division

| | |
|---------------------------|---|
| TO: | Chair and Members West Harbour Development Sub-Committee |
| COMMITTEE DATE: | January 17, 2022 |
| SUBJECT/REPORT NO: | Pier 8 Animation Program and Hamilton Waterfront Trust (HWT) (Discovery) Centre - Status Update (PED21090(a)) (Ward 2) |
| WARD(S) AFFECTED: | Ward 2 |
| PREPARED BY: | David McCullagh (905) 546-2424 Ext. 1647 Chris Phillips (905) 546-2424 Ext. 5304 Andrea Smith (905) 546-2424 (6256) |
| SUBMITTED BY: | Norm Schleeahn Director, Economic Development Planning and Economic Development Department |
| SIGNATURE: |  |

Discussion of Confidential Appendix “B” to Report PED21090(a) and Confidential Appendix “C” to Report PED21090(a) in closed session is subject to the following requirement(s) of the City of Hamilton’s Procedural By-law and the *Ontario Municipal Act, 2001*:

- A proposed or pending acquisition or disposition of land for City or a local board purpose.

RATIONALE FOR CONFIDENTIALITY

Appendix “B” to Report PED21090(a) and Appendix “C” to Report PED21090(a) proposes a potential real estate transaction, and therefore it is appropriate to address in-camera, pursuant to the *Ontario Municipal Act*.

RATIONALE FOR MAINTAINING CONFIDENTIALITY

Appendix “B” to Report PED21090(a) and Appendix “C” to Report PED21090(a) is to remain Confidential as real estate transactions involve commercially confidential information and the outcome of negotiations, pending approval of Council.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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(Discovery) Centre - Status Update (PED21090(a)) (Ward 2)- Page 2 of
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RECOMMENDATION (CLOSED SESSION)

N/A

RECOMMENDATION (OPEN SESSION)

- (a) That staff be authorized and directed to negotiate and finalize a Lease Agreement between the City of Hamilton (Landlord) and The Waterfront Shores Corporation (Tenant) for a portion of the Discovery Centre facility, that is identified as areas of Exclusive-Use of the tenant in Appendix "A" to Report PED21090(a) attached, based substantially on the Major Terms and Conditions outlined in Confidential Appendix "B" to Report PED21090(a) attached, and such other terms and conditions deemed appropriate by the General Manager of Planning and Economic Development Department;
- (b) That staff be directed to negotiate terms and conditions for a proportionate share of The Waterfront Shores Corporation (Tenant) usage for the Non-Exclusive and Common-Use areas, as identified in Appendix "A" to Report PED21090(a), and report back to the Sub Committee on the results;
- (c) That all net rent proceeds from the Lease Agreement at the Hamilton Waterfront Trust (HWT) (Discovery) Centre be received and credited to Account No. 46000-Dept. ID No. 791554;
- (d) That all costs related to the Lease Agreement at the HWT (Discovery) Centre, including the real estate and legal costs of \$45,750, be funded from Account No. 55778-Dept. ID No. 791554 and credited to Account No. 55778-Dept. ID No. 812036 (Real Estate – Admin Recovery);
- (e) That the General Manager, Planning and Economic Development Department or designate, acting on behalf of the City as Landlord, be authorized to administer the Lease and provide any requisite consents, approvals, and notices related to the Lease Agreement at the HWT (Discovery) Centre;
- (f) That the City Solicitor be authorized to amend and waive terms and conditions on such terms as considered reasonable to complete the leasing transaction, respecting the Lease Agreement at the HWT (Discovery) Centre;

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- (g) That the Mayor and Clerk be authorized and directed to execute the Lease Agreement at the HWT (Discovery) Centre, or such other form and all other necessary associated documents with all such documents to be in a form satisfactory to the City Solicitor;
- (h) That Appendix “B” to Report PED21090(a) and Appendix “C” to Report PED210909(a) remain confidential.

EXECUTIVE SUMMARY

On April 28, 2021, Council approved GIC Report 21-009 approving West Harbour Development Sub-Committee Report 21-001, April 13, 2021 (Item 10.3), approving Report PED21090, which directed staff outlined as follows:

That staff be directed to promote the availability of the Hamilton Waterfront Trust (former Discovery) Centre property for lease, on the following conditions, and report back to the West Harbour Development Sub-Committee:

- (a) Any currently unoccupied and available space within and outside of the building;
- (b) Suitable uses being restricted to permitted zoning/land use regulations, with a preference for outdoor year-round programming/animation, and a desire for variety, including some food and beverage;
- (c) Minimum Term of 1-year and a Maximum Term of 5 years, with potential for options;
- (d) Structured on a Fully Net and Carefree basis; and,
- (e) A portion of the space be available for some public meetings or events.

Although Staff received several inquiries about the site, Waterfront Shores Corporation (WSC) was the only group to submit an Offer to Lease (Offer) for a portion of the facility. The Offer is detailed in Confidential Appendix “B” to Report PED21090(a) entitled “Major Terms and Conditions, Lease Agreement - Portion former Discovery Centre - 57 Discovery Drive”. The proposed use is for a temporary sales centre within a portion of the building for a time period of up to five years.

WSC is a consortium of established development industry companies Cityzen Development Corporation, Tercot Communities Limited, and Greybrook Realty Partners Inc. Council approved WSC as the Preferred Proponent to develop the residential and mixed-use community proposed for the 9 development-blocks on Pier 8, after an

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extensive public RFQ/RFP process. Since then, the City and WSC have worked collaboratively on the Planning approvals process for the site, and in 2021, executed a Development Agreement (DA), which details the contractual relationship between the parties, throughout the life of the development.

The proposed Offer seeks Exclusive-Use for the former interior restaurant space, while maintaining City control over significant Non-Exclusive and Common Use areas, including the public restrooms, multi-purpose rooms, lobby, theatre, and outdoor patio areas. Appendix "A" to Report PED21090(a) depicts the respective building areas and illustrates the floor plan. Those areas deemed Non-Exclusive and Common Use will continue to be managed by the City and could be available for public-use and public animation on an event-by-event basis.

Staff have reviewed the proposed Offer and believe it is consistent with the Council direction. The intended use is consistent with the existing zoning regulations, allows for year-round occupancy, allows for alternative programming and temporary events, fits within the time constraint, and continues to allow for temporary public uses year-round. Financially, the proposed Offer reflects market-value consideration and would generate a significant increase in revenue from previous years.

This Report seeks approval to negotiate and finalize a Lease Agreement that is consistent with the framework and direction approved by Council as outlined in this Report PED21090(a).

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Transaction as outlined in Appendix "B" to Report PED21090(a) attached;

The rentals and additional rents received pursuant to the Lease Agreement based substantially on the Major Terms and Conditions outlined in Appendix "B" and Financial Terms outlined in Appendix "C" to Report PED21090(a) be received into Account No. 46000-Dept. ID No. 791554; and

Real estate and legal costs of \$45,750 will be funded from Account No. 55778-Dept. ID No. 791554 and credited to Account No. 55778-Dept. ID No. 812036 (Real Estate – Admin Recovery).

Staffing: N/A

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Legal: Legal Services will be required to assist in the preparation of the contemplated lease agreement and any necessary documents required to complete this leasing transaction.

HISTORICAL BACKGROUND

On June 16, 2018, Council approved GIC Report 18-013 which recommended that WSC be approved as the Preferred Proponent for the Request for Proposal Contract Number C11-66-17 entitled Pier 8 Development Opportunity for Prequalified Proponents. Subsequently, on September 11, 2019, Council approved Confidential Report PED14002(i), entitled Pier 8 Development Agreement (DA) between the City of Hamilton and Waterfront Shores Corporation, identifying the general transactional framework to be used between the parties, and a formal DA was executed earlier in 2021.

On January 24, 2018, Council approved GIC Report 18-002, which included direction to investigate the feasibility of incorporating the former Parks Canada lands/building, into the Pier 8 Request for Proposals (RFP) process and to report back with a recommendation that best maximizes the disposition value, does not adversely affect the value the City can expect to receive from the Pier 8 lands, and best ties into the vision of Setting Sail and the successful developer. Staff informed the RFP Proponents of the Council direction and the general public on March 29, 2018, during a comprehensive Community Conversation Meeting. Although the future of the building was discussed during the DA negotiations, the building was not incorporated into the final agreement. Although not a condition of the DA, WSC explicitly and consistently expressed an interest in seeking a short-term lease for the building.

Also, on January 24, 2018, Council approved GIC Report 18-002, including Report CM18002, entitled "Hamilton Waterfront Trust - Staff Response to Council's October 25, 2017 Direction", that authorized and directed staff to negotiate a Lease Termination and Surrender Agreement with the Hamilton Waterfront Trust (HWT) of the former Federal Government head lease. The proceeds of disposition were approved to be used to fund the outstanding balance of the leasehold buyback, as well as any and all accrued maintenance, utilities, property taxes, with any leftover funds to be deposited to the City Unallocated Capital Reserve.

On December 16, 2020, Council approved GIC Report 20-023, which included the West Harbour Development Sub-Committee Report 20-001 dated December 2, 2020 including Report PED17181(b) entitled West Harbour Waterfront Re-Development Plan – Implementation Status Update, which identified the short-term and long-term future of

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the HWT Centre building as an important emerging issue over the 2021-2022 timeframe.

On April 28, 2021, Council approved GIC Report 21-009 approving West Harbour Development Sub-Committee Report 21-001, April 13, 2021 (Item 10.3), approving Report PED21090, which directed staff outlined as follows:

- (a) Pier 8 Animation Program and Hamilton Waterfront Trust (HWT) (Discovery) Centre - Status Update (PED21090) (Ward 2) (Item 10.1)
 - (i) That staff be directed to prepare a long-term strategy including an assessment of the existing conditions of the Hamilton Waterfront Trust (former Discovery) Centre building, the cost of existing operations, future capital requirements, planning approvals, parking requirements, real estate evaluations, market soundings, and other relevant due diligence, and report back to the West Harbour Development Sub-Committee identifying options for future uses of the property, as well as various ownership and/or operating models; and,
 - (ii) That staff be directed to promote the availability of the Hamilton Waterfront Trust (former Discovery) Centre property for lease, on the following conditions, and report back to the West Harbour Development Sub-Committee:
 - (1) Any currently unoccupied and available space within and outside of the building;
 - (2) Suitable uses being restricted to permitted zoning/land use regulations, with a preference for outdoor year-round programming/animation, and a desire for variety, including some food and beverage;
 - (3) Minimum Term of 1-year and a Maximum Term of 5 years, with potential for options;
 - (4) Structured on a Fully Net and Carefree basis; and,
 - (5) A portion of the space be available for some public meetings or events.

This report PED21090(a) responds to item (ii) in the April 28, 2021 direction, being the short-term utilization of the Discovery Centre property. Staff will be presenting to

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Council through a separate report a proposed process for determining the longer-term use for the site.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Land-Use Designation and Zoning

The Setting Sail Secondary Plan (Setting Sail) was adopted by Hamilton City Council in 2005 and approved by the Ontario Municipal Board in 2012. During the planning process for Setting Sail, the former Parks Canada Marine Discovery Centre Museum was recognized as an existing institutional use, and as such, the Official Plan designated the building as “Institutional” and the building was zoned as “Community Institutional”.

In conducting a preliminary assessment of the Policies and Zoning currently in effect on the Property (being defined for this Report as applicable to the building only) staff in the Planning Division and those responsible for zoning within the Building Division, determined that the permitted uses are extremely limited and restricted to institutional uses such a long-term care facility, day care, and place of worship. Any commercial uses such as restaurants and outdoor commercial patios are excluded.

Although more recent uses of the Property did include a restaurant and outdoor patio, this is the result of pre-existing zoning and jurisdictional permissions afforded to the Federal Government as the previous landowner rather than current applicable policies and zoning regulations.

The Property-use constraints significantly limit the ability to market the building for a traditional commercial lease.

As a City-owned municipal facility however, the Zoning By-law would permit a variety of municipal uses to occur on the site. Uses such as events and programming with an inherent public interest would be examples of such uses but would have to be evaluated on a case-by-case basis.

Proposed Use of Building in Relation to Potential Lease

The proposed primary use of the subject lease is for a temporary sales centre by way of a City lease to the Tenant for a period of up to 5 years. Zoning By-law 05-200 permits

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this use (Section 4.18 (b)). This use would only be for the Exclusive-Use Area of the subject lease. The City will maintain control over the Non-Exclusive and Common Use areas, including the public restrooms, multi-purpose rooms, lobby, theatre, and outdoor patio areas. Appendix “A” to Report PED21090(a) depicts the respective building areas and illustrates the floor plan. Those areas deemed Non-Exclusive and Common Use will continue to be managed by the City and could be available for public-use and public animation on an event-by-event basis.

Portfolio Management Strategy – Real Estate Management Plan

City Council, at its meeting of November 24, 2004, adopted the City’s Portfolio Management Strategy Plan, which established a formalized process to be consistently applied across all areas of the City to guide the management of the City’s real property.

RELEVANT CONSULTATION

- Planning and Economic Development Department, Municipal Land Development Office;
- Planning and Economic Development Department, Corporate Real Estate;
- Planning and Economic Development, Building Engineering and Zoning;
- Planning and Economic Development Department , Planning Division;
- Public Works, Facilities Planning and Business Solutions Section;
- Corporate Services Department, Legal and Risk Management Services Division;
- and,
- Financial Planning Administration and Policy Division.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The former Discovery Centre facility is a City-owned building that has been primarily vacant for the past few years. Initially, the facility was built and owned by the Federal Government and operated as the Parks Canada Marine Discovery Centre until its closure in 2010, at which time the Federal Government retained ownership and sub-leased the building and related property to the HWT. The Federal Government formally transferred the ownership to the City of Hamilton in 2015, and in 2018 the City and the HWT agreed to a negotiated Lease Termination and Surrender Agreement.

In conducting a preliminary assessment of the policies and zoning currently in effect on the property (being defined for this Report as applicable to the building only), it was determined that the permitted uses are extremely limited and restricted to institutional uses, and any commercial uses such as restaurants and outdoor patios are excluded.

Although more recent uses of the property did include a restaurant and outdoor patio, the research indicates this use was more the result of pre-existing zoning and

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jurisdictional permissions afforded to Federal Government as the previous landowner, rather than current applicable policy and zoning regulations. As well, upon closure of the former restaurant, most of the significant furniture, fixtures and equipment were removed from the facility, leaving this portion of the building fully vacant open interior space.

Appendix “A” to Report PED21090(a) entitled “Location, Identification of Building Areas & Floor Plan”, visually depicts the various spaces within the Discovery Centre, which are summarized in Table 1 below:

Table 1: Summary – Identification of Building Areas

| Existing Areas | Area Type |
|---|---|
| 1. Parks Canada Office | Existing Parks Canada Leasehold Interest |
| 2. Restrooms | Common Use Area |
| 3. Cyber-Café / Multi-Use Room and Storage Area | Non-Exclusive Use Area* / Available for Bookings |
| 4. Lobby and Hallway | Common Use Area |
| 5. Theatre | Non-Exclusive Use Area / Available for Bookings |
| 6. Restaurant / Kitchen | Contemplated Waterfront Shores Leasehold Interest for Sales Centre, Presentation Centre, Construction Office |
| 7. Small Patio | Non-Exclusive Use Area / Available for Bookings |
| 8. Large Patio | Non-Exclusive Use Area / Available for Bookings |
| | *Note: Areas identified as non-exclusive use areas are available for bookings for public uses and/or temporary uses by various parties, subject to City approval. |

WSC is a single-purpose entity established by a consortium for the purpose of acquiring and developing the lands on Pier 8. WSC combines the established residential and mixed-use development experience of Cityzen Development Corporation, Tercot Communities Limited, and the real estate investment expertise of Greybrook Realty Partners Inc. The City and WSC executed a DA in 2021, which details the contractual agreement and relationship between the parties, throughout the life of the development.

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(Discovery) Centre - Status Update (PED21090(a)) (Ward 2)- Page 10
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As indicated in previous Reports, during the DA negotiation process, WSC indicated a desire to lease the Discovery Centre building as an option for their sales presentation centre. Understanding the City's desire to maintain some public space, both within and exterior to the building, WSC indicated a willingness to work this concept into any proposed lease arrangement.

Confidential Appendix "B" to Report PED21090(a) contains the major terms and conditions of the proposed lease agreement, for those areas deemed as Exclusive-Use of the tenant. The Chief Corporate Real Estate Officer is satisfied that the terms and conditions outlined in Confidential Appendix "B" to Report PED21090(a) are deemed fair, reasonable and at fair market value. As well, the recommendations in this Report PED21090(a) are consistent with Council's direction as outlined in Report PED21090 respecting leasing a portion of the former Discovery Centre facility municipally located at 57 Discovery Drive.

The following is a brief analysis of the key elements of the proposed Offer:

Proposed Areas to be deemed Exclusive-Use to WSC and Intended Use

The Offer proposes the Exclusive-Use of the ground level leasable space (comprised of approximately 9,136 square feet) of the former restaurant area, for a period of 5-years. The specific space is labelled as area 6 in Appendix "A" to Report PED21090(a). The primary use of the area will be for the WSC condominium sales centre, presentation centre and a construction office, to support the Pier 8 development.

Proposed Areas to be deemed Non-Exclusive Use and Common-Use to WSC

The Offer also proposes shared use of Common-Use areas such as entrances and washrooms. As well, WSC requests to negotiate fair and proportionate use of the other areas identified as Non-Exclusive Use areas, including the Multi-purpose rooms (identified as area 3), the Theatre for presentations (identified as area 5), and the small and large outdoor patios for both private and public temporary events (indicated as areas 7 and 8). Staff believe that this request is reasonable and will allow for the building's usage to be maximized over time. If approved, recommendation (b) of Report PED21090(a) directs staff to negotiate terms and conditions for a proportionate share of Tenant usage for the Non-Exclusive and Common-Use areas, and report back to the Sub Committee on the results.

City Continues to Control Non-Exclusive Use and Common-Use Areas for Public-Uses

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As indicated above, with the exception of the area indicated as Exclusive-Use (indicated as area 6), the remainder of the building's interior foot-print, as well as the exterior patios, remain as City-owned and operated Non-Exclusive and Common-Use areas. This means that the City retains both the right, ability, and the space to continue to utilize the interior and exterior spaces for community-uses. As such, this also means that the tenant has no right to modify or perform leasehold-improvements to the Non-Exclusive Use and Common-Use areas for their own purposes.

Although it is anticipated that WSC will request some consideration for exterior and interior signage, staff anticipate negotiating specific language to limit the types and location of signage, along with a condition that mandates the City's approval of any proposed signage.

Understanding the importance of public animation to the Pier 8 area, it is expected the City will continue to promote and allow for these spaces to be booked by non-profit community groups as well as private-sector organizations, for temporary uses and community events. In 2021 as an example, the "Pop-Ups @ Pier 8" event series was created to provide temporary animation and programming. Using both the outdoor and indoor spaces, the successful series included activities such as kid's workshops, senior coffee meet-ups, outdoor vintage and BIPOC makers markets, beer gardens and live DJ dance parties.

West Harbour staff have begun to explore similar opportunities for 2022 and beyond. The combination of the anticipated opening of Copps Pier and Piers 6 and 7 boardwalk, the attention generated by the WSC presentation centre, and the demand for post-pandemic activities, the area would offer year-round animation opportunities. Initial plans would be for a portion of the financial proceeds of the short-term lease to be allocated for continuing and enhancing the public animation program for the area.

Financial Terms of the Proposed Offer to Lease by WSC

The specific financial terms and analysis are detailed in Confidential Appendix "C" to Report PED21090(a) entitled "Financial Terms of the Proposed Offer to Lease". Generally, the proposed lease payments would be new revenue, that could be used to offset operational costs, and additional net proceeds. As well, since the City still controls the Non-Exclusive Use areas of the building and the outdoor patio spaces, it could be assumed that additional revenue could be generated by leasing or renting the available spaces throughout the year.

At present, the Discovery Centre building, and its exterior patio spaces are significantly under-utilized. Although there are opportunities for increased usage and revenue generation for the building and its facilities as the pandemic restrictions subside, the

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zoning permissions for the site significantly constrain the ability to utilize the site for most commercial uses.

The intended use proposed by WSC can comply with existing zoning regulations, while at the same time allow the City flexibility to program a limited amount of indoor-space, as well as the outdoor patio space for public-uses and/or public animation programming throughout the term. The use of the building for a sales presentation centre will draw substantial attention and profile to the area, while at the same time assisting in the timely acceleration of the WSC marketing program.

If approved, staff will assess the business-case of marketing the facility for further revenue generation and prepare a revenue forecast over the 5-year period. Proceeds of the additional revenue could be made available for a variety of purposes including capital and operational improvements to the building and the surrounding grounds. As well, a portion of the financial proceeds could be allocated for continuing and enhancing the public animation program for the area.

A full financial assessment of the Discovery Centre would take place as part of the long-term strategy proposed in Report PED21090(b) entitled “Discovery Centre Strategy Framework”.

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

APPENDICES AND SCHEDULES ATTACHED

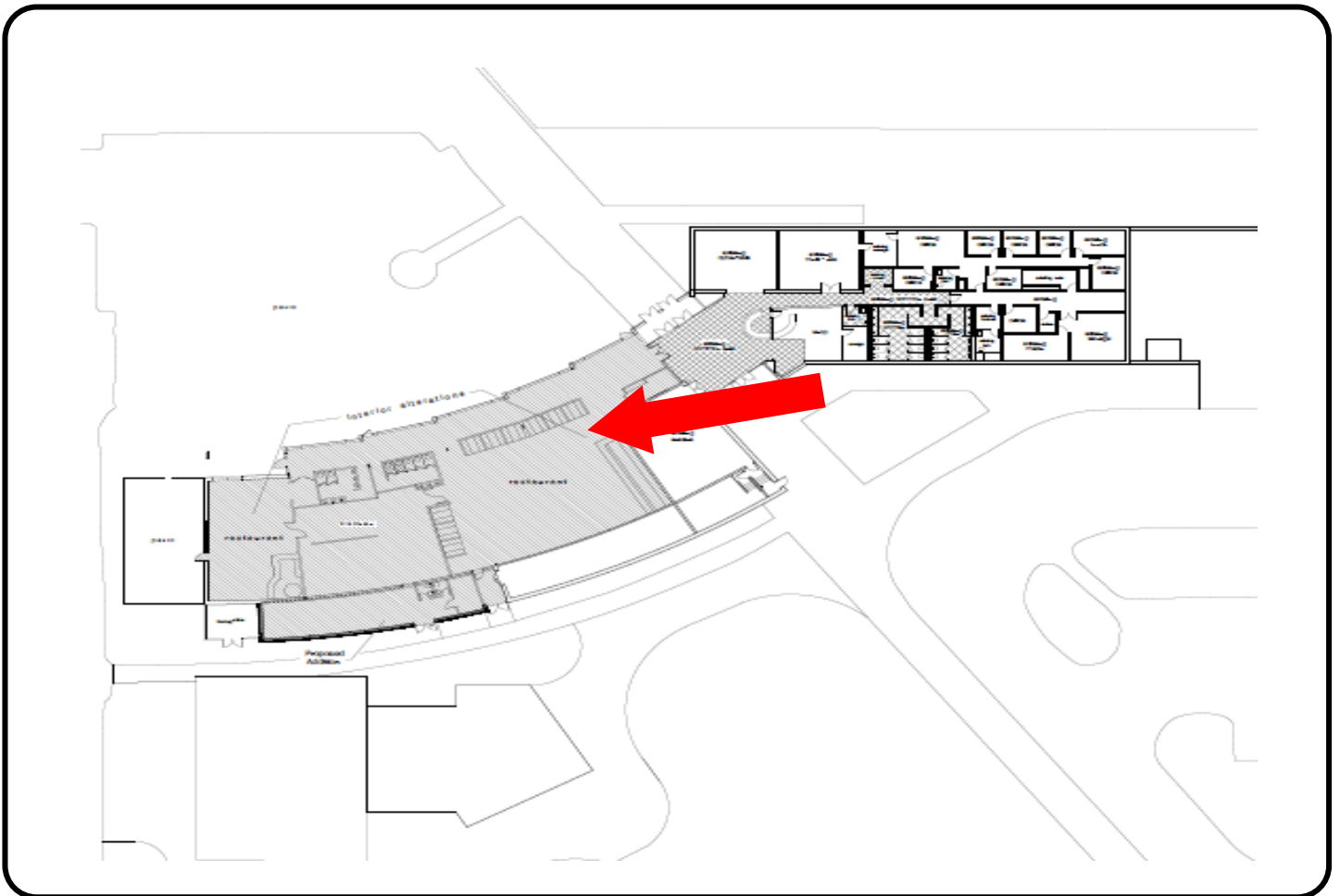
Appendix “A” – Location, Identification of Building Areas & Floor Pan

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Appendix "B" – Confidential - Major Terms and Conditions Lease Agreement - Portion
former Discovery Centre - 57 Discovery Drive

Appendix "C" – Confidential - Financial Terms of the Proposed Offer to Lease

DM/CP/RK:jrb



KEY MAP



LOCATION, IDENTIFICATION OF BUILDING AREAS & FLOOR PLAN

Rentable Portion – Discovery Centre, 57
Discovery Drive
(WARD 2)
Planning and Economic Development
Department

LEGEND



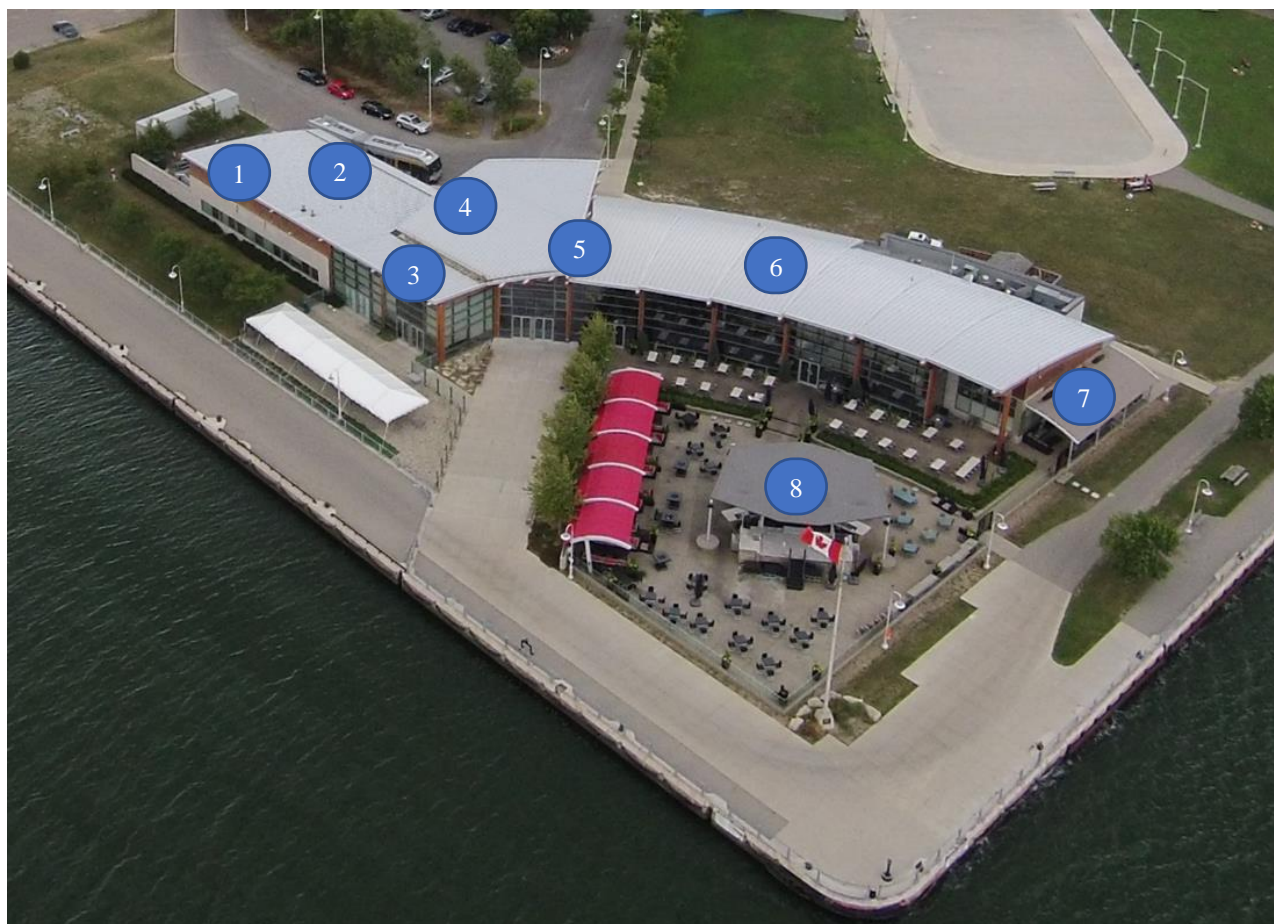
SUBJECT RENTABLE PORTION

SCALE
NOT TO SCALE

DATE
2022-01-07

REFERENCE FILE NO: **2021-105**

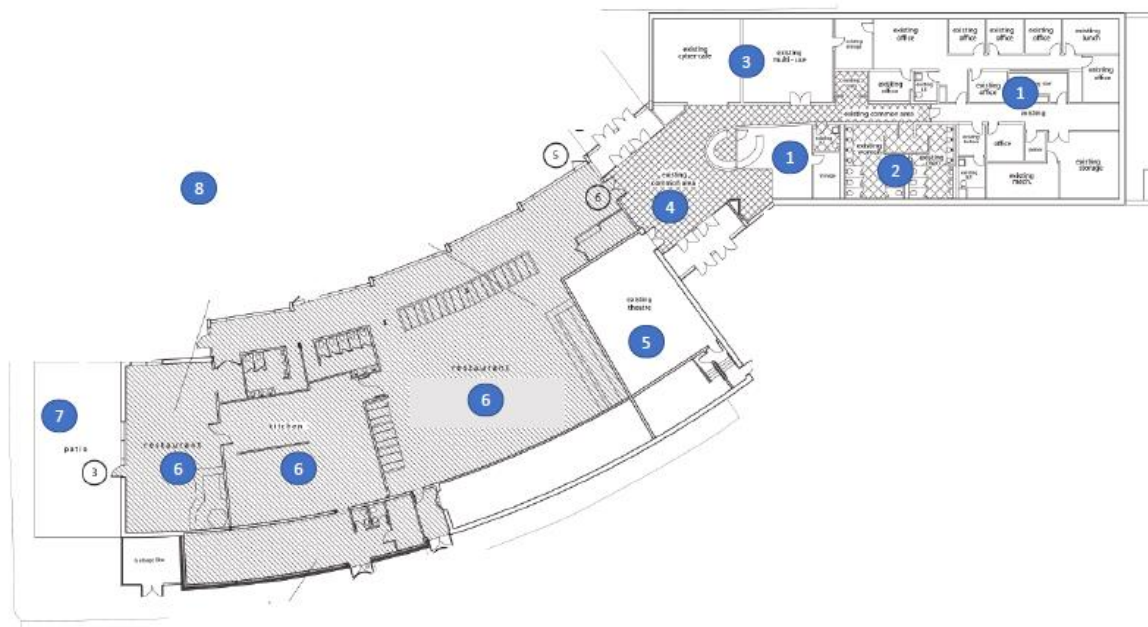
DISCOVERY CENTRE - IDENTIFICATION OF BUILDING AREAS



| Existing Areas | Area Type |
|---|--|
| 1. Parks Canada Office | Existing Parks Canada Leasehold Interest |
| 2. Restrooms | Common Use Area |
| 3. Cyber-Café / Multi-Use Room and Storage Area | Non-Exclusive Use Area* / Available for Bookings |
| 4. Lobby and Hallway | Common Use Area |
| 5. Theatre | Non-Exclusive Use Area / Available for Bookings |
| 6. Restaurant / Kitchen | Contemplated Waterfront Shores Leasehold Interest for Sales Centre, Presentation Centre, Construction Office |
| 7. Small Patio | Non-Exclusive Use Area / Available for Bookings |
| 8. Large Patio | Non-Exclusive Use Area / Available for Bookings |

*Note: Areas identified as non-exclusive use areas are available for bookings for public uses and/or temporary uses by various parties, subject to City approval.

DISCOVERY CENTRE – FLOOR PLAN (INTERIOR)

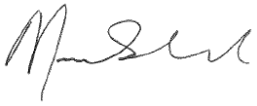


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INFORMATION REPORT

| | |
|---------------------------|--|
| TO: | Chair and Members West Harbour Development Sub-Committee |
| COMMITTEE DATE: | December 13, 2021 |
| SUBJECT/REPORT NO: | West Harbour Re-Development Plan - Implementation Status Update (PED17181(c)) (Ward 2) |
| WARD(S) AFFECTED: | Ward 2 |
| PREPARED BY: | Chris Phillips (905) 546-2424 Ext. 5304 Ed English (905) 546-2424 Ext. 5461 |
| SUBMITTED BY: | Norm Schleeahn Director, Economic Development Planning and Economic Development Department |
| SIGNATURE: |  |

COUNCIL DIRECTION

The West Harbour Development Sub-Committee (WHDS-C) periodically reviews the status of the West Harbour Re-Development Plan (the Plan), which consists of capital infrastructure and construction projects, as well as complementary projects necessary to facilitate private-sector and public-space development. The Plan is led and managed by an inter-departmental team of senior staff within the Planning and Economic Development (PED) and Public Works (PW) Departments, with significant and on-going support from Corporate Services department, including Finance, Legal Services, and others. Previous status reports during this term of Council include:

- February 26, 2019, Report PED17181(a) entitled “West Harbour Re-Development Plan Implementation - Status Update”;
- February 26, 2019, Report PW17075(b) entitled “Status of West Harbour Implementation”;
- September 9, 2019, Report PW17075(c) entitled “Status of West Harbour Implementation”;
- October 22, 2019, Report PW19090 entitled “West Harbour Strategic Initiatives Piers 5-7 Public Realm Capital Works”; and,

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(PED17181(c)) (Ward 2) - Page 2 of 6**

- December 2, 2020, Report PED17181(b) entitled “West Harbour Waterfront Re-Development Plan - Implementation Status Update.

This report emphasizes the progress from Q1 2021 to Q4 2021, including impacts of the COVID-19 pandemic.

INFORMATION

1. City-Initiated Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBA) applications for a tall building located on Pier 8 – Block 16, West Harbour

As a follow-up to the November 30, 2021 Communications Update and in accordance with Report PED21018 entitled “Pier 8 Block 16 Urban Design Guidelines and Implementation Strategy”, City-initiated Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBA) applications have been initiated for a 45-storey tall building consisting of approximately 429 units on lands within the West Harbour, identified as Pier 8, Block 16 and located at 65 Guise Street East (hereon referred to as “Subject Lands”).

Piers 7 and 8 Ontario Land Tribunal Appeal and 2019 Minutes of Settlement

In 2017, City Council enacted zoning and approved a draft plan of subdivision for Piers 7 and 8, encompassing the Subject Lands. These planning instruments were subsequently appealed to the Ontario Land Tribunal (formerly the Local Planning Appeal Tribunal). An agreement was reached by way of Minutes of Settlement between the City, Waterfront Shores Corporation (WSC), and the Harbour West Neighbours Inc. (HWN) to resolve the appeal filed by HWN.

The Minutes of Settlement direct the City to bring forward, for Planning Committee and Council’s consideration, an Official Plan Amendment (OPA) to the West Harbour (Setting Sail) Secondary Plan and an implementing Zoning By-law Amendment (ZBA) that would redesignate and rezone the existing institutional block (Block 16) on Pier 8 to permit either residential or mixed use development in a mid-rise (later defined as 5-12 storeys) or high-rise (later defined as plus 12 storeys) form. The terms of the settlement require that the City bring forward an OPA and ZBA within one year of the date of execution of the Settlement. This timeframe was subsequently extended due to the Covid-19 pandemic.

Provisions within the settlement also encourage additional family units (two bedroom or more) within the development and specify a proportionate increase of family units relative to the proposed height.

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2021 Council Approval of Pier 8 – Block 16 Urban Design Guidelines and Implementation Strategy

In order to fulfil the settlement commitments and OP policies, a review of the existing Pier 7 and 8 Urban Design Study (2016) was required. This review assessed the opportunity and design parameters required to accommodate a mid-rise or tall building on Block 16. Related to this review, was the requirement to develop urban design guidelines to evaluate any development applications for mid-rise or tall building proposals on the Subject Lands.

In September 2021, Council approved Report PED21018 “Pier 8 Block 16 Urban Design Guidelines and Implementation Strategy”. Neither the approval of the urban design guidelines nor the approval of the implementation process constituted an adoption of a position on a tall building proposal by Council or by Planning staff. The urban design guidelines do not propose a height, rather they establish a framework in which to evaluate development applications.

OPA and ZBA applications on the Subject Lands must go through the same statutory planning processes as any private development proposal. Planning staff will review and make a recommendation to Planning Committee and Council, and ultimately Council will determine whether or not it supports the proposed tall building.

Status of Pier 8 Block 16 OPA and ZBA Applications and Next Steps

As the next step in the Council-approved implementation process for Block 16, the Municipal Land Development Office (MLDO) within the Economic Development Division has submitted the required OPA and ZBA applications which propose a tower that is 147 metres in height or 45 storeys. The applications include supporting technical material from WSC (e.g. architectural report, urban design brief, noise study and wind study).

The Planning Division has accepted the development applications and will be processing the applications in accordance with the *Planning Act*. Following the City’s standard development application review process, the Planning Division is currently completing the ‘intake’ process of the applications, including deeming the applications complete, issuing public notices and commencing the technical circulation for review and comment.

Given the significance of these lands and of the applications, the Council-approved implementation strategy also includes an enhanced public engagement process and design review process, including a special Design Review Panel, with members selected specifically to review and comment on the subject development applications. Notification of these meetings will be communicated to the public and other

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stakeholders through various channels within the Planning and Economic Development Department, and in accordance with *Planning Act* statutory Public Meeting requirements.

To facilitate community engagement with the application process, this information, along with all the background studies and files, will be prominently displayed on City of Hamilton's West Harbour webpage effective December 1, 2021. This page will be updated as the process progresses, and MLDO staff will also be communicating directly to those members of the public who have joined the West Harbour database. The West Harbour link can be found here on the City of Hamilton website:

<https://www.hamilton.ca/city-initiatives/priority-projects/waterfront-redevelopment-west-harbour>

2. Pop-Ups @ Pier 8 - Temporary Programming & Animation Plan

A series of over 20 pop-up events for audiences of all ages were presented by the City of Hamilton throughout August and September at the HWT (Discovery) Centre outdoor patio. The "Pop-Ups at Pier 8" event series, was created to provide temporary animation and programming at the West Harbour during the current construction of new parks, public-space and amenities on the waterfront. City staff retained the professional services of Whitney McMeekin, owner of Girl On The Wing and co-founder of Hamilton Flea, to deliver the event series, which included activities such as kid's workshops, senior coffee meet-ups, outdoor vintage and BIPOC makers markets, beer gardens and live DJ dance parties. Public health COVID-19 protocols were followed throughout the Series. Local partners included Playhouse Cinema, Hamilton Vintage Community, and BLK OWNED HamOnt, Collective Arts and Sous Bas, as well as numerous local food vendors. 5,000 people attended and the events received many accolades on social media, as well as press coverage on CHCH, Cable 14, Hamilton Spectator & Urbanicity. A Pop-Up Instagram account <https://www.instagram.com/pier8popups> grew to 2,166 followers over the course of the series, and the series was supported by the website <https://pier8popups.ca>.

3. Capital Projects – Waterfront Development Office (WDO-PW):

The West Harbour capital plan includes projects for the rehabilitation and re-construction of aging shoreline and marina infrastructure, the creation of new public-space and parks, and the construction of new municipal service infrastructure. To date, Council has approved approximately \$100 million of an original \$140 million capital plan to enhance the existing uses and enable the planned new uses within the Piers 6 and 7 and 8 area. Completed projects include the following:

- Re-construction of the Pier 7 shorewall and creation of the new public waterfront boardwalk and temporary boat slips;

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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- Breakwater structure and City-owned Marina dock and boat slip renewal;
- Pier 8 shorewall rehabilitation;
- Relocation of the HPS Marine Unit building;
- Decommissioning of the former Marina (Macdonald Marine) site;
- Parking and Parking Structure Location Studies;
- Pier 8 Underground water & Sanitary Services and Above-ground roads; and,
- Pier 8 Wastewater Pumping Station and Forcemain.

Notwithstanding the COVID-19 pandemic, the on-going design and construction projects continued to progress throughout 2020-2021, with significant results. The following is an update on the projects that are on-going.

4. Copsps Pier (Pier 8 Promenade Park) Construction

The Pier 8 Promenade Park, approved by Council as part of the “Setting Sail” Secondary Plan and the Piers 7 and 8 Urban Design Study, will be the focal point of the Pier 8 re-development. In partnership with the Patrick J. McNally Charitable Foundation, the City commissioned an international competition to determine the design of this new 1.41-hectare park. Forrec Ltd.’s “Hammer City” design was awarded the contract for the 30-metre-wide linear park that will wrap around the north and east sides of Pier 8. In 2018, Council also approved the formal naming of the new park as Copsps Pier.

The park construction was tendered in March 2020, with construction completed in two phases; Phase 1 included heavy civil engineering work including underground services, and Phase 2 included the above-ground landscaping, trail construction, and other amenities.

Although major items of the project have been completed, supply-chain issues for a few key site safety elements have delayed the park from being opened to public access. Specifically, availability and delivery delays in both the hand-rail and safety rails, as well as the lighting products, have led to altering the construction schedule. Materials have now been received and are currently being installed. Once installed, lighting fixtures then require coordination with Alectra prior to being fully operational. The expectation is that the park would be available for public access as soon as possible, with all health and safety measures being in place.

The Waterfront Development Office (WDO) and the Municipal Land Development Office (MLDO) will coordinate with Staff from Parks Operations, Corporate Services, and Communications, to plan for the opening of Copsps Pier for public access as soon as construction is complete, as well as planning a grand opening for Spring 2022.

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**5. Piers 6 and 7 Shorewall, Boardwalk, Public-Space & “Commercial Village”
Construction**

In January 2015, the City and the Hamilton Waterfront Trust (HWT) entered into a Project Management Agreement (PMA) where the Trust would manage select City projects within the West Harbour waterfront. The HWT played an important role in forming stakeholder and public consensus with the West Harbour Waterfront Recreation Master Plan (WHWRMP) in 2010. Council’s approval of the plan facilitated the decision for the HWT to project manage the capital projects within the Piers 5 to 7 area.

When complete, these projects will transform an old asphalt parking lot and boat storage and maintenance facility into a new 4-hectare pedestrianized public-space, stretching from the foot of James Street North to the water’s edge, and will include both public and commercial uses.

The project is divided into two phases; Phase 1 includes the shoreline rehabilitation, construction of 950 meters of new water’s edge boardwalk, the rehabilitation of the water’s edge around the Royal Hamilton Yacht Club (RHYC) building and the marina services area, as well as the demolition of the existing aging structures on the site. Construction began in December 2020, and completion is expected by Q.1 2022. Phase 2 will include the above-ground surface areas, a new gateway and public art feature at the foot of James Street North, the construction of the Waterfront Trail link, as well as other landscaping features. Construction is scheduled to begin in Q. 2 2021 with completion by fall 2022.

6. Pier 8 – Gateway Park

With the entrance located at the intersection of Guise St. and the new Discovery Drive, the Gateway Park will be a new park-space that welcomes visitors into the Pier 8 area. Stretching northward to the existing Williams Café building, this triangular shaped park will join and complement the Pier 7 Boardwalk and boat slips project that was completed and opened in 2016. The Gateway Park design was completed in Q.3 2021, is expected to be tendered in Q1. 2022, with construction beginning in Q2. 2022, and completed by the end of 2022.

CP:EE/jrb