



**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	May 7, 2014
<b>SUBJECT/REPORT NO:</b>	Lease Extension with Community Living Hamilton – 191 York Boulevard, Hamilton (PED14086) (Ward 2)
<b>WARD(S) AFFECTED:</b>	Ward 2
<b>PREPARED BY:</b>	Darlene Cole (905) 546-2424, Ext. 7910
<b>SUBMITTED BY:</b>	Neil Everson Acting General Manager Planning and Economic Development Department
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Council approve the City of Hamilton entering into a new Lease Agreement with Community Living Hamilton for the property known as 191 York Boulevard, Hamilton, as shown on Appendix “A” attached to Report PED14086, for a 20 year term at the nominal consideration of \$1 per annum;
- (b) That the Mayor and Clerk be authorized and directed to execute the Lease in a form satisfactory to the City Solicitor and subject to all taxes being paid in full unless otherwise directed by the General Manager of Finance and Corporate Services.

**EXECUTIVE SUMMARY**

Community Living Hamilton (formerly Hamilton Association for Community Living) has a long history in Hamilton, serving as a hub of services for persons with intellectual or physical disabilities. The building they occupy at 191 York Boulevard is owned by the organization, however, the underlying real estate (1.08 acres) is owned by the City which is leased to Community Living Hamilton on a long term basis, at nominal consideration. The Lease has expired and Community Living Hamilton is requesting the City to extend the ground lease on the same terms and conditions, being 20 years at \$1 per annum. Although the land on which the building is situated is on a major corridor, there is little likelihood of a better community use than what already exists on the site.

In addition to subsidizing Community Living Hamilton by this nominal lease rate, the City of Hamilton also contributes grant funding to this organization in the amount of

\$979,000. The Province at one time funded 100% of the subsidy but has downloaded 20% (\$979,000 in 2013) to local municipalities.

***Alternatives for Consideration – See Page 3***

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** No financial implications.

**Staffing:** There are no staffing implications arising out of this recommendation.

**Legal:** Legal Services will be involved in the development of the Lease Agreement as to form, and will continue its involvement until the lease transaction is completed.

**HISTORICAL BACKGROUND**

The building at 191 York Boulevard was constructed by Hamilton Association for Community Living pursuant to a 20 year ground lease agreement dated February 22, 1971. When the first lease term ended, it was extended a further 20 years on the same terms and conditions from August 1, 1990 until July 31, 2010. The Lease is now on overhold with the tenant continuing payments to the City for utilities and taxes and meeting all of its obligations pursuant to the ground lease. All capital repairs are covered by the Ministry of Community and Social Services.

The building has 18,000 square feet of space supporting several activities including product assembly for local business and government handled by 109 adults in rehab. Tasks would include cutting cloth and bagging same for industrial use, assembling water testing bottle kits together with instructions for use by MOE and the Health Department, assembling wire cable attachments for Bell Canada, and for our steel industry they attach wire to plastic bags that are used to label coils. Referrals come from City Departments, local business and the community in general so the tasks / delivery timelines change. All these requests keep this group proudly engaged - they arrive eagerly every morning to put in a day's work.

The premises also include space for 30 office administrative staff, a lecture room for "Basic Learning" skill programs, and a commercial kitchen with adjoining dining room which doubles as program space for their "Healthy Lifestyle" and "Drum Circle". The Drum Circle is a group of handicapped musicians who have formed an award winning drum corps, which routinely practices in the building as part of a music program.

All Community Living participants are physically and/or cognitively challenged residents of Hamilton and their program activities are funded by Community and Social Services. Supervised shift workers are paid a "training allowance" supplemented by the normal living benefits provided by the Province.

Community Living Hamilton has no plans to relocate this facility since its location serves it well from all aspects, particularly in terms of convenience; each program participant relies on transit. Relocating this facility would require a concerted effort and would be a significant burden for the program participants given the size and scope of this operation.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Recommendation (a) to Report PED14086 is consistent with the Real Estate Management Portfolio Strategy Plan, as approved by Council on November 24, 2004, to lease property for other than market value if such an arrangement is deemed by Council to be in the public interest.

## **RELEVANT CONSULTATION**

- Ward Councillor;
- Portfolio Management Committee; and
- Corporate Services, Financial Planning and Policy Division.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

Portfolio Management Committee recommended that the City keep this valuable service where it is, and grant Community Living Hamilton a long term lease extension at nominal consideration. Accordingly, Council approval is being requested to approve a 20 year lease at \$1 per annum, on the same terms and conditions as in previous renewals of this lease.

## **ALTERNATIVES FOR CONSIDERATION**

Although the land on which the building is situated is on a major corridor and is attractive to the development community, the Community Living population relies on transit, which limits its relocation alternatives. Further, there may not be an opportunity for this organization to receive capital funding to relocate given the constraints on Developmental Services at the Provincial level.

## **ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN**

### **Strategic Priority #1**

A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*

**Strategic Objective**

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.

**Strategic Priority #2**

**Valued & Sustainable Services**

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

**Strategic Objective**

- 2.2 Improve the City's approach to engaging and informing citizens and stakeholders.

**Strategic Priority #3**

**Leadership & Governance**

*WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.*

**Strategic Objective**

- 3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton.
- 3.2 Build organizational capacity to ensure the City has a skilled workforce that is capable and enabled to deliver its business objectives.
- 3.3 Improve employee engagement.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report PED14086 – Location Map

DC/sd