



Hamilton

INFORMATION REPORT

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	March 30, 2015
SUBJECT/REPORT NO:	West Harbour Waterfront Re-Development Plan (PED14002(b)) (Ward 2)
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Chris Phillips (905) 546-2424 Ext. 5304
SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

Council Direction:

On January 29, 2014, the General Issues Committee Report PED14002 was approved, with the following Motion:

- (a) That the recommendations contained in Appendix “A” to Report PED14002 entitled “West Harbour Piers 5-8 Servicing Studies and Pro Forma Analysis”, be approved;
 - (i) Develop a broader real estate development strategy for the study area.
 - (ii) Harmonize planning regulations and proceed with the urban design study for the West Harbour.
 - (iii) Complete Phase 1 and 2 Environmental Site Assessments and Geotechnical Study for Piers 5-8.
 - (iv) Complete a Transportation Impact Study for Piers 5-8.
 - (v) Complete Pumping Station Class Environmental Assessment (ongoing).
 - (vi) Finalize the termination of Hamilton Port Authority, Sun-Canadian and Imperial Oil Pipeline Leases.
 - (vii) Coordination of the West Harbour Servicing Study with other City infrastructure studies.
- (b) That staff be directed to prepare and report back on a comprehensive implementation plan, including the recommendations above, with the goal being to prepare the Piers 5-8 lands to a state of “development-ready” by the end of 2018;

SUBJECT: West Harbour Waterfront Re-Development Plan (PED14002(b)) (Ward 2) - Page 2 of 12

- (c) That staff be directed to continue its established relationship with the Hamilton Waterfront Trust by authorizing the extension of the current Management Agreement with the purpose of expediting the specific West Harbour and Waterfront Strategic Initiatives as approved in the 2014 Capital Budget, and report back to the General Issues Committee by February 19, 2014 with specific management recommendations.

This Report is intended to bring Council up to date on the progress made with the West Harbour Waterfront Re-Development plans, outline City Staff's Corporate Implementation Strategy to prepare the lands to a state of development-ready by 2018, and to provide a clear 2015 Work Plan.

Information:

As part of the 2012 - 2015 Strategic Plan, Council made a decision to "*promote economic opportunities with a focus on Hamilton's downtown core, all downtown areas and waterfronts*". Specifically, the Strategic Plan committed to the following actions:

- Finalize a development and servicing strategy for the West Harbour lands, with a particular focus on Piers 5, 6,7, and 8 and the Barton / Tiffany area;
- Negotiate the early termination of land leases for Piers 7 and 8 with the Hamilton Port Authority;
- Completion of the Waterfront Master Recreation Official Plan Amendment and the implementation of the Zoning By-law and financing strategy; and,
- Initiate development in the West Harbourfront and Waterfront (this includes the Bayfront Industrial area) and develop a commercial business strategy for Confederation Park.

Staff can confidently report that all the objectives have either been completed or substantially completed to a degree where they are at full implementation.

Council refined its intentions by setting a goal to bring the Piers 5-8 and Barton - Tiffany lands within the West Harbour, to a state of development-ready by the end of 2018. Entering this new term of Council, the West Harbour Waterfront Re-Development Plan was highlighted as a key priority within the 2015 Capital Budget process. This Plan will not only transform the waterfront, the downtown and the broader community, but it will also leverage new private-sector investment in the form of multi-residential and commercial development within the West Harbour area.

SUBJECT: West Harbour Waterfront Re-Development Plan (PED14002(b)) (Ward 2) - Page 3 of 12

2012 - 2014 Achievements:

The past term of Council saw significant progress made with respect to the West Harbour Waterfront Re-Development Plan. The following is a list of key accomplishments over this period of time:

- Final Ontario Municipal Board (OMB) approval of the “*Setting Sail*” Secondary Plan, establishing the planning principles, policies, and land-use designations that guide development in the West Harbour area;
- Approval and phased implementation of the North End Transportation Management Plan (NETMP), allowing for a series of traffic calming measures to mitigate the impacts of flow-through traffic in the North End Neighbourhood (NEN);
- The termination of the long-term lease for the Pier 7 and 8 lands with the Hamilton Port Authority (HPA), giving full control of these vital waterfront lands back to the City of Hamilton;
- Approval of a new 25-year Marina Management Agreement (MMA) between the City of Hamilton and the HPA, enabling the sustainability of both the City-owned marina, and its boat storage facility;
- Completed new “*Harbour West Marina*” dock layout and functional design, that will permit a phased-in marina expansion with the marina doubling its capacity over time;
- Approval of the Class Environmental Assessment (Class EA) for a new sanitary pumping station located on Pier 8, a vital infrastructure project required to bring the lands to a state of development-ready;
- Completed a full development servicing strategy and pro-forma business plan for the proposed Piers 6-8 development, based on land uses and densities permitted in “*Setting Sail*”;
- Council approval of the Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBA) for the Pier 6-7 lands (under appeal before the Ontario Municipal Board), in conformity with the vision and land-uses set out in the West Harbour Waterfront Recreational Master Plan (WHWRMP);
- Council approval of the Barton - Tiffany Urban Design Study, establishing new guidelines that will lead to the re-development of these vital City-owned brownfield lands;
- Implementation of a marketing, communications, and public engagement plan, including tools designed to target a wide array of audiences, stakeholders, and citizens;
- Completed a 10-year project-by-project capital costing and phasing plan for all elements of the WHWRMP, with particular emphasis on projects that will leverage private-sector investment by bringing the lands to development-ready by 2018;
- Completed a 5-year Financing Strategy (2014 - 2018) to support bringing the lands to development-ready by 2018, which was approved as part of the 2015 Capital Budget;

SUBJECT: West Harbour Waterfront Re-Development Plan (PED14002(b)) (Ward 2) - Page 4 of 12

- Formalized a Management Agreement (MA) with the Hamilton Waterfront Trust (HWT), allowing for the leveraging of expertise with a long-standing waterfront partner;
- Finalized the termination of the existing Sun-Canadian and Imperial Oil Pipeline leases within the Piers 7 and 8 lands and negotiated a pipeline re-location plan, eliminating future infrastructure conflicts; and,
- Completed the Phase 1 Environmental Site Assessment (ESA) and bore-hole testing for Phase 2 for the all of the Piers 5-8 lands. Final Phase 2 Report is expected to be completed by April 2015.

Comprehensive Implementation Plan:

Overall, City Staff is pleased with the results thus far in the program, but realize the 2015 - 2018 timeframe will be critical to its success. Recognizing that development within these lands is complex, entailing the co-ordination of multiple projects simultaneously; Staff have completed a comprehensive implementation plan to align the work which is spread throughout various projects.

It is important to note that the various projects, plans, and strategies listed as part of the Implementation Plan are not necessarily listed in any order of importance, nor are they mutually exclusive to each other. In fact, many of the various items will only be successful if they are co-ordinated among each other in a meaningful way, and this will rely heavily upon the skill-sets employed by the various City Staff members involved. In the same way, the Implementation Plan as presented, does not contain an exhaustive list of individual projects, rather it categorizes various projects together in a manner that reflects how the work is likely to be deployed.

As well, Staff believe that for the West Harbour Waterfront to have a City-Building effect, it must be built upon a foundation of true community engagement and consultation. From “*Setting Sail*” and the WHWRMP, to the James Street North Mobility Hub and the Barton - Tiffany Urban Design Study, community engagement and consultation has been critical to these projects success over time. City Staff recognize the vital importance of the local neighbourhood associations, and once again will rely heavily upon engagement with the various organizations and their membership. Staff also believe that City-Building means taking the engagement process out beyond the borders of the West Harbour, by showing all residents within the City how transformational this Waterfront Re-Development project can be for the City as a whole. Lastly, Staff are committed to a process of learning and refining our community engagement process as we move through the implementation plan. It is not the intent to rely solely on the tools of engagement that have been used in the past; rather Staff will be constantly trying to engage in new ways. Staff will also monitor and measure the engagement tools as they are employed, and will adjust the process if and when necessary.

2015 Implementation Plan:

Over the past three years, Council approved just over \$10 M in capital funding toward the West Harbour Waterfront Plan, and recently approved an additional \$11 M within the 2015 Capital Budget. The vast majority of these investments are slated for public infrastructure upgrades, shoreline rehabilitation, park-space, recreational trails and boardwalks, the marina re-build, as well as other public space enhancements.

In order to be development ready by the end of 2018, City Staff have drafted a comprehensive implementation plan to guide its work over the next few years. As it relates to visible construction, the focus for 2015 and 2016 is in the area of the main basin and the lands adjacent to it, with the replacement of marina docks, reconstruction of pier walls along Discovery Drive, and the construction of new docks to provide space for visiting boaters. Major servicing projects including the sanitary pumping station, watermains, sewers, and roads for the proposed Pier 8 development, will start in 2016 with the pumping station and continue with servicing of Pier 7 and 8 in 2017 and 2018 once approvals have been acquired.

The following is a list and a brief description of the projects being initiated in whole or in part during 2015:

1. West Harbour Community Engagement and Consultation Program

Lead – Planning and Economic Development Department – Corporate Waterfront Office

As part of the partnership between the City of Hamilton, the Hamilton Community Foundation (HCF), and their partners (Evergreen CityWorks and Planning Alliance), City Staff are preparing a community engagement program to ensure a consistent approach when consulting with a wide range of partners, stakeholders, and citizens. The process will include consolidating, cataloguing, and assessing all past engagement and consultation techniques employed throughout several past City projects, the development of a strategy, and the initial testing of methods and tools. This first phase is expected to be complete by May 2015. Although there will be a variety of different tools used as part of the program, the focal point will be the creation of a “one-window” approach to consultation and engagement, so that consultation around all projects and initiatives within the area is streamlined. It is expected that this “one-window” approach will be operational in its first phase by June 2015, and will continue throughout 2015 - 2018, as the City continues to implement its various projects.

2. Detailed Design and Construction - Pier 7 Shoreline and Transient Docks

Lead – Public Works Department – Waterfront Development Office

Stretching from the Police Marine building on Pier 7 and running north toward the Williams Coffee Pub, the shoreline will be completely reconstructed to ensure

erosion control and stability. A major component of the project is to provide a new boardwalk and viewing areas, in addition to transient docks for use by day visitors to the Hamilton Waterfront. This project will be tendered imminently for construction starting in July 2015. In early spring 2015, the existing waterfront trail along Discovery Drive will be relocated temporarily and an existing gas pipeline owned by Sun-Canadian will be relocated for this project work to proceed. This project should be completed in spring 2016.

3. Detailed Design-Build of the “Breakwater” Structure

Lead – Public Works Department – Waterfront Development Office

A vital piece of infrastructure, this “breakwater” wave attenuating structure, ensures that the main basin at the heart of the Pier 7 area will remain suitable for the planned enhancements in both public-space and the new marina re-build. The existing structure is beyond its useful service life and will be replaced as part of the redevelopment of the main basin marinas. Legislated approvals are in place and its replacement will be tendered as a design-build in the spring 2015. Ideally, the new “breakwater” could be installed in December 2015; however, it is more likely that the works will be installed in early spring 2016 in time for boating season.

4. Urban Design Study – Pier 8

Lead – Planning and Economic Development Department – Community Planning Section

The City of Hamilton has initiated an Urban Design Study for Piers 7 and 8 in accordance with requirements of “Setting Sail”. The study will provide a clearer picture of what the future development of buildings, streets, parks and trails on Piers 7 and 8 will look like and how they will fit in with the rest of the West Harbour waterfront and surrounding neighbourhood. It will build on the work completed for Pier 7 in the WHWRMP. “*Setting Sail*” set out the land uses and densities for the area, and requires the Urban Design Study to determine the appropriate height, massing and character of buildings and public spaces. Brook McIlroy, a consulting firm with extensive background in urban design and planning for waterfronts, as well as experience in Hamilton through their work on the James Street North GO Station Mobility Hub Study, has been retained to carry out the study. Urban Design Guidelines will be prepared that will influence future Zoning By-law regulations and shape the look and feel of development on the piers.

5. Zoning Application and Draft Plan of Subdivision Process – Pier 7 and 8

Lead – Public Works Department – Waterfront Development Office

There are still three major planning exercises that require approval through a public process before physical work can start on Pier 8 to make it development-ready. More specifically, the lands require an Urban Design Study to be completed (as identified above), a new Zoning By-law to be approved, and the

development blocks and roads need to be defined in a Draft Plan of Subdivision. Flowing from the Pier 8 Urban Design Study, applications for zoning and draft plan of subdivision will be prepared and submitted with Council approval targeted for spring 2016. As part of this work, a comprehensive traffic impact study for Pier 8 will be completed and a Parking Study will be completed for the entire Piers 5-8 area including both the private-sector developments and enhanced public spaces and uses.

6. Sanitary Pumping Station - Pier 8

Lead – Public Works Department – Waterfront Development Office

This major infrastructure project is required to ensure adequate sanitary sewer capacity within the area. Earlier studies identified this project as the critical first step for providing adequate services for planned growth and to address existing deficiencies with the existing sanitary infrastructure. The pumping station will be tendered for detail design in 2015 with construction starting in 2016. Completion of the project would be in 2017.

7. Marine Docks Servicing – Design

Lead – Public Works Department – Waterfront Development Office

The re-build and expansion of the marina within the main basin is a key part of the WHWRMP. This potential for expansion will have additional servicing requirements for water, sanitary and hydro utilities. Therefore, functional design will begin in 2015 as part of the dock replacement design for these services that will then be incorporated into the overall servicing plan of the area.

8. Marina Dock Replacement – Main Basin

Lead – Public Works Department – Waterfront Development Office

The re-build of the marina is a central part of the City's commitment in the MMA with the HPA and the Royal Hamilton Yacht Club (RHYC). Pursuant to these Agreements, the City will be proceeding with a staged replacement and expansion of the marina docks on Pier 5 and 6 starting in 2016. The project will be issued as a design-build and will be phased in such a way to allow ongoing marina operations by the HPA and the RHYC, with minimal disruption to marina users. Marina dock replacement will be completed over a three-year period by 2018.

9. Pier 4 and Pier 8 Repairs

Lead – Public Works Department - Waterfront Development Office

Pier wall and shoreline failures are being addressed as remedial works projects on Pier 4 and Pier 8 in 2015. The works are minor in nature, but important, especially on Pier 4 as it will allow the walking path on Pier 4 to be re-opened to the public.

10. Bayfront Park Beach and Park Improvements

Lead – Public Works Department – Waterfront Development Office

This work includes a plan to improve Bayfront Beach so that the water is useable by park users, naturalize the slope along the shorelines, and improve the walkways and plaza areas. A water quality study is set to be undertaken in 2015 with improvements being implemented in each year to 2019.

11. West Harbour Real Estate and Land Disposition Strategy

Lead – Planning and Economic Development Department – Corporate Waterfront Office

City Staff have retained the Deloitte Real Estate team to prepare a real estate and disposition strategy. This work involves two stages: the first phase involves a strategic asset and opportunity assessment, including property profiling, market reviews, and the determination of highest and best use within the parameters of “Setting Sail”; the second phase involves an assessment of market value and feasibility, and the recommendation of a viable disposition strategy. The recommended disposition strategy will identify the specific tactics (eg. Request for Expressions of Interest (RFEOI)) to be employed to maximize the City’s ability to achieve its design and development objectives, to maximize the City’s return, and to provide a timely and efficient disposition process for the strategically City-owned real estate assets. This strategy work is expected to be under way in March 2015, with recommendations received within 12 to 14 weeks.

12. West Harbour Investment Strategy and Framework

Lead – Planning and Economic Development Department – Corporate Waterfront Office

The creation of an investment framework is another element that arose as a result of the City’s partnership with the HCF and their partners (Evergreen CityWorks and Planning Alliance). Planning Alliance is leading this by first creating a three-dimensional model of the West Harbour that documents the existing built-out form, illustrates the “as-of-right” building envelopes dictated by existing zoning, as well as highlighting the various major new proposals approved for the community. As the model is refined, Planning Alliance has committed to preparing a comprehensive shovel-ready investment document that will position the West Harbour as an opportunity for various investment communities, including current landowners, small builders, and land developers. This marketing and communication tool will be tailored to various investor segments, and will contain information that is relevant to making credible business cases for re-development within the area.

13. Marina and Lease Transition as per the MMA

Lead – Planning and Economic Development Department – Corporate Waterfront Office / Public Works Department – Waterfront Development Office

The MMA between the City and the HPA was executed in 2014, and as of January 1, 2015, all aspects of the Agreement are in effect. It must be noted however, that the MMA is a complex Agreement and contains many elements that require further negotiations and detailed transition plans to implement. The transition plan for the 2015 boating season is well underway as the HPA and the RHYC, and their respective customers adapt to the first year of the new Agreement. City staff will monitor the transition and have committed to being available as the spring boating season begins. As noted above, there will be a variety of design and construction projects that will be phased over the course of 2015 to 2018. As these projects are implemented they will require the City to mitigate the disruption to the marina operations and public access to the area. A major issue is the transition of the boat storage facility from the Piers 7 and 8 areas to a new HPA location. City Staff have started the re-location process and the formal transition process is being devised. Aside from the water assets, there are several real estate facilities on Piers 7 and 8 that require a transition plan, as the HPA re-locates non-marina services out of these facilities, and the City takes full control of the assets. Lastly, the MMA calls for the City to negotiate a separate lease with the HPA in 2015. The Agreement calls for the City to lease approximately five acres of land on the City-owned Pier 22 for additional economic development opportunities.

2016 - 2018 Implementation Plan:

As indicated, many of the projects that will be initiated or implemented in 2015 will be phased-in over the course of the 2015 to 2018 time periods. Appendix “A” entitled “*West Harbour Waterfront Re-development Implementation Plan 2015 - 2019*” contains the full list of projects with expected start and completion dates. Although Staff will continue to report to Council on the progress to-date and the next steps of the implementation plan, the following is a list of projects that are contained within the 2015 - 2018 Capital Budget forecast that will be implemented from 2016 to 2018.

14. West Harbour Community Engagement and Consultation Program

Lead – Planning and Economic Development Department – Corporate Waterfront Office

Building upon the work initiated in 2015, the community engagement and consultation program will continue throughout the 2016 - 2018 period, and beyond. The techniques used and tools employed will be customized to both the projects that are underway during this time period, as well as issues and concerns among various groups during this time. This program will also include attention to the role of engaging through the transition periods, especially during times of heavy construction. This program of engagement will be designed so that it includes

points of interaction during high-level policy discussions, but it will also include practical community engagement about road, trail, and boating access during construction.

15. West Harbour Real Estate and Land Disposition Strategy

Lead – Planning and Economic Development Department – Corporate Waterfront Office

Again, building upon the work initiated in 2015, the real estate and land disposition strategy will continue throughout the 2016 - 2018 period. Based on the eventual recommended disposition strategy, Staff will work with industry professionals to implement the specific tactics (eg. Request for Expressions of Interest (RFEOI)) to be employed to maximize the City's ability to achieve its design and development objectives, to maximize the City's return, and to provide a timely and efficient disposition process for the strategically City-owned real estate assets.

16. Marina and Lease Transition as per the MMA

Lead – Planning and Economic Development Department – Corporate Waterfront Office / Public Works Department – Waterfront Development Office

The marina transition will continue to be an important part of the 2016 - 2018 work plan, as the boat storage location is transitioned, as the construction of the new docks and slips are phased in over time, and as leases on the Pier 8 lands are transitioned.

17. Municipal Servicing Design - Piers 5-8

Lead – Public Works Department – Waterfront Development Office

Building on results of the Pier 5-8 Servicing Study, and once the Zoning and Draft Plan is legislatively approved, Staff will prepare detailed design and construction tender documents for municipal servicing required for the full build-out of the Piers 5-8 area including roads, sewer, water, hydro, and other utilities. The services to be constructed will support private-sector developments, public-uses, as well as the full marina build-out.

18. Municipal Servicing – Pier 7 and 8

Lead – Public Works Department – Waterfront Development Office

Municipal servicing infrastructure for the Pier 7 and 8 lands includes the sanitary pumping station, watermains, roads, and sewers. Upon arrival of the municipal servicing design and preparation of construction tender documents, Staff will proceed to implementation of the roads and services that will support development. Servicing of Pier 7 and 8 is expected to commence in 2017 and be completed in 2018. The pumping station will have already been constructed as it is expected to be advanced in 2016.

19. Shoreline Reconstruction and Public Space Promenade – Pier 8

Lead – Public Works Department – Waterfront Development Office

Engineering assessments of the Pier 8 shorewall has indicated a need for significant rehabilitation and possible replacement. Staff expects to advance the detailed design of this project in 2016, with construction occurring in phases in 2017 through to 2019. Staff notes however, that further study of this project would be prudent as there are various options that may be available to deliver the project.

20. Shoreline Improvements – Pier 5 and 6

Lead – Public Works Department – Waterfront Development Office

An integral part of the WHWRMP is reconstructing the shoreline of Pier 5 and 6 in conjunction with the replacement of the main basin marina docks and the servicing of Pier 6 and 7. As noted, marina dock replacement is planned to begin in 2016, with shoreline improvement and servicing upgrades to be co-ordinated to minimize the impact to existing operations and marina users. Other improvements included in this area is a new gas dock for boaters, a pedestrian boardwalk along the water's edge, improved pedestrian connections, and upgraded services for the marinas. Detailed design of the shoreline reconstruction will be initiated in 2015 with construction starting as early as 2016; however, it is a multi-year project that would span at least two construction seasons.

21. Pier 6 and 7 Improvements

Lead – Public Works Department – Waterfront Development Office

The improvements include re-purposing of existing buildings currently used for marina operations to upgraded public space, and provision of services for future development including an upgraded marina. The planning and design for these improvements is expected to get underway in 2016 with implementation occurring as early as 2017 or 2018.

Hamilton Waterfront Trust (HWT):

Since its inception in 2001, the HWT has been recognized by many as a leader in the area of waterfront promotion, recreational activities, and re-development. With its goal of “*Connecting you to the Water's Edge*”, the HWT has led many of the projects and initiatives that people have come to love down by the water. The Waterfront Trail, the Hamilton Beach Trail, the Williams Coffee Pub, and the Hamilton Waterfront Outdoor Rink, are just a few of the projects that citizens and visitors alike have come to enjoy over the years, and their popularity continues to expand.

Although an independent and arm's length organization, City staff have been clear that the HWT is a true partner in the City's plans, especially those relating to the re-

SUBJECT: West Harbour Waterfront Re-Development Plan (PED14002(b)) (Ward 2) - Page 12 of 12

development of the Pier 5-8 lands. As a key community architect of the WHWRMP, City Staff have relied upon the experience and expertise of HWT Executive Director Werner Plessl, as well as the HWT Board of Directors. As the City's efforts focussed on expediting West Harbour Waterfront re-development, City staff have sought opportunities to partner with the HWT by retaining Mr. Plessl as a project manager on key planning and infrastructure projects.

On March 26, 2014, Council approved General Issues Committee Report 14-007 where they approved the following motion entitled "*West Harbour Piers 5-8 - Hamilton Waterfront Trust Project Management Contract (PED14002(a))*":

- (a) That staff be authorized and directed to draft a "Terms of Reference" for the implementation and construction of the proposed Pier 5-8 Sanitary Pumping Station, with an upset limit of \$2,700,000, as described in Capital Project No. 4401356800 and approved as part of the 2014 Capital Budget;
- (b) That staff be authorized and approved to retain the Hamilton Waterfront Trust as the Project Manager for the identified project, in a manner that satisfies both the "Terms of Reference" and approved project budget, and that for the purposes of this project, the Hamilton Waterfront Trust will report and take direction from the identified City staff team; and,
- (c) That staff be authorized and directed to negotiate all necessary agreements in a form satisfactory to the City Solicitor, including management agreements in relation to all work that the Hamilton Waterfront Trust is retained to support, including implementation and construction of the proposed Pier 5-8 Sanitary Pumping Station.

Over the course of 2014, City Staff from the Corporate Waterfront Office, Legal Services Division, and Public Works Department worked with Mr. Plessl to draft both a formal Management Agreement, as well as the independent project "Terms of Reference". The document, agreed to by both parties is for a term from October 1, 2014 until September 30, 2015. It was formally executed on January 7, 2015.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED14002(b) – West Harbour Waterfront Re-development Implementation Plan 2015 – 2019.

CP/dt