



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division
Growth Management Division

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	August 8, 2016
SUBJECT/REPORT NO:	2015 Employment Areas Inventory and Shovel Ready Employment Areas Initiative Update (PED16161) (City Wide)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton 2015 Employment Areas Inventory, Appendix “A” to Report PED16161, be received;
- (b) That staff be directed to formulate a ten-year Capital Program for Shovel Ready Employment Areas and that the Action Priorities referred to in Report PED16161 be referred for consideration to the City’s 2017 Capital Budget process;
- (c) That staff be directed to update the City of Hamilton’s Employment Area Inventory annually;
- (d) That Report PED16161 respecting the 2015 Employment Areas Inventory, including Appendix “A” to Report PED16161, be made available to the public via placement on the “Invest in Hamilton” website and for hard copy purchase;
- (e) That the Mayor correspond with the Minister of Transportation to request to re-prioritize upgrades to the Highway 5 and 6 interchange within the next five years;
- (f) That staff be directed to provide an update to the City of Hamilton’s Employment Area Inventory once per term of Council.

EXECUTIVE SUMMARY

This Report is a result of a request from Council for staff to follow up the General Issues Committee (GIC) 2016 Budget presentation from February 23, 2016, regarding the latest serviced or “shovel ready” lands inventory in the City of Hamilton. All the information referred to in this Report is contained in Appendix “A” to Report PED16161, and can also be found on the “Invest in Hamilton” website.

Despite all the strengths and assets that the City of Hamilton has going for it, our community is continuously hampered by an overwhelming lack of dedicated and serviced employment land. While it may appear that our community has lots of industrial property just waiting to be developed, all too often our industrial property is nothing more than an old pasture with a sign in front proclaiming the land "Industrial".

The process of getting from raw, undeveloped land to a top-notch industrial site is often a time-consuming and expensive process. In today's fast-moving economy, where concepts like time to market and just-in-time delivery are emphasized, more and more companies are looking for sites that are “shovel ready” as they grow and expand. In the long run, the communities who recognize this growing trend will ultimately be the biggest winners.

What is a “shovel ready” site? Basically, it is a site that already has the necessary designation, zoning, permits, and servicing / utility infrastructure in place. Having a “shovel ready” site (or sites) in your community sends a strong message to both prospective businesses and citizens alike. In short, it says that your community is serious about economic development and is open for business.

It is important to have a number of industrial land options to meet the needs of relocating or expanding businesses in different locations within the City (see Appendix “A” to Report PED16161). The following information is divided into Industrial Business Parks and Areas to provide a brief update of where the City is in relation to providing “shovel ready” industrial lands across the City.

Airport Employment Growth District – (formerly known as John C. Munro Hamilton International Airport District and Airport Industrial Business Park)

The Airport Employment Growth District (AEGD) was a City led project designated to increase Hamilton’s employment opportunities to 2031 and beyond. As part of this project, the following Master Plans (prepared in accordance with the Municipal Class Environmental Assessment process) have been completed in support of future development / redevelopment in the area:

- Transportation Master Plan;
- Subwatershed Study and Stormwater Master Plan; and,
- Water and Wastewater Servicing Master Plan.

The Master Plans have identified various infrastructure projects required for the development of the AEGD lands to the year 2031 and have been approved by the Ontario Municipal Board (OMB) in April 2015, in accordance with City Council's endorsement. The AEGD retains sections of designated and zoned lands from the previous Airport Industrial Business Park.

April 10, 2015, the OMB issued a decision resulting in a final Secondary Plan including 555 net hectares of employment land. The Implementation Strategy is in the process of being finalized later this year.

“Shovel Ready” Lands

Presently there are approximately 40 hectares of “shovel ready” employment lands, with one 20 hectare parcel available.

Active Subdivision Development Applications

Orlick Aeropark has serviced and registered a 36 hectare Industrial Business Plan of Subdivision at the corner of Dickinson Road and Upper James Street.

New Development - Five Year Overview - New Construction

The Airport saw development of a new 77,000 square feet temperature controlled cargo facility. There has been investment in the Airport by existing tenants. CargoJet has invested over \$50 million employing an additional 50 people and increased tenant occupation at the airport. ACI Air Cargo is a new tenant managing the new cargo facility. They have hired on 11 new staff and invested over \$140,000 to date. Further increases in capital and staff are expected in the near future.

Ancaster Industrial Business Park

(Attached as Appendix “A” to Report PED16161)

Cormorant Road Environmental Assessment (EA) Project File Report was filed and a Part II Order appeal to Ministry of Energy and Climate Change (MOECC) was received and addressed by staff. The MOECC decision was received on June 24, 2016, in favour of proposed works to proceed with detailed design and construction to follow in late 2016.

“Shovel Ready” Lands

Presently, approximately 43 acres are “shovel ready” and out of those there is one 20 hectare parcel and two 4 hectare parcels available.

Active Development Applications

There is one 20 hectare Draft Plan of Subdivision in approval process pending later in 2016.

Shaver Road Draft Plan of Subdivision (69 hectares) was submitted and is in process for a decision in later part of 2016.

New Development - Five Year Overview - New Construction

Within the last five years, Phase Five was completed with new build and expansions of companies such as Anderson Water Systems, Activation Labs, Stackpole and Steeped Tea with approximately 500,000 square feet of new build on over 14 hectares of land.

Bayfront and East Hamilton Industrial Areas

(Attached as Appendix "A" to Report PED16161)

Planning and Economic Development Department staff are currently pursuing Council's direction (PED14117(c) on April 20, 2016) to formulate the Bayfront Development and Financing Strategy including applying for funding from the Federation of Canadian Municipalities (FCM) Green Municipal Fund under the Community Brownfield Action Plan category.

This Bayfront Strategy has commenced and is due to be completed by 2018.

"Shovel Ready" Lands

This area is predominantly developed but underutilized, with many small disjointed land parcels and private services, which would require upgrading to municipal standards prior to redevelopment.

Active Development Applications

There are no active Development Applications at this time.

New Development – Five Year Overview - New Construction

Although lands are limited in the Bayfront / East Hamilton Business Park development and capital investment continue. Arts & Science Brewery retrofitted 50,000 square feet, P & H constructed a new 40,000 square feet \$45 million flour mill and grain terminal and Sucro Can Inc. retrofitted an 80,000 square feet facility to accommodate their liquid sugar facility.

Dundas Industrial Area

This area has been developed and a small amount of “shovel ready” lands remain (less than one acre, partially serviced).

East Hamilton Industrial Area

This area has been predominantly developed and approximately 7 hectares remain “shovel ready”. Only one parcel is larger than 4 hectares.

Flamborough Industrial Business Park

(Attached as Appendix “A” to Report PED16161)

Public Works Department and Planning and Economic Development Department staff have collaborated on the completion of the Waterdown Aldershot Transportation Master Plan (TMP), which was completed in 2008. The East-West Corridor Phase Three and Four EA, and Waterdown North Phase Three and Four EA (Craven Ave to Dundas Street) were completed in 2012, and the MOECC approved decision on resulting appeals was received in 2014. Although affordability is still an issue, the acquisition of lands for East-West Corridor is under way, for the City directed construction anticipated to take place in 2017-2018. The construction of the remaining portion south-west of Centre Road to Highway 6 is anticipated to be carried out by private development interests, possibly to be initiated by 2020.

Reconstruction of Parkside Drive has undergone the Detailed Design process, and construction is anticipated to be starting in 2016. While not all of the above mentioned roadways lie within the Flamborough Industrial Business Park, their presence in such close proximity to the Park will facilitate goods movement to and from the Park as well as the general surrounding area.

Staff also participated in a Ministry of Transportation (MTO) lead Provincial Class Environmental Assessment (PCEA) process regarding the intersection of Highways 5 and 6. The PCEA has been completed; however MTO’s current five year budget does not include works for this project.

“Shovel Ready” Lands

There are approximately 9 hectares of “shovel-ready” lands for development within the Park, with one 4 hectare parcel available.

Active Development Applications

Flamborough Power Centre: This application covers 25 hectares of land, which will become serviced and “shovel ready” via development, once approved later in 2016.

New Development - Five Year Overview - New Construction

The Flamborough Business Park has seen new development of approximately 150,000 square feet of new construction within the west side of the Business Park along Coreslab Drive. The east side of the Business Park retains most of the lands available for development and staff are working with the developer to begin the process of preparing the site for “shovel ready” lands to come on board.

Red Hill North Industrial Business Park (formerly known as Mountain Business Park)

(Attached as Appendix “A” to Report PED16161)

Upper Red Hill Valley Parkway (URHVP) is currently under construction and scheduled to be completed in September 2016.

Nebo Trail lands have been fully prepared for development with required servicing, as per Twenty Road to the Dartnall Road Extension. A portion of the Dartnall Road Extension will bring municipal service to the City-owned property along Nebo Road to Dickenson Road.

Maple Leaf Foods and Canada Bread have now moved into this Park, due to staff's efforts to complete all required studies and placement of all necessary infrastructure in place in order to make their move to Hamilton easy and attractive.

“Shovel Ready” Lands

Presently there are approximately 18 hectares of “shovel-ready” lands, with no parcels over 4 hectares available.

Active Development Applications

There are no new Draft Plans of Subdivision.

Red Hill South Business Industrial Park (formerly known as North Glanbrook Industrial Business Park)

A number of different City and private initiatives continue to be underway within the Park. The North Glanbrook Transportation Master Plan has been completed, along with an amendment resulting in a further need for Twenty Road Extension Phases Three and Four EA – a study which will determine the road alignment between the eastern end of Twenty Road and the southern extension of Trinity Church Road south of Rymal Road East. The Dartnall Road Extension from Twenty Road East to Rymal Road East has been constructed.

The Upper Hannon Creek Watershed Study has been completed and adopted by Council but was not filed with the MOECC. It is in the process of being updated since the City's Stormwater Management approach has changed. The Natural Heritage Classification Protocols have also recently changed due to legislative changes such as the Species at Risk Act which includes new species and their habitat recovery protocols. There is also a need to update the Stormwater Management strategy in accordance with City's Development Charges Background policy needs. The Upper Hannon Creek Watershed Study will fulfil EA Master Planning (Phases One and Two) requirements and a public information centre is anticipated for the fall of 2016, with projected completion at the end of 2016.

North Glanbrook Industrial Business Park Servicing Strategy has been completed and most servicing infrastructure is in place or budgeted for.

“Shovel Ready” Lands

Presently, there are about 67 hectares of “shovel ready” lands within the Park and this Park contains one parcel over 20 hectares, three 8 hectare parcels, and one 4 hectare parcel available for development. The City of Hamilton owns two parcels totalling approximately 18 hectares.

Active Development Applications

There is one active Draft Plan of Subdivision comprising of 15 hectares.

New Development - Five Year Overview - New Construction

The Redhill Business Park saw the most growth. Redhill North grew over 225,000 square feet of new development on approximately 6 hectares of land with a few small parcels remaining to be developed. The Redhill South Park saw new business and expansion such as Maple Leaf, Canada Bread, Navistar, FibraCast and Canada Post utilizing approximately 38 hectares of land with approximately 1.3 million square feet of new construction.

Stoney Creek Industrial Business Park

(Attached as Appendix “A” to Report PED16161)

Planning and Economic Development Department and Public Works Department staff has completed the Lewis Road Municipal Class EA but it was not filed due to constraints requested by the Hamilton Conservation Authority.

Arvin Avenue Extension EA was completed in 2009 and resulted in the road not becoming a through road to link to Fifty Road. However, it has been planned to continue until just east of Lewis Road. The Metrolinx Lay Over facility has been located

adjacent to the Go Train (CN owned) Line to the west of Lewis Road. Servicing will be provided along the proposed right of way for Arvin Avenue throughout its planned length.

Public Works Department staff is in the process of detailed design for the remaining unbuilt portion of Arvin Avenue just west of McNeily Road, with anticipated start of construction in 2017. The portion east of Lewis Road has been constructed as part of a subdivision development.

The combined Barton Street Widening and Fifty Road Improvements EA process has been initiated and is scheduled for completion in 2018. Both roadways are designated as truck routes and will continue to service truck movements throughout Stoney Creek, including this Business Park.

“Shovel Ready” Lands

Presently there are 57 hectares of “shovel ready” lands in this Park. There are three 4 hectare sized parcels available.

Active Development Applications

There are a number of active Site Plans and two Draft Plans of Subdivision.

New Development - Five Year Overview - New Construction

The Stoney Creek Business Park has had over 400,000 square feet of new construction development covering over 14 hectares of land. Stalduinen, Janco Steel, Union Gas, First Ontario and Equipment Corp are a few of the companies that have expanded operations. Although some large swaths of lands remain vacant in and around the Fifty Road area and South Service Road area, these lands are slated for development.

West Hamilton Innovation District

(Attached as Appendix “A” to Report PED16161)

Public Works staff have completed an EA for extending Frid Street. No lands have been acquired in this area for the construction of Frid Street.

“Shovel Ready” Lands:

Presently there are 5 hectares of “shovel-ready” lands for development in this Park, with only one 4 hectare sized parcel available.

Active Development Applications

There are no active Development Applications at this time.

New Development - Five Year Overview - New Construction

West Hamilton Innovation District (WHID) is the smallest of the Business Parks and has seen existing buildings being retrofitted. The MARC is a 70,000 square feet project that was completed in 2012 as a retrofit of the 177,000 square feet Careport building. WHID is also the location of the soon to be built 40,000 square feet facility that will house the Fraunhofer / McMaster Institute, with expected future expansion.

Action Plan Priorities for 2017 - 2022

AEGD

- A Servicing Implementation Strategy is currently underway with expected completion by summer of 2016.

Ancaster Industrial Business Park

- Cormorant Road Extension from west of Tradewind Drive to Trinity Road South; and,
- Stormwater Management Pond No. 2.

Bayfront Industrial Area

- Bayfront Development and Financial Strategy to be completed by 2018.

Flamborough Industrial Business Park

- Extension of Clappison Avenue from Borer's Creek to Parkside Drive (by Developer).

Red Hill North Industrial Business Park

- New road connection from Upper Red Hill Valley Parkway (URHVP) to Pritchard (by Developer); and,
- Urbanization of Highland Road from URHVP to Pritchard.

Red Hill South Industrial Business Park

- Urbanization of Nebo Road from Rymal Road East to Twenty Road East;
- Dartnall Road extension from Twenty Road to Nebo Road / Dickenson Road intersection;
- Urbanization of Twenty Road from Nebo Road to west limit of BP; and,
- Glover Road cul-de-sac.

Stoney Creek Industrial Business Park

- Arvin Road extension from McNeilly to 750 m westerly;
- Barton Street and Fifty Road EA;
- Arvin Road extension from Jones Road to 800 m easterly; and,
- Fruitland Road by-pass (Gordon Dean Avenue) (by Developer).

West Hamilton Innovation District

- Frid Street Extension from 160 m east of Longwood Road South to Chatham Street; and,
- Longwood Road South / Aberdeen Avenue Roundabout.

General City-Wide Action Priorities 2017-2022

The City of Hamilton should consider formulating a more robust overall Marketing Strategy for the promotion of “shovel ready” employment land opportunities. In addition, the City of Hamilton should consider further investing in an Employment Land Banking Program to help facilitate the attraction and creation of development and employment opportunities.

2015 Shovel Ready Employment Lands Summary:

Industrial Business Park / Innovation Park/Industrial District	Shovel Ready Lands (ha)
AEGD	40
Ancaster	43
Bayfront	40
Dundas	0
East Hamilton	7
Flamborough	9
Red Hill North	18
Red Hill South	67
Stoney Creek	57

SUBJECT: 2015 Employment Areas Inventory and Shovel Ready Employment Areas Initiative Update (PED16161) (City Wide) - Page 11 of 14

Industrial Business Park / Innovation Park/Industrial District	Shovel Ready Lands (ha)
West Hamilton	5
Total	286

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FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Incorporation of proposed priorities will ensure that they are budgeted for in the future.

Staffing: None

Legal: None

HISTORICAL BACKGROUND

Last Information Report to Council on the subject was provided on December 12, 2007 (PED08028).

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None

RELEVANT CONSULTATION

Authors of this Report have consulted within the Planning and Economic Development Department with all pertinent staff in Planning, Economic Development and Growth Management Divisions as well as staff in the Public Works Department.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

To carry out Council's direction to provide an update on "shovel ready" lands, that is lands that are designated and zoned as Employment Lands, and are serviced and vacant.

ALTERNATIVES FOR CONSIDERATION

Alternative to Recommendation (a)

Council not receive the Report. This is not recommended since this would delay the accompanying discussion and decisions / direction to staff.

Alternative to Recommendation (b)

1. Not including the projects intended for servicing of industrial parks in the ten-year Capital Program, and to be contained within the City's Capital Budget Process. This is not recommended since not including the projects in a ten-year Capital Program for Shovel Ready Lands for consideration in the City's Capital Budget process would not prioritize items mentioned in this Report. This would result in delayed development of industrial parks and delay in receipt of increased tax assessment and jobs to the City. Further, this would delay a decision on whether or not land banking should be initiated in the City.

2. Creating a 15-20 (longer) year Capital Plan for Capital Projects.

This alternative would be longer term than the proposed ten year plan. This alternative is not recommended since it is harder to accurately predict outcomes farther into the future.

Alternative to Recommendation (c)

That staff be directed to update the City of Hamilton's Employment Area Inventory once every two years.

This is not recommended since tracking on an annual basis for internal purposes will ensure that current information is available to any employers considering establishing their business in Hamilton.

Alternative to Recommendation (d)

That it not be made available to the public via placement on the "Invest in Hamilton" website but instead on City of Hamilton website. This is not recommended since it would be contrary to a one-way window strategy to centralized source of information for industry / businesses in Hamilton or that are looking for relocation in or to Hamilton.

Alternative to Recommendation (e)

That Council does not request that the Ministry of Transportation Ontario (MTO) prioritizes upgrades to the Highway 5 and 6 interchange within the next five years. This is not recommended since working at a staff level there has been no movement in the prioritization of this project by the MTO / Government of Ontario.

Alternative to Recommendation (f)

That staff be directed to provide an update on Employment Area Inventory more than once per term of Council.

This is not recommended since changes in Employment Lands servicing and attraction of new businesses takes a long time to develop, so a more frequent update would not provide a lot of new information per report.

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

- 1.1 Continue to grow the non-residential tax base.
- 1.2 Continue to prioritize capital infrastructure projects to support managed growth and optimize community benefit.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

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.
- 2.3 Enhance customer service satisfaction.

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

3.5 Providing Opportunities for the Business - Industrial Community from Hamilton and Other jurisdictions to invest/move to Hamilton.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" - City of Hamilton 2015 Employment Areas Inventory

GP:acs