

INFORMATION REPORT

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	October 19, 2016
SUBJECT/REPORT NO:	Report Back Concerning Potential Acquisition on Specific Lands in Ward 4 (PED16149 / LS16015) (Ward 4)
WARD(S) AFFECTED:	Ward 4
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SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

Discussion of Confidential Appendices “A”, “B” & “C” of this Report 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 purposes

Council Direction:

The General Issues Committee at its meeting on July 4, 2016, approved a Motion regarding a private and confidential matter concerning the potential acquisition of specific lands in Ward 4, which Motion was subsequently approved by Council on July 8, 2016 as noted in Appendix “B” of Report PED16149 / LS16015.

Information:

This Report responds to a Motion approved by Council on July 8, 2016 directing staff to report back on the implications of the acquisition of certain lands identified on Appendix “A” attached to Report PED16149 / LS16015 for the creation of a “demonstration project”, including legal, financial, and a proposed project strategy.

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Subject Proposal:

The subject block of properties was identified by the Ward Councillor as a suitable location for developing a “demonstration project” as described in the Barton and Kenilworth Commercial Corridors Study which was approved by Council on September 10, 2014.

Rationale:

With respect to a “demonstration project” the Council-approved Study indicated that the City identify, design and build a development site. It further indicated that the City needs to be the “champion for change”. The intent of this direction was to, signify to other landowners that the City is willing to invest in the corridor, and is a pioneer in its transformation, and set an example of what to do, how to do it, and the benefits to the broader community.

Many properties within the Barton and Kenilworth commercial corridors are commercial store fronts that have not been utilized for commercial purposes for some time. These ground level commercial spaces have either remained largely vacant or converted into unsightly ground floor residential units. While an in-depth study of all possible candidate sites for a “demonstration project” has not been conducted, the subject site does have good visibility and is compatible with the recommendations described in the Barton and Kenilworth Commercial Corridors Study, specifically revitalization and urban renewal efforts in promoting Barton Street East and Kenilworth Avenue North as targets for public investment with the intent of stimulating private sector investment.

A “demonstration project” in this location would be intended to include both new, affordable housing units for families as well as facilities for neighborhood and community involvement. Staff has not undertaken a community or planning process to determine the precise program for the “demonstration project”, so staff is not in a position to advise on the site or building requirements for this initiative. However, the subject lands do represent a large parcel with good frontage that would provide flexibility for a wide range of redevelopment options.

Property Acquisition and Project Implementation:

While direct negotiation is the preferred method of acquiring the properties, land assembly is a difficult process getting consent from all land owners. Acquisition through the expropriation process would ensure timely acquisition of all required properties, that all of the relevant parties having an interest in the subject lands have been dealt with fairly and that the City is acquiring good, clear title to the lands. Nevertheless, the

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expropriation process usually takes at least a year and can be longer for various reasons including if there is a request for an Inquiry Hearing.

Should Council wish to pursue acquisition of the subject lands, Appendix “C” attached to Report PED16149 / LS16015 outlines a suggested approach that may help avoid expropriation in some instances.

Financial: The market value of the properties and related expenses is discussed in Appendix “C” attached to Report PED16149 / LS16015. Cost Centre Account No. 59259-3301609124 will be charged for the properties acquisition cost. The funding for the acquisition and related expenses for the properties would come from Ward 4 Capital Reserve funds by way of a funding appropriation from Capital Account No. 3301250231 (55 Queenston Road).

Staffing: The expropriation process will involve staff time and effort, principally from the Legal Services Division and the Real Estate Section. Real Estate staff would be involved in obtaining and reviewing independent market value estimates of the properties and contacting the property owners to discuss property acquisition and any concerns related thereto, and drafting Offer to Purchase agreements with input from Legal Services. Staff will also formulate a strategy to acquire the properties with the intent of efficiency and fairness.

Legal: Pursuant to Council approval and direction, Legal Services staff would prepare the Application for Approval to Expropriate and the Notice of Application for Approval to Expropriate, arrange for the Notices to be served on the registered owner(s) of the properties and advertise for three consecutive weeks in the local newspaper, forward to the Inquiry Officer any requests for a Hearing that have been received, report to Council such information, and be involved in the drafting of an Expropriation By-law which will be introduced to Council. If no requests for a Hearing of Inquiry are received, Legal staff will draft an Expropriation By-law for Council's approval. Legal Services will be further involved if and when Council approves subsequent stages of the expropriation process. In addition to the above procedural requirements, Legal Services provides pertinent legal advice to other staff and to City Council on this matter.

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APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED16149 / LS16015 – Location Map

Appendix “B” to Report PED16149 / LS16015 – Notice of Motion respecting a Potential Acquisition of Specific Lands.

Appendix “C” Report PED16149 / LS16015 – Strategy for Property Acquisition.

RK/JC/KA/JM/lm