



**175 Longwood Road South, Suite 105
Hamilton, ON, L8P 0A1
Phone: 905-667-5500 • Fax: 905-667-5501**

August 8, 2017

City of Hamilton
Clerk's Department
77 James Street North – Suite 400
Hamilton, Ontario
L8R 2K3

**Re: First Longwood Innovation Trust o/a McMaster Innovation Park [MIP]
Development [Demolition] Credits available to Trust re 175 Longwood Road
South, Hamilton, Ontario**

Dear Sir/Madame:

Please accept this letter and the attached materials in support of MIP's request for an extension to development charge credits arising from the demolition of the buildings at the MIP site on the west side of Longwood Road South.

Current Situation:

- In 2005 a demolition area credit for 600,150.87 sq ft was awarded to the above property upon a demolition permit being issued for McMaster Innovation Park for property on the east side of Longwood Road South, with the municipal address of 175 Longwood Road South.
- Over the last number of years various development projects have been ongoing on this site to the effect that the available demolition area credit as at July 31, 2017 stood at 251,889 ft². (Previously used Atrium- 182,692; Canmet- 165,570)
- The demolition credits were due to expire on July 31, 2017.
- MIP has recently entered into a conditional long term lease with a hotel developer for the development of a 135 room hotel on a site immediately to the north of the Atrium@MIP and adjacent to the 403 highway. The building will be five or six storeys high and have an area of 83,679 ft².

Unfortunately, MIP was not in a position to request for the application of the credits to the development charges for this site and will not be ready to do so until the site planning and permitting process have evolved to the building permit stage. This stage of project development will likely be achieved in late 2017.

- MIP's plans for a new multi-tenant mixed office and laboratory use building on the south east corner of Longwood Road South and Frid Street to be called the Emerging Technologies Centre are advancing. Development of a group of strategic tenancies in support of innovation and commercialization is a difficult proposition when building a new building. Nonetheless, recent efforts are bearing fruit and we would expect to be seeking site plan approval and a building permit for this project in 2018. It is expected to be a five storey building of approximately 100,000 ft².
- Both of these projects are highly dependent on site and infrastructure development costs. The viability of the projects will be enhanced by the application of development charge credits.
- Total building area of the two projects would be approximately 183,679 ft² using up the bulk of the main credits.
- It is expected that the property tax revenue generated by these projects would be in excess of \$600,000 per year.

REQUEST:

MIP is requesting that the term for the use of the demolition credits be extended for another two (2) years to July 31, 2019 and ask for the Committee's approval of this request.

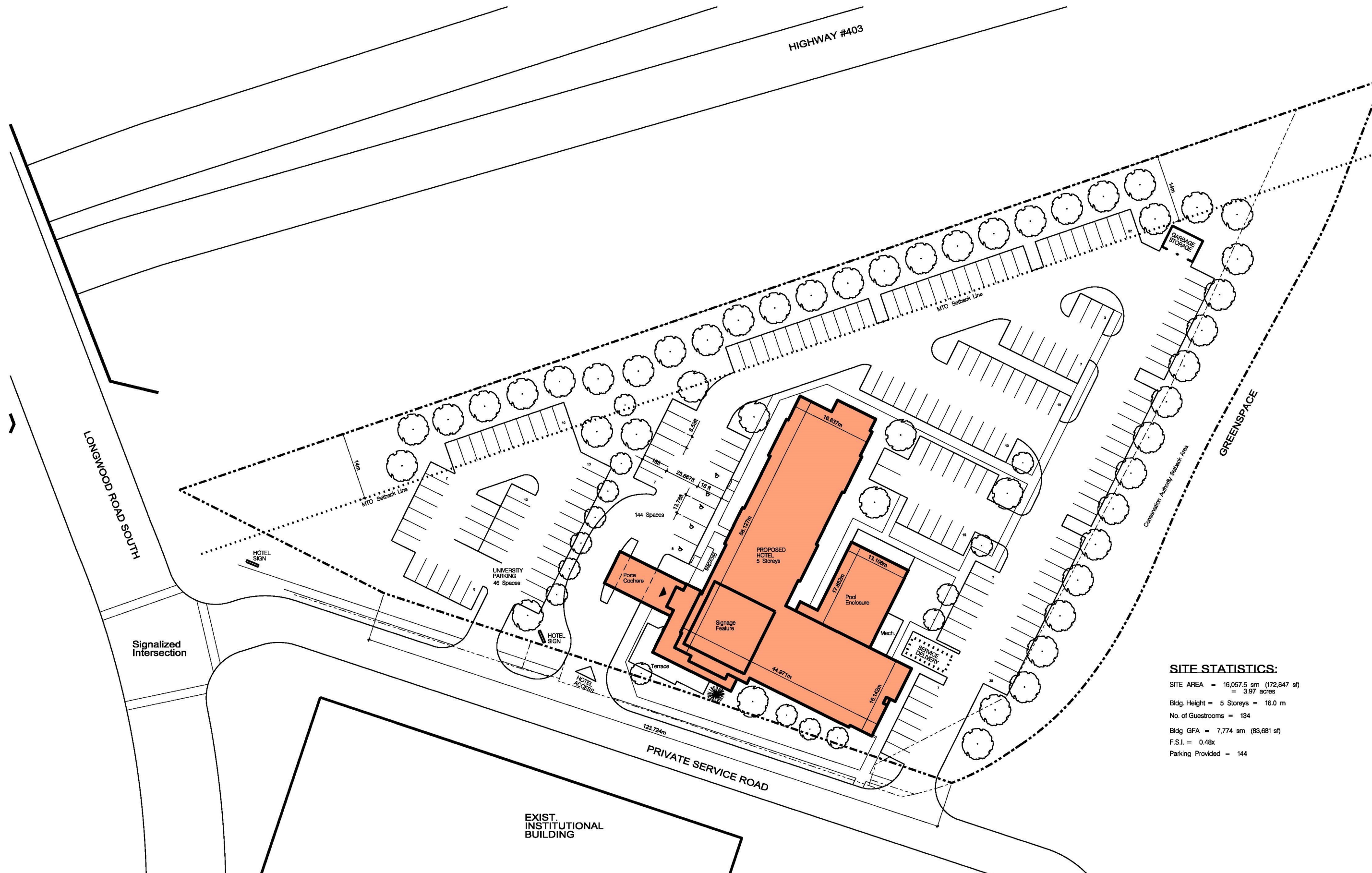
If we can provide any further information, or if you have any questions, please do not hesitate to contact me at 905-512-0789.

Yours truly,



Zach Douglas
President & CEO
McMaster Innovation Park

cc: Aiden Johnson, Councillor, Ward One, City of Hamilton
Michael Zegarac, GM Finance & Corporate Services, City of Hamilton
Lindsay Gillies, Senior Financial Analyst, City of Hamilton
Glen Norton, Director of Economic Development, City of Hamilton



SITE STATISTICS:

SITE AREA = 16,057.5 sm (172,847 sf)
 = 3.97 acres
 Bldg. Height = 5 Storeys = 16.0 m
 No. of Guestrooms = 134
 Bldg GFA = 7,774 sm (83,681 sf)
 F.S.I. = 0.48x
 Parking Provided = 144



Site Plan

1:750 Metric
 June 30, 2017



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