



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Growth Management Division

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	October 4, 2017
SUBJECT/REPORT NO:	2016 Employment Areas Inventory and Shovel Ready Employment Areas Initiative Update (PED16161(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Guy Paparella (905) 546-2424 Ext. 5807 Margaret Fazio (905) 546-2424 Ext. 2218
SUBMITTED BY:	Tony Sergi Senior Director, Growth Management Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATIONS

- (a) That Report PED16161(a) respecting the 2016 Employment Areas Inventory, including Appendix “A” to Report PED16161(a), be approved to made available to the public via placement on the “Invest in Hamilton” website and for hard copy purchase;
- (b) That staff be directed to annually update the Ten Year Capital Program for Shovel Ready Employment Areas and that the Action Priorities referred to in Report PED16161(a) be referred for consideration to the City’s 2018 Capital Budget process;
- (c) That the Mayor corresponds with the Minister of Transportation and request to:
 - (i) Re-prioritize upgrades to the Highway 5 and 6 interchange within the next five years; and,
 - (ii) Expand Highway 403 from two to three lanes between the Lincoln Alexander Parkway and Main Street both down bound and up bound as soon as practically possible.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

This Report is a result of a previous request from Council for staff to follow up with the General Issues Committee (GIC) 2017 Capital Budget presentation, regarding the latest serviced or “shovel ready” employment lands inventory for the City of Hamilton. All the information referred to in this Report is contained in Appendix “A” to Report PED16161(a), 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, we are hampered by 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 Official Plan designation, zoning, and municipal servicing / utility infrastructure in place. Having a “shovel ready” site (or sites) in our community sends a strong message to both prospective businesses and citizens alike. In short, it says that your community is serious about creating economic development opportunities and is truly “open for business”. It is important to note, however, that although the City may consider the parcel “shovel ready” it still takes a willing seller and a willing buyer for a development to take place. As such, not all properties are considered available.

2016 Update - Business Parks and Areas Specific Shovel Ready Industrial Lands:

It is important that a municipality has a number of industrial land options to meet the needs of relocating or expanding businesses in different locations within the City. Further, even with a variety of options the process of having an industrial land parcel developed can take years to accomplish.

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, in alphabetical order:

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, a series of Master Plans (prepared in accordance with the Municipal Class Environmental Assessment process) have been completed in support of future development / redevelopment in the AEGD including the 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. On April 10, 2015, in accordance with City Council's endorsement, the Ontario Municipal Board (OMB) issued a decision resulting in a final Secondary Plan including 555 net ha of employment land as well as the approval of all the related Master Plans. The AEGD retains and incorporated land areas of designated and zoned lands from the previous Airport Industrial Business Park.

The Implementation Strategy for the AEGD will be presented to Council on October 4, 2017, through a separate PED report. It will contain a list of further prioritized Municipal Class Environmental Assessments (EA) and other capital infrastructure projects. It is City staff's intent to include this list for Council's consideration in 2018 Capital Budget process. Staff intend to initiate the first EA study for Dickenson Road.

It should also be noted that more and more concerns have been expressed by our airport operator and related courier / cargo businesses, regarding increased congestion along the Highway 403, between Highway 6 and Main Street. This is creating major delays for goods movement, which negatively impacts their business operations. To this end, staff would consider widening of this portion of the 403 Highway, as beneficial and critical for goods movement in the AEGD and the success of the Hamilton Airport.

“Shovel Ready” Lands

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

Active Subdivision Development Applications

There have been no subdivision development applications in 2016.

New Development - New Construction

The most recent development was the John C. Munro Hamilton International Airport (HIA) with the development of a new 0.7 ha temperature controlled cargo facility. This cargo facility is now fully operational and occupied.

There are a series of additional investments opportunities at the HIA, which our airport operator and City staff continue to pursue.

Ancaster Industrial Business Park

Cormorant Road Environmental Assessment (EA) Project File report was filed and a Part II Order appeal to the 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.

An associated Draft Plan of Subdivision (Valery Ancaster Business Park) currently remains in review, in particular the Storm Water Management (SWM) design. As part of this application, the applicant has made submission to the Ministry of Natural Resources and Forestry (MNRF) to address Species at Risk both on private lands and the proposed Cormorant Road Extension. The MNRF remains in review of this submission at the time of the writing of this Report.

“Shovel Ready” Lands

Presently, approximately 41 ha are “shovel ready” and out of those there is one 20 ha parcel and one 5 ha parcel available.

Active Development Applications

There is one 20 ha Draft Plan of Subdivision for Cormorant Road Extension anticipated to be going for approval before the Planning Committee in 2017.

This draft approval will clear the way for the Cormorant Road Extension to be tendered and constructed.

New Development - New Construction

There are more than 1.7 ha of development applications, site plan and subdivision plans that have been submitted in 2016, as follows:

- Nucor Corporation is the largest steel producer in North America and produces 28 million tons of steel and steel products per year. This new 1.7 ha facility will produce steel joists, joist girders, and decking for the North American market.

- Everest Manufacturing is a toy, game and gift manufacturer and distributor located in Ancaster. Construction commenced on 0.7 ha expansion in 2016.
- Volm Canada is a division of Volm Companies that designs and manufactures packaging equipment for the North American produce market. The new facility will create 30 jobs.
- There are several other development applications in the queue for 2017.

Bayfront and East Hamilton Industrial Areas

Planning and Economic Development Department staff are undertaking Phase 2 of the Bayfront Strategy (Council direction (PED14117(c))). The purpose of the Strategy is to develop short, medium and long term visions for the Bayfront Industrial area and recommend future actions to assist in the transformation of these lands over time to maximize its value and fully realize it's potential. The Strategy will become an Action Plan to support existing industry, ensure the effective use of the industrial area, and attract further investment and advanced manufacturing. The project includes an infrastructure and servicing review along with an assessment of financing options. Phase 2 of the Bayfront Strategy was initiated in the fall of 2016 and is scheduled to be completed in Q3 2018.

The company once again known as Stelco Inc., ("Stelco") has emerged from bankruptcy protection as of June 2017. All lands previously owned by U.S. Steel Co. (previous immediate owners) are now owned by the Province of Ontario, held in a 'land trust' and administered by a Board of Trustees. Stelco will lease 121.4 ha of the total available 323.7 ha for its use. The remainder of available lands (202.3 ha) is to be made available for lease or sale, via the Board of Trustees. City Staff will be in a commenting position as to the disposition of these lands and will assist the Trustees in finding suitable tenants / buyers, in line with the objectives of our 2016 / 2020 Economic Development Division's Action Plan. Servicing needs and levels of contamination are in the process of being determined under the direction of the Board of Trustees. The surplus lands are anticipated to be available for redevelopment in 2018.

"Shovel Ready" Lands

Presently there are 33 ha that are "shovel ready". 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.

Hamilton Central Business Park (located at 440 Victoria Avenue N) is, at the time of writing of this Report, in the process of becoming "shovel ready". DCR Holding Inc. (Freeman) & UrbanCore Developments Inc. (Manchia) are the developers. The development incorporates 18 lots, including a park, within a gross area of 10.5 ha.

Lot servicing has now been completed with the construction on Studebaker Way. The utilities are anticipated to be fully installed and completed by the end of 2017.

Active Development Applications

A site plan was recently submitted for the first phase of 1.1 ha development project. The registration of the Subdivision Plan is anticipated to be completed during the fall of 2017.

New Development – New Construction

Although lands are limited in the Bayfront / East Hamilton Business Park, the development and capital investment continue, as follows:

- Parrish and Heimbecker, Limited (P&H) constructed a new 0.37 ha, \$45 million flour mill and grain terminal. This is the first greenfield flour mill build in Eastern Canada in 75 years on Pier 10 of Hamilton Port.
- G3 constructed a \$50 million export grain terminal on Pier 26 at the Hamilton Port Authority for Canadian Grain (Corn, Soy, Wheat).

Dundas Industrial Area

This area has been developed and a small amount of “shovel ready” lands remain (0.07 ha - less than one acre, partially serviced).

East Hamilton Industrial Area

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

Flamborough Industrial Business Park

Waterdown Road Phase 3 and 4 EA (Craven Avenue to Dundas Street) was completed in 2012 and the Ministry of Environment and Climate Change (MOECC) approved decision on resulting appeals was received in 2014. City of Hamilton staff, in collaboration with City of Burlington, are in the process of finalizing the Detailed Design process, anticipating construction in 2018 / 2019 for utilities, and road reconstruction to be initiated in 2019 / 2020.

Although affordability is still an issue, the acquisition of lands for East-West Corridor is under way. The detailed design for the East-West Corridor is expected to follow.

The Detailed Design process of the western portion of Parkside Drive is complete, and construction is anticipated to commence in 2017. The section of Parkside Drive east of

Main Street to 500 m East of Churchill Avenue will not be implemented until the East-West Corridor (from Parkside Drive to Highway 6) is constructed and the proposed improvements will be reviewed at that time (PED 13097).

Staff also participated in a Ministry of Transportation (MTO) lead Provincial Class Transportation Environmental Study Report Addendum (TESR) process regarding the intersection of Highways 5 and 6. The TESR has been completed; however MTO's current five year budget does not include this project. The City should continue to lobby the Province to prioritize and expedite the construction of the Highway 5 and 6 interchange and corridors.

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.

“Shovel Ready” Lands

There are approximately 18 ha of “shovel ready” lands for development within the Park, with one 4 ha parcel available.

Active Development Applications

Flamborough Power Centre (FPC): This application covers 25 ha of land (multiple parcels), which will become serviced and “shovel ready” via development, once approved later in 2017.

Stryker, is relocating from the south-west corner of this Business park and will now become one of the tenants of the FPC. They have submitted a site application which has been given conditional approval and will likely be developed by the end of 2017.

New Development - New Construction

Two new developments are expected to move forward in the lands off Coreslab Drive in 2017.

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

Upper Red Hill Valley Parkway (URHVP) has been constructed and is operational as of September 2016.

Expansion and rehabilitation of Dartnall Road between Stone Church Road and Rymal Road is currently under construction and expected to be operational by the end of 2017.

“Shovel Ready” Lands

Presently there are approximately 14 ha of “shovel ready” lands, with no parcels over 4 ha available.

Active Development Applications

There are no new Draft Plans of Subdivision.

New Development - New Construction

A plan of condominium has been submitted, to construct seven Industrial units under Condominium ownership. There has also been several smaller new development application submitted.

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 3 and 4 EA – a study which will determine the road alignment between the eastern end of Twenty Road and the southern extension of Upper Red Hill Valley Parkway (URHVP), south of Rymal Road East. The Dartnall Road Extension from Twenty Road East to Rymal Road East has been constructed. Dartnall Road is planned to be extended south of Twenty Road and will connect to Nebo Road, just North of Dickenson. Dartnall Road Extension Class EA (2007) process.

The Upper Hannon Creek Watershed Study is in the process of being updated. The Upper Hannon Creek Watershed Study will fulfil EA Master Planning (Phases 1 and 2) requirements and a public information centre has taken place in the spring of 2017 and is to be presented before Planning Committee of Council for their consideration on September 19, 2017.

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 69 ha of “shovel ready” lands within the Park and this Park contains one parcel over 20 ha, three 8 ha parcels, and one 4 ha parcel available for development. The City of Hamilton owns two parcels totalling approximately 18 ha. Nebo Trail (“Movengo”) subdivision located at the south-west corner of Nebo and Twenty Road, have received approval to commence servicing.

Active Development Applications

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

New Development - New Construction

In 2016, Fibracast completed their new 0.8 ha manufacturing facility.

Stoney Creek Industrial Business Park

Planning and Economic Development Department and Public Works Department staff have completed the Lewis Road Municipal Class EA, but it was not filed due to constraints requested by the Hamilton Conservation Authority. The accommodation of drainage and infrastructure requirements will take place through development applications and the ongoing Block 3 Servicing Strategy.

Arvin Avenue Extension EA was completed in 2009 and 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. Proposed development backing onto the proposed road right of way between McNeilly and Lewis can be accommodated from Barton Street.

Public Works Department staff are in the process of detailed design for the remaining unbuilt portion of Arvin Avenue just west of McNeilly Road, with anticipated start of construction in 2017.

The combined Barton Street Widening and Fifty Road Improvements EA process has been initiated and is scheduled for completion in 2018. The study project team is investigating the timeline of grade separation requirement at Fifty Road and South Service Road as part of the study. Both roadways are designated as truck routes and will continue to service truck movements throughout Stoney Creek, including this Business Park.

Block 1 Servicing Strategy (by developers) incorporates the Gordon Dean Ave Phases 3 and 4 EA (located between Fruitland Road and Jones Road and parallel to them), which will be a new collector road, and will serve as a truck route, connecting Barton and Highway 8.

“Shovel Ready” Lands

Presently there are 53 ha of “shovel ready” lands in this Park. There are two 4 ha sized parcels available.

Active Development Applications

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

New Development - New Construction

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 such as:

- Losani Homes, commenced construction on approximately 0.9 ha industrial office complex.
- DI-MOND Trailers, a world-class organization that excels in the design and manufacture of specialized equipment for the global market, moved into a newly constructed 0.5 ha facility on Constellation Drive.
- PenEquity Development – Costco as anchor tenant, construction of 17.37 ha of total commercial space.

West Hamilton Innovation District (WHID)

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 3 ha of “shovel ready” lands for development in this Park.

Active Development Applications

There are no active Development Applications at this time.

New Development - New Construction

West Hamilton Innovation District (WHID) is the smallest of the Business Parks and has seen existing buildings being retrofitted. McMaster University and the Fraunhofer Institute for Cell Therapy and Immunology are collaborating at McMaster Innovation Park and are under way to develop a 0.4 ha project centre focused on the fast emerging cell therapies industry.

Action Plan Priorities for 2018 - 2023

AEGD

- Determine the Servicing Implementation Strategy and bring forward a staff report to Council in 2017;

- Request to the Ministry of Transportation, Ontario (MTO), to insist to follow out original request (Niagara to GTA (NGTA) Corridor Provincial Highway Study) to prioritize and expedite the implementation of proposed Highway 403 widening from Highway 6 to Main in both directions; and,
- Initiate remaining EAs, starting with Dickenson Road.

Ancaster Industrial Business Park

- Cormorant Road Extension from west of Tradewind Drive to Trinity Road South; and,
- Stormwater Management Pond No. 1.

Bayfront Industrial Area

- Bayfront Strategy (including financial strategy) to be completed in 2018; and,
- Stelco Lands – to be fully serviced and “shovel ready” by 2018.

Flamborough Industrial Business Park

- Expansion of Clappison Avenue from Borer’s Creek to Parkside Drive (by Developer); and,
- Request to the MTO to prioritize the construction of Highway 5 and 6 Interchange in their 10 year work plan.

Red Hill North Industrial Business Park

No plans currently under way.

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,
- Twenty Road Extension and the southern extension of Upper Red Hill Valley Parkway (URHVP), south of Rymal Road East - Phases 3 and 4 EA.

Stoney Creek Industrial Business Park

- Arvin Road extension from McNeilly to 750 m westerly;
- Barton Street and Fifty Road EA, and incorporate grade separation at South Service Road with Fifty Road; and,
- Gordon Dean Avenue - New collector road between Fruitland Road and Jones Road (by Developer).

West Hamilton Innovation District

- Frid Street Extension from 160 m east of Longwood Road South to Chatham Street.

General City-Wide Action Priorities 2017-2022

As per last year's Council resolution the City of Hamilton staff has implemented the Employment Land Banking Program to help facilitate the attraction and creation of development and employment opportunities. Based on the Council approved \$30M letter of credit (November 25, 2016) staff are actively investigating land banking opportunities. Economic Development Division staff will report on this as part of their Economic Development Strategy Action Plan regular updates

The City of Hamilton is in the process of applying to the Province's "Certified Site Program".

An investment ready "Certified Site" designation is issued to properties that have successfully completed a set of program requirements to demonstrate that the property is primed for development and ready for investment. The "shovel ready" definition from the province goes beyond the City's definition and includes considerations of natural gas and telecommunications provisions, among others.

The benefits of being part of the program include:

- Funding support to assist with costs incurred during the certification process to help members of the industry / applicants;
- Minimization of up-front costs, up to \$50,000;
- Marketing and Investment support, such as:
 - Incorporation into a variety of marketing campaigns and strategies that attract international investors; and,
 - Advertisement of selected sites in key industry publications, trade shows as well as Ontario's international investment website.

Planning and Economic Development staff (Collaboratively Growth Management and Economic Development Divisions), and IT Department staff, are pursuing additional Grant funding from Places to Grow Implementation Fund from the Province of Ontario, to help create an online interactive mapping tool for our *Invest in Hamilton* website - <http://www.investinhamilton.ca/>

This tool would provide site specific, detailed, interactive employment land information, twenty-four hours a day, to prospective investors. The outcome of the application process is anticipated to be announced in October 2017. The tool is expected to be shared to benefit all municipalities within the province.

2016 Shovel Ready Employment Lands Summary:

Industrial Business Park / Innovation Park / Industrial District	Shovel Ready Lands (ha)
AEGD	40
Ancaster	41
Bayfront	33
Dundas	0.7
East Hamilton	7
Flamborough	18
Red Hill North	14
Red Hill South	69
Stoney Creek	53
West Hamilton	3
Total	279

All the information referred to in this document as Appendix “A” to Report PED16161(a) can also be found on the “Invest in Hamilton” website.

Alternatives for Consideration – See Page 14

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 this subject was provided on August 8, 2016 (PED16161).

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None

RELEVANT CONSULTATION

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

ANALYSIS AND RATIONALE FOR RECOMMENDATIONS

To carry out Council's direction to provide an update on "shovel ready" lands, and continue to implement strategies to increase employment lands available for job creation and non-residential tax assessment.

ALTERNATIVES FOR CONSIDERATION

Alternative to Recommendation (a)

The Report and its Appendix "A" are not approved to be placed on the "Invest in Hamilton" website but instead on City of Hamilton website.

This is not recommended since that would be contrary to a one-way window strategy to centralize source of information for industry / businesses in Hamilton or that are looking for relocation in or to Hamilton.

Alternative to Recommendation (b)

- (i) 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; and,
- (ii) 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)

- (i) That Council does not request that the Ministry of Transportation Ontario (MTO) re-prioritizes upgrades to the Highway 5 and 6 interchange within the next five years and / or expand Highway 403 along the Ancaster Hill area. This is not recommended since working at a staff level there has been no movement in the prioritization of these projects by the MTO / Government of Ontario. These Highway improvements are critical for the safety and economic viability of the City; and,

- (ii) That Council does not request that the MTO re-prioritizes widening of Highway 403 from two to three lanes between Lincoln Alexander Parkway and Main Street both down bound and up bound as soon as practically possible. This is not recommended since it would be contrary to what the members of the industry are communicating to City staff, as an existing barrier to conducting business / goods movement.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Strategic Priority – Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Strategic Priority - Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Strategic Priority – Built Environment & Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Strategic Priority – Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” - City of Hamilton 2016 Employment Areas Inventory

GP/MF/as/sd