



INFORMATION REPORT

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	March 21, 2018
SUBJECT/REPORT NO:	Auchmar Estate (PED12193(c)) (Ward 8)
WARD(S) AFFECTED:	Ward 8
PREPARED BY:	David McCullagh (905) 546-2424 Ext. 1647
SUBMITTED BY:	Glen Norton Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

Council Direction:

At the General Issues Committee (GIC) meeting of June 7, 2017, Item 4.2, a delegation was made by the Royal Hamilton Light Infantry XIIIth Battalion Auchmar Trust (the "RHLI Trust") to provide an update on the progress of the RHLI Trust and to request continued consideration by the City of Hamilton regarding a potential long-term lease of the Auchmar Estate. Respecting Item 8.2 - Report PED12193(b), staff was directed as follows:

"That the members of the Royal Hamilton Light Infantry XIIIth Battalion Auchmar Heritage Trust be provided with a nine (9) month extension to prepare a Business Plan for a long term lease for the Operation and Maintenance of the Auchmar Estate, to be presented at the March 21, 2018 General Issues Committee."

Information:

The purpose of this Report is to provide Council with an update on the progress made by the Royal Hamilton Light Infantry XIIIth Battalion Auchmar Heritage Trust (the "RHLI Trust") on the business plan and towards negotiating a long-term lease for the operation and maintenance of the Auchmar Estate.

Over the course of the past nine (9) months and up to the time of preparing this Report (PED12193(c)), staff has had limited contact and communication from the RHLI Trust respecting updates on the progress and status of the development of the RHLI Trust business plan to be presented back to the March 21, 2018 GIC.

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.

Collectively, both Real Estate and Tourism and Culture staff have made significant efforts to facilitate the RHLI Trust actions in preparing a business plan for this initiative.

Such efforts on the part of staff can be briefly summarized as follows:

- On August 29, 2017, approximately eight (8) weeks following Council's Direction, correspondence was sent to RHLI Trust as follow-up including a request that the RHLI Trust maintain dialogue and provide periodic updates on its status.
- September 19, 2017, a tour of Auchmar was conducted for the Honorary-Lieutenant-Colonel Donald Cranston (RHLI).
- After further follow-up by staff subsequent to the August 29, 2017 letter, staff received a telephone call from RHLI Trust on November 14, 2017 identifying that the business plan was still being assembled and it was reiterated that RHLI Trust is still aiming to be prepared for the March 21, 2018 General Issues Committee meeting. RHLI Trust identified private sector interest in locating an office on the heritage site, and that a prominent local restaurateur was providing input towards the conceptual development of the Carriage House as a food and beverage facility.
- November 17, 2017, staff met with a Heritage Consultant retained by the RHLI Trust.
- November 17, 2017, staff met with the RHLI Trust, discussing the progress of the business plan together with the City's project priorities at Auchmar Estate including the necessary stabilization work needed at the Auchmar Estate.
- December 5, 2017, staff provided a tour of Auchmar Estate to RHLI Trust, ATA Architects and various engineers invited by ATA Architects working on behalf of RHLI Trust, and the RHLI Trust Heritage Consultant.
- January 11, 2018, ATA Architects returned to Auchmar Estate to tour specifically the Coach House.
- February 14, 2018, staff had a meeting with RHLI Trust. An update on progress was provided by RHLI Trust representatives. Staff suggested engagement by RHLI Trust of a business Consultant.

Status:

During the past nine (9) months, RHLI Trust has publicly demonstrated its continual interest in pursuing the use of the Auchmar Estate through RHLI Trust and Friends of Auchmar events and newspaper articles.

Never-the-less, to date, staff has not received any material or information to support the feasibility of the RHLI Trust proposal nor has staff observed evidence of a business case.

City Action on Site:

Operationally, the City expends basic minimum annual operating costs for this heritage site of approximately \$25,000 to \$27,000 per annum towards heat, hydro, water, snow clearing, grass cutting and cleaning. In addition, there are capital expenditures made towards repairs and restoration which, in 2017, were approximately \$666,812 and year-to-date costs for 2018 have been approximately \$178,630 with the bulk of the capital expenditure covering re-building of the garden stone walls and associated consulting. Of the \$2 million in Canada 150 grants realized in Hamilton, \$273,000 was allocated to go towards Auchmar Estate's garden wall restoration against a total estimated cost of \$817,000 to be completed by March 31, 2018.

Other Considerations:

Subsequent to Council's consideration of this matter in June 2016 and as expressed in the June 7, 2017 Report PED12193(b) to General Issues Committee, staff continues to be approached by various other interested parties in the Auchmar Estate from time to time. These interests purport to support the restoration of Auchmar Estate and provide for public access and uses that can be made compatible with the adaptive reuse of Auchmar Estate. Certain groups have also identified its willingness to include the RHLI Trust group as an element within its respective proposals. While staff has not pursued their interests, it is recognized that any purported interest would be subject to the terms of the Ontario Heritage Trust Conservation Easement and evaluated against the Council approved recommendations in Report PED12193(a) to determine suitability, as would the RHLI Trust proposal.

In conclusion, it should be noted, subject to any further direction provided by Council, that in accordance with Item 5 (g) of the General Issues Committee Report 16-016, as amended (Council June 22, 2016) (see below), staff was directed as follows:

- (a) That the Auchmar Estate Operations Plan, attached as Appendix "A" to Report PED16016, be received;
- (b) That Tourism and Culture Division staff be directed to continue with stabilization work obligated under the terms of the Heritage Conservation Easement administered by the Ontario Heritage Trust and to maintain the heritage resource in a stable condition with annual Capital Block funding;
- (c) That the Auchmar Estate and grounds remain in Public Ownership of the City of Hamilton;

- (d) That City staff in the Real Estate Section and the Planning and Economic Development Department be authorized and directed to explore a long-term lease or operating and management agreement, which is to include that capital repairs and maintenance be the financial responsibility of the lessee or the manager/operator, with any interested not-for-profit private parties; such as the Royal Hamilton Light Infantry XIIIth Regiment Auchmar Trust or other not-for-profit organizations, and report back to the General Issues Committee on the progress toward that end in six (6) months;
- (e) That any long-term lease or operating and management agreement and use provide for reasonable public access to the buildings and grounds;
- (f) That Ontario Heritage Trust be consulted on any proposed use to confirm the use's alignment with the provisions in the Heritage Conservation Easement;
- (g) That, in the event no lessee or management and operations interest, can be secured after a period of one year, Planning and Economic Development Department staff be directed to report to the General Issues Committee with a work plan for the adaptive reuse of the Auchmar Estate.

The time period outlined in recommendation (d) lasted approximately one year which was extended to March 21, 2018 through the Council Direction of June 14, 2017 in its consideration of Report PED12193(b) so that the City may make a decision respecting further consideration of the RHLI Trust proposal.

At this time, given the status as presented, and in accordance with the approved Council recommendations of June 22, 2016 outlined above, Planning and Economic Development staff will continue with budgeted capital restoration/stabilization work (see recommendation (b)), and will proceed with the preparation of and reporting back to the General Issues Committee of a work plan for the adaptive reuse of the Auchmar Estate (see recommendation (g)) by the end of 2018. In the interim, staff will continue to entertain any other offers from not-for-profit organizations consistent with recommendations (c) through (f) until the end of June 2018.

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