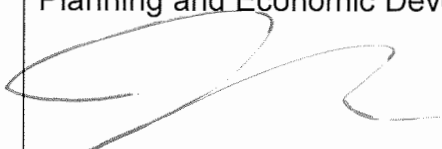




Hamilton

CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT
General Manager's Office

TO:	Chair and Members West Harbour Development Sub-Committee
COMMITTEE DATE:	October 22, 2019
SUBJECT/REPORT NO:	Pier 6 and 7 Land Disposition and Interim Activation Plan (PED19191(a)) (Ward 2)
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Chris Phillips 905-546-2424 Ext. 5304 Ray Kessler 905-546-2424 Ext. 7019
SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That staff report back to the West Harbour Development Sub-Committee with draft sale documents for approval, including recommendations on the disposition phasing and conditions of sale that seek to ensure that development of any disposed lands happens in a timely fashion, contributes to the success and vibrancy of the public space on Piers 6 and 7, and provides a high quality of design;
- (b) That staff from the Tourism and Culture Division be directed to prepare and execute an agreement with an external entity to a maximum value of \$40 K for the purposes of operating and programming temporary animation of the Piers 5 to 8 lands, with nominal cost for leasing of the lands, for the period beginning in the Spring season of 2020 to approximately the end of the Fall season 2020, to be funded through Project 4411606003; West Harbour Community Engagement; and,
- (c) That staff be authorized to prepare and execute all necessary agreements for implementation, in a manner and on terms and conditions deemed appropriate by the General Manager of the Planning and Economic Development Department, and in a form acceptable to the City Solicitor.

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

On October 9, 2019, Council approved the General Issues Committee (GIC) Report which included the following motion from the West Harbour Development Sub-Committee Report 19-002:

“That staff be directed to immediately market the individual development blocks for Piers 6 and 7 for sale to the private sector”.

As noted in Report PED19191, the Council approved West Harbour Waterfront Recreation Master Plan (WHWRMP), envisions the transformation of the Pier 6 and 7 lands with significant investments in infrastructure and public space, with the potential of creating a new destination for the City.

Identified as a potential area for private sector investment, the WHWRMP envisioned four new development blocks to be created within the Pier 6 and 7 lands, along with the rehabilitation and/or replacement of the existing buildings that currently occupy the site as identified in Appendix “A” of Report PED19191(a).

Staff Report PED19191(a) identifies the general strategy to implement this Council direction to immediately market the individual development blocks for sale to the private sector; specifies a work plan and timelines for the execution; highlights several key background elements that are required prior to marketing the properties; and, commits to reporting back to the West Harbour Development Sub-Committee with the final sale documents for approval prior to going to market.

As well, recognizing the importance of placemaking within the public space of the Piers 5 to 8 lands prior to development, staff also seeks approval to select an external entity for the purposes of operating and programming temporary activations in 2020.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial:

There are no specific financial implications for recommendation (a) contained in Report PED19191(a). Recommendation (b) establishes a maximum of \$40,000, funded through Project 4411606003; West Harbour Community Engagement.

Staffing:

It is anticipated that the recommendations will be implemented by existing West Harbour, Real Estate, and Tourism and Culture staff within the Planning and Economic Development Department.

Legal:

Legal Services will support the Council directions arising from this Report.

HISTORICAL BACKGROUND

On October 9, 2019, Council approved General Issues Committee (GIC) Report which included the following motion from the West Harbour Development Sub-Committee Report 19-002:

“That staff be directed to immediately market the individual development blocks for Piers 6 and 7 for sale to the private sector.”

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

N/A

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The WHWRMP envisioned four new development blocks to be created within the Pier 6 and 7 lands, as identified in Appendix “A” of Report PED19191(a). The individual development blocks have specific land use designations and zoning requirements, are self-contained within a relatively small area, will be adjacent to city-owned public space, and are limited by both density and height restrictions.

Although the October 9, 2019 Council direction is clear, it is recognized that there are several steps to be taken to prepare the lands for disposition. Staff are currently assessing the most effective manner in which to bring these blocks to the market.

The following components are the minimum due diligence prerequisites to be completed:

- a) Completion of a Reference Plan and survey of the four development blocks;

- b) Identification of any environmental, soil stability, servicing and any other issues that may affect the constructability on the site;
- c) Land appraisal of the four development blocks; and,
- d) Establishment of the conditions to be incorporated into an agreement of purchase and sale.

The real estate land disposition approach will involve a structured offering process whereby the highest financial offer that meets certain conditions will be selected. Staff will review the individual blocks and assess whether they should be sold separately or as a bundle, and the anticipated timing of a phased development. As well, staff will prepare a set of conditions that will be clearly articulated to potential purchasers and will form part of any future Agreement of Purchase and Sale (APS). These conditions will include but not be limited to:

- i. specified time frame for commencement and completion of development;
- ii. specified approved commercial uses and/or tenancy parameters to ensure compatibility with the City's vision; as stated in the Setting Sail Secondary Plan, WHWRMP, and Urban Design Study, and other placemaking and activation goals for the Piers 6 and 7 areas;
- iii. identification of any acceptable and/or prohibited future requests to amend planning instruments for the development blocks; and,
- iv. limitations on the ability of any future owner unilaterally financially divesting the property.

Staff will report back to the Sub-Committee with recommendations on these offering plan and conditions by December 2019.

The following is a high-level assessment of anticipated timeframes:

i.	Undertake Due Diligence: -Survey -Studies -Appraisal -APS	Nov. 2019–Feb. 2020
ii.	Preparation of Conditions of Sale	Oct. 2019-Dec. 2019
iii.	Report to WHD Sub-Committee	Dec. 2019

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iv.	Develop Real Estate Marketing Documents	Feb. 2020
v.	Real Estate Listing Open Period	Feb. 2020-March 2020
vi.	Selection of Purchaser	April 2020
vii.	Purchaser Due Diligence Period	April-2020-July 2020
viii.	Property Closing Date	Dec. 2020

Additionally, staff recommends a short-term opportunity to engage an external entity for the purposes of operating and programming temporary uses within the Pier 6 and 7 lands in 2020.

The recommendation would direct staff from the Tourism and Culture Division to prepare and execute an agreement with an external entity to a maximum value of \$40 K for the purposes of operating and programming temporary animation of the Piers 5 to 8 lands. This agreement would include the rights to a short-term temporary licence at nominal amount, for the period beginning in the Spring season of 2020 to approximately the end of the Fall season 2020. This initiative would be funded through Project 4411606003; West Harbour Community Engagement.

Staff would also ensure that the terms of reference clearly identify the types of uses that would be acceptable to the City including any commercial, recreational, and public uses, the parameters of use including hours of operations, compliance to zoning and noise by-laws, as well as an identification of physical constraints such as electricity and sewage capacity.

ALTERNATIVES FOR CONSIDERATION – N/A

ALIGNMENT TO THE 2016 – 2025 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

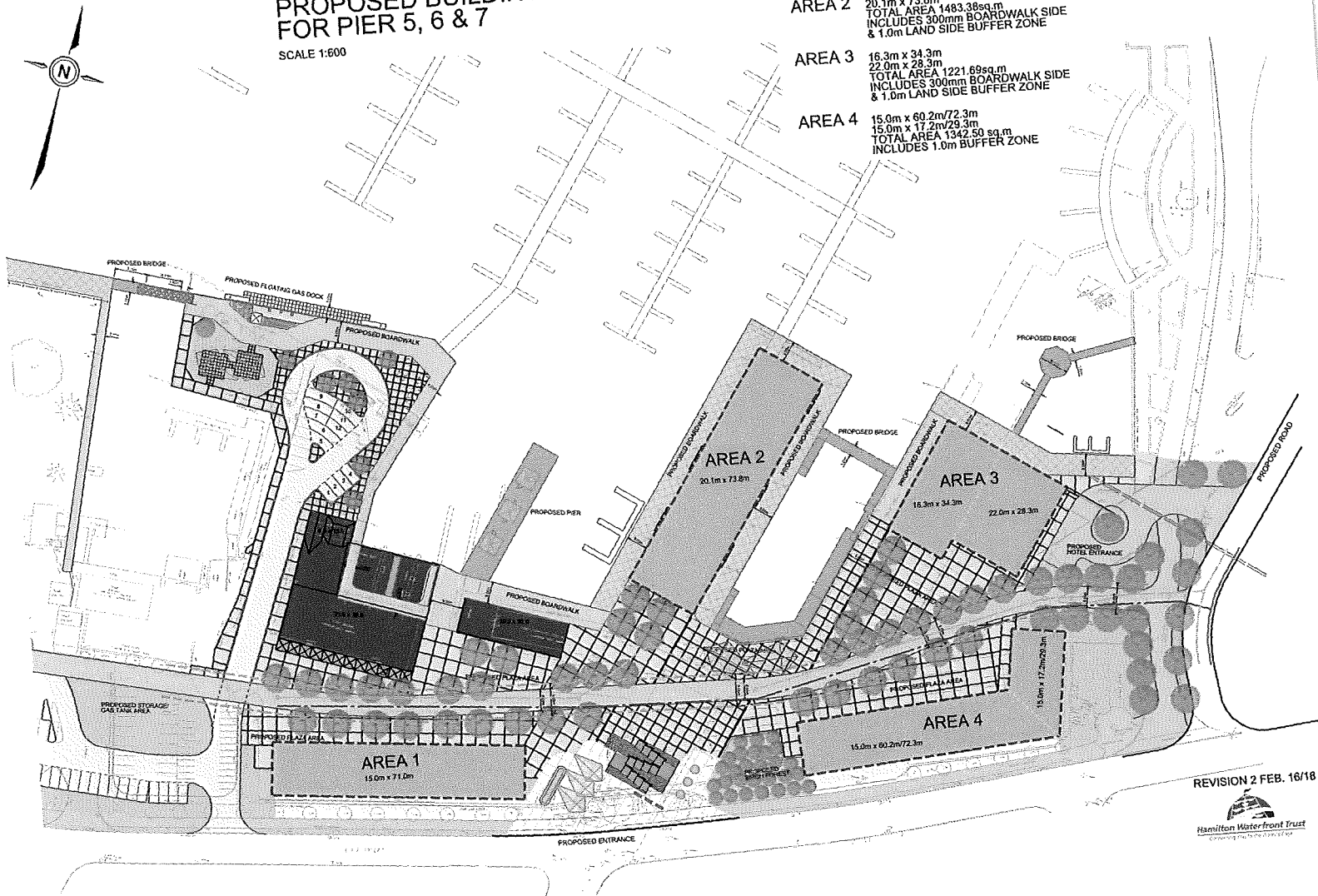
- 1.1 Continue to grow the non-residential tax base.
- 1.3 Promote economic opportunities with a focus on Hamilton's downtown core, all downtown areas and waterfronts.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED19191(a) – Pier 6 and 7 Site Map

PLAN SHOWING
**PROPOSED BUILDING ENVELOPES
FOR PIER 5, 6 & 7**
SCALE 1:600

- AREA 1** 15.0m x 71.0m
TOTAL AREA = 1065.00sq.m
INCLUDES 1.0m BUFFER ZONE
- AREA 2** 20.1m x 73.8m
TOTAL AREA 1483.38sq.m
INCLUDES 300mm BOARDWALK SIDE
& 1.0m LAND SIDE BUFFER ZONE
- AREA 3** 16.3m x 34.3m
22.0m x 28.3m
TOTAL AREA 1221.69sq.m
INCLUDES 300mm BOARDWALK SIDE
& 1.0m LAND SIDE BUFFER ZONE
- AREA 4** 15.0m x 60.2m/72.3m
15.0m x 17.2m/29.3m
TOTAL AREA 1342.50 sq.m
INCLUDES 1.0m BUFFER ZONE



REVISION 2 FEB. 16/18