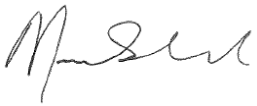




CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Economic Development Division

TO:	Mayor and Members West Harbour Development Sub-Committee
COMMITTEE DATE:	January 17, 2022
SUBJECT/REPORT NO:	Discovery Centre Strategy Framework (PED21090(b)) (Ward 2)
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Andrea Smith (905) 546-2424 Ext. 6256
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That staff be authorized and directed to implement the Discovery Centre Strategy Framework outlined in Appendix "A" to Report PED21090(b);
- (b) That staff be directed to report back to the West Harbour Development Sub-Committee by Q1 2023 with a recommended long-term Strategy for the Discovery Centre property.

EXECUTIVE SUMMARY

Through approval of Report PED21090 on April 28, 2021, Council directed staff to prepare a long-term Strategy for the former Discovery Centre building, as well as to promote the availability of the building for a short-term lease of up to five years in duration. This Report addresses the long-term Strategy for the Discovery Centre.

The premise of the April 28, 2021 staff direction is based on the circumstances that the Discovery Centre, a prime waterfront property, is currently underutilized and constrained by existing land use restrictions, and that a Strategy is required to leverage this City-owned asset.

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.

In conducting a preliminary assessment of the policies and zoning currently in effect on the Subject Lands it has been determined that the permitted uses are extremely limited. Within the building, the uses are restricted to institutional uses such a long-term care facility, day care, and place of worship, and on the surrounding lands, uses are generally restricted to park and recreational uses, or a small-scale restaurant. Commercial uses such as standard restaurants and outdoor patios are not permitted on the Subject Lands. Although recent uses of the property did include a restaurant and outdoor patio, this is the result of uses being previously permitted under pre-existing zoning and jurisdictional permissions afforded to the Federal government as the previous landowner rather than current applicable policies and zoning.

This Report seeks Council's endorsement of a decision making 'framework' as a first step in developing the long-term Strategy for the Discovery Centre. The Discovery Centre Strategy Framework is comprised of a two-phased, four-step approach, and is outlined in Appendix "A" to Report PED21090(b) entitled "Discovery Centre Strategy Framework". The focus of Phase 1 is to develop the Strategy and confirm the vision for the Discovery Centre, while the focus of Phase 2 is to implement the Strategy. Appendix "A" to Report PED21090(b) identifies steps in developing the Strategy, timelines, key deliverables, identified staff reports, key Council decision points, and consultation and engagement.

Report PED21090(b) outlines:

- Geographic definition of the lands that are part of this Strategy development process (referred to as "Subject Lands");
- Historical and current state use of the Subject Lands;
- Preliminary assessment of opportunities, constraints and key decision-making considerations related to re-examining the function of the Discovery Centre;
- Recommended decision-making framework as part of developing the Discovery Centre Strategy;
- Key objectives in developing the Strategy; and,
- Draft Strategic Principles to guide decision-making in developing the Discovery Centre Strategy.

The Recommendations of this Report only seek West Harbour Development Sub-Committee (WHD S-C) approval of the framework itself, and do not make any long-term

decision about the building. The framework is designed as a guiding document for the review.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The Recommendations to Report PED21090(b) only seek approval of the framework itself, and therefore financial implications would be limited to the retaining of external consulting services, if required for areas where City staff do not have specific expertise and would be funded out of the existing Capital Accounts 4411606003 and 4411606004 established for the West Harbour Waterfront Capital Program. All implications will be identified during the Discovery Centre long-term Strategy development process and will be identified in future reports for the WHD S-C consideration.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

On April 28, 2021, Council approved Item 10.3 of GIC Report 21-009, being the West Harbour Development Sub-Committee Report 21-001, April 13, 2021 which directed staff to prepare a long-term Strategy for the Hamilton Waterfront Trust (former Discovery) Centre, and to promote the availability of the property for lease.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS - N/A

RELEVANT CONSULTATION

This Report and associated recommendation have been developed with input from staff within Municipal Land Development Office (MLDO), Waterfront Development Office (WDO-PW), and Corporate Real Estate Office, Facilities, Economic Development Division, Building Division, and Planning Division.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

This Report is the first step in implementing Council’s direction towards a long-term Strategy. Staff in a separate Report PED21090(a) will be bringing forward

recommendations in respect of the direction given staff related to an interim leasing strategy.

1) Defining the Subject Lands

For the purposes of this Report, staff have geographically defined the “Subject Lands” as identified in Appendix “B” to Report PED21090(b) entitled *Discovery Centre Strategy: Subject Lands Map*.

The Subject Lands are comprised of:

- The former Discovery Centre building;
- Outdoor patio area located to the north of the building;
- Landscaped area located to the east of the building;
- Parking area located to the south of the building (Note: mapping has not been updated to reflect recent changes to the parking lot configuration); and,
- Excludes park promenade lands.

Staff has recommended defining the Subject Lands in this manner because the development of the Discovery Centre Strategy should not be limited to only the building’s footprint, but also to the ‘functionally adjacent’ surrounding lands.

As additional geographical context, the Subject Lands are identified within the broader area of Piers 5, 6, 7 and 8, as shown in Appendix “B” to Report PED21090(b) entitled *Discovery Centre Strategy: Subject Lands and Context Map*. It should be noted that the area also contains a significant amount of waterside shorewall, which has the ability to moor vessels of a variety of sizes and be used for dockside uses.

2) Historical and Current State Use of the Subject Lands

Previous staff Report PED21090 summarizes the historical and current state of the Discovery Centre as follows:

“The HWT Centre building is a City-owned facility, that has been primarily vacant for the past few years. Initially built and operated as the Parks Canada Marine Discovery Centre, the building footprint is zoned for institutional use, but has most recently been used as a full-service restaurant with waterfront patio and an informal event and meeting facility. Upon closure, the internal and patio restaurant furnishings and fixtures were removed, leaving the former restaurant primarily vacant open interior space. Parks Canada still occupies the north-east

portion of the building as office-space, with the remainder consisting of an entrance lobby, two small meeting rooms with waterfront patio access, a 50-seat theatre, washroom facilities, and direct access to the north portion of the waterfront trail.”

Currently, the building remains primarily vacant, with the exception of the Parks Canada Offices. With the various Covid-19 pandemic restrictions in place since March of 2020, event bookings have been limited. There has been occasional rental of the various rooms and spaces by a variety of external event organizers and community groups throughout the past six months, and interest in future bookings has begun to increase. Due to the underutilization of the space, there is currently minimal revenue generated by the property.

During the summer of 2021, staff implemented a temporary programming and animation plan for Piers 6 and 7 by way of a Letter of Agreement with Ms. Whitney McMeekin, in accordance with Council Direction associated with Report PED21090. Implementing this plan over the last several months has provided a number of public art and community gathering opportunities (e.g. *Pop-Ups at Pier 8* events attracting residents to the waterfront).

3) Preliminary Assessment: Opportunity, Constraints and Key Considerations

Opportunities and Constraints

The policies of the West Harbour Secondary Plan (Setting Sail) apply to the Subject Lands. Setting Sail was adopted by Hamilton City Council in 2005 and approved by the Ontario Municipal Board in 2012. During the planning process for Setting Sail, the former Canadian Marine Discovery Centre Museum was recognized as an existing institutional use, and as such, the Official Plan designated the building as “Institutional” and the building was zoned as “Community Institutional”. Although the museum is no longer operational, the uses permitted on the property remain restricted to institutional uses such as a long-term care facility, day care, place of worship.

Although the Subject Lands are situated in a strategic location within the West Harbour, the formerly tenanted area is currently vacant, and the property is underutilized. This is the result of several factors including the closure of the museum and subsequent change in property ownership from federal to municipal government, and constraints of applicable zoning by-law regulations in attracting new uses.

In conducting a preliminary assessment of the policies and zoning currently in effect on the Subject Lands it has been determined that the permitted uses are extremely

limited. Within the building, the uses are restricted to institutional uses such a long-term care facility, day care, and place of worship, and on the surrounding lands, uses are generally restricted to park and recreational uses, or a small-scale restaurant. Commercial uses such as standard restaurants and outdoor patios are not permitted on the Subject Lands. Although recent uses of the Property did include a restaurant and outdoor patio, this is the result of uses being previously permitted under pre-existing zoning and jurisdictional permissions afforded to the Federal government as the previous landowner rather than current applicable policies and zoning.

The changed property ownership and planning context, property use constraints, along with the passage of time since the policy and zoning regulations were originally established, provides an opportunity to re-examine options for the use of the Subject Lands.

Key Considerations

Determining what the Subject Lands should be used for, and how best to arrive at the decision, is complex due to factors such as:

- Importance and potential of this strategic waterfront property;
- Constraints of applicable land use policy and regulations;
- Potential planning approvals required to modify uses on the property;
- Relationship between the Discovery Centre with other areas within the West Harbour;
- Investment considerations associated with owning and operating this property asset;
- Parking requirements (zoning requirements and functional/practical requirements of uses on the property); and,
- Diverse stakeholder interests.

Also, the broad scope of options add complexity to the decision-making process. For example, below are a range of issues that require scoping, discussion and engagement, prior to recommended decisions to be made:

- **Permitted Land Uses Decisions**
 - What land uses are complementary to the West Harbour redevelopment?
 - What changes to the current land use framework are required to enable these complementary uses?
- **Property Ownership and/or Operating Model Decisions**
 - What is the desired property ownership and operating model?

- When do these decisions need to happen?

- **Investment Decisions**

- What should the City do with the lands, and the future of the building?

- **Process Decisions**

- What efforts are required to permit and attract desired uses?

4) Recommended Discovery Centre Strategy Framework

The Discovery Centre Strategy Framework is comprised of a two-phased, four-step approach as follows, and is detailed in Appendix “A” to Report PED21090(b) (*Discovery Centre Strategy Framework*).

Phase 1 – Strategy Development

The purpose of Phase 1 is to develop the preferred Strategy to optimize and leverage the Discovery Centre property. The three steps within Phase 1 are summarized below:

Step 1: Approve the Decision-Making Framework

This step consists of launching the review, scoping and planning the process, and defining the research parameters.

Step 2: Conduct the Opportunity Study

This step consists of conducting research, identifying opportunities and constraints, generating various options, and consulting with the public and various stakeholders.

Step 3: Confirm the Vision

This step consists of analyzing options, selecting the preferred option based on analysis and making a decision to implement the Strategy.

Phase 1 outcomes include decisions pertaining to: permitted land uses; property ownership and/or operating models; investment decisions; and required planning and marketing processes.

During this phase, communication and engagement with the public, external stakeholders and internal staff will be conducted. An important part of Phase 1 research is to seek feedback on preliminary options for the property, and on the draft

Strategic Principles. Deliverables within Phase 1 include staff reports which will provide a summary of research findings, community feedback, potential Strategy options and ultimately a recommended preferred option for optimizing the Subject Lands. It is anticipated that the timeline to complete the three steps in Phase 1 is from Q4 2021 to Q1 2023.

The key milestone of Phase 1 is a Council Decision to approve the preferred option (the “Strategy”), and authorization of staff to proceed to Phase 2 (Strategy Implementation).

Phase 2 – Strategy Implementation

The purpose of *Phase 2 – Strategy Implementation* is to act on Council’s decision to approve the Strategy by implementing the vision. It is expected that implementation will include a variety of actions.

An example of a Phase 2 outcome is to move forward with any required planning approval processes and to initiate real estate transactional processes, if such actions are approved by Council. Should any planning approvals be an outcome of this phase, public consultation will occur in accordance with the *Planning Act* and City protocols as required. Additional Council decisions will be identified as warranted throughout this phase.

Staff is recommending Council approval of the Discovery Centre Strategy Framework as outlined in Appendix “A” to PED21090(b).

5) Key Objectives in Developing a Long-Term Strategy for the Discovery Centre

The following are the key objectives in developing the long-term Strategy for the Discovery Centre.

- **To Increase Community Satisfaction**
Desirable uses on the Subject Lands will attract people, animating the waterfront, supporting placemaking and increasing community satisfaction of amenities within the West Harbour.
- **To Attract Desired Uses**
Established land use permissions will provide clarity for successfully attracting desired uses and operators to the Subject Lands.
- **To Catalyze Economic Development and Potentially Generate Revenue**

A fully occupied building, with fully operating uses, will serve as an economic development catalyst and potentially generate revenues sources. These factors support the implementation of the West Harbour redevelopment plan and economic development strategies of the City.

- **To Improve Asset Management Decision Making**

Confirmation of the desired future-state of the Subject Lands will improve asset management efforts such as property asset maintenance, operations, and capital investment decisions.

- **To Improve Corporate Service Planning Efforts**

Confirmation of the desired future-state of the Subject Lands will enable various City services to align their service plans supporting strategic service planning involving the Discovery Centre (e.g. tourism, parks operations, culture and placemaking, and recreation).

6) Draft Strategic Principles

As part of developing the long-term Strategy for the Discovery Centre, there will be many decisions made and options considered. Identification of ‘strategic principles’ is an important part of a decision-making process. The following are draft Strategic Principles to guide the Strategy development phase and should be applied comprehensively throughout the process. The Principles are expected to evolve during the process through community and stakeholder feedback.

Draft Strategic Principles

a) Alignment to Principles of Setting Sail Secondary Plan

Options for leveraging the Discovery Centre property will align with the key relevant principles of the West Harbour (Setting Sail) Secondary Plan: Promote Healthy Harbour; Promote Safe, Continuous Public Access along the Water’s Edge; Create a Diverse, Balanced and Animated Waterfront; Enhance Physical and Visual Connections; Celebrate the City’s Heritage; and, Promote Excellence in Design.

b) Foster Vibrant Community Interaction

Vibrant community interaction will be fostered through a mix of public uses, and ‘public-serving’ commercial uses that are adaptable as the waterfront becomes a mature community. The mix of uses catalyze animation of public spaces and enhance the enjoyment of the West Harbour day and night, and throughout the seasons.

c) Leverage this Prime Waterfront Property

This prime waterfront property is an asset and will be leveraged so that its design and function enhance the West Harbour and contribute to Hamilton's City building objectives.

d) Incorporate Sustainable Building and Development Features

Potential modifications to the building and/or property will incorporate sustainable building and development best practices.

e) Maintain Public Access along Waterfront Promenade

The public promenade along the water's edge will be maintained.

f) Financial Sustainability

Use of this property will result in the ongoing capital and operating requirements to be met through identification of sustainable funding sources.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

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.

Economic Prosperity and Growth

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

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

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

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

Our People and Performance

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

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED21090(b) – Discovery Centre Strategy Framework
Appendix “B” to Report PED21090(b) – Discovery Centre Strategy Subject Lands and
Context Maps