



Hamilton

WEST HARBOUR DEVELOPMENT SUB-COMMITTEE

Jan 17, 2022

Council Approved GIC Report 21-009, Apr. 28, 2021

(a) Pier 8 Animation Program and Hamilton Waterfront Trust (HWT) (Discovery) Centre - Status Update (PED21090) (Ward 2) (Item 10.1)

- (i) That staff be directed to prepare a long-term strategy including an assessment of the existing conditions of the Hamilton Waterfront Trust (former Discovery) Centre building, the cost of existing operations, future capital requirements, planning approvals, parking requirements, real estate evaluations, market soundings, and other relevant due diligence, and report back to the West Harbour Development Sub-Committee identifying options for future uses of the property, as well as various ownership and/or operating models; and,**
- (ii) That staff be directed to promote the availability of the Hamilton Waterfront Trust (former Discovery) Centre property for lease, on the following conditions, and report back to the West Harbour Development Sub-Committee:**
 - (1) Any currently unoccupied and available space within and outside of the building;**
 - (2) Suitable uses being restricted to permitted zoning/land use regulations, with a preference for outdoor year-round programming/animation, and a desire for variety, including some food and beverage;**
 - (3) Minimum Term of 1-year and a Maximum Term of 5 years, with potential for options;**
 - (4) Structured on a Fully Net and Carefree basis; and,**
 - (5) A portion of the space be available for some public meetings or events.**

Existing Land Use & Zoning is a Constraint

Secondary Plan (Setting Sail) - (Adopted by Hamilton City Council in 2005 & Approved by the Ontario Municipal Board in 2012)

**Official Plan Designation - Institutional
Zoning - Community Institutional**

Examples of Permitted uses:

- long-term care facility;
- day care;
- place of worship.

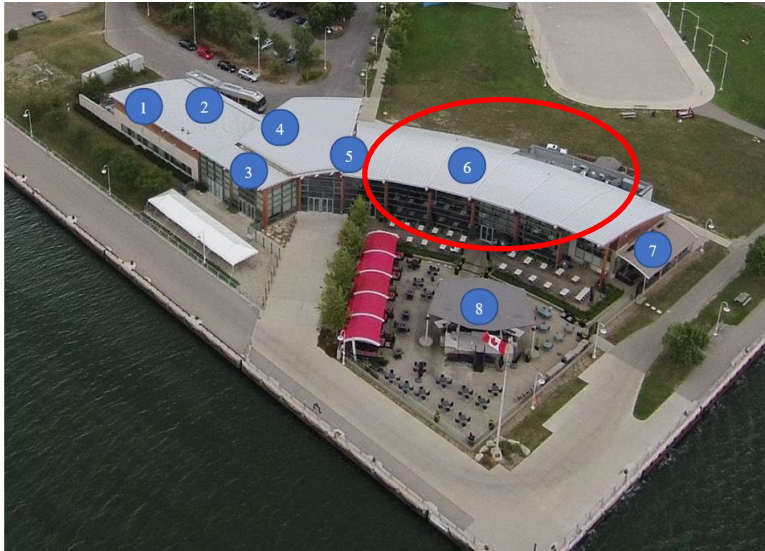
Examples of Non-Permitted Uses:

- any commercial uses such as restaurants and outdoor commercial patios are excluded.
- City Zoning By-law permit Municipal Uses (e.g. events & programming with an inherent public interest)
- City Zoning By-law 05-200 permits a use such as a temporary Sales Centre (Section 4.18 (b))

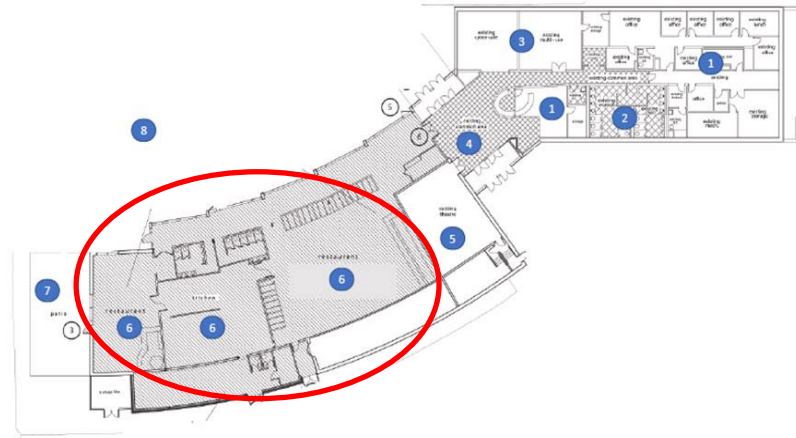
Discovery Centre Zoning



Subject Lands and Context Map



DISCOVERY CENTRE – FLOOR PLAN (INTERIOR)



Existing Areas	Area Type
1. Parks Canada Office	Existing Parks Canada Leasehold Interest
2. Restrooms	Common Use Area
3. Cyber-Café / Multi-Use Room and Storage Area	Non-Exclusive Use Area* / Available for Bookings
4. Lobby and Hallway	Common Use Area
5. Theatre	Non-Exclusive Use Area / Available for Bookings
6. Restaurant / Kitchen	Contemplated Waterfront Shores Leasehold Interest for Sales Centre, Presentation Centre, Construction Office
7. Small Patio	Non-Exclusive Use Area / Available for Bookings
8. Large Patio	Non-Exclusive Use Area / Available for Bookings

*Note: Areas identified as non-exclusive use areas are available for bookings for public uses and/or temporary uses by various parties, subject to City approval.

Analysis of the Proposed Short-Term Lease Offer

1. Proposed Areas to be deemed Exclusive-Use to WSC and Intended Use

- Only the former restaurant & kitchen Areas are being leased for Exclusive-Use space
- Indicated as Area 6 on the Map

2. City Continues to Control Non-Exclusive Use and Common-Use Areas for Public-Uses

- All other areas of the building remain city-owned and operated
- The City retains the right, ability and the space to continue community-uses

3. Financial Impact of Short-Term Use

- New revenue stream
- Additional revenue could be earned with additional uses
- Revenue could be used for capital and operational improvement & public animation programming

Rationale for Staff Recommendations

- **Consistent with Approved Council Direction**
- **Consistent with existing Zoning regulations**
- **Allows for Year-round occupancy within a limited short-term timeframe**
- **Proposed lease is for a scoped portion of the site**
- **Continues to allow for additional indoor & outdoor public programming & temporary-uses**
- **Community groups & organizations maintain the ability to book portions of the site**
- **Financial offer reflects market-value consideration**
- **Financial resources could be deployed for additional public programming**

Report PED21090(a) Staff Recommendations

- (a) That staff be authorized and directed to negotiate and finalize a Lease Agreement between the City of Hamilton (Landlord) and The Waterfront Shores Corporation (Tenant) for a portion of the Discovery Centre facility, that is identified as areas of Exclusive-Use of the tenant in Appendix “A” to Report PED21090(a) attached, based substantially on the Major Terms and Conditions outlined in Confidential Appendix “B” to Report PED21090(a) attached, and such other terms and conditions deemed appropriate by the General Manager of Planning and Economic Development Department;
- (b) That staff be directed to negotiate terms and conditions for a proportionate share of The Waterfront Shores Corporation (Tenant) usage for the Non-Exclusive and Common-Use areas, as identified in Appendix “A” to Report PED21090(a), and report back to the Sub Committee on the results;
- (c) That all net rent proceeds from the Lease Agreement at the Hamilton Waterfront Trust (HWT) (Discovery) Centre be received and credited to Account No. 46000-Dept. ID No. 791554;
- (d) That all costs related to the Lease Agreement at the HWT (Discovery) Centre, including the real estate and legal costs of \$45,750, be funded from Account No. 55778-Dept. ID No. 791554 and credited to Account No. 55778-Dept. ID No. 812036 (Real Estate – Admin Recovery);

...(Continued)

Report PED21090(a) Staff Recommendations

- (e) That the General Manager, Planning and Economic Development Department or designate, acting on behalf of the City as Landlord, be authorized to administer the Lease and provide any requisite consents, approvals, and notices related to the Lease Agreement at the HWT (Discovery) Centre;
- (f) That the City Solicitor be authorized to amend and waive terms and conditions on such terms as considered reasonable to complete the leasing transaction, respecting the Lease Agreement at the HWT (Discovery) Centre;
- (g) That the Mayor and Clerk be authorized and directed to execute the Lease Agreement at the HWT (Discovery) Centre, or such other form and all other necessary associated documents with all such documents to be in a form satisfactory to the City Solicitor;
- (h) That Appendix “B” to Report PED21090(a) and Appendix “C” to Report PED210909(a) remain confidential.