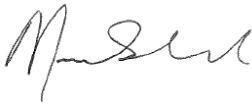





Hamilton

INFORMATION REPORT

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	July 10, 2023
SUBJECT/REPORT NO:	Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item)
WARD(S) AFFECTED:	Wards 1, 2, 3, 4 and 5
PREPARED BY:	Leah Macnamara (905) 546-2424 Ext. 1213 Van Hua (905) 546-2525 Ext. 1751
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	
SUBMITTED BY:	Raymond Kessler Chief Corporate Real Estate Officer Planning and Economic Development Department
SIGNATURE:	

COUNCIL DIRECTION

On April 13, 2022 City Council approved the following direction:

- (a) That staff, in collaboration with the federal and provincial Governments and Metrolinx, be directed to establish a strategic land disposition and or acquisition plan along the Hamilton LRT corridor for the purpose of planning to deliver future municipal services including, but not limited to, parks, as well as non-profit affordable housing with an emphasis on the importance of designating lands for affordable housing along the LRT corridor to senior levels of government and report back to the General Issues Committee; and,

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.

SUBJECT: Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item) - Page 2 of 6

- (b) That staff engage the Hamilton is Home Coalition on the proposed spectrum of affordable home ownership and rental opportunities along the LRT corridor within the next 90 days.

INFORMATION

The purpose of this Information Report is to provide an overview of the work undertaken to date with respect to developing a framework for strategic land disposition and/or acquisition along the Hamilton Light Rail Transit (LRT) corridor to support the delivery of future municipal services as well as non-profit affordable housing, and also to provide an update on the staff engagement with the Hamilton is Home Coalition on the proposed spectrum of affordable home ownership opportunities along the LRT corridor.

It is important to note that opportunities for land disposition and acquisition is an ongoing exercise. At the present time, the provincial government has not confirmed or formalized their timing or process for consideration of provincial land assets on the LRT corridor following LRT construction. The initial focus of staff has been to identify land needs for municipal services as well as for affordable housing, with a geographic focus on the LRT corridor. The goal of the exercise is to provide a framework for review of disposition/acquisition opportunities as they arise through the planning, design and construction of the LRT project.

Furthermore, as part of the Housing Sustainability and Investment Roadmap, Council has approved the following as one of the priority actions:

Led by the City's Real Estate Section, initiate a full assessment of City-owned properties to identify the suitability of potential sites for affordable housing development, either through using available land or intensification of existing buildings.

The work being undertaken for the LRT corridor will be an important element of this broader property assessment process.

Project Team and Working Group

To support the development of the strategic land disposition and/or acquisition plan, a Project Team was created comprised of internal staff from the Corporate Real Estate Office. The Project Team led a series of initiatives to build-out the scope of work including consultation with internal stakeholder divisions and the formation of a Working Group.

SUBJECT: Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item) - Page 3 of 6

Consultation with internal stakeholder divisions across three City Departments and two agency groups supported defining anticipated service delivery impacts and real estate requirements within the LRT corridor, including future acquisition requirements as recommended in approved departmental Master Plans.

The Working Group is comprised of 15 City Divisions across three departments and two agencies (Hamilton Police Services and Hamilton Public Library). The Working Group has been meeting on a regular basis to have collaborative dialogue around city property impacts, future property requirements, and the review of potential property opportunities within the corridor. Through these discussions the Working Group and Project Team built-out a framework for the strategic land disposition and or acquisition plan.

Included in the Working Group are representatives from Housing Services Division and Planning Division, to provide insight into expected development and growth along the LRT corridor, and the city's goals and objectives from an affordable housing perspective and valuable information related to the affordable housing development market and trends within the city. Feasibility criteria related to the identification of sites suitable for affordable housing was discussed in an effort to strategize opportunities within the parameters of the framework.

With an emphasis of the importance of designating lands for affordable housing, the strategic land disposition and or acquisition plan will work alongside the exploration of Inclusionary Zoning. Inclusionary Zoning will require new market rate residential development within Protected Major Transit Station Areas (PMTSA) to include a certain percentage of new affordable housing units.

Hamilton Is Home Coalition

The Project Team engaged with the Hamilton is Home Coalition (HIHC) initially in July 2022 to discuss the proposed spectrum of affordable home ownership and rental opportunities along the LRT corridor. Through on-going engagement with Hamilton is Home and its members, the Project Team was able to gain an increased understanding of the social housing spectrum and the current, future and proposed affordable housing projects within the corridor. Discussions provided insight into appropriate criteria to build the framework for strategic site identification in consideration of affordable housing development.

Property Requirements

Individual consultations with internal stakeholders and Working Group discussions facilitated the identification of anticipated impacts on city owned properties as a result of the construction of the LRT. Impacts identified to date are contained in Appendix "A" to

SUBJECT: Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item) - Page 4 of 6

Report PED23142. Where city property will be impacted, the Project Team will work to identify suitable alternate property for re-location or replacement of lost city property in a suitable size, geographic location and build-out as defined by the Stakeholder group.

The Project Team also identified future property requirements in consultation with the Key Stakeholder groups as an effect of LRT or as a result of the projected population growth within the Corridor. Property requirements were identified individually by Stakeholder groups and categorized as being of requirement within the 500 m buffer LRT Corridor area (primary area) or elsewhere city-wide (secondary). The identified property requirements are summarized in Appendix “B” to Report PED23142.

Framework

Objectives:

The framework for strategic land disposition and/or acquisition prioritize land that has been targeted based on feasibility to support municipal service delivery and/or for affordable housing development.

Acquisition Targets/Strategies:

Identified potential opportunities will be assessed based on suitability to support municipal services and/or affordable housing development, site specific development potential and/or land assembly opportunity. Sites are being identified based on geographic parameters to satisfy service delivery, or feasibility for affordable housing development through acquisition targets that include:

- Land assembly opportunity based on privately owned assets adjacent to publicly owned assets;
- Site development potential based on land assembly of site adjacent to existing alleyway viable to increase land area;
- Metrolinx Project properties that are anticipated to have excess land available after LRT-related use of the site is developed;
- Individual sites (privately or publicly owned (surplus)) that are satisfactory to accommodate identified municipal service or affordable housing use; and,
- Acquisition of replacement lands for impacted sites.

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.

SUBJECT: Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item) - Page 5 of 6

With sufficient foresight and funding, public organizations may strategically speculate on the future value of their own public lands, or on strategic acquisitions. Land acquired prior to the construction of LRT tends to be priced at perceived value and banked on the speculation that land prices will rise as a result of future Transit Oriented Development. Land value capture (LVC) can be leveraged from increasing land values as a result of transit development. Banked land can be identified for affordable housing or sold for profit or as part of a Public-Private Partnership, with contractual agreements specifying the nature of future developments and encouraging a transit-oriented nature in design.

Potential land acquisition/land banking by the city and/or its partners could be a valuable strategy to ensure the city is prepared for anticipated future growth and LRT related impacts on municipal service delivery while also creating developable sites that achieve the highest development potential for future growth in affordable housing. Current market value for medium density redevelopment land on the LRT corridor ranges from approximately \$8 M to \$12 M per acre, with considerable local variability based on locational characteristics, encumbrances, soil conditions, and so on.

Disposition Targets/Strategies:

City property within the LRT Corridor is being reviewed for potential strategic disposition where the property has been identified as surplus to municipal need. The review of property will direct a suitable disposition strategy based on specifics of the property and identified disposition targets.

Disposition targets identify optimizing the site for the greatest development potential and/or to support the most impactful quantity of affordable housing units. Strategies to achieve the disposition targets will include consideration given to partnerships, self-development and/or sale of property outright or with conditions specific to identified targets. The re-development of identified sites in consideration of affordable housing or other city building development and a site-specific disposition strategy will be determined, pending Council approval.

Next Steps

A parcel fabric illustrating property ownership within the LRT corridor (based on a 500 m buffer area) with transportation routes and amenities identified is being used as a working resource tool to support the research and analysis for appropriate site selection. To date, the Working Group has reviewed 11 candidate properties, including both on-market and off-market opportunities, through the strategic site selection/disposition lens. To date, none of these have been identified as suitable acquisition opportunities. Availability of surplus Metrolinx lands for future uses remains

SUBJECT: Update on Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor (PED23142) (Wards 1, 2, 3, 4 and 5) (Outstanding Business List Item) - Page 6 of 6

unknown until the detailed design phase is completed and until the requirements for construction staging areas, LRT infrastructure and future stops are confirmed.

As noted in this Report, opportunities for land disposition and acquisition is an ongoing exercise. The Project Team will continue to review City-owned lands, and monitor opportunities for acquisitions, including potential Metrolinx-acquired properties, considering the needs identified through the exercise described in this Report. Ultimately, a funding strategy will be required to support any acquisitions. The Working Group will continue to meet on a regular basis to review identified opportunities and will engage Corporate Real Estate in acquisition and/or disposition processes with identified properties, as applicable.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED23142 – Impacts to City Owned Property

Appendix “B” to Report PED23142 – City Requirements for Additional Property