

CITY OF HAMILTON

MOTION

General Issues Committee: September 18, 2024

MOVED BY COUNCILLOR C. KROETSCH.....

SECONDED BY COUNCILLOR M. WILSON.....

Developing an Evaluation Framework to Identify and Evaluate Leasing Options Based on City Building Priorities

WHEREAS, the Corporate Real Estate Office (CREO) is responsible for the management of the City of Hamilton's (City) real estate assets and portfolio;

WHEREAS, the CREO business activities include real property transactions, property valuation services, strategic and portfolio planning, and supporting clients and programs to ensure the efficient delivery of City services;

WHEREAS, the City of Hamilton is a significant landowner and tenant, owning and leasing substantial office space in the City of Hamilton;

WHEREAS, the shift to remote work and hybrid work models has altered traditional assumptions about the amount and type of office space required for service delivery, affecting the dynamics of the office market;

WHEREAS, the City of Hamilton has declared emergencies related to Homelessness, Mental Health and Opioid Addiction and is committed to finding solutions for these humanitarian crises;

WHEREAS, historically, the City of Hamilton has focused on economic considerations when leasing space for its operations;

WHEREAS, the City's leasing decisions can influence the office market related to economic activity, development standards for parking and climate change considerations, preserving heritage buildings, and guiding the timing of the development and redevelopment of adjacent lands and properties;

WHEREAS, real estate decisions enable the City to support and shape the growth of the City, reinforcing the City's commitment to intensification and reurbanization to accommodate forecasted population and employment growth within the established urban area of Hamilton; and

WHEREAS, the 2024 CREO Asset Management Plan focused on ensuring value for money in leasing of buildings, but does not require that the CREO evaluate and negotiate leases based on Council's broader city-building priorities.

THEREFORE, BE IT BE RESOLVED:

- (a) That Corporate Real Estate Office (CREO) staff be directed to develop and report back to the General Issues Committee with an evaluation framework to be utilized when identifying and evaluating leasing options, including assessment enrichment opportunities within already serviced lands, alternative work models, site locations, associated costs, and the alignment of the proposed leases with Council's adopted growth strategy and city building priorities; and
- (b) That Corporate Real Estate Office (CREO) staff be directed to include the results of the evaluation, based on this framework, in all future reports.