



CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development and Real Estate Division

TO: Chair and Members General Issues Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: March 22, 2011	
SUBJECT/REPORT NO: 2010 Economic Development and Real Estate Highlights (PED11061) (City Wide)	
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: Neil Everson (905) 546-2424 x2359 Norm Schleeahn (905) 546-2424 x2669
SIGNATURE:	Bill Farkas (905) 546-2424 x7019

RECOMMENDATION

That Report PED11061 respecting 2010 Economic Development and Real Estate Highlights be received.

EXECUTIVE SUMMARY

2010 was a record breaking year for economic development in Hamilton. For the first time in the City’s history, a billion dollars in building permit construction value was recorded with more than \$300 million of that total attributable to non-residential growth. These are economic growth numbers that surpassed nearly all of our neighbouring municipalities in the GTA and south-western Ontario.

Two of the largest industrial investments in Ontario occurred in Hamilton in 2010. These were the construction of Canada Bread’s \$100 million largest commercial bakery in Canada; and Max Aicher North America’s \$106 million acquisition and redevelopment of US Steel’s Bloom & Billet and Bar mills bringing back 935,000 square feet of steel production to Hamilton.

The diversification of our local economy was clearly evident in both the size and type of companies that relocated and expanded in Hamilton this year; companies like

**SUBJECT: 2010 Economic Development and Real Estate Highlights (PED11061)
(City Wide) - Page 2 of 17**

Burlington Automation, Janco Steel, Parrish & Heimbecker, Cadbury Ltd., SP Data, Fortinos Head Office and many others.

The City of Hamilton's efforts to grow the Clean-Technology sector were rewarded with the announcement of a 300 person solar panel assembly and manufacturing joint venture between Hamilton based JNE Consulting and China's Daqo Group Ltd.

Also in 2010, City Council approved a new five year comprehensive Economic Development strategy for the city that focuses on three principles of sustainability, being: Innovation & Entrepreneurship, Diversification, and Collaboration & Public Engagement. It is this implementation of this plan in cooperation with our community partners that will continue to deliver the City Council mandate of Business Retention, increasing non-residential assessment, creating "living wage" jobs, and promoting Hamilton as an excellent location to live and invest.

Throughout this Report, and in the attached *2010 Economic Development Review* (Appendix A to Report PED11061), there is a detailed listing of all related economic development initiatives that occurred in Hamilton, including information on Business Development, the Small Business Enterprise Centre, the Brownfield Office, the Film and Television Office, and the Real Estate Section.

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial: Not Applicable

Staffing: Not Applicable

Legal: Not Applicable

HISTORICAL BACKGROUND

Not Applicable

POLICY IMPLICATIONS

Not Applicable

RELEVANT CONSULTATION

Building Services Division, Planning and Economic Development Department

ANALYSIS / RATIONALE FOR RECOMMENDATION

Appendix “A” – 2010 Economic Development Review to Report PED11061 (To be distributed under separate cover at the meeting). This publication provides a summation of local economic development highlights and major growth-related initiatives that occurred over the past year. In addition to being a primary marketing and promotion piece for the Economic Development and Real Estate Division, the Economic Development Review is circulated to the entire membership of all three local Chambers of Commerce, area Industrial Commercial Institutional realtors, education partners and the Province of Ontario.

BUILDING PERMIT GROWTH

The following table provides a five (5) year summary of the City of Hamilton’s economic growth as depicted by building permit totals per category.

Building Permits (in dollars)					
Overall Value of Construction Trends in City of Hamilton					
	2006	2007	2008	2009	2010
Residential	407,331,942	395,335,459	415,430,563	282,169,882	590,896,451
Commercial	108,702,496	126,391,840	139,215,985	194,656,100	163,631,410
Industrial	72,266,757	63,337,586	53,002,526	115,039,969	139,750,335
Institutional	85,829,122	210,207,720	202,548,954	85,847,282	188,237,078
Miscellaneous	8,417,498	6,446,743	8,264,422	14,689,153	13,783,816
Total	682,547,815	801,719,318	818,462,450	692,402,386	1,096,299,090
Source: City of Hamilton, Building Services Division					

ASSESSMENT GROWTH

For the second straight year, Hamilton experienced solid assessment growth of 1.3%. This was buoyed by a strong year of residential construction and another solid performance in commercial and industrial investment activity.

<u>Year</u>	<u>(\$ million)</u>	<u>Res</u>	<u>Com/Ind</u>	<u>Inst/Gov't</u>	<u>Assess Growth</u>
2007	\$801.7	49%	24%	26%	0.8%
2008	\$818.4	50%	25%	25%	1.0%
2009	\$692.4	41%	47%	12%	1.3%
2010	\$1,096	54%	28%	17%	1.3%

There are two aspects of assessment growth as a measure of economic performance that require explanation; these being: 1) Assessment growth expressed as a percentage increase over the previous year. This is a measure that supports new or smaller communities with a smaller “assessment base”. For example, 1% assessment growth in Hamilton’s 80 million square feet industrial base translates into 800,000 square feet of new construction. In a smaller municipality with only a 20 million square feet industrial base, that 800,000 square feet would represent an assessment growth of over 4%; and 2) Net Assessment growth is a number that includes successful assessment appeals, demolitions, vacancies, municipal tax write-offs, reclassifications, etc. In Hamilton’s case, which annually experiences all of these reductions, this can lower the City’s overall assessment growth by as much as 0.5%.

MAJOR DEVELOPMENT HIGHLIGHTS OF 2010

Developments have been categorized by their geographic location within the City of Hamilton.

NORTH

ArcelorMittal Dofasco

Following a \$100 million project last year, ArcelorMittal Dofasco announced that they will continue to invest in Hamilton, committing to increase its investment to \$253 million by 2013. The company will upgrade Hamilton operations in order to reduce energy use and emissions, operate more efficiently and produce a wider range of products. The project will allow the retention of 5,000 workers and create 30 new jobs.

CareGo Holdings Inc.

The steel and metals warehousing company invested \$200,000 to upgrade the capabilities of Plant 19, their 80,000 square foot distribution centre at Hamilton Harbour’s Pier 25. In addition to creating nine new jobs, the upgrades establish CareGo’s Plant 19 as the only storage facility in North America to possess 4.3 million tonnes of annual throughput capacity using a single operator.

JNE Consulting

Daqo-JNE Solar Inc. - A Canadian-Chinese partnership comprised of Hamilton based JNE Consulting and China’s Daqo New Energy (a poly-silicon manufacturing company) announced construction of a new solar PV panel assembly plant in Hamilton. Through

this strategic partnership, Phase I of this \$5 million investment will include the creation of 200 new jobs in 55,000 square feet of production space located in Hamilton's Bayfront Industrial Area.

Max Aicher North America (MANA)

The leading European steel company arrived in Hamilton in 2010, extending operations to North America with the purchase of idled mills from US Steel totalling 933,000 square feet. The company specialized in production for the construction and automotive industries. Altogether, the project is valued at approximately \$106 million. Hoping to replicate its overseas success here in Hamilton, MANA began production with about 125 employees and plans to more than double their staff over the next three years.

McAsphalt Industries Limited

In the Fall of 2010, Canada's largest producer of asphalt, McAsphalt Industries Ltd., announced plans to move operations from Toronto to the Port of Hamilton's Pier 24. The long-term lease agreement will see a \$30 million redevelopment of 392,000 square feet for a new processing and shipping terminal, generating approximately 40 new employment opportunities.

Parrish & Heimbecker Ltd.

A Canadian company that dates back 100 years, Parrish & Heimbecker Ltd. recognizes the strategic positioning of Hamilton near the Great Lakes and St. Lawrence Seaway. In 2010, work began to redevelop a 380,000 square foot property on Hamilton Harbour's Pier 10. The space will accommodate a multi-million dollar state-of-the-art grain terminal, including concrete domes and silos to handle a full range of agricultural products.

Vopak Canada

At home in the Hamilton port for over 50 years, Vopak renewed and expanded their lease agreement with Hamilton Port Authority in the Summer of 2010. Vopak will continue to enjoy the strategic location of the facility at one of the busiest Great Lakes regions. The expansion means a great potential for growth, and is expected to generate additional jobs at the facility.

SOUTH

C Hotel by Carmen's

Carmen's began in the 1970s as a small family-owned bakery. In 2010, the family behind Carmen's banquet and conference centre invested \$10 million into Hamilton's hospitality industry with the groundbreaking for C Hotel in South Hamilton. The five storey hotel and conference facility will include 52 suites, a pool, gym, restaurant, rooftop lounge, and ballroom. The new hotel will create approximately 50 full- and part-time jobs.

Canada Bread Company Ltd.

Canada Bread began construction on a new 388,000 square foot bakery located in South Hamilton's Red Hill Business Park. The investment of approximately \$100 million reinforces the company's strategic establishment of competitive large scale facilities that drive top line growth. As North America's largest bakery, the facility is expected to employ 350 people and will support sustained growth for Canada Bread.

CARSTAR Automotive Canada

A Hamilton-based business for over 50 years, CARSTAR Automotive Canada continues to invest in the city with a new \$3 million, 16,000 square foot corporate headquarters in South Hamilton; a \$14 million investment overall. This "Vision Centre" will also include a training centre for franchisees, as CARSTAR plans to increase its Canadian centres from 145 to 200.

Countrywide Recycling

Countrywide Recycling began construction for a new 60,000 square foot recycling facility in South Hamilton. This expansion represents a \$2.5 million investment in our city, and dedication to a greener Hamilton by diverting renovation, demolition and construction waste from landfills. The new facility is set to open in early 2011, which will establish Countrywide Recycling as Canada's most advanced indoor recycling processor.

Fortinos (Head Office)

In 2010, Fortinos returned from the Brampton head office of Loblaws and moved into the Nebo Hill Plaza on Rymal Road. The new space will feature a 15,000 square foot office, 15,000 square foot commissary and a 10,000 square foot meat processing facility. Combined, the move will bring 100 jobs working in the three locations. Once built, the total cost will be in excess of \$10 million.

Goldberg Capital MIC Inc.

Goldberg Capital, a mortgage investment corporation, was located exclusively in Mississauga until 2010, when the company expanded with the development of a new 30,000 square foot office space in South Hamilton. The investment of \$2.5 million has generated 12 new jobs for the city.

Hamilton Health Sciences

In August, the former Henderson Hospital celebrated the grand opening of Phase 1A of the new Juravinski Hospital. The hospital's expansion, including Phase 1B which will be complete in spring 2012, will result in enhanced general hospital services, including a full-range of acute inpatient and ambulatory services supporting cancer care. The expansion will also create additional oncology beds and increased capacity in emergency services, surgery, diagnostic services, outpatient clinics and support areas.

Latitude Aeromedical

This air ambulance company moved to the John C. Munroe International Airport in 2010, bringing with it a \$3 million investment, maintaining 15 jobs from their previous location and creating five new jobs.

Mohawk College

Mohawk College completed the first phase of a \$30 million expansion and upgrade of its primary campus in late 2010. The new facilities are LEED certified and designed to make the campus more welcoming and conducive to learning. The additional 40,000 square feet will allow for 2,000 more students. New features include collaborative work spaces, 10 classrooms and a new library; all equipped with the latest technologies.

Ornge

One of the largest transport medicine organizations in North America is moving from Toronto to Hamilton's John C. Munro International Airport. Handling approximately 20,000 transports annually, Ornge is a vital part of Ontario's medical system, providing advanced medical transport in the air and on the ground. Relocating will bring more than 60 skilled jobs to the city. The new facility will be the second Ornge Transport Medicine Centre of Excellence in Ontario.

St. Joseph's Healthcare Hamilton West 5th Campus

Construction on the new 55 acre, state-of-the-art West 5th mental healthcare centre began in January 2011 and is expected to be complete in summer 2014. This will be the first centre in Canada to integrate psychiatric care, research and teaching with a range of medical and diagnostic imaging services. The design and construction of the new hospital will adhere to the guidelines and sustainability principles of the Leadership in Energy and Environmental Design (LEED®) rating system, with a goal of achieving LEED® Silver certification. At the peak of construction, it is expected that more than 650 workers will be onsite daily.

TAG

A Canadian company based in Montreal, TAG celebrated the grand opening of its first Ontario store in August 2010. The 28,000 square foot location in Stoney Creek is the first permanent store in the country. TAG is a family store that aims to cater to everyone, with an emphasis on value and quality. Specializing in fashion and home décor, TAG saw a perfect fit in the Stoney Creek community with plenty of room to grow.

Wal-Mart Canada – Upper James

In late 2010, Wal-Mart completed constructing a new Supercentre on Hamilton's West Mountain. The investment of \$11 million replaced one of the oldest locations in the Wal-Mart chain, increasing the space by 10,000 square feet up to 99,000. The added

size generated about 100 new job positions, bringing employee numbers to approximately 350 at this store. The store features a full grocery section and is one of the first to have an urgent care clinic with a doctor on duty at all times.

EAST

A-plus Air Systems

A long-time provider and installer of residential and commercial heating, ventilation and air conditioning products, A-plus Air expanded in East Hamilton by 5,000 square feet to better serve the Greater Toronto Area. The expansion means a \$1,064,000 investment in our city.

Eastgate Square

Eastgate Square shopping mall has been an important part of Hamilton's economy since 1973; now offering over 100 stores and services. In 2010, Eastgate Square invested \$1,123,600 to make renovations to the mall. Updates included a complete renovation and expansion of the public restroom facilities, as well as building and infrastructure upgrades consisting of roof and HVAC systems.

Janco Steel Ltd.

A steel warehouse and service centre provider founded in 1988, Janco Steel has been growing in Hamilton for over a decade. In 2010, they expanded their Stoney Creek facility by 70,000 square feet to increase processing capabilities and boost their competitive stance in the market. Their location allows for easy transportation of finished products, and the investment also includes advanced new equipment which will allow them to cut and process steel with outstanding precision.

Red Hill Toyota and Scion

Opening in 2010 was the 32,000 square foot facility offering the largest vehicle showroom in Hamilton and the largest service drive in. The new 4.2 acre facility has already increased custom pay service by 18% and Red Hill Toyota was granted the ability to be a Scion dealer in Hamilton.

Ruskin Company

Ruskin Company Canada, an industry leader in the production of air and sound control products, has expanded North American operations with the opening of a new 21,000 square foot plant in East Hamilton. The location will connect existing production in British Columbia to eastern Canada.

Top Lift Enterprises Inc.

Top Lift Enterprises Inc. is expanding in Ontario with the development of a new \$3 million industrial building spanning over 21,000 square feet. Located in East Hamilton,

the site will act as head office for Ontario operations and as a heavy equipment support facility. Features of the new facility include four drive-through service bays, warehouse space, and modern multi-media communications tools.

WEST

APC Filtration Inc.

APC Filtration Inc. continued to invest in Hamilton with the \$1 million dollar expansion of the company's West Hamilton head office. The additional 6,900 square feet will open up 22 new job positions. APC Filtration looks toward a bright future as it actively pursues international exporting of its products.

Audcomp Computer Systems

Since emerging in 1986, Audcomp has grown to be one of the largest, most respected technology providers in South-Western Ontario. In August 2010, Audcomp moved to Ancaster Business Park, investing \$5 million dollars for a new, modern 36,000 square foot facility. The move was prompted by a need for bigger space and more employees, as business for the company increases. The growth is expected to generate approximately 50 new full-time jobs.

Burlington Automation

Burlington Automation designs and manufactures automatic CNC metal fabrication machinery, tube finishing and material handling equipment. Located in Hamilton at Flamborough Business Park, this company represents the highest standards in machinery and innovation. They began construction of a 10,000 square foot addition with a \$1.5 million investment in construction and machinery. This amalgamates its operations and could bring as many as 10 new employees on board.

Cadbury

The production plant in West Hamilton was purchased by Kraft Foods in February 2010, and was quickly identified as a prime location for production. An investment totalling \$14 million was made to expand and renovate the Hamilton facility. Space was increased from 175,000 to 200,000 square feet to combine manufacturing operations with packaging and shipping functions, which previously took place in Stoney Creek. This will effectively increase efficiency and reduce the company's carbon footprint.

CANMET Materials Technology Laboratory (MTL)

Construction continued (and neared completion) on the CANMET-MTL facility in the McMaster Innovation Park. It is anticipated that CANMET will be open and fully operational later in 2011 with the Grand Opening scheduled for February 23rd.

Continuum Productions Inc.

West Hamilton welcomed Continuum Productions, an event planning group with over 40 years of consumer show experience around the world. The company's investment of \$3.5 million saw 170,000 square feet converted from warehouse to exhibition space. The new event accommodations, now known as the Careport Centre, will also generate 10 new full-time jobs and approximately 100 new part-time jobs.

Duffs Corners Developments - Ancaster Crossing

In 2010, construction began for a new 70,000 square foot commercial plaza in West Hamilton. Wilson-Given Developments invested \$17,000,000 for the project, which will include an urgent care centre occupying 20,000 square feet and accommodating up to 14 physicians. The two-storey medical building will be accompanied by 50,000 square feet of commercial development. As a new retail leasing opportunity, Ancaster Crossing is attracting businesses to occupy the storefronts and will create numerous retail jobs.

Everest Wholesale

A leading Canadian game and toy distributor, Everest Wholesale has been serving retailers since 1992. In 2010, the company relocated within West Hamilton, expanding with an investment of \$2 million for a 30,000 square foot facility. The expansion coincides with the company being named as the exclusive Canadian distributor of Buffalo Games' line of over 200 award-winning games.

Gates Industries

Gates (formerly Stackpole Industries) is now the largest employer in the Ancaster Industrial Park with over 600 employees. While other automotive parts manufacturers were downsizing and closing during the recession – Gates continued to grow and add jobs.

Hamilton Health Sciences

Urgent Care Centre

The work on Hamilton Health Sciences' new Urgent Care Centre began in December. It is located in Hamilton's West end and is scheduled to open April 4, 2011. The Urgent Care Centre will provide care to people requiring prompt medical treatment of non-life-threatening illness or injuries that do not require emergency care and cannot wait for a scheduled appointment with a family doctor. Walk-in patients will be served seven days a week.

McMaster University Medical Centre

Construction to turn the Emergency Department into a children's-only Emergency Department began in June 2010. When finished, it will meet the unique physical and emotional needs of children and youth, and will include an area for minor treatments, two trauma rooms, and treatment areas large enough for family support at the bedside.

Also at this site was the October opening of the new 3E Centre for Child and Youth Digestive Health and Pediatric Infectious Disease Clinic.

Moksha Yoga

Moksha Yoga brought their philosophy to Hamilton in 2010 as an investment of \$375,000 and established the new 5,000 square foot studio in Dundas, creating 24 new jobs. The new studio sports environmentally-conscious features included cork studio floors and green electricity. The new location also houses the Moksha Hamilton Natural Health Centre, which provides services in chiropractic, acupuncture and active release techniques.

PanAm Nurseries

Pan American Nursery, a wholesale grower and Canada's largest supplier of roses and quality plants, celebrated its 50th anniversary in 2010. Pan American's 102 acre Flamborough site currently has 250,000 square feet of greenhouse development. Pan American received site plan approval for the construction of 28,000 square feet of greenhouse valued at \$600,000. In 2011, an additional 100,000 square feet of greenhouse will be completed as part of the site plan amendment. The final phase of growth, to be planned over the next five years, is expected to double greenhouse development with another 350,000 square feet.

Titan Medical Inc.

Titan Medical is a Canadian public company specializing in the development and commercialization of robotic surgical technologies. In 2010, the company established a research and development facility in Ancaster Industrial Business Park. As a quickly growing field teeming with potential, the innovation efforts of Titan Medical will play an important role in the future of Hamilton's medical sector.

DOWNTOWN

232 Cannon Street East

Once home to the Canada Post Distribution Centre, the south-east corner of Cannon and Wellington Streets now houses an 18,917 square foot Shoppers Drug Mart and 5,465 square feet of medical offices that occupy the second level of the newly constructed building. Pocrnic Realty Advisors Inc. redeveloped the property at a cost of \$3,410,680. The development provides much needed amenities to the area, and was approved for a grant under the Hamilton Downtown Property Improvement Grant Program.

31 King Street East – National Academy of Health and Business

In November 2010, the Academy opened its new office at 31 King Street East (the former Woolworth Building), occupying 7,194 square feet on the second floor with plans for further expansion. The Academy currently employs 12 individuals with 40 students

attending courses annually. The infusion of students and staff to the Downtown will support the surrounding businesses. The college offers up to 15 diploma level programs in the areas of Healthcare, Business and Law Enforcement.

College Boreal

The francophone community college moved to the Standard Life Building on King Street West in November 2010. The college employs 25 individuals and presently has over 125 students enrolled in a variety of programs. The new fully-accessible Downtown location has the first French-speaking Child-Minding Centre outside of Ottawa, and is conveniently located steps away from the new MacNab Bus Terminal.

One very successful program, A.C.E, offers training to adults who do not have an Ontario Secondary School Diploma, or need skills upgrading. A.C.E. is considered the equivalent of Grade 12 for admission to college studies.

College Boreal joins over 20 public and private educational institutions located in Downtown Hamilton, ranging from elementary and secondary schools to university-level and career colleges.

Farmer's Market & Central Library

York Boulevard was revitalized with the updating of the Central Library and the Hamilton Farmer's Market. New features include a green living wall and nearly 50 public access computers in the library, a demonstration kitchen in the Market, and a glass façade with programmable LED lights. Along with other renovations such as the restoration of Birks Clock, the changes create an inviting Downtown Core. The upgrades are complemented by the two-way conversion of the road and new streetscaping.

Hamilton City Hall

Restorations to City Hall were completed in June 2010, blending the building's proud heritage with new and modern amenities to meet current building codes, accessibility and energy standards. The work that began in 2008 preserves the style and features of the original Stanley Roscoe design first conceptualized in 1960. Renovations were made to the eight-storey, 170,000 square foot structure, as well as to the ancillary parking facility and surrounding forecourt area.

Hydromantis Environmental Software Solutions, Inc.

Hydromantis is a world-class environmental consulting firm and global leader in the development and deployment of wastewater and water treatment plant software. In 2010, the firm announced a partnership with a consulting and project management division in Cambridge which will propel the growth of the company. The Downtown office employs 12 individuals and is expected to double in 2011, reinforcing Hydromantis as an important part of Hamilton's clean technology sector.

Lister Block Building

Labourers' International Union of North America (LIUNA) continued construction work through 2010 to restore the Lister Block building, which will be purchased by the City of Hamilton when the work has been completed. The renovations are scheduled to be completed by July 2011. The City of Hamilton's Community Services Department will occupy the upper floors of the building, with Tourism and retail space located on the ground floor.

MacNab Transit Terminal

Construction was completed in 2010 for a modern downtown transit terminal featuring green and innovative elements such as a green roof and heated platform, as well as new shelters, public washrooms and enhanced accessibility for wheelchairs and bicycles. The new terminal is the first stage of a master plan to revitalize the Gore area in the Downtown Core.

NetAccess

After 11 years in the historic One Main St. East location, NetAccess has moved to a new facility in CIBC Commerce Place on King St. West. The transition marks 2010 as a new chapter in the development of NetAccess, one of Canada's oldest remaining independent Internet Service Providers. The new corporate head office is designed to enhance close inter-departmental collaboration in order to provide the highest levels of customer service and support.

St. Joseph's Healthcare Hamilton's Perioperative Surgical Program

Construction of St. Joseph's Healthcare Hamilton's new surgical centre is underway and is expected to be completed in fall 2011. When complete, this new state-of-the-art facility will include some of the most technologically-advanced operating rooms in North America. As the lead surgical provider for the Hamilton Niagara Haldimand Brant LHIN, St. Joe's surgical program continues to offer the latest technologies and techniques, including minimally invasive surgery, image-guided surgery and telerobotic surgery.

BUSINESS DEVELOPMENT PROGRAM HIGHLIGHTS

Hamilton Calling Program

The Business Development Division continued its aggressive approach to local business retention through its "*Hamilton Calling*" initiative. The program involves engaging City employers in a comprehensive 90 minute, one-on-one survey. The survey's 45 questions cover everything from growth and expansion plans, labour needs and research and development investments, to opinions about city taxes, planning processes, infrastructure and development charges.

**SUBJECT: 2010 Economic Development and Real Estate Highlights (PED11061)
(City Wide) - Page 14 of 17**

In 2010, **400** surveys were conducted with local employers. The Division has reached out and gathered information on over **1000** local firms since June of 2008.

This information provides the City with incredible insight into the dynamics of the local economy by identifying companies with the best growth potential, by predicting companies at risk and by measuring a city's strengths and weaknesses in comparison to other municipalities.

The survey data has proven to be an extremely valuable tool to allow the City's business development consultants the opportunity to tailor their efforts to work with companies looking at expanding their operations and encouraging them to stay in Hamilton.

The *Hamilton Calling* Program has been extremely well received by the business community and all of the companies have been very pleased that the City is taking a pro-active approach to learn about them and discuss their concerns and issues.

A detailed report on the Hamilton Calling results will be coming forward to the General Issues Committee late in the second quarter of 2011.

Brownfield Office

2010 ushered in a new chapter for the City's award-winning, nationally-recognized ERASE program. 2010 marks the third time the ERASE program has been updated. The amendments made to the program will better position the City to promote brownfield redevelopment in an updated regulatory environment. A new innovative program, the Downtown Hamilton / West Harbourfront Remediation Loan Program, was also created as one of the first remedial loan programs of its kind in the country.

The Environmental Remediation and Site Enhancement (ERASE) program also had another successful year resulting in 15 approved ERASE Study Grants (a record number besting 2006 totals) totalling \$150,027 (record amount) in grant dollars towards Phase II and Phase III Environmental Site Assessments and approximately 41 acres (also a record) of Industrial/Commercial land studied.

The Brownfield Office received 2 ERASE Redevelopment Grant applications which, once completed, will result in two additional brownfield redevelopments in Hamilton.

The property at 120-124 King Street West in Stoney Creek was approved for an ERASE Redevelopment Grant of \$922,760 towards environmental remediation in order to permit the redevelopment of the predominately vacant commercial site into a 59 unit condominium building with 20 stacked town homes to accompany the condos.

An ERASE Redevelopment Grant was also approved for remediation in the amount of \$140,000 for the property at 133, 135 and 153 King Street West in Dundas. This will

result in the redevelopment of a former Rona Building Center into a Shoppers Drug-Mart with 2nd storey commercial office space.

In addition to the successful brownfield redevelopments that tapped into the City's award-winning and nationally-recognized ERASE program, there are also a number of other successful brownfield redevelopments to note that were initiated in 2010. Those of particular size and scale include Parrish & Heimbecker's redevelopment of Pier 10, McAsphalt's redevelopment of a former Port Authority Warehouse on Pier 24 and Paddock Transport's remedial efforts of the former Nelson Steel Plant on Arvin Avenue in Stoney Creek.

Awards and Recognition

Site Selection Magazine

Site Selection Magazine based in Atlanta, Georgia ranked Hamilton in the top five places to invest in Canada and recognized the Hamilton Economic Development Office as one of the top ten economic development groups in Canada.

Economic Developers Council of Ontario

The Economic Development Office also won a provincial award for its Hamilton Calling stand alone ad from the Economic Developers' Council of Ontario.

E+B Data Recognition

Montreal's E+B Data, an economic development consultancy, through its Canadian Cities Online Marketing Index, placed Hamilton in the top five in Canada, as to how well Canadian cities' economic development agencies are marketing their regions to potential investors via the web.

Hamilton Film and Television Office

Filming in 2010 had 77 productions and 683 film days compared to 2009 with 96 productions and 887 film days. The majority of the 2010 filming was by small, domestic television series and movies of the week. By the admission of the location managers, many productions had to do more with a much smaller budget and the larger big budget U.S. productions bypassed Hamilton because of a high Canadian dollar.

At the end of 2010, the Hamilton Film and Television office experienced a large amount of scouting for proposed feature filming in Southern Ontario in 2011. If these larger feature productions choose to film in Southern Ontario, Hamilton will certainly benefit from location filming.

Year	# of Productions	Prep, Shoot and Wrap Days	Direct Impact
2002	58	834	\$ 5 million
2003	45	600	\$ 8 million
2004	48	740	\$10.5 million
2005	90	1,330	\$15.6 million
2006	94	1,280	\$15 million
2007	106	1,318	\$12 million
2008	77	763	\$ 6.6 million
2009	96	887	\$ 6.1 million
2010	77	683	\$ 4.3 million

Small Business Enterprise Centre (SBEC):

In June 2010, the City of Hamilton SBEC moved from its long-time home in Jackson Square to the fully renovated City Hall. Situated on the ground floor our new home is highly visible to all visitors and fully integrated in the Business One-Stop.

2010 saw the SBEC assist in the creation of 692 new jobs for Hamilton. These jobs were as a direct result of support services offered through the SBEC including: consultation services; workshops and seminars; and, professional business mentoring.

Over 40,000 inquiries were received by the SBEC on all aspects of business start-up and expansion. In addition to the higher than normal inquiry volume, the centre was able to reach more than 24,000 individuals through community outreach, in varying forms.

The SBEC also delivered one of the most successful Salute to Small Business Events in October 2010, which highlighted keynote speaker Arlene Dickinson from CBC's hit show Dragons Den.

The SBEC continued to provide mentoring and small business consultations to the tenant companies in the City-owned Hamilton Technology Centre (formerly known as Hamilton Incubator of Technology). The Centre is currently 98% occupied.

CORPORATE REAL ESTATE HIGHLIGHTS

Real Estate is a corporate function that resides in the Economic Development and Real Estate Division and provides services across the entire corporation that includes land sales, land acquisitions, appraisals, leasing/renewals and accommodations, and real estate-related advice to staff and Council members.

The following is a review highlighting the section's key activities in 2010;

Divested 20 City non-core assets with an estimated value of \$4,095,534
(Cost Savings to the City assuming 4% commission= \$163,821)

**SUBJECT: 2010 Economic Development and Real Estate Highlights (PED11061)
(City Wide) - Page 17 of 17**

Acquired 44 Real Property/Capital projects with an estimated value of \$18,801,802
(Cost Savings to the City assuming 4% commission= \$752,072)

Assessed 100 Cash-in-lieu parkland applications with a value of \$3,825,745
Management of 20 Major Leases & Licenses - (Cost Saving to the City \$98,581)

Processed 24 Non-Core Asset Circulations

ALTERNATIVES FOR CONSIDERATION

Not Applicable

CORPORATE STRATEGIC PLAN

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability,
3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development,
6. Environmental Stewardship, 7. Healthy Community

Financial Sustainability

- ◆ Generate assessment growth/non-tax revenues

Growing Out Economy

- ◆ Competitive business environment

APPENDICES / SCHEDULES

Appendix "A" – 2010 Economic Development Review
(*Not Attached - To be distributed under separate cover at the meeting*)

NE/NS/BF:cMc