



**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
General Manager's Office**

**PUBLIC WORKS DEPARTMENT**

<b>TO:</b> Mayor and Members General Issues Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> November 21, 2012	
<b>SUBJECT/REPORT NO:</b> Waterfront and Shoreline - Initiatives and Priorities Update (PED09200(b) / PW12087) (City Wide)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department  Gerry Davis, CMA General Manager Public Works Department	<b>PREPARED BY:</b> Chris Phillips (905) 546-2424 Ext. 5304
<b>SIGNATURE:</b>	

**RECOMMENDATIONS**

- (a) That a two-year contract assignment for a new Project Manager position, in the amount of \$120,000 annually, be approved for the Waterfront Development Office, reporting to the Senior Advisor to the General Manager of the Planning and Economic Development Department;
- (b) That the Economic Development Investment Fund Reserve No. 112221 be identified as the funding source for the new contract position referenced in recommendation (a) above.

**EXECUTIVE SUMMARY**

On April 18, 2012, as part of Report PED09200(a), the General Issues Committee (GIC) approved the formalization of the Waterfront Development Office to co-ordinate and accelerate all inter-departmental activities with respect to Hamilton’s Waterfront and Shoreline areas, as well as acting as the City’s liaison for outside Agencies and Private Sector Investors.

Operationally, the Senior Advisor to the General Manager of the Planning and Economic Development Department was identified and assigned as the Corporate staff lead for the “*Waterfront and Shoreline*” Development Portfolio, and is responsible to lead, prepare and report back to GIC with respect to Waterfront Development Initiatives and Implementation Planning.

As an initial stage, senior level staff representing various Departments and Divisions from across the Corporation were engaged and brought together as a series of teams, to identify and inventory specific Capital Projects, Planning Studies and Legislative Approval Processes that are currently underway within the identified “*Waterfront and Shoreline*” areas of the City, with particular interest paid to the following items:

- Negotiations with the Hamilton Port Authority (HPA) for the early lease terminations and the return of Piers 7 and 8;
- “*Setting Sail*” Secondary Plan Ontario Municipal Board (OMB) appeal, hearing and settlement;
- West Harbour Waterfront Recreation Master Plan (WHRMP) and the implementing Official Plan Amendment (OPA);
- City-owned properties within the “Barton-Tiffany” area;
- James Street North GO Station Precinct Plan;
- Bayfront Business Park Secondary Plan;
- Confederation Park Master Plan;
- Eastgate Secondary Plan; and,
- City Housing Hamilton Facilities Plan.

The purpose of this Report and presentation to GIC for its November 21, 2012 meeting is to update the Committee on Waterfront and Shoreline matters and to request additional contract staff to assist with these initiatives.

***Alternatives for Consideration – See Page 9***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:**

The recommendations of Report PED09200(b) / PW12087 does not have a direct or immediate financial impact on the 2012 or 2013 Operating Budget. The funding for the recommended two-year contract, Project Manager, at an estimated total cost of \$120,000 per year, would be funded from the Economic Development Investment Fund Reserve.

**Staffing:**

Operationally, the Senior Advisor to the General Manager of the Planning and Economic Development Department was identified and assigned as the Corporate staff lead for the Waterfront Development Portfolio. Staff have employed a “decentralized” staffing model, whereby the implementation plan is prioritized and co-ordinated Corporately, but the individual actions are managed by their specified lead Department and Division. Senior level staff representing various Departments and Divisions from across the Corporation were engaged and brought together as a series of teams.

The recommendation would authorize the establishment of a contract staff position to be dedicated to the Waterfront Development Office. This would be established as a two-year contract assignment at a Project Manager level.

**Legal:**

N/A

**HISTORICAL BACKGROUND** (Chronology of events)

Over the course of the past decade, the City of Hamilton has made great strides in laying the foundation for Waterfront Redevelopment, with a variety of wide-ranging projects and initiatives. Council, Senior Management Team (SMT) and various Departments and Divisions within the City of Hamilton, as well as other Public and Private Organizations, have been involved in many of the projects and initiatives identified below:

- 2012 - 2015 Strategic Plan;
- “*Setting Sail*” Secondary Plan OMB appeal, hearing, and settlement;
- Completion of the WHRMP and the implementing OPA;
- City acquisition and demolition of properties within the “Barton-Tiffany” area;
- Negotiations with the HPA for the early lease terminations and the return of Piers 7 and 8;
- New Five-Year Economic Development Strategy; and,

- Various discussions between members of SMT and Economic Development staff, with potential Public and Private Sector Investors.

On October 11, 2011, GIC approved the following motion entitled “*Hamilton Waterfront Priorities*”:

- (a) That staff be directed and authorized to begin discussions with the Hamilton Port Authority, with the objective of a formal Agreement transferring the lands consisting of Piers 7 and 8, to the City of Hamilton immediately;
- (b) That staff report back to Council in the fourth quarter of 2011 with a recommended “framework” for these discussions;
- (c) That staff be directed and authorized to commence key studies that will accelerate the Public and Private Sector development of Piers 5, 6, 7 and 8, including but not limited to issues of site servicing, geo-technical, soils, remediation, as well as development phasing, marketability and valuation;
- (d) That staff be authorized to fund these studies from the “Waterfront Development Corporation” Capital Budget; and,
- (e) That staff report back by the fourth quarter of 2011 with a comprehensive 2012 work plan for the development of the Waterfront precinct.

Subsequently, on April 18, 2012, as part of Report PED09200(a), GIC approved the formalization of the “Waterfront Development Office”, to co-ordinate all inter-departmental activities with respect to Hamilton’s Waterfront and Shoreline areas, as well as acting as the City’s liaison for outside Agencies and Private Sector Investors. As well, GIC approved staff to commence key studies that will accelerate the Public and Private Sector development of Piers 5, 6, 7, and 8, including, but not limited to, issues of site servicing, geo-technical, soils, remediation, as well as development phasing, marketability and valuation. The HWT (Hamilton Waterfront Trust) was approved to be retained in a project management capacity, in order to provide project management to the servicing studies which have been identified as a first priority assessment in order to accelerate Waterfront investment opportunities.

## **POLICY IMPLICATIONS**

### **2012 – 2015 Strategic Plan**

- 1.3 Promote Economic Opportunities with a focus on Hamilton’s Downtown Core, all Downtown areas and Waterfronts;

- ii) Finalize a development and servicing strategy for the West Harbour lands, with a particular focus on Piers 5, 6, 7 and 8 and the Barton/Tiffany area - (Planning and Economic Development Department);
- iii) Negotiate the early termination of land leases for Piers 7 and 8 with the Hamilton Port Authority - (Planning and Economic Development Department);
- v) Completion of the Waterfront Master Recreation Official Plan Amendment and the implementation of the Zoning By-law and financing strategy - (Public Works Department / Planning and Economic Development Department); and,
- ix) Initiate development in the West Harbourfront and Waterfront (this includes the Bayfront Industrial area) and develop a commercial business strategy for Confederation Park - (Planning and Economic Development Department).

#### **RELEVANT CONSULTATION**

- City Manager's Office
- Planning and Economic Development Department, Planning
- Planning and Economic Development Department, Growth Management
- Planning and Economic Development Department, Parking and By-Law Services
- Planning and Economic Development Department, Economic Development
- Public Works Department, Office of the General Manager
- Public Works Department, Corporate Assets and Strategic Planning
- Public Works Department, Engineering Services
- Public Works Department, Transportation
- Public Works Department, Landscape and Architectural Services
- Corporate Services Department, Office of the General Manager
- Corporate Services Department, Financial Planning and Policy
- Community Services, Office of the General Manager

#### **ANALYSIS / RATIONALE FOR RECOMMENDATION**

##### **Accomplishments To-Date:**

##### **1. Established a Corporate focus on the Implementation of “Waterfront and Shoreline” Initiatives**

Over the course of successive terms of Council, the “Waterfront and Shoreline” areas have been identified as key focus areas, resulting in the identification of a series of plans and specified projects that when implemented, would achieve a variety of redevelopment and recreational goals for the Waterfront areas, as well as for the broader City as a whole.

Earlier this year, through the approval of the 2012-2015 Strategic Plan, City Council, in conjunction with the Senior Management Team (SMT), placed a priority focus on the “*Waterfront and Shoreline*”, by embedding several deliverables for City staff to implement. This newly clarified focus has led City staff, as well as a variety of external stakeholders and the community as a whole, to understand and take action on the importance and timing for the various Waterfront investments.

## **2. Established a “Corporate Team” Structure**

Building upon elements of success from other broad-based Corporate projects such as the McMaster Health Campus and the Neighbourhood Development Strategy, SMT directed staff to look at ways to implement several projects simultaneously, in a Corporate-wide co-ordinated fashion, and in the most efficient and effective way possible.

As envisioned, staff looked at a way in which it could employ a “decentralized” staffing model, whereby the Implementation Plan is prioritized and co-ordinated Corporately, but the individual actions are managed by their specified lead Department and Division. This approach has allowed the overall Corporate Team to take advantage of the specialized skills, expertise and institutional knowledge that exists throughout all Departments and Divisions and ensured better co-ordination of staff and financial resources across all Departments.

Initially the focus would be on co-ordinating efforts between the Planning and Economic Development and the Public Works Departments. Key staff members within the Public Works Department took a proactive lead in assembling background materials and implementation plans to be used as the base-line data from which to proceed. From there, individual staff members were identified and assigned to several key teams.

A team consisting of Chris Phillips, the Senior Advisor to the General Manager of Planning and Economic Development; Al Dore, the Manager of Special Projects in the Public Works Department and Tony Tollis, the City Treasurer, have led the negotiations with the HPA regarding the early lease terminations and the return of Piers 7 and 8.

Public Works, and in particular, the Landscape and Architectural Services Section led by Steve Barnhart and Lawrence Stasiuk, took the lead on both the WHRMP and the Confederation Park Master Plan.

In the Planning and Economic Development Department, the Community Planning Section led by Michelle Sergi and Alissa Mahood, took the lead on all the components regarding “*Setting Sail*” and the Official Plan Amendment required for the West Harbour Waterfront Recreation Master Plan, including the finalization of all the planning studies and requirements which are needed prior to implementation.

Corporate Services, in particular Joe Spiler of the Financial Planning and Policy Division, took the lead on the Capital Budget financing strategy.

As well, the Hamilton Waterfront Trust (HWT) was assigned to project manage a series of “servicing studies” for the Pier 5, 6, 7 and 8 lands, the objectives of which are to determine the servicing and development costs to develop the lands, and to determine the marketability in attracting private sector investment. Additionally, as a key partner of the City of Hamilton within both the West Harbour and the Confederation Park areas, the HWT, and, in particular Mr. Werner Plessl, Executive Director, has been actively engaged and consulted throughout many of the discussions to-date, and since much of the work is being done simultaneously, has been identified by City staff as a member of the various teams that have been assembled.

### **3. Implemented several “Quick-Wins” for the “Waterfront and Shoreline”**

As part of the second phase, staff started plotting cohesive and comprehensive short, medium, and long-term work plans that will be in a phased approach, implementing the various approved Master Plans, Initiatives and Projects. Several were funded either prior to or in 2012, and therefore staff expedited the execution of several initiatives. These included the following:

- Finalized the Study for the West Harbour “Breakwater & Shoreline” Environmental Assessment (Phase 3 and 4) - (Public Works Department);
- Initiated detailed Servicing Studies for Piers 5, 6, 7 and 8 Lands - (Planning and Economic Development Department);
- Initiated Functional Design for Main Basin Marina - (Planning and Economic Development Department);
- Negotiated Letter of Understanding with the HPA - Early return of Piers 7 and 8 and the Long-Term Marina Operations (Planning and Economic Development and Public Works Departments);
- Completed Implementation Strategy and Plan for the WHRMP - (Public Works Department);
- Initiated Implementation Strategy and Plan for Confederation Park - (Public Works Department);
- Bayfront Beach – Study of the Blue Green Algae and E Coli Issue - (Public Works Department); and,
- Study - Temporary Relocation of Police Marine Unit - (Public Works Department).

### **4. Identified proposed “Waterfront and Shoreline” Projects for 2013 - 2015**

Staff began to assign specific timeframes to each of the identified projects, as well as established a phasing plan. A variety of criteria were used that balanced investments for both the West Harbour and Confederation Park, with a necessary and realistic sequencing that is manageable in terms of both staff and budgetary resources over the time horizon of 2013 - 2015. Many of the identified projects have been submitted for

Council's consideration, as part of the 2013 Capital Budget process, and have been submitted for inclusion into the 2013 - 2015 forecasts.

In broad terms, the following is a list of several of the identified projects:

- West Harbour - Design and Construction - Docks and Slips for Transient (visiting) Boaters;
- West Harbour - Design and Construction - Shoreline and Breakwater Improvements;
- West Harbour - Design and Construction - Marina Improvements;
- West Harbour - Detail Design - Bayfront Park Beach;
- West Harbour - Mandated Planning and Real Estate Studies;
- Confederation Park - Design and Construction - Sports Park;
- Confederation Park - Stoney Creek Trail; and,
- Confederation Park - Design and Construction - Centennial Entrance.

It is important to note that the list of projects above is based on both the information that has been assembled and available to-date. As previously stated, there are several studies currently underway that may impact the phasing plan. In particular, the expected results of the servicing studies currently underway for Piers 5, 6, 7 and 8 lands, will allow staff to refine the scope, costs, marketability and value of the anticipated development, allowing staff and ultimately City Council, to refine the phasing in a way that is the most effective to facilitate growth.

With this said however, City staff has established very aggressive timeframes and corresponding deadlines for this detailed phasing plan. With many of the key studies set to be completed by mid-2013, it is expected that staff will have a complete preliminary phasing plan for the "*Waterfront and Shoreline*" areas by Quarter 3 2013, so that it can be submitted for consideration as part of the 2014 Capital Budget process and the ten-year Capital Budget Forecast.

## **5. Next Steps – Financing Strategy – Dedicated Staffing Resources**

### **Financing Strategy:**

Through the 2012 - 2015 Strategic Plan, the SMT has identified the need to develop a long-term financing strategy for any and all proposed initiatives within the "*Waterfront and Shoreline*" areas. It is expected that this financing strategy will be comprehensive, and take into account those Capital and Operating investments needed by the City of Hamilton, but also identify the investments that will be made by other levels of Government, other Community Partners, and the Private Sector Development Industry. It is also expected to identify any revenue streams that will arise from the implementation of the various initiatives and projects including additional tax assessment, tax revenue, and non-tax revenues that may become available.



### **Dedicated Staffing Resources – Waterfront Development Office**

As mentioned, through Report PED09200(a), GIC approved the formalization of the “Waterfront Development Office”, to co-ordinate all inter-departmental activities with respect to Hamilton’s Waterfront and Shoreline areas, as well as acting as the City’s liaison for outside Agencies and Private Sector Investors. As part of this Report, staff indicated that any long-term strategy, including any additional resource allocation, will be brought back to GIC for its consideration.

Since its inception, the Waterfront Development Office has employed a “decentralized” staffing model, whereby the Implementation Plan is prioritized and co-ordinated corporately, but the individual components and actions are managed by their specified lead Department and Division. Senior level staff representing various Departments and Divisions from across the Corporation have been brought together and assembled into a series of teams. Staffing and additional resources have been funded through established and previously approved existing Departmental budgets.

Throughout the initial stages, it has become clear that although the “de-centralized” staffing model allows resources to be deployed in an efficient way, the Corporate co-ordination of such efforts requires additional dedicated staffing resources to support the volume of various projects, studies, and initiatives, combined with the aggressive priority timelines and deadlines.

The Senior Advisor to the General Manager of Planning and Economic Development has been identified and assigned as the staff lead for this Portfolio. This position is funded through the Department’s base Operating Budget.

The recommendation in this Report (PED09200(b) / PW12087) requests approval for a two-year contract Project Manager position to be dedicated to the Waterfront Development Office. In order to minimize the levy impact of this contract position, it is recommended that it be funded through the Economic Development Investment Fund Reserve which currently has a balance of approximately \$1.6 Million.

### **ALTERNATIVES FOR CONSIDERATION**

#### **1.0 Establish a contract staff Project Manager position to be assigned to the Waterfront Development Office**

The recommendation will establish a two-year contract staff position to be assigned to the Waterfront Development Office. With the volume of activity combined with the very aggressive timelines and deadlines, the Waterfront Development Office requires at least a minimal level of dedicated support staff to be employed. In order to minimize the levy impact of such a contract position, it is recommended that the cost be funded from the Economic Development Investment Fund Reserve.

## **2.0 Defer decision on the contract staff position to the 2013 Budget Process**

Although this option is available, it should be noted that the recommended funding source for this contract staff position is from a Reserve, and therefore, will not have an effect on the 2013 Budget process.

## **3.0 Status Quo**

The status quo option simply means that the co-ordination will continue to be implemented only through the Senior Advisor to the Planning and Economic Development Department, with the established “decentralized” staff team model. Although the intent will remain to fully implement the “*Waterfront and Shoreline*” plans, the scope and timeframe for implementation will be impacted by the limited dedicated resources available.

# **CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

## **2012 – 2015 Strategic Plan**

### Strategic Priority #1 – A Prosperous and Healthy Community

#### 1.1 Continue to grow the non-residential tax base:

- vi) Develop a Bayfront Industrial Secondary Plan/Redevelopment Strategy.

#### 1.4 Improve the City’s transportation system to support multi-modal mobility and encourage inter-regional connections:

- iii) Develop a Land Use Strategy, Urban Design Guidelines and implementation plans for the lands surrounding the James Street GO Station and along the A and B-line transit corridors.

#### 1.2 Promote Economic Opportunities with a focus on Hamilton’s Downtown Core, all Downtown areas and Waterfronts:

- ii) Finalize a development and servicing strategy for the West Harbour lands, with a particular focus on Piers 5, 6, 7 and 8 and the Barton/Tiffany area - (Planning and Economic Development Department);
- iii) Negotiate the early termination of land leases for Piers 7 and 8 with the Hamilton Port Authority - (Planning and Economic Development Department);

- v) Completion of the Waterfront Master Recreation Official Plan Amendment and the implementation of the Zoning By-law and financing strategy - (Public Works Department / Planning and Economic Development Department); and,
- ix) Initiate development in the West Harbourfront and Waterfront (this includes the Bayfront Industrial area) and develop a commercial business strategy for Confederation Park - (Planning and Economic Development Department).

Strategic Priority #3 – Leadership and Governance

3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton:

- iii) Develop and maintain a list of priority and “shovel-ready” projects, across all Departments, in order to more efficiently present opportunities for collaboration with other levels of government.

<b>APPENDICES / SCHEDULES</b>
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N/A

CP:dt