



Hamilton

**Provincial Offences Administration  
Courtrooms and Offices**

*November 20, 2013*



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# THE POA FUNCTION IN HAMILTON

- **On February 7, 2000 the former Regional Municipality of Hamilton-Wentworth assumed the responsibility for Provincial Offences Administration from the Province's Ministry of the Attorney General**
- **This function resides in Corporate Services and reports to the Clerk's Division**
- **Currently located in the John Sopinka Court House (JSCH) on 45 Main Street East, Fourth Floor, Suite 408**
- **Home to a total of 30 FTE's (22 in Clerks and 8 in Legal Services)**



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# JOHN SOPENKA COURT HOUSE





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# HOW DID WE GET HERE

- **On August 13, 2012 – lease renewal discussions began with the Ontario Realty Corp. re: John Sopenka Court House (JSCH)**
- **City staff were informed by ORC that the 5 year lease renewal for POA from September 1, 2012 to August 31, 2017 would be our last**
- **In 2017, ORC will require all of the JSCH for provincial and federal purposes**
- **Consequently, the POA had to find a permanent location somewhere in the same vicinity**



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# THE ROAD AHEAD

- **Demand for Services - an increasing number of charges are being filed (*Highway Traffic Act, Liquor License Act, Compulsory Automobile Act and Trespass to Property Act*) and the implementation of the new Early Resolution process.**
- **Additional court rooms and staff will be required in order to avoid trials being dismissed due to length of time to get to court**
- **The consequence is a loss in revenue for the City if the POA is unable to function properly**



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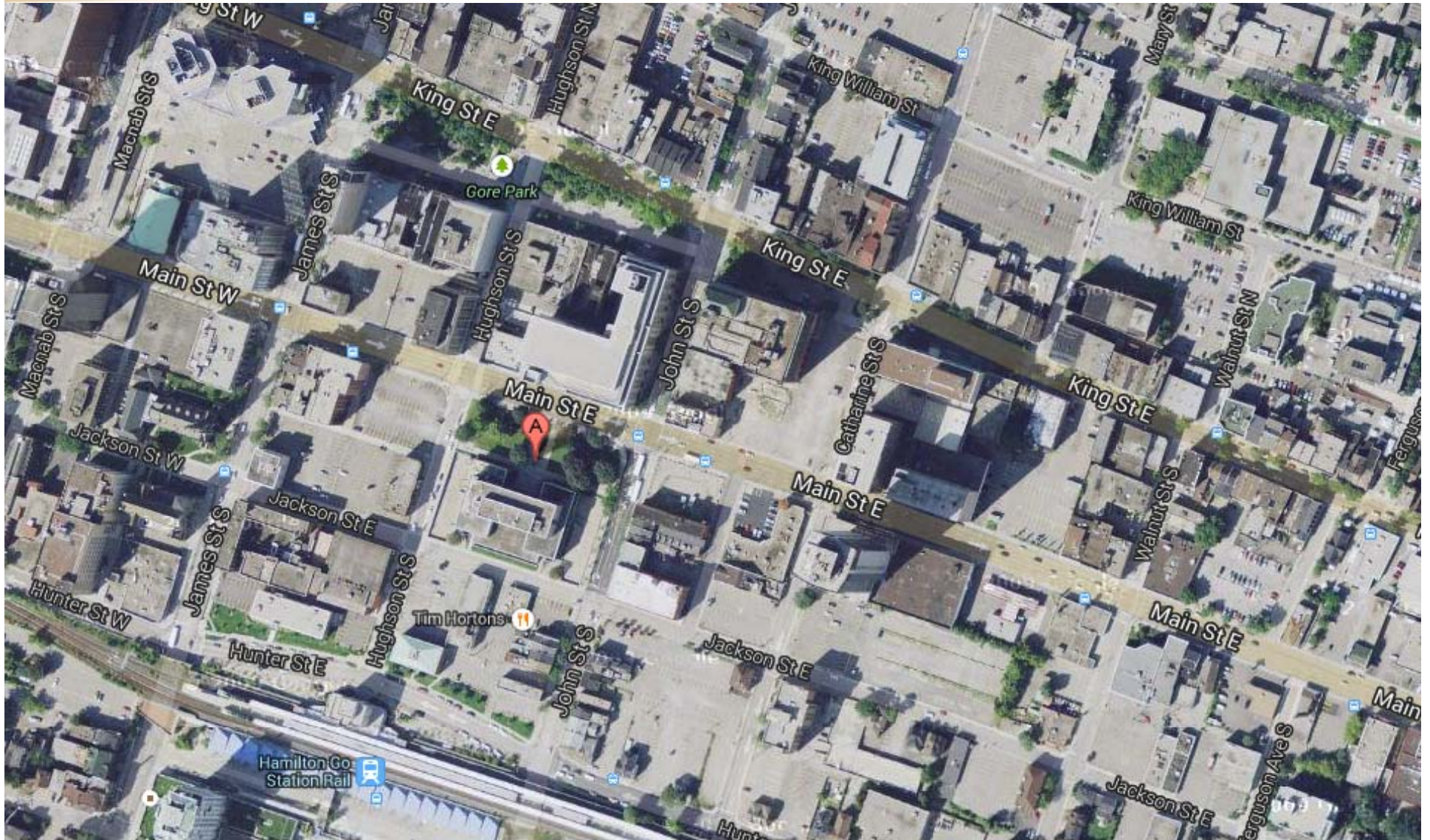
# THE ROAD AHEAD

- **Determine a new location for POA in the Downtown Core close to the JSCH, Police headquarters and with access to Public transit**
- **In February 2013, Public Works staff were directed by Council to:**
  - 1. investigate the feasibility of part-time, temporary space for POA;**
  - 2. examine potential locations for long term use by POA by 2017**
- **The overwhelming majority of municipally administered POA functions in Ontario are located in “stand-alone” facilities**



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# LOCATION LOCATION LOCATION





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# THE PROCESS BEGINS

- **Public Works retains *MHPM Project Leaders* to conduct feasibility/sensitivity analysis on the Council direction of short and long term accommodations for the POA**
- **Short Term Feasibility Analysis considered the *Dundas, Glanbrook and Stoney Creek Municipal Service Centres* as potential sites**
- **Stoney Creek was the only site (though with reduced space standards) that could accommodate a court room. The financial analysis revealed this would be a “throw away” cost for the City**





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# THE PROCESS BEGINS

- **MHPM's Long Term Accommodation Feasibility Study focused on 4 options:**
  1. **Renovation of 50 Main Street East**
  2. **Construction of a new building to house the POA function**
  3. **A design-build lease back option for a new building for the POA function**
  4. **A shared facility at 50 Main Street East with Hamilton Police Services (HPS) and their new forensics centre**
- **Option #4 was eliminated when senior HPS reps informed senior staff that they require a stand alone facility with specific requirements on underground parking and storage**



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# # 1 - THE PREFERRED OPTION

- **MHPM consultants determined that retrofitting 50 Main Street East was the least costly option at **\$20.28 M** and offered the following major advantages:**
  - **City owned eliminates delays from negotiations and dependency on third parties (timelines)**
  - **The building location near the JSCH and Transit**
  - **The efficiencies in combined POA, Legal Services, OMB and JPs functions in same building**
  - **Cost savings of relocating City divisions**
  - **HCE conversion of the facility to District Energy**



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# 50 MAIN STREET EAST



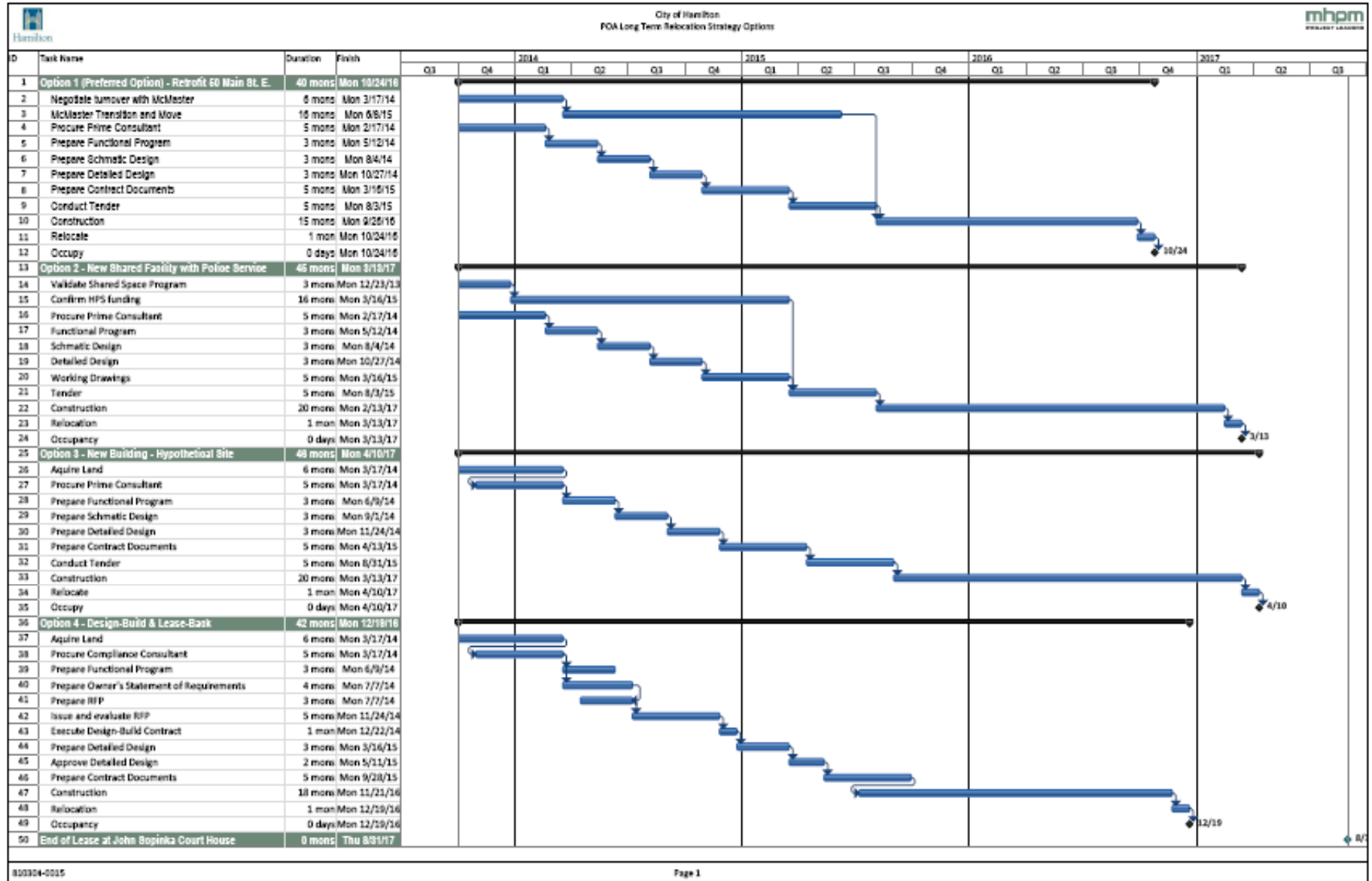
# # 1 - THE PREFERRED OPTION (RISKS)

- **MHPM consultants and staff have identified the “Risks” of retrofitting 50 Main Street East was the:**
  - **At 112,00 s.f. the building has more space than POA requires (Solution: relocation of two City divisions currently leasing)**
  - **Difficult to estimate cost of retrofitting with an older building (1958)**
  - **Building listed on inventory of Architectural & Historical Interest (potential cost increase)**
  - **Potential loss of McMaster Continuing Education Program outside the core or the municipality**



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# POA LONG TERM RELOCATION STRATEGY OPTION





## # 2 – NEW BUILDING OPTION

- **MHPM consultants did NOT recommend this option for the following reasons:**
  - **Net Present Project Costs of \$33.5 M (+\$13.2M more than #1)**
  - **The availability of a suitable land parcel in the vicinity of JSCH, transit and Police Headquarters**
  - **Availability of the new building by August 31, 2017**
  - **Potential significant delays from negotiations, dependency on third parties, and the fact that building design and construction cannot commence until a suitable site is secured**



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## # 3 – DESIGN/BUILD/LEASE OPTION

- **MHPM consultants sensitivity analysis determined that this was the most expensive option with a Net Present Project Costs total of \$47.5 M. The following concerns were raised by MHPM Consultants:**
  - **A partnership agreement would have to be negotiated and entered into with a private sector partner (RFP process)**
  - **Like Option #2 – this is conditional on identifying and securing a suitable site in the vicinity of the POA current location**
  - **Like Option #2 there are concerns regarding the ability to have the POA facility available for August 31, 2017**
  - **This option would have a significant impact on the availability of the City's capital funding**



# THE FINANCIAL ANALYSIS: ALL OPTIONS

**Table 1.5.1 - Summary of Option Evaluation (POA Perspective)**

	Option 1 - 50 Main St E Capital Funding	Option 2 - New Building	Option 3 - Design- Build/Lease-Back
<b>Total Project Capital Cost/lease payment</b>	\$32.38 M	\$39.2 M	\$5.8 M
<b>Gross Floor Area</b>	112,000	49,200	49,200
<b>Project Capital Cost/sq.ft.</b>	\$242	\$798	\$118
<b>Lease Savings at JSCH</b>	(\$0.2 M)	(\$0.1 M)	(\$0.1 M)
<b>Proceeds from sale of Main Street E</b>	\$0	(\$5.6 M)	(\$5.6 M)
<b>Net Present Value of Lease Savings (other Depts)</b>	(\$7.0 M)	\$0	\$0
<b>HCE Contributions</b>	(\$4.9 M)	\$0	\$0
<b>Net Present Project Costs</b>	\$20.28 M	\$33.5 M	\$47.5 M
<b>Earliest Available</b>	Mar-16	Sep-16	Sep-16



- **Additional Revenue/Capital:**
  - **Additional courtroom space = \$1.425M in POA revenue**
  - **\$4.9M contribution from HCE District Energy**
- **Finance Costs:**
  - **Net capital Levy impact of \$1.0M per year for 15 Years**
- **Lease savings:**
  - **Annual savings from \$180K lease costs at JSCH**
  - **Annual lease savings costs from other City divisions is approximately \$575K**



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# STAFFING ANALYSIS: ALL OPTIONS

2.5 COURTS – (CURRENT)	4 COURTS	5 COURTS	6 COURTS
<b>Legal/POA Staffing</b>  1 Supervisor /Prosecutor 5 Municipal Prosecutors 2 Prosecutors Assistants	<b>Legal/POA Staffing</b>  1 Supervisor /Prosecutor 7 Municipal Prosecutors 3 Prosecutors Assistants	<b>Legal/POA Staffing</b>  1 Supervisor /Prosecutor 8 Municipal Prosecutors 4 Prosecutors Assistants	<b>Legal/POA Staffing</b>  1 Supervisor /Prosecutor 10 Municipal Prosecutors 4 Prosecutors Assistants
<b>City Clerk/POA Staffing</b>  4 Court Reporters 1 Manager 1 Supervisor 1 Senior Court Admin. 1 Financial Assistant I 4 Collections 10 Court Administration  * Co-operative Student ( 6 months per year) * Summer Student (4 months per year)  Note – one additional court administration Clerk to be requested in the 2014 budget - 3	<b>City Clerk/POA Staffing</b>  6 Court Reporters 1 Manager 1 Supervisor 1 Senior Court Admin. 1 Financial Assistant I 4 Collections 13 Court Administration  * Co-operative Student ( 6 months per year) * Summer Student (4 months per year)	<b>City Clerk/POA Staffing</b>  8 Court Reporters 1 Manager 1 Supervisor 1 Senior Court Admin. 1 Financial Assistant I 4 Collections 13 Court Administration  * Co-operative Student ( 6 months per year) * Summer Student (4 months per year)	<b>City Clerk/POA Staffing</b>  9 Court Reporters 1 Manager 1 Supervisor 1 Senior Court Admin. 1 Financial Assistant I 4 Collections 13 Court Administration  * Co-operative Student ( 6 months per year) * Summer Student (4 months per year)



- **If retrofitted 50 Main Street Courthouse beats timelines – City could give early notice to ORC and thus savings**
- **Additional court space will enhance customer service by accommodating increased demand for POA**
- **Inability to meet the August 31, 2017 timelines would substantially interfere with City obligations and revenues under the MOU**



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# THANK YOU

## **Neil Everson**

Director of Economic Development  
Planning and Economic Development Department  
City of Hamilton  
905-546-2424 x2359  
Neil.Everson@hamilton.ca  
[www.investinhamilton.ca](http://www.investinhamilton.ca)