June 3, 2010

Honourable Mayor and Members of Council
City of Hamilton
77 James Street North, Suite 230
Hamilton ON L8R 2K3

Mr. Kevin C. Christenson
Ms. Alexandra Rawlings
Office of the City Clerk
71 Main Street West, City Hall, 2nd Floor
Hamilton ON L8P 4Y5

RE: MEI / ORC CLASS ENVIRONMENTAL ASSESSMENT, WEST 5TH CAMPUS
ST. JOSEPH'S HEALTHCARE HAMILTON (SJHH) REDEVELOPMENT
100 WEST 5TH STREET, CITY OF HAMILTON

Dear Honourable Mayor, Members of Council, Mr. Christenson and Ms. Rawlings:

It is our understanding that on June 1, the City's Economic Development and Planning (EDP) Committee passed a resolution to support the Municipal Heritage Committee's recently adopted motion to submit a Part II Order to the Ministry of Environment, with respect to the above noted Ministry of Energy and Infrastructure (MEI) / Ontario Realty Corporation (ORC) Category B Class Environmental Assessment. It is also our understanding that the EDP resolution is to be considered by City Council at the June 9 meeting.

We are submitting this letter to respectfully request your consideration of our position on this matter and to formally request to appear as a Delegation before any Committee or City Council meeting where this matter is to be considered, including the June 9 City Council meeting. Unfortunately we have no record of being notified that the Heritage Committee's motion was to be considered by the EDP Committee on June 1, otherwise we would have provided comments and requested to appear as a Delegation at EDP.

In summary, we respectfully urge City Council not to support or submit a Part II Order request. A Part II Order is not warranted. The Class EA process has included meaningful engagement with stakeholders and represents a reasonable review of potential environmental effects of the Undertaking. The process has been sufficiently thorough and carried out with integrity. Adaptive re-use for the buildings of concern continues to be investigated, consultation with the City and Heritage Committee will be ongoing as the project advances and any proposed demolition is still subject to further study and City approvals processes and permits. This is a very important project for the City of Hamilton and it is critical that we move forward. The scheduling and implementation of these large public infrastructure projects is very complex and any delays can jeopardize the project.
**THE PROJECT**

ORC is the strategic manager of the provincial government's real property and has a mandate of maintaining and optimizing the value of the portfolio, while ensuring real estate decisions reflect public policy objectives. ORC manages real estate transactional processes such as land leases and transfers and carries out all necessary acquisition or disposition due diligence, including the MEI / ORC Class Environmental Assessment process.

We are excited to be supporting the redevelopment of the former Hamilton Psychiatric property to accommodate the new St. Joseph’s Healthcare Hamilton (SJHH) facility. Since 2008, we have been working closely with our partners the Ministry of Health and Long-Term Care (MOHLTC), Infrastructure Ontario (IO) and SJHH to advance the project planning. The new campus will provide modern, state-of-the-art facilities to better meet the needs of the community. The redevelopment plan and capital funding is based on the SJHH functional program approved by the MOHLTC.

There has also been consultations with the City and other stakeholders throughout the process, which will continue going forward. The City has already provided preliminary site plan approval for the redevelopment in July 2009, which in our respectful submission creates a very difficult context for the City to now consider pursuing a Part II Order request. The site plan approval included a condition that prior to any demolition permits being issued for the Grove Hall and Gateview buildings, a satisfactory Heritage Impact Assessment would be required to be approved by the City.

**BACKGROUND ON THE CLASS EA PROCESS**

ORC initiated the Category B Class EA in September 2009 for the proposed long-term land lease to SJHH and associated undertakings in support of the planned redevelopment of the site. The process has included extensive consultations with City Planning and Heritage staff and the City’s Heritage Committee.

The Class EA must identify all proposed project undertakings (activities), which included potential demolition of all buildings on the leased lands. The final EA documentation clearly indicated that adaptive re-use for Grove Hall and Gateview is to be considered.

A Heritage Impact Assessment was presented to the Heritage Committee in September 2008. Based on input from the Committee, the Assessment was updated in January and March 2010 and resubmitted.

ORC and SJHH presented to the Heritage Committee on January 28, 2010. ORC explained its Heritage Management Process and SJHH described the redevelopment project indicating that the three consortiums bidding on the project had been asked to consider innovative adaptive re-use for the Grove Hall and Gateview buildings. ORC also attended the May 27, 2010 meeting to respond to questions from the Committee regarding the final EA document.
ORC posted its Class EA Consultation and Documentation (C&D) Report on May 20, 2010, eight months after the EA had commenced. The identified recommended mitigation measures with respect to Grove Hall and Gateview included adaptive re-use consideration and continued consultation between SJHH and the Heritage Committee.

**CLOSING COMMENTS**

We look forward to continuing to work with the City on this important project and respectfully request that City Council not support a Part II Order. The eight month Class EA process that has been carried out has been thorough and we have been responsive to all comments provided during the extensive consultation period. Specific proposed site and building design details will not be known until the winning consortium is selected, at which time there will be further municipal consultations and negotiations during the site plan and building permit processes.

We appreciate this opportunity to provide our comments for your consideration. We would request that these comments be included as part of the public record and request to be notified of any decision regarding this matter.

We would kindly request confirmation of whether this matter is to be considered at the June 9 City Council meeting and if so, confirmation that our request to appear as a Delegation has been granted.

Please contact the undersigned should you require any further information.

Yours truly,

[Signature]

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