SUBJECT: Surplus Property, Ontario Realty Corporation: Baseline Road and North Service Road (PED05077(a)) (Ward 11)

RECOMMENDATION:

That the Real Estate Section of the Development and Real Estate Division of the Planning and Economic Development Department be authorized and directed to advise the Ontario Realty Corporation that the City of Hamilton no longer has an interest for the north east corner of the North Service Road and Baseline Road land (see attached Appendix A and A-1 to Report PED05077(a)) that has been declared surplus by Ontario Realty Corporation, as per reasons set out in Report PED05077(a).

Lee Ann Coveyduck
General Manager
Planning and Economic Development Department

EXECUTIVE SUMMARY:

At its meeting of August 10, 2005, Council approved Report PED05077, “Surplus Properties, Ontario Realty Corporation, Baseline Road and North Service Road, North Service Road and Jones Road, North Service Road and Glover Road.” The Report authorized the Real Estate Section of the Development and Real Estate Division of the Planning and Economic Development Department to advise the Ontario Realty Corporation (ORC) that the City had an interest in the ORC’s surplus land at the north east corner of the North Service Road and Baseline Road for a possible Tourist Information Centre.
Since August of 2005:

- ORC has provided the City with an estimated appraisal value for the property;
- the Development Engineering Section of the Development and Real Estate Division of Planning and Economic Development provided Tourism Hamilton with the costs to provide servicing to the property;
- Tourism Hamilton completed a feasibility study for a gateway tourist information centre at this location; and,
- Tourism Hamilton staff consulted with its Board of Directors, tourism stakeholders and neighbouring destination marketing organizations including Tourism Burlington.

Although Tourism Hamilton’s Board of Directors has a position to seek development of tourist information centres at key gateway locations in Hamilton, the costs of building a stand alone centre at this location, as outlined in the financial section of this report, are significant and pose a substantial impediment to providing a cost-effective gateway centre. There may be alternative solutions to providing a tourist information centre in the QEW and Fifty Road precinct, including:

- a private sector development at the site that is currently available via ORC;
- a private sector development on the south side of the QEW at Fifty Road; and,
- establishing an agreement with the Niagara Gateway Centre at the Casablanca exit at the QEW, to the south-east of the ORC property.

**BACKGROUND:**

Although the land is located in Ward 11, locating a Tourist Information Centre at this location would have implications for the entire City.

<table>
<thead>
<tr>
<th>Location</th>
<th>Legal</th>
<th>Zoning</th>
<th>Area</th>
<th>Appendix</th>
</tr>
</thead>
</table>

Tourism Hamilton currently operates two year-round Tourist Information Centres: the core location at 34 James Street South, the centre at the John C. Munro Hamilton International Airport (opened in September, 2005), and one seasonal site in Flamborough at Highways 5 & 6 (Clappisons Corners). The lease for the centre at 34 James Street South expires in July, 2007. The Tourism Hamilton Board of Directors recognizes the need and the importance of having a centre in the downtown, and will explore partnership opportunities for replacing the current centre.
ANALYSIS/RATIONALE:

The costs associated with acquiring, servicing, constructing and operating a gateway tourist information centre at the QEW and Fifty Road location would result in an annual levy impact of approximately $190,000 plus staffing costs in addition to a loss of potential assessment revenue of approximately $135,000. Tourism Hamilton does not have this amount allocated in its operating budget.

Approval of the recommendation by Committee and Council will authorize Real Estate staff to advise Ontario Realty Corporation that the City of Hamilton no longer has interest in the surplus property.

ALTERNATIVES FOR CONSIDERATION:

Alternative Option A:

Council could decide to acquire the property and develop a tourist information gateway. In 2005, Tourism Hamilton completed a review of its Tourist Information Centres and visitor services (Report, “Review of Tourist Information Centres” attached as Appendix B), undertaking extensive consultation across Hamilton. One of the recommendations from that review was to investigate the possibility of creating “gateway information centres” at key entry points to Hamilton. In the fall of 2005, Tourism Hamilton, in partnership with the John C. Munro Hamilton International Airport, opened a new Tourist Information Centre in the Airport Terminal Building at Hamilton International. Early indications are the new centre is providing valuable service to visitors arriving at this air gateway location.

For many years, tourism stakeholders have identified that Hamilton’s location between two recognized tourism icons, Niagara Falls and Toronto provides a significant opportunity to draw those visitors in to Hamilton. The Fifty Road/QEW location that is available for a possible Tourist Information Centre is strategic in that it provides the opportunity to create a “gateway centre” at the Hamilton border.

Tourism Hamilton commissioned a study by Mitchell-Westlake to assess whether a tourist information gateway centre was feasible at this location. The study consulted other organizations that administer tourist information centres, including the Ontario Tourism Marketing Partnership, Tourism London, Tourism Brantford and the Niagara Economic Development Corporation to provide some benchmark information. The consultants also probed some innovative ideas that would make the potential new Centre appealing to visitors.

The Tourism Hamilton Board of Directors endorsed a motion to recommend that the City acquire the property to proceed with constructing a tourist information centre. Tourism Burlington is interested in pursuing discussions with Tourism Hamilton in potentially partnering in a gateway centre and there is substantial support from local tourism stakeholders for a centre at this location.
The number of visitors served at the downtown Hamilton location and the seasonal site at Clappisons Corners is relatively small. The goal of having a gateway location is to increase substantially the number of visitors serviced, thereby increasing the business opportunities for the tourist traffic that is in Southern Ontario.

In 2001, the Executive Director of Economic Development presented the concept of a gateway Tourist Information Centre to the Hamilton Future Fund Board. The Board liked the concept and requested a follow up presentation if and when a potential site presented itself for consideration.

Alternative Option A “Pros”:
- Highly visible gateway location – high daily traffic counts: 95,000 in fall; 105,000 in summer;
- North side of QEW to more easily capture traffic from U.S. and Niagara;
- At the border of Hamilton and Niagara, prior to Red Hill Creek Expressway and Skyway;
- Opportunity to create a positive image for Hamilton and sell City’s tourism product with a visually appealing (design, use of public art, landscaping) building;
- Property will only be available once; and,
- High level of support from tourism and local business stakeholders.

Alternative Option A “Cons”:
- Costly to acquire, service and build;
- High on-going operating costs (levy impact); and,
- Possible OMB appeal to zoning change for creating a tourist information centre. The lands are designated Rural Lakeshore on Schedule “A” by the Official Plan and zoned Neighbourhood Development “ND”. The lands are inside the urban boundary and may require an amendment to the Official Plan and an application to rezone the property for the intended use contemplated for these lands.

Alternative Option B:

Council decline interest in the property, while indicating to developers who acquire the property that there is interest in having a tourist information centre incorporated within a new commercial development at the site. A zoning change would still be required to enable this development. The risk with this option is that a developer may not build a commercial development, or may decline including a tourist information centre within its commercial development, or a zoning change may not happen for the site.

Alternative Option B “Pros”:
- Cost effective operation for tourist information centre; and,
- Allows for a north-side QEW tourist information centre.
Alternative Option B “Cons”:

- Developer may not want to include a tourist information centre;
- Less visibility for a centre located within a larger commercial complex;
- Zoning change may not happen; and,
- Unknown timeframe on developing the site.

Alternative Option C:

Council decline interest in the property and direct staff to work with developers on the south side of the QEW and Fifty Road to include a tourist information centre in their potential development.

Alternative Option C “Pros”:

- Cost-effective operation for tourist information centre;
- The development would be well-signed from the QEW; and,
- Recognized and respected brand and well run operation.

Alternative Option C “Cons”:

- Uncertainty surrounding the development from a planning perspective (i.e. a re-zoning is required);
- Little support from tourism stakeholders to locate a centre in this proposed development;
- Possibility of perpetuating the wrong image with a tourist information centre in this kind of proposed development;
- This development is on the south side of the QEW and would be less visible from the centre; and,
- The Niagara Gateway is located on the south side of the QEW, one interchange away.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial:** There are no identified financial implications arising out of the staff recommendation.

Alternative Option A:

Net annual cost: $325,000 plus annual staffing costs of approximately $50,000. This financial cost is to amortize over a 15 year period the upfront capital amount of approximately $2 million. The Capital Budget is to cover costs associated with acquiring, servicing and constructing a new facility. The annual costs also include an off-set for the annual tax assessment value of approximately $135,000.
Alternative Option B and C:

Net annual cost: $15,000 plus staffing costs of approximately $50,000. The amount of space required for a tourist information centre within an existing development would be approximately 750 square feet.

**Staffing:** There are no identified staffing implications arising out of the staff recommendation.

Alternative Option A, B and C:

Staffing would include part-time travel counsellors.

**Legal:** There are no legal implications arising out of the recommendation

Alternative Option A, B and C:

A zoning change would be required for these alternative options, which could result in an OMB appeal.

**POLICIES AFFECTING PROPOSAL:**


**RELEVANT CONSULTATION:**

Tourism Hamilton staff consulted with the Tourism Hamilton Board of Directors, the Stoney Creek Chamber of Commerce and tourism stakeholders in the community of Stoney Creek as well as Tourism Burlington. Also, in 2005 as part of the review of Tourism Hamilton’s Tourist Information Centres, Tourism Hamilton staff met with tourism stakeholders across the whole City.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

<table>
<thead>
<tr>
<th>Community Well-Being is enhanced.</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Environmental Well-Being is enhanced.</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Well-Being is enhanced.</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>X</td>
<td>No</td>
</tr>
</tbody>
</table>

The staff recommendation results in no levy impact to ratepayers in the City of Hamilton.
Does the option you are recommending create value across all three bottom lines?

Yes  No

N/A

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

Yes  No

N/A

:da

Attachs. (3)
SUBJECT: REVIEW OF TOURIST INFORMATION CENTRES

RECOMMENDATION:

a) That the Board receive the report, “Review of Tourist Information Centres”; and
   direct staff to:

Tourist Information Centres:

b) Operate (for the 2005 season) three Tourist Information Centres: one year-round at 34 James Street South (current location), one seasonal site at Highways 5 and 6 and one new year-round centre in the airport terminal building at Hamilton International Airport;

c) Propose hours of operation for the two year-round centres and the one seasonal location;

d) Pending Board approval, forward to the City of Hamilton for consideration, Royal Botanical Gardens’ request to transfer ownership to RBG of the tourist information centre located in RBG’s Rock Garden parking lot;

e) To enter reciprocal agreements with the Niagara Gateway Centre and Tourism Burlington to have Tourism Hamilton information located in their tourist information centres and that Niagara and Burlington information be located in Tourism Hamilton information centres;

f) To undertake joint customer service training sessions with Tourism Burlington, beginning with summer student staff training in May, 2005;

g) To explore options for a future downtown tourist information centre (or alternatives), including discussions with HECFI, to secure a more high-profile and accessible downtown tourist information centre for July 2007 when the current lease expires for the downtown centre;

h) To explore options for closing or relocating the tourist information centre currently located at Highways 5 and 6;
i) To explore options with the Ontario Tourism Marketing Partnership for possible future new locations for Ontario Tourist Information Centres;

j) To explore options, including possible site locations, for future tourist information centres on the QEW and Highway 403;

**Information Provision:**

k) To undertake a pilot project, beginning in the summer of 2005, with a new brochure racking program, in up to ten locations (locations to be determined) and report back to the Board with costing implications and revenue opportunities;

l) To investigate options for kiosk technology in order that the Board may consider adding kiosks in selected information centres and/or key tourism businesses in 2006 and beyond;

m) To explore options with the City of Hamilton’s municipal call centre to provide general call answering services, beginning in summer or fall 2005;

n) To explore options with the City of Hamilton’s municipal service centres for an increased tourism presence in the centres, including signage, brochure racks and ticket sales opportunities;

David Adames  
Executive Director

**EXECUTIVE SUMMARY:**

At its meeting of October, 2004, the Board directed staff to review the current tourist information centres, explore partnership opportunities and report back to the Board with options. The last formal review of Hamilton’s tourist information centres was concluded in February, 2000. To facilitate the current review process, staff conducted four industry input sessions and held a number of meetings with stakeholders to gather information, listen to input and hear options. A list of participants is included in the report’s consultation section and the minutes of the meetings are attached as appendices.

Clearly, our stakeholders identified information services as a key service that Tourism Hamilton should provide to help sell Hamilton and to fulfil inquiries. They also underscored the need for both the physical presence of tourist information centres and brochure racks as well as our web site. What emerged was a desire to have staffed tourist information centres on the perimeter of the city (including the airport), in high
traffic locations, to act as gateways to capture visitors travelling through the area. Within
the city, there is support for having a Tourism Hamilton brochure racking program, with
racks located in high traffic attractions and hotels, to assist visitors already in the city.
Stakeholders expressed the need to have the Tourism Hamilton web site increase its
functionality and content to support more effective information dissemination.

In terms of the current locations of tourist information centres: there was virtually no
support to continue operating a downtown centre in its current location (once lease
expires), there was a recognized need to re-locate the centre at Highways 5 and 6 due to
the reconfiguration of the intersection, and little support for continuing the operation of
the RBG information centre. This input was consistent with the recommendations
contained in the Hazra Report on Hamilton’s Tourist Information Centres, concluded in
February 2000.

The review also identified several opportunities: reciprocal agreements with Niagara
Gateway and Tourism Burlington, joint customer service training, call answering
services, increased presence in municipal service centres and revenue generation. Also
discovered during this process was a never-used information centre structure that was
designed for installation during the 1980s in Gore Park. Staff will investigate its current
condition and report back.

**BACKGROUND:**

**General Comments:**

The minutes of the meetings held with stakeholders are attached as appendices. Some
of the key comments and issues that emerged during discussions included:

- Rubber tire traffic is “bread and butter”
- Key is to get traffic off the highway
- Important to see the visitor centre location/set up through the visitors’ eyes
- A tourist information centre not located near a main road is a mistake
- 34 James (downtown location) is a bad location for the visiting tourist (poor parking,
signage and location) – while it services the downtown customer, most tourists are
accessing the City from the highways – should be better located
- There should be some type of downtown presence to service conference delegates
(Convention Centre was tabled as key – suggestions included having it staffed or
provide services through an electronic kiosk)
- Imminent need is to capture people BEFORE they leave Hamilton
- Highway 5 & 6 portable location is a bad location (accessibility)
- Need for a booster/ambassador club
- Need to have a new generation of ambassadors in place
- Concern about CTM having control over what brochures go into their racks (i.e.
Niagara, etc) – we should consider having our own dedicated racking programmes
Location of Tourist Information Centres:

Beginning with the summer of 2005, and continuing through 2006, staff is recommending operating three tourist information centres: one in downtown Hamilton at its current location (34 James Street South), the new centre in the airport terminal building at Hamilton International Airport and one seasonal site (May to Labour Day) in Flamborough at Highways 5 and 6. Royal Botanical Gardens has requested that RBG take on ownership and operation of the information kiosk at the Rock Garden parking lot. RBG believes it can gain efficiencies by operating one kiosk, for ticket and merchandise sales, at that location. Tourism Hamilton would maintain a brochure rack within the kiosk, as well as at the main RBG Administration building. The recommendation to close the RBG kiosk as a tourist information centre is consistent with the 2000 Hazra Report.

Staff is also recommending that Tourism Hamilton have a presence, through brochures and signage, at the Niagara Gateway Centre as well as at selected Tourism Burlington locations. Staff will begin assessing long-term options for additional tourist information centres, with the goal of having options before the Board for discussion by winter/spring of 2006.

The majority of the stakeholders attending the sessions were underwhelmed with the visitation figures at the current tourist information centres. These low visitation numbers support a number of the recommendations in this report, namely that future tourist information centres be located in high traffic areas (gateways) and that a brochure racking system be used within the city to assist with servicing visitors who are already in Hamilton.

The following table outlines past visitation numbers for tourist information centres:

<table>
<thead>
<tr>
<th>Centre</th>
<th>1999</th>
<th>2002*</th>
<th>2003</th>
<th>2004</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>7,675</td>
<td>4,802</td>
<td>10,026</td>
<td>7,203</td>
<td>29,706</td>
</tr>
<tr>
<td>Flamborough</td>
<td>9,008</td>
<td>4,661</td>
<td>4,779</td>
<td>3,612</td>
<td>22,060</td>
</tr>
<tr>
<td>RBG</td>
<td>2,843</td>
<td>3,499</td>
<td>3,191</td>
<td>3,854</td>
<td>13,387</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>19,526</strong></td>
<td><strong>12,962</strong></td>
<td><strong>17,996</strong></td>
<td><strong>14,669</strong></td>
<td><strong>65,153</strong></td>
</tr>
</tbody>
</table>

*2002: Partial year of operations – new downtown location opened late May

Long Term Location/Sites Tabled:

- North shore – Confederation Park
- South side (lakeside) by Canal – new trail system – possibly space for a TIC there
- Between Casablanca and Centennial
- Eastport Drive
- Fifty Road/Fruitland Road
- QE/W403 juncture (or further back – i.e. Walkers or Appleby)
- Hamilton/Burlington border on highway 5 (current Cliff Park just below – trail goes through – construction starting in 2006)
- Waterdown Road – or somewhere between 6 & 401
- Highway 6 & 403 or QEW & 403 (beside parking area)
- Highway 401 & 403 (near Ancaster)
- Lot located on SE corner (behind Waterdown Collision) – City owns, easily accessible via proposed exist ramp to industrial park (could be 6 years away though)
- Slots at Flamboro Downs
- Tim Horton location on Mud Street
- North side of Grimsby location would be better, but south side would be good in the short term
- Fruitland Exchange (North/West Service Road) – currently school property West of Winona Road

**Brochure Racking Program:**

Many stakeholders expressed a willingness to pay a small fee for brochure distribution. Tourism Burlington expressed interest in partnering with a brochure racking program. In terms of rack sizing, stakeholders commented that three different sizes of racks be secured (to fit various partner locations) with a consistent look/signage. The Hamilton International Airport Tourist Information Centre is currently being designed by an interior designer – it is suggested that the look/racking that is tabled from this new centre be the theme for existing and new locations. Racking costs will be tabled once the designer’s proposal is received (expected in April).

Suggested locations for brochure racks, should the Board decide that this program should be implemented, include:

- Burlington – Waterfront Centre – Spencer Smith Park (partnership with Burlington Tourism)
- IKEA (partnership with Burlington Tourism)
- Burlington Art Centre (partnership with Burlington Tourism)
- Bronte Creek (partnership with Burlington Tourism - location tbd)
- RBG (inside main building)
- Harbour West Marina (partnership with Hamilton Port Authority)
- Niagara Gateway (partnership with NEDCO and/or Grimsby Chamber of Commerce)
- Hamilton International Airport
- Fifty Point
- Niagara Fruit Institute
- Table top racks – B&B’s
- Donn Zver Pottery
- Continued/revamped racking with Municipal Centres (5) and existing locations (i.e. McDonalds at Dundurn, Puddicombe Farm)

**Long Term - 2006 & Beyond**

- 2006- Burlington Museums (Joseph Brant and Ireland House - partnership with Tourism Burlington)
- 2007- Burlington Performing Arts Centre (partnership with Tourism Burlington)
- Additional DMO’s (i.e. Brantford, Oakville)
Customer Service Training:

Tourism Hamilton currently has a training program in place for staff, volunteers and students. Through these recent stakeholder sessions, additional partners expressed interest in being included in our training initiatives, including:

- Hamilton Municipal Centres – 5 locations (Ancaster, Dundas, Flamborough, Glanbrook, Stoney Creek - 68,000 visitors, total, / year)
- Harbour West Marina (Hamilton Port Authority)
- Hamilton International Airport
- Niagara Gateway Partners
- Tourism Burlington

Revenue Generation Opportunities:

- Most partners support the idea of paying a small fee for brochure distribution
- Sale of tourism related souvenirs/hotel referrals
- Potential to obtain funding from Trillium Foundation on joint marketing initiatives between Tourism Burlington and Tourism Hamilton
- At the Hamilton International Airport location the following revenue generation opportunities have been identified:
  - Banner display
  - Selling tourism packages
  - Potential to generate revenue for backlit signs (currently being tabled as an option at this location)
  - Sale of RBC Travel Insurance (option – to be further researched)
  - Selling ‘advertising’ space that will be played via DVD on the plasma screen(s) located at this location
  - A display case could be installed and rented out to partners on a monthly, rotating basis
- Gateway funding partners to approach could include Hamilton-Halton Home Builders’ Association, Ontario Lottery & Gaming Corporation and Tim Hortons
- The City of Hamilton Municipal Centre contacts have suggested that the opportunity exists to sell Tourism Hamilton ‘packages’ at their five locations – potential to gain revenue through a small surcharge is an option

Signage:

Stakeholders identified the need for improved way-finding signage, including highways signs and inner-city signage.

Call Answering Services:

Staff explored the option of having the City of Hamilton’s municipal call centre answer Tourism Hamilton’s phones. The management of the call centre were very receptive to providing this service. Staff is recommending to the Board that this service be pursued, and that staff report back to the Board at its June meeting on a process to have the
phones answered at the call centre, beginning late summer, 2005. This process will include a timeline, training, information transfer procedures and monitoring procedures.

The following table illustrates the telephone inquiries to the Tourism Hamilton office between 2002 and 2004:

<table>
<thead>
<tr>
<th>Year</th>
<th>Telephone Calls</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>4,663</td>
</tr>
<tr>
<td>2003</td>
<td>7,364</td>
</tr>
<tr>
<td>2004</td>
<td>5,213</td>
</tr>
<tr>
<td>Total</td>
<td>17,240</td>
</tr>
</tbody>
</table>

Longer Term Opportunities:

Stakeholders tabled a number of ideas during the input sessions, including:

- Burlington/Hamilton partner on a mobile kiosk that could be moved from location to location
- Potential for a Tourism Hamilton Gateway - A partnership might exist with the Hamilton-Halton Home Builders’ Association – a meeting took place with the Executive Officer of the HHHBA who expressed an interest in exploring this opportunity in further detail – preliminary discussion included the HHHBA being a partner in a new tourism information centre/gateway
- A glass-type kiosk exists and is located in the City’s warehouse – this might be available to Tourism Hamilton as a satellite/season information centre opportunity
- Potential for new partnership with the Ministry of Tourism (very preliminary - currently being explored between Tourism Hamilton and the Ministry)

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

There will be costs associated with several of the recommendations contained in this report. Staff will report back to the Executive Committee and to the Board once costing options have been completed.

POLICIES AFFECTING PROPOSAL:

N/A

CONSULTATION WITH RELEVANT AGENCIES:

- City of Burlington (Tourism Burlington)
- City of Hamilton – Municipal Centres (5) - Ancaster, Dundas, Flamborough, Glanbrook, Stoney Creek (68,000 visitors, total / year)
- Downtown Partners (included BIA’s, Hamilton Chamber of Commerce)
- Flamborough Partners (included Flamborough Chamber of Commerce & City of Hamilton Council representation)
- Grimsby & District Chamber of Commerce
- Hamilton-Halton Home Builders’ Association
- Hamilton International Airport
- Hamilton Port Authority
- NEDCO (re Grimsby Gateway)
- Royal Botanical Gardens
- Stoney Creek Partners (included Stoney Creek Chamber of Commerce & City of Hamilton Council representation)