

CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Tourism and Culture Division

TO: Mayor and Members General Issues Committee	WARD(S) AFFECTED: WARD 2
COMMITTEE DATE: May 16, 2012	
SUBJECT/REPORT NO: Status and Next Steps - St. Mark's Church (PED12059) (Ward 2)	
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: Anna M. Bradford 905.546.2424, ext 3967 Neil Everson 905-546-2424, ext 2359
SIGNATURE:	

RECOMMENDATION

- a) That the Tourism & Culture Division, in cooperation with the Portfolio Management Committee, complete the in-house feasibility study to operate St. Mark's as a cultural programming space to be administered by staff at Whitehern Historical House and Gardens as directed by Council in Report CS10064.
- b) That staff complete stabilization of the building to prevent any further deterioration and bring it to usable standard.
- c) That this project be submitted for the 2013 Capital Budget for Council's consideration.

EXECUTIVE SUMMARY

In 2010, staff were directed to conduct an in-house feasibility study to operate St. Mark's as a cultural programming space to be administered by staff at Whitehern Historical House and Gardens. The study started in 2011 by the Culture Division, however, it was

suspended on the suggestion that a "Highest and Best Use" study should be completed first. The rationale was that this "Highest and Best Use" study would provide Council with a range of options for appropriate use beyond the proposed cultural use. The Portfolio Management would lead the "Highest and Best Use" study. The Portfolio Management Committee (PMC), comprised of senior staff representing all City departments, has been directed by the City's Senior Management Team (SMT) to provide input and direction on business case and course of action related to the redevelopment, divestiture, etc. of this heritage-designated property.

Council was concerned that several studies for St. Mark's future use have already been conducted and they were unsure whether this additional study would bring any further options to the table. In addition, they were concerned that the local community was clear in their expectations that St. Mark's Church have a community use and the grounds were available as parkland.

Staff are seeking reconfirmation of Council's direction to conduct an in-house feasibility study to operate St. Mark's as a cultural programming space to be administered by staff at Whitehern Historical House and Gardens. The purpose and outline for the in-house feasibility study is attached as Appendix "A" to Report PED12059.

Tourism and Culture Division will complete the in-house feasibility study in cooperation with the Portfolio Management Committee. In addition, engagement with the Durand Neighbourhood and other stakeholders will figure prominently in examining the feasibility of using St. Mark's as a cultural programming space.

Stabilization of St. Mark's Church started in 2011 and continues into 2012 (attached as Appendix "B" to Report PED12059 is an outline of work accomplished to date.)

Capital costs to complete the stabilization and bring the building to a useable standard are outlined on Appendix "C" attached to Report PED12059. These costs are estimated at approximately \$950,000. Staff is seeking funds from the Capital Budget over three years 2013 to 2015 to complete the project.

Alternatives for Consideration – See Page 6.

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

Financial:

This project will be submitted for the 2013 Capital Budget for Council's consideration.

Staffing:

There are no staffing implications associated with recommendations in Report PED12059.

Legal:

There are no legal implications associated with recommendations in Report PED12059.

HISTORICAL BACKGROUND (Chronology of events)

In March 2007, staff presented a report to Council (PED07111/PW07037) that amongst other considerations recommended that:

- the property be declared surplus and disposed,
- an investigation into potential for increased value through re-zoning prior to any disposal be conducted; and,
- subsequent to rezoning, the property be tendered for resale.

The above recommendations were passed by Council.

In June 2008, an Official Plan Amendment and Change in Zoning for St. Mark's was considered but not passed although staff were directed to focus on Option #6 - Neighbourhood Park. Council also asked staff to report on capital costs to make the building structurally sound, annual maintenance costs to keep building intact and site as an open space. Staff responded with Report PED08128(a) and received the following direction from Council:

- the costs of repairs be included in the 2009 budget process;
- that a business case be prepared for a future use of the building for neighbourhood uses; and,
- the previous motion to declare the property surplus be rescinded.

The responsibility for the completion of the business case was directed to the Emergency & Community Services Committee.

In June 2010, staff recommended that St. Mark's be used as a culture based programming site to be administered by staff from Whitehern Historic House and Museum. Council directed staff to complete an in-house study on the above use in consultation with the Ward 2 Councillor (CS10064). In addition to the feasibility study, staff were also directed to complete the immediate stabilization of the building to prevent any further deterioration.

Staff met with former Ward 2 Councillor Bratina who supported a cultural use for St. Mark's Church and looked forward to the results of the feasibility study. The study started with a review of all previous consultant studies and staff reports to ensure that previous conclusions and recommendations were acknowledged and included in determining the feasibility of the current project. Attached as Appendix "C" to Report PED12059 are chronologies of the studies and reports.

In 2011, the feasibility study for St. Mark's was put on hold pending a decision on whether the Portfolio Management Committee (PMC) should lead the study. There was also discussion on whether a completed "Highest and Best Use" study should be completed looking at all options, not just the cultural programming space proposal.

A verbal presentation was given to Council on October 2011, regarding the proposal for a "Highest and Best Use" study. Council responded that they were concerned about spending funds for additional studies and requested that staff prepare a chronology on what studies have taken place to date. Attached as Appendix "C" to Report PED12059 are chronologies of the studies and reports.

In addition, a capital budget of \$669,000 was approved for the stabilization of the building. Work began in late 2011 and continued into 2012.

POLICY IMPLICATIONS

Ontario Heritage Act, Part IV Designation By-Law

The property is designated by By-law 95-13 under Part IV of the Ontario Heritage Act. Permits are required for any alterations or additions that affect the Reasons for Designation contained in the By-law. The By-law provides context on the historical and cultural significance of the St. Marks' structure. Permit Applications are also required for demolition.¹

In 1877, construction of St. Mark's Anglican Church began at the southwest corner of Bay Street South and Hunter Street West. By January 1878, the church had its first service. Subsequently, a corner bell tower was erected on its Bay Street facade and, in 1925, the Sunday School was added to the west end of the sanctuary. The grounds in front of St. Mark's traditionally have been landscaped, creating a park-like setting for the church.

Official Plan Policies and Designation

Under the City of Hamilton's Official Plan, Schedule 'A'- Land Use Concept, the St. Mark's site is identified as "RESIDENTIAL". The intent of the residential designation is to provide for a variation of densities and housing types, while ensuring the maintenance of amenities for residents. However, as stated in Section 2.1.3 of the Official Plan additional uses permitted within the "RESIDENTIAL" designation are:

- i. Public parks less than 0.4 hectares in size;

¹ The Municipal Heritage Committee has agreed in principal to the demolition of the Sunday School.

- ii. Schools, churches and similar institutional uses less than .4 hectare in size, in accordance with the provisions for Major Institutional uses as set out in Subsection A.2.6 of this Plan;
- iii. Individual retail or service stores in a multiple dwelling containing at least 100 dwelling units, expressly to serve the occupants therein; and,
- iv. Limited individual or groups of commercial uses on sites not exceeding 0.4 hectare in area, excluding Automobile Service Centres, in accordance with the Commercial Polices as set out in Subsection A.2.2 of this Plan.

The City of Hamilton Official Plan has policies specific to historic and architectural resources. It is the intent of the Official Plan that those resources of historic, architectural, archaeological and aesthetic merit will be preserved where feasible. Section 6.9 of the Official Plan states:

“6.9 A Heritage Impact Assessment may be required by the City for any development or redevelopment, both public and private initiatives, that proposes to erect, demolish or alter buildings or structures on or adjacent to properties that meet one or more of the following criteria: (O.P.A 160):

- i) The properties are designated under the Ontario Heritage Act or are adjacent to buildings/structures that are designated under the Ontario Heritage Act.”

Neighbourhood Plan Policies

The St. Mark's site is located within the Durand Neighbourhood. Under the Neighbourhood Plan the subject site is designated “Civic & Institutional”.²

City of Hamilton Museums Standards (Provincially Mandated Policies)

The recommendation supports the following City of Hamilton Museum Standards:

- The City of Hamilton Civic Museums Community Policy
- The City of Hamilton Civic Museums Public Program Policy

RELEVANT CONSULTATION

Director, Economic Development & Real Estate, Planning & Economic Development
Department
Chair, Portfolio Management Committee

² St. Mark's Anglican Church: Site Potential, p 2-3 - Official Plan Policies and Designation
City of Hamilton, Long Range Planning & Design, Community Planning and Design

Manager, Finance & Administration, Treasury Services, Corporate Services
Councillor, Ward 2

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

St. Mark's Church is currently a vacant heritage facility. The site needs a long-term adaptive re-use plan for the preservation, presentation, and financial sustainability.

The Urban Hamilton Official Plan outlines policies related to the adaptive reuse of commercial and industrial heritage properties and the importance of downtown renewal to the health and vitality of the overall City. Operating St. Mark's as a cultural space can help fulfil the intent of this policy.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Option #1

Commission a "Highest and Best Use" study that would provide a range of appropriate uses including operating the site a cultural programming space.

Financial:

The estimated cost of the "Highest and Best Use" study is estimated at \$40,000. This study has not been budgeted for, although it could be funded from St. Mark's Capital Budget 7201141108. In order to cover this expense some capital repairs would have to be suspended.

Staffing:

There are no staffing implications associated with Option #1.

Legal:

There are no legal implications associated with Option #1.

Option #2

Do no further work and mothball the building.

Mothballing is a comprehensive series of proactive steps that, if followed, can prepare a building for a sustained period of vacancy. The process is designed to minimize the chances of a building developing the right environment for decay to take hold.

Financial:

Comprehensive mothballing programs are generally expensive and may cost 10% or more of a rehabilitation budget. However, the money spent on well-planned protective measures will seem small when amortized over the life of the resource.

Staffing:

There are no staffing implications associated with Option #2.

Legal:

There are no legal implications associated with Option #2.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

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

Skilled, Innovative & Respectful Organization

- ◆ A culture of excellence
- ◆ Council and SMT are recognized for their leadership and integrity

Financial Sustainability

- ◆ Address infrastructure deficiencies and unfunded liabilities

Growing Our Economy

- ◆ A visitor and convention destination

Environmental Stewardship

- ◆ Reduced impact of City activities on the environment

Healthy Community

- ◆ Plan and manage the built environment
- ◆ An engaged Citizenry

APPENDICES / SCHEDULES

Appendix A to Report PED12059 - St. Mark's Feasibility Study Cultural Programming
Space

Appendix B to Report PED12059 - St. Mark's Stabilization – Current Capital Project

Appendix C to Report PED12059 - St. Mark's Stabilization and Useable Standard –

Proposed Capital Project 2012-1025

Appendix D to Report PED12059 - St. Mark's Church Studies and Reports

AB/NE:dkm

St. Mark's Feasibility Study Cultural Programming Space

Purpose of the Feasibility Study

- Verify community need for proposed use (cultural programming) of St. Mark's Church
- Assess the benefits and overall value of the proposed use
- Assess applicable market conditions and relevant trends related to proposed use
- Identify the service (use) objectives/outcomes
- Determine required resources (capital and operating)
- Determine financing strategies
- Review service delivery options and recommend the most effective delivery strategy
- Determine the City's role and impacts (financial, resources)
- Develop an implementation strategy for the development & delivery of the service

Background - Council Direction

In 2010, Council directed staff to complete an in-house feasibility study for St. Mark's Church to be used as a cultural programming space to be administered by Whitehern Historic House and Garden staff in consultation with the Ward 2 Councillor (CS10064).

Based on the above identified purpose of a feasibility study, the following components could be examined in a study:

1. Service Concept

- Description of the service concept (cultural programming)
- Origin/impetus for the concept
- Alignment with City strategies, goals, direction

2. Community Benefits

- Identification of projected community benefits including:
 - Educational and social development, quality of life
 - Strengthening community identity and pride
 - Protection of cultural asset
 - Environmental, protection of public open space
 - Economic generator, tourism

3. Community Needs Assessment and Market Analysis

- Identification of target markets & demographics
- Needs assessment for service concept
- Identification of competition
- Potential for market growth

4. Service Concept Development

- Identification of concept
- Format
- Levels of service provision
- Applicable criteria/standards (quality, accessibility, customer service)

5. Resource Requirements

- Capital (land, structure, space, furnishings, equipment, computers, technology)
- Facility provision options (renovations, readapting, rental/lease etc)
- Operating (staff, utilities, materials, supplies etc)

6. Service Delivery/Management Options

Review of service delivery options with respect to the following criteria:

- Cost efficiencies
- Accessibility (physical, financial etc)
- Public interest
- Lead role capacity
- Service quality and customer responsiveness
- Service integration
- Liability/regulatory considerations
- Resource/financing capacity
- City's role, financial impacts, impacts to other programs, services, facilities

7. Financial Assessment of Preferred Options

- Capital expenditure projections
- Operating cost projections
- Capital and operating financing strategies, pricing, subsidy, grants, sponsorships, fundraising etc

8. Recommendations

- Preferred service delivery approach
- City role and impacts (i.e. financial, resources etc)
- Implementation strategy

St. Mark's Stabilization – Current Capital Project

Approved Capital Budget: \$669,000

Cost to date: \$564,514.

During 2011, the stabilization work that was completed included the following:

- Invasive vegetation removal including ivy removal from the building and weed tree and shrub removal from around the foundation to facilitate masonry repairs;
- Roofing repairs to the tower, gutters and downspout replacement;
- Completion of engineering, drawings and specifications and permit applications; and,
- Designated Substances report drafted.

Additional stabilization work began on January 16, 2012. Highlights of the work completed include the following:

- Site has been secured and a pathway with gravel has been laid to safeguard the archeological assets;
- Debris has been removed from the nave;
- Modern material has been removed to reveal heritage architectural details;
- Debris has been removed from the basement;
- Modern walls, venting, flooring, drywall and ceilings have been removed from basement; and,
- Underpinning and shoring of the foundation walls.

Following the above-noted underpinning and shoring of the foundation walls, the following work is scheduled to be completed in the spring:

- Sunday School addition to be removed and area turned into a grassed-in courtyard;
- Masonry repairs to the exterior of the building;
- Roof repairs to finish off the edge of the gable at the Sunday School;
- Finishing details - i.e.) revealing select stained glass windows and refreshing window hoarding;
- Installation of basic electrical panel; and,
- Re-installation of landscaping where damage has occurred.

Additional work in 2012:

- Restoration of front doors (not included in Cost to Date. Will only restore if any funds are left in the account after above work completed)

**St. Mark's Stabilization and Useable Standard –
Proposed Capital Project 2012-1025**

Estimated Total Cost = approximate \$950,000

The following are highlights of issues that would need to be addressed (depending on the approved use) in order to make St. Mark's Church and the property useful:

- Foundation repointing and selective rebuilding;
- Study to analyze heritage finishes and determine ways to incorporate key interior, and exterior features into a final design use;
- Zoning approval to create parking area behind church;
- Electrical installation;
- Plumbing upgrades;
- Complete HVAC (Heating, Ventilation and Air Conditioning) installation (no system is currently in place);
- Insulation of the building where deemed necessary and appropriate to the sensitive nature of the interior;
- New electrical and lighting fixtures run throughout church (minimal electrical exists currently);
- New main roof and redesigned gutters;
- Restoration of stained glass windows;
- Replication of windows in some locations;
- Vented storms needed on heritage stained glass windows;
- Restoration of heritage plaster, woodwork, paint finishes and flooring;
- Restoration of heritage doors on exterior of church; and,
- New construction to suit needs of new use including bathroom facilities and kitchen. (No plumbing exists in church currently.)

St. Mark's Church Studies and Reports

Date	Study	Consultant
1995	Conditions Study, St. Mark's Church	Alan Seymour Architect
2004	St. Mark's Adaptive Re-use Study	Long Range Planning & Design, Community Planning and Design, City of Hamilton
2005	Conditions Report and Cost Estimates for Repairs	SP Designs
2011	Conservation Plan for the west wall and Church Building St. Mark's Church	McGillivray Architect
2011	Designated Substances Report	Genivar

Committee Reports			
Date	Committee	Report	Direction
Mar 20, 2007	Economic Development and Planning Committee AMENDED REPORT 07-005	<p>St. Mark's Church Feasibility Study (PED07111 / PW07037) – (City Wide) (Item 7.2)</p> <p>(a) That the findings of the Feasibility Study, dated February 6, 2007, entitled St. Mark's Church – Community Services Feasibility Study Findings, attached as Appendix "A" to Report PED07111 / PW07037, be received.</p> <p>(b) That St. Mark's Church no longer be considered as a viable alternative to accommodate the Community Services Department.</p> <p>(c) That St. Mark's Church be declared surplus to the requirements of the City of Hamilton in accordance with the "Procedural By-law for the Sale of Land", being By-law No. 04-299.</p> <p>(d) That the Development and Real Estate Division of the Planning and Economic Development Department investigate the highest and best use in the form of an adaptive re-use of the existing Church (with the exception of the Sunday school portion, which is in a dilapidated state) and potential for increased value through rezoning to allow additional permitted uses, prior to disposal of the subject site. Such additional uses will be compatible with the surrounding land uses and the Department shall consult with the</p>	AT THE COUNCIL MEETING OF MARCH 28, 2007, THE FOLLOWING ITEM WAS REFERRED BACK TO THE ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE FOR STAFF REPORT.

Committee Reports			
Date	Committee	Report	Direction
		<p>neighbourhood on any zoning proposal prior to consideration by Committee and Council.</p> <p>(e) That subsequent to completing the rezoning process, the Development and Real Estate Division of the Planning and Economic Development Department be authorized and directed to tender the sale of St. Mark’s Church through the issuance of a Request for Proposal, located at 130 Bay Street South, pursuant to the “Procedural By-law for the Sale of Land”, being By-law No. 04-299.</p> <p>(f) That if no interest has been expressed for the subject property through the issuance of the Request for Proposal, that staff report back to Council on the future disposition of the site.</p> <p>(g) That this Report be forwarded to the Municipal Heritage Committee for information.</p>	
Apr 3, 2007	Economic Development and Planning Committee REPORT 07-006	<p>St. Mark’s Church Feasibility Study (PED07111 / PW07037) – (City Wide) (Added Item 11.1)</p> <p>Committee considered the matter and then re-confirmed their previous position on the staff recommendation.</p>	EDP Report 07-006 was approved at Council April 11, 2007.
Jun 17, 2008	Economic Development and Planning Committee Report 08-011	<p>City Initiative for an Official Plan Amendment and Change in Zoning for Lands Located at 130 Bay Street South - St. Mark’s Anglican</p>	EDP Report 08-011 was approved at Council June 25, 2008.

Committee Reports			
Date	Committee	Report	Direction
		<p>Church (Hamilton) (PED08128) (Ward 2) (Item 6.2)</p> <p>Committee passed the following Motion: WHEREAS the property was designated as a heritage building in 1995,</p> <p>AND WHEREAS the historical designation includes the open space,</p> <p>AND WHEREAS the site was purchased in 1994 in parkland funding,</p> <p>AND WHEREAS the Durand Neighbourhood currently has a 7.2 ha deficiency in parkland.</p> <p>NOW THEREFORE, the item be referred back to staff with a request for information on the following items, with the interest of continued open space use of the site:</p> <p>a) capital costs to make the building structurally sound (excluding the Sunday School building);</p> <p>b) annual maintenance costs to keep building intact and site as an open space use;</p> <p>c) Consideration of the costs and options associated with Option 6 Neighbourhood Park, as outlined in Appendix D, to Report PED08128.</p>	

Committee Reports			
Date	Committee	Report	Direction
Oct 21, 2008	Economic Development and Planning Committee Amended Report 08-020	<p>Costs Related to St. Mark's Anglican Church (Hamilton) (PED08128(a)) (Ward 2)</p> <p>(a) That Report PED08128(a), Information Report – Costs Related to St. Mark's Anglican Church (Hamilton), be received.</p> <p>(b) That the cost of appropriate and essential repairs, and on-going requirements to keep the building secure, be recommended for approval in the 2009 Budget process.</p> <p>(c) That staff be directed to prepare a Business Case, for the future use of the building for neighbourhood uses including the involvement of neighbourhood partners, and that this be presented to Committee.</p> <p>(d) And that Council rescind its previous Motion which declared the building surplus.</p>	EDP Amended Report 08-020 was approved at Council October 29, 2008.
Jun 2, 2010	Emergency & Community Services Committee Report 10-009	<p>St. Mark's Church - Future Use of the Property, 130 Bay St. South, Hamilton, Ontario (CS10064) (Ward 2) (Item 8.2)</p> <p>Staff from the Culture Division was directed to conduct an in-house feasibility study for St. Mark's Church as a cultural programming space to be administered by Whitehern Historic House and Garden staff, and report back to the Emergency and Community Services Committee.</p>	ECS report 10-009 was approved at Council June 9, 2010.

Committee Reports			
Date	Committee	Report	Direction
		Recommendations (b) through (e) of Report CS10064, respecting St. Mark's Church Future Use of the Property, 130 Bay Street South, Hamilton, be referred back to staff for further discussion and consultation with the Ward 2 Councillor.	
Sep 8, 2010	Emergency & Community Services Committee REPORT 10-011	<p>St. Mark's Church - Future Use of the Property, 130 Bay St. South (CS10064(a)) (Ward 2) (Item 8.4)</p> <p>(a) That the unfunded \$8,918.72 spent to-date on the St. Mark's Church project (cost of studies, administration, WIP #3620741701) be funded from Culture Division's Works-In-Progress Capital Project 7100341101.</p> <p>(b) That the \$350,000 cost to stabilize St. Mark's Church be borrowed (\$165,000) from Culture Division Works-In-Progress Capital Project 7100341101 and \$193,919 from the City's Unallocated Capital Reserve #108020.</p> <p>(c) That the \$165,000 borrowed from Culture Division Works-In-Progress Capital Project 7100341101, to be used for the stabilization of St. Mark's Church, be replaced through the Culture Division's 2011 Capital Block Funding.</p>	ECS report 10-011 was approved at Council September 15, 2010.
Sep 8, 2011	Emergency & Community Services Committee	Status and Next Steps St. Mark's Church, and Auchmar Estate (CS11076) (Wards 2 and 8) (Item 5.3)	ECS Amended Report 11-010 was approved at Council September 14, 2011.

Committee Reports			
Date	Committee	Report	Direction
	AMENDED REPORT 11-010	The following Information Item (g)(i) was lifted from the Information Section and TABLED to the General Issues Committee: On a Motion, Report CS11076 respecting, Status and Next Steps St. Mark's Church, and Auchmar Estate was tabled to the September 14, 2011 meeting of Council.	