SUBJECT: Negotiation of a Joint Venture Agreement for the Development of a Parking Structure at 166-190 Main Street West and 57 George Street (PED05105(a)) (Ward 2)

RECOMMENDATION:

a) That staff be authorized and directed to enter into negotiations with Mikron Properties for a joint venture agreement respecting the development of a parking structure located at 166-190 Main Street West and 57 George Street as delineated in Appendix ‘A’ to Report PED05105(a), to the satisfaction of the Manager of the Hamilton Municipal Parking System;

b) That, as part of the negotiations, Mikron Properties being the owner of 166-190 Main Street West and 57 George Street, be required to submit a conceptual plan for the parking structure and site that satisfies the policy intent of the Downtown Secondary Plan and that is satisfactory to the Manager of Community Planning and Design Section of the Planning and Economic Development Department and which will form the basis of any subsequent site plan requirements under the Planning Act; and,

c) That staff be directed to report the results of the negotiations at a future meeting of the Planning and Economic Development Committee.

Lee Ann Coveyduck
General Manager
Planning and Economic Development Department
EXECUTIVE SUMMARY:

Report PED05105(a) seeks approval for staff to enter into negotiations for a joint venture agreement respecting the development of a parking structure located at 166-190 Main Street West and 57 George Street.

The results of the negotiations will not constitute the execution of an agreement. Staff will report back to Committee on the results of the negotiations, and seeking further direction, at a future meeting.

BACKGROUND:

City Council, at its meeting held September 28, 2005, directed staff to issue a Request for Information (RFI) for a joint venture agreement respecting the development of a parking structure within the Downtown Hamilton Community Improvement Project Area (DHCIPA). The direction was based on:

- Development projects implemented and proposed within the Downtown that will attract people working and visiting the Downtown and the City of Hamilton’s need to ensure adequate parking is provided for the workers and visitors of those development projects.

- The Downtown Transportation Master Plan that guides transportation growth and planning in the Downtown over the next 20 years recommends the development of parking structures versus surface parking lots.

- The concept of a parking structure partnership supported in the City Wide and Downtown Parking and Loading Study completed by Marshall Macklin Monaghan on behalf of the City. The study encourages the Hamilton Municipal Parking System (HMPS) to evaluate the opportunity to develop a form of alliance to minimize costs and maximize revenues for both the City and the partner.

Staff issued an RFI in November 2005 that generated five (5) proposals for the following sites:

1. 37-39 James Street South and 21 Main Street West
2. 166-190 Main Street West and 57 George Street
3. 166-190 Main Street West and 57 George Street¹
4. 112 King Street East
5. 22 George Street

The Staff Review Committee reviewed each submission against various criteria and four of the five bids were eliminated. Mikron Properties, the owner of the property at 166-

¹ Two proposals were submitted for the same site, however one was submitted from a proponent that did not own, or have an interest in, the property.
190 Main Street West and 57 George Street (north side of Main between Hess and Caroline) is proposing the development of a joint venture which would consist of the development of a parking structure with a commercial component at the ground level. From preliminary discussions with the proponent, staff is confident that a positive business case can be developed for the City, but this would, obviously, be subject to detailed discussions and negotiations.

The principles behind the design must satisfy the urban design principles in the Downtown Secondary Plan. Consequently, staff from the Community Planning and Design Section will review the conceptual plan to ensure the design meets the requirements of the urban design elements.

It is important to note that Hamilton Street Railway (HSR) had representation at the Staff Review Committee and concluded that the development of a parking structure at 166-190 Main Street West and 57 George Street would not adversely affect any transit policy or initiatives.

**ANALYSIS/RATIONALE:**

The City could take no action and rely on private developers to ensure that adequate parking is provided to address the needs of existing and future developments within the Downtown Hamilton Community Improvement Project Area (DHCIPA); however, due to the costs associated with both the construction and operation of parking structures as well as the abundance of affordable surface parking lots in the Downtown area, it is unlikely that the private sector will address these needs without municipal involvement.

The development of a parking structure in this area of the Downtown would ensure that adequate parking is provided for the proposed new development as well as for the Hess Village Entertainment District.

**ALTERNATIVES FOR CONSIDERATION:**

Non-acceptance of the recommendations contained within Report PED05105(a) would ultimately result in the loss of an opportunity to joint venture the cost to develop and operate a parking structure at Main and Hess/Caroline which would address parking needs for existing and future developments in the Downtown.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial** – There are no financial implications directly associated with negotiating a joint venture agreement to develop a parking structure within the Downtown.

**Staffing** – There are no staffing implications associated with Report PED05105(a).

**Legal** – Staff from the Downtown Renewal Division will consult with the Legal Services Division to ensure the negotiated agreement is satisfactory to the City Solicitor prior to recommending execution of such agreement.
POLICIES AFFECTING PROPOSAL:

The policy provisions of the Downtown Transportation Master Plan (DTMP) and its companion document, the Downtown Secondary Plan (DSP) are relevant considerations. The DTMP recognizes that the large amount of surface parking lots on the edge of the Downtown creates a break in the street façade between central retail and office uses and nearby residential uses. The development of a parking structure with commercial use at the ground level will address this issue in an extremely visible block within our Downtown.

RELEVANT CONSULTATION:

Staff of the Hamilton Street Railway (HSR) was consulted in the preparation of Report PED05105(a).

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.

Community Well-Being is enhanced. ☑ Yes □ No

Partnerships are promoted.

Environmental Well-Being is enhanced. ☑ Yes □ No

The development of a surface parking lot in the Downtown makes efficient and effective use of City services as well as protecting human health and safety.

Economic Well-Being is enhanced. ☑ Yes □ No

Investment in Hamilton is enhanced and supported. Property owners invest in Downtown properties leading to property assessment increases through the development of buildings and lands.

Does the option you are recommending create value across all three bottom lines? ☑ Yes □ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes □ No

Hamilton continues to lead initiatives related to renewal. Such initiatives are professionally stimulating and result in Hamilton being a choice for employment to those interested in bettering community life.

HM:GM:MH

Attach: (1)