SUBJECT: Auchmar Estates, 88 Fennell Avenue West, Hamilton (PED07118) (Ward 7)

RECOMMENDATION:

(a) That Item (e) of the principles regarding the Auchmar Estates, approved by the former City of Hamilton Council on May 30, 2000, be rescinded to allow for either public or private ownership of the restored cultural heritage property.

(b) That the Development and Real Estate Division of the Planning and Economic Development Department investigate the highest and best use and potential for increased value through an Official Plan Amendment, as necessary, and 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 neighbourhood on any zoning proposal prior to consideration by Committee and Council.

(c) 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 the Auchmar Estates through the issuance of a Request for Proposal, pursuant to the "Procedural By-law for the Sale of Land", being By-law No. 04-299.

(d) That the Development and Real Estate Division of the Planning and Economic Development Department be authorized and directed to aggressively market the sale of the Auchmar Estates, including international exposure.
(e) That if no satisfactory interest has been expressed for the subject property in response to the issuance of the Request for Proposal, that staff report back to Council on future disposition options for the property.

(f) That Report PED07118 be forwarded to the Municipal Heritage Committee for information.

Lee Ann Coveyduck
General Manager
Planning and Economic Development Department

EXECUTIVE SUMMARY:

The purpose of this report is to seek Council approval for the disposition of the Auchmar Estates through the issuance of a Request for Proposal (RFP) for the adaptive re-use of the Auchmar Estate following the completion of a re-zoning process.

BACKGROUND:

The Auchmar Estate, located at 88 Fennell Avenue West, comprises a 3.765 hectare (9.5 acre) site currently owned by the City of Hamilton. The lands are distinguished by a mid-nineteenth century, Ontario Gothic manor house (built for Isaac Buchanan, a local merchant and politician), a carriage house, dovecote and substantial stone garden walls.

The City of Hamilton obtained ownership to the Estate in exchange for developable City-owned lands as a result of community opposition to a proposed development of the site (35-40 residential lots) and the potential loss of a significant cultural heritage resource. The exchange occurred in October 1999, by Instrument Nos. LT575553 and LT5755554, wherein ownership of the Estate was transferred to the City of Hamilton, in exchange for a 15.37 acre vacant, City of Hamilton parcel of land proposed for residential use. Both properties were equally valued at two million dollars ($2,000,000) at the time.

Despite failed negotiations to develop the Auchmar site for a “wellness centre” in 2001, and calls for tenders for the sale and adaptive re-use, conservation and management of the Auchmar Estate through a RFP process in 2003, the estate has remained vacant since the spring of 2001. During this vacancy period, the Estate has been used on a number of occasions for film shoots (i.e., Blake Holsey Production Inc.).
As the City itself does not have a corporate need to retain this asset, Development and Real Estate staff undertook a study to develop design options/concepts to determine if any development potential is permissible on the area that is occupied by the chapel and dormitory, which is not subject to the heritage designation or the Ontario Heritage Trust easement. Four development concepts prepared by the Department’s Heritage and Urban Design staff are attached as Appendix “A”. The draft concepts range from the re-use of the Main House to potential new residential buildings contained within the footprint of the Chapel and Dormitory. Any proposed alterations would be subject to a Heritage Permit, reviewed by the Heritage Permit Sub-committee of the Hamilton LACAC (Municipal Heritage Committee). None of the concepts entail re-use or redevelopment on the extensive grounds. Further, as the Ontario Heritage Trust holds a Heritage Conservation Easement on the property, Heritage staff is continuing to work with the Trust to determine acceptable conservation and re-use options. A meeting was held with the Ontario Heritage Trust on March 15, 2007, to review and discuss the design options/concepts prepared by staff. The Ontario Heritage Trust has agreed, in principle, to use the development options and the potential new development envisioned within the footprint of the Chapel and Dormitory as guiding principles for prospective purchasers. A notation of this, in principle, agreement will be identified within the development option design package, which package will form part of the RFP. In that agreement has been reached, in principle, from the Ontario Heritage Trust on the proposed options developed by staff, Planning staff will proceed to take the necessary steps to examine the highest and best use for the site and having the lands re-zoned to appropriate, compatible uses to facilitate a more successful disposal process through the issuance of an RFP.

With staff completing its due diligence, including obtaining all necessary planning approvals, the issuance of the RFP will eliminate the uncertainty and potential risks faced by prospective purchasers. Proponents may be more desirous in acquiring the lands on an “as is” “where is” basis knowing that development/re-development is possible and can occur within a timely manner. In the event that no appropriate interest has been expressed for the subject property through the issuance of the Request for Proposal, staff will report back to Council on future disposition options for the property.

The entire property is zoned “C” District (Urban Protected Residential) in the City of Hamilton Zoning By-law #6593 and designated Major Institutional in the City of Hamilton Official Plan. The permitted uses within this zoning category are as follows:

- A single family dwelling, together with accommodation of lodgers to a number not more than three.
- A Foster Home.
- Residential Care Facilities for the accommodation of not more than 6 residents.
- Retirement Home for the accommodation of not more than 6 residents.
• Day Nursery not accommodating more than 24 children.

• Public Uses; Library, art gallery, museum, a school, and not including a dormitory.

Due to the limited permitted uses, it is being recommended that as a City Initiative that the current uses be expanded to allow additional uses that will be compatible with the surrounding land uses. Depending on the nature and scope of uses, an Official Plan Amendment may also be required. This, in turn, will increase the market value/development viability of the site and attract greater potential purchaser interest, while still ensuring that the heritage attributes are protected. It is noted that within the last six months, the City has received one unsolicited proposal, that being from the Settlement and Integration Services Organization (SISO), a Letter of Intent to Purchase (proponent requested that the parties name remain confidential) and other private sector interest through telephone inquiries and emails. The SISO proposal submitted, as well as the concepts prepared by staff, envision a broader range of uses within the footprint of the chapel and dormitory to include Multiple Dwellings, Personnel Services, medical offices, reception and event facility, professional offices, in addition to all other uses currently permitted within the “C” District zone. Therefore, in order to implement the re-development concepts proposed by staff and to accommodate the interest expressed by the private sector, amendment to the “C” District Zone will be required to expand the uses.

The Request for Proposal will provide assurances that the redevelopment of the site is in keeping with the established principles and guidelines to be detailed in the RFP; which guidelines will ensure that the heritage attributes pursuant to the heritage designation and the Heritage Conservation Easement are adhered to. It is further being recommended that as part of the City’s marketing strategy that the call for proposals be exposed globally which may garner additional outside interest to the adaptive re-use of this asset.

ANALYSIS/RATIONALE:

The existing Estate has been vacant for more than 5 years and limited funds are available to sustain the asset. With the projected $4,000,000 cost to restore, $395,000 for immediate repairs and stabilization, as well as ongoing operating costs in the amount of $55,000 annually, the City should be actively pursuing to divest its interest in this property. In order to attract interest in the redevelopment of the site and to ensure that the long term viability of this asset is protected, it is being recommended that the City be pro-active in obtaining the necessary planning approvals to expand the range of uses compatible with the surrounding land uses and to aggressively market the site nationally and internationally.

ALTERNATIVES FOR CONSIDERATION:

Retaining the property will require the City to allocate significant funds to the restoration of the Estate and ongoing maintenance costs. The projected restoration cost is
estimated at $4,000,000, and ongoing operating costs averaging $55,000 per annum. With the liability associated with the continued ownership pursuant to the Ontario Heritage Conservation Easement, the Ontario Heritage Foundation could, at any time, order the City to perform any of its obligations to the restoration of the Estate, under the terms and conditions of the agreement, wherein adequate funding has not been allocated within the capital budget. The agreement ensures that “the owner shall, at all times, maintain the Buildings in as good and sound state of repairs as a prudent owner would normally do so that no deterioration in the present condition and appearance of the Heritage Elements shall take place”. Therefore, if it is the will of Council to retain ownership of the asset, sufficient funding must be allocated as part of the 2007 capital budget.

### FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

**Financial:** Sale of the property will result in the City saving costs to operate a vacant facility estimated at $55,000 annually, as well as substantial restoration needs for the existing structure and significant heritage features of the property.

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

**Legal:** There are no known legal implications.

### POLICIES AFFECTING PROPOSAL:


- City of Hamilton Real Property Sales Procedural By-law 04-299.

- Provincial Policy Statement - *significant built heritage resources and significant cultural heritage landscapes shall be protected.*

### RELEVANT CONSULTATION:

- City’s Portfolio Management Committee.

### 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
The sale and development opportunities contribute to the strategic goal of a City of Growth and Opportunity.
Arts, culture, archaeological and cultural heritage are supported and enhanced. The public are involved in the definition and development of local solutions.

**Environmental Well-Being is enhanced.** ☑ Yes ☐ No
The initiative contributes to the strategic goal to encourage development which makes efficient and economical use of infrastructure and services.

**Economic Well-Being is enhanced.** ☑ Yes ☐ No
Investment in Hamilton is enhanced and supported.

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

:BF
Attach. (1)
Site Inventory and Analysis
Appendix A to Report PED07118

AUCHMAR
ADAPTIVE REUSE AND DESIGN CONCEPTS
NOVEMBER 2006

1. RE MNANT WALL WITH ARCHWAY
2. CARRIAGE HOUSE THROUGH ARCH
3. FRONT ENTRANCE
4. CARRIAGE HOUSE
5. THE MANOR
6. CIRCULAR DRIVE AT MANOR HOUSE
7. ASPHALT PARKING LOT (14 SPACES) NEAR THE GARDEN WALL
8. CIRCULAR DRIVE AT THE CHAPEL/DORMITORY
9. THE CHAPEL/DORMITORY
10. DOVE COTE
11. TREED ALLEE
12. GARAGE BUILDING AT THE MANOR

Planning and Economic Development Department
Development and Real Estate Division
Community Planning and Design Section
Heritage and Urban Design
Concept 1: Reception and Event Facility

Appendix A to Report PED07118

Planning and Economic Development Department
Development and Real Estate Division
Community Planning and Design Section
Heritage and Urban Design

AUCHMAR
ADAPTIVE REUSE AND DESIGN CONCEPTS
NOVEMBER 2006

MAINTAIN EXISTING LANDSCAPE FEATURES

PUBLICLY OWNED OPEN SPACE

F EN N E L L    A V E N U E    W E S T

MAINTAIN EXISTING LANDSCAPE FEATURES IN OPEN SPACE

EXISTING ENTRANCE

MAINTAIN EXISTING STONE WALL

MAINTAIN EXISTING DOVE COTE

POTENTIAL PATIO

EX. DRIVEWAY

MAINTAIN EXISTING STONE WALL

MAINTAIN EXISTING DOVE COTE

POTENTIAL PATIO

EX. DRIVEWAY

MAINTAIN EXISTING LANDSCAPE FEATURES

RESTORED ENHANCED LANDSCAPE

PROPOSED PROPERTY LINE

BUILDING FOOTPRINT OF CHAPEL/DORMITORY

PROPOSED SURFACE PARKING LOT (58 SPACES)

LANDSCAPE ISLAND (INCORPORATES EXISTING MATURE OAKS)

MAINTAIN EXISTING STONE WALL

MAINTAIN EXISTING DOVE COTE

POTENTIAL PATIO

ADAPTIVE REUSE OF CARRIAGE HOUSE FOR RECEPTION AND EVENT FACILITY

ADAPTIVE REUSE OF MANOR FOR RECEPTION AND EVENT FACILITY

PUBLICLY OWNED OPEN SPACE

BUILDING FOOTPRINT OF CHAPEL/DORMITORY

PROPOSED SURFACE PARKING LOT (58 SPACES)

LANDSCAPE ISLAND (INCORPORATES EXISTING MATURE OAKS)

MAINTAIN EXISTING STONE WALL

MAINTAIN EXISTING DOVE COTE

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LANDSCAPE ISLAND (INCORPORATES EXISTING MATURE OAKS)

MAINTAIN EXISTING STONE WALL

MAINTAIN EXISTING DOVE COTE

POTENTIAL PATIO

ADAPTIVE REUSE OF CARRIAGE HOUSE FOR RECEPTION AND EVENT FACILITY

ADAPTIVE REUSE OF MANOR FOR RECEPTION AND EVENT FACILITY
Concept 2: Residential Adaptive Reuse
Appendix A to Report PED07118

Planning and Economic Development Department
Development and Real Estate Division
Community Planning and Design Section
Heritage and Urban Design
Concepts 2 through 4: Residential Adaptive Reuse – Unit Boundaries

Appendix A to Report PED07118

Ground Floor
4 Units

Second Floor
4 Units
Concepts 2 through 4: Residential Adaptive Reuse – Conservation and Addition Locations

Appendix A to Report PED07118

Ground Floor Plan

Second Floor Plan
Residential adaptive reuse of the existing Manor and Carriage House and construction of a townhouse development built into the existing terrain.
Concept 3: Residential Adaptive Reuse and Townhouses

Appendix A to Report PED07118

View of existing chapel/dormitory

View of townhouses from the public open space
Concept 4: Residential Adaptive Reuse and 3 Storey Building

Adaptation of the existing buildings for residential use including demolition of the chapel/dormitory site into a three-storey building with a parking structure built into the slope.
Concept 4: Residential Adaptive Reuse and 3 Storey Building

Appendix A to Report PED07118

View of existing chapel/dormitory

View of three storey building from the public open space