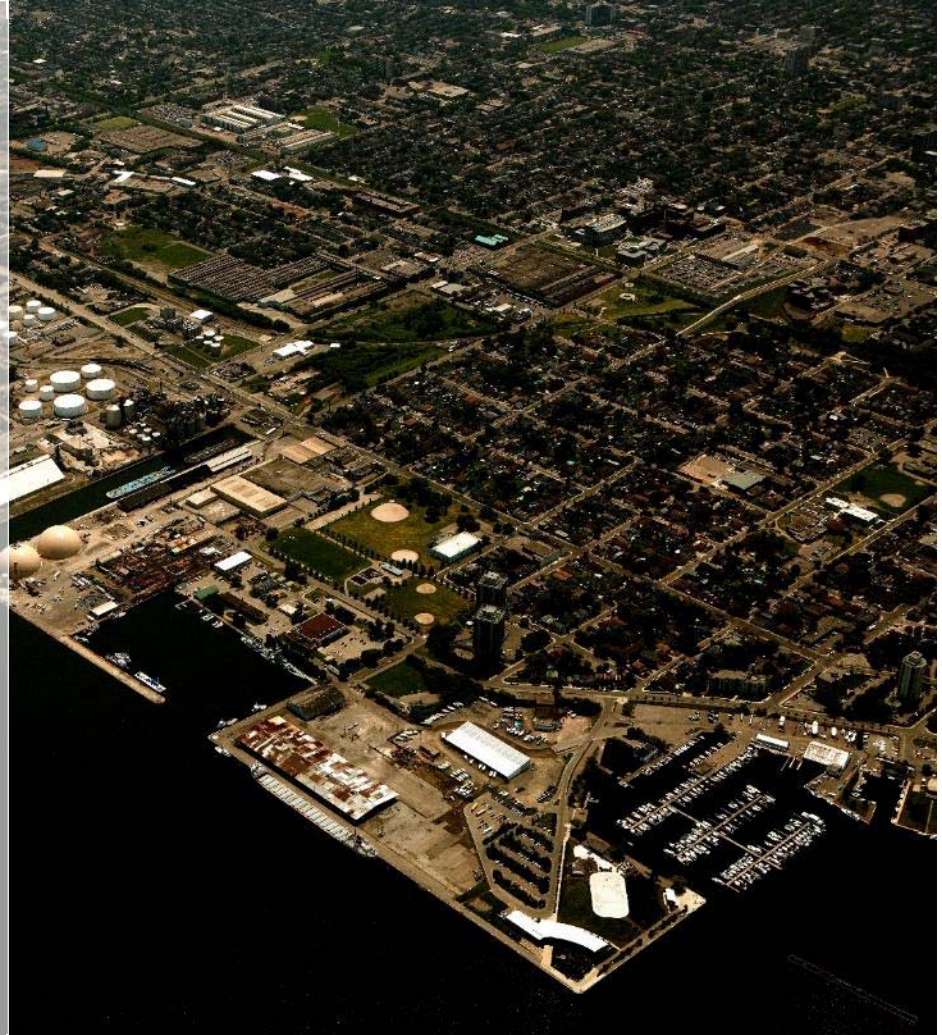


Hamilton Port Authority Land Use Plan

DISCUSSION PAPER

2016



Hamilton Port Authority is updating its Land Use Plan, a document which outlines the Port Authority's land use vision for a 10-20 year time frame. This Discussion Paper is intended to stimulate ideas and feedback from a range of Port stakeholders.

INTRODUCTION

Starting in July 2016, the Hamilton Port Authority (HPA) will be updating its Land Use Plan, a document which outlines the Port Authority's land use vision for a 10-20 year time frame. As part of the review and update process, HPA will seek ideas and feedback from a range of stakeholders, including port users, community organizations, the public, governments and relevant industry sectors. This *Discussion Paper* outlines some preliminary ideas to stimulate discussion and feedback.

BACKGROUND

HPA published its first Land Use Plan in 2002, as part of the organization's transition from the Hamilton Harbour Commissioners. It is a requirement of the Canada Marine Act that HPA prepare a Land use Plan that contains the objectives and policies for the development of the property that the Port Authority manages, holds or occupies. The *Canada Marine Act* requires that:

- *The Plan take into account relevant social, economic and environmental matters to ensure that the Port Authority is responsive to the local context in which it operates;*
- *City planning regulations that apply to Port lands and neighbouring lands also be considered, such that port planning recognizes the potential impacts of port activities on adjacent uses; and*
- *The process of preparing the Land Use Plan include a component of public consultation.*

HPA recognizes that having a clear vision for Hamilton's port lands is essential for the port, city, neighbours and other stakeholders.

OBJECTIVES OF THE UPDATED LAND USE PLAN

- Form the basis of a transparent and cooperative development process for port properties vis-à-vis the City of Hamilton;
- Make clear HPA's vision for development, the types of industries and businesses it will seek to attract, and how

it will accommodate them within a growing regional transportation hub;

- Provide a channel for open communication with the community and other port stakeholders to share concerns, offer ideas, and ask questions;
- Help the community and port stakeholders understand HPA's mandate, goals and operating constraints, and the rationale behind specific developments;
- Increase alignment with City policies and initiatives (zoning, Bayfront strategy, transportation master plan, economic development cluster priorities);
- Set out the principles that will be applied to new property acquisitions and redevelopments;
- Achieve the HPA's regional economic development and trade facilitation mandate.

STAKEHOLDER ENGAGEMENT STUDY

Earlier this year, HPA engaged McMaster University to initiate a Stakeholder Engagement Study, to research and develop recommendations for future stakeholder relations. The study involved surveys, face-to-face interviews and focus groups with a number of City officials and community organizations.

McMaster expects to complete its analysis later in 2016, but some preliminary themes have emerged, which have informed HPA's decision to undertake this update of the Land Use Plan, and which will be addressed in the final plan. These include:

- Need for clarity and transparency in the land development process, and when federal/provincial/municipal regimes apply;
- Process by which the port scrutinizes and accepts potential tenants;
- Actions the port takes to ensure environmental compliance among tenants, and actions taken to mitigate impacts, such as noise, dust, and truck traffic;
- Changes to federal security requirements that limit public access to port properties;
- Need for a clearly-articulated vision for the port and waterfront in 5-10-20 years;

- Need for a more cooperative and consultative approach to stakeholder interactions, including those with the community and the City.

2002 LAND USE PLAN - PRINCIPLES

The 2002 HPA Land Use Plan included five principles, developed by HPA at the time:

Principle 1

Ensure the economic vitality of the Port of Hamilton, over the long term. Achieving this principle will involve continued investment in and maintenance of the Port's facilities by HPA, provision of appropriate ground transportation facilities and connections, and continuous exploration of new technologies and market opportunities, as well as ongoing support from the Cities of Hamilton and Burlington for the Port's marine and industrial operations.

Principle 2

Partner with the Cities of Hamilton and Burlington, and other agencies and interest groups to achieve a healthy harbour environment. This principle will be achieved through implementation of the HPA's own Environmental Code of Practice, active partnerships with the Cities of Hamilton and Burlington, and the continued support of the Remedial Action Plan and its implementing agencies. The opportunity exists to continue to build on the tremendous gains that have been realized to-date in improving the harbour's water quality and habitat environments.

Principle 3

Ensure a continuing mix of uses and activities in Hamilton Harbour. This principle recognizes that complexity is a sign of vitality and health, and that the harbour is big enough to accommodate many different uses and functions. As the variety of uses in the harbour intensifies, the delineation between industrial and non-industrial uses will need to be clearly and appropriately articulated, so that the Port can remain an active and positive economic contributor to a waterfront setting that is of essential public importance.

Principle 4

Celebrate the industrial heritage of the Port, working to enhance the physical image of Hamilton Harbour, both locally and regionally. The HPA will continue to demonstrate its commitment to this principle through improvements that will green the Port environment, enhance its overall image and better link it to the surrounding city, in collaboration with the Cities of Hamilton and Burlington.

Principle 5

Maintain an ongoing dialogue with stakeholders. HPA recognizes that it operates in a dynamic environment where adjacent uses and activities are interdependent with its own. As a good neighbor, the HPA will continue to embrace a land use planning process that encompasses the knowledge, experience and ideas of a broad range of stakeholders, including Port tenants, neighbouring residents, representatives from the City of Hamilton and Burlington and environmental groups.

What do you think? Are these principles still valid and relevant?

Do they require modification to address current issues, trends, or realities?

CHANGES SINCE 2002

- HPA has acquired several new properties since 2002, most significantly the former Stelco property at Pier 22, which has since been redeveloped into modern industrial employment uses. HPA has also acquired 1632 Burlington Street, a manufacturing and warehousing facility which houses 13 tenant companies; and 560 Ferguson Ave, associated with the Pier 10 brewery complex.
- Since 2002, the Hamilton waterfront has evolved to include a greater proportion of public space. Pier 8 now includes popular attractions like the waterfront skating rink and cafes, and HPA recently worked with the City of Hamilton to transfer the full lands at Piers 7 and 8 to the City, in order to facilitate the multi-use redevelopment of this area.

- The Randle Reef project has entered its construction phase, and new uses are being contemplated for the surface of the Engineered Containment Facility at completion.
- The security requirements imposed on port authorities by *the Marine Transportation Security Act* have changed the operating environment since 2002. Ports, port terminals and vessels are now required to control access to their respective facilities.
- The mix of tenants and the cargo base at the Port has substantially changed and diversified over the last decade. The amount of steel-making related cargo associated with US Steel has declined considerably. New sectors like agri-food, advanced manufacturing and construction materials have brought greater balance to the port's cargo mix. More than \$300 million in investment has been attracted to the Port in these sectors in recent years, in the form of new and expanded terminals, warehouses and manufacturing facilities.
- HPA's 620 acres is close to fully tenanted; home to more than 130 companies. The needs of the regional economy, local community and port-reliant businesses will certainly change over the coming 10-20 years. It is the goal of the updated land use plan to anticipate these needs and develop a plan for a sustainable, prosperous Port of Hamilton.

HAMILTON PORT AUTHORITY'S ROLE

Organizational Mission: Partnering for Progress

Organizational Vision: Great Lakes Port of Choice

The purpose of the Hamilton Port Authority is to manage, develop, and promote the port for the benefit of its stakeholders and ensure the general security of the port while remaining sensitive to the need for a high degree of safety and environmental responsibility.

The *Canada Marine Act* describes the role of Canada Port Authorities as follows:

- Facilitate Canada's economic and trade objectives
- Contribute to competitiveness, growth and prosperity
- Satisfy the needs of port users
- Operate with consideration to safety, environmental protection, user and community input

- Be responsive to local needs
- Undertake a commercial approach
- Integrate with surface transportation
- Operate in a financially sustainable fashion

SCOPE

The mandate of a port is to facilitate trade and to support the regional economy. For the Port of Hamilton, this means serving as an essential link in several supply chains: steel-making, agri-food, construction materials, petrochemicals, and manufacturing. HPA's updated Land Use Plan must seek to maximize efficient transportation services to these industries.

Port uses are determined by legislation, and are confined to transportation and logistics uses, as well as transportation-intensive industrial uses. In order for the port to fulfill its regulatory mandate, it must maintain its transportation-intensive industrial function and character.

A port is also an industrial community, comprising a network of companies. Port strategies may include initiatives that contribute to a more integrated, sustainable and efficient port community.

The Land Use Plan must explain how port activities will be undertaken in a financially and socially responsible, and environmentally sustainable fashion.

THE REGIONAL CONTEXT

The Golden Horseshoe

The Golden Horseshoe area, including the Greater Toronto Hamilton Area (GTHA) and Niagara is one of Canada's most densely populated, and fastest growing urban areasⁱ. The Port of Hamilton is a critical transportation asset for this growth-intensive part of southern Ontario. Hamilton is the largest of all Canadian Great Lakes ports, and larger by volume than of all other Lake Ontario ports combined. This means the Port of Hamilton plays a prominent role in facilitating the supply chains for key southern Ontario industries, including agri-food,

manufacturing, and steel-making. Hamilton is also a critical supply point for the commodities southern Ontario needs to grow and function: road fuel for vehicles, and construction materials like asphalt, structural steel and aggregates for infrastructure and construction.

The Great Lakes-St. Lawrence Seaway

The St. Lawrence Seaway is one of the major transportation routes into the heart of North America. More than 150 million North American consumers reside within an 8-hour drive of a Seaway port. From Great Lakes-Seaway ports, a multi-modal transportation network fans out across the continent. More than 40 provincial and interstate highways and nearly 30 rail lines link the 15 major ports of the system and 50 regional ports with consumers, products and industries all over North America. Cargo moving through the Port of Hamilton represents approximately 26 per cent of all Canadian Great lakes-St. Lawrence Seaway cargo.

ECONOMIC CONTRIBUTIONⁱⁱ

As the largest Canadian port on the Great Lakes, the Port of Hamilton receives approximately 600 vessel calls per year, handling large volumes of minerals, coal, fuel, agricultural and other products.

Employment

More than 2,100 people work on-site at port terminals, on shop-floors and in warehouses. A further 1,979 have an indirect or induced employment connection with the Port, providing goods and services to port-based customers. Jobs at the Port of Hamilton are concentrated in three areas: transportation and warehousing, manufacturing and engineering/construction. The average salary in these fields is well above the Hamilton and Ontario averages.

On-site employment at the Port of Hamilton has grown 30% since 2009, and this growth ripples through the economy in a number of ways. For example, more than \$260 million in labour income is pumped back into the local economy each year through personal spending, and port tenants contribute \$5 million in local property taxes each year.

GDP

Port cities retain an enviable advantage, concentrating and attracting economic activity within a single location. Port of Hamilton operations have a \$416 million impact on Ontario's GDP, and close to \$1 billion in economic activity is tied to the terminal and other business activities conducted on-site at the port.

Supply Chains

Cargo transiting the Port of Hamilton is connected to \$6 billion in downstream economic activity and 38,000 jobs in Ontario. The Port provides an essential service for some of Ontario's most important industries: advanced manufacturing, steel-making and agri-food. Approximately 10 million tonnes of cargo flows through the port each year, holding a value of \$1.9 billion. The port's highest total-value commodities are finished steel, soybeans and iron ore.

The Port of Hamilton has emerged as critical infrastructure within Ontario's agri-food supply chain. As a primary export gateway for Ontario-grown corn, wheat, and soybeans, the Port of Hamilton offers a competitive advantage to Ontario grain producers. The Port of Hamilton is now home to three grain export terminals, two fertilizer terminals, and one of Ontario's largest oilseed crush operations. Many of these facilities are either new, or have undergone significant expansion in recent years. In fact, more than \$200 million has been invested in agri-food infrastructure since 2009.

IDEAS FOR THE FUTURE

A Vibrant, Mixed-Use Harbour:

- HPA is an active contributor to Hamilton's vibrant, mixed-use harbour, supporting an expanding range of recreational, residential and commercial uses in the West Harbour, while transitioning to ever-more modern, sustainable industrial uses in the Central-East Harbour.
- In support of this approach, in 2014 HPA facilitated the early transfer of the former port lands at Piers 7 and 8 to the City to enable its development according to its Setting Sail Plan.

- HPA believes in the need to preserve space to make things in Hamilton. Manufacturing has always been critical to Hamilton's prosperity, and continues to employ more than 53,000 people in the City. The port's vision includes a bright future for Hamilton's manufacturing sector, bolstered by the competitive advantage of a robust, multi-modal goods movement network.
- HPA believes it can make a positive contribution to improving Hamilton's balance of industrial tax assessment.
- The port's focus on industrial and manufacturing uses is also aligned with the City's own approach for the best use of lands along the central-east Bayfront, as captured in Deloitte's report, *'Phase 1 Market Opportunities Study, a Strategy for Renewal'*.

What is your view of the balance of uses between the mixed-use West Harbour, and the industrial Central-East Harbour? Is this the right approach for the future?

Are there things we need to do as a Port and as a City to make sure the balance works well?

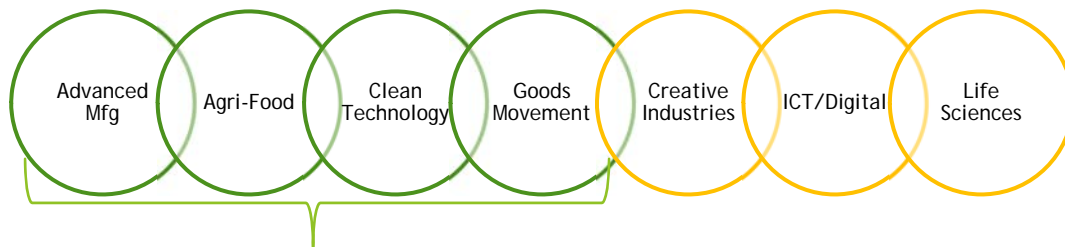
Facilitating Trade for a Prosperous Ontario:

- HPA's mandate is to facilitate trade, promote regional economic activity and support employment in the many economic sectors we touch. Whether delivering the goods Canadians use, or delivering Canadian goods to the world, we ensure that goods are moved safely, while protecting the environment. Cargo transiting the Port of Hamilton is associated with 38,000 jobs and \$6 billion in economic activity in Ontario.

Do you have ideas to help maximize the Port's service to the regional economy, while ensuring safety, security and environmental protection locally?

Attracting Investment in Key Sectors:

- HPA has attracted more than \$300 million in private sector investment to Hamilton in less than a decade. The Port Authority will continue to work to attract businesses in the following key sectors: steel making; other advanced manufacturing; agri-food; construction materials; petrochemicals and clean technology.
- The Port's target sectors are firmly aligned with those identified by the City of Hamilton as key to its own economic development strategy.



Common to HPA and City of Hamilton

Which of these sectors do you see as the most promising and important for the future of the city/regional economy?

Are there others we should be considering?

Community Energy District as Competitive Advantage:

- HPA is exploring ideas to develop the Port of Hamilton into a community energy district. Innovative energy generation and recapture initiatives could provide a source of competitively-priced energy for businesses located in and around port lands. Through this strategy, HPA will reduce overall energy consumption on port lands, reduce waste, and provide a competitive advantage for businesses who locate to Hamilton's port district, while minimizing adverse effects to adjacent neighbourhoods. This was the rationale that led HPA to consider a proposed plasma gasification facility on Pier 15. The decision to allow this facility to proceed must

include the proponent's fulfilment of all required provincial and municipal approvals.

- In 2016, HPA approved the development of a co-generation installation on the brewery property at Pier 10 in partnership with Hamilton's Horizon Utilities Corporation, providing low-cost power to port tenants.
- HPA is also actively investigating opportunities for heat recapture, solar and wind-energy applications within its *community energy district* strategy.

Does this approach have merit?

Which technologies do you believe hold the most opportunity within such a strategy?

North Hamilton as a Logistics and Industrial Hub:

- Robust logistics assets add value to industrial and commercial property. HPA is working to enhance North Hamilton's logistics capacity on and off port lands, enhancing its value and business attractiveness.
- Through its updated Land Use Plan and a collaborative relationship with the City of Hamilton, HPA seeks a planning framework that recognizes the Port of Hamilton as a critical regional economic asset; preserves space for transportation-intensive industrial development; and recognizes the multi-modal character of modern port operations.

How can HPA maximize the value of its transportation infrastructure for the benefit of Port and non-Port areas?

What can HPA do to encourage the use of the most efficient and environmentally friendly forms of transportation for goods movement?

Hamilton: Smart Port City:

- Hamilton has been a proud port city for more than 100 years, growing along with the city's industrial base. Recently, the port has been transitioning with the city's economy to a more diverse range of sectors.
- HPA wants to be a force for positive change on Hamilton's working waterfront, as Hamilton transitions into the smart port city of the future. This includes: ever higher standards of environmental performance; embracing new technologies and business sectors; integrating technology and infrastructure; maximizing efficiency in energy use; and maximizing value in real estate and cargo operations.
- HPA works to ensure that port-located industries meet a high standard of environmental performance.
- Tenant operations are required to meet all applicable federal, provincial and municipal standards.
- In addition, port operations are monitored on an ongoing basis by a full-time Environmental Manager to minimize any negative environmental or community effects.
- Tenants are encouraged to participate in programs and organizations like Green Marine, Hamilton Air Monitoring Network and Hamilton Industrial Environmental Association, which promote transparency and surpassing regulatory standards.
- HPA proposes to continue to welcome businesses in multiple sectors to be part of a diverse port community, provided they meet the standards noted above, contribute to a greener, cleaner Hamilton industrial zone, and foster pride in Hamilton as a port city.

How can the Port accommodate a range of new developments while being a conscientious and environmentally responsible neighbour?

Please offer your specific thoughts and ideas on issues like noise, dust, and truck traffic.

LET US KNOW WHAT YOU THINK

This document is a starting point, intended to spur thought and discussion. Please send us your feedback on the ideas and questions raised in this document, or any other issues you think should be addressed within the Port's updated Land Use Plan.

Please email: LUP@hamiltonport.ca

Or visit: www.hamiltonport.ca/portfacts/landuseplan for new documents, surveys and events.

ⁱ Proposed Growth Plan for the Greater Golden Horseshoe, Government of Ontario, May 2016

ⁱⁱ Economic contribution statistics drawn from:

CPCS, Hamilton's Working Waterfront: Port of Hamilton Economic Impact Study, 2016

Martin Associates, The Economic Impacts of the Great Lakes-St. Lawrence Seaway System, 2010