

Hamilton Port Authority Land Use Plan



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PART I: INTRODUCTION AND CONTEXT

The background information contained within Part I of this document informs the official Land Use Plan, which is Part II of this document. The purpose of the Plan, its jurisdiction, the plan development process, a description of the Port and its context, municipal jurisdiction and relationships, and the opportunities and challenges that were identified through this planning process and have informed the development of the plan, are all detailed in Part I.

Part II outlines the Planning Principles and the Land Use Policies that are presented in Section Three of this report. Part III presents a wider community vision within which the HPA will seek to fit, and contribute to, through implementation of this Land Use Plan.

The Hamilton Harbour, formerly known as Burlington Bay, is a naturally protected, landlocked body of water that was created during the last glaciation period, at the western-most end of Lake Ontario. It was once a rich, productive and balanced freshwater ecosystem dominated by marshlands along the low-lying southern shoreline. This shoreline was once heavily indented by inlets that received a number of smaller creek systems originating on the Niagara Escarpment. Today three main tributaries – Grindstone, Red Hill and Spencer Creeks, drain into the harbour. The Niagara Escarpment and Cootes Paradise are the other two prominent natural features in the area.

The Port of Hamilton has 195 hectares of industrial, commercial and recreational land, 15 commercial wharves and 11 kilometres of shipping berths. These holdings are primarily located within the City of Hamilton, with smaller holdings in the City of Burlington. The Port of Hamilton is one of the largest commercial ports in Canada.

An overview of its land, water base and context is provided in Map One. Access is provided through the Burlington Canal at the easterly end of the harbour. The shipping season usually lasts approximately nine months, constrained by the closure of the St. Lawrence Seaway each winter.

1.1. Purpose of the Land Use Plan

The transition of the Hamilton Harbour Commissioners (HHC) into the Hamilton Port Authority (HPA), as of May 1st, 2001, included the legislated requirement to prepare a Land Use Plan that contains objectives and policies for the development of the

property that the HPA 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 context in which it operates;
- City planning regulations that apply to Port lands and neighbouring lands also be considered, such that Port planning demonstrates recognition of the potential impacts of port activities on adjacent uses; and
- the process of preparing the Land Use Plan include a component of public consultation.

The HPA recognizes that having a clear vision for its future is an essential precondition to creating a valid Land Use Plan that has relevance and longevity. A clear vision will ensure that the Port is able to match desired Port functions to available Port facilities. As a result, the Land Use Plan preparation process began with a corporate brainstorming session to define a Strategic Vision for the future of the Port. Key elements of this vision, as identified by the HPA, include:

- promoting Hamilton Harbour as a diverse and dynamic environment that supports a mixture of uses;
- embracing new technologies that support new port activities;
- placing an emphasis on partnerships with all levels of government, community groups and environmental organizations, other Ports, and other industries;
- thinking about business development in terms of the 'new economy'; and
- taking full advantage of the location of the Port in the context of the Golden Horseshoe region, which extends around the western perimeter of Lake Ontario.

This vision recognizes the Port's existing strengths and seeks to orient its energies in a common direction, opening up opportunities and serving as a catalyst for the changes needed to ensure long-term success.

Building upon this vision, this Plan creates a framework for land use planning that will guide current and future decision-making of the HPA. It seeks to:

- identify constraints and opportunities for the development of the Port;

- promote the consolidation and strengthening of existing uses;
- identify directions for Pier 15 and Eastport, areas with the most significant development potential;
- engage and support current and future environmental initiatives;
- provide a more detailed design concept for Fisherman's Pier so that development pressures for this site can be addressed in a manner that is consistent with the overall vision of the Port and its approach to Land Use Planning.

1.2. The Port of Hamilton: Key Facts and Characteristics

1.2.1. History of the Hamilton Harbour

Settlement

The Hamilton Harbour was recognized by early settlers as a unique environment that could both provide enjoyment for residents and serve practical needs through the use of water for transportation and industrial purposes. In 1823, a canal was cut through the beach strip which opened the harbour to mercantile shipping. Several decades later, when the railway terminus on the harbour front was developed, commercial traffic increased significantly. Passenger service also increased in the mid-19th century, due to continued immigration. Following Confederation in 1867, Hamilton Harbour flourished as local industries began to establish their companies on the shore. The convenient access to water for industrial processes as well as easy access to shipping created the ideal climate to foster industrial expansion of the waterfront.

In 1912, as port activities and the harbour itself continued to become more complex, the Federal Government created the Hamilton Harbour Commissioners (HHC) to take over the administration of the Harbour from the City of Hamilton. Thus began a period of extensive harbour filling to create significant new piers to accommodate the rapidly expanding industrial use of the harbour.

Industrial Development

In the years immediately following World War I, shipping increased dramatically as the Commissioners expanded port activities and encouraged development of industrial harbour sites. Some key initiatives included:

- The construction of new docks and warehouses at the foot of Catherine Street, in 1912, and the building of a revetment wall from Catherine to Wellington, and then to Burlington Street;
- The development of the first official Harbour Development Plan in 1919, which was adopted by both the Port and the City of Hamilton;
- In the 1920s, the building of warehouses at the foots of Wellington and Wentworth Streets;
- The widening and deepening of the Burlington Canal and the dredging of the Ottawa Street channel to accommodate large vessels, which resulted in a doubling of harbour tonnage from 1929-1934;
- During the Second World War, new docks were built, dredging was intensified, and roadways were extended;
- Following the war, large brick warehouses were built at the foot of Pier 10, reclamation of 7 hectares was undertaken of waterfront property between Emerald and Wentworth Streets, and the Port of Hamilton soon became Lake Ontario's primary port;
- In 1951, the Commissioners purchased property at the foot of James Street and several years later began construction of its current offices;
- As a result of an adjustment of the original Harbour Headline in 1957, 400 hectares along the Beach Strip bay side water lots were acquired and targeted for reclamation;
- Between the 1950s and 60s, significant new freight terminals and piers were built;
- In 1965, the Port hosted the prestigious Seaway Day conference and embarked on an aggressive marketing campaign;
- Eastport, considered a primary achievement of the Harbour Commissioners in the latter half of the 20th century, involves the development of new pier numbers 25, 26 and 27. Eastport is a 50 hectare area of land located on the Harbour side of the Beach strip.

In the first half of the 20th century, the harbour became the site of a vital modern port. The latter half of the 20th century has seen the Harbour continue to develop as an internationally renowned industrial shipping centre. The opening of the Welland Ship Canal in 1932 brought a tremendous boost in shipping to Hamilton industry. In 1959, the St. Lawrence Seaway opened, and shortly thereafter cargo tonnage was higher in Hamilton than at any other Canadian or U.S. Port on the Great Lakes.

Recreational Development

Since its inception, the HHC has maintained its involvement in recreational activities. In 1919 the Commissioners were instrumental in establishing an official swimming area for residents. At the foot of James Street in 1938, they constructed a marine railway and dockyard for the use of pleasure boaters and small commercial craft. The purchase of the SS Hamiltonian and the operation of a pedestrian ferry service was a key recreational element that began in 1944. The summer of 1975 saw the HHC launch its Sailing School, which is now recognized as one of the foremost sailing and powerboating schools in the country. In 1984, the HHC donated 2.75 hectares in the west harbour to the City of Hamilton specifically for park purposes. Pier 4 Park opened in 1993.

Environmental Decline

The good news story of the development of the Hamilton Harbour for significant industrial purposes over the past several years has been accompanied by significant environmental degradation. From 1850-1982 the filling of waterlots with dredged material decreased the harbour water surface area by 22%. And as early as 1930, a bylaw was passed that prohibited swimming in the harbour. Water quality had been violated by both combined sewer overflows and industrial pollution, and public access to the shoreline had been compromised by infill. Fish and wildlife habitats were lost and the environment had become hostile to existing bird and wildlife populations. Negative environmental impacts also extended to the residential populations that live within the vicinity of the Port.

Remediation

Despite this extended period of environmental decline, the HPA now engages with dynamic environmental organizations, and is one of the original members of the Hamilton Harbour Remedial Action Plan. Utilizing the latest thinking and approaches to environmental assessment and remediation, the objective of this broad coalition of organizations is to create a safe and healthy harbour environment.

Some key initiatives have included:

- habitat restoration and the creation of new fish and wildlife habitat features;
- reductions in combined sewer overflows;
- reopening of beaches as a result of improved water quality; experimental sediment remediation technologies and preparatory work for a sediment removal and treatment project;
- production of watershed management plans;
- upgrades to wastewater treatment plants;
- increases in public access to the Harbour;
- pursuit of solutions to the Randle Reef contamination issue; and
- monitoring, research and management of harbour-related issues continues.

And while not an identified Remedial Action Plan project, the HHC was the lead agency and proponent for the clean-up of the Windermere Basin area in the late 1980s.

The creation of the Remedial Action Plan in 1992 was indicative of a new and more progressive approach to interacting with the harbour's ecosystem. As systems for understanding the levels of contaminants in the water and the impacts various uses have had on the health of the harbour have become more sophisticated, it has become possible to make changes to the management of the harbour that better respect its environmental context. This Land Use Plan is a reflection of this shifting approach and seeks to combine the strong tradition of industrial vitality and recreational activities with environmental health.

1.2.2. Port Activities

Cargo Flows and Shipping

With approximately 8,950 metres of docking facilities, some 700 ships call at the Port each year. During the 2000 shipping season, 509 domestic vessels called at the port, as did 192 foreign vessels. Although there is some variation from year to year depending upon economic conditions and the operations of various port tenants, the port handles an average of 12 million metric tonnes of cargo annually, a figure which has been relatively stable over the past 20 years (recognizing shifts in cargo trends). In 1999, the port handled 21 percent of all cargo destined for Canadian Great Lake ports via the St Lawrence Seaway.

Most of the cargo throughput at the Port of Hamilton is bulk goods, particularly those related to the steel industry, such as iron ore and coal. However, other significant commodities include salt, petroleum products, and bulk agriculture products. Inbound cargos consistently account for more than 90 percent of the total tonnage handled at the port each year. Cargo revenues fell slightly from 1998 to 1999, but the port maintained revenues of \$12.9 million in 1999.

As a diversified and significant operation, the port offers a full suite of facilities to shippers, including terminals for dry and liquid bulk cargos, warehouses, heavy lift cargo cranes, a “roll-on roll-off” berth, and container handling equipment. The port also offers a complete set of support services including customs, dry docking, barges, tugboats, and ship chandlery. The port invests significantly in its major maintenance activities, particularly dredging and dock wall maintenance, and activities that ensure the on-going functionality of all of the port’s piers.

Tenants

More than 100 tenants operate on lands owned by the Port Authority in a diverse set of industries including liquid bulk such as petroleum products, vegetable oil, and fertilizer, dry bulk including salt, fertilizer, and grain steel storage, scrap metal, manufacturing and repair facilities, warehousing and distribution, and various support industries. Some of the tenants with large operations include Dofasco, Vopak, CanAmera Foods, Shell Canada, Federal Marine Terminals,

United Storage, Poscor Mill Services, Sylvite, Steelcare, James Richardson International, Agrico, McKeil Marine and Newcastle Logistics. Some of these users have been at the port for many years, but the port also continues to attract new users and tenants to its piers.

Water Uses

The Burlington shoreline is characterized by residential neighbourhoods and, in terms of water activity, LaSalle Park Marina and Burlington Boating and Sailing Club. A boardsailing launching area near the Canada Centre for Inland Waters ensures that boardsailing remains a key recreational activity in this area. Slightly farther south is the Burlington Ship Canal, the entry point for pleasure boats and commercial ships entering the harbour from Lake Ontario and the St Lawrence Seaway System.

The west harbour is primarily a recreational area. Leander Boat Club uses the near shore area from Princess Point to Bayfront Park as a training and racing route. Sailboat racing takes place throughout the "Bay". An ice boating launching facility is located at the Hamiltonian Pier in Pier 4 Park. Protected fish and wildlife habitats exist at LaSalle Park, near the Canada Centre for Inland Waters and in the West Harbour, near Bayfront Park and the West Harbour Trail.

Other Functions

The HPA operates and maintains a marina complex with fully serviced slips for 240 boats and a boating school, which taught in 1999 more than 2,100 people the safe operation of both sail and power craft. It owns a portion of the pier at LaSalle Park, which is leased to the City of Burlington for the purposes of the LaSalle Park Marina and the Burlington Boating and Sailing Club. Boat launch areas at LaSalle Park, Bayfront Park (operated by the Cities of Burlington and Hamilton, respectively) and Fisherman's Pier (operated by the HPA) give people the chance to enjoy the harbour's increasingly diverse fishing opportunities. In addition to these recreational activities, the Port Authority has actively participated in the rehabilitation of Hamilton Harbour, enhancing its environmental value by undertaking aquatic habitat improvements and shoreline restoration efforts.

Adjacent Uses – Map Two

Extensive green space frames the western edge of Hamilton Harbour, including the Royal Botanical Gardens, Cootes Paradise, Dundurn Park, Bayfront Park, Pier 4 Park and the Woodland, Holy Sepulchre and Hamilton Cemeteries.

Residential neighbourhoods, interrupted only by LaSalle Park and the Burlington Golf and Country Club, characterize the Burlington shoreline. Protected fish and wildlife habitats exist at LaSalle Park, near the Canada Centre for Inland Waters and in the West Harbour.

The eastern edge of Hamilton Harbour is dominated by the Burlington Skyway bridge, and also contains the residential community to the east of Eastport Drive fronting Lake Ontario known as Hamilton Beach. A series of North End Hamilton neighbourhoods directly abut the western portion of the Port, south of Burlington Street.

Southern Ontario Rail / Rail Link services the entire southern portion of the HPA lands, and extends westward towards the main line. Also providing extensive rail services is CP Rail, although it primarily services Stelco and Dofasco. Southern Ontario Rail / Rail Link provides extensive short line services to Eastport, Stelco and Dofasco, and throughout Piers 10-15.

Lease Lengths and Investment Levels

A review of existing tenant lease lengths identifies areas within which the HPA has planning flexibility, and areas that need to be considered in terms of a longer-term plan. In general, the pursuit of long-term leases in the core of the HPA land holdings serves to stabilize industrial functions. Piers 11, 12, and portions of 14 and 15 are committed to leases of 11 years or longer. Piers 24 and 25 are likewise stable and determined as industrial uses for the long-term. Pier 8 and 10 contain more possibilities for the short term since lease commitments are, in many cases, shorter term.

On HPA lands, there is a combination of arrangements regarding infrastructure and facilities – in some instances the HPA has invested heavily in capital assets; in other instances the tenant is the main investor. As might be expected, tenants are more likely to invest in capital facilities and infrastructure improvements when they are assured of a long-term lease arrangement.

1.3. Jurisdiction for the Plan

The Canada Marine Act

The Canada Marine Act (CMA) is intended to make Canadian Ports more efficient, viable and competitive with Canada's major trading partners. It provides a legislative framework that is intended to improve the effectiveness of Canada's major ports by creating a National Ports System (NPS) made up of independently managed Canada Port Authorities (CPAs) and by streamlining the regulatory regime for the new CPAs and other ports currently administered by Transport Canada. Approximately 19 Ports of national significance are now governed by this one piece of legislation.

Letters Patent

The Letters Patent of the HPA elaborate the regulatory framework within which the Port Authority is required to operate. The navigable waters and property of the HPA are described, activities and powers of the Authority are detailed, and limits are placed on borrowing, leasing and the activities of subsidiaries. The HPA Letters Patent provide the Port with latitude to carry on many activities as a Port Authority.

1.4. Plan Development Process

The Land Use Plan preparation process began with a contextual analysis of the Port that was shaped by:

- a review of existing physical conditions;
- case study research of other Ports;
- an examination of market conditions, including a study of future trends in cargo;
- extensive stakeholder interviews; and
- a visioning workshop with management and the Board of Directors of the HPA.

This work culminated in the preparation of a background report - *Setting the Stage for the Future of the Port of Hamilton*. This research both presented some key outstanding issues and pointed towards opportunities and constraints for the future of the HPA.

Some of the initial directions identified during this first phase were confirmed in a Community Visioning Workshop, which was attended by a broad cross-section of stakeholders having interests within and adjacent to the Port. These initial directions included:

- strengthen and affirm the industrial capacities of the Port;
- focus on maximizing the efficiency and productivity of the HPA's existing land holdings;
- support mixed, but not integrated, uses;
- create formal mechanisms for continued consultation;
- recreate a vision that ties the futures of the Cities of Hamilton and Burlington and the Port together;
- design "punctuation points" that inspire interest and public activity along the waterfront;
- shift emphasis from environmental remediation to prevention and enhancement; and,
- complete trail connections to and possibly through the Port.

These directions, as well a number of more specific opportunities and challenges, formed the basis of the analysis of the Port that is reflected in this Land Use Plan. The HPA continues to manage an active, diversified port, with opportunities to pursue:

- on-going capital investment in modern facilities and infrastructure;
- strategic alliances with other ports;
- target marketing of the port;
- new relationships with shipping lines, railroads, and trucking companies;
- more detailed research into the feasibility of an inter-modal terminal at the Port;
- identifying users who would want to use the tremendous amount of outbound cargo capacity that the port currently has; and
- changes to the Canada Marine Act and utilization of sections of the Act that allow for flexibility, creativity, and an entrepreneurial approach to business development.

This Plan recognizes that uncertainty regarding the future of the steel industry implies that the HPA needs to continue its efforts to be further diversified.

These opportunities, as identified throughout this planning process, have been considered and elaborated in relation to land use prospects for the HPA. Consultation has been integral, and as

such, a draft of this plan was presented to the public for comment at an Open House prior to its final release at a Public Meeting.

1.5. The Port in Context

1.5.1. Regional Context

The Golden Horseshoe

Over the course of the next 30 years, it is anticipated that the population of the Golden Horseshoe (stretching from Rochester, New York to Oshawa, Ontario) will increase by approximately 37%. Hamilton's population itself grew by nearly 10% in the last decade, and its growth is anticipated to climb by a further 35% over the next 30 years to a population of approximately 650,000 people. This will present significant infrastructure demands, challenge existing levels of housing stock and employment options, and generate transportation capacity issues in an already dense corridor centred on the Queen Elizabeth Way, from Buffalo N.Y. to Oshawa, Ont. At the same time, it will result in increased demand for the provision of goods and services, for goods movement and for access to recreational facilities, putting more and more pressure on the transportation network. The impacts will be greatest on the capacity of roads and highways, suggesting that there may be potential to increase the level of goods moved on water through the HPA. The Golden Horseshoe will continue to become an increasingly complex and extended urban environment.

The St Lawrence Seaway

The St Lawrence Seaway is one of the major transportation routes into the heart of North America. The Seaway includes 15 substantial ports and more than 50 other regional-scale ports in both Canada and the United States. With a length of approximately 1,700 km, more than 110 million tonnes of cargo transit the Seaway each year. The Port of Hamilton is one of the most significant ports in the system, receiving 21% of the inbound tonnage that travels the Seaway. Last year [2001], the Port of Hamilton handled approximately 13 million metric tonnes of cargo, making it much larger than most of the other ports in the Great Lakes.

The St. Lawrence Seaway currently faces a number of challenges to its competitiveness related to:

- its physical constraints, such as limited depth and width in various areas;
- an unlevel playing field for Canadian Ports with respect to their American competitors;
- government policies that favour other modes of transportation;
- closure during the winter months; and,
- unbalanced cargo flows which result in ships operating at less than capacity.

The health of the Seaway has implications for the health of the Port of Hamilton. Prospects for business development for the HPA continue to be shaped by investments in Seaway infrastructure (including dredging to maintain navigability), the efficiency and feasibility of the pilotage system, and the affordability of the fee structure for users.

Regional Transportation Infrastructure – Map Three

The confluence of key regional transportation infrastructure along the Detroit-Toronto corridor and the Toronto-Buffalo corridor includes access from the Hamilton Harbour to: Detroit, Michigan, along Highways 401, 402 and 403; Buffalo, N.Y., along the QEW; and Greater Toronto, along Highways 401, 403, 407 and the QEW. This primary NAIFTA¹ corridor is dense with both truck and rail activity moving industrial goods. It is in high demand as a component of the Greater Toronto Area, which is rapidly urbanizing. As urbanization and industrial activity continues, road traffic continues to move towards a critical mass of activity that cannot be sustained by existing networks. This has implications for the smooth negotiation of goods movement to and from the Hamilton Harbour. Pending gridlock is a disincentive to prospective tenants and industrial development. Yet, it may also indicate an opportunity for increased shipping/barge activity for goods that are not constrained by “just-in-time” delivery practices.

¹ The North America Free Trade Agreement, which has resulted in very significant cross-border goods shipment between Canada and the US.

1.5.2. City and Community Context

The Port of Hamilton is located primarily within the City of Hamilton, at the northwest corner of Lake Ontario. The City of Hamilton, which covers a land area of approximately 112,000 hectares and includes a population of 468,000, is characterized by large green spaces, including the Royal Botanical Gardens, Cootes Paradise, a strong municipal parks system, the Dundas Valley Conservation Area, and the Niagara Escarpment, a unique geological formation known as the Hamilton Mountain.

Located at the centre of the Golden Horseshoe, which is at the centre of the Province of Ontario, the City of Hamilton is well placed in terms of consumer markets and population mass. It is located in an emerging trade corridor – the second largest and busiest corridor between Canada and the United States. Goods shipped through the Port of Hamilton arrive close to intended markets.

Further, the Port of Hamilton is embedded in the historical and current heartland of the steel industry in Canada. The largest industrial sector in the city is manufacturing, which employs over 48,000 people, and the largest private sector employer is Stelco, which employs over 7,000 people. Its industrial base provides a secure context for the shipping industry in Hamilton to continue to unfold. Port tenants are able to create synergistic business development opportunities as a result of the intensity of industrial uses located in this area. They also locate and operate in Hamilton with the confidence that heavy industrial uses will continue to play a substantial role in the landscape of the Port.

The City of Hamilton is committed to industrial development as a central component of its future economic development. In addition, its Economic Development Department has been working to promote the redevelopment of brownfields in its older industrial areas.

The recent environmental remediation and redevelopment of Bayfront Park (1996) has stimulated interest in the harbour as a popular recreational opportunity. The City of Hamilton is interested in generating more public access to the harbour by creating mixed-use developments that allow recreational, residential and commercial uses to flourish. The pending development by Parks Canada of the western side of Pier 8 for

a Marine Discovery Centre will both bring the public into close proximity with sustained industrial activity and inspire renewed interest in Hamilton Harbour as a place of public engagement. Although these changes could be perceived as unfavourable to the continuing activities of heavy industry, in the context of a clearly defined mandate and a Land Use Plan that both delineates and reinforces industrial land uses, recreational activity in the Hamilton Harbour can be balanced with healthy industrial activities.

The economic value of the industrial activities of the Port is not always recognized fully by the public in both the City of Hamilton and the region. As public access to the Hamilton Harbour increases, the potential for a concomitant increase in understanding of the role that the port plays in providing materials and products necessary to modern life – steel for cars, appliances and buildings – also increases. Residential, recreational and commercial vitality within the Hamilton Harbour can be used to affirm and reinforce the importance of existing industrial activities. The City of Hamilton will continue to be a key partner for the HPA as the health of the city and the health of the Port become further entwined through the pursuit of a multi-use waterfront.

The HPA also has a number of smaller pier and waterlot properties in the City of Burlington. Located at the western end of the Greater Toronto Area, and just an hour north of the USA border, the City of Burlington is a growing urban area with a population of 138,000 residents. LaSalle Park is located on the northern shore of the Hamilton Harbour, and a portion of it is leased to the City of Burlington from the HPA for the purposes of recreational activities. The HPA intends to maintain and further its involvement in recreational activities, and this asset is a key resource towards this end.

1.5.3. Related Initiatives

The Remedial Action Plan

The Hamilton Harbour Remedial Action Plan has been an extensive and exemplary planning process designed to restore sustainable natural ecosystems to the Hamilton Harbour. It has aimed to improve the potential for more extensive recreation uses while maintaining the Harbour's and the watershed's essential economic function. A key objective of this process has been to ensure broad coalitions and extensive public support, in order to

facilitate successful implementation. The Remedial Action Plan has over 175 member organizations, including the HPA.

The Bay Area Restoration Council

The Bay Area Restoration Council's (BARC) mandate is to promote, monitor and assess the implementation of the Hamilton Harbour Remedial Action Plan, by working closely with other local groups, such as the Bay Area Implementation Team. BARC offers several programs and coordinates many activities with other organizations to heighten public awareness and provide opportunities for community involvement in environmental protection and restoration.

Windermere Basin

The City of Hamilton, in conjunction with the Waterfront Regeneration Trust, is in the process of preparing a Vision Strategy for the Windermere Basin area. The intent is to restore the Basin as an estuarine landscape and natural habitat at the mouth of Red Hill Creek, and as a passive recreational open space. Industrial discharge, landfill seepage, storm water runoff, combined sewer overflows and erosion have all contributed to poor water quality in the Basin.

These initiatives represent a good model for community collaboration that brings a broad range of interests to the table and insists on tangible outcomes and efficient plan implementation. The HPA has been a long-standing partner in these on-going initiatives with both the City of Hamilton and environmental organizations, and is committed to its continued involvement in the future.

1.5.4. Economic Context and Contribution

The Port of Hamilton has been central to the development of the City of Hamilton as an industrial hub with a stable workforce and growing economy. Of the total \$313.5 billion GDP of Ontario for 1999 it is estimated that approximately \$12.2 billion or 3.9% is directly or indirectly connected to the operations of the Port of Hamilton. This translates into an employment equivalent (considering both indirect and direct impacts) of approximately 220,000 jobs (Stamm, 2001).

Given the volume of metal manufacturing in Ontario generally, and in Hamilton in particular, the economic health of the city and the port are closely tied to the health of this industry. The steel industry has been in a state of decline in recent years, with the bankruptcy of a number of high profile producers, and dramatically increased competition from low cost steel makers overseas. Furthermore, the production of the steel industry is itself closely tied to the health of other parts of the economy, notably the automotive industry. These complex linkages, and the uncertain state of the North American economy today, confound efforts to develop accurate forecasts of future economic activity in Hamilton. Nevertheless, the economic activity of the Port of Hamilton will remain closely linked to the fortunes of the local steel industry.

Levels of demand for other industrial materials handled by the Port are also difficult to ascertain. For example, since the terror event of September 11th 2001, activity in the airline industry has declined dramatically, and this has had a direct impact on the amount of jet fuel handled by the Port. On the other hand, agri-food industries, for example, continue to experience sustainable growth, with forecast increases in the coming years. The HPA has recognized these difficulties in its own cargos forecasts. There is general potential for variability in the amount of shipping that goes through the port each year, in part because there are no regularly scheduled liner services to Great Lake ports. The Port has also had to rely on estimates from its terminal operators in developing its forecasts. Notwithstanding the reservations noted above, cargo forecasts show a small increase for most types of cargo handled by the Port in the next four to five years.

1.6. City Relationships

Minutes of Settlement

In October, 2001, the HHC settled a number of outstanding issues with the City of Hamilton. The resulting agreement, known as the Minutes of Settlement, has certain implications for land use planning for the HPA. It affirms that the success of the City and the Port are intricately linked, and that consideration ought to be given to the impacts and benefits of land use decisions for the City of Hamilton. Specifically, it states: “the city and the Port acknowledge the importance of each to the other, and the

necessity for a good working relationship between the two bodies..." (*Schedule 1, Minutes of Settlement*).

Some changes to land holdings were an outcome of the Minutes of Settlement and have relevance for HPA planning. Lands and lands under water that have been conveyed to the City of Hamilton include:

- the area encompassing Windermere Basin (except 9 acres);
- waterlots in Pier Sites 1, 2, 3 and 4;
- lands, piers and waterlots in the vicinity of Piers 5, 6, 7 and Pier 8.

Of particular significance is the conveyance of the westerly 8.25 acres of Pier 8 to Parks Canada for the purpose of developing the Canada Discovery Centre on Marine Conservation.

Outstanding commitments of the HPA are detailed in the Minutes of Settlement, including:

- the creation of a Master Development Plan and implementation of certain improvements for Eastport;
- site plan control guidelines for Eastport; and
- beautification along Guise Street.

Official Plans

The City of Hamilton Official Plan recognizes the importance of industrial activity within the City and affirms that Hamilton intends to remain a major industrial centre in the region and in the Province. To facilitate this, the Official Plan is designed to both retain existing industries and to stimulate new industrial growth. The Official Plan recognizes the existing inventory of industrial uses and identifies a reserve of lands suitable for the expansion of existing industry and for the attraction of new firms.

According to the Land Use Concept produced by the City of Hamilton as the basis for the Official Plan, Piers 10-15 and 23-27 are designated for Shipping and Navigation Uses (Section A.2.11). These uses include, but are not limited to:

- those uses which relate to the movement, management, safety and convenience of ships;
- uses involving the carriage of goods or passengers to other modes of transportation;
- related storage and processing;

- vessel and barge docks;
- industry and commerce related to, or incidental to or necessary to the port;
- recreational boat facilities; and,
- the provision of services such as security, employment, immigration, labour administration, technical, food, fuel and maintenance.

Pier 8 is recognized as a transition area between the recreational and open space uses of the west harbour and the intense Shipping and Navigation Uses in the central and east harbour. On this basis, in addition to the Shipping and Navigation Uses permitted for Pier 8, water-oriented commercial activities are also permitted (Section 2.11.5, iii).

Within the City of Burlington Official Plan, there is distinct recognition of the role that the waterfront setting plays in shaping the character of the City. The Official Plan seeks to protect the shoreline, including fish and wildlife habitat, and promotes the waterfront as a valuable resource, by encouraging more public access to the lake. These values are consistent with the HPA's planning approach, and should be maintained through continued joint ventures between the City of Burlington and the HPA (such as fish and wildlife protection in the vicinity of LaSalle Park).

As a federal agency, the HPA is not bound by Official Plan policies. However, it seeks to be a good neighbour in the City of Hamilton and the City of Burlington, and therefore intends to operate in keeping with Official Plan policy.

Community Improvement Project Area

The HPA land holdings are contained within a Community Improvement Project Area, as designated by the City of Hamilton. The municipality may, as a result of this designation, engage in activities that include:

- acquiring, holding, clearing grade or otherwise preparing land for community improvement;
- constructing, repairing, rehabilitating or improving buildings on land acquired or held by it in conformity with the Community Improvement Plan;
- selling, leasing or otherwise disposing of any land and buildings acquired or held by it in conformity with the Community Improvement Plan;
- making grants or loans to the registered owners, assessed owners, (and in the case of the City of Hamilton also

tenants), to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the Community Improvement Plan.

Zoning

Municipal zoning has been applied to the HPA lands and adjacent properties, as per the City of Hamilton and the City of Burlington Zoning By-laws. Zoning By-laws regulate uses, built form and other development criteria. HPA lands are zoned by a variety of City of Hamilton designations, including: K-Heavy Industry, J-Light and Limited Heavy Industry, F-2a-Harbour District, F-2-Open Space Harbour District, D-Urban Protected Residential, F-4-Waterfront Services, Modified F-4; and the following City of Burlington designations: PC-166-Community Park, S-Service, BC1-Buisness Corridor.

Existing Zoning By-laws support Port related activities, and are compatible with both Official Plans. The policies and initiatives outlined in this Land Use Plan are consistent with the uses and activities permitted by the zoning on both the HPA's properties and that of its neighbours. A full description of the Zoning By-laws applicable to the Port of Hamilton and adjacent properties is included in the *Background Report: Setting the Stage for the Future of the Port of Hamilton*.

1.7. Port Strengths, Opportunities and Challenges for the Future: Principal Issues for the Plan

Strengths

The HPA has been able to approach this planning process from a position of strength:

- infrastructure, operations, the environmental context and the tenant/commercial base are strong and point towards sound future potentials;
- the infrastructure of the Port, including dock walls and facilities, is in excellent condition and thereby enables shipping growth;
- the HPA has also been successful in attracting and retaining a solid, diverse and stable tenant base;
- because the harbour is enclosed, it is well protected and therefore easily accessed by users, allowing for operational efficiency;
- the environmental gains of the past decade and the leadership of environmental groups related to harbour

remediation makes the Hamilton Harbour an attractive and valuable asset.

In short, the HPA has exceptional assets. Further, its existing land base allows for expansion – an enviable position for a Port that is immersed in an urban context.

Challenges

At the same time, there is concern regarding some of the existing constraints of the Port, including limited outbound shipping activity, the heavy reliance on steel, the old technologies used, and others discussed below.

Randle Reef

The outstanding contamination of Randle Reef continues to be a constraint for the Port: it limits access to valuable dock wall and impedes efforts to improve the environmental image of the port and the City of Hamilton. However, it also provides an opportunity to improve water quality, restore natural environments and extend the existing marine terminal facilities, creating a usable land base and increasing public access by 'capping' the site with a pier designed to prevent further effluvia.

Limitations of the St Lawrence Seaway

Several operational constraints need to be considered to fully understand the possibilities for enhanced Port development. The Seaway is limited to 9-months of operation, hence for three months of every year, the Port is unable to ship goods through the locks. The lift bridge at the entrance to the Burlington Canal also presents operational restrictions, given that labour strikes, repairs and operational downtime can limit access to the harbour.

Leasing and Taxation

The requirement to lease rather than own their land may also be a constraint for tenants who would otherwise consider capital improvements, or for prospective tenants who consider leasing to be a less stable arrangement than ownership. Further, taxes (property taxes, Payments in Lieu of Taxes, federal Gross Revenue Charge and occupancy costs) are

higher in Canadian Ports than in American Ports, and this increases the overall costs of locating in Hamilton.

Road Connections

Although Hamilton is located in the midst of an extensive network of highways, the absence of certain key connections results in loss of efficiency and undue demand on corridors that affect residential neighbourhoods. Travel to the west of the Port is compromised and a rational access and egress strategy needs further development.

Communications with Stakeholders

Communications with existing groups can continue to be improved in order to ensure that the Port is working in concert with the community, cognizant of needs beyond its own operations. Many stakeholders have particular insights into the needs of Hamilton Harbour due to their long-term involvement in its development. The HPA can continue to benefit by capturing these ideas and lessons and incorporating them into on-going planning.

Image

Traditional heavy industrial uses tend to be unsightly. Soil, water and air contamination have also perpetuated a negative image of the Port and will be challenging to transform.

Opportunities

Available Port Land

The HPA should market its facilities, available land, and its exceptional context within the community, to the region, to other Ports and to prospective tenants to enhance its existing operations. The key opportunity sites for the HPA include: Pier 15; Eastport, primarily at Piers 26 and 27; and Fisherman's Pier. Consolidated industrial uses exist on Piers 10-12, 14, and 23-25. These areas are stable and unlikely to be affected by outside pressures to extend recreational uses within the Port. Mixed uses will begin to exist on Pier 8 with the building of the Marine Discovery Centre and the HMCS Haida's proposed relocation from Toronto to the Department of National Defence's HMCS Star at Pier 9.

Strategic Alliances

Strategic alliances with rail and trucking companies will reinforce the vibrancy of the Port and extend its desirability as a location for tenants. The ease of connection with the John C. Munro Airport may provide opportunities for cargo transfers, in part due to the emphasis on intermodal capacities at the airport. The strong assets of the Port are little known within the larger Seaway system. This presents an opportunity for the HPA to get the word out about their context, services, capacities and interest in partnerships. The municipalities can be a key player in this endeavour, given the spinoffs that successful Port development will generate for urban and economic development.

A Diverse, Active Port and Harbour

The larger context of the Port, including the Cities of Hamilton and Burlington and the Golden Horseshoe, supports the development of a vibrant area that combines a mixture of activities, including residential, commercial and industrial. Opportunities exist to increase the recreational base, to celebrate the industrial character of Hamilton, and to create a vision that ties the future of the cities and the Port together. The HPA has the capacity to become a partner with other levels of government towards the goal of creating a critical mass of activity in the harbour area. In particular, joint ventures may be possible on Pier 8 that both maintain a commercial port presence and aid government objectives for using the Port in a way that is meaningful to the public.

Opportunities for a Broader Mix of Uses

Under-utilized land could be used for new uses that move beyond the shipping industry, possibly in partnership with the Cities of Hamilton and Burlington. Five readily identifiable harbour area activity centres are apparent, and ripe for development that emphasizes the relationship between the Port and the municipalities. These sites include the Pier 5-8 area, the Eastwood Park district, the Sherman Inlet, Eastport at Windermere Basin and the Fisherman's Pier/Canal area.

Improve the Neighbourhood Context

Areas with important land use transitions, such as the residential enclave north of Burlington Street, Pier 8 and Windermere Basin, provide opportunities to both define Port functions and to respond to the needs of adjacent uses. In these areas, careful transportation planning can help to address neighbourhoods concerns regarding port-related truck traffic. In other areas, the further development of the existing recreational trail system and the provision of lookout points will increase public access to the water.

Part I: Introduction and Context serves as the background information that has been used to develop the Planning Principles and Land Use Policies that are contained in the following section, The Land Use Plan.