## Appendix "B" to Report PED18044



Planning and Economic Development Department Urban Renewal Section 71 Main Street West, 7th Floor Hamilton, Ontario L8P 4Y5 Phone: (905) 546-2424 Ext. 2755 Fax: (905) 546-2693

# COMMERCIAL PROPERTY IMPROVEMENT GRANT PROGRAM

### PROGRAM DESCRIPTION

The Commercial Property Improvement Grant Program (CPIGP) is intended to provide financial assistance for commercial property owners authorized tenants within Downtown Hamilton, Community Downtowns, the Mount Hope/Airport Gateway and the commercial corridors as identified in the Downtown and Community Renewal Community Improvement Project Area. The Program aims to improve upon the physical appearance of properties within the areas, achieve quality façade improvements, support commercial property / business owners with limited rehabilitation of interior space and assist in creating a barrier-free and accessible environment. Spurring the preservation, revitalization and reinvestment of commercial properties within these areas will assist in creating a welcoming environment for people to live, work, play and learn.

#### PROGRAM TERMS

- 1. Commercial property owners / authorized tenants are eligible for a maximum grant per property during a five-year period (i.e. multiple applications or one application could be submitted however the sum of the grant amounts approved will be no more than the maximum amount allowed for each property). Exceptions may be made at the sole discretion of the General Manager of Planning and Economic Development if:
  - i) a new tenant / owner is occupying the property and applies for new signage; *or*
  - ii) the property has been damaged due to fire, vandalism or a natural disaster such as a flood, earthquake or hurricane.

Eligible items under the Program when a property has been damaged for one of the aforementioned reasons shall be capital costs only as follows:

Façade Improvements: windows, doors, storefronts, awnings, signage, surveillance cameras or other items deemed eligible at the sole discretion of the General Manager of Planning and Economic Development.

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Limited Interior Improvements: barrier-free washrooms or commercial kitchen cooking exhaust / ventilation systems (the grant will be no more than 50% of the maximum grant per property for interior improvements).

Fees: Architectural, engineering, lawyer's, BCIN designer, building permit, site plan application, road occupancy permit, street occupancy permit and encroachment agreement application fees are eligible up to 100% of the cost to a maximum of \$3,000 per application as part of the total grant awarded for completed construction.

Ineligible items shall be: business interruption expenses, equipment, sewer/drain repair and other items deemed ineligible at the sole discretion of the General Manager of Planning and Economic Development.

Assisting commercial property owners / authorized tenants to repair property damage due to fire, vandalism or a natural disaster such as a flood, earthquake or hurricane will help mitigate some of the capital improvements costs involved during the recovery phase. The grant is not intended to replace property insurance claims, rather, it is to assist a property owner / authorized tenant with eligible costs under the CPIG that are not covered by their insurer due to the deductible amount or due to limits set by their insurance policy.

In recognition that a property owner / authorized tenant may have work completed within hours or days of the damage to the property for safety reasons or in order to prevent further damage to the property i.e. replacement of broken windows, an exception to the requirement that applications be submitted prior to works commencing will be allowed only in the instance when a property has been damaged due to fire, vandalism or a natural disaster such as a flood, earthquake or hurricane. If the work has commenced or has been completed, applications must be submitted within seven days of the date the damage to the property occurred. Completed works must meet the requirements of the City of Hamilton Bylaw 07-170 being a by-law to license and regulate various businesses dictating when a contractor must be licensed with the City of Hamilton to complete works i.e. a contractor must hold a valid Building Repair license with the City of Hamilton to replace a window with a window frame however if the glazing only is being replaced the contractor is not required to be licensed with the City of Hamilton. All guotes / invoices submitted with the application will be reviewed by a Building Inspector to ensure the cost is at the industry standard.

All grants are subject to the availability of funding.

Where funding is requested for property that has been damaged due to fire, vandalism or a natural disaster such as a flood, earthquake or

hurricane earthquake or hurricane, each applicant shall provide the following documentation to support the application:

- a) Evidence of property insurance coverage for the subject property in force as of the date of the damage. Evidence shall be provided by way of a copy of the Declaration Page of the property insurance policy or a Certificate of Insurance. Evidence shall include the following information: subject property address, deductible amount.
- b) Copy of Proof of Loss (or other proof of settlement) from the applicant's Insurer, along with supporting damage estimate / invoices to support their application.
- c) At the City's discretion, a police report may also be required.
- 2. Maximum grant amount will be paid on a matching basis (50%-50%) to a maximum of \$10,000 per property for eligible work under the Program. As a further incentive for corner properties, the City will increase the maximum grant amount to \$12,500 on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades.
- 3. Commercial property owners and tenants authorized in writing by the owner, are eligible to apply for a grant under the Program.
- 4. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with separate ground floor street entrances.
- 5. Commercial uses must be in conformity with: all policy documents of the City including but not limited to official plans; the provisions of the Zoning By-laws; and any other City by-laws.
- 6. Performance measures are to be applied to the payment of grants.
- 7. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Two separate cost estimates for the work are to be provided. Please note a contractor licensed with the City of Hamilton may be required to undertake the work. For more information on work that requires a licensed contractor please refer to the Application Form or contact Building Department at (905) 546-2424 Ext. 2720.

An owner may present an estimate based on material only.

In the case where the applicant is the owner of a contracting company and wishes to utilize their company to undertake the improvements, one cost estimate from an arms-length contractor will also be required.

Grants will be calculated based upon lowest cost estimate.

A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.

- 8. Restoration / conservation of heritage features on commercial properties designated under the *Ontario Heritage Act* are not eligible under this grant program, however, improvements other than those on heritage features are eligible subject to the approval of a City heritage permit. Urban Renewal staff will work closely with Development Planning staff on all applications received that are designated under the *Ontario Heritage Act*.
- 9. Relative to the proposed improvements, a building inspector will perform an initial and final inspection / investigation to confirm compliance with various Acts, Regulations and City By-laws, but not limited to including the Ontario Building Code, Property Standards By-Law, Trade Licencing By-Law and Sign By-law.
- 10. Approval of the grant is at the sole discretion of the General Manager of Planning and Economic Development Department and subject to the availability of funds.
- 11. Proposed improvements to be completed within one year to be eligible for payment. A one-year extension can be authorized by the Manager of Urban Renewal if an applicant has extenuating circumstances which would warrant an extension.
- 12. Work completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the Urban Renewal Section.
- 13. The Applicant shall provide to the City's Urban Renewal Section copies of paid invoices for all work undertaken on the property for which the grant is applicable. This documentation is to be provided prior to the final inspection.
- 14. A City Building Inspector's final inspection report confirming all works have been carried out satisfactorily must be provided prior to release of any grant monies.
- 15. At the sole discretion of the Manager of Urban Renewal, partial payments for works completed can be processed consistent with the payment process described above.
- 16. At the sole discretion of the Manager of Urban Renewal, the grant cheque can be made jointly payable to the applicant and the contractor if such a request has been received from the applicant.
- 17. An application fee of \$259.90 is payable upon submission of application for grants greater than \$5,000 or \$96.05 for grants \$5,000 or less. The

fee will be authorized through a by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council.

- 18. The grant may also be received by an owner in conjunction with any other available City program in support of the redevelopment / development of the property with the exception of the BIA Commercial Property Improvement Grant Program available within Business Improvement Areas.
- 19. Without limiting the discretion as set out in paragraph 10 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: the Applicant identified on the application form and if a corporation any person or entity with an interest in the corporation as determined by the City in its sole, absolute and unfettered discretion.
- 20. Without limiting the discretion as set out in paragraph 10 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.
- 21. Works commenced prior to submitting an application are ineligible for funding under the Program. Works commenced after submitting an application but prior to approval of an application may be eligible for funding under the Program and eligibility will be determined by the GM in his sole, absolute and unfettered discretion. An applicant shall assume the risk of paying for work commenced after an application has been submitted but prior to approval.
- 22. A successful applicant will enter into an agreement with the City containing the terms and conditions (but not limited to) set out in the program description.
- 23. The grant shall exclude any damage that is caused by the property owner or occupant (i.e. a tenant) of that property. For example, costs incurred because of self-inflicted damage such as vandalism or arson would not be covered by this Program.

A refund of any grant under this Program to the City of Hamilton would be required if it is determined after the grant has been paid that the damage was caused by the property owner and/or the tenant(s) of the property.

24. The grant cannot be used to pay the costs resulting from any damage or vandalism where those costs are also reimbursed to the tenant or owner

because such costs are covered under any insurance policy. A refund of any grant under this Program to the City of Hamilton would be required if it is determined after the grant has been paid that such a reimbursement has been received.

## ELIGIBILITY REQUIREMENTS

- Property owners and authorized tenants are eligible;
- Property taxes must be paid current;
- Pre-inspection by the City Building Inspector;
- Commercial properties must be located within Downtown Hamilton, Community Downtowns, the Mount Hope / Airport Gateway or, a commercial corridor as identified in the Downtown and Community Renewal Community Improvement Project Area By-law; and,
- The improvements shall be in accordance with Property Standards and the Ontario Building Code and in compliance with all applicable City by-laws, official plans, zoning regulations, design guidelines and site plan approvals.

## ELIGIBLE IMPROVEMENTS

- Replacement or repairing of storefronts;
- Improvements and or upgrades to windows, doors, cornices and parapets;
- Barrier-free entrances to property (ramps, doors and automatic door openers);
- Addition of new lighting and upgrading of existing fixtures, on exterior of the façade;
- Awning replacements and / or additions;
- Brick repairs and / or pointing;
- Painting and façade treatments;
- Installation or improvement of signage (signage must comply to Sign By-law 10-197, as amended or replaced);
- Paving of parking lots;
- Permanent landscape features such as flagstone and natural stones/rocks, statuary, irrigation, containers;
- Fencing;
- Front-yard decks / patios or side-yard decks/patios that abut a street; and,
- Surveillance cameras affixed to the exterior of the property (must comply to the Fortification By-law 10-122).

## ELIGIBLE INTERIOR IMPROVEMENTS:

#### Note: The maximum grant for interior improvements is \$5 K

- Barrier-free washrooms;
- Ramps to access barrier-free washrooms;
- Widening of doors to meet Accessibility for Ontarians with Disabilities Act (AODA) requirements;
- Interior signage to meet AODA requirements;
- Commercial kitchen cooking exhaust / ventilation systems; and,
- Sprinkler systems.

#### Fees:

 Architectural, engineering, lawyer's, BCIN designer, building permit, site plan application, road occupancy permit, street occupancy permit and encroachment agreement application fees may be eligible for up to 100% of the cost to a maximum of \$3,000 per application as part of the total grant awarded for completed construction.

Other improvements deemed health, safety and accessible issues eligible at the sole discretion of the General Manager of Planning and Economic Development.

#### **IN-ELIGIBLE IMPROVEMENTS:**

- Trees, shrubbery, perennials, annuals, soil, mulch, grass;
- Roofing (apart from mansard roofs above the eligible frontage);
- Sandblasting;
- Interior furniture, display cases equipment;
- Outdoor patio furniture; and,
- Tools.