

# COMMERCIAL DISTRICT REVITALIZATION GRANT (CDRG) PROGRAM



## A. PROGRAM DESCRIPTION

The Commercial District Revitalization Grant Program (the Program) is intended to provide Grants that will support long-lasting and predominantly exterior physical improvements to the appearance, accessibility and environmental sustainability of commercial or mixed-use commercial properties located within strategic commercial districts, including Business Improvement Areas (BIA), whose visibility and long-term success contributes to Hamilton’s image for both residents and visitors. Activities supported by this program include:

- Exterior building façade improvements;
- Exterior/interior improvements that achieve Accessibility for Ontarians with Disabilities Act (AODA) standards;
- Exterior building/property improvements which improve appearance or functionality including those that enhance environmental sustainability of the building/property; and
- Limited interior mechanical/ventilation improvements for restaurant uses.

This Program is not intended to provide support for temporary or non-permanently affixed improvements. Additional details regarding ineligible costs/improvements are provided in Section C.

This Program will apply to commercial units on properties zoned to permit commercial uses which are located within the Downtown Hamilton Community Improvement Project Area (CIPA), the Community Downtown/Village Core CIPAs, BIA CIPAs, the Mount Hope / Airport Gateway CIPA and the Commercial Corridor CIPAs as collectively defined through the Revitalizing Hamilton’s Commercial Districts Community Improvement Project Area By-law.

Grants provided under this Program shall be provided to the Applicant who is the Owner registered on title of the property that is the subject of the Program application or an authorized commercial tenant of said property.

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

All costs associated with the improvement/development and the requirements of this Program are to be borne by the Applicant including construction, design, development charges, administration fees, professional services, appraisals, inspections, legal and registration fees, where applicable except where deemed eligible within Section C herein.

The City retains the right to assess the reasonableness of costs and which costs are eligible for funding under the terms of the Program.

## **B. PROGRAM ELIGIBILITY AND GRANT CRITERIA**

1. Applications to this Program must meet the goals of the Revitalizing Hamilton's Commercial Districts Community Improvement Plan (RHCD CIP).
2. This Program is intended to apply to commercial units on properties zoned to permit commercial uses which are located within the Downtown Hamilton CIPA, the Community Downtown/Village Core CIPAs, BIA CIPAs, the Mount Hope / Airport Gateway CIPA and the Commercial Corridor CIPAs as collectively defined through the Revitalizing Hamilton's Commercial Districts Community Improvement Project Area By-law.
3. Notwithstanding paragraph two, this program shall not apply to a currently operating or proposed adult entertainment parlour, body rub establishment, correctional facility, corrections residence, emergency shelter, lodging house or residential care facility as defined in the applicable Zoning By-law or to a property where a designated heritage building has been demolished.
4. The maximum Grant amount under this Program is paid on a matching basis (50%-50%) for eligible work to a maximum of:
  - a. \$10,000 per municipal address applying to a commercial space/building or \$12,500 per municipal address applying to a corner commercial space/building; or
  - b. For properties located within a BIA and eligible CIPA with the exception of dormant BIAs as defined by the Dormant Business Improvement Area Status Procedure:
    - i. For municipal addresses applying to a commercial space/building with a linear foot street frontage greater than twenty-five feet (25' or 7.6 metres), grants will be paid on a matching basis of \$400 per linear foot of street frontage up to a maximum of \$20,000 with the actual grant being the lesser of 50% of the estimated cost for the proposed work and the amount of street frontage multiplied by \$400 per linear foot; or
    - ii. For municipal addresses applying to a commercial space/building with a linear foot street frontage of twenty-five feet (25' or 7.6 metres) or less,

Grant amounts will be paid on a matching basis to a maximum of \$10,000;  
or

- iii. For municipal addresses applying to a corner commercial space/building the maximum Grant amount is \$25,000 with the Grant amount determined by the measurement of the street frontage and the measurement of the corner / exposed wall multiplied by \$400 per linear foot.
5. A maximum Grant in accordance with paragraph four herein may be provided for each commercial unit within a building which has its own municipal address and separate ground floor street entrance.
6. For properties located within a BIA and eligible CIPA with the exception of dormant BIAs as defined by the Dormant Business Improvement Area Status Procedure, an additional matching Grant above and beyond that provided for in paragraph four b. to a maximum of \$10,000 may be provided for artfully designed façade improvements or art pieces placed on private property that can be viewed by the public in accordance with paragraph eight herein.
7. Eligible interior improvements shall not exceed:
  - a. \$5,000 of the total Grant provided; or
  - b. 50% of the eligible maximum grant when located within an active BIA.
8. Costs associated with artfully designed façade improvements or art pieces to be located on private property are eligible under this Program with eligibility determined at the discretion of the General Manager of Planning and Economic Development (GM).

The Applicant will provide an adequate brief and rendering of the proposed art piece.

The City will review and evaluate all proposed art projects.

The City may consult with the following when determining eligibility of art pieces: Commercial Districts and Small Business Section and/or the Director of Culture and Tourism or representative. When located within an active BIA, the BIA’s Board of Management will be consulted.

The City will reserve the right to deem what is eligible for funding under the arts component.

Murals/art pieces shall not contain any advertising or identification of a product or business.

Murals must be appropriate for public display, must not fall under the definition of a sign under Sign By-law No. 10-197 as amended and must not be subject to royalty rights. The

9. Prior to any Grant being provided:
  - a. Any outstanding building code, fire code or property standards orders or any other order applicable to the property(s) or the project by any governmental authority shall be rectified; and
  - b. Any tax arrears on the subject property(s) as well as tax arrears on other properties owned by the Applicant within the City of Hamilton shall be paid.
10. Commercial property owners / authorized tenants are eligible for a maximum Grant per eligible municipal address 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 per eligible municipal address).
11. Notwithstanding paragraph 10 herein, exceptions may be made at the sole discretion of the GM if:
  - a. A new tenant / owner is occupying the commercial space/building and applies for new signage; or
  - b. The commercial space/building has been damaged due to fire, vandalism or a natural disaster such as a flood, earthquake or hurricane.

Eligible cost items under this Program when a commercial space/building has been damaged for one of the aforementioned reasons are identified in Section C herein.

Assisting commercial property owners / authorized tenants to repair damage due to fire, vandalism (not including graffiti) 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 that are not covered by their insurer due to the deductible amount or due to limits set by their insurance policy. All Grants are subject to the availability of funding.

In recognition that a property owner / authorized tenant may have work completed within hours or days of the damage occurring for safety reasons or in order to prevent further damage to the commercial space/building 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 commercial space/building has been damaged due to fire, vandalism (not including graffiti) 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 occurred. Completed works must meet the requirements of the City of Hamilton By-law 07-170, as amended, being a by-law to license and regulate various businesses and 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 only the glazing being replaced the contractor is not required to be licensed with the City of Hamilton). All quotes / invoices submitted with the application will be reviewed by a Building Inspector to ensure the cost is at the industry standard.

Where funding is requested for a commercial space/building 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; and
  - c. A police report where required at the discretion of the City.
12. A Grant provided under this Program 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 occupant (i.e. a tenant) of the property.
13. A Grant provided under this Program 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.
14. Commercial property owners registered on title as well as tenants authorized in writing by the registered property owner are eligible to apply for a Grant under the Program.
15. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with separate ground floor street entrances.
16. 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 the Building Division at (905) 546-2424 Ext. 2720.

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. The owner may present an estimate based on material only.

Grants will be calculated based upon lowest cost estimate.

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

17. 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 Licensing By-Law and Sign By-law.
18. Approval and the receiving of financial assistance under this Program shall not preclude eligibility, approval and the receiving of financial assistance for the same subject property under any other available municipal program. However, where specific work is the subject of this Program and any other Program the total Grant for the work across all applicable programs shall not exceed 50% of the total cost of the specific work.
19. Proposed improvements are to be completed within one year from the date the Program application was approved in order to be eligible for payment. A one-year extension may be authorized by the Manager of Commercial Districts and Small Business if an Applicant has extenuating circumstances which would warrant an extension.
20. Work completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the Manager of Commercial Districts and Small Business.
21. The Applicant shall provide to the City’s Commercial Districts and Small Business Section copies of paid invoices and proof of payment to the satisfaction of the GM for all work undertaken for the commercial space/building for which the Grant is applicable. This documentation is to be provided prior to the final inspection.
22. 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.
23. A Grant under this Program will be provided to an approved Applicant if all terms and conditions of this Program have been satisfied including payment of all property taxes and all eligible works have been completed at the discretion of the GM.

24. At the sole discretion of the Manager of Commercial Districts and Small Business, partial payments for works completed can be processed consistent with the payment process described herein.
25. At the sole discretion of the Manager of Commercial Districts and Small Business, the Grant cheque can be made jointly payable to the Applicant and the contractor if such a request has been received from the Applicant.
26. 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.
27. Improvements/developments 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 with eligibility determined by the GM in their sole, absolute and unfettered discretion. An Applicant shall assume the risk of any costs incurred after an application has been submitted but prior to approval under this Program having been received.
28. Where a Program application has been submitted by a property owner and accepted by the City but not yet approved, and the subject property(s) are to be transferred to a new property owner, the City may permit the transfer or assignment of the application to the new owner at the sole, absolute and unfettered discretion of the GM. The future owner who has been requested to become the Program Applicant and receive funding under this Program shall be subject to appropriate due diligence for the purposes of paragraph 30, 31 and 32 herein. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion.
29. Approval of the Program application is at the absolute discretion of the GM and subject to the availability of funds.
30. Without limiting the discretion as set out in paragraph 29 herein, City Council or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, 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 or any officer or director of the corporation as determined by the City in its sole, absolute and unfettered discretion.
31. Without limiting the discretion as set out in paragraph 29 herein, City Council or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in

its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies property tax arrears owed on the subject property(s) or other properties owned by the Applicant within the City of Hamilton, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, building code or fire code orders on the subject property(s).

32. Without limiting the discretion as set out in paragraph 29, herein, City Council or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which a Loan and Grant under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 32, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph 32 shall apply jointly and severally to each of them.
33. Buildings, uses and improvements/developments shall conform to the City’s Official Plan(s), applicable Secondary Plan(s), Zoning By-Laws(s), Site Plan approval and any other applicable and approved municipal policies, by-laws or guidelines (e.g. urban design guidelines) and any other laws applicable to the improvement/development.
34. Eligibility of costs associated with exterior signage will be evaluated in terms of:
  - a. Compliance with the City’s Sign By-law No. 10-197 as amended; and
  - b. Design and aesthetics in accordance with all applicable City urban design policies and guidelines.

Signage deemed by the City to not meet one or both of these criteria shall not be eligible under this Program.

## C. ELIGIBLE/INELIGIBLE IMPROVEMENTS AND COSTS

Eligible exterior improvements include:

- 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 and within the storefront area normally associated with the display area;
- Awning replacements and / or additions;



- Brick repairs and / or pointing;
- Painting and façade treatments;
- Installation or improvement of signage (in accordance with Section B, paragraph 34 herein);
- Permanent fencing;
- Permanent decks/patios located on private property;
- Surveillance cameras affixed to the exterior of the property (must comply to the Fortification By-law No. 10-122, as amended);
- Long-lasting landscaping on private property including tree plantings, statuary, rain gardens and perennial vegetation to a maximum of \$3,000 per application as part of the total Grant awarded;
- installation of permanent exterior electric vehicle charging stations to a maximum of 50% of the total Grant available under this Program;
- Depaving of existing hard surfaces (excluding areas containing required parking spaces) where the surface area will be replaced by a porous material to a maximum of 50% of the total Grant available under this Program;
- Installation of sustainable electric power generating equipment, including solar panels and micro-wind turbines, to a maximum of 50% of the total Grant available under this Program;
- Installation of an exterior living green wall covering a minimum 50% of a street facing façade to a maximum 50% of the total Grant available under this Program; and
- Other permanent exterior improvements deemed eligible at the sole discretion of the GM.

Eligible interior improvements include only the following:

- 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;
- Sprinkler systems; and
- Other improvements deemed health, safety and accessible issues eligible at the sole discretion of the GM.

Eligible improvements when a property has been damaged due to fire, vandalism (not including graffiti) or a natural disaster such as a flood, earthquake or hurricane:

- Façade Improvements: windows, doors, storefronts, awnings, signage, surveillance cameras or other items deemed eligible at the sole discretion of the GM; and
- 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 municipal address for interior improvements).

Other eligible costs include only the following:

- Architectural, engineering, lawyer’s, BCIN designer, building permit, sign 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 works; and
- Public art/mural located on private property (in accordance with Section B, paragraph eight herein).

Ineligible costs/improvements include:

- Any temporary or non-permanently affixed improvement such as, but not limited to, outdoor patio furniture, interior furniture, plexiglass partitions or display case equipment;
- Artificial landscaping elements including trees, plants and grass;
- Roofing (apart from mansard roofs above the eligible frontage);
- Sandblasting;
- Outdoor heating and cooling equipment;
- Program application fees;
- Business interruption expenses;
- Business equipment;
- Sewer/drain repair;
- Paving;
- Tools;
- Restoration/conservation specifically related to heritage features on commercial properties designated under the *Ontario Heritage Act*;
- Any other cost where a property has been damaged for one of the aforementioned reasons contained in Section B, paragraph 11 herein at the sole discretion of the GM; and

- Any other cost/improvement deemed not to meet the intent of this Program at the sole discretion of the GM.

## **D. PROGRAM APPLICATION CRITERIA**

A complete Program application shall be submitted to the Economic Development Division prior to the commencement of works that are the subject of a Program application. Required documents and information forming a complete application shall be identified within the Program’s application form.

An application fee is payable upon submission of application. The fee will be authorized through a user-fee by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council and will be identified on the Program’s application form.

Commercial properties are to be identified in the application by municipal address to identify multiple and separate commercial units with separate ground floor street entrances.

Applications to this program are subject to the approval of GM in their sole discretion and subject to the availability of funding.

Applications shall include plans, estimates, contracts and other details as may be required to satisfy the City as to the cost of the improvement/development and conformity with the objectives of the Revitalizing Hamilton’s Commercial Districts Community Improvement Plan.

## **E. PROGRAM ADMINISTRATION**

Economic Development Division staff will review applications for eligibility in collaboration with other City departments as required with approval of applications subject to a decision by the GM in their sole and unfettered discretion.

Applicants and properties will be the subject of due diligence undertaken by the City prior to any approval being provided or payment of a Grant under this Program. This will include, but may not be limited to, confirmation of the following: all property taxes are paid and current on the subject property(s) or other properties owned by the Applicant within the City of Hamilton, the property is in compliance with Zoning By-law regulations, that there are no outstanding property standards, building code or fire code orders on the subject property(s) and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being approved or, if the application is approved, non-payment of a Grant under this Program.

Approved Applicants shall be required to enter into a Grant Payment Agreement with the City.

The City reserves the right to require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the Revitalizing Hamilton’s Commercial Districts Community Improvement Plan are met.

Applications to this Program not yet approved by City Council (or its delegate) shall be subject to any changes to the terms of this Program which are approved by Council prior to the application being approved.