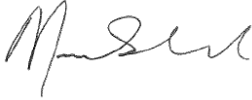




CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	September 6, 2023
SUBJECT/REPORT NO:	Updates to the Commercial District Revitalization Grant Program Respecting Graffiti and Vandalism Supports for Commercial Properties and Businesses (PED23140) (Wards 1, 2, 3, 4, 5, 7, 8, 11, 12, 13, 15)
WARD(S) AFFECTED:	Wards 1, 2, 3, 4, 5, 7, 8, 11, 12, 13, 15
PREPARED BY:	Phil Caldwell (905) 546-2424 Ext. 2359
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

That the terms for the Commercial District Revitalization Grant Program, being Appendix E to the Revitalizing Hamilton's Commercial Districts Community Improvement Plan, be amended as contained in Appendix "A" to Report PED23140.

EXECUTIVE SUMMARY

In response to City Council's approval of recommendations contained in Report PED23081 respecting enhanced city efforts to support the recovery of the Downtown Hamilton office market, staff undertook an expedited review of the existing Commercial District Revitalization Grant Program (hereon referred to as the 'Program') to identify potential amendments that would provide increased access to grants for commercial property owners and businesses when faced with occurrences of vandalism and/or graffiti on their properties and places of business.

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The review was focused on Downtown Hamilton but also included other strategic commercial districts where this Program is already currently available including the community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, the Business Improvement Areas as well as other strategic commercial corridors in the city.

The outcome of the review was the identification of a series of temporary and permanent Program amendments which would provide additional support for grants and a revised and expedited application and staff review processes for program applications solely respecting building improvements arising from vandalism or graffiti removal on private commercial properties.

Program amendments are further discussed in the “Analysis and Rationale for Recommendation” section of this report and incorporated within the updated Program terms (with consequential changes highlighted in yellow for reference) being recommended by staff in Appendix “A” to Report PED23140.

Alternatives for Consideration – See Page 7

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Grants under this Program are funded from the existing Commercial District Revitalization Grant Program Project ID 8201703703 which itself is funded through block funding provided annually to the Commercial Districts and Small Business Section of the Economic Development Division for the provision of non-tax increment-based grant and loan programs.

At this time, staff believe that there is sufficient capacity to fund additional grants arising from the recommended program amendments from the existing Project ID over the recommended 18-month period.

Staffing: The Program is administered by staff from the Commercial Districts and Small Business Section of the Economic Development Division with support from staff in various divisions including Building, Legal Services, and Planning.

There are no new staffing requirements required as a result of the recommendations of this Report. However, staff do anticipate an increase in application volume as a result of the Program amendments being recommended. As such, should the introduction of these amendments result in significant impacts on staff resources and/or budgets, staff will make

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further recommendations to City Council which may include, but may not be limited to, further refinement of program terms and administrative processes, or requests for additional staffing to meet program demand.

Legal: N/A

HISTORICAL BACKGROUND

Council Direction:

On June 21, 2023, City Council approved the recommendations of Report PED23081 respecting enhanced city efforts to support the recovery of the Downtown Hamilton office market. Contained within these recommendations was the following action:

- “(iv) That staff report back on enhancements to the City’s existing Commercial District Revitalization Grant Program with respect to offsetting costs associated with vandalism and graffiti on commercial properties;”

This direction was in response to an increase in property owner and business concerns raised through stakeholder engagement respecting occurrences of graffiti and vandalism within Downtown Hamilton and other commercial districts/Business Improvement Areas.

The Commercial District Revitalization Grant Program (the ‘Program’):

This 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, whose visibility and long-term success contributes to Hamilton’s economy and image for both residents and visitors.

This Program is currently available to properties zoned to permit commercial uses located within the Ancaster, Barton Village, Binbrook, Concession Street, Downtown Hamilton, Dundas, Locke Street, Mount Hope/Airport Gateway, Ottawa Street, Stoney Creek, Waterdown and Westdale commercial districts as well as other strategic commercial corridors as collectively defined through the Revitalizing Hamilton’s Commercial Districts Community Improvement Project Area By-law No. 21-163.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

OUR Vision: To be the best place to raise a child and age successfully.
OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.
OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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Under Section 28 of the *Planning Act*, municipalities with enabling policies in their Official Plans may adopt Community Improvement Plans to provide financial assistance/incentive programs otherwise prohibited under Subsection 106(2) of the *Municipal Act*, if such programs will provide grants and/or loans to property owners or tenants that will support physical improvements to buildings and property within specific geographic areas (referred to as Community Improvement Project Areas).

Recommendation (a) consists of an update to the program terms of the existing Commercial District Revitalization Grant Program which is implemented as Appendix E to the authorizing Revitalizing Hamilton's Commercial Districts Community Improvement Plan.

As this Program's terms are implemented as an appendix not forming part of the authorizing Community Improvement Plan itself nor its implementing By-Law No. 21-164, and as the recommended amendments do not alter the intent of the Program under its authorizing Plan, an amendment to the Revitalizing Hamilton's Commercial Districts Community Improvement Plan under Section 28 of the *Planning Act* is not required to implement staff's recommendations.

RELEVANT CONSULTATION

Legal Services and Municipal Law Enforcement were consulted during the preparation of this Report with any comments and feedback addressed as part of staff's recommendation, where applicable.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Staff undertook an expedited review of the Program to identify potential amendments that would provide increased access to grants for commercial property owners and businesses when faced with occurrences of vandalism and/or graffiti on their properties and places of business.

The outcome of this review is a series of Program amendments which are summarized below and incorporated within the updated Program terms (highlighted in yellow) contained in Appendix "A" to Report PED23140 being recommended by staff.

Occurrences of Vandalism:

Currently, building improvements arising from vandalism or natural disasters are already eligible for grants under the Program. As such, staff's review focused on amendments that would improve the financial support available to commercial property owners or

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businesses when faced with an act of vandalism as well as revised application requirements to allow for expedited repairs. As a result, the following program changes were identified and are being recommended by staff as permanent amendments for Program applications for building improvements solely arising from vandalism or natural disasters:

- Allowing for a single contractor quote for building improvements instead of the typical requirement for two quotes;
- The elimination of the Program application fee;
- Providing discretion to the Manager of Commercial Districts and Small Business, Economic Development Division to waive requirements for applicants to submit claims through insurance or submit a copy of a police report in extenuating circumstances; and,
- Increasing the portion of eligible costs which may be considered under the Program from 50% to 100%. Note that no change is proposed to the overall maximum grant permitted under the Program which ranges from \$10,000 to \$25,000 depending on the property's location and street frontage.

Applications would continue to be subject to all other standard program terms and requirements including that any damage first be the subject of a claim and reimbursement through applicable property insurance prior to any application approval to ensure grants provided are for costs not otherwise already reimbursed through insurance.

Graffiti Removal:

The removal of graffiti from private properties is not currently an eligible cost item under the Program given its historic focus on supporting more cost significant commercial building improvements (such as replacement of commercial doors, windows, signage and general façade upgrades). In addition, given the more frequent occurrence of graffiti generally, graffiti removal eligibility as a standalone cost item has represented an unknown in terms of potential impacts on application volume and the staff resources available to process Program applications.

Notwithstanding the above, to address Council's direction and to respond to the concerns which have been raised by commercial property owners and businesses respecting recent occurrences of graffiti, staff have identified Program amendments to

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temporarily permit graffiti removal as an eligible cost subject to the following program terms being recommended by staff:

- A maximum of one grant equalling \$200.00 would be permitted per instance of graffiti removal occurring on any façade of a commercial or mixed-use commercial building to a total maximum of \$1,000.00 (five instances of graffiti) per eligible property in a calendar year;
- Applications may be submitted by the property owner or commercial tenant with graffiti removal undertaken by a contractor or by the property/business owner themselves;
- A grant provided solely with respect to graffiti removal shall not be counted towards the maximum available grant amount otherwise available to the subject property to support building improvements under the Program; and,
- Applications solely in respect to graffiti removal shall not be subject to an application fee.

The above amendments are recommended to be introduced on a temporary basis for a period approximately 18-months through to March 31, 2025. This will provide staff an opportunity to manage and assess any potential impacts to staff resources and existing Program funding that may arise. The recommended Program terms allow for a potential extension of these amendments at the discretion of City Council after one year.

In addition to the above terms, staff are recommending a revised application and staff review process for applications solely in respect to graffiti removal. This expedited review process would remove ordinary due diligence searches respecting potential outstanding Building Code, Fire Code, Property Standards orders or municipal tax arrears on the subject property. In addition, applicants and properties would not be subject to legal searches respecting property titles or any present litigation between the owner/applicant and the City. Typically, owners/tenants would be required to rectify any orders/arrears or resolve outstanding legal matters involving the City arising from these searches prior to approval/grant payment.

This revised application and review process is considered by staff to be a balanced approach given the lower maximum grant amount available for applications solely respecting graffiti removal; the goal of achieving expedited removal of graffiti on private property in support of the overall condition and state of the commercial districts; and takes into consideration the need to mitigate impacts on staff resources across multiple

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Divisions/Departments which could become strained as a result of increased application volumes specifically for graffiti removal.

Program applications not solely in respect to graffiti removal would continue to be subject to the City's standard application processes and due diligence searches requirements.

ALTERNATIVES FOR CONSIDERATION

The City's Community Improvement Plans and associated programs and strategies are provided at City Council's discretion. Alternative to staff's recommendations, City Council may direct that the Program continue without any changes or be modified in a manner as it deems appropriate.

Should City Council elect to explore alternatives to staff's recommendation, it may refer this Report and provide direction to staff to investigate any such alternative direction as it deems appropriate for staff to report back on along with any potential legal, financial, or staffing related matters for consideration.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED23140 – Commercial District Revitalization Grant Program

PC/rb