

GREEN Hamilton Bayfront Industrial Area Retrofit Grant Program



A. PROGRAM DESCRIPTION

The GREEN Hamilton Bayfront Industrial Area Retrofit Grant Program (the Program) is intended to provide Grants, equal to a maximum of 50% of the Eligible Costs, that will support the physical improvements of otherwise underutilized existing industrial and commercial buildings. These improvements must contribute to the reduction in Greenhouse Gas (GHG) emissions as reported through Greenhouse Gas Intensity (GHGI) measurements in Energy Modelling Reports that support the Grant application. Activities supported by this program include exterior or interior renovations and on-site energy generation.

This Program is not intended to provide support for temporary or non-permanently affixed improvements. This program will provide support for the payment of Eligible Costs for Eligible Improvements as described in Section C.

This Program will apply to properties that contain existing industrial and commercial buildings that are zoned to permit the existing use and that are located in Sub-Area 1: Bayfront Industrial Area as defined through the Growing a Resilient and Environmentally Sustainable Hamilton Community Improvement Project Area (GREEN Hamilton CIPA) By-law.

Applications under this Program are subject to approval at the sole, absolute and unfettered discretion by the General Manager of Planning and Economic Development (GM) and subject to the availability of funds.

Grants provided under this Program shall be provided to the Applicant who is the owner registered on title of the Site that is the subject of the Program application or an authorized tenant of said Site. The Applicant must continue to be the owner or authorized tenant at the time of the Grant payment or be an approved owner or authorized tenant pursuant to an assignment of the application approved by the GM in accordance with the requirements set out herein.

All costs associated with the improvement of the Site and the requirements of this Program are to be borne by the Applicant including Program application fees, administration fees, permitting fees, inspection fees, legal fees, appraisal fees,

registration fees, development charges or any other application fee or charge required by any level of government or service provider (e.g. Electra, Enbridge etc.) 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.

For the purpose of this Program:

- A 'Site' shall mean all properties forming part of the development for which an application under the Program has been made;
- A 'Qualified Professional' shall mean those with energy modelling experience, such as a certified or registered professional engineer, architect, engineering technologist or certified energy manager, who can conduct a building energy and emissions modelling analysis.

The determination of an acceptable Qualified Professional under this Program shall be at the sole discretion of the GM; and

- An 'Energy Modelling Report' shall mean a computer energy simulation, acceptable to the GM in their sole discretion, using widely accepted software, for example Energy Plus and eQUEST (version 3.64 or higher), and that meets the requirements as set out in ASHRAE 90.1-2013, G2.2.

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.

B. PROGRAM ELIGIBILITY AND GRANT CRITERIA

1. Applications to this Program must meet the goals of the GREEN Hamilton CIP.
2. This Program will apply to industrial and commercial properties zoned to permit such uses located in Sub-Area 1: Bayfront Industrial Area as defined through the GREEN Hamilton CIP By-law.
3. Notwithstanding Paragraph 2, this Program shall not apply to a currently operating or proposed adult entertainment parlour, body rub establishment, self-storage facility, correctional facility, corrections residence, emergency shelter, lodging house, residential care facility or any residential uses as defined in the applicable Zoning By-law or to a proposed development where a designated heritage building has been demolished.

4. The maximum Grant amount under this Program is dependent on the GHGI reduction achieved equal to 50% of the Eligible Costs up to a maximum of:
 - a. \$150,000 for a minimum 25% GHGI reduction compared to a baseline as established by a Qualified Professional and acceptable to the GM; and
 - b. \$400,000 for a minimum 50% GHGI reduction compared to a baseline as established by a Qualified Professional and acceptable to the GM.
5. Applications and approvals under this Program shall be provided on a first come first serve basis, subject to the availability of funding. If applications surpass available funding, priority will be given to those applications with the greater reduction of GHGI for those remaining applications that have yet to be approved by the GM for a Grant.
6. Prior to any Grant being provided, any outstanding building code, fire code or property standards orders, lien(s) on title, or any other order applicable to the property(s) or the project by any governmental authority shall be rectified.
7. Each application shall be supported by an Energy Modelling Report, prepared by a Qualified Professional and satisfactory to the GM in its sole discretion, to demonstrate that the GHGI will be reduced by the minimum percentages established in Paragraph 4, to be eligible to receive a Grant.
8. 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.
9. A Site is eligible for a maximum of one Grant. For clarification, if an Owner has been approved for a Grant for the Site a tenant cannot apply for a second Grant and if a tenant has been approved for a Grant the Owner cannot apply for a second Grant.
10. Eligibility requirements for the Program relating to the Eligible Improvements to be funded will be specifically identified. A cost estimate prepared by a Qualified Person for the Eligible Costs of the Eligible Improvements is to be provided. An estimated Grant amount will be provided based on the cost estimate. A final Grant amount will be calculated based on confirmation of the final invoice(s) paid. A final Grant amount will be based off the lesser of the cost estimate of the Eligible Improvements provided and the final paid invoices.
11. Approval and the receiving of the Grant under this Program shall not preclude eligibility, approval and the receiving of financial assistance for the same Site under any other available municipal grant program with the exception of the GREEN Hamilton Development Tax Increment Grant Program, Barton/Kenilworth Tax Increment Grant Program, Barton/Kenilworth

Revitalization Grant Program and the Barton/Kenilworth Planning and Building Fees Rebate Program.

12. Proposed improvements are to be completed within two (2) years from the date the Program application was approved in order to be eligible for payment. A one-year extension may be authorized by the GM if an Applicant has extenuating circumstances which would warrant an extension.
13. The Eligible Improvements completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the GM.
14. 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 the Eligible Improvements undertaken for which the Grant is applicable.
15. A final inspection report, prepared by a Qualified Professional, and a final Energy Modelling Report, prepared by a Qualified Professional, shall confirm that all the proposed Eligible Improvements have been carried out satisfactorily and the percentage of the reduction in GHGI achieved meets the minimum requirements set out in Paragraph 4, prior to the City releasing any Grant funds.
16. A Grant under this Program will be provided to an approved Applicant if all terms and conditions of this Program have been complied with to the satisfaction of the GM in their sole discretion, including the payment of all property taxes and completion of all Eligible Improvements.
17. A successful Applicant will enter into a legal agreement with the City containing (but not limited to) the terms and conditions set out in this Program description.
18. Applications must be submitted prior to the issuance of an above-grade Building Permit for the construction of Eligible Improvements subject to the Program application. 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.
19. The Applicant must continue to be the owner or authorized tenant at the time of the Grant payment. However, where a Program application has been submitted by a property owner/tenant and accepted by the City but not yet approved, and the Site is to be transferred to a new owner/new tenant, the City may permit the transfer or assignment of the application to the new owner/new tenant at the sole, absolute and unfettered discretion of the GM. The assignee who has

requested to become the Program Applicant and receive funding under this Program shall be subject to all the same due diligence and program terms required for any applicant as contained herein and to the satisfaction of the GM. 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.

20. Applications under this Program are subject to approval at the absolute discretion of the GM subject to the availability of funds.
21. Without limiting the discretion as set out in paragraph 20 herein, the GM, 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, or the owner of the Site if the Applicant is the tenant, has been impaired by, but not limited to, the Applicant, or the owner of the Site if the Applicant is the tenant, 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 GM in their sole, absolute and unfettered discretion.
22. Without limiting the discretion as set out in paragraph 20 herein, the GM, 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, or the owner of the Site if the Applicant is the tenant, within the City of Hamilton, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, building code, lien(s) on title, or fire code orders on the subject property(s).
23. Without limiting the discretion as set out in paragraph 20 herein, the GM, 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, or the owner of the Site if the Applicant is the tenant, 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 Grant under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 23, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph

23 shall apply jointly and severally to each of them.

24. In the event of a Change of Corporate Control where the Applicant is a corporation, the Applicant covenants and agrees that in the event that:
- a. the Applicant fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require or;
 - b. without the written consent of the City first had and obtained:
 - i. the Applicant issues or redeems any of its shares or transfers any of its shares;
 - ii. there is a sale or sales of the shares of the Applicant which result in the transfer of the legal or beneficial interest of any of the shares of the Applicant or;
 - iii. the Applicant amalgamates, merges or consolidates with any other corporation; and

The result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Applicant, or the requested information is not provided, then the future Grant payment under the Program shall cease at the absolute discretion of the GM.

25. 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.

C. ELIGIBLE IMPROVEMENTS

Eligible Improvements under this Program include the following works:

- Solar panels;
- Heat pumps;
- Geothermal systems;
- Building equipment supporting a transition from natural gas service (or other fossil fuel energy source) to electrification or other transition that supports the reduction in GHGI;
- Energy storage associated with alternative energy sources (non-fossil fuel) produced on-site;
- Improvements to the building envelope that improve the energy performance; and,
- Any other building improvement that demonstrates the proposed works will contribute towards a reduction in the building's GHGI, as identified through an Energy Modelling Report.

ELIGIBLE COSTS

Eligible Costs under this Program include the labour and material costs, excluding HST, to complete Eligible Improvements and shall also include costs, excluding HST, incurred by professionals (e.g. an architect, engineering or BCIN designer etc.), who are required to design, test and study the above Eligible Improvements, up to a maximum of \$20,000 as part of the total paid invoice submitted for the Grant.

INELIGIBLE COSTS

Ineligible costs shall be any cost not identified in this Section or any cost identified above which has been incurred prior to the date an application was submitted under this Program. Ineligible costs also include:

- Any associated ongoing maintenance or operating costs of any Eligible Improvements;
- Any temporary or non-permanently affixed improvements;
- Landscaping;
- Program Application fees, administration fees, permitting fees, inspection fees, legal fees, appraisal fees, registration fees, development charges or any other application fee or charge required by any level of government or service provider (e.g. Electra, Enbridge etc.);
- Business related equipment or business interruption expenses;

- Paving;
- Tools; and
- Any other cost deemed not to meet the intent of this Program at the sole discretion of the GM.

An Applicant shall assume the risk, and bear the sole responsibility, for any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

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.

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 an Energy Modelling Report, 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 GREEN Hamilton CIP.

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: a final inspection report and an Energy Modelling Report, prepared by a Qualified Professional, 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 orders, lien(s) on title, building code orders 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.

Where the development requires approval of a Site Plan, a conditional Site Plan approval shall have been obtained from the City prior to City Council consideration of an application under this Program. Where no Site Plan is required for the development, City Council's consideration of an application will occur after such time as the Economic Development Division is satisfied that all necessary information has been provided to inform eligibility in 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 GM to ensure the goals and purpose of this Program and the GREEN Hamilton CIP are met.

Grant Payment

Paid Invoices for all Eligible Costs incurred will be supplied to the City and the Grant will be based on the City's review, satisfaction and acceptance of these invoices and all supporting reports and documentation submitted outlining the full scope and cost of the Eligible Improvements completed including a written request for the Grant payment. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the GM's discretion. The Grant may be reduced or cancelled if the Eligible Improvements proposed are not completed, not completed within the time required by the Program, not completed as approved and/or where documentation/invoicing of said costs is not provided to the GM's satisfaction. In addition, invoices must be billed to the Applicant.

A final Grant amount will be calculated based on confirmation of the final invoice(s) paid. A final Grant amount will be based off the lesser of the cost estimate provided and the final paid invoices.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or Grant being provided. Applications to this Program not yet approved by City Council shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will continue to receive the Grant subject to meeting the Program terms contained herein.