



Hamilton

**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b> Chair and Members Planning Committee	<b>WARD(S) AFFECTED:</b> WARDS 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13 and 15
<b>COMMITTEE DATE:</b> February 5, 2013	
<b>SUBJECT/REPORT NO:</b> Amendments to the Downtown and Community Renewal Community Improvement Plan and Project Area (PED13025) (Wards 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13 and 15)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b> Alan Waterfield (905) 546-2424 Ext. 1251 Hazel Milsome (905) 546-2424 Ext. 2755
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That the Downtown and Community Renewal Community Improvement Project Area By-law be amended as set out in the implementing by-law attached as Appendix "A" to Report PED13025;
- (b) That the Downtown and Community Renewal Community Improvement Plan be amended as set out in the implementing by-law attached as Appendix "B" to Report PED13025;
- (c) That subject to the approval of Recommendation (b), Appendix "B" to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Hamilton Downtown Property Improvement Grant Program, be deleted and replaced respectively with the Program Description and Terms of the Hamilton Tax Increment Grant Program attached as Appendix "C" to Report PED13025;
- (d) That subject to the approval of Recommendation (b), Appendix "C" to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Commercial Property Improvement Grant

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Program, be deleted and replaced respectively with the Program Description and Terms of the Business Improvement Area (BIA) Commercial Property Improvement Grant Program attached as Appendix “D” to Report PED13025;

- (e) That subject to the approval of Recommendation (b), Appendix “D” to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Commercial Corridor Housing Loan and Grant Program, be deleted and replaced respectively with the Program Description and Terms attached as Appendix “E” to Report PED13025;
- (f) That subject to the approval of Recommendation (b), Appendix “E” to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Hamilton Heritage Property Grant Program, be deleted and replaced respectively with the Program Description and Terms attached as Appendix “F” to Report PED13025;
- (g) That subject to the approval of Recommendation (b), Appendix “F” to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Hamilton Downtown Office Tenancy Assistance Program, be deleted and replaced respectively with the Program Description and Terms of the Office Tenancy Assistance Program attached as Appendix “G” to Report PED13025;
- (h) That subject to the approval of Recommendation (b), Appendix “H” to the Downtown and Community Renewal Community Improvement Plan, being the Program Description and Terms of the Hamilton Downtown Commercial Façade Property Improvement Grant Program, be deleted and replaced respectively with the Program Description and Terms of the Commercial Façade Property Improvement Grant Program attached as Appendix “H” to Report PED13025.

## **EXECUTIVE SUMMARY**

City Council, at its meeting held November 28, 2012, approved the expansion of various community improvement initiatives and directed staff to prepare the necessary amendments to the Downtown and Community Renewal Community Improvement Plan and Project Area By-law. PED13025 brings forward the amendments required to implement the changes. The amendment to the Community Improvement Plan requires a statutory public meeting with notice requirements in accordance with the Planning Act.

The amendment to the Downtown and Community Renewal Community Improvement Project Area By-law (Recommendation (a)) will expand the Downtown Hamilton Community Improvement Project Area to the east side of Victoria Avenue North, from Barton Street to Birge Street, and include 225 East Avenue North/315 Robert Street, as identified in Appendix “A” to Report PED13025.

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The amendment to the Downtown and Community Renewal Community Improvement Plan (Recommendation (b)), identified in Appendix “B” to Report PED13025, will enable the administration of the following financial incentives within the Community Downtowns, all BIAs, and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area By-law:

- The Hamilton Downtown Property Improvement Grant Program - The program will be renamed the *Hamilton Tax Increment Grant Program*.
- The Hamilton Downtown Office Tenancy Assistance Program - The program will be renamed the *Office Tenancy Assistance Program*.
- The Hamilton Heritage Property Grant Program - The maximum grant will be increased for smaller projects. For projects valued at \$40,000 or less, the grant will be based on 50% of the total project cost to a maximum grant of \$20,000 for eligible work under the program. For projects valued over \$40,000, the grant will include \$20,000 (i.e. 50% of \$40,000), plus an additional grant based on 25% of the total project cost over \$40,000, to a maximum additional grant of \$130,000. In total, no more than \$150,000 will be granted for eligible work under the program, as per the current terms.
- The Hamilton Downtown Commercial Façade Property Improvement Grant Program - The program will be renamed the *Commercial Façade Property Improvement Grant Program*. This program will be offered within the aforementioned areas with the exception of the BIAs as a façade grant program is presently available for commercial properties within BIAs.
- The Commercial Corridor Housing Loan and Grant Program - This program is already available in the aforementioned areas. The maximum loan amount of \$10,000 per dwelling unit to a maximum of \$200,000 per property will be increased to a maximum of \$15,000 per dwelling unit to a maximum of \$600,000 per property.

The amendment to the Community Improvement Plan will be reflected in the Program Descriptions and Terms of the respective financial incentives programs that are appended to the Community Improvement Plan. In accordance with the Plan, the revised Program Descriptions and Terms (Appendices “C” to “H” to Report PED13025) are adopted by Council resolution (Recommendations (c) to (h)). Additional revisions include:

- The eligibility requirement for an office use to be occupying a minimum of 2,000 square feet under the Office Tenancy Assistance Program will be decreased to 1,000 square feet.

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- The Commercial Property Improvement Grant Program will be renamed the *BIA Commercial Property Improvement Grant Program* and will identify surveillance cameras affixed to the exterior of properties as eligible items.

***Alternatives for Consideration – See Page 9***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)**

**Financial:**

*Hamilton Downtown Property Improvement Grant Program (Hamilton Tax Increment Grant Program):*

This program is self-funded from increased taxes paid by the Project's property owner. Due to the improvements to the property, the value of the property increases which increases the tax revenue. The City collects the increase in taxes and provides grants, based on the increase in the Municipal portion only, attributable to the redevelopment of a property. Based on a five (5) year program, the City starts to recognize 20% of the increase in revenue after the first year of the program, increasing incrementally by 20%, with 100% achieved in year five (5).

*Commercial Property Façade Improvement Grant Program:*

City Council, at its meeting held December 12, 2012, approved funding for the Commercial Property Façade Improvement Grant Program from the following WIP accounts: 3620553100 in the amount of \$75,000; and, 8200903900 in the amount of \$250,000. These funds will be sufficient to fund the program in 2013.

*Hamilton Heritage Property Grant Program:*

City Council, at its meeting held December 12, 2012, approved funding in the amount of \$200,000 from the Downtown Block for the Hamilton Heritage Property Grant Program. These funds, together with funds contained in an Urban Renewal Reserve Account #102048 for administration of the program, will be sufficient to fund an expanded program in 2013.

*Office Tenancy Assistance Program:*

The cost to the City for the Office Tenancy Assistance Program is the interest cost. There are sufficient monies to fund the program during 2013 in Project ID# 8200903900 and 8201003001.

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*Commercial Corridor Housing Loan and Grant Program:*

The cost to fund the *loan component* of the Commercial Corridor Housing Loan and Grant Program is the interest cost to the City. Urban Renewal staff has included an enhancement of \$5,000 for interest costs for consideration by City Council during the 2013 Operating Budget process due to the increase in the maximum loan amount. The interest cost to deliver the Program is anticipated to increase in future years, however, based on anticipated timing of the final approval of the program amendments recommended in Report PED13025 (anticipated to come into effect the end of March of 2013), and the fact that interest is not charged until monies flow to an applicant (monies do not flow until a project is 60% complete at which time 60% is advanced), an increase of \$5,000 in 2013 will be sufficient for the delivery of the program in 2013.

The *grant component* of the Commercial Corridor Housing Loan and Grant Program is funded from the Urban Renewal Section's Operating Budget. Staff has included an enhancement of \$10,000 in its Operating Budget, for the grant component, for consideration by City Council during the 2013 Operating Budget process. Again, the cost of the grant component is anticipated to increase in future years, however, based on the anticipated timing of the final approval of the program amendments recommended in Report PED13025, together with the fact that the grant portion of the program is not advanced until projects are 60% complete, an increase of \$10,000 in 2013 will be sufficient for the delivery of the program in 2013.

**Staffing:** There will be no additional staffing requirements resulting from Council's approval of Report PED13025. Applications to the financial incentive programs are processed by the Urban Renewal Section and Taxation Division.

**Legal:** The Planning Act (Section 28) allows municipalities that have provisions in their Official Plan relating to community improvement, such as the City of Hamilton, to designate by by-law a community improvement project area, and then to prepare a Community Improvement Plan for the project area. A municipality may then make grants and loans, in conformity with the approved community improvement plan, that would otherwise be prohibited under the Municipal Act (Section 106(1)), to the registered/assessed owners or tenants of land and buildings, or their respective assignees, within the designated project area. An amendment to the Community Improvement Plan requires a statutory public meeting with notice requirements in accordance with the Planning Act.

**HISTORICAL BACKGROUND** (Chronology of events)

In November 2011, City Council approved a series of recommendations to update the Downtown and Community Renewal Community Improvement Plan, revise its component programs and initiatives, and expand some of the project areas to which the plan applies (Report PED11118). At that time, City Council also directed staff to look at

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future expansions of community improvement initiatives to the Community Downtowns. In February 2012, City Council directed staff to investigate the feasibility of including some additional land on the east side of Victoria Avenue North in the Downtown Hamilton Community Improvement Project Area.

In November 2012, staff reported back to Committee and Council on expanding community improvement initiatives to the Community Downtowns and an expansion to the Downtown Hamilton Community Improvement Project Area (Report PED1118(a)). Subsequently, City Council, at its meeting held November 28, 2012, approved the expansion of community improvement initiatives to Community Downtowns as well as to all BIAs and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area. Council also approved the expansion of the Downtown Hamilton Community Improvement Project Area to incorporate the east side of Victoria Avenue North, from Barton Street to Birge Street and, 225 East Avenue North/315 Robert Street as identified in Appendix "A" to Report PED13025. Staff was then directed to prepare the amendments required to implement the changes.

#### **POLICY IMPLICATIONS**

The Downtown and Community Renewal Community Improvement Plan provides the framework for City programs and initiatives in a manner that meets the legislative requirements of the Planning Act intended to stimulate private sector investment and redevelopment and, to focus municipal action and investment that promotes and enhances Hamilton's various downtowns, commercial districts, mixed use corridors and neighbourhoods targeted for community development.

The plan provides the legal framework for the financial incentives administered by the Urban Renewal Section. Downtown Hamilton, the Community Downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, the Business Improvement Areas and other Commercial Corridors within the City, as well as certain heritage-designated properties, are collectively designated in the Downtown and Community Renewal Community Improvement Project Area By-law.

#### **RELEVANT CONSULTATION**

Staff from the Finance and Administration Division, Corporate Services Department and the Legal Services Division, City Manager's Office, was consulted and the advice received is incorporated into Report PED13025. The recommendations approved by Council through Report PED11118(a) which Report PED13025 now would implement followed consultation with the BIAs in each community downtown and the Glanbrook Chamber of Commerce in 2012, first to discuss community improvement initiatives for potential expansion and then to obtain input to the proposed changes.

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

The amendment to the Downtown and Community Renewal Community Improvement Project Area is in accordance with a recommendation approved by Council on November 28, 2012, to include the property on the east side of Victoria Avenue North, from Barton Street to Birge Street, and at 225 East Avenue North/315 Robert Street, in the Downtown Hamilton Community Improvement Project Area. The rationale is provided in Report PED11118(a), pages 10-12 as identified in Appendix "I" to Report PED13025.

The amendment to the Downtown and Community Renewal Community Improvement Plan and revised Program Descriptions and Terms for the financial incentive programs are also in accordance with recommendations via Report PED11118(a) and Council direction approved on November 28, 2012. The amendment will enable the administration of the following financial incentives within the Community Downtowns, all BIAs, and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area By-law:

*The Hamilton Downtown Property Improvement Grant Program:*

The program, currently only available in Downtown Hamilton, will be renamed the *Hamilton Tax Increment Grant Program*. The program provides a five (5) year grant, in an amount not exceeding the increase in the municipal portion of the realty taxes, attributable to the development of residential or commercial lands and buildings. The grant will be an amount which does not exceed 100% of the Municipal Realty Tax increase during the first year, 80% in year two (2), 60% in year three (3), 40% in year four (4) and 20% in year five (5).

*The Hamilton Downtown Office Tenancy Assistance Program:*

The program, currently only available in Downtown Hamilton, will be renamed the *Office Tenancy Assistance Program*. It provides a low interest loan to property owners or authorized tenants to support eligible leasehold improvements to office buildings. The amount of the loan depends on the square foot area and term of the lease or, owner-occupied status of the office space, to a maximum of \$450,000 per application. The maximum loan term is the term of the lease up to five (5) years from the date of the final advance. In an effort to address the smaller scale of other areas where the program will now apply, the Program Description and Terms will be amended to decrease the minimum requirement of 2,000 square feet being occupied to 1,000 square feet.

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*The Hamilton Heritage Property Grant Program:*

This program is presently offered within active BIAs, the Downtown Hamilton CIPA and, the lower City between Highway 403 and the Red Hill Valley Parkway. The program offers a grant for the conservation and preservation of heritage features of properties designated under Parts IV or V of the Ontario Heritage Act. The grant currently is based on 25% of the total cost of regeneration of the property to a maximum of \$150,000 for eligible work under the program. Eligible works include works necessary to restore heritage buildings to structural soundness, such as: roofing, the correction of serious structural faults that threaten the building's survival, underpinning of building structures, and stabilization works to retain portions of the property. The program also offers a \$20,000 grant for heritage studies. The program will be amended to increase the maximum grant for smaller projects. For projects valued at \$40,000 or less, the grant will be based on 50% of the total project cost to a maximum grant of \$20,000 for eligible work under the program. For projects valued over \$40,000, the grant will include \$20,000 (i.e. 50% of \$40,000), plus an additional grant based on 25% of the total project cost over \$40,000, to a maximum additional grant of \$130,000. In total, no more than \$150,000 will be granted for eligible work under the program.

This change will incorporate terms of the former Commercial Heritage Restoration Program (CHRP) that was administered by Community Planning into one financial incentive program for heritage restoration. CHRP offered a matching grant for the restoration/conservation of heritage properties to a maximum of \$20,000 for commercial/residential designated properties within the City of Hamilton.

*The Hamilton Downtown Commercial Façade Property Improvement Grant Program:*

The program will be renamed the *Commercial Façade Property Improvement Grant Program*. It is currently offered (until December 2014) within the Downtown Hamilton CIPA to property owners/tenants of commercial properties that are not located within a Business Improvement Area (BIA). The program offers matching grants, to a maximum of \$10,000 per property (increasing to \$12,500 for corner properties), for façade improvements. The program is similar to the Commercial Property Improvement Grant Program which is offered to property owners/tenants of commercial properties located within active BIAs, however, it provides a reduced maximum grant amount. The Program Description and Terms will be amended to include permanent landscape features, permanent fencing and paving of parking lots, as eligible items under the program in an effort to address the uniqueness of issues facing commercial properties within the additional areas where it will now apply.

*The Commercial Corridor Housing Loan and Grant Program:*

This program is already available within the Community Downtowns, Downtown Hamilton, all BIAs and the Commercial Corridors. The program provides financial



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assistance for the construction of new residential units, renovation of residential units, or conversion of existing commercial space into residential units. The loan is currently calculated on the basis of \$10,000 per dwelling unit, to a maximum of \$200,000 per property (20 units). The grant provides up to \$5,000 per property for professional fees paid. A minimum of 50% of the loan per unit must be spent on dwelling units while the remaining 50% can cover the cost of common elements of the property, such as: roofing, fire escapes, furnaces and entranceways.

The maximum loan will be increased from \$10,000 per unit to a maximum of \$200,000 per property (20 units), to \$15,000 per unit to a maximum of \$600,000 per property (40 units). The maximum grant amount will remain at \$5,000 per property for professional fees paid. This increase is recommended in order to offer more of an incentive for residential development within the community downtowns as well as the BIAs and other commercial corridors in the absence of the Hamilton Downtown Multi-Residential Property Investment Program (a program that offers 25% of the cost of residential development in the Hamilton Downtown Community Improvement Project Area only). There are sites within the areas where this program applies where 40 units can be accommodated in accordance with the applicable zoning by-law regulations. Providing more support to larger projects, where permitted, is intended to help increase the number of residents in intensification areas and achieve the density targets established for the downtown community nodes.

*Commercial Property Improvement Grant Program:*

This program is offered within active BIAs. The Program Description and Terms will be amended to identify surveillance cameras affixed to the exterior of properties as eligible items. This initiative will provide a means of property protection, and is supported by the BIAs as well as Hamilton Police Services.

Staff will review the effectiveness of the expanded programs as part of the Five-Year Review of the Downtown and Community Renewal Community Improvement Plan which is planned in 2016 and report back to City Council accordingly.

**ALTERNATIVES FOR CONSIDERATION**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Non-acceptance of the recommendations contained in Report PED13025 would result in Council resolutions not being implemented. This is not a recommended alternative.

Financial: The \$325,000 approved as part of the 2013 Capital Budget for the Commercial Façade Property Improvement Grant Program would not be required. The \$200,000 approved from the 2013 Downtown Block for the Hamilton Heritage Property

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Grant Program would be utilized for the program within Downtown Hamilton, BIAs and the lower City between Highway 403 and the Red Hill Valley Parkway. The \$15,000 forwarded for consideration as part of the 2013 Operating Budget process for funding of the Commercial Corridor Housing Loan and Grant Program would not be required.

**CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

***Financial Sustainability***

- ◆ Financial incentives support investment in land and buildings in Hamilton, generating assessment growth.

***Growing Our Economy***

- ◆ Newly created or revitalized employment sites Community improvement programs support the revitalization of commercial/office employment sites as well as residential development that provides a local market.

***Healthy Community***

- ◆ Community improvement programs help the City meet area-specific growth/density targets and support the reuse of existing building stock and infrastructure.

**APPENDICES / SCHEDULES**

Appendix "A" to Report PED13025 - Proposed Amendment to the Downtown and Community Renewal Community Improvement Project Area By-Law and Implementing By-Law

Appendix "B" to Report PED13025 - Proposed Amendment to the Downtown and Community Renewal Community Improvement Plan and Implementing By-law

Appendix "C" to Report PED13025 - Revised Program Description and Terms for the Hamilton Tax Increment Grant Program

Appendix "D" to Report PED13025 - Revised Program Description and Terms for the BIA Commercial Property Improvement Grant Program

Appendix "E" to Report PED13025 - Revised Program Description and Terms for the Commercial Corridor Housing Loan and Grant Program

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Appendix “F” to Report PED13025 - Revised Program Description and Terms for the Hamilton Heritage Grant Program

Appendix “G” to Report PED13025 - Revised Program Description and Terms for the Office Tenancy Assistance Program

Appendix “H” to Report PED13025 - Revised Program Description and Terms for the Commercial Façade Property Improvement Grant Program

Appendix “I” to Report PED13025 - Report PED11118(a)

HM/dkm

**Authority:** Item x, Planning Committee  
Report 13-\_\_\_\_ (PED13025)  
CM: February 5, 2013

**Bill No.** \_\_\_\_\_

**CITY OF HAMILTON**

**BY-LAW NO. 13-\_\_\_\_\_**

To Amend By-law 11-272 respecting the  
Downtown and Community Renewal Community Improvement Project Area

**WHEREAS** Section 28 of the Planning Act entitled Community Improvement provides in sub-section (2):

"Where there is an official plan in effect in a local municipality or in a prescribed upper-tier municipality that contains provisions relating to community improvement in the municipality, the council may, by by-law, designate the whole or any part of an area covered by such an official plan as a community improvement project area";

**AND WHEREAS** the Planning Act defines a "community improvement project area" as "an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason";

**AND WHEREAS** Section 6A of the Hamilton Wentworth Official Plan contains provisions relating to community improvement;

**AND WHEREAS** By-law 11-272 identifies various areas of the City of Hamilton, including the Downtown Hamilton Community Improvement Project Area, Ancaster Village Community Improvement Project Area, Binbrook Community Improvement Project Area, Dundas Community Improvement Project Area, Downtown Stoney Creek Community Improvement Project Area, Waterdown Community Improvement Project Area, Barton Village Community Improvement Project Area, Concession Street Community Improvement Project Area, Locke Street Community Improvement Project Area, Ottawa Street Community Improvement Project Area, Westdale Community Improvement Project Area, Commercial Corridors Community Improvement Project Area, and certain properties designated under Part IV or V of the Ontario Heritage Act, and designates collectively said areas as the "Downtown and Community Renewal Community Improvement Project Area";

**To Amend By-law 11-272 respecting the  
Downtown and Community Renewal Community Improvement Project Area**

**AND WHEREAS** attached hereto and forming part of this By-law as Appendix "A", is a map identifying an expansion of the Downtown Hamilton Community Improvement Project Area dated January 5, 2013;

**AND WHEREAS** the Council of the City of Hamilton considers it appropriate to designate the expanded Downtown Hamilton Community Improvement Project Area as a "community improvement project area";

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

1. The geographical portions of the City of Hamilton as shown on Appendix "A" and forming part of this By-law, and defined as the proposed expansion to the Downtown Hamilton Community Improvement Project Area, are hereby designated as part of the Downtown and Community Renewal Community Improvement Project Area".
2. By-law 11-272 is hereby amended by adding Appendix "A" hereto to Schedule 'A' thereof.

**PASSED** this 13th day of February, 2013

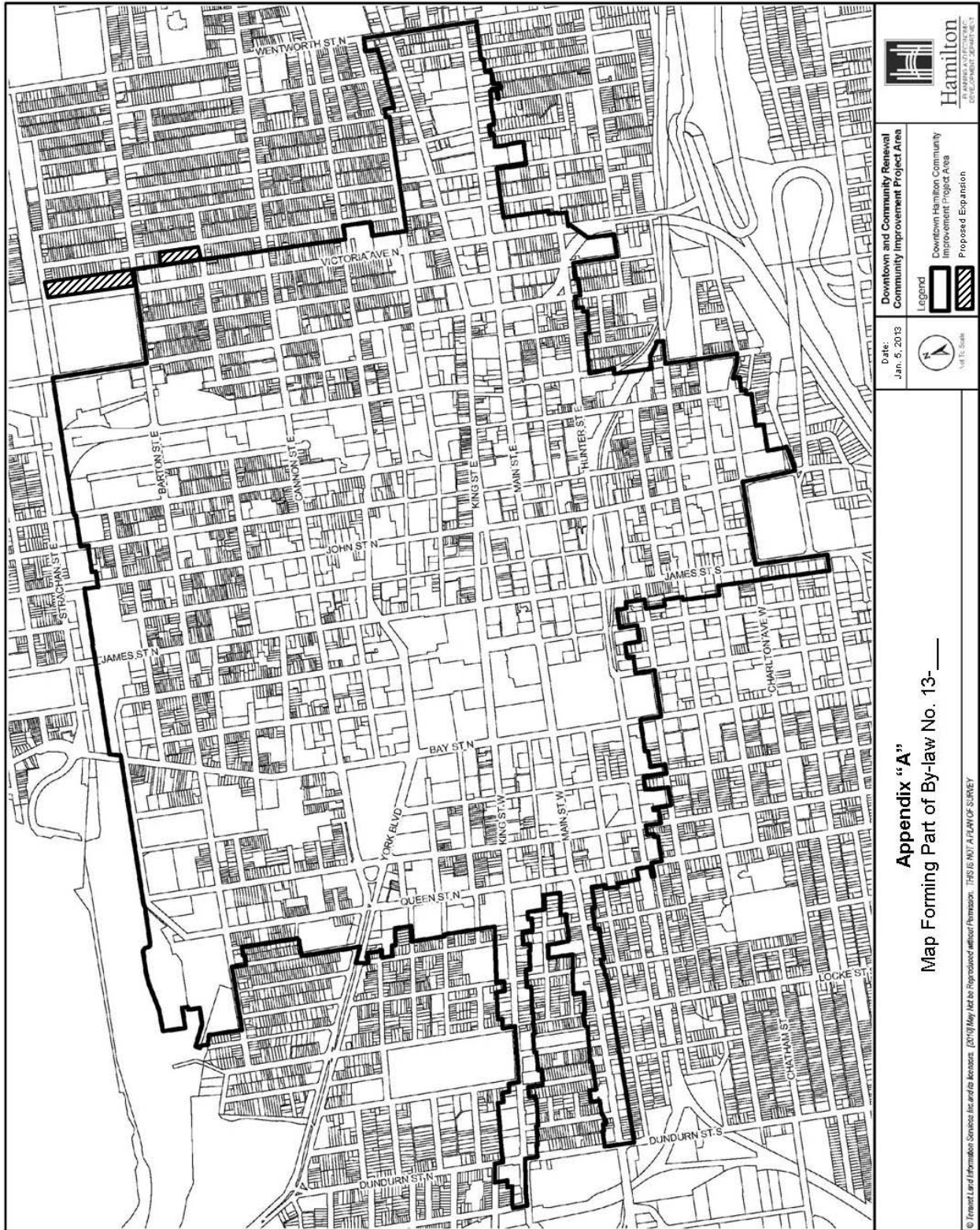
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R. Bratina  
Mayor

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R. Caterini  
City Clerk

To Amend By-law 11-272 respecting the  
Downtown and Community Renewal Community Improvement Project Area



**Authority:** Item x, Planning Committee  
Report 13-xxx (PED13025)  
CM: February 5, 2013

**Bill No. xxx**

**CITY OF HAMILTON**

**BY-LAW NO. 13-xxx**

To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan

**WHEREAS** Section 28 of the Planning Act entitled Community Improvement states where a by-law has been passed to designate a community improvement project area, the Council may provide for the preparation of a plan suitable for adoption as a community improvement plan for the community improvement project area;

**AND WHEREAS** By-law 11-272 as amended, passed on the 16th day of November 2011, designated the Downtown and Community Renewal Community Improvement Project Area;

**AND WHEREAS** By-law 11-273, passed on the 16th day of November 2011 adopted and approved the Downtown and Community Renewal Community Improvement Plan;

**AND WHEREAS** Council, by its Planning Committee, held a public meeting on February 5, 2013, to discuss and receive public input regarding an amendment to the Downtown and Community Renewal Community Improvement Plan, and has taken other steps required to amend the Plan, prior to the enactment of this By-law, as required by the Planning Act;

**AND WHEREAS** the City has prepared an amendment to the Downtown and Community Renewal Community Improvement Plan, attached hereto as Schedule 1 and forming part of this By-law;

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

1. Amendment No. 1 to the Downtown and Community Renewal Community Improvement Plan, consisting of Schedule 1 hereto annexed and forming part of this By-law, is hereby adopted and approved.

To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan

2. Schedule 'A' to By-law 11-273 is amended as set out in Schedule 1 to this By-law.

**PASSED** this 13th day of February, 2013

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R. Bratina  
Mayor

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R. Caterini  
City Clerk

DRAFT



To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan

Schedule 1 to By-law 13-xxx

Amendment No. 1  
to the  
Downtown and Community Renewal  
Community Improvement Plan

The following text constitutes Amendment No. 1 to the Downtown and Community Renewal Community Improvement Plan.

Purpose

- To account for an expansion to the Downtown Hamilton Community Improvement Project Area.
- To rename the Hamilton Downtown Property Improvement Grant Program as the Hamilton Tax Increment Grant Program, and expand the areas in which the program applies.
- To increase the maximum loan amount available under the Commercial Corridor Housing Loan and Grant Program.
- To increase the maximum grant available to projects of \$40,000 or less under the Hamilton Heritage Property Grant Program, from a maximum grant of \$10,000 to \$20,000.
- To expand the areas in which the Hamilton Heritage Property Grant Program, Office Tenancy Assistance Program and Commercial Façade Property Improvement Grant Program apply.

Location

The lands affected by the amendment are contained within the Downtown and Community Renewal Community Improvement Project Area, designated by By-law 11-272 as amended.

Basis

The amendment is consistent with the goals and objectives of the Downtown and Community Renewal Community Improvement Plan.

Actual Changes

1. In Section 6.1, first bullet point, delete “as well as properties along and west of Victoria Avenue to Wellington Street between Barton Street and Cannon Street;”

**To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan**

and replace with "as well as properties to the north of Cannon Street, east of Wellington Street, south of the CN Railway, and west of the alleyway that runs parallel between Victoria Avenue and East Avenue, excepting the General hospital block and including all of the former Royal Oak Dairy lands on both sides of the alleyway;"

2. In Section 8.1.2:
  - a) Delete the section heading "8.1.2 Hamilton Downtown Property Improvement Grant Program" and replace with "8.1.2 Hamilton Tax Increment Grant Program (formerly the Hamilton Downtown Property Improvement Grant Program)";
  - b) Delete other references to the "Hamilton Downtown Property Improvement Grant Program" and replace with "Hamilton Tax Increment Grant Program";
  - c) In the first paragraph, delete "located within the Downtown Hamilton Community Improvement Project Area." and replace with "located within Downtown Hamilton, the community downtowns, active and dormant Business Improvement Areas (BIAs), and the commercial corridors along Barton Street East of the Barton Village BIA and along Kenilworth Avenue North, as identified in the Downtown and Community Renewal Community Improvement Project Area."
3. In Section 8.1.3, add "BIA" before all references to the "Commercial Property Improvement Grant Program".
4. In Section 8.1.4, third paragraph, delete the first sentence "The maximum loan amount is \$10,000 per dwelling unit to a maximum of \$200,000 per property." and replace with "The maximum loan amount is \$15,000 per dwelling unit to a maximum of \$600,000 per property."
5. In Section 8.1.5:
  - a) In the second paragraph, third sentence, after the words "Downtown Hamilton Community Improvement Project Area," add "or one of the community downtown community improvement project areas,"
  - b) In the third paragraph, delete the first sentence "The grant will be based on 25% of the total cost of regeneration of the property to a maximum of \$150,000 for eligible work under the program." and replace with "For projects valued at \$40,000 or less, the grant will be based on 50% of the

**To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan**

total project cost to a maximum grant of \$20,000 for eligible work under the program. For projects valued over \$40,000, the grant will include \$20,000 (i.e. 50% of \$40,000), plus an additional grant based on 25% of the total project cost over \$40,000, to a maximum additional grant of \$130,000. In total, no more than \$150,000 will be granted for eligible work under the program.”

6. In Section 8.1.6:

- a) Delete references to the “Hamilton Downtown Office Tenancy Assistance Program” and replace with “Office Tenancy Assistance Program”;
- b) In the first paragraph, first sentence, delete “located within the Downtown Hamilton Community Improvement Project Area.” and replace with “located within Downtown Hamilton, the community downtowns, active and dormant Business Improvement Areas (BIAs), and the commercial corridors along Barton Street East of the Barton Village BIA and along Kenilworth Avenue North, as identified in the Downtown and Community Renewal Community Improvement Project Area.”;
- c) In the first paragraph, second sentence, delete “Downtown office stock.” and replace with “office buildings in downtowns and other commercial areas.”;
- d) In the first paragraph, third sentence, delete the first instance of the word “Downtown”;
- e) In the first paragraph, third sentence, delete “existing Downtown businesses to expand in the Downtown.” and replace with “existing office uses to expand.”;
- f) In the fourth paragraph, delete “the Downtown Core.” and replace with “Downtown Hamilton.”

7. In Section 8.1.8:

- a) Delete the section heading “8.1.8 Hamilton Downtown Commercial Façade Property Improvement Grant Program” and replace with “8.1.8 Commercial Façade Property Improvement Grant Program”;
- b) In the first paragraph, delete “properties in the Downtown Hamilton Community Improvement Project Area and along the commercial corridors along Main Street West and King Street West leading to the Downtown

**To Amend By-law 11-273 respecting the  
Downtown and Community Renewal Community Improvement Plan**

from Highway 403.” and replace with “properties in Downtown Hamilton, the community downtowns, dormant Business Improvement Areas (BIAs), and the commercial corridors along Barton Street East of the Barton Village BIA and along Kenilworth Avenue North, as identified in the Downtown and Community Renewal Community Improvement Project Area.”

Implementation

The provisions of Section 6A of the Hamilton-Wentworth Official Plan and Section 28 of the Planning Act give effect to this amendment.

This amendment constitutes Schedule 1 to By-law No.13-xxx passed on the 13th day of February, 2013.

DRAFT



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## HAMILTON TAX INCREMENT GRANT PROGRAM

### PROGRAM DESCRIPTION

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The intent of the Hamilton Tax Increment Grant Program (the “Program”) is to provide an economic catalyst for developing, redeveloping or renovating residential/commercial lands and buildings located within Downtown Hamilton, Community Downtowns, Business Improvement Areas (BIAs) and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area.

This Program authorizes for each approved grant application, a five year grant, the amount of which is subject to Council approval, in an amount not exceeding the increase in municipal realty taxes. The increase in municipal realty taxes (City portion only) will be based on either the year in which the building permit that initiated the development/redevelopment was issued or, for properties where the proposed development/redevelopment does not require a building permit, the year in which City Council approved the grant amount, and, the first year in which the property is reassessed. The grant shall be an amount which does not exceed 100% of the municipal realty tax increase during the first year, 80% in year 2, 60% in year 3, 40% in year 4, and 20% in year 5. For purposes of determining the eligible amount of the increase in municipal realty taxes, special charges including B.I.A. levies shall be excluded from the calculation. The grant would reduce the effect of an increase in municipal realty taxes attributable to the differential between the pre-renovation assessment and the post-renovation assessment.

1. Before any grant is provided to the applicant for a property for which a satisfactory grant application has been received and approved, realty taxes are required to have been paid as billed each year and, the property shall be in compliance with the program’s requirements and conditions. If an appeal is filed with the Municipal Property Assessment Corporation, the applicant will be entitled to no more than 75% of the yearly grant. Upon final settlement of the appeal, necessary adjustments to the amount of the yearly grant will be made.

2. The first-year of the grant is payable at the end of the first year of reassessment, post completion, of the redevelopment/development (if reassessment occurs May 1 the grant will be paid by April 30 of the following year),
3. For commercial projects, the first year of the grant is payable at the end of the first year of reassessment, post completion, of the redevelopment/ development regardless of the number of commercial units occupied (if reassessment occurs May 1 the grant will be paid by April 30 of the following year).
4. For residential condominium projects, the first-year grant is payable by the end of the calendar year in which 75% of the residential condominium units within the project are fully assessed, and is calculated on a rateable per unit basis.
5. The grants may be received by an owner in conjunction with any other available municipal program in support of redevelopment/development, including the municipality's loan and heritage programs. The approved grants are not assignable by the owner to anyone, except to the initial purchaser of any condominium unit or to the City of Hamilton. The total of each property's five years of approved grants shall not exceed the costs of the property's development/redevelopment.
6. A limited assignment of the grant under the terms of the Program may be made from a registered or assessed owner of the property to the initial purchaser of each new condominium unit. The assignment of the grant shall not apply to any subsequent re-sale of any such unit. The assigned grant shall be restricted to the balance of the five (5) year term running from the re-assessment date following the date of the registration of the condominium. The first-year grant is payable at the end of the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis. In addition to the one time \$710 application fee, a one time administration fee of \$370 per unit shall be deducted from the initial grant payment. Fees will be authorized through a by-law passed by City Council. The rate of the fees may be changed from time to time as approved by City Council.
7. For applicants who choose not to assign the grant to the initial purchasers of each condominium unit, the grant will be earned by the applicant if they have met all terms and conditions of the Program including payment of taxes until the development has past Final Building Inspection by Building Services. The annual grant to the applicant will be pro-rated if an appeal has been filed with the Municipal Property Assessment Corporation by any of the condominium unit owners. The grant for condominium units that are under appeal will not be released until the appeals are settled through the Assessment Review Board. The first year grant is payable during the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis.

8. An applicant and any assignees, can assign the grant to the City of Hamilton as payment of their loan under the Hamilton Downtown/West Harbourfront Remediation Loan Program.
9. The applicant will be required to enter into an Agreement with the City of Hamilton that sets out the conditions of the annual grant.
10. Redevelopment/development will commence no longer than 2 years following City Council's approval of the grant or the grant will be cancelled. The 2 year period may be extended by City Council at its absolute discretion.
11. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the Property, the City shall have absolute discretion in ceasing any further grant payments.
12. **Change of Corporate Control:**  
Where the Owner is a corporation the Owner covenants and agrees that in the event that:
  - a) the Owner 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 Owner 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 Owner which result in the transfer of the legal or beneficial interest of any of the shares of the Owner; or
    - iii) the Owner 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 Owner, or the requested information is not provided, then future grant payments under the Program shall cease at the absolute discretion of the City.
13. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds.
14. Without limiting the discretion as set out in paragraph 13 herein, the 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 are individuals; corporate entities and individuals behind the corporation (Officers/Directors/ Shareholders).

15. Without limiting the discretion as set out in paragraph 13 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 other properties owned by the Applicant within the City of Hamilton.
16. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.

## **GRANT CRITERIA**

Projects that include developing, redeveloping or renovating residential/commercial lands and buildings within Downtown Hamilton, Community Downtowns, Business Improvement Areas (BIAs) and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area are eligible under the Program.

Approval of the application and estimated grant amount is subject to City Council approval. Such application shall be submitted and only received if it is prior to the owner’s commencement of improvements/rehabilitation to their property and shall include plans, estimates, contracts and other details as may be required to satisfy the City as to the cost of the project and as to the conformity of the project with the objectives of the Downtown and Community Renewal Community Improvement Plan.

Such project is also required to be in compliance with the City’s Official Plan policies, other by-laws and policies, including but not limited to zoning, site plan approval, design guidelines, heritage matters including preservation of historical buildings. The compliance of each application with the criteria of this Program and the estimated amount of the Property’s grants (within the permitted terms of this Program) is at the discretion of and subject to Council approval.

All parking lots and vacant sites are eligible. Properties upon which commercial, residential or industrial buildings are cleared and demolished are eligible with the exception of designated heritage buildings.

This program shall not apply to an existing or proposed Adult Entertainment Parlour, Body Rub Establishment, Correction Facility, Corrections Residence, Emergency Shelter, Lodging House or Residential Care Facility as defined in the Zoning By-law.





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## **BUSINESS IMPROVEMENT AREA COMMERCIAL PROPERTY IMPROVEMENT GRANT PROGRAM**

### **PROGRAM DESCRIPTION**

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The Business Improvement Area Commercial Property Improvement Grant Program is intended to provide financial assistance for commercial property owners/authorized tenants within active\* City-wide Business Improvement Areas as identified within the Downtown and Community Renewal Community Improvement Plan. The Program provides financial assistance for property owners/authorized tenants within each of the active Business Improvement Areas across the entire City of Hamilton. The Program aims to improve upon the appearance of numerous commercial properties throughout the City. It is understood that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector within the City of Hamilton. This Program seeks to build upon these successes, to result in long lasting physical improvements to the assets of commercial property owners/authorized tenants, and to bring about aesthetic improvements to the commercial areas as defined by the Business Improvement Areas, and to broadly improve commerce within the entire City.

\*An active BIA is not considered dormant as defined by the Dormant Business Improvement Area Status Procedure as approved by City Council at its meeting held November 11, 2009.

### **PROGRAM TERMS**

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1. Commercial property owners/authorized tenants are eligible to apply for a grant under the Program once each calendar year.
2. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with ground floor street frontages.

3. Commercial uses must be in conformity with applicable policy documents of the City including but not limited to Official Plans, the provisions of the Zoning By-law and any other applicable City by-laws.
4. Performance measures are to be applied to the payment of grants.
5. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. Owner may present an estimate but is required to have at least two prepared by contractors. The grant will be calculated based upon lowest cost estimate, and is not to address cost increases or over runs. In the case where the applicant is the owner of a contracting company and wishes to utilize the company to undertake the improvements, one (1) cost estimate will be required. A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.
6. Buildings that have a linear foot street frontage greater than twenty-five feet (25'), grants will be paid on a matching basis of \$400 per linear foot of street frontage up to a maximum of \$20,000 for eligible work under the Program.
7. Buildings that have a linear foot street frontage of twenty-five feet (25') or less, grant amounts will be paid on a matching basis to a maximum of \$10,000 for eligible work under the Program.
8. As a further incentive for corner properties and properties where at least one side of the property is exposed to a public street regardless of the measurement of the street frontage, the City will increase the maximum grant amount to \$25,000, on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades. The grant amount will be determined by the measurement of the street frontage and the measurement of the corner/exposed wall multiplied by \$400 per linear foot.
9. 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 Community Planning and Design staff on all applications received that are designated under the Ontario Heritage Act.
10. Artfully designed façade improvements or art pieces placed on private property that can be viewed by the public provides an additional matching grant of \$10,000.

11. The applicant will provide an adequate brief and rendering of the proposed art piece.
12. A jury will be established and may comprise a selection of the following: Urban Renewal Section, urban designer, Business Improvement Area member. The Director of Culture or representative will be on the jury.
13. The selection jury will review, evaluate and approve all proposed art projects.
14. The jury will reserve the right to deem what is eligible for funding under the arts component.
15. A building inspector will perform initial inspection relative to the façade which is intended to be improved, and subsequent final inspection to assure compliance with the Ontario Building Code.
16. Approval of the grant is at the sole discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.
17. 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.
18. 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.
19. 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.
20. 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.
21. An application fee of \$330 is payable upon submission of application. 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.
22. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds.

23. Without limiting the discretion as set out in paragraph 22 herein, the 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 are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).
24. Without limiting the discretion as set out in paragraph 22 herein, the 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.
25. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.
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.

#### **ELIGIBILITY REQUIREMENTS**

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- Property owners and authorized tenants are eligible
- Property taxes must be paid current
- The proposed work to be pre-inspected by the City Building Inspector
- Commercial properties must be located within one of the City’s active Business Improvement Areas and be within the corresponding Community Improvement Project Area
- Existing use must be in conformity with the applicable Zoning By-law regulations, and other relevant planning controls

#### **ELIGIBLE IMPROVEMENTS**

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- Replacement or repairing of storefronts and the rear of properties if used as an access to the business
- Improvements and or upgrades to doors, cornices and parapets
- 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

- Architectural, engineer or design fees may be eligible up to \$1,500 as part of the total grant awarded for completed construction
- Interior improvements related to display windows and entrance areas are eligible to an amount of \$2,500 of the total allotment. Eligible areas will be determined by City staff
- Permanent landscape features only such as flagstone and natural stones/rocks, statuary, irrigation, containers
- Permanent Fencing
- Front-yard decks/patios or side yard decks/patios that abut a street
- Surveillance cameras affixed to the exterior of the property

**In-Eligible:**

- Trees, shrubbery, perennials, annuals, soil, mulch, grass
- Roofing (apart from mansard roofs above the eligible frontage)
- Sandblasting
- Paving of parking lots
- Outdoor furniture



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## COMMERCIAL CORRIDOR HOUSING LOAN AND GRANT PROGRAM

### PROGRAM DESCRIPTION

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The Commercial Corridor Housing Loan and Grant Program (the “Program”) is designed to stimulate residential development within Downtown Hamilton, Hamilton’s Community Downtowns, active and dormant Business Improvement Areas and “main street” corridors, as identified in the Downtown and Community Renewal Community Improvement Project Area By-law.

The Program is intended to provide financial assistance for converting existing built commercial space into residential units, renovations to existing residential units or construction of new units via building additions. The Program is also intended to provide assistance for the costs of creating new residential units on vacant land.

Acting as a lender, the City provides financial support for the Program and ensures that development arising from the Program is consistent with the principles and design themes contained within the Downtown and Community Renewal Community Improvement Plan, the applicable Official Plan and Zoning By-law, and the provisions of relevant Urban Design Plans.

### PROGRAM TERMS

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**Note: A Pre-Application Form must be completed and forwarded to the Urban Renewal Section prior to completing a final application form. The Pre-Application Form is required in order that staff can review property details and determine appropriate next steps.**

1. Subject to meeting all other Program terms, the Commercial Corridor Housing Loan and Grant Program is available to property owners within:
  - a) the Downtown Hamilton Community Improvement Project Area;
  - b) the City of Hamilton’s Community Downtowns;
  - c) the active and dormant Business Improvement Areas ;
  - d) the “main street” corridors as identified in the Downtown and Community Renewal Community Improvement Project Area By-law.
  
2. The maximum loan amount is \$15,000 per dwelling unit to a maximum of \$600,000 per property (40 units). A dwelling unit is a room or suite of rooms used or intended to be used by one or more persons living together as one household, in which cooking and sanitary facilities are provided for the exclusive use of the

household, and to which an independent entrance is provided from outside the building or from a common interior hallway, vestibule or stairway. A minimum of 50% of the loan per unit must be spent on developing/renovating the unit. The remaining 50% can cover the cost of common elements of the property e.g. roofing, HVAC, central air conditioning, fire escapes, foundations, furnaces, entranceways or other improvements deemed eligible by the General Manager of the Planning and Economic Development Department.

3. In addition to the loan, the Program has a grant portion of \$5,000 per application allocated to professional fees only. The grant portion is paid upon presentation of paid receipts to the City’s satisfaction. Professional fees will include: architects; lawyers; engineers; surveyors’ fees, title insurance, etc. Eligible fees will be at the absolute discretion of the City.
4. The Program does not apply to single-detached dwelling units or “individual” street townhouse dwelling units.
5. The Program will not fund improvements including roofing, electrical, fascia, and eaves trough, in isolation of internal work on dwelling units.
6. Approval of the loan application is at the absolute discretion of the General Manager of the Planning and Economic Development Department (for loans/grants to a maximum of \$200,000) and, City Council for loans/grants above \$200,000 and, subject to the availability of funds.
7. The maximum Loan term is five (5) years and six (6) months (subject to prior termination on default) from the date of the final advance exclusive of holdback. No extension or renewal shall be granted.
8. The Loan interest rate will be at 0% interest for the first five (5) years. For the last six (6) months of the Loan, interest shall be payable on the principal outstanding at the then prevailing rate established by Council for interest on tax arrears, such interest to be calculated and payable monthly, not in advance.
9. The Loan will be registered as a second mortgage upon the lands to be developed (the “Property”) upon first advance of funds. In addition, the Applicant will enter into a Loan Agreement which includes (but is not limited to) the terms and conditions of this program description.
10. Interest on arrears will be 12% per annum or such tax arrears interest rate as may be established by Council from time to time.
11. Principal is repayable in annual amounts of ten percent (10%), in 12 equal monthly payments, of the original loan amount. Payments will commence one year following the final advance, exclusive of any required holdback. The balance outstanding will be paid by a balloon payment at the end of the five (5) year and six (6) month term. Monthly principal payments will continue during the last six



- (6) months of the repayment term with interest calculated and payable monthly, not in advance, if not paid earlier.
12. The loan may be prepaid at any time without notice, bonus or penalty.
  13. The City may request such security as may be required to secure a commercial loan, including the following: loan agreement; and/or promissory note; and/or personal property security; and/or personal guarantees; and/or lien on the property to be improved; and/or collateral mortgage charge registered on the property to be improved; and/or letter of credit in lieu of a second mortgage charge on the property (subject to City’s minimum equity requirements); and/or such other security which may be appropriate or available in the circumstance. The City will request net worth statements or variations thereof as the City may determine.
  14. The City’s funding will be advanced in 3 stages, upon completion of 60%, 80% and substantial completion of the project. Upon proof satisfactory to the City that the proposed development is 60% complete based upon the value of the construction and that equity and/or financing required to that stage of completion has been injected into the development, then the approved City funds will be made available and released proportionately based upon the approved source of funds (equity/financing/City funds). The calculation of the proportion to be advanced will reflect that the first 60% of funding is from non-City sources. Advances will be made in conjunction with financing advances or after proof of equity injections.
  15. Applicants shall have no less than 25% equity based upon the appraised value of the property offered as security, including cost of improvements being financed. The City at its discretion will determine whether an appraisal is required or whether it will accept a drive-by appraisal, tax assessment or other proof of value, depending on the amount of the Loan and the extent of construction or renovation.
  16. The City may request personal guarantees, and/or such other security which may be appropriate or available in the circumstances.
  17. An application fee of \$270 must accompany the final application. An administration fee of \$260 per unit is charged to the borrower. The administration fees will be paid out of the first advance of funds that flow from the City of Hamilton. The fee amount may be changed from time to time as approved by City Council.
  18. Realty taxes must be paid as billed throughout the development process.
  19. Advances are made by the City, upon proof satisfactory to the City confirming the value of the work completed.



20. All costs associated with the conversion or renovations are to be borne by the applicant including construction, design, administration fees, appraisals, inspections, legal and registration fees. The City retains the right to assess the reasonableness of costs and which costs are eligible under the terms of the Program.
21. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the Property then at the option of the City all monies secured by the mortgage to the City shall forthwith become due and payable. The City shall have absolute discretion in requiring repayment of the loan secured by the mortgage.
22. Change of Corporate Control:

Where the Owner is a corporation the Owner covenants and agrees that in the event that:

- a) the Owner 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 Owner 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 Owner which result in the transfer of the legal or beneficial interest of any of the shares of the Owner; or
  - iii) the Owner 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 Owner, or the requested information is not provided, then all monies secured by the mortgage together with accrued interest thereon shall forthwith become due and payable at the option of the City and the City's powers of sale hereby given and all other remedies for enforcement shall be exercisable.

23. If the development is a condominium, the repayment regime is as follows: upon sale of individual condominium units, the City will be repaid \$18,750 per unit, until the loan is paid in full. For units that remain outstanding, repayment terms for those units will be addressed in the Loan Agreement.
24. The proposed development must conform to the relevant Official Plan and Zoning By-law and such other approved municipal policies as are applicable, e.g. urban design guidelines/built form guidelines.

25. The proposed development must conform to an Urban Design Plan where same is in effect. The applicant must demonstrate to staff that the Urban Design Plan is being implemented.
26. The City of Hamilton will require specific insurance terms to be met to protect the City's interest.
27. Redevelopment/development will commence no longer than one-year following the date the loan is approved by the General Manager of the Planning and Economic Development Department or City Council, or the loan/grant will be cancelled. The one-year period may be extended at the absolute discretion of the General Manager of the Planning and Economic Development Department or City Council which ever is appropriate.
28. The deadline for 60% completion of the proposed redevelopment/development will be subject to a date established through consultation with the applicant and approved by the General Manager of the Planning and Economic Development Department or City Council.
29. The City will periodically review the terms and the duration of the Program and make appropriate revisions as per the direction of City Council.
30. The Commercial Corridor Housing Loan and Grant may be received by an owner in conjunction with any other available City programs (excluding the Hamilton Downtown Multi-Residential Property Investment Program) in support of the redevelopment/development of the property.
31. Without limiting the discretion as set out in paragraph 6 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 are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).
32. Without limiting the discretion as set out in paragraph 6 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.
33. Works commenced prior to submitting an application are ineligible. Works commenced after submitting an application but prior to application approval do so at the applicant's risk.



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## HAMILTON HERITAGE PROPERTY GRANT PROGRAM

### Program Description:

The Hamilton Heritage Property Grant Program (HHPGP) is intended to provide financial assistance in the form of a grant for structural/stability work required to conserve and restore heritage features of properties; the conservation and restoration of heritage features of properties; and for heritage studies/reports/assessments for properties that are designated under Parts IV or V of the Ontario Heritage Act. Eligible properties must be located within: Downtown Hamilton; a Community Downtown; an active\* Business Improvement Area within the City of Hamilton; or, be designated under Parts IV or V of the Ontario Heritage Act and located within the lower city between Highway 403 and the Red Hill Valley Parkway and used for commercial, institutional or multi-residential purposes

The objective of the Program is to assist in developing and re-using heritage properties. City Council values heritage properties as important to the urban revitalization and regeneration. Conservation and restorative initiatives must be consistent with the policies, principles and design themes contained within the Downtown Hamilton Secondary Plan, relevant Urban Design Guidelines, regulations contained within applicable Zoning By-laws as well as any other applicable City Council approved policies/regulations.

\* An active B.I.A. is not considered dormant as defined in the Dormant Business Improvement Area Status Procedure as approved by City Council at its meeting held November 11, 2009.

### Terms of the Program:

1. The applicant must be the property owner of a historically designated property or, any person whom the owner of such property has assigned the right to receive the grant, to be eligible to apply for the program.

2. The grant is contingent on properties being designated under Parts IV or V of the Ontario Heritage Act.
3. An application fee of \$330 is to accompany the application. The rate of the fee may be changed from time to time as approved by City Council.
4. The grant is conditional upon a Heritage Permit; or easement approval; or other City approval, being issued for the heritage component.
5. The grant is conditional upon all planning and building code approvals required for structural/stability works.
6. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.
7. The Urban Renewal Section reserves the right to recommend works that are integral to the preservation of the building required to preserve/conservate the heritage features.
8. Proposed work is to be completed within two calendar years of the date of approval of the General Manager of the Planning and Economic Development Department to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.
9. Payment will be made by the City upon proof by an architect or engineer confirming the value of the work completed and the compliance with all applicable regulations/legislation or, upon proof satisfactory to the City confirming the value of the work completed.
10. Realty taxes must be paid current and in good standing.
11. Notwithstanding the above, upon completion of the improvements on condominium properties, the Urban Renewal Section will set a deadline to the condominium corporation as to when all taxes on the property are to have been paid as billed and, if on that date 100% of the taxes are not paid, the grant will be advanced proportionately based upon the percentage of paid taxes. The remainder of the grant will be cancelled.
12. For projects valued at \$40,000 or less, the grant will be based on 50% of the total project cost to a maximum grant of \$20,000 for eligible work under the program. For projects valued over \$40,000, the grant will include \$20,000 (i.e. 50% of \$40,000), plus an additional grant based on 25% of the total project cost over \$40,000, to a maximum additional grant of \$130,000. In total, no more than \$150,000 will be granted for eligible work under the program.

13. Work completed must comply with estimates, and work proposed and identified within the application unless previously approved by the Urban Renewal Section.
14. 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.
15. 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.
16. The grant is not transferable upon sale of the property.
17. The heritage grants may be received by an owner in conjunction with any other City heritage program available including the Community Heritage Trust Program. Funding under these programs will not fund the same work *and* will be contingent on total financing under all heritage programs not exceeding 50% of the total cost of the restoration/conservation work.
18. The heritage 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 including the City’s Hamilton Downtown Multi Residential Property Investment Program; the Hamilton Tax Increment Grant Program, the Commercial Corridor Housing Loan and Grant Program and the Business Improvement Area Commercial Property Improvement Grant Program. Funding under these programs will not fund the same work.
19. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds.
20. Without limiting the discretion as set out in paragraph 19 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 are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).
21. Without limiting the discretion as set out in paragraph 19 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.
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.

**Heritage Related Reports/Assessments/Studies Component:**

- The heritage related reports/assessments/studies component provides an additional grant that will fund 100% of the cost of the document(s) to a maximum of \$20,000 per property.
- The applicant shall retain a qualified consultant to complete the heritage related reports/assessments/studies, who is acceptable to the City (Urban Renewal Section and Community Planning and Design).
- The final document is to meet the satisfaction of the City (Urban Renewal Section and Community Planning and Design).
- Copies of the final document shall be provided to the City (Urban Renewal Section and Community Planning and Design) and may be used as the basis for future work on the property by a future owner should the ownership of the property change.

**Eligible structural/stability work:**

- Work necessary to restore the building to structural soundness e.g., the correction of serious structural faults that threaten the building's survival; stabilization works to retain portions of the property; underpinning of building structures; repair/new roofs.

**Eligible conservation work:**

- Any work that conserves or enhances elements specified in the *Reasons for Designation, the Statement of Cultural Heritage Value of Interest or, a description of the Heritage Attributes* accompanying the designating by-law under the Ontario Heritage Act (“OHA”).
- The **conservation** of significant architectural features is eligible. This may include the conservation or restoration of: doors, windows, verandahs, cupolas, chimneys, bargeboard or other decorative trim, parapets, cornices, hood mouldings and any other features important to the overall composition of the structure as specified in the *Reasons for Designation, the Statement of Cultural Heritage Value of Interest or, a description of the Heritage Attributes accompanying the designating by-law under the OHA*.
- The **conservation** of fences and outbuildings if specifically referred to in *Reasons for Designation, the Statement of Cultural Heritage Value of Interest or, a description of the Heritage Attributes accompanying the designating by-law under the OHA*.
- The **conservation** or renewal of original siding and roofing materials including repair and replacement where necessary of wood clapboard or board-and-batten, repair and repointing of masonry buildings, stucco repair, repair or replacement of original roofing materials (slate, wood shingles, tile, etc.). Eligible work also includes removal of a modern material (synthetic siding, asphalt shingles, etc.) and replacement with documented original materials.
- The **reconstruction** of former and significant architectural features for which the appearance can be clearly determined from documentary sources (photographs, drawings, etc.) is eligible.

- The **reconstruction** of store fronts which have been altered or replaced. The documentation should be in the form of historic photographs or drawings clearly showing the feature(s) to be reconstructed.
- Cleaning of masonry buildings may be eligible if it is necessary for the building's preservation. **Under no circumstances will grants be paid for any form of abrasive cleaning, (e.g., sandblasting or sodablasting) or high-pressure water cleaning. Heritage Staff approval is required as to cleaning method to be employed before work is undertaken.**
- Exterior painting in documented original colours. Colours must be documented for the individual building or be proved to have been a common contemporary colour in the area. Painting of unpainted masonry is not eligible.

**Non-eligible works:**

The following works, including repair, maintenance, reconstruction or improvements to the following are ineligible for grant assistance:

- Short-term, routine *maintenance*. This includes minor repairs (such as repairing a broken step or a broken window); repair of non-original siding or roofing materials (aluminum siding, asphalt shingles, etc.)
- Landscaping
- Work on modern additions
- Work on sheds or outbuildings not specifically referred to in the *Reasons for Designation, the Statement of Cultural Heritage Value of Interest or, a description of the Heritage Attributes*
- Installation of modern doors and windows unless replicas of the original
- Installation of new storm or screen doors and windows
- Chimney repairs other than restoration of a significant chimney
- Repair of eavestrough unless its nature is such that it is significant to the heritage of the structure
- Repairs to or renewal of modern materials
- Painting previously unpainted masonry
- Interior Work (unless required to stabilize/preserve the property e.g. furnaces)
- Abrasive cleaning (e.g. sandblasting or sodablasting) or high-pressure water cleaning





Hamilton

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## OFFICE TENANCY ASSISTANCE PROGRAM

### PROGRAM DESCRIPTION

The Office Tenancy Assistance Program (the “Program”) provides financial assistance to either building owners or tenants for eligible leasehold improvements to office buildings located within Downtown Hamilton, Community Downtowns, Business Improvement Areas (BIAs) and the commercial corridors along Barton Street, east of the Barton Village BIA and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area. The intent of the Program is to facilitate the increased attractiveness and marketability of the office stock and reduce the office vacancy rate by attracting new office tenants and owner-occupied office uses from outside the City, and to assist existing businesses to expand.

Acting as a lender, the City provides financial support for the Program in the form of a low interest loan. Development arising from the Program must be consistent with the Downtown and Community Renewal Community Improvement Plan and other policies and regulations as may be applicable, such as the Downtown Hamilton Secondary Plan, the Zoning By-law, Urban Design Guidelines, and building permit requirements.

### ELIGIBILITY REQUIREMENTS

1. Buildings must be located within Downtown Hamilton, Community Downtowns, Business Improvement Areas (BIAs) or, the commercial corridors along Barton Street, east of the Barton Village BIA and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area.
2. Either owners of eligible buildings, or tenants within eligible buildings, may apply to the Program.
3. Leasehold improvements made for a tenant establishing a new office location in the City of Hamilton are eligible for the Program. Each application must involve leasehold improvements by a minimum of 1,000 square feet of gross leaseable office space. The minimum square foot requirement may be subdivided within a larger building.



4. Leasehold improvements made for a tenant expanding/relocating from a location already within the City of Hamilton must be increasing their current leasehold area by a minimum of 1,000 square feet of gross leaseable office space to be eligible for the Program. For the purpose of calculating the loan amount, the total eligible leasehold improvement costs will account for the expansion area only.
5. Eligible leasehold improvements include leasehold improvements required by the tenant in order to lease the space, but that will become the property of the landlord upon termination of the lease. They include alterations or improvements to the building that cannot be removed upon termination of the lease because they are attached to or form part of the leased premises. They may include:
  - alterations to a building such as interior walls, ceilings and doors;
  - paint, wallpaper, window coverings and flooring;
  - phone and data cabling;
  - fixed lighting, HVAC, electrical or plumbing upgrades.

Ineligible leasehold improvements would include items that can be moved or taken out of the building, such as mobile partitions, furniture and equipment, appliances, pictures, signs, and carpeting/rugs that are not attached to the floor. Capital improvements to a property are not eligible e.g. additions, roofing.

6. For the purpose of this Program, eligible leasehold improvements are to be made to space within eligible buildings that is devoted to office uses, where permitted by the zoning by-law, in which management, clerical, administrative, consulting, advisory, training or teaching services are offered or performed, including call centres and educational establishments. Other uses may include commercial school, communications establishment, financial establishment, medical office, and medical clinic (excluding methadone clinics), where permitted by the zoning by-law. City Council at its sole discretion may deem other uses eligible for the programs that are not listed above.

Leasehold improvements to space within eligible buildings that is devoted to more commercially-oriented uses are ineligible, such as retail, restaurant, personal services, commercial entertainment, commercial recreation, hotel, conference or convention centre uses.

7. The improvements made to buildings shall be in accordance with the Ontario Building Code and in compliance with all applicable City by-laws, official plans, zoning regulations, design guidelines and site plan approvals.

8. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.
9. Prior to a loan being approved, property taxes are required to be paid in full as billed.
10. Approval of the loan application is at the absolute discretion of the City and subject to the availability of funds.
11. Without limiting the discretion as set out in paragraph 10 herein, the 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 City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; or, corporate entities and individuals behind the corporation (e.g. Officers/Directors/ Shareholders).
12. 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.

**TERMS OF THE PROGRAM**

13. The maximum loan amount will not exceed \$450,000 per application.
14. The loan amount will be based on the lesser of either a) or b):
  - a) 90% of invoiced eligible leasehold improvement costs;
  - b) i) in the case of applications by an owner or tenant involving a lease, the square foot area multiplied by the appropriate \$ amount based on the term of the lease, as indicated in the table below;

<i>Term of Lease</i>	<i>\$ amount</i>
12 to 35 months	\$10
36 to 47 months	\$15
48 to 59 months	\$20
60 months or longer	\$25

The lease must be for a minimum of one year.

- ii) in the case of applications by an owner not involving a lease (i.e. owner-occupied office space), the square foot area multiplied by \$25.
15. City Council at its sole discretion has the option, at the time of initially approving a loan commitment, of providing a grant or forgivable loan versus a loan when an applicant is a not-for-profit publicly-funded educational establishment establishing its presence in the Downtown Hamilton. Approval of a grant would be contingent on an appropriate funding source being identified as part of the approval process.
  16. The annual interest rate on the loan will be 1% below the prime rate as established by the Royal Bank of Canada. Such rate shall be established at the time the first instalment of the loan is advanced by the City, and reset annually on the anniversary date of the first advance.
  17. The maximum loan term is the term of the lease and shall not exceed five (5) years (subject to prior termination on default) from the date of the final loan advance. In the case of applications for owner-occupied office space, the maximum loan term shall not exceed five (5) years (subject to prior termination on default) from the date of the final loan advance.
  18. All applicants will submit a completed Program application form, financial statements, a business plan in a format acceptable to the City in its absolute discretion, and any other documentation or evidence the City may require to evaluate the loan application.
  19. All applicants receiving approval for a City loan under this Program shall be required to enter into a Loan Agreement with the City with provisions including but not limited to the terms and conditions set out herein, and execute a General Security Agreement.
  20. Loans are conditional upon the City being provided with a copy of the executed lease, in a format acceptable to the City in its absolute discretion. This Program term does not apply in the case of applications for owner-occupied office space.
  21. The loan under this Program, once approved, may be advanced in up to three (3) stages, upon completion of 50%, 75% and 100% completion of the improvements, based on 90% of the actual eligible leasehold improvement costs incurred as evidenced by copies of paid invoices.
  22. Prior to each loan advance, realty taxes are required to be paid in full as billed.
  23. Prior to the final advance, final inspection will be completed for all building permits required in relation to the leasehold improvements.

24. Loan repayments will commence one (1) month following the final advance and no later than four (4) months following the first advance. The four (4) month period may be extended by the City in its absolute discretion in cases where an applicant submits a work schedule in a format acceptable to the City. The work schedule must be submitted no later than the time of the first advance (i.e. 50% complete) and demonstrate that a longer period is required to complete the balance of the leasehold improvements.
25. Loan repayments will be a blend of interest and principal based on the term of the loan and the interest rate set at the first advance. Payments will be adjusted annually at the time the interest rate is reset (i.e. the anniversary date of the first advance).
26. Interest on arrears will be such tax arrears interest rate as may be established by Council from time to time.
27. If the applicant is the owner, in the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the property by the owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.
28. In cases where the applicant is a corporation, the applicant covenants and agrees that in the event that there is a change in the effective control of the majority of the voting shares of the corporation, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.
29. If the applicant is a tenant, in the event that the tenant vacates the office space prior to the end of the loan term (i.e. the end term of the lease or five (5) years from the date of the final loan advance, whichever is less), the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.
30. An Office Tenancy Assistance Program loan may be received by an applicant in conjunction with other available City incentive programs in support of the redevelopment/development of the property.
31. Approval of the loan application is at the absolute discretion of the City and subject to the availability of funds.
32. An application fee of \$430.00 must accompany the application. All fees will be authorized through a user-fee by-law passed by City Council, and may be changed from time to time as approved by City Council.



Hamilton

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## **COMMERCIAL FACADE PROPERTY IMPROVEMENT GRANT PROGRAM**

### **PROGRAM DESCRIPTION**

The Commercial Façade Property Improvement Grant Program (the “Program”) is intended to provide financial assistance for commercial property owners/authorized tenants within Downtown Hamilton, Community Downtowns and the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North 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 and, encourage investment in the area. 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.

Applications under the Program will be accepted to the end of December 2014 in Downtown Hamilton and April 1, 2016 in all other eligible areas (subject to the availability of funding). Improvements funded under the Program must be completed no later than August 1, 2015 in Downtown Hamilton and November 1, 2015 in all other eligible areas.

### **PROGRAM TERMS**

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1. Commercial property owners and tenants authorized in writing by the owner, are eligible to apply for a grant under the Program once each calendar year.
2. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with ground floor street frontages.
3. 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.

4. Performance measures are to be applied to the payment of grants.
5. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Two (2) separate cost estimates of the work are to be provided by a licensed contractor other than the owner. An owner may present an estimate but is required to have at least two prepared by contractors. The grant will be calculated based upon lowest cost estimate, and is not to address cost increases or over runs. In the case where the applicant is the owner of a contracting company and wishes to utilize the company to undertake the improvements, one (1) cost estimate will be required. A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.
6. 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.
7. 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 Community Planning and Design staff on all applications received that are designated under the Ontario Heritage Act.
8. A building inspector will perform initial inspection relative to the façade which is intended to be improved, and subsequent final inspection to assure compliance with the Ontario Building Code.
9. Approval of the grant is at the sole discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.
10. 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.
11. 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.
12. 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.
13. A City Building Inspector’s final inspection report confirming all works have been carried out satisfactorily will be provided prior to release of any grant monies.
  14. 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.
  15. 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.
  16. An application fee of \$205 is payable upon submission of application. 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.
  17. 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.
  18. Without limiting the discretion as set out in paragraph 9 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 are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).
  19. Without limiting the discretion as set out in paragraph 9 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.
  20. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.



21. 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.

### **ELIGIBILITY REQUIREMENTS**

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- Property owners and authorized tenants are eligible
- Property taxes must be paid current
- The proposed to be pre-inspected by the City Building Inspector
- Commercial properties must be located within Downtown Hamilton, Community Downtowns or, the commercial corridors along Barton Street, east of the Barton Village BIA, and along Kenilworth Avenue North as identified in the Downtown and Community Renewal Community Improvement Project Area
- Existing use must be in conformity with: the City Zoning By-laws, other applicable planning controls; all City policies including but not limited to official plans; and all City by-laws.

### **ELIGIBLE IMPROVEMENTS**

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- Replacement or repairing of storefronts
- Improvements and or upgrades to windows, doors, cornices and parapets
- 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
- Paving of parking lots
- Outdoor furniture
- 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

Architectural, engineering or design fees may be eligible up to \$750 as part of the total grant awarded for completed construction

#### **In-Eligible:**

- Trees, shrubbery, perennials, annuals, soil, mulch, grass
- Roofing (apart from mansard roofs above the eligible frontage)
- Sandblasting

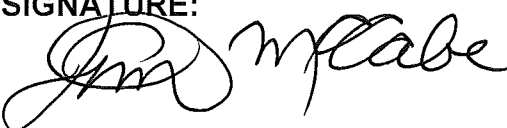




Hamilton

## CITY OF HAMILTON

### PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT Economic Development Division

<b>TO:</b> Mayor and Members General Issues Committee	<b>WARD(S) AFFECTED:</b> WARDS 1, 2, 3, 9, 11, 12, 13 and 15
<b>COMMITTEE DATE:</b> November 21, 2012	
<b>SUBJECT/REPORT NO:</b> Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11118(a)) (Wards 1, 2, 3, 9, 11, 12, 13 and 15)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b> Hazel Milsome (905) 546-2424 Ext. 2755 Alan Waterfield (905) 546-2424 Ext.1251
<b>SIGNATURE:</b> 	

#### RECOMMENDATIONS:

- (a) That staff be directed to prepare amendments to the Downtown and Community Renewal Community Improvement Plan in order to:
- (i) Expand the Hamilton Downtown Property Improvement Grant Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;
  - (ii) Expand the Hamilton Downtown Commercial Property Façade Improvement Grant Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;
  - (iii) Expand the Hamilton Heritage Property Grant Program to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;

**SUBJECT: Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11118(a)) (Wards 1, 2 3, 9, 11, 12, 13 and 15) - Page 2 of 17**

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- (iv) Expand the Downtown Office Tenancy Assistance Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Area;
- (v) Increase the maximum loan under the Commercial Corridor Housing Loan and Grant Program, currently offered in Downtown Hamilton, Hamilton's Community Downtowns, Business Improvement Areas and other Commercial Corridors, as identified in the Downtown and Community Renewal Community Improvement Project Area By-law, from \$10,000 per unit to a maximum of \$200,000 per property, to \$15,000 per unit to a maximum of \$600,000 per property;
- (b) That, subject to the approval of recommendation (a) (ii), above, the cost of expanding the Hamilton Downtown Commercial Property Façade Improvement Grant Program in 2013, in the amount of \$250,000, be referred to the 2013 Capital Budget process for consideration by City Council;
- (c) That, subject to the approval of recommendation (a) (iii), above, the cost of expanding the Hamilton Heritage Property Grant Program in 2013, in the amount of \$200,000, be referred to the 2013 Capital Budget process for consideration by Council;
- (d) That, subject to the approval of recommendation (a) (v), above, the 2013 cost of increasing the maximum loan under the Commercial Corridor Housing Loan and Grant Program, in the amount of \$5,000 for interest costs and \$10,000 for the grant component of the program, be referred to the 2013 Operating Budget process for consideration by City Council;
- (e) That the decision to designate a Community Improvement Project Area at Piers 5, 6, 7 and 8 be deferred pending analysis of outcomes of ongoing studies at the waterfront;
- (f) That staff be directed to prepare amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan to add the properties indicated on the map attached as Appendix "A" to Report PED11118(a), to the Downtown Hamilton Community Improvement Project Area;
- (g) That staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area, and associated program initiatives, for the Mount Hope/Hamilton Airport gateway area at Homestead Drive and Airport Road, as shown on Appendix "B" to Report PED11118(a).

**SUBJECT: Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11118(a)) (Wards 1, 2 3, 9, 11, 12, 13 and 15) - Page 3 of 17**

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**EXECUTIVE SUMMARY**

Report PED11118(a) presents recommendations to expand the following Community Improvement initiatives to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas:

- The Hamilton Downtown Property Improvement Grant Program - Pilot Project for Three (3) Years
- The Hamilton Downtown Commercial Property Façade Improvement Grant Program - Pilot Project for Three (3) Years
- The Hamilton Heritage Property Grant Program
- The Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years
- Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program

**Piers 5, 6, 7 and 8**

Staff was directed “to investigate adding Piers 5, 6, 7 and 8 as part of an expanded Community Improvement Area.” It is recommended that no decision to designate a Community Improvement Project Area (CIPA) at Piers 5, 6, 7 and 8 be made prior to considering the outcomes of ongoing studies at the waterfront. The studies will identify the degree to which the proposed development envisioned for Piers 5, 6, 7 and 8, by the West Harbour (Setting Sail) Secondary Plan and the West Harbour Recreation Master Plan, is technically and economically feasible, and what gaps may exist between development cost and marketability. The studies are anticipated to be completed by the end of April 2013. The information they provide will help to establish the specific needs for community improvement initiatives at Piers 5, 6, 7 and 8, and enable staff to develop new or adapt existing programs to address the gaps.

**Expansion of the Downtown Hamilton Community Improvement Project Area**

Staff was directed to “investigate the feasibility of including the area on the west side of Emerald Street North to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton CIPA and bring a report back to the GIC.” Staff subsequently recommends that the properties indicated on the map in Appendix “A” to Report PED11118(a) be added to the Downtown Hamilton Community Improvement Project Area through future amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan.

**SUBJECT: Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11118(a)) (Wards 1, 2 3, 9, 11, 12, 13 and 15) - Page 4 of 17**

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**Potential Mount Hope/Airport Gateway Community Improvement Project Area**

Through consultation with the Glanbrook Chamber of Commerce and Ward 11 Councillor, the existing conditions and related need for community improvement initiatives in the Mount Hope commercial area centred at Homestead Drive and Airport Road were raised. It is recommended that staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area and associated program initiatives for the Mount Hope/Airport Gateway area at Homestead Drive and Airport Road. This study would be incorporated into the Urban Renewal Section's 2013 Work Plan, and will implement policy in the Mount Hope Secondary Plan, as contained in the Urban Hamilton Official Plan, which states that the City shall investigate the designation of the District Commercial area in Mount Hope as a Community Improvement Project Area. The study would involve a detailed assessment of the area, in consultation with local businesses and residents, in order to determine what new, existing, and/or modified programs could provide assistance.

**Alternatives for Consideration – See Page 15.**

<b>FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)</b>
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**Financial:**

*Expansion of the Hamilton Downtown Property Improvement Grant Program – Pilot Project for Three (3) Years:*

This program is self-funded from increased taxes paid by the Project's property owner. Due to the improvements to the property, the value of the property increases, which increases the tax revenue. The City collects the increase in taxes and provides grants, based on the increase in the Municipal portion only, attributable to the redevelopment of a property. Based on a five (5) year program, the City will start to recognize 20% of the increase in revenue after the first year of the program, increasing incrementally by 20%, with full 100% achieved in year five (5).

*Expansion of the Hamilton Downtown Commercial Property Façade Improvement Grant Program – Pilot Project for Three (3) Years:*

A Capital Budget request, in the amount of \$250,000, has been submitted for consideration by City Council during the 2013 Capital Budget deliberations.

*Expansion of the Hamilton Heritage Property Grant Program:*

A Capital Budget request, in the amount of \$200,000, has been included, as part of the 2013 Downtown Block request, to be considered during the 2013 Budget deliberations.

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These funds, together with funds contained in an Urban Renewal account for administration of the program, will be sufficient to fund an expanded program in 2013.

*Expansion of the Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years:*

Funding for expansion of the Program is not required at this time as the only cost to the City is the interest cost, and there are sufficient monies in an Urban Renewal account to cover potential interest costs in 2013.

*Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program:*

The cost to fund the loan component of the Commercial Corridor Housing Loan and Grant Program is the interest cost to the City. Urban Renewal staff will include an increase of \$5,000 for interest in its operating budget for consideration during the 2013 Operating Budget process by City Council. The interest cost to deliver the Program is anticipated to increase in future years, however, based on anticipated timing of the final approval of the program amendments recommended in Report PED11118(a) (anticipated to come into effect in February/March of 2013), and the fact that interest is not charged until monies flow to an applicant (monies do not flow until a project is 60% complete at which time 60% is advanced), an increase of \$5,000 in 2013 will be sufficient for the delivery of the program in 2013.

The grant component of the Commercial Corridor Housing Loan and Grant Program is funded from the Urban Renewal Section's Operating Budget. Staff will include an increase of \$10,000 in its Operating Budget, for the grant component, for consideration during the 2013 Operating Budget process by City Council. Again, the cost of the grant component is anticipated to increase in future years, however, based on the anticipated timing of the final approval of the program amendments recommended in Report PED11118(a), together with the fact that the grant portion of the program is not advanced until projects are 60% complete, an increase of \$10,000 in 2013 will be sufficient for the delivery of the program in 2013.

**Staffing:** There will be no additional staffing requirements resulting from Council's approval of Report PED11118(a). Applications under the financial incentives are processed by the Urban Renewal Section and Taxation Division.

**Legal:** The Planning Act (Section 28), allows municipalities that have provisions in their Official Plan relating to community improvement, such as the City of Hamilton, to designate by by-law a community improvement project area, and then to prepare a Community Improvement Plan for the project area. A municipality may then make grants and loans, in conformity with the approved community improvement plan, that

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would otherwise be prohibited under the Municipal Act (Section 106(1)), to the registered/assessed owners or tenants of land and buildings, or their respective assignees, within the designated project area.

Upon approval of the recommendations set out in Report PED11118(a), staff will amend the Downtown and Community Renewal Community Improvement Project Area By-law and/or the Downtown and Community Renewal Community Improvement Plan accordingly as legislated by the Planning Act. The amendments will be brought forward to a Public Meeting at the Planning Committee.

#### **HISTORICAL BACKGROUND** (Chronology of events)

In November 2011, City Council approved a series of recommendations to update the Downtown and Community Renewal Community Improvement Plan, revise its component programs and initiatives, and expand some of the project areas to which the plan applies (Report PED11118). At that time, City Council also directed staff to *“collaborate with former municipalities’ BIAs and, in the absence of a BIA, the Glanbrook Chamber of Commerce, to look at the possibility of future expansions of this project in the former municipalities’ downtowns, and to investigate adding Piers 5, 6, 7 and 8 as part of an expanded community improvement area.”*

In February 2012, City Council approved amendments to the Development Charges By-Laws, including the development charge exemption policy applied to the expanded Downtown Hamilton Community Improvement Project Area, and provided direction to staff to undertake a comprehensive review of City Development Charges and their impact on intensification and redevelopment (Report FCS12015). City Council also directed staff to *“investigate the feasibility of including the area on the west side of Emerald Street North to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton CIPA and bring a report back to the GIC.”*

Report PED11118(a) addresses the aforementioned direction highlighted in italics, above. Also, in regard to the Downtown Hamilton CIPA boundary, staff reported back on City Council’s direction to look at the feasibility of adding the New Horizon/City Square parcel in the Durand Neighbourhood to the Downtown Hamilton CIPA, in Report FCS12089, concerning the request for development charge relief for that development, at the November 7, 2012, General Issues Committee.

#### **POLICY IMPLICATIONS**

The Downtown and Community Renewal Community Improvement Plan provides the framework for City programs and initiatives in a manner that meets the legislative

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requirements of the Planning Act intended to stimulate private sector investment and redevelopment and, to focus municipal action and investment that promotes and enhances Hamilton's various downtowns, commercial districts, mixed use corridors and neighbourhoods targeted for community development.

The plan provides the legal framework for the financial incentives administered by the Urban Renewal Section. Downtown Hamilton, the Community Downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, the Business Improvement Areas and other Commercial Corridors within the City are collectively designated by the Downtown and Community Renewal Community Improvement Project Area By-law.

### RELEVANT CONSULTATION

Staff from the Finance and Administration Division, Corporate Services Department, the Legal Services Division, City Manager's Office, and the Waterfront Development Office were consulted and the advice received is incorporated into Report PED11118(a).

Urban Renewal staff consulted with members of the BIAs in each community downtown and Glanbrook Chamber of Commerce, first to discuss community improvement initiatives for potential expansion, and then to obtain input into the proposed expansion of programs, which received unanimous support. The meetings took place in 2012 as follows:

Stoney Creek BIA	March 23, October 5
Ancaster BIA	May 23, October 18
Dundas BIA	June 6, November 6
Waterdown BIA	June 19, October 16
Glanbrook Chamber of Commerce	June 21, September 20
Hamilton Waterfront Trust	June 5

### ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

#### Expansion of Community Improvement Initiatives in Community Downtowns

Downtown Hamilton, the Community Downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, the Business Improvement Areas and other Commercial Corridors within the City are collectively designated by the Downtown and Community Renewal Community Improvement Project Area By-law, and provide a hierarchy of areas in which the Community Improvement Plan applies and its programs are prioritized. Currently, all of the financial incentive programs are available to all or part of

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Downtown Hamilton, which is recognized in the Urban Hamilton Official Plan as the preeminent node in the City, where a broad mix of uses is permitted in higher density development, with a target of 250 jobs and residents per hectare established in the Urban Growth Centre. Staff has considered whether the suite of programs offered in Downtown Hamilton could be extended through to the next level of the hierarchy in the Community Downtowns and recommends that the following programs be offered in Community Downtowns, as well. The financial incentives recommended for expansion to the community downtowns will assist in creating an environment that encourages property development and also help achieve the growth targets identified in the Urban Hamilton Official Plan for the corresponding community nodes. The Dundas, Stoney Creek and Waterdown community nodes each have a density target of 100 jobs and residents per hectare. As per the Ancaster Wilson Street Secondary Plan for the Ancaster Community Node, its growth target is 50 jobs and residents per hectare due to the transportation capacity constraints limiting the overall density of its future growth. Binbrook is identified as part of the Neighbourhoods element of the Plan's urban structure; however, Binbrook is also designated as the Community Core in the Binbrook Village Secondary Plan, and has historically served much of the surrounding area in the former Glanbrook Township as a downtown.

*The Hamilton Downtown Property Improvement Grant Program - Pilot Project for Three (3) Years:*

This program is currently offered within the Downtown Hamilton Community Improvement Project Area (CIPA). The program provides a five-year grant, in an amount not exceeding the increase in the municipal portion of the realty taxes, attributable to the development of residential or commercial lands and buildings. The grant will be an amount which does not exceed 100% of the Municipal Realty Tax increase during the first year, 80% in year two (2), 60% in year three (3), 40% in year four (4) and 20% in year five (5).

*The Hamilton Downtown Commercial Property Façade Improvement Grant Program - Pilot Project for Three (3) Years:*

This program is currently offered (until December 2014) within the Downtown Hamilton CIPA to property owners/tenants of commercial properties that are not located within a Business Improvement Area (BIA). The program offers matching grants, to a maximum of \$10,000 per property (increasing to \$12,500 for corner properties), for façade improvements. A property owner/tenant of an eligible property can apply once each calendar year for the program for different improvements. The program is similar to the Commercial Property Improvement Grant Program which is offered to property owners/tenants of commercial properties located within an active BIA, however, the Hamilton Downtown Commercial Property Façade Improvement Grant Program provides a reduced maximum grant amount.



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The program would be available to property owners/tenants of commercial properties within the Community Downtown CIPAs that are not within a BIA. Staff also proposes to amend the existing terms of the program to include permanent landscape features, permanent fencing and paving of parking lots, as eligible items under the program in an effort to address the uniqueness of issues facing commercial properties within the Community Downtowns.

*The Hamilton Heritage Property Grant Program:*

This program is presently offered within active BIAs, the Downtown Hamilton CIPA and, the lower City between Highway 403 and the Red Hill Valley Parkway. The program offers a grant for the conservation and preservation of heritage features of properties designated under Parts IV or V of the Ontario Heritage Act. The grant is based on 25% of the total cost of regeneration of the property to a maximum of \$150,000 for eligible work under the program. Eligible works include works necessary to restore heritage buildings to structural soundness, such as: roofing, the correction of serious structural faults that threaten the building's survival, underpinning of building structures, and stabilization works to retain portions of the property. The program also offers a \$20,000 grant for heritage studies. Staff also proposes to amend the existing criteria, increasing the maximum grant to 50% of the total cost of regeneration of properties, for projects with a value of \$40,000 and under. This amendment will incorporate terms of the former Commercial Heritage Restoration Program (CHRP) that was administered by Community Planning into one financial incentive program for heritage restoration. CHRP offered a matching grant for the restoration/conservation of heritage properties to a maximum of \$20,000 for commercial/residential designated properties within the City of Hamilton.

*The Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years:*

This program is presently offered within the Downtown Hamilton CIPA. The program provides a low interest loan to property owners or authorized tenants to support eligible leasehold improvements to office buildings. The amount of the loan depends on the square foot area and term of the lease or, owner-occupied status of the office space, to a maximum of \$450,000 per application. The maximum loan term is the term of the lease up to five (5) years from the date of the final advance. To be eligible for the program, the office use must be either new to the City of Hamilton and occupying a minimum of 2,000 square feet, or be expanding by at least 1,000 square feet within the same CIPA.

In an effort to address the smaller scale of the Community Downtowns, staff also proposes to amend the terms of the program requiring proposed office uses within a

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Community Downtown to occupy a minimum of 1,000 square feet; or expanding by a minimum of 500 square feet, to be eligible for the program.

**Piers 5, 6, 7 and 8**

Staff was directed “to investigate adding Piers 5, 6, 7 and 8 as part of an expanded community improvement area.” It is recommended that no decision to designate a Community Improvement Project Area (CIPA) at Piers 5, 6, 7 and 8 be made prior to the analysis of outcomes of ongoing studies at the waterfront.

Council directed staff to commence key studies that will accelerate the public and private sector development of Piers 5, 6, 7 and 8, including, but not limited to, issues of site servicing, geo-technical, soils remediation, as well as development phasing, marketability, and valuation. The City’s Waterfront Development Office is coordinating the servicing and soil-related studies with the Hamilton Waterfront Trust which will provide project management for these studies, as authorized by Council in April 2012. The objectives of the studies are to determine the servicing and development costs to develop Piers 5, 6, 7 and 8 in a manner consistent with both the West Harbour (Setting Sail) Secondary Plan and the West Harbour Recreation Master Plan, and to determine the marketability in attracting private sector investment in developing the lands. This work will identify the degree to which the proposed development is technically and economically feasible, and what gaps may exist between development cost and marketability.

The studies are anticipated to be completed by the end of April 2013. The information they provide will help to establish the specific needs for community improvement initiatives at Piers 5, 6, 7 and 8, and enable staff to develop new or adapt existing programs to address the needs and gaps. It is anticipated that a future CIPA, if applied to the waterfront, would be separate and not an expansion of the Downtown Hamilton CIPA as its marketability and subsequent needs may differ.

**Expansion of the Downtown Hamilton Community Improvement Project Area**

Staff was directed “to investigate the feasibility of including the area on the west side of Emerald Street north to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton Community Improvement Project Area and bring a report back to the General Issues Committee.”

The expansion, in November 2011, of the Downtown Hamilton CIPA, focused primarily on the north and east of the Downtown Urban Growth Centre, and along the Primary Corridors and Mixed Use Medium Density designations leading into Downtown and identified in the Urban Hamilton Official Plan. It added portions of the Beasley, Central, Corktown and Landsdale neighbourhoods where there are numerous vacant properties

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and buildings in transition from past and declining industrial use, to encourage development, particularly residential in the adjacent neighbourhoods, which would support the central core.

Staff recommends that the following properties, as indicated on the map in Appendix "A" to Report PED11118(a), be added to the Downtown Hamilton Community Improvement Project Area through future amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan:

1) East side of Victoria Avenue North, from Barton Street to Birge Street

This area includes properties on the east side of Victoria Avenue North to the parallel laneway, north of Barton Street and south of Birge Street (which runs alongside the CNR tracks). It is designated Mixed Use Medium Density in the Urban Hamilton Official Plan and is a continuation of the northward expansion of the former Downtown Hamilton CIPA boundary in the western portion of the Landsdale Neighbourhood. Staff had originally planned to include this strip in the November 2011 expansion, but it was removed from the amending by-law map when the tax-exempt General Hospital across the street was removed. This strip includes several surface parking lots. It also includes two properties listed in the City's Inventory of Buildings of Architectural and/or Historical Interest including the Victoria Medical Centre at 304 Victoria Avenue North and the Bank of Montreal at 281 Barton Street East. The Bank and the Fragoso Seafood Place, next door, are within the Barton Village BIA and, therefore, already eligible for some community improvement programs.

2) 225 East Avenue North/315 Robert Street

The land parcel at 225 East Avenue North/315 Robert Street is situated to the east of the public alleyway running between and parallel to Victoria Avenue and East Avenue, and is part of the former Royal Oak Dairy lands in the Landsdale Neighbourhood. The balance of the former Royal Oak Dairy lands, at 246 Victoria Avenue North, to the west of the public alleyway, is already within the Downtown Hamilton CIPA.

An amendment to the Downtown and Community Renewal Community Improvement Project Area By-law is necessary to add 225 East Avenue North/315 Robert Street to the Downtown Hamilton CIPA. An amendment to the Community Improvement Plan is also required to add the property to the Downtown Hamilton CIPA because of the public alleyway separating the former Royal Oak Dairy lands. The Downtown and Community Renewal Community Improvement Plan anticipates that there may be instances where a property abutting a CIPA may be included as part of the comprehensive redevelopment of an eligible property within a CIPA. However, because of the public alleyway that separates them, 225 East Avenue North/315 Robert Street would not

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merge on title with 246 Victoria Avenue North to become one property, unless the alleyway was declared surplus and sold to the adjacent property owner.

The addition of 225 East Avenue/315 Robert Street to the Downtown Hamilton CIPA would facilitate its redevelopment, along with the rest of the former Royal Oak Dairy lands on the other side of the public laneway. The properties have more recently been used for a legal non-conforming repair, rebuilding, storage and service business for appliances. Both contain underutilized and/or vacant industrial land and buildings and parking areas, and are under the same ownership. Multiple residential dwellings are permitted by the applicable land use designation and zoning.

### **Additional Initiatives**

#### *Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program:*

This program is presently offered within the Community Downtowns, Downtown Hamilton, BIAs and the Commercial Corridors. The program provides financial assistance for the construction of new residential units, renovation of residential units, or conversion of existing commercial space into residential units. The loan is currently calculated on the basis of \$10,000 per dwelling unit, to a maximum of \$200,000 per property (20 units). The number of units funded does not exceed the number of units permitted by the applicable zoning by-law. The grant also provides up to \$5,000 per property for professional fees paid. A minimum of 50% of the loan per unit must be spent on dwelling units while the remaining 50% can cover the cost of common elements of the property, such as: roofing, fire escapes, furnaces and entranceways.

Staff is recommending that the maximum loan be increased from \$10,000 per unit to a maximum of \$200,000 per property, to \$15,000 per unit to a maximum of \$600,000 per property (40 units). The maximum grant amount would remain at \$5,000 per property for professional fees paid. This increase is recommended in order to offer more of an incentive for residential development within Community Downtowns as well as the BIAs and other commercial corridors in the absence of the Hamilton Downtown Multi-Residential Property Investment Program (a program that offers 25% of the cost of residential development in the Hamilton Downtown Community Improvement Project Area, only). There are sites within the areas where this program applies where 40 units can be accommodated in accordance with the applicable zoning by-law regulations. Providing more support to larger projects, where permitted, is intended to help increase the number of residents in intensification areas and achieve the density targets established for the downtown community nodes.

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*Other Program Amendments:*

As a result of program consultation, Urban Renewal staff reviews the terms and conditions of existing financial incentive programs with the objective of improving the programs and administration of same. For example, it has been proposed that surveillance cameras installed on the building façade be included as an eligible expense under the Commercial Property Improvement Grant Program. To do so requires City Council to adopt a resolution amending the program description and terms, which will be brought forward to the future Public Meeting at the Planning Committee, for the purpose of amending the Community Improvement Project Area and Plan.

*Development Charge Exemption:*

Development charge relief is not a program or initiative offered through the Community Improvement Plan but it does provide an effective development incentive. The Downtown Hamilton development charge exemption area is provided through the City's Development Charges By-law under the authority of the Development Charges Act. The exemption area has typically been amended to reflect the Downtown Hamilton CIPA; therefore, subject to City Council approval of recommendation (f) of Report PED11118(a), and subsequent approval of an amendment to the Downtown and Community Renewal Community Improvement Project Area By-law to expand the Downtown Hamilton CIPA, staff would report back on the implications of extending the Downtown Hamilton development charge exemption area as well. With respect to the development charges in the community downtowns, staff would review the issue through the comprehensive review of City Development Charges and their impact on intensification and redevelopment. Corporate Services staff has advised that the review is anticipated to commence in early 2013, with completion in the beginning of 2014.

*Awareness Campaign and Marketing Support:*

During the consultation meetings with the BIAs and Glanbrook Chamber of Commerce it was evident that people are unaware of the existing financial incentive programs regardless of the promotional initiatives the Urban Renewal Section is currently implementing. In an effort to improve awareness, staff propose to supplement the promotional campaign to include:

- Brochures targeted at specific areas (rather than City-wide,) including a map of the area, the programs that are available within the area, and testimonials from property owners/tenants in the area who have been recipients of the financial incentives emphasizing the ease of the entire process, in an effort to address scepticism of the approval process for the incentives.

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- The use of co-op “marketing” student(s) who would meet with each business/property owner within the CIPAs for the purpose of promoting the programs. The interview panel may include a BIA representative.
- More ongoing dialogue with Urban Renewal staff meeting at least every six (6) months with the Ancaster, Dundas, Stoney Creek and Waterdown BIAs as well as the Glanbrook Chamber of Commerce, for the purpose of promoting the financial incentive programs, discussing the progress and any barriers to investment in the Community Downtowns.
- Education for additional City staff about the financial incentive programs, such as Building Services Customer Service Representatives and Business Licensing staff, in order that they can inform property owners/tenants of the incentives when applying for Building Permits and Business Licences. (Planning, Business Facilitation and the Small Business Enterprise staff currently inform their customers of Urban Renewal financial incentives).
- Provide information to all Councillors in wards where financial incentive programs are offered, for inclusion in their community newsletters.
- Yearly mailing information on the financial incentive programs to all property owners within the CIPAs.

During consultation, staff also heard concerns with respect to existing vacancies and marketing mixes within specific areas. Since the initial meetings, the Business Development Consultant, who specializes in commercial retention and attraction, has met with representatives from those areas to discuss strategies to reduce the number of vacant properties, and has also met individually with property owners to discuss their specific issue(s). Meetings will continue for the purpose of assisting areas to improve their commercial viability as well as to refer vacancies/new developments to businesses, franchisors and realtors internal and external to the community.

*Potential Mount Hope/Airport Gateway Community Improvement Project Area:*

Through consultation with the Glanbrook Chamber of Commerce and Ward 11 Councillor, the existing conditions and related need for community improvement initiatives in the Mount Hope commercial area, centred at Homestead Drive and Airport Road, were raised. The area possesses characteristics identified in the City's community improvement policies contained in the Official Plan that would warrant its designation as a CIPA, for which a plan and associated programs may be prepared, including: building stock or property in need of rehabilitation, deteriorated or insufficient physical infrastructure such as sidewalks and lighting, and poor overall visual amenity of the area, including, but not limited to, streetscapes and urban design. Further, this area is a significant area due to its exposure to visitors to the City via the Airport. As stated in the Mount Hope Secondary Plan as contained in the Council-adopted Urban Hamilton Official Plan (Volume 2, Section B.5.4.4.1(f)):

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“The District Commercial designation adjacent to Airport Road West and Homestead Drive enjoys a high degree of visibility and provides a gateway to the John C. Munro International Airport. To ensure this area develops in a coordinated, well-designed and aesthetically-pleasing manner with adequate infrastructure and amenities, and to provide funding eligibility, the City shall investigate the designation of these lands as a Community Improvement Project Area.”

It is recommended that staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area and associated program initiatives for the Mount Hope/Hamilton Airport Gateway area at Homestead Drive and Airport Road. This study would be incorporated into the Urban Renewal Section’s 2013 Work Plan. An appropriate study area would include the area designated as District Commercial in the Mount Hope Secondary Plan, including properties along Airport Road from Upper James Street to the western limit of the Secondary Plan area next to the Airport, as well as properties along Homestead Drive (see Appendix “B” to Report PED11118(a)). The study would involve a more detailed assessment of the area in consultation with local businesses and residents in order to determine what new, existing and/or modified programs could provide assistance.

**ALTERNATIVES FOR CONSIDERATION:**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Non-acceptance of the recommendations contained in Report PED11118(a), or limiting the financial incentive programs to the Community Downtown. These alternatives are not recommended.

**The Hamilton Downtown Property Improvement Grant Program – Potential Ten-Year Grant instead of Five-Year Grant**

The Hamilton Downtown Property Improvement Grant Program is currently offered within the Downtown Hamilton CIPA as a five-year grant. The proposed expansion of the program would apply it to the Ancaster, Binbrook, Dundas and Stoney Creek CIPAs as a five-year grant as well. An alternative option is to provide the program to the Community downtowns as a ten-year grant, but is not recommended by staff.

The program provided a ten-year grant from its inception in 2002 until 2007. This history relates to the request for a ten-year program, by Mr. Herman Demirci in his letter to the City Clerk dated March 1, 2012, regarding proposed development at 5-7 King Street East in Stoney Creek. In an effort to spur development and at the same time enable the City to recoup the revenue in a shorter period of time, Urban Renewal and

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Finance staff continue to recommend a five-year program. The five-year program, together with the other financial incentives being recommended for expansion within the Community Downtowns, will assist in creating an environment that encourages property development.

**Financial:** Capital Budget costs totalling \$450,000 and Operating Budget costs of \$15,000 would not be required as part of the 2013 Capital Budget process.

**Staffing:** Not applicable

**Legal** Not applicable

<p><b>CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)</b></p>
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Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

***Growing Our Economy***

- ◆ Investment in Hamilton is enhanced and supported. Property owners invest in their properties leading to property assessment increases.

***Environmental Stewardship***

- ◆ Financial incentive programs support residential intensification and the reuse of existing building stock and infrastructure.

***Growing our Economy***

- ◆ Community improvement programs support the revitalization of commercial/office employment sites as well as residential development that provides a local market.

***Environment Stewardship***

- ◆ Community improvement programs help the City meet area-specific growth/density targets and support the reuse of existing building stock and infrastructure.

***Healthy Community***

- ◆ Partnerships are promoted.



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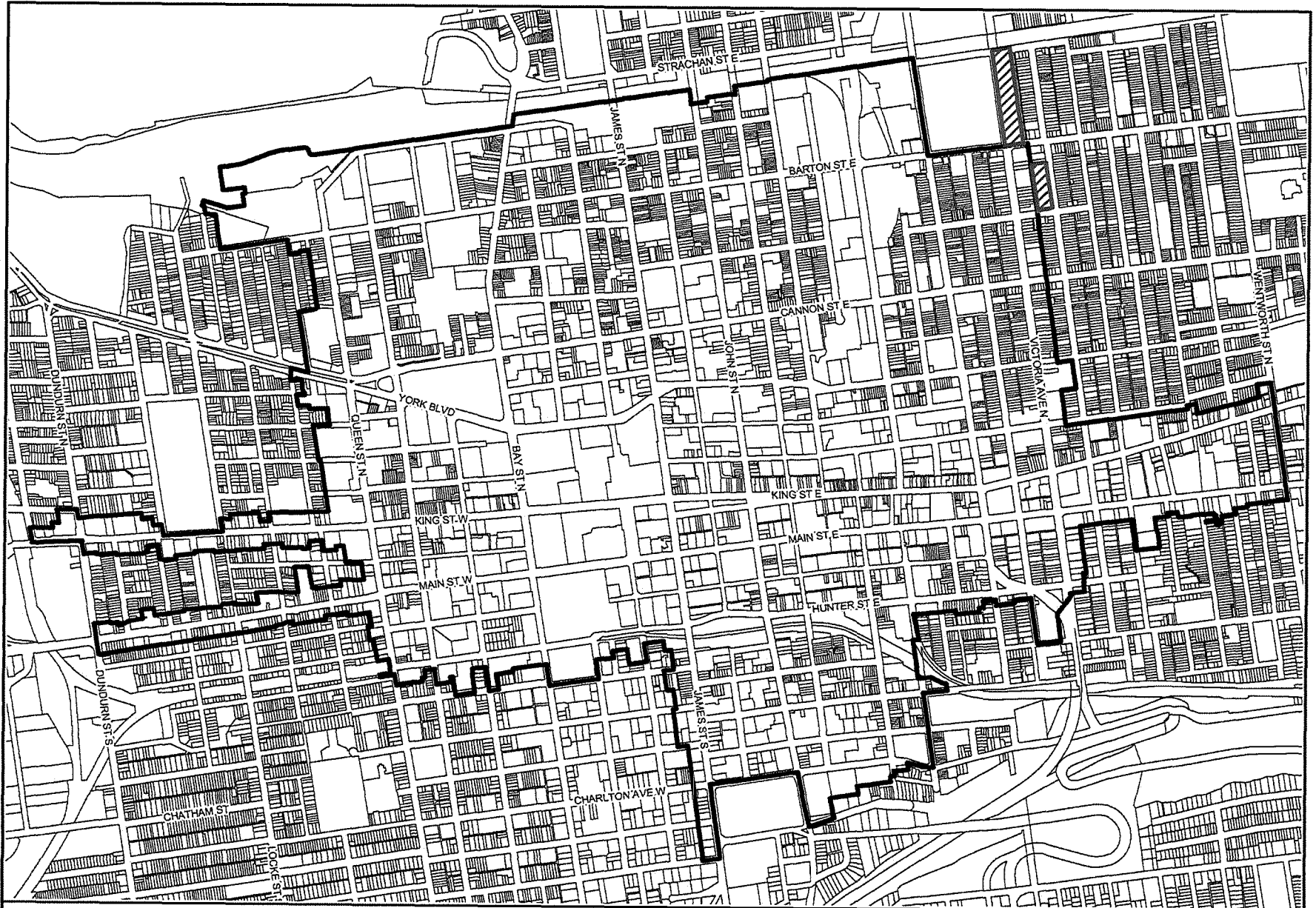
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**APPENDICES / SCHEDULES**

Appendix "A" to Report PED11118(a) – Map of Potential Expansion of the Downtown Hamilton Community Improvement Project Area

Appendix "B" to Report PED11118(a) – Map of Proposed Study Area Boundary for the Potential Mount Hope/Airport Gateway Community Improvement Project Area

HM/AW/hk



 Potential expansion of the Downtown Hamilton Community Improvement Project Area

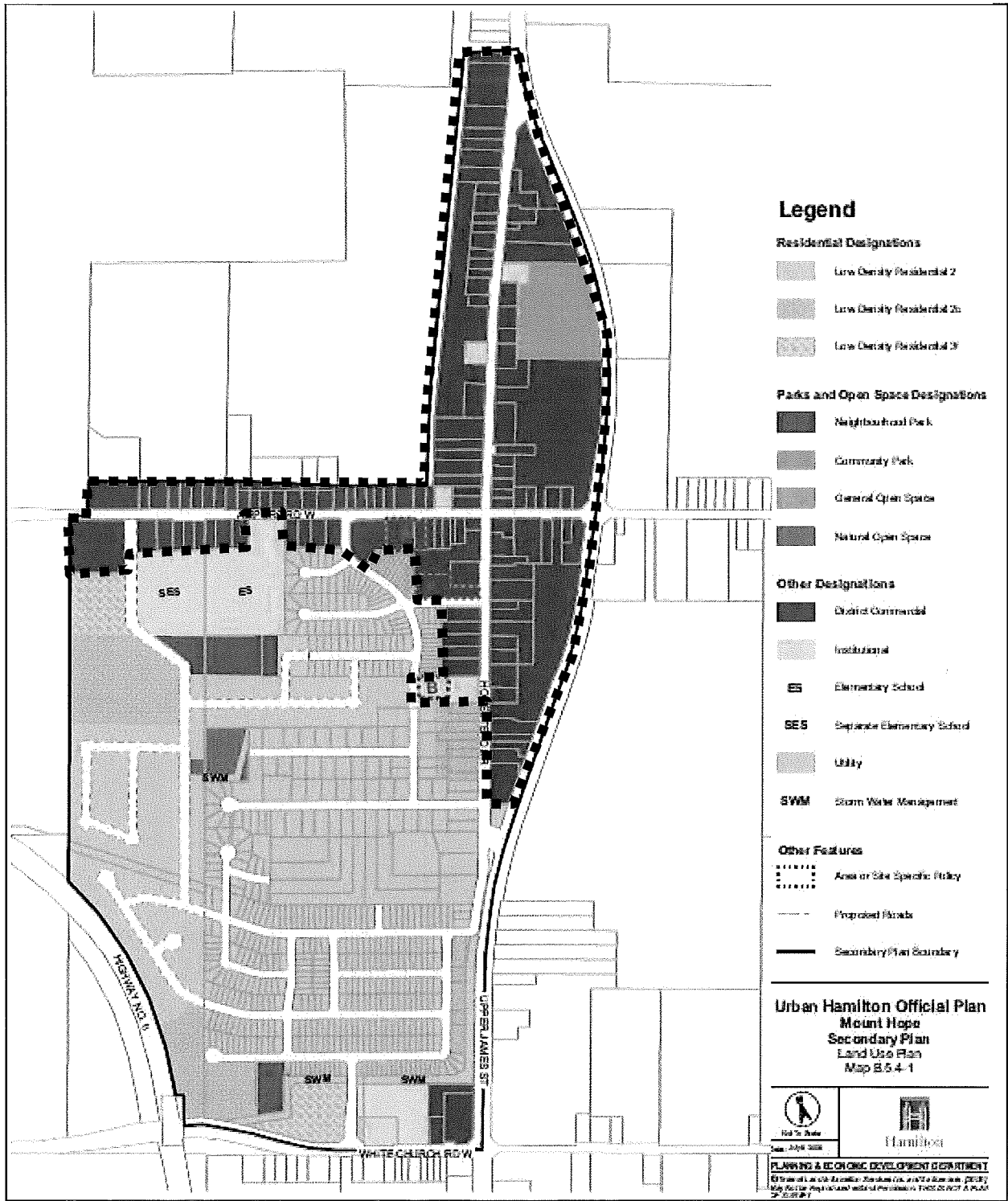


Downtown and Community Renewal  
 Community Improvement Project Area

Legend  
 Downtown Hamilton Community Improvement Project Area



**Hamilton**  
 PLANNING AND ECONOMIC  
 DEVELOPMENT DEPARTMENT



**Proposed Study Area Boundary for the  
 Potential Mount Hope/Airport Gateway  
 Community Improvement Project Area**