



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> WARD 3
<b>COMMITTEE DATE:</b> March 20, 2013	
<b>SUBJECT/REPORT NO:</b> Hamilton Community Heritage Fund Loan Program – 237 St. Clair Boulevard (PED13054) (Ward 3)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b> Hazel Milsome (905) 546-2424 Ext. 2755
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That a conditional loan commitment totalling \$50,000 for Trang Duong, the registered owner of the property at 237 St. Clair Boulevard (Hamilton) be authorized and approved in accordance with the terms and conditions of the Hamilton Community Heritage Fund Loan Program;
- (b) That the property owner and the City of Hamilton enter into a Heritage Conservation Easement Agreement;
- (c) That the Mayor and City Clerk be authorized and directed to execute a loan agreement together with any ancillary documentation required, to effect Recommendation (a), above, in a form satisfactory to the City Solicitor;
- (d) That the General Manager of the Planning and Economic Development Department be authorized to approve and execute any loan amending agreements, together with any ancillary amending documentation, if required, provided that the terms and conditions of the Hamilton Community Heritage Fund Loan Program are maintained;

- (e) That Report PED13054 be forwarded to the Hamilton Municipal Heritage Committee for information.

### **EXECUTIVE SUMMARY**

The Hamilton Community Heritage Fund (HCHF) application for conservation/restoration and structural works on 237 St. Clair Boulevard was submitted by Trang Doung, the registered owner of the property. The property is a single family dwelling located in the St. Clair Boulevard Heritage Conservation District. The following works are proposed on the property: replacement and repair of roof shingles, sheathing and rafters; installation of flashing around chimney and dormers; restoration/repair of roof fascia and soffit; restoration of windows, doors, wood exterior and corbels; and, repair of the foundation.

The HCHF offers 0% interest loans to a maximum of \$50,000 for owners of properties that are designated either individually under Part IV of the Ontario Heritage Act, or as part of a Heritage Conservation District under Part V of the Ontario Heritage Act. Funding is available only for work that conserves or restores the historic fabric and significant architectural elements of a building. Interior features are only eligible for funding if specifically mentioned in the Reasons for Designation or Description of Heritage Attributes of a property designated under Part IV of the Ontario Heritage Act. Loans approved for an amount over \$15,000 require that the property owner enter into a Heritage Conservation Easement with the City of Hamilton. The subject application is for an amount over \$15,000 and a Heritage Conservation Easement Agreement is required.

***Alternatives for Consideration – See Page 6***

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

**Financial:** Funding is provided under the terms of the HCHF, as approved by City Council on September 14, 2005. The loan monies are to be advanced from the City of Hamilton's line-of-credit, with the foregone interest being charged to Account Number 52901-812040. Any costs incurred for the HCHF are to be funded from the HCHF Reserve 102049 which has a balance, as of February 11, 2013 of \$857,533.03.

**Staffing:** Administration of this loan can be accommodated within the Urban Renewal Section of the Planning and Economic Development Department, as well as within the Finance and Administration Section of the Corporate Services Department.

**Legal:** Section 106 of the Municipal Act enables the municipality to make grants, on such terms as the Council considers appropriate, to any person, group, or body

including a fund, within or outside of the boundaries of the municipality, for any purpose that the Council considers to be in the interest of the municipality.

Prior to the advance of funding from the City, the applicant will be required to execute a Loan Agreement and enter into a Heritage Conservation Easement Agreement. The loan is not advanced until the project is 50% complete at which time 50% of the loan will be advanced. All documents and required searches will be developed and undertaken in consultation with Legal Services.

As construction projects move forward, it is sometimes necessary to amend previously approved loan agreements and any ancillary documentation, therefore staff recommends that the General Manager of Planning and Economic Development be authorized to amend loan agreements and any ancillary documentation, provided that the terms and conditions of the HCHF are maintained.

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

The former City of Hamilton established the HCHF in 1985 (By-law No. 85-120) as part of the Province of Ontario's *Building Rehabilitation and Improvement Campaign*, commonly referred to as the "BRIC" Program. The Grant Agreement entered into by both parties (the Province of Ontario and the former City of Hamilton) established a fund that originally comprised \$441,666.67. Of this total amount, \$250,000 (57%) was from the Province, and \$191,666.67 (43%) was from the former City of Hamilton. Heritage property was defined in the agreement as a property designated under the Ontario Heritage Act.

The intent of the HCHF, as established by the Grant Agreement, was to establish a permanent fund for the purpose of investing in architectural conservation. Specifically, the fund was to be used:

- For loans for the purchase and/or conservation of heritage property;
- To guarantee loans for the purchase and/or conservation of heritage property; and,
- For grants to owners of designated heritage property for the conservation of that property.

The HCHF was originally established as a revolving fund, with the former City of Hamilton offering low-interest loans for eligible conservation work on buildings designated under the Ontario Heritage Act. As interest rates declined during the 1990s, the Program was revised to permit interest-free loans, and the former City of Hamilton continued to offer loans of up to \$20,000, repayable over a ten (10) year period and secured by a lien. The agreement with the Province of Ontario stipulated that loans of \$15,000 or more required a Heritage Conservation Easement Agreement between the property owner and the City.

After municipal amalgamation, Council agreed to maintain the HCHF Program as a permanent reserve to provide loan assistance to all designated heritage properties within all of the former municipalities (Report PD00151(a), Item (f)). In 2005, Council approved an increase in the maximum loan amount to \$50,000 (Report PED05091), and under the current terms of the Program, the loan is registered as a mortgage on the property and repayable over a period of up to ten (10) years, with no accumulated interest.

The current terms of the Program, approved by Council in 2005, stipulate that to be eligible for a loan, the property must be designated either individually under Part IV of the Ontario Heritage Act, or as part of a Heritage Conservation District, under Part V of the Ontario Heritage Act. Funding is available only for work that conserves or restores the historic fabric and significant architectural elements of a building. Interior features are only eligible for funding if specifically mentioned in the *Reasons for Designation* or *Description of Heritage Attributes* of a property designated under Part IV of the Ontario Heritage Act. Loans approved for an amount over \$15,000 require that the property owner enter into a Heritage Conservation Easement with the City. The subject application is for an amount over \$15,000, and a Heritage Conservation Easement Agreement is required (Recommendation (b)).

## **POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS**

### **City of Hamilton Official Plan**

*Section C.6 - Heritage Resources* of the former City of Hamilton Official Plan applies and encourages the preservation, maintenance, reconstruction, restoration, and management of property considered to have historic, architectural, or aesthetic value (6.1). The recommendations of Report PED13054 do not conflict with these policies.

### **Urban Hamilton Official Plan**

Volume 1, Section 3.4 - *Cultural Heritage Resources Policies* of the Council-adopted Urban Hamilton Official Plan (adopted July 9, 2009) states that the City shall “protect and conserve the tangible cultural heritage resources of the City, including archaeological resources, built heritage resources, and cultural heritage landscapes” (Volume 1, 3.4.2.1(a)), and “identify cultural heritage resources through a continuing process of inventory, survey, and evaluation, as a basis for the wise management of these resources” (Volume 1, 3.4.2.1(b)). The policies also provide that the “City may, by By-law, designate individual and groups of properties of cultural heritage value under Parts IV and V, respectively, of the Ontario Heritage Act” (Volume 1, 3.4.2.3). The Urban Hamilton Official Plan has been approved by the Ministry of Municipal Affairs and Housing, but has been appealed in its entirety to the Ontario Municipal Board. While the plan is not in full force and effect, these policies demonstrate Council’s commitment

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to the identification, protection, and conservation of the cultural heritage resources, and the recommendations of Report PED13054 do not conflict with these policies.

The single-detached dwelling at 237 St. Clair Boulevard is a permitted use in the applicable “C” (Urban Protected Residential) Zoning District of Hamilton Zoning By-law 6593, the St. Clair Neighbourhood Plan, the Residential land use designation of the City of Hamilton Official Plan, and the Neighbourhoods designation of the Urban Hamilton Official Plan.

**RELEVANT CONSULTATION**

Staff from the Planning Division, Planning and Economic Development Department, the Finance and Administration Division, Corporate Services Department and, the Legal Services Division, City Manager’s Office, were consulted and the advice received is incorporated into Report PED13054.

Pursuant to Sections 28(1), 33(4), and 42.4 of the Ontario Heritage Act, the Hamilton Municipal Heritage Committee advises and assists Council on matters relating to Part IV and Part V of the Ontario Heritage Act. The Hamilton Municipal Heritage Committee shall be advised of the decision regarding this loan by copy of this Report and recommendations at a future meeting (Recommendation (e)).

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

The subject property, located at 237 St. Clair Boulevard (Hamilton) was designated under Part V of the Ontario Heritage Act as part of the St. Clair Boulevard Conservation District (City of Hamilton By-law No. 92-140). The owner has applied for a loan under the HCHF Program in order to replace and repair shingles, sheathing and rafters; install flashing around chimney and dormers; restore/repair roof fascia and soffit; restore windows, doors, wood exterior and corbels; and, repair the foundation.

The total value of the work is approximately \$60,220 excluding HST, based on the lowest quotes obtained by the applicant. The maximum loan under the HCHF is \$50,000.

The proposed work will conserve the overall integrity of the property and meets the intent and eligibility criteria of the HCHF, and staff recommends approval of the requested loan subject to the applicant entering into a Heritage Conservation Easement Agreement with the City of Hamilton.

Heritage Permit HP2012-060 was approved for various repairs and restoration work for the subject property with conditions. The permit was processed through delegated

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authority and approved on January 2, 2013. The approved Heritage Permit expires on January 31, 2015.



**237 St. Clair Boulevard**

The property at 237 St. Clair Boulevard is shown in the above photograph. Appendix “A” to Report PED13054 identifies the location of the property.

**ALTERNATIVES FOR CONSIDERATION**

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

Funding for the conservation or maintenance of features related to the cultural heritage value of property designated under the Ontario Heritage Act is a discretionary activity of Council. Council, as advised by staff, may consider two (2) alternatives: agree to fund a different amount, or decline to fund the application.

**Decline to Fund**

By declining funding, the municipality would be refusing applicants that meet the criteria and budget for the HCHF Program, as approved by both the Council and Hamilton Municipal Heritage Committee. Refusal of funding will not encourage owners of properties designated under Part V of the Ontario Heritage Act to undertake the appropriate restoration and repair necessary for the long-term conservation of these heritage resources.

Accordingly, staff does not consider declining funding for this HCHF application to be an appropriate conservation alternative.

**Approve a Different Amount**

Council may decide to approve a loan amount that is different from the staff recommendation. This alternative is not recommended, as it may compromise the ability of the owners to complete work that is necessary for the conservation of the property.

**ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN:**

**Strategic Priority #1**

A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*

**Strategic Objective**

- 1.5 Support the development and implementation of neighbourhood and City-wide strategies that will improve the health and well-being of residents.

**Strategic Priority #2**

Valued & Sustainable Services

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

**Strategic Objective**

- 2.3 Enhance customer service satisfaction.

**APPENDICES / SCHEDULES**

Appendix “A” to Report PED13054 - Location Map

HM/dkm

# Appendix "A" to Report PED13054



● Site of the Application



Ward 3 Key Map

N.T.S.



## Location Map



PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

**File Name/Number:**  
237 St. Clair Boulevard

**Date:**  
January 17, 2013

**Appendix "A"**

**Scale:**  
N.T.S.

**Planner/Technician:**  
HM/NB

**Subject Property**



237 St. Clair Boulevard