SUBJECT: Hamilton Heritage Property Grant Program  
35 King Street East, The Right House (PED09300) (Ward 2)

RECOMMENDATION:

a) That a grant commitment totalling $25,921.87 for the restoration of the west wall at 35 King Street East, be approved in accordance with the terms and conditions of the Hamilton Heritage Property Grant Program.

b) That staff be authorized and directed to prepare and execute the Letter of Understanding with the applicant with respect to sub-section (a) above, with such Letter of Understanding being in a form satisfactory to the City Solicitor.

c) That the total grant in the amount of $25,921.87 be charged to Dept. ID 58201-815025 with funding coming from the Main Street Program Reserve (102048).

d) That a condition of the grant commitment for the restoration of the west wall be that all building and planning requirements, including a heritage permit if required, be obtained and work undertaken in full compliance with the permits for the work or the grant will be cancelled by the Director of the Downtown and Community Renewal Division.

e) That the Director of Downtown and Community Renewal, Planning and Economic Development Department, be authorized and directed to approve an increase/decrease to the grant amount approved in sub-section (a) in accordance with the maximum grant dictated by the terms of the program (25% of the cost of regeneration of the property to a maximum of $150,000.00).
f) That the Director of Downtown and Community Renewal, Planning and Economic Development Department, be authorized to approve a maximum extension period of one (1) year to the applicant for the completion of the works, over and above the two (2) year period the applicant is given that commences the date Council approves the grant.

Tim McCabe
General Manager
Planning and Economic Development Department

**EXECUTIVE SUMMARY:**

Report PED09300 recommends the approval of a grant commitment under the Hamilton Heritage Property Grant Program totalling $25,921.87 for the restoration of 35 King Street East. The Hamilton Heritage Property Grant Program is intended to provide financial assistance in the form of a grant based on 25% of the total cost of regeneration of a property, to a maximum grant of $150,000.00 for eligible work. The program is offered to owners and authorized tenants for: structural/stability work required to conserve and restore heritage features of properties and, the conservation and restoration of heritage features of properties that are designated under Parts IV or V of the *Ontario Heritage Act*. Eligible properties must be located within the Downtown Hamilton Community Improvement Project Area or a Business Improvement Area.

**BACKGROUND:**

Sub-Section 39.1 of the *Ontario Heritage Act* states that a council of a municipality may pass by-laws providing for the making of a grant or loan to the owner of a property designated under Parts IV and V for the purpose of paying for the whole or any part of the cost of alteration of such designated property on such terms and conditions as the Council may prescribe. By-law 07-346 approved by City Council at its meeting held December 12, 2007 authorizes the municipality to offer loans and grants to owners of a property designated under the *Ontario Heritage Act*. The program description of the Hamilton Heritage Property Grant Program as approved by City Council at its meeting held December 12, 2007 set out the terms and conditions of the program. The Program was expanded to the Business Improvement Areas through resolution of City Council at its meeting held February 25, 2009.

The objective of the program is to assist in the rehabilitation and re-use of heritage properties. City Council values heritage properties as important to the urban revitalization and regeneration of our Downtown Core and Business Improvement Areas. 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 the Zoning By-law as well as any other applicable City Council approved policies/regulations.

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Historic buildings bring character and opportunity to the Downtown landscape. Conservation of significant built heritage resources is one of the strategies driven by the Downtown Secondary Plan. The Right House located at the north-west corner of King Street East and Hughson Avenue North is significant as an anchor block on the Gore, and an integral part of Hamilton history. The Right House is a landmark of major importance to the City and an architectural monument worthy of protection and preservation.

The existing condition of the west wall allows rain water to seep into the building and pool in the stairwells used by tenants of the property and the general public thereby causing a safety hazard. The applicant is moving forward with the restoration of the west wall at the time of writing this report due to the potential safety hazard and staff supports their pro-active initiative.

**ANALYSIS/RATIONALE:**

Designated under Part IV of the **Ontario Heritage Act** through By-law 84-31, 35 King Street East, known as The Right House, was built in 1890-1893 by Hamilton merchant Thomas C. Watkins heralding the arrival in the city of a contemporary innovation – retail marketing on the grand scale. Architect William Stewart & Son translated the new merchandizing spirit into architectural terms with considerable success and a good measure of Victorian flamboyance.

The Right House design employed many of the fashionable features of the day: running arcades, columns and stone arches busily articulated the street façade; contemporary pressed-metal work provided the crowning decoration to eaves and parapet (now gone); window openings contained so much plate glass that the building was nicknamed the Crystal Palace; and modern conveniences such as the elevator offered an added degree of comfort and class to shopping excursions. In terms of subsequent architectural developments, Watkins’ building was not only the first but it is now also the last of the large nineteenth century department stores to survive intact in the city. As such, The Right House is a unique example of its kind in Hamilton.

Staff will work with the applicant of the project through the City’s planning and building approval process including Heritage Permits that will be required.
Project Recommended for Funding Commitment

<table>
<thead>
<tr>
<th>Property</th>
<th>Grant for Building</th>
<th>Estimated Cost of the Property’s Redevelopment</th>
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<tbody>
<tr>
<td>35 King Street East</td>
<td>$25,921.87</td>
<td>$103,687.50</td>
</tr>
</tbody>
</table>

35 King Street East is shown in the photograph above. Appendix ‘A’ to Report PED09300 identifies the location of 35 King Street East.

The owner has applied for funding under the Heritage Program to:

1. Restore the west wall.

The total cost to complete the restoration of the west wall at 35 King Street East is estimated at $103,687.50.
ALTERNATIVES FOR CONSIDERATION:

Non-acceptance of the recommendations contained with Report PED09300 will result in the inability of the municipality to make financial assistance available under the terms of the program to this significant heritage property.

There are no alternative options for approval of the grant commitment at this time.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial: Funding for the grant has been previously approved to come from the Main Street Program Reserve (102048), however, as accounting requirements do not allow payments to be issued directly from a reserve, the payment of the grant will flow through Dept. ID 58201-815025.

Staffing: Administration of the Hamilton Heritage Property Grant Program can be accommodated within the Downtown and Community Renewal Division and Community Planning and Design Section of the Planning and Economic Development Department as well as the Corporate Services Department.

Legal: Review of all documentation associated with each grant will be appropriately undertaken by the City Solicitor to meet the customer's needs while protecting the City's interests. In order to receive funding, projects must comply with any planning and building approvals identified in this report including Heritage Permits where required.

POLICIES AFFECTING PROPOSAL:

The Hamilton Downtown Secondary Plan contains objectives to retain and enhance the historic fabric of Downtown Hamilton. Administering the Hamilton Heritage Property Grant Program is consistent with that objective and direction of the Hamilton Downtown Secondary Plan.

RELEVANT CONSULTATION:

Staff from the Community Planning and Design Section of the Planning and Economic Development Department and the Corporate Services Department were consulted and concur with the recommendations included in Report PED09300.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, and economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No

Partnerships are promoted through the implementation of the Downtown Hamilton Heritage Property Grant Program.
Environmental Well-Being is enhanced. ☑ Yes □ No
The initiatives help to improve the quality of life of the residents. The rehabilitation of the building stock and the development of properties in the Downtown make efficient and effective use of City services and protect human health and safety.

Economic Well-Being is enhanced. ☑ Yes □ No
Investment in Hamilton is enhanced and supported. Downtown Renewal programs lead to effective partnerships with community stakeholders and the development community. Developers and property owners invest in Downtown properties leading to property assessment increases through the rehabilitation of buildings and properties.

Does the option you are recommending create value across all three bottom lines?
☑ Yes □ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
☑ □ Yes □ No
Hamilton continues to lead initiatives related to renewal. Such initiatives are professionally rewarding and attract high performing public servants with an interest in improving community life.

HM:vk
Attach. (1)