SUBJECT: Commercial Heritage Improvement and Restoration Program (CHIRP) Fall 2007 Grant Applications (PED08099) (Wards 2 and 12)

RECOMMENDATION:

(a) That a conditional grant agreement be issued within the terms of the Commercial Heritage Improvement and Restoration Program (CHIRP) for two restoration projects identified in Appendix ‘A’ to Report PED08099.

(b) That the applicants be notified that their property taxes must be paid in full prior to any grant monies being advanced for completed work, and that no grant funds will be paid out until the condition is met and, if the property taxes are not paid in full within one year of the date of the Letter of Understanding entered into between the City of Hamilton and the applicant, that the grant offer will be considered void and withdrawn.

(c) That the grant portion for the two projects, in the total amount of $39,900, be funded from Capital Project Account 58201-812040 (CHIRP Reserve 102047).

(d) That the Director of Planning be authorized and directed to approve increases/decreases to the individual grant amounts approved as long as the overall grant portion for each individual grant does not exceed $20,000, and said grant increase/decrease is in accordance with all program requirements.
(e) That the Director of Planning be authorized to approve a maximum extension period of ninety days to the applicants for the completion of the work, over and above the one year period that the applicants are given, which commences the date Council approves the grant.

(f) That staff be authorized and directed to prepare and execute a Letter of Understanding with the applicants, with such Letter of Understanding being in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY:

Heritage Planning staff issued a Request for Applications (RFA) in September 2007 for projects qualifying for Commercial Heritage Improvement and Restoration Program (CHIRP) matching grants. The RFA had a residual allocation of $11,002.47 from 2006, in addition to the 2007 allocation of $120,000, for a total of $131,002.47. Two grant applications were received in response, totalling $39,900.00. The two applications have been evaluated by City staff and are recommended in this report for matching grant approval.

BACKGROUND:

The Commercial Heritage Improvement and Restoration Program (CHIRP) was originally initiated in 2001, but only fully funded in 2004. Council approved the terms of CHIRP on September 29, 2004 (see Appendix ‘B’). The program provides financial assistance in the form of matching grants to a maximum of $20,000.00 per application for the conservation of commercial and industrial properties designated under Parts IV or V of the Ontario Heritage Act, or for properties with heritage conservation easements.

Council approved an allocation of $60,000 to this program in 2004, of which $12,934.16 was awarded following submissions of projects from property owners. In anticipation of increased program participation, an allocation of $120,000 was approved in 2005, with an estimated total of $60,480.87 awarded following submissions from property owners. A total of $95,582 was awarded in 2006, during which budgetary allocations were not made, leaving a residual allocation of $11,002.47. With a 2007 Council approved allocation of $120,000, the total available amount is $131,002.47.
Projects that have previously been approved for funding are as follows:

<table>
<thead>
<tr>
<th>Application</th>
<th>Location</th>
<th>Status</th>
<th>Grant Amount</th>
<th>Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2004-001</td>
<td>1034 Garner Road West, Ancaster</td>
<td>Completed</td>
<td>$12,934.16</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-001</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-002</td>
<td>1034 Garner Road West, Ancaster</td>
<td>Completed</td>
<td>$16,281.12</td>
<td>Exterior woodwork</td>
</tr>
<tr>
<td>CHIRP2005-003</td>
<td>35 King Street East, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-004</td>
<td>276 King Street West, Hamilton</td>
<td>Completed</td>
<td>$4,199.75</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2006-001</td>
<td>199 Glover Road, Stoney Creek</td>
<td>Completed</td>
<td>$15,582.00</td>
<td>Exterior woodwork</td>
</tr>
<tr>
<td>CHIRP2006-002</td>
<td>46 Forest Avenue, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2006-003</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2006-004</td>
<td>47 James Street South, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Pointing</td>
</tr>
<tr>
<td>CHIRP2006-005</td>
<td>68 King Street East, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Windows</td>
</tr>
<tr>
<td><strong>Total 2004-2006</strong></td>
<td></td>
<td></td>
<td><strong>$168,997.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

Notification of the ongoing program was mailed out to all owners of commercial and/or industrial properties designated under Parts IV and V of the Ontario Heritage Act and/or properties with heritage easements. The call for CHIRP 2007 applications was made in June 2007 to meet any construction work deadlines to be completed by the end of the 2008 building season. The fund balance is currently at $131,002.47.

**ANALYSIS/RATIONALE:**

Heritage Planning staff and Building and Licensing staff have reviewed both 2007 applications. All applications satisfy the program requirements and guidelines. The locations of the two properties are identified in Appendix ‘C’.

**Projects Recommended for Funding Commitment**

<table>
<thead>
<tr>
<th>Property</th>
<th>Funding Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2007-001 548 Old Dundas Road</td>
<td>$19,900.00</td>
</tr>
<tr>
<td>CHIRP2007-002 51 Herkimer Street</td>
<td>$20,000.00</td>
</tr>
<tr>
<td><strong>Total City Funding</strong></td>
<td><strong>$39,900.00</strong></td>
</tr>
<tr>
<td><strong>Total Estimated Construction Costs</strong></td>
<td><strong>$97,893.00</strong></td>
</tr>
</tbody>
</table>
(see Appendix ‘A’)


As is anticipated with such projects, each proposal is unique, a result of their specific heritage and business contexts. In discussions with the applicants, the projects are scheduled to proceed in the spring of 2008, and are described in detail as follows:

**CHIRP2007-001**  
548 Old Dundas Road (Ancaster Old Mill), Ancaster (Ward 12)

The Ancaster Old Mill is a three-and-one-half storey mill, constructed in 1863 to replace the previous mill destroyed by fire. It is a simple but massive rectangular building of cut-stone with a side-gable roof, twinned, gabled dormers mirrored on each side of the roof, and stone chimneys at each end. Fenestration is generally symmetrical, with an asymmetrically located door on the third floor of the south façade. The mill is located on a steep slope in the Ancaster Creek Valley, with the lowest storey fully exposed only on the north (down slope) façade. Porches span portions of the north and south façades, and later additions extend from the east façade and eastern portion of the north façade. Additional features identified as heritage attributes are the projecting eaves and verges, double-hung windows and frames, wooden slipsills, and stone lintels. In addition, the mill was a historical focal point in Ancaster, particularly along the original road from Dundas where it played strong visual, economic and community roles.

This former mill is now adaptively reused as a restaurant and event centre (The Ancaster Old Mill). The owner has applied under the terms of CHIRP to undertake repair and replacement, where necessary, of the soffits, fascia and brackets for the main roof of the building. The requisite two quotes were obtained and the CHIRP matching-funds grant calculation is based on 50% of the lowest viable bid, including applicable taxes. The quote was for $39,800, plus $1,990 GST, for a total of $41,790. The CHIRP grant permissible for this application is $19,900. Because this is work maintaining existing features and replacing materials in kind, where necessary, no Heritage Permit is required.

The proposed repair and restoration work is deemed necessary to conserve the building fabric. Staff recommends approval of this CHIRP application for the funding of work on the soffits, fascia and brackets described above.

**CHIRP2007-002**  
51 Herkimer Street (Manse), Hamilton (Ward 2)

The building under consideration is a two-and-a-half-storey, Neo-Gothic-style building of Georgian derivation, constructed by noted local builder, David Nicholson, also responsible for Sandyford Place. It was built in 1858 as the Manse for Saint Andrew's (now St. Paul's) Presbyterian Church. The building is an imposing structure, built of cut Hamilton limestone and faced with ashlar-finished white sandstone on the main (north) façade, finished limestone on the west façade, and unfinished limestone on the east and south façades. A two-story addition to the south façade is constructed of fieldstone: a modern single-storey garage has been added to the rear of this addition.
The building has an offset front-gable on the right (east) half of the front façade, while the remainder of the original roof is hipped, and has a modern dormer to the rear. The addition to the rear is a front-gable roof: one modern skylight has been added to each roof of the original building and the addition, facing east. The front façade has two bays on the first and second floors, and a third-floor bay in the gable, and matching dormer on the roof. The building’s massing, steeply-pitched roofline, bargeboard, bay window, and stone label mouldings over windows on the front façade identify the Neo-Gothic style of the building. The windows on the front façade are two-over-two, with a mix of one-over-one and six-over-six on the remainder of the original building and addition.

This former residence is now adaptively re-used as a dental office. The owner has applied to undertake repairs to the roof, replacing the existing asphalt shingles with cedar shingles, and stripping and repainting of all existing painted exterior surfaces (dormers, skylight, eavestroughs, peaks, overhang, downspouts, windows, railings and doors). The requisite two quotes were obtained and the CHIRP matching-funds grant calculation is based on 50% of the lowest viable bid, including applicable taxes. The quote was for $57,350, plus $2,867.50 GST, for a total of $60,217.50. The maximum CHIRP grant permissible for this application is $20,000. The CHIRP grant is conditional on the approval of a Heritage Permit to carry out a portion of the work as it constitutes “alteration” under the provisions of the Ontario Heritage Act. As a minor alteration, the required permit will be managed through delegated approval authority.

The proposed restoration and repair work is in keeping with conserving the building fabric, and staff recommends approval of this CHIRP application.

**ALTERNATIVES FOR CONSIDERATION:**

Under CHIRP, funding for conservation or maintenance of features related to the cultural heritage values of properties designated under Parts IV and V of the Ontario Heritage Act is a discretionary activity on behalf of Council. Council, as advised by its Municipal Heritage Committee, may consider two alternatives: agree to fund the applications or decline to fund the applications.

**Decline to Fund**

By declining funding, the municipality would be refusing applicants that meet the criteria and budget for the CHIRP program approved by both the Council and Hamilton LACAC (Municipal Heritage Committee). Refusal of funding will not encourage owners of commercial properties designated under Parts IV and V of the Ontario Heritage Act to undertake the appropriate restorations and repairs necessary for the long-term protection of these heritage resources.
Accordingly, staff does not consider declining funding for these CHIRP applicants to be an appropriate conservation alternative. This alternative would not be in keeping with the “Triple Bottom Line,” and would not move the City closer to the vision for a sustainable community, as articulated by Vision 2020.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial – Council approved an allocation of $60,000 in 2004 for the first year of CHIRP, $120,000 for the second year of CHIRP, none for the third year, and $120,000 for the fourth year (2007). Expenditures to date in the program total $168,997.53, for a current balance of $131,002.47. Approval of the two 2007 CHIRP applications, totalling $39,900, will result in a balance of $91,102.47 in the remaining CHIRP budget. A capital allocation of $120,000 for 2008 has been approved for this program. Finance and Administration staff has been circulated for comment and concur with the recommendations.

Staffing – Staff is required to monitor the projects and approve work prior to issuance of the grant monies.

Legal – On approval of these CHIRP applications, the applicants will enter into contractual agreements with the City, as per the terms of the CHIRP guidelines. Letters of Understanding between the City of Hamilton and the applicants are to be executed.

**POLICIES AFFECTING PROPOSAL:**

For application CHIRP2007-001, Section 2.5. – Heritage Conservation of the former Town of Ancaster Official Plan applies and encourages the conservation of property deemed to be of heritage value (2.5.2.iii). The Official Plan of the former Region of Hamilton-Wentworth was committed to the preservation, maintenance and protection of significant heritage resources (9.2), promotion of heritage through tourism development (9.7), and establishing sources of funding for entrepreneurs and established businesses (B.4.1.1).

For application CHIRP2007-002, 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 Official Plan for the former Region of Hamilton-Wentworth was committed to the preservation, maintenance and protection of significant heritage resources (9.2), promotion of heritage through tourism development (9.7), and establishing sources of funding for entrepreneurs and established businesses (B.4.1.1).
Staff of the Building and Licensing Division has reviewed these CHIRP applications, conducted site visits, and are in continual consultation with the property owners on the proposed projects. Staff concurs with the recommendations.

Pursuant to Subsection 28(1) and 33(4) of the *Ontario Heritage Act*, the City of Hamilton LACAC (Municipal Heritage Committee) advises and assists Council on matters relating to Part IV and Part V of the *Ontario Heritage Act*. At its meeting of March 27, 2008, the City of Hamilton LACAC (MHC) considered these applications, together with a staff report and the staff Recommendations (a) through (f). The Committee recommended approval to Council.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “*Triple Bottom Line*”, (community, environment, 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
  Arts, culture, archaeological and cultural heritage are supported and enhanced.
  Conservation of existing built heritage infrastructure is being supported.

- **Environmental Well-Being is enhanced.** ☑ Yes □ No
  Consumption of all natural resources is reduced.

- **Economic Well-Being is enhanced.** ☑ Yes □ No
  Investment in Hamilton is enhanced and supported.

**Does the option you are recommending create value across all three bottom lines?**

☑ Yes □ No

Benefit to local small businesses, use of local contractors supports the socioeconomic environment of the City.

**Do the options you are recommending make Hamilton a City of choice for high performance public servants?**

☑ Yes □ No

The City initiation of, and business participation in, this grant program demonstrates that Hamilton is an innovative organization leveraging resources in new ways to partner for success.

:JM

Attachs. (4)
## Commercial Heritage Improvement and Restoration Program

<table>
<thead>
<tr>
<th>File #</th>
<th>Address</th>
<th>Total Estimated Construction Costs</th>
<th>Requested Amount</th>
<th>Description of Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2007-001</td>
<td>548 Old Dundas Road (the Old Mill), Ancaster</td>
<td>$39,800.00</td>
<td>$19,900.00</td>
<td>Conservation of soffits, fascia and brackets</td>
</tr>
<tr>
<td>CHIRP2007-002</td>
<td>51 Herkimer Street (Manse), Hamilton</td>
<td>$57,350.00</td>
<td>$20,000.00</td>
<td>Cedar re-shingling, strip and paint exterior</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$97,150.00</td>
<td><strong>$39,900.00</strong></td>
<td></td>
</tr>
</tbody>
</table>
Commercial Heritage Improvement and Restoration Program (CHIRP)

Program Description:

The Commercial Heritage Improvement and Restoration Program (CHIRP) is intended to provide financial assistance in the form of grant-aid for commercial and industrial property owners within the City of Hamilton. The program provides financial assistance for owners of commercial or industrial property designated under Parts IV or V of the Ontario Heritage Act, or those properties that have a heritage conservation easement registered on title.

The program aims to protect and improve the appearance of designated commercial and industrial properties throughout the City by providing funds for the conservation and restoration of important heritage features. This program seeks to encourage investments in long-lasting conservation initiatives and physical improvements to the heritage fabric of designated commercial and industrial heritage properties. It is understood that commercial activities, especially in traditional “Main Street” settings and industrial buildings in “brown fields”, still have the potential to contribute to the economic and physical vitality of the City of Hamilton, as well as improving community amenity, commerce and tourism opportunities.

Program Terms:

- Commercial and industrial property owners are eligible for the grant program on an annual basis.

- Eligible properties are to be identified by deed, and by municipal address, to identify multiple and separate commercial units with ground floor street frontages.

- Eligible properties must be assessed for municipal tax purposes as commercial or industrial.

- Residential properties are not eligible.

- Commercial and industrial uses must be in conformity with relevant policy documents of the City and the provisions of the Zoning Bylaw.

- Eligibility requirements for the program relating to the work to be funded will be specifically identified by the City. Two separate estimates for eligible work are to be provided by a licensed contractor other than the owner. The owner may present estimates, but is required to have at least two prepared by
contractors. The City’s grant aid will be based upon the lowest estimate submitted. Cost increases or over runs may be considered by the City, but shall not exceed the maximum grant award of $20,000.

- “Before” and “After” pictures are required as part of the application and processing of the final grant disbursement.

**Grants and Other Sources of Funding:**

- The grant will be paid on a matching basis (50% Applicant’s funds/50% City funds), up to a maximum of $20,000 for eligible work under the Program.

- Where other government (Federal or Provincial) and/or non-profit organization sources of funding are anticipated, these must be declared as part of the grant application, and the City’s assistance will be reduced, as appropriate (e.g., 33% Applicant’s funds/33% City funds/33% Federal funds).

- Properties receiving grants through the Commercial Property Improvement Grant program are not eligible for the CHIRP grants.

- Grants are to be awarded on an annual cycle following a request for applications with a deadline to be established by the City.

**Application Timeframes:**

- Applications are to be reviewed by the City of Hamilton LACAC (Municipal Heritage Committee) in conjunction with any required heritage permit applications under the *Ontario Heritage Act*.

- City staff, e.g. a Building Inspector and Cultural Heritage Planner, will perform initial inspections and site visits of the heritage property intended to be conserved and/or restored, and subsequent final inspection to assure compliance with the original award of the grant and any permits pursuant to the *Ontario Heritage Act*.

- Proposed work is to be completed within one calendar year of the date of the Council award of a grant to be eligible for payment.

- Work completed must comply with estimates, and work proposed, and identified within the application.
Fees:

- An application fee of $250 is to accompany the application.
- The fee is non-refundable for applications recommended for funding.
- Unsuccessful applications may receive a $200 refund for applications.

Eligibility Requirements:

- The applicant must be the property owner.
- Funding will not be applied retroactively to any work undertaken prior to grant approval.
- Applicants with property taxes in arrears at the time of application will not be processed.
- Applicants with property taxes in arrears at the completion of eligible work will not be funded until such time that the property taxes are fully paid.
- Proposed work cannot commence prior to application approval and pre-inspection by a City Building Inspector and a Cultural Heritage Planner.
- Existing uses must be in conformity with the applicable Zoning By-law regulations, and other relevant planning controls.

Eligible Conservation Work:

- Any work that conserves or enhances elements specified in the Reasons for Designation accompanying the designating By-law under the Ontario Heritage Act.
- 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 conservation of fences and outbuildings if specifically referred to in Reasons for Designation.
- 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 shop 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. Eligible work will be guided by the following reference material: Ontario Ministry of Culture’s *Architectural Conservation Note #8 The Conservation and Maintenance of Storefronts* and *Preservation Brief No. 11, Rehabilitating Historic Storefronts*, Technical Preservation Services, National Park Service.

- 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.**

- Any property may receive one grant only for exterior painting in documented original colours. After this initial grant, it is expected that maintenance will be the owner’s responsibility. 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.

- Work necessary to restore the building to structural soundness is eligible, e.g. the correction of serious structural faults that threaten the building’s survival. This does not include structural work to accommodate modern renovations (e.g. a new supporting beam over the opening for a patio door) or routine maintenance.

- Interior work is only eligible if specifically referred to in the *Reasons for Designation*. Eligible interior features, if specified in the *Reasons for Designation*, include woodwork, plasterwork, wall or ceiling murals, etc.

- New services (electrical, plumbing, heating, air-conditioning) and insulation are not eligible.
Ineligible Works:

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

- Short-term, routine maintenance. This includes minor repairs (such as repairing a broken step or a broken window), painting (other than as specified above), 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.

- 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.
CHIRP 2007-001
548 Old Dundas Road (Ancaster Old Mill), Ancaster, Ward 12
CHIRP 2007-002
51 Herkimer Street (Manse), Hamilton, Ward 2