SUBJECT: Downtown Hamilton Heritage Property Grant Program (DHHPGP) (PED07295) (Ward 2)

RECOMMENDATION:

a) That the Downtown Hamilton Heritage Property Grant Program (DHHPGP) be implemented according to the program guidelines identified as Appendix ‘A’ to Report PED07295;

b) That the By-law authorizing the municipality to offer loans and grants to owners of a property designated under the Ontario Heritage Act identified as Appendix ‘B’ to Report PED07295 be enacted.

EXECUTIVE SUMMARY:

The Downtown Hamilton Heritage Property Grant Program (DHHPGP) is intended to provide financial assistance in the form of a grant based on 25% of total cost of regeneration of the property, to a maximum grant of $150,000. 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.
The objective of the DHHPGP is to assist in developing and re-using heritage properties in recognition that heritage properties are important to the urban revitalization and regeneration of our Downtown Core.

**BACKGROUND:**

The Committee of the Whole, at its meeting held April 13, 2007, directed staff to report back with a cost analysis and project details of four (4) Downtown Project Initiatives including a program that would offer financial assistance for the conservation and preservation of heritage properties. Consequently, the information was provided in Report PED07123(b)/FCS07068 and approved by City Council at its meeting held August 8, 2007.

City Council committed funding for the Downtown Hamilton Heritage Property Grant Program in the amount of $1,150,000. Council also committed $200,000 for the cost of technical and historical studies for heritage properties, including consultant fees for heritage impact assessments, condition assessments, conservation plans and engineering reports.

Highlights of the proposed program:

- provides financial assistance for owners and authorized tenants of properties within the Downtown Hamilton Community Improvement Project Area designated under Parts IV or V of the *Ontario Heritage Act*, or are eligible for designation pursuant to *Ontario Regulation 9/06*.
- a condition of the grant is that properties must be designated under Parts IV or V of the *Ontario Heritage Act* prior to grant monies flowing to the applicant.
- eligible work comprises structural/stability work required to conserve and restore heritage features of properties and, the conservation and restoration of heritage features.
- grants will not be available for any form of abrasive cleaning (e.g. sandblasting or sodablasting) or high-pressure water cleaning.
- grants will be based on 25% of the total cost of regeneration of the property to a maximum of $150,000.

Downtown and Community Renewal Division staff will apply performance measurements to track the success of the program and report back to Council on an annual basis. Indicators could include the number of improved heritage buildings; enhanced economic investment in heritage properties and the employment of local contractors.

**ANALYSIS/RATIONALE:**

The DHHPGP provides a financial incentive to encourage the restoration and conservation of heritage properties within Hamilton’s Downtown Core. The importance of Downtown Hamilton’s built legacy is recognized in the Hamilton Downtown Secondary Plan. This program will assist in developing and re-using the heritage building stock and will complement other downtown financial incentive tools offered
through the Downtown and Community Renewal Division all geared towards the regeneration of our Core.

Staff from the Downtown and Community Renewal Division will be moving forward with an amendment to the Downtown Hamilton, Community Downtown and Business Improvement Area Community Improvement Plan in the near future to allow for the program to be offered to property owners/authorized tenants of properties that are listed on the City of Hamilton’s Inventory of Buildings of Architectural and/or Historic Interest or properties included on the City’s heritage register in accordance with the Ontario Heritage Act; subject to a easement being placed on title of the property.

The program guidelines are identified as Appendix ‘A’ to Report PED07295.

**ALTERNATIVES FOR CONSIDERATION:**

Consideration for alternatives relates primarily to program delivery as funding for the program is committed. As Council has previously approved this initiative, there are no alternatives for program delivery for consideration.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial:** Funding for the Hamilton Downtown Heritage Property Grant Program is contained in Reserve Account 102048 in the amount of $1,150,000.

**Staffing:** Administration of the Hamilton Downtown Heritage Property Grant Program can be accommodated within the Planning and Economic Development Department and the Corporate Services Department.

**Legal:** 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 this part 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. The aforementioned by-law is identified as Appendix ‘B’ to Report PED07295. In order to offer this program to properties that are listed on the City of Hamilton’s Inventory of Buildings of Architectural and/or Historic Interest or properties included on the City’s heritage register in accordance with the Ontario Heritage Act, an amendment to the Downtown Hamilton, Community Downtown and Business Improvement Area Community Improvement Plan will be required therefore staff will be bringing an amendment forward to the Plan in the near future.

Upon approval of the program guidelines, staff from the Downtown and Community Renewal Division will consult with Legal Services and Corporate Counsel in the preparation of appropriate documentation required for administration purposes in order to protect the City’s interests. In order to receive funding, projects must comply with any planning and building code approvals including Heritage Permits that are required to move the project forward.
POLICIES AFFECTING PROPOSAL:

Hamilton Downtown Secondary Plan

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

RELEVANT CONSULTATION:

The Corporate Services Department, the City Solicitor and Community Planning and Design were consulted and concur with the recommendations included in Report PED07295.

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
Partnerships are promoted through the implementation of the Hamilton Downtown 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.

GM:HM:jcs

Attachs. (2)
DOWNTOWN HAMILTON HERITAGE PROPERTY
GRANT PROGRAM

Program Description:

The Downtown Hamilton Heritage Property Grant Program (DHHPGP) 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; 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.

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 of our Downtown Core. 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.

Terms of the Program:

- The applicant must be the property owner or owner-authorized tenant to be eligible to apply for the grant program.
- The grant is contingent on properties being designated under Parts IV or V of the Ontario Heritage Act or are eligible for designation pursuant to Ontario Regulation 9/06.
- A condition of the grant is that the property is designated under Parts IV or V of the Ontario Heritage Act prior to grant monies flowing to the applicant.
- An application fee of $300 is to accompany the application. The rate of the fee may be changed from time to time as approved by City Council.
- Proposed work cannot commence prior to: a Heritage Permit; or easement approval; or other City approval, being issued for the heritage component.
- Proposed work cannot commence prior to all planning and building code approvals required for structural/stability works.
• The Downtown and Community Renewal Division reserves the right to recommend works that are integral to the preservation of the building required to preserve/conserve the heritage features.

• Proposed work is to be completed within two calendar years of the date of the Council award of a grant to be eligible for payment. A one year extension can be authorized by the Director of Downtown and Community Renewal.

• 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.

• Funding will not be applied retroactively to any work undertaken prior to grant approval.

• Realty taxes must be paid current and in good standing.

• The grant will be based on 25% of the total cost of regeneration of the property to a maximum City grant of $150,000 for eligible work under the program.

• Work completed must comply with estimates, and work proposed and identified within the application unless previously approved by the Downtown and Community Renewal Division.

• The grant is not transferable upon sale of the property.

• The heritage grants may be received by an owner in conjunction with any other available City program (excluding the Commercial Heritage Property Restoration Program, the Community Heritage Trust Program and the Commercial Property Improvement Grant Program) in support of the redevelopment/development of the property including the City’s Hamilton Downtown Residential Loan Program and the Enterprise Zone Municipal Realty Tax Incentive Grant Program.

**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](https://www.ontario.ca/page/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 Statement of Cultural Heritage Value of Interest or, a description of the Heritage Attributes*.

• 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*.

• 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 materials.
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 storefronts 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 non-eligible 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

- Abrasive cleaning (e.g. sandblasting or sodablasting) or high-pressure water cleaning
CITY OF HAMILTON

By-law No.

BEING A BY-LAW TO AUTHORIZE THE MAKING OF LOANS AND GRANTS TO THE OWNERS OF PROPERTIES DESIGNATED UNDER THE ONTARIO HERITAGE ACT

WHEREAS Sub-Section 39 (1) of the Ontario Heritage Act authorizes the City of Hamilton to pass by-laws providing for the making of a grant or loan to the owner of a property designated under the Ontario Heritage Act 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;

AND WHEREAS the Council of the City of Hamilton deems it advisable and in the public interest to provide financial assistance to owners of properties designated under the Ontario Heritage Act as set-out in program terms and conditions approved by Council from time to time.

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

1. That the City of Hamilton may make loans and grants to the owners of properties designated under the Ontario Heritage Act 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 may be approved by Council.

PASSED and ENACTED this day of __________________________

Fred Eisenberger      Kevin C. Christenson
Mayor                 City Clerk