SUBJECT: Commercial Property Improvement Grant Program (C.P.I.G.) Applications (PED06174) (Wards 1, 2, 3, 4, 13, 15)

RECOMMENDATION:

a) That the applications recommended for approval and identified within Appendix 'A' to Report PED06174 be approved for funding according to the terms and conditions of the Commercial Property Improvement Grant Program (C.P.I.G.);

b) That applicants of properties with outstanding taxes be notified that a condition of the grant is 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 (1) year of the date of the Letter of Understanding entered into between the City of Hamilton and the applicant, that the grant will be considered void;

c) That unallocated grant monies resulting from taxes not being paid or applicants not proceeding with renovation of their properties, be utilized for future loan and grant programs administered by the Downtown Renewal Division for Hamilton’s Business Improvement Areas;

d) That the grant portion in the total amount of $78,063.07 be funded by Capital Project 8200603610;

e) That the Director of Downtown Renewal, Planning and Economic Development Department, be authorized and directed to approve increases/decreases to the individual grant amounts approved as long as the overall grant portion referenced in sub-section (d) above is not exceeded and said grant is in accordance with the program rules;
f) That the Director of Downtown Renewal, Planning and Economic Development Department, be authorized to approve a maximum extension period of one (1) year to applicants for the completion of works, over and above the one (1) year period applicants are given that commences the date Council approves their grant; and,

g) That staff be authorized and directed to prepare and execute Letters of Understanding with Council-approved applicants, with such Letter of Understanding being in a form satisfactory to the City Solicitor.

Lee Ann Coveyduck
General Manager
Planning and Economic Development Department

**EXECUTIVE SUMMARY:**

Report PED06174 recommends the approval of applications submitted under the terms of the Commercial Property Improvement Grant Program (C.P.I.G.). The C.P.I.G. program provides matching grants to a maximum of $7,500 to commercial property owners and authorized tenants within Hamilton’s eleven (11) B.I.A.s for façade improvements.

**BACKGROUND:**

The Commercial Property Improvement Grant Program (C.P.I.G.) was approved by Council at its meeting held October 16, 2001. C.P.I.G. is intended to provide financial assistance for commercial property owners and authorized tenants within the existing eleven (11) City-wide Business Improvement Areas (B.I.A.s) as identified within the relevant Community Improvement Plans. It is understood that the smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector within the City of Hamilton. The program seeks to build upon these successes, resulting in long-lasting physical improvements to the assets of commercial property owners and authorized tenants. The program is also intended to bring about aesthetic improvements to the commercial areas as defined by the B.I.A.s and to improve commerce within the entire City.

While the program offers a maximum of 50% of the total cost of façade improvements to a maximum of $7,500, it is important to note that the monies leveraged in improvement costs is greater than 50% as reflected in the following chart:
When C.P.I.G. was introduced, the maximum grant per property was $15,000. In 2003 the maximum grant per property was reduced from $15,000 to $7,500 in an effort to sustain the program given the financial constraints of the City of Hamilton and, at the same time, addressing the high demand of the program. The reduction in the maximum grant was recommended by staff, approved by the Hamilton Association of Business Improvement Areas (H.A.B.I.A.) and, ultimately approved by City Council. Staff further improved the program in 2005 by extending an invitation for applications to twice a year versus once a year. Increasing the frequency of accepting applications within a calendar year has greatly enhanced the service delivered to the public as witnessed through the positive feedback received from the individual B.I.A.s and H.A.B.I.A.

The City of Hamilton’s new Sign By-law is expected to be approved by the end of the year and could affect the style of signage applicants are proposing to install under the program. Staff from the Downtown Renewal Division will emphasize in the Letter of Understanding entered into between the City of Hamilton and the applicant, that signage funded under the program must conform to the new Sign By-law.

Applications for Funding:

Appendix ‘A’ to Report PED06174 is a summary of the applications received and provides details relative to the name of the applicant; property address; work proposed; total value of work proposed; and, the total City grant. The maps attached to Report PED06174 identify where the properties proposed for restoration are located.

All proposed work under the terms of the program recommended by the City of Hamilton for funding will comply with the appropriate regulations of the City’s Zoning By-law(s).
Any required variances or amendments to ensure conformity with the appropriate by-law(s) will be made a condition of approval of the grant and will be included as part of the Letter of Understanding in a form satisfactory to Corporate Counsel. Building Division staff will prepare detailed zoning reports and a record of site inspection to address issues of by-law conformity or Ontario Building Code issues requiring attention. These reports will form the basis of any conditions that are to be referenced within the Letter of Understanding between the City and the applicant.

Program Effects:

The total City portion of work for the fourteen (14) recommended applications is $78,063.07. The total dollar value of improvements within the B.I.A.s is $209,512.21. The City’s grant represents 37.3% of the total construction cost. The program provides a grant of 50% of the total cost of façade renovations to a maximum of $7,500.

The majority of contractors are from Hamilton and in excess of $209,500 in new contracts, spread over some sixteen (16) contractors, will be realized within the twelve (12) month completion process. It is staffs’ opinion that the ancillary improvements in these areas will be significant.

ANALYSIS/RATIONALE:

The intent of C.P.I.G. is to improve the appearance of commercial properties throughout the City of Hamilton’s B.I.A.s recognizing that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector of the City of Hamilton.

ALTERNATIVES FOR CONSIDERATION:

Non-acceptance of the recommendations contained with Report PED06174 would result in the inability of the municipality to make financial assistance available under the terms of the program.

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

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial – Funding is provided under the terms of C.P.I.G. Projects will be funded once proposed renovations are completed to the satisfaction of a City of Hamilton Building Inspector, and paid receipts totalling double the amount of the City’s grant are provided. City Council approved funding for C.P.I.G. in 2006 in the total amount of $250,000 contained in Capital Budget Number 8200603610. The total amount of grants under the Spring 2006 program total $78,063.07 leaving $171,936.93 for funding applications under the Fall 2006 program.

Staffing – Administration of C.P.I.G. can be accommodated within the Planning and Economic Development Department and Corporate Services Department.
Legal – Letters of Understanding between the City of Hamilton and applicants are to be executed.

**POLICIES AFFECTING PROPOSAL:**

The Planning Act Section 28, Subsection (7) permits a municipality, in accordance with a Community Improvement Plan, to make loans and grants which would otherwise be prohibited under Section 106, Subsection (2) of The Municipal Act, to the registered owners or assessed owners of lands and buildings within the designated Community Improvement Project Areas. Each B.I.A. is designated as a Community Improvement Project Area and has a Community Improvement Plan approved by the Province of Ontario that allows the City of Hamilton to offer the C.P.I.G.

**RELEVANT CONSULTATION:**

The Finance Department was consulted with respect to the financing required for approving the C.P.I.G. grants.

**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.

- **Environmental Well-Being is enhanced.** ☑ Yes ☐ No
  - The initiatives help to improve the quality of life of the residents.

- **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

- **Do the options you are recommending make Hamilton a City of choice for high performance public servants?**
  - ☐ Yes ☑ No

RMM:HM:jcs

Attach. (13)
## COMMERCIAL PROPERTY IMPROVEMENT PROGRAM - 2006
City of Hamilton - Downtown Renewal Division - Planning and Development

<table>
<thead>
<tr>
<th>FILE NO.</th>
<th>BUSINESS</th>
<th>ADDRESS</th>
<th>TOTAL VALUE PROPOSED WORK</th>
<th>COUNCIL APPROVED AMOUNT</th>
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<td>Ottawa Street</td>
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<tr>
<td>OTT1/06 (S)</td>
<td>Noble Upholstery</td>
<td>160 Ottawa Street North</td>
<td>$2,782.00</td>
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<td>OTT2/06 (S)</td>
<td>George Kobernyk</td>
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<td>$1,508.70</td>
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<td>OTT3/06 (S)</td>
<td>Adriana Spallacci</td>
<td>317 Ottawa Street North</td>
<td>$15,281.74</td>
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<td>IV1/06 (S)</td>
<td>Herb Wodehouse</td>
<td>203-209 Main Street East</td>
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<td>IV2/06 (S)</td>
<td>Emmi Morwald</td>
<td>279 King Street East</td>
<td>$15,950.00</td>
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<td>DUN1/06 (S)</td>
<td>Gerry Kelly/ Linda Kelly</td>
<td>66 King Street West</td>
<td>$7,335.00</td>
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<td>Agostino Sferrazza</td>
<td>53 King Street West</td>
<td>$9,715.60</td>
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<td>WAT1/06 (S)</td>
<td>Second Time Around</td>
<td>307-309 Dundas St. East</td>
<td>$18,650.00</td>
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<td>WEST1/06 (S)</td>
<td>Fazakas Law Office</td>
<td>942 King Street West</td>
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<td>WEST2/06 (S)</td>
<td>Grapes &amp; Hops</td>
<td>11 Paisley Avenue South</td>
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<td>DT1/06 (S)</td>
<td>CBS Property Mngmt</td>
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<td>KW1/06 (S)</td>
<td>MacNamara-Dilar</td>
<td>258 King Street West</td>
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<td>KW2/06 (S)</td>
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<td>Barton Village BIA</td>
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<td>BAR1/06 (S)</td>
<td>698765 Ontario Inc.</td>
<td>594 Barton Street East</td>
<td>$33,400.00</td>
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<td>brick, window sill and cap repairs</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>$209,512.21</strong></td>
<td><strong>$78,063.07</strong></td>
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Attachment 3 to Report PED06174
Page 1 of 1

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

Location Map

File Name/Number: 317 Ottawa St. N.                  Date: May 15, 2006
Appendix "A"                  Scale: N.T.S.
Planner/Technician: JS/NB

Subject Property
317 Ottawa Street North (Hamilton)

Ward 3 Keymap
N.T.S