CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

TO: Chair and Members Planning Committee
WARD(S) AFFECTED: WARDS 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13 and 15

COMMITTEE DATE: November 8, 2011

SUBJECT/REPORT NO:
Downtown and Community Renewal Community Improvement Plan and Project Area Review (PED11188) (Wards 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13 and 15)

SUBMITTED BY:
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General Manager
Planning and Economic Development Department

PREPARED BY:
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SIGNATURE:

RECOMMENDATION:

(a) That the Downtown and Community Renewal Community Improvement Project Area be amended as set out in Report PED11188 and that the implementing by-law attached as Appendix “A” to Report PED11188 be enacted;

(b) That subject to the approval of recommendation (a), the Downtown and Community Renewal Community Improvement Plan be amended as set out in Report PED11188 and that the implementing by-law attached as Appendix “B” to Report PED11188 be enacted;

(c) That subject to the approval of Recommendation (b), Appendix “C” to Report PED11188 respecting the revised Program Description and Terms for the Hamilton Downtown Multi-Residential Property Investment Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(d) That subject to the approval of recommendation (b), Appendix “D” to Report PED11188 respecting the revised Program Description and Terms for the
Hamilton Downtown Property Improvement Grant Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(e) That subject to the approval of recommendation (b), Appendix “E” to Report PED11188 respecting the revised Program Description and Terms for the Commercial Property Improvement Grant Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(f) That subject to the approval of recommendation (b), Appendix “F” to Report PED11188 respecting the revised Program Description and Terms for the Commercial Corridor Housing Loan and Grant Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(g) That subject to the approval of recommendation (b), Appendix “G” to Report PED11188 respecting the revised Program Description and Terms for the Hamilton Heritage Property Grant Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(h) That subject to the approval of recommendation (b), Appendix “H” to Report PED11188 respecting the revised Program Description and Terms for the Hamilton Downtown Office Tenancy Assistance Program, be approved and appended to the Downtown and Community Renewal Community Improvement Plan;

(i) That subject to the approval of recommendation (b), Appendix “I” to Report PED11188 respecting the Program Description and Terms for the Gore Building Improvement Grant Program, approved by Council on October 12, 2011, be appended to the Downtown and Community Renewal Community Improvement Plan;

(j) That subject to the approval of recommendation (b), Appendix “J” to Report PED11188 respecting the Program Description and Terms for the Hamilton Downtown Commercial Façade Property Improvement Grant Program, approved by Council on October 12, 2011, be appended to the Downtown and Community Renewal Community Improvement Plan;

(k) That subject to the approval of recommendations (i) and (j), the amendment to By-law 10-052 as amended, which delegates authority of certain loans and grants to the General Manager, Planning and Economic Development attached as Appendix ‘K’ to Report PED11188 be approved.
(l) That subject to the approval of recommendation (d), the Mayor and City Clerk be authorized and directed to execute Amended Agreements with respect to the Hamilton Downtown Property Improvement Grant Program, in a form satisfactory to the City Solicitor, as may be required to allow existing applicants to receive 75% of the annual grant where assessment appeals have been filed;

(m) That subject to the approval of recommendation (a), staff of the Urban Renewal Section and Finance and Corporate Services report back to the General Issues Committee on the financial implications of extending the Downtown development charge exemption area to the expanded boundary of the Downtown Hamilton Community Improvement Project Area, and to projects involving the adaptive reuse of designated heritage properties. In the subsequent report per recommendation (m) staff will present to Council options regarding amendments to the existing Development Charge By-laws with regards to extending the Downtown Development Charge exemption area.

**EXECUTIVE SUMMARY**

PED11188 presents recommendations to update the Downtown and Community Renewal Community Improvement Plan, revise its component programs and initiatives, and expand the project area to which the plan applies. The plan provides the legal framework for the financial incentives administered by the Urban Renewal Section. Downtown Hamilton, the community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, the Business Improvement Areas and other commercial corridors within the City are collectively designated by the Downtown Hamilton Community Renewal Community Improvement Project Area By-law.

The recommended changes to the community improvement project area include:

- expanding the Downtown Hamilton Community Improvement Project Area to the areas indicated on the map provided in Appendix L to Report PED11188;
- adding property along the following streets to the Commercial Corridor Community Improvement Project Area:
  - Dundurn Street South, from Aberdeen Avenue to Chatham Street (see page 16 of Appendix “A” to Report PED11188),
  - Locke Street South, between the Locke Street BIA (Chatham/Alexander streets) and Main Street West (see page 16 of Appendix “A” to Report PED11188), and
  - Upper Wellington Street, from just south of Brucedale Avenue to just north of Inverness Avenue (see page 19 of Appendix “A” to Report PED11188);
- enabling designated heritage properties that are commercial, institutional and/or multi-residential, and located within the older City, below the Niagara Escarpment and between Highway 403 and the Red Hill Valley Parkway, to become eligible for the Hamilton Heritage Property Grant Program.
Approval of the updated Downtown and Community Renewal Community Improvement Plan as recommended would:

- update the Plan’s background sections and goals to relate to current Provincial and City policy;
- revise the description of the community improvement project areas to reflect the changes discussed above;
- revise the description of the community improvement programs, to account for the changes to existing programs and introduce two (2) new programs, as highlighted below;
- add new sections clarifying the amendment and monitoring process; and,
- provide a linkage with the Neighbourhood Strategies initiative to co-ordinate planning and community engagement processes where future opportunities related to community improvement may be considered.

The following changes to the financial incentive programs are recommended:

- For the Hamilton Downtown Multi-Residential Property Investment Program – to provide to Council the discretion to extend the maximum loan term up to 15 years from five (5) years for significant heritage buildings and loans $5 million or over, with interest applied after the initial five (5) year interest free period;
- For the Hamilton Downtown Property Improvement Grant Program – to allow approved grants to be payable in “first year of assessment” instead of “first full calendar year”, and to enable a completed and reassessed project to receive 75% of the annual grant payment in cases where the applicant has filed an appeal of the reassessed value with the Municipal Property Assessment Corporation (MPAC). Subsequently, it is also recommended that the Mayor and City Clerk be authorized and directed to execute Amended Agreements with respect to existing applicants in this situation;
- For the Commercial Property Improvement Grant Program – to increase the maximum amount to $25,000 for all corner properties regardless of frontage length, extend the arts component to all BIAs, and expand the list of eligible expenses to include permanent landscape features. The program currently requires applicants to submit two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. It is also recommended that in cases where the applicant owns a relevant contracting company, only one estimate would be required and would be reviewed by a City Building Inspector to assess its competitiveness;
- For the Commercial Corridor Housing Loan and Grant Program – to require that a minimum of 50% of the loan per dwelling unit would be spent on developing/renovating a dwelling unit, allowing the remaining 50% to be spent on common elements of the property, such as roofing, HVAC, central air conditioning, fire escapes, foundations, furnaces and entranceways;
To offer the Hamilton Heritage Property Grant Program to additional designated heritage properties, as noted above;

For the Hamilton Downtown Office Tenancy Assistance Program – to provide to Council the discretion to provide a grant or forgivable loan instead of a loan for not-for-profit publicly-funded educational establishments;

To add two (2) new programs to the community improvement plan as required to implement them, including the Gore Building Improvement Grant Program and the Hamilton Downtown Commercial Façade Property Improvement Grant Program approved by Council on October 12, 2011; and to delegate the authority for approving grants for the two (2) new programs to the General Manager, Planning and Economic Development.

In addition to the financial incentive programs, development charges are waived within the current boundary of the Downtown Hamilton Community Improvement Project Area, as per the City’s Development Charge By-law. Report PED11188 recommends that staff of the Urban Renewal Section and Finance and Corporate Services report back to the General Issues Committee on the financial implications of extending the Downtown development charge exemption area if the proposed expansion of the Downtown Hamilton Community Improvement Project Area is approved, and to also consider an exemption for projects involving the adaptive reuse of heritage properties designated under Part IV or V of the Ontario Heritage Act.

Alternatives for Consideration – See Page 21

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

Financial:

*Hamilton Downtown Multi-Residential Property Investment Program (HDMRPIP)*

The cost to fund the HDMRPIP is the interest lost to the City which is funded through the Urban Renewal Section’s operating budget contained in account number 52901-815010.

City Council, at its meeting held March 1, 2006, authorized an increase in loan commitments under the HDMRPIP to $26 million provided that the total loan monies lent under the program did not exceed $20 million at one time. To date, $13,593,970 has been advanced in loans in total. As of June 30, 2011, $9,216,486 has been repaid, $1,101,207 has been written-off and, $3,276,277 is outstanding in loans that are in various stages of repayment.
Hamilton Downtown Property Improvement Grant Program (HDPIGP)

The City collects full property taxes on the properties under the program and in turn provides a grant for five (5) years declining each year after the first (1st) year by twenty percent (20%) based on the increase in the municipal portion of the taxes post-development completion. Following year one (1) of the grant payment, the City starts to realize the positive results of the program from a financial perspective.

Commercial Property Improvement Grant Program (CPIG)

The Urban Renewal Section submits an annual capital budget request in the amount of $400,000 through the Downtown Block for the purpose of funding grants under the CPIG program. Monies for 2011 grants are contained in Capital Account #8201103610 in the amount of $200,000 with an additional $200,000 being funded from CPIG Reserve #112229. Applications in 2012 are recommended to be funded from the Downtown Block in the amount of $280,000 and the CPIG Reserve #112229 in the amount of $120,000. The aforementioned has been submitted for consideration during the 2012 budget deliberations.

Commercial Corridor Housing Loan and Grant Program (CCHLGP)

The cost to fund the CCHLGP is the interest lost to the City which is funded through the Urban Renewal Section’s operating budget contained in Account # 52901-815025. The grant portion of the CCHLGP is contained in Account # 58201-815025.

Hamilton Heritage Property Grant Program (HHPGP)

Funding for grants under the HHPGP is contained in the Main Street Reserve #102048 as approved by City Council at its meeting held August 8, 2007. There is $848,000 uncommitted in the Reserve for future grants under the HHPGP.

Hamilton Downtown Office Tenancy Assistance Program (HDOTAP)

Loans provided through the HDOTAP are funded by creating a receivable on the City's balance sheet. As loan repayments are made, the receivable is reduced. Funding provided through the Urban Renewal Section’s program budget is used to subsidize the interest rate charged on the loans which is the difference between the five (5) year borrowing rate for the City as indicated by RBC Capital Markets plus 25 basis points (which is currently about three percent (3%) plus 25 basis points) and the current cost of money for the City which is about five percent (5%) plus 25 basis points. Funding to subsidize the interest rate charged on the loan is funded from Capital Project ID #8201003001 and #82011031000. When Council uses its discretion to provide a grant or forgiveable loan for a not-for-profit publicly-funded educational establishment,
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an appropriate funding source will be identified as part of the approval process of the grant or forgiveable loan commitment.

The “Gore” Building Improvement Grant Program (GBIGP)

Funding required in 2012 for administering the GBIGP will be derived from the Main Street Reserve #102048 in the amount of $400,000, and the 2012 Downtown Block in the amount of $125,000 as approved by City Council at its meeting held October 12, 2011 and referred to the 2012 Capital Budget deliberations. Downtown Block funding will be considered for funding the program in 2013 and 2014 and will be submitted for consideration during the 2013 and 2014 capital budget deliberations.

Hamilton Downtown Commercial Façade Property Improvement Grant Program (HDCFPIGP)

Funding required in 2012 for administering the HDCFPIGP will be derived from the Main Street Reserve #102048 in the amount of $280,000, and $120,000 from the Downtown Block as approved by City Council at its meeting held October 12, 2011 and referred to the 2012 Capital Budget deliberations. Downtown Block funding will be considered for ongoing funding for the program in 2013 and 2014 and will be submitted for consideration during the 2013 and 2014 Capital Budget deliberations.

Development Charges

Development charges are waived within the current boundary of the Downtown Hamilton Community Improvement Project Area, as per the City’s Development Charge By-law. This exemption serves as an additional financial incentive for Downtown development. To provide the exemption to additional properties within the recommended expansion of the Downtown Hamilton Community Improvement Project Area, an amendment to the Development Charge By-law would be required. Report PED11188 therefore recommends that staff of the Urban Renewal Section and Finance and Corporate Services report back to the General Issues Committee on the financial implications of extending the Downtown development charge exemption area. In addition, development charge relief for projects involving the adaptive reuse of heritage properties designated under Part IV or V of the Ontario Heritage Act would be considered. In the subsequent report, staff will present to Council options regarding amendments to the existing Development Charge By-laws with regards to extending the Downtown Development Charge exemption area.

Staffing: There are no additional staffing requirements to result from Council’s approval of this report’s (PED11188) recommendations. The programs offered through the Downtown and Community Renewal Community Improvement Plan will be administered by the Economic Development Division’s Urban Renewal Section, with
assistance as required from the Building Services Division, Legal Services and Finance and Corporate Services as per current procedures.

**Legal:** The *Planning Act* (Section 28) allows municipalities that have provisions in their Official Plan relating to community improvement, such as the City of Hamilton, to designate by by-law a community improvement project area, and then to prepare a community improvement plan for the project area. A municipality may then make grants or loans, in conformity with the approved community improvement plan, that would otherwise be prohibited under the *Municipal Act* (Section 106(1)), to the registered/assessed owners or tenants of land and buildings, or their respective assignees, within the designated project area. As such, the recommendations of this report (PED11188) are sequenced to approve the community improvement project area (recommendation (a)), then the community improvement plan (recommendation (b)), and then the program description and terms for the financial incentive programs (recommendations (c) to (j)). The recommended changes to the community improvement plan must be conducted in accordance with the *Planning Act* (Section 28) and the Public Participation and Notification Policies contained in the City’s Official Plan, including a statutory public meeting and notice requirements.

Recommendation (k) is enabled by the *Municipal Act*, which sets out how Council may delegate its powers to a person or body through a municipal by-law authorizing the delegation.

**HISTORICAL BACKGROUND** (Chronology of events)

The review of the Downtown and Community Renewal Community Improvement Plan, the associated Project Areas to which it applies, and its component programs (i.e. financial incentives) has been undertaken as part of the 2011 work plan for the Economic Development Division’s Urban Renewal Section (formerly the Downtown and Community Renewal Division), as proposed in the 2010 Annual Report received by Council earlier this year. The Plan and Project Area By-law currently in effect were first approved by Council in February 2007, consolidating twelve plans into one plan addressing Downtown Hamilton, community downtowns (i.e. Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown) and Business Improvement Areas across the City. Four (4) financial incentive programs were offered at that time. Since then, Council has approved amendments in order to extend certain programs to additional areas including other commercial corridors within the City, to revise various program terms and criteria, and to introduce the Hamilton Heritage Property Grant Program and the Hamilton Downtown Office Tenancy Assistance Program. In addition, two (2) new programs were presented to the General Issues Committee on October 11, 2011 via Report PED11167, concerning the Gore Building Improvement Grant Program, and Report PED11168, concerning the Hamilton Downtown Commercial Façade Property
Improvement Grant Program. Council approved the programs on October 12, 2011, authorizing staff to prepare and process the necessary amendments to implement them.

The review has resulted in an updated Plan, expanded Project Area, two (2) new programs as noted above, and other program amendments in order to increase their use and effectiveness, and to account for current City policy, such as the Economic Development Strategy and Council-approved direction established in the Urban Hamilton Official Plan.

**POLICY IMPLICATIONS**

The Downtown and Community Renewal Community Improvement Plan provides the framework for City programs and initiatives in a manner that meets the legislative requirements of the *Planning Act*, intended to stimulate private sector investment and redevelopment, and to focus municipal action and investment that promotes and enhances Hamilton’s various downtowns, commercial districts, mixed use corridors and neighbourhoods targeted for community improvement. It complements the City’s Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan that provides a comprehensive set of programs designed to encourage and promote brownfield redevelopment throughout the Urban Area. The Downtown and Community Renewal Community Improvement Plan functions as an implementation tool, meant to encourage development activities that implement the vision and policies established in related plans and strategies. Section 5 of the Plan, provided within Appendix “B” to Report PED11188, outlines its relation to various documents, including the Provincial Policy Statement (2005), the Growth Plan for the Greater Golden Horseshoe (Places to Grow), VISION 2020, the Official Plan, Economic Development Strategy, Corporate Strategic Plan and transit-related initiatives.

**RELEVANT CONSULTATION**

Staff from the Building Services Division, Legal Services, Finance and Corporate Services, and City Manager’s Office (Neighbourhood Development Strategies), were consulted for advice that has been incorporated into Report PED11188.

A public information centre regarding the proposed amendments was held on September 19, 2011, as advertised in the Hamilton Spectator on September 9, 2011. Written comments received from attendees are provided in Appendix “M” to Report PED11188. Notice of the Public Meeting of the Planning Committee to consider Report PED11188 was issued on October 21, 2011, from which time the amendments have been available for public review.

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Urban Renewal staff also conducted meetings with past and potential program participants and BIA representatives to obtain input on program amendments, including relevant presentations to the Hamilton Association of Business Improvement Areas (HABIA), as well as feedback from past participants via program satisfaction surveys. HABIA endorsed the amended terms of the Commercial Property Improvement Grant Program at its meeting held September 13, 2011. The Hamilton Downtown BIA and International Village BIA confirmed their endorsement of the terms of the Gore Building Improvement Grant Program and the Hamilton Downtown Commercial Façade Property Improvement Grant Program. Urban Renewal staff also participated in a focus group with development industry representatives conducted as part of the broader consultation conducted for the B-line rapid transit corridor secondary planning process, which indicated the need for and developer interest in financial incentives to invest.

ANALYSIS / RATIONALE FOR RECOMMENDATION
(include Performance Measurement/Benchmarking Data, if applicable)

DOWNTOWN AND COMMUNITY RENEWAL COMMUNITY IMPROVEMENT PROJECT AREA

The implementing by-law that would be enacted following approval of recommendation (a) to this report (PED11188) will repeal the existing Downtown and Community Renewal Community Improvement Project Area By-law (i.e. By-law 07-061 as amended) and replace it with the updated version (see Schedule “A” to the implementing by-law provided in Appendix “A” to Report PED11188).

The community improvement project area by-law designates the areas in which the associated community improvement plan and its component programs may apply. The selection of such areas considers the community improvement policy contained in the Official Plan which states that all or part of the City’s Urban Area may be designated as a community improvement project area, and which provides a list of the characteristics that may be present in a project area. (The list can also be seen on page 8 of Appendix B to Report PED11188).

The Downtown and Community Renewal Community Improvement Project Area By-law identifies Downtown Hamilton, the community downtowns (Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown), and other commercial corridors that collectively comprise the project area. Certain parts of the downtowns and corridors contain Business Improvement Areas. The project areas, and recommended changes to them, are described below.

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Downtown Hamilton Community Improvement Project Area

The Downtown Hamilton Community Improvement Project Area currently includes properties within and abutting the area bound by Cannon Street, Victoria Avenue, Hunter Street and Queen Street, and also includes the properties fronting onto James Street north to the CN railway and south to Charlton Avenue. It reflects the boundary of the Downtown Urban Growth Centre, identified in the Urban Hamilton Official Plan as the City’s pre-eminent node for commercial and office development that will also accommodate a large and diverse population, major cultural facilities and entertainment uses, and function as a major transit hub. It contains the Downtown Hamilton BIA, International Village BIA, and King West BIA.

Within this area, the Downtown Hamilton Secondary Plan promotes the conversion of former industrial and warehouse buildings to residential and/or commercial use, as well as the use of municipal incentive programs to encourage the retention, conservation, rehabilitation, restoration or adaptive reuse of Downtown’s many heritage properties. The Secondary Plan also notes the ring of parking lots and vacant land that isolate the central core from the adjacent neighbourhoods, and recognizes that strengthening and providing more residential development is a key to Downtown revitalization. Although the community improvement plan’s programs have supported notable improvements to numerous properties in the Downtown core, there is a continued need to support the upgrading and improved maintenance and appearance of underutilized buildings and vacant sites in the area.

The review of the Downtown and Community Renewal Community Improvement Plan and Project Area has considered where it may be appropriate to expand the current project area boundary. Report PED11188 therefore recommends that the Downtown Hamilton Community Improvement Project Area be expanded to include the following areas, as indicated on the map provided in Appendix L to Report PED11188:

- **Northeast**: the balance of the Beasley downtown neighbourhood to the north of Cannon Street, east of James Street, south of the CN railway, and west of Wellington Street, and also properties along and west of Victoria Avenue to Wellington Street between Barton Street and Cannon Street.
- **Northwest**: the balance of the Central downtown neighbourhood to the north of Cannon Street, west of James Street, south of the CN railway, and along and east of Queen Street.

The northern precincts in the Beasley and Central neighbourhoods include areas in transition from past and declining industrial use, including vacant land and buildings. The West Harbour (Setting Sail) Secondary Plan that would apply to these areas also recognizes opportunities to convert former industrial and warehouse buildings to

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residential and/or commercial use, and encourages the relocation of remaining industrial uses in both neighbourhoods.

- **East:** the mixed-use commercial area along and between King Street East and Main Street East, from Victoria Avenue to Wentworth Street.

This area includes the commercial area identified as Mixed Use-Medium Density in the Urban Hamilton Official Plan, and sections of King Street East and Main Street East that are recognized as Primary Corridors in the Urban Hamilton Official Plan’s urban structure. It is therefore intended that this area will continue to develop as a pedestrian-oriented mixed use area with additional residential development. It can be visually experienced as an extension of the Downtown, and faces similar issues: poor overall visual amenity of the area due to building stock, property and streetscapes in need of rehabilitation; and inadequate mix of housing types due to the prevalence of residential care facilities in the area.

Properties along King Street East and Main Street East in this area are already designated as part of the Downtown and Community Renewal Community Improvement Project Area currently in effect, as part of the Commercial/Main Street Corridors Community Improvement Project Area where the Commercial Corridor Housing Loan and Grant Program is offered. By transferring these properties to the Downtown Hamilton Community Improvement Project Area, they would become eligible for a broader scope of financial incentive programs offered through the community improvement plan, including those that support the rehabilitation of commercial land and properties.

- **South:** the mixed-use commercial area adjacent to James Street South, and parts of the Corktown downtown neighbourhood further east of James Street to Ferguson Avenue, from Charlton Avenue to Hunter Street.

Similar to the Beasley and Central neighbourhoods, the Corktown neighbourhood to the south also contains scattered vacant land and buildings suitable for infill and redevelopment. The southern expansion includes the commercial area identified as Mixed-Use Medium Density in the Urban Hamilton Official Plan on both sides of James Street South, as well as some abutting properties occupied with commercial uses.

- **West:** the mixed-use commercial areas along King Street West and Main Street West (including the limits of the Main West Esplanade BIA), from Queen Street to Highway 403.

These two (2) streets are also identified as Mixed Use-Medium Density in the Urban Hamilton Official Plan, and recognized as Primary Corridors in the Urban Hamilton Official Plan’s urban structure. They provide the primary route to and from Downtown...
Hamilton and Highway 403. They are already designated as part of the Downtown and Community Renewal Community Improvement Project Area currently in effect: King Street West as part of the Commercial/Main Street Corridors Community Improvement Project Area, and Main Street West as part of the Main West Esplanade Community Improvement Project Area that coincides with the limits of the dormant Main West Esplanade BIA. By transferring these two (2) areas to the Downtown Hamilton Community Improvement Project Area, the properties within them also become eligible for a broader scope of financial incentive programs offered through the community improvement plan.

Community Downtown and BIA Community Improvement Project Areas

The Community Improvement Project Areas for the community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown are described below. Each area is identified as a Community Node in the Urban Hamilton Official Plan’s urban structure, except Binbrook which is identified as part of the Neighbourhoods element of the urban structure. However, Binbrook is also designated as the Community Core in the Binbrook Village Secondary Plan, and has historically served much of the surrounding area in the former Glanbrook Township as a downtown. A BIA is contained within part or all of each downtown area except Binbrook.

- The Ancaster Village Community Improvement Project Area – This area is defined by the limits of the Ancaster BIA. Within it is the area described in both the Town of Ancaster Official Plan and the Urban Hamilton Official Plan as the Ancaster Village Core, consisting of the properties fronting on Wilson Street from the Old Mill Restaurant to the west end of the Stoneham Plaza/Dalley Drive.
- The Binbrook Community Improvement Project Area – This area is referred to as the Community Core in the Binbrook Village Secondary Plan.
- The Dundas Community Improvement Project Area – This area includes the Downtown Mixed Use area as designated on Schedule A, Land Use, Town of Dundas Official Plan, and also includes the area defined by the limits of the Dundas BIA.
- The Downtown Stoney Creek Community Improvement Project Area – This area is designated within the City of Stoney Creek Official Plan as Downtown, as indicated on Schedule A, General Land Use Plan and Schedule A5, Olde Town District Secondary Plan. The Stoney Creek BIA is contained within the Downtown Stoney Creek Community Improvement Project Area boundary.
- The Waterdown Community Improvement Project Area – This area includes the Downtown commercial area defined in the Town of Flamborough Official Plan as “the historic core area designated BUSINESS DISTRICT, and the URBAN COMMERCIAL areas along Hamilton Street North, and Dundas Street west of Hamilton Street” (Town of Flamborough Official Plan, Section A.3), as indicated on Schedule A, Waterdown Urban Area, Land Use Plan, and Schedule A-2, West
Waterdown Secondary Plan, and also includes the area defined by the limits of the Waterdown BIA.

The following community improvement project areas are located outside of a designated downtown area and are defined by the boundaries of the corresponding BIA:

- The Concession Street Community Improvement Project Area – This area is defined by the limits of the Concession Street BIA.
- The Locke Street Community Improvement Project Area – This area is defined by the limits of the Locke Street BIA.
- The Ottawa Street Community Improvement Project Area – This area is defined by the limits of the Ottawa Street BIA.
- The Westdale Community Improvement Project Area – This area is defined by the limits of the Westdale BIA.

There is no change recommended to the existing community downtown and BIA community improvement project areas listed above as they reflect the established boundaries of the respective downtown and/or BIA. The following exceptions are technical in nature, due to the proposed expansion of the Downtown Hamilton Community Improvement Project Area as previously described in this report (PED11188):

- The Barton Village Community Improvement Project Area would be defined by the limits of the Barton Village BIA to the east of the Downtown Hamilton Community Improvement Project Area. The BIA boundary set in the designating BIA by-law would remain in effect; the BIA would traverse both the Downtown Hamilton and Barton Village Community Improvement Project Areas.
- The Main West Esplanade Community Improvement Project Area, currently defined by the limits of the dormant Main West Esplanade BIA, would be absorbed into the Downtown Hamilton Community Improvement Project Area. There would no longer be a need to designate the area as a distinct community improvement project area; the BIA boundary set in the designating BIA by-law would remain in effect.

**Commercial Corridors Community Improvement Project Areas**

In addition to the Downtowns and BIAs, commercial corridors with “main street” characteristics are also designated in the Downtown and Community Renewal Community Improvement Project Area By-law. Although they are not located within a designated downtown area or organized in a BIA, these corridors exhibit similar characteristics and may face similar challenges. They generally have a mix of land uses predominated by ground-floor commercial uses, in buildings situated close to the street upon relatively small properties. The identified areas are primarily located within the lower, inner City where the population has been declining and buildings are
underutilized, and in areas close to McMaster University and Mohawk College where there is a need to provide student housing alternatives along the corridors outside of interior, established residential neighbourhoods. There is opportunity for community improvement initiatives to address these issues, and make use of existing infrastructure and transit routes along the corridors.

The following commercial corridors will continue to be identified in the updated Community Improvement Project Area By-law:

- Barton Street East, between Sherman Avenue and Walter Avenue;
- James Street North, from Strachan Street to just north of Burlington Street;
- Kenilworth Avenue, between Main Street and Barton Street;
- King Street East, between Main Street at the Delta and Wentworth Street;
- King Street West, between Highway 403 and the Westdale BIA;
- Main Street East, between Wentworth Street and Rosewood Road;
- Main Street West, between Highway 403 and Osler Drive, also including abutting properties designated ‘Mixed Use’ on the Ainslie Wood Westdale Secondary Plan Land Use Plan;
- Parkdale Avenue, between Queenston Road and Barton Street;
- Queenston Road, between the Main Street traffic circle and Reid Avenue;
- Upper James Street, between Queensdale Avenue and Fennell Avenue; and,
- York Boulevard, between the expanded Downtown Hamilton Community Improvement Project Area and, Dundurn Street on the south side or Inchbury Street on the north side.

As described earlier in Report PED11188, the expansion of the Downtown Hamilton Community Improvement Project Area is recommended. Some of the commercial corridors currently identified in the existing Downtown and Community Renewal Community Improvement Project Area By-law (By-law 07-061 as amended) would be absorbed into the expanded Downtown Hamilton Community Improvement Project Area. For this reason, they will not be identified as commercial corridors in the new project area by-law; however, they would become eligible to receive the broader scope of programs available to Downtown Hamilton. These areas include:

- Barton Street East, between James Street and the Barton Village BIA;
- Cannon Street, on the north side between Railway Street and Hughson Street;
- King Street East, between Wentworth Street and Victoria Avenue;
- King Street West, between Queen Street and Breadalbane Street;
- Main Street East, between Victoria Avenue and Wentworth Street;
- York Boulevard, between Queen Street and, Oxford Street on the north side, and Ray Street on the south side.

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The following commercial corridors would be added to the new project area by-law following approval of recommendation (a) to Report PED11188:

- Dundurn Street South, from Aberdeen Avenue to Chatham Street (see page 16 of Appendix “A” to Report PED11188);
- Locke Street South, between the Locke Street BIA (Chatham/Alexander streets) and the expanded Downtown Hamilton Community Improvement Project Area at Main Street West (see page 16 of Appendix “A” to Report PED11188);
- Upper Wellington Street, from just south of Brucedale Avenue to just north of Inverness Avenue (see page 19 of Appendix “A” to Report PED11188).

The three (3) recommended corridors have characteristics common to the other commercial corridors, such as a mix of land uses predominated by ground-floor commercial uses, in buildings situated close to the street upon relatively small properties. These sections of Locke Street and Upper Wellington Street are identified as Mixed-Use Medium Density in the Urban Hamilton Official Plan. Their addition would see that all streets identified as pedestrian-predominant in the Urban Hamilton Official Plan are included in the Downtown and Community Renewal Community Improvement Project Area. Properties along Dundurn Street South, while a smaller scale commercial concentration, provide opportunities for additional residential intensification.

**Additional Heritage Property**

Report PED11188 recommends offering the Hamilton Heritage Property Grant Program beyond Downtown Hamilton and the active BIAs, to also include additional historically designated properties within the older parts of the City. The community improvement project area must therefore be amended to recognize some heritage properties that are not otherwise included in the community improvement project area (i.e. they are not located within a designated downtown, BIA or commercial corridor). It is therefore recommended (see page 2 of Appendix “A” to Report PED11188) that the Downtown and Community Renewal Community Improvement Project Area By-law be amended to include property that is:

- located within the older City, below the Niagara Escarpment and between Highway 403 and the Red Hill Valley Parkway; and
- designated under Part IV or Part V of the Ontario Heritage Act; and
- used or to be used for commercial, institutional, and/or multi-residential purposes.

**DOWNTOWN AND COMMUNITY RENEWAL COMMUNITY IMPROVEMENT PLAN**

The implementing by-law that would be enacted following approval of recommendation (b) to this report (PED11188) would repeal the existing Downtown and Community Renewal Community Improvement Plan (i.e. By-law 07-062 as amended) and replace it
with the updated version (see Schedule “A” to the implementing by-law provided in Appendix “B” to Report PED11188).

Approval of the updated Downtown and Community Renewal Community Improvement Plan would:

- update the Plan’s background sections and goals to relate to current Provincial and City policy;
- revise the description of the community improvement project areas to reflect the changes discussed previously in Report PED11188;
- revise the description of the community improvement programs, to account for the changes to existing programs and introduce two (2) new programs, discussed in the following section of Report PED11188;
- add new sections clarifying the amendment and monitoring process; and,
- provide a linkage with the Neighbourhood Strategies initiative to co-ordinate planning and community engagement processes (see page 30 of Appendix B to Report PED11188).

Key activities of the Neighbourhood Development Strategy approved by Council in May 2011 include increasing investment in neighbourhoods to support the implementation of priority projects identified by residents and key stakeholders. As part of the integrated team of City and community staff and resources, Urban Renewal staff would work with the Director of Neighbourhood Development Strategies when the Strategy is introduced to specific neighbourhoods, to ensure that existing and future opportunities related to community improvement are considered where appropriate. New or expanded community improvement project areas and/or programs may then be identified. Through this approach, there can be less duplication in the community engagement process.

COMMUNITY IMPROVEMENT PROGRAMS (I.E. FINANCIAL INCENTIVE PROGRAMS)

As noted above, the updated community improvement plan will revise the description of the community improvement programs to account for the recommended changes to existing programs and introduce two (2) new programs into the plan. Each financial incentive program is summarized in Section 8 of the plan (starting at page 22 of Appendix “B” to Report PED11188). In addition, as per the plan, Council adopts by resolution detailed implementation measures to allow for the efficient administration of each program. These administration procedures are contained in the appendices to the plan, providing detailed program descriptions, terms and administration process. They are appended to Report PED11188 in Appendices “C” through “J”.

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Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork
The Hamilton Downtown Multi-Residential Property Investment Program (formerly the Hamilton Downtown Residential Loan Program)

From 2002 to year end 2010, the City loaned over $13 million to support the creation/renovation of 747 dwelling units, at an interest cost to the City of approximately $1.6 million. The building permit construction cost of participating projects is $85 million. The program provides loans to projects in Downtown Hamilton that create, renovate, or convert to residential dwelling units, based on 25% of the cost to construct budget, including uses accessory to the residential development. The maximum loan term is five years and six months from the date of the final advance exclusive of holdback. The loan interest rate is 0% for the five years, followed by a six (6) month period when interest is payable on the principle outstanding at the then prevailing rate established by Council for interest on tax arrears.

Recommended Changes:
Approval of recommendation (c) of Report PED11188 would provide to Council the discretion to extend the maximum loan term up to 15 years from five (5) years for significant heritage buildings and loans $5 million or over. Interest will be charged for the extended period at the five (5) year borrowing rate for the City plus 1% (interest to be re-established every five (5) years). This change will facilitate project financing for large and/or historically significant projects.

The Hamilton Downtown Property Improvement Grant Program (formerly the Enterprise Zone – Municipal Realty Tax Incentive Grant Program)

From 2004 to year end 2010, over $3.1 million in combined grants were issued to 15 projects with a collective building permit construction value of $68 million. It provides a five (5) year grant to residential and commercial development/redevelopment projects in Downtown Hamilton that realize an increase in assessed value. The grant is equivalent to 100% of the realty tax increase (municipal portion) in the first year, 80% in year two (2), 60% in year three (3), 40% in year four (4), and 20% in year five (5).

Recommended Changes:
Approval of recommendation (d) of Report PED11188 will revise the Program Description and Terms with two (2) administrative changes regarding the timing of grant payments.

The first change would allow approved grants to be payable in “first year of assessment” instead of “first full calendar year”, to avoid delay when a completed project is reassessed early in the calendar year.

The second change will enable a completed and reassessed project to receive 75% of the annual grant payment in cases where the applicant has filed an appeal of the
reassessed value with the Municipal Property Assessment Corporation (MPAC), hindering the City’s grant calculation which is based on the difference between the pre- and post-development assessments.

To facilitate the second change noted above, through approval of recommendation (l) of Report PED11188, the Mayor and City Clerk would be authorized and directed to execute Amended Agreements with respect to the Hamilton Downtown Property Improvement Grant Program, in a form satisfactory to the City Solicitor, as may be required to allow existing applicants to receive 75% of the annual grant where assessment appeals have been filed. Final grant adjustments will be calculated when the decision is rendered and will be processed as part of the next applicable, annual grant.

**The Commercial Property Improvement Grant Program**

From 2002 to year end 2010, over $1.6 million in combined grants were issued to over 230 projects with a collective construction value of $3.8 million in various Business Improvement Areas across the City. The current program provides grants for façade and related improvements to BIA commercial properties: for properties with a street frontage greater than 25 feet, the grant is based on matching basis of $400 per linear foot of street frontage to a maximum of $20,000 ($25,000 for corner properties); for properties with a street frontage of 25 feet or less, the grant is provided on a matching basis to a maximum of $10,000 ($12,500 for corner properties). An arts component provides a matching grant of up to $10,000 for art works placed on private property viewable from public spaces along the Urban Artwalk on King William Street between James Street and Ferguson Avenue.

**Recommended Changes:**
Approval of recommendation (e) of Report PED11188 would increase the maximum amount to $25,000 for all corner properties regardless of frontage length, with the amount determined by the measurement of the street frontage and the measurement of the corner/exposed flanking wall multiplied by $400 per linear foot. It would also extend the arts component to all BIAs, and expand the list of eligible expenses to include permanent landscape features.

The program currently requires applicants to submit two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. It is recommended that in cases where the applicant owns a relevant contracting company, only one estimate would be required and would be reviewed by a City Building Inspector to assess its competitiveness.
The Commercial Corridor Housing Loan and Grant Program

This program introduced in 2007 has supported the conversion of vacant commercial and institutional space to residential use and the renovation of existing residential units. It provides a loan calculated on the basis of $10,000 per dwelling unit, to a maximum of $200,000 per property, for projects that create, renovate, or convert to residential dwelling units in all six (6) downtowns, all BIAs, and commercial corridors as identified in the community improvement project area. The grant provides up to $5,000 per property for professional fees paid.

Recommended Changes:
Approval of recommendation (e) of Report PED11188 will require that a minimum of 50% of the loan per dwelling unit would be spent on developing/renovating a dwelling unit, allowing the remaining 50% to be spent on common elements of the property, such as roofing, HVAC, central air conditioning, fire escapes, foundations, furnaces and entranceways. This change recognizes that work outside of the specific dwelling units may be necessary in renovation projects. For example, improvements to a dwelling unit may be jeopardized by a leaking roof; air system improvements may help with building marketability.

The Hamilton Heritage Property Grant Program

Since 2008, this program has provided grants to support the restoration and maintenance of seven heritage properties. It provides up to $150,000 for conservation, restoration and structural work related to heritage features of properties designated under Parts IV or V of the Ontario Heritage Act, and up to $20,000 for related studies. The program currently applies to properties in Downtown Hamilton or an active BIA.

Recommended Changes:
Approval of recommendation (f) of Report PED11188 would allow designated heritage properties that are commercial, institutional and/or multi-residential, and located within the older City, below the Niagara Escarpment and between Highway 403 and the Red Hill Valley Parkway, to become eligible for the Hamilton Heritage Property Grant Program, as noted in earlier in Report PED11188.

The Hamilton Downtown Office Tenancy Assistance Program

This program introduced in 2010 has provided loans to support leasehold improvements for new business locating in Downtown Hamilton. The loan amount depends on the square foot area and term of the lease or owner-occupied status of the office space, to a maximum of $450,000.
Recommended Changes:
Approval of recommendation (g) of Report PED11188 would provide to Council the discretion, at the time of initially approving a loan commitment, of providing a grant or forgivable loan instead of a loan when an applicant is a not-for-profit publicly-funded educational establishment establishing its presence in the Downtown Core. Approval of a grant would be contingent on an appropriate funding source being identified as part of the approval process. This change recognizes the importance of Downtown post-secondary institutions and the link between education and objectives including downtown revitalization, the attraction and retention of youth, job creation and economic diversification, as well as the economic spin-off of campus development.

New Programs

The Program Description and Terms for the Gore Building Improvement Grant Program and the Hamilton Downtown Commercial Façade Property Improvement Grant Program were approved by Council on October 12, 2011. Approval of respective recommendations (i) and (j) of Report PED11188 would add the two (2) new programs to the community improvement plan as required to implement them.

Delegated Authority for New Programs

Through By-law 10-052 approved by Council in March 2010, the authority for approving certain loans and grants has been delegated to the General Manager, Planning and Economic Development, including the Commercial Property Improvement Grant Program, the Commercial Corridor Housing Loan and Grant Program, and the Hamilton Heritage Property Grant Program. This delegated authority allows for a quicker approval process for loans and grants up to a maximum of $200,000. For similar reasons, approval of recommendation (k) of Report PED11188 would amend By-law 10-052 to delegate the authority for approving grants to be offered through the new Gore Building Improvement Grant Program and Hamilton Downtown Commercial Façade Property Improvement Grant Program also to the General Manager, Planning and Economic Development. This recommendation is in accordance with the Program Description and Terms for both new programs approved by Council on October 12, 2011, via Report PED11167 and Report PED11168, respectively.

ALTERNATIVES FOR CONSIDERATION:

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

If Council wishes to add more expansion areas to the Community Improvement Project Area, beyond those set out in recommendation (a), staff suggest that those areas may
be dealt with in a follow up staff report and the recommendations of Report PED11188...

If recommendation (a), expanding the Downtown and Community Renewal Community Improvement Project Area is not approved, the current Project Area as defined in By-law 07-061 as amended will remain in effect.

Consequently, the updated Downtown and Community Renewal Community Improvement Plan, provided as Schedule “A” to Appendix “B” to Report PED11188, would need to be adjusted prior to approval of recommendation (b), to account for the denial of recommendation (a) (i.e. the Community Improvement Project Area). Recommendations (c) through (l), relating to the two (2) proposed new programs and other program revisions are subject to approval of recommendation (b) and would not be approved. The current Downtown and Community Renewal Community Improvement Plan as set out in By-law 07-162 as amended would remain in effect until an adjusted recommendation (b) is approved, as would the existing program description and terms for the following six (6) programs: the Hamilton Downtown Multi-Residential Property Investment Program, the Hamilton Downtown Property Improvement Grant Program, the Commercial Property Improvement Grant Program, the Commercial Corridor Housing Loan and Grant Program, the Hamilton Heritage Property Grant Program, and the Hamilton Downtown Office Tenancy Assistance Program.

**CORPORATE STRATEGIC PLAN**  (Linkage to Desired End Results)


**Financial Sustainability**

- Financial incentives support investment in land and buildings in Hamilton, generating assessment growth.

**Growing Our Economy**

- Community improvement programs support the revitalization of commercial/office employment sites as well as residential development that provides a local market.

**Environmental Stewardship/Healthy Community**

- Community improvement programs help the City meet area-specific growth/density targets and support the reuse of existing building stock and infrastructure.

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APPENDICES / SCHEDULES

Appendix “A”, recommended Downtown and Community Renewal Community Improvement Project Area and implementing by-law;

Appendix “B”, recommended Downtown and Community Renewal Community Improvement Plan and implementing by-law;

Appendix “C”, revised Program Description and Terms for the Hamilton Downtown Multi-Residential Property Investment Program;

Appendix “D”, revised Program Description and Terms for the Hamilton Downtown Property Improvement Grant Program;

Appendix “E”, revised Program Description and Terms for the Commercial Property Improvement Grant Program;

Appendix “F”, revised Program Description and Terms for the Commercial Corridor Housing Loan and Grant Program;

Appendix “G”, revised Program Description and Terms for the Hamilton Heritage Property Grant Program;

Appendix “H”, revised Program Description and Terms for the Hamilton Downtown Office Tenancy Assistance Program;

Appendix “I”, the Program Description and Terms for the Gore Building Improvement Grant Program, approved by Council on October 12, 2011;

Appendix “J”, the Program Description and Terms for the Hamilton Downtown Commercial Façade Property Improvement Grant Program, approved by Council on October 12, 2011;

Appendix “K”, implementing by-law to amend By-law 10-052 as amended, delegating authority for approving certain loans and grants to the General Manager, Planning and Economic Development;

Appendix “L”, Proposed Expansion to the Downtown Hamilton Community Improvement Project Area

Appendix “M”, Written comments received from attendees at the Public Information Centre held on September 19, 2011

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CITY OF HAMILTON

BY-LAW No. 11-

To Designate
The Downtown and Community Renewal
Community Improvement Project Area

WHEREAS Section 28 of the Planning Act entitled “Community Improvement” provides in subsection (2):

"Where there is an official plan in effect in a local municipality or in a prescribed upper-tier municipality that contains provisions relating to community improvement in the municipality, the council may, by by-law, designate the whole or any part of an area covered by such an official plan as a community improvement project area";

AND WHEREAS the Planning Act, Section 28(1) defines a “community improvement project area” as “an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason”;

AND WHEREAS Section 6A of the Hamilton Wentworth Official Plan contains provisions relating to community improvement;

AND WHEREAS By-law 11-____ identifies various areas of the City of Hamilton, including the Downtown Hamilton Community Improvement Project Area, Ancaster Village Community Improvement Project Area, Binbrook Community Improvement Project Area, Dundas Community Improvement Project Area, Downtown Stoney Creek Community Improvement Project Area, Waterdown Community Improvement Project Area, Barton Village Community Improvement Project Area, Concession Street Community Improvement Project Area, Locke Street Community Improvement Project Area, Ottawa Street Community Improvement Project Area, Westdale Community Improvement Project Area, Commercial Corridors Community Improvement Project Area, and certain properties designated under Part IV or V of the Ontario Heritage Act, and
designates collectively said areas as the "Downtown and Community Renewal Community Improvement Project Area";

AND WHEREAS attached hereto and forming part of this by-law as Schedule ‘A’, are maps of selected areas of the City of Hamilton dated October 11, 2011 and titled Downtown and Community Renewal Community Improvement Project Area;

AND WHEREAS the Council of the City of Hamilton considers it appropriate to designate said areas of the municipality as a "community improvement project area", as hereinafter provided for in this by-law;

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

1. The geographical portions of the City of Hamilton as shown on Schedule ‘A’ and forming part of this by-law, and defined as the Downtown and Community Renewal Community Improvement Project Area, are hereby designated as the "Downtown Hamilton, Community Downtowns and Business Improvement Areas Community Improvement Project Area".

2. A heritage property that is not otherwise included in the Downtown and Community Renewal Community Improvement Project Area as described in Section 1 above, is designated as part of said Project Area, provided that the property is:

   a) located within the older City, below the Niagara Escarpment and between Highway 403 and the Red Hill Valley Parkway; and
   b) designated under Part IV or Part V of the Ontario Heritage Act; and
   c) used or to be used for commercial, institutional, and/or multi-residential purposes.

3. By-law No. 07-061 as amended, relating to the Downtown Hamilton, Community Downtowns and Business Improvement Areas Community Improvement Project Area is repealed forthwith upon final approval of this by-law and Schedule ‘A’ attached hereto.

PASSED this ____ day of ______, 2011

R. Bratina
Mayor

R. Caterini
City Clerk
City of Hamilton

Downtown and Community Renewal Community Improvement Project
Area Maps

Planning and Economic Development Department
Economic Development Division
Urban Renewal Section

November 2011
Schedule "A"
Map Forming Part of By-Law No. 11-
Schedule "A"
Map Forming Part of By-Law No. 11-__

Legend:
- Waterdown Community Improvement Project Area

Date: October 11, 2011

Downtown and Community Renewal Community Improvement Project Area

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Schedule "A" to By-law No. 11-

Appendix "B" to Report PED11188

Page 12 of 19
Schedule "A" to By-law No. 11-

Map Forming Part of By-Law No. 11-

Downtown and Community Renewal
Community Improvement Project Area

Legend

- Commercial Corridors

Date: October 11, 2011

Not To Scale

1000 feet
CITY OF HAMILTON

BY-LAW No. 11-____

To Adopt
The Downtown and Community Renewal
Community Improvement Plan

WHEREAS By-law No. 11-____ passed on the ___ day of November 2011, designated the Downtown and Community Renewal Community Improvement Project Area;

AND WHEREAS Section 28 of the Planning Act states that where a by-law has been passed to designate a community improvement project area, the Council may provide for the preparation of a plan suitable for adoption as a community improvement plan for the community improvement project area;

AND WHEREAS under the Planning Act (Section 28) "community improvement" means "the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, reconstruction and rehabilitation, improvement or energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary";

AND WHEREAS the Council of the City of Hamilton considers it appropriate to adopt a community improvement plan for the Downtown and Community Renewal Community Improvement Project Area in accordance with the said Act, for the purposes of the community improvement of the designated Downtown and Community Renewal Community Improvement Project Area, through various municipal initiatives as set out in the community improvement plan;

AND WHEREAS Council, by its Planning Committee, held a public meeting on November 8, 2011 to discuss and receive public input regarding adoption of the Downtown and Community Renewal Community Improvement Plan, and has taken other required steps, prior to the enactment of this by-law, to adopt a
community improvement plan for the Downtown and Community Renewal Community Improvement Project Area, as required by the Planning Act.

AND WHEREAS the City has prepared a plan entitled “Downtown and Community Renewal Community Improvement Plan” attached hereto as Schedule ‘A’ and forming part of this By-law;

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

1. The Downtown and Community Renewal Community Improvement Plan annexed hereto as Schedule ‘A’ and forming part of this By-law is hereby adopted as the Community Improvement Plan for the Downtown and Community Renewal Community Improvement Project Area designated by By-law No. 11-___.

2. By-law No. 07-062 as amended, relating to the Downtown Hamilton, Community Downtowns and Business Improvement Areas Community Improvement Plan is repealed forthwith upon final approval of this by-law and Schedule ‘A’ attached hereto.

PASSED this ___ day of November, 2011

R. Bratina
Mayor

R. Caterini
City Clerk
City of Hamilton

Downtown and Community Renewal Community Improvement Plan

Planning and Economic Development Department
Economic Development Division
Urban Renewal Section

November 2011
1. INTRODUCTION

The Downtown and Community Renewal Community Improvement Plan (the Plan) provides the basis for community improvement programs and initiatives within designated Community Improvement Project Areas in the City of Hamilton. It focuses on Hamilton’s various downtowns, commercial business districts, mixed use corridors and neighbourhoods targeted for community improvement, including parts of the west harbour area, as designated in the Downtown and Community Renewal Community Improvement Project Area By-law. Community improvement plans, programs and initiatives support the planning and financing of development activities that effectively use, reuse and rehabilitate lands, buildings and infrastructure. They prioritize municipal investment and are intended to stimulate private sector investment, property maintenance and revitalization within the Project Areas.

In addition and complementary to this Plan, the City of Hamilton’s Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan provides a comprehensive set of programs designed to encourage and promote brownfield redevelopment. As its name suggests, the ERASE Plan is designed to "erase" brownfields by providing financial incentives to clean them up and replace them with productive economic land uses, thereby improving both economic opportunities and environmental conditions in the City. These two Community Improvement Plans help to implement the City’s vision and goals expressed in approved policies and strategies, such as VISION 2020, the Official Plan, the Economic Development Strategy, and the Corporate Strategic Plan.

The Downtown and Community Renewal Community Improvement Plan is organized in the following sections:

1. Introduction
2. Purpose
3. Legislative Authority
4. Previous Plans, Programs and Initiatives
5. Supporting Policy and Strategies
6. Community Improvement Project Areas
7. Goals and Objectives
8. Programs and Initiatives
9. Monitoring
10. Approval and Amendment Process

2. PURPOSE

Community improvement programs and initiatives should facilitate development/redevelopment in targeted locations in need of revitalization, improved public benefits/amenities, and stimulation of private sector investment. While community improvement primarily deals with land and buildings, it in turn
can affect social, economic and environmental matters by supporting physical changes that can result in more socially cohesive, economically sound and environmentally friendly communities.

The purpose of the Downtown and Community Renewal Community Improvement Plan is:

- to provide the framework for City programs and initiatives within the Downtown and Community Renewal Community Improvement Project Area, in a manner that meets the legislative requirements of the Planning Act’s Community Improvement provisions, including those that permit a municipality to provide financial assistance to private enterprise (see Section 3 of this Plan);
- to outline a set of financial incentive programs designed to encourage and stimulate private sector investment and redevelopment; and,
- to focus and co-ordinate municipal action and investment that promotes and enhances the physical, social and economic environments in Hamilton’s various downtowns, commercial business districts, mixed use corridors and neighbourhoods targeted for community improvement, as designated in the Downtown and Community Renewal Community Improvement Project Area By-law.

This Plan functions as an implementation tool. It builds upon the City’s past community improvement efforts in Hamilton’s downtowns, commercial business districts and mixed use corridors, as noted in Section 4. The programs and initiatives provided in Section 8 are meant to encourage development activities that complement and implement the vision and policies established in related plans and strategies, such as VISION 2020, the Official Plan, the Economic Development Strategy, and the Corporate Strategic Plan. These and other supporting documents are reviewed in Section 5 to provide rationale for the Community Improvement Project Areas described in Section 6, as well as the context for this Plan’s goals and objectives stated in Section 7.

Monitoring the Plan’s implementation is undertaken through the City’s performance measurement reporting as noted in Section 9. This Plan may be amended from time to time in accordance with Section 10.

3. LEGISLATIVE AUTHORITY

The primary legislative framework for community improvement planning in Ontario is established in the Planning Act and the Municipal Act. This legislation sets the parameters which govern how municipalities may prepare community improvement plans and programs, including financial incentives that would otherwise be prohibited.
3.1 Provincial Legislation

Section 106(1) of the Municipal Act states: “a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose.” Providing financial or other assistance, often referred to as bonusing, is normally prohibited, including the following actions:

- giving or lending money or municipal property;
- guaranteeing borrowing;
- leasing or selling municipal property below fair market value; or,
- giving a total or partial exemption from any levy, charge or fee.

There are exceptions to the rule against bonusing. For community improvement initiatives, an exception is made in Section 106(3) of the Municipal Act for municipalities exercising powers under Section 28(6), (7) or (7.2) of the Planning Act or under Section 365.1 of the Municipal Act. This exception provides the legislative basis for the financial incentive programs described in Section 8.1 of this Plan.

The Planning Act (Section 28) allows municipalities that have provisions in their Official Plan relating to community improvement to designate by by-law a community improvement project area. As per Section 28(1) of the Planning Act:

- a community improvement project area is defined as “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason;”
- community improvement is defined as “the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement or energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary.”

A municipality may engage in the following actions within a designated community improvement project area:

- acquire, hold, clear, grade or, otherwise prepare land for community improvement (Section 28(3));
- prepare a community improvement plan for the project area (Section 28(4));
• construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the approved community improvement plan (Section 28(6));
• sell, lease or otherwise dispose of any land and buildings acquired or held by it in conformity with the approved community improvement plan (Section 28(6)); and,
• make grants or loans, in conformity with the approved community improvement plan, to the registered owners, assessed owners and tenants of lands and buildings, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or part of the eligible costs of the community improvement plan (Section 28(7)).

Section 28(7.1) defines eligible costs as "costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities."

In addition, Section 365.1 of the Municipal Act allows a municipality to provide property tax assistance to properties within a designated community improvement project area for environmental remediation purposes, where a community improvement plan is in effect containing provisions respecting such tax assistance. The City of Hamilton exercises this power through the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan and the ERASE Tax Assistance Program.

The maximum amount of financial assistance that a municipality may offer is limited by Section 28(7.3) of the Planning Act. The total of the grants, loans and tax assistance provided to particular lands and buildings under the Planning Act (Section 28) and the Municipal Act (Section 365.1) shall not exceed the eligible cost of the community improvement plan with respect to those lands and buildings. The financial incentive programs provided in Section 8.1 of this Plan therefore contain eligibility criteria and financial assistance maximum limits to ensure that the total assistance offered to a property does not exceed eligible costs.

3.2 Municipal Authorization

Community improvement policy is contained in the City of Hamilton's Official Plan (including both the Hamilton-Wentworth Official Plan currently in effect and in the new Urban Hamilton Official Plan approved but under appeal at the Ontario Municipal Board). As noted in Section 3.1 of this Community Improvement Plan, municipalities must have provisions in their Official Plan relating to community improvement in order to designate a community improvement project area and prepare a community improvement plan.
The Hamilton-Wentworth Official Plan states that all or part of the City's Urban Area may be designated as a community improvement project area. It suggests that one or more of the following characteristics may be present in a project area:

a) building stock or property in need of rehabilitation;
b) buildings and structures of heritage or architectural significance;
c) encroachment of incompatible land uses or activities;
d) deteriorated or insufficient physical infrastructure such as, but not limited to, sanitary and storm sewers and water mains, public transit, roads/streets, curbs, sidewalks, street lighting and utilities;
e) deteriorated or insufficient community services such as, but not limited to, public indoor/outdoor recreational facilities, public open space and public social facilities;
f) inadequate mix of housing types;
g) known or perceived environmental contamination;
h) deteriorated or insufficient parking facilities;
i) poor overall visual amenity of the area, including, but not limited to, streetscapes and urban design;
j) existing Business Improvement Areas or potential for inclusion in a Business Improvement Area designation;
k) inappropriate road access and traffic circulation;
l) shortage of land to accommodate building expansion and/or parking and loading facilities;
m) other barriers to the improvement or redevelopment of underutilized land or buildings; and
n) any other environmental or community economic development reasons for designation.

The Hamilton-Wentworth Official Plan states that community improvement shall be accomplished through:

(1) the upgrading and ongoing maintenance of communities or areas characterized by obsolete buildings, and/or conflicting land uses and/or inadequate physical infrastructure and community services; and

(2) the establishment of policies and programs to address identified economic, land development and housing supply issues or needs throughout the Urban Area.

The Hamilton-Wentworth Official Plan also outlines actions that may be undertaken through the preparation and implementation of community improvement plans in Hamilton, including:

a) allocation of public funds such as grants, loans or other financial instruments for the physical rehabilitation, redevelopment or improvement of land and buildings;
b) municipal acquisition of land or buildings and subsequent clearance, rehabilitation, redevelopment or resale of these properties or other preparation of land or buildings for community improvement;
c) encouragement of infill and rehabilitation where feasible;
d) promotion of historic preservation through appropriate local, Provincial and Federal legislation;
e) promotion of the viability of Commercial areas through the establishment and support of Business Improvement Areas; and
f) other municipal actions, programs or investments for the purpose of strengthening and enhancing neighbourhood stability, stimulating production of a variety of housing types, facilitating local economic growth, improving social or environmental conditions, or promoting cultural development.

It is important to note the Official Plan states that all developments participating in programs and initiatives contained within community improvement plans shall conform to Official Plan policies and shall comply with all municipal codes and regulations of the City.

(All of the community improvement policies noted above in Section 3.2 have been carried forward from the Hamilton-Wentworth Official Plan to the Urban Hamilton Official Plan, which adds "inadequate affordable housing" to the list of potential project area characteristics and the following text to the list of actions which may be undertaken: "identification of cultural heritage resources which shall be, wherever possible, conserved through appropriate adaptive reuse and alterations. Demolition of heritage structures shall be discouraged." As noted, the Urban Hamilton Official Plan is under appeal at the Ontario Municipal Board.)

4. PREVIOUS PLANS, PROGRAMS AND INITIATIVES

This Plan (2011) replaces the Downtown and Community Renewal Community Improvement Plan approved in 2007, as subsequently amended and formerly known as the Downtown Hamilton, Community Downtowns and Business Improvement Areas Community Improvement Plan. The 2011 update ensures that the Plan remains relevant to current policy direction, including the City's Corporate Strategic Plan and the new Urban Hamilton Official Plan. It incorporates changes identified through a review of the previous Plan (2007) and programs, as amended.

Various community improvement plans have been in place within Hamilton prior to the amalgamation of Hamilton-Wentworth Region and its local area municipalities in 2001. The 2007 Plan combined twelve plans into one new plan. Those individual plans and associated project areas were focused on Downtown Hamilton, the community downtowns of Dundas, Stoney Creek and Waterdown, as well as the Business Improvement Areas (BIAs). The 2007 Plan also introduced additional community improvement project areas in the Ancaster
Village Core, Binbrook Community Core, and the Locke Street BIA. It was then amended to extend programs to various commercial corridors within the City.

Past community improvement initiatives included the Downtown Convert/Renovate to Residential Loan Program, the Gore Heritage Program, and the Commercial Façade Program, which was established in 1986 to provide loans for the rehabilitation of commercial property façades in BIAs. This program has evolved over time into the present Commercial Property Improvement Grant Program.

Programs and initiatives introduced over the past decade have laid the foundation for continued revitalization that this Plan builds upon. They include the following six programs, described in more detail in Section 8.1:

1. **The Hamilton Downtown Multi-Residential Property Investment Program** (formerly the Hamilton Downtown Residential Loan Program) – From 2002 to year end 2010, the City loaned over $13 million to support the creation/renovation of 747 dwelling units, at an interest cost to the City of approximately $1.6 million. The building permit construction cost of participating projects is $85 million.

2. **The Hamilton Downtown Property Improvement Grant Program** (formerly the Enterprise Zone – Municipal Realty Tax Incentive Grant Program) – From 2004 to year end 2010, over $3.1 million in combined grants were issued to 15 projects with a collective building permit construction value of $68 million.

3. **The Commercial Property Improvement Grant Program** – From 2002 to year end 2010, over $1.6 million in combined grants were issued to over 230 projects with a collective construction value of $3.8 million in various Business Improvement Areas across the City.

4. **The Commercial Corridor Housing Loan and Grant Program** – This program introduced in 2007 has supported the conversion of vacant commercial and institutional space to residential use and the renovation of existing residential units.

5. **The Hamilton Heritage Property Grant Program** – Since 2008, this program has provided grants to support the restoration and maintenance of eight heritage properties.

6. **The Hamilton Downtown Office Tenancy Assistance Program** – This program introduced in 2010 has provided loans to support leasehold improvements for new business locating in Downtown Hamilton.

As suggested above, the various programs contained within Section 8.1 of this Community Improvement Plan may be reviewed and amended from time to time, and new programs added, in accordance with Section 9.

Over the past several years there have been other notable initiatives and investments in the Community Improvement Project Areas where this Plan
applies. They facilitate the creation of an investment-friendly environment and demonstrate the City's commitment to the revitalization of the Project Areas:

- The waiving of development charges in the Downtown Hamilton Community Improvement Project Area;
- The approval of the Downtown Hamilton Secondary Plan and Transportation Master Plan, to guide development within the area bounded by Queen, Cannon, Wellington and Hunter streets;
- The Downtown Zoning By-law, introduced in 2005 as the first phase of the new Zoning By-law for the City of Hamilton;
- The approval of the new Urban Hamilton Official Plan, which provides the foundation for completing the new Zoning By-law for the rest of the urban areas of the City (pending resolution of the Official Plan appeals now before the Ontario Municipal Board);
- The approval of Downtown Heritage Character Zone Design Guidelines, Site Plan Guidelines, Transit-Oriented Development Guidelines, Binbrook Village Community Core Urban Design Guidelines, to provide further direction for implementing land use policies and zoning;
- The conversion of one-way streets to two-way streets along with streetscape improvement projects that enhance the pedestrian environment and urban street life, in accordance with the Transportation Master Plan and Downtown Mobility Streets Master Plan, streetscape master plans for York Boulevard, King Street West, Hughson Street and King William Street, and the Urban Braille System Guidelines;
- The 10-year Downtown Capital Budget Plan, which establishes priorities in relation to infrastructure and public space improvements within the Downtown core;
- Downtown Hamilton capital projects, including the renovation of City Hall, the Hamilton Farmers Market and Public Library, Lister Block revitalization, and MacNab Street Transit Terminal development;
- Capital projects in the community downtowns including Ancaster Square, Dundas Memorial Square, and new parks in Stoney Creek and Binbrook; and,
- The completion and updating of Commercial Market Analysis and Action Plans for various Business Improvement Areas, as well as the design and installation of BIA gateway features.

5. SUPPORTING POLICY AND STRATEGY

The documents reviewed in this Section provide the direction and policy basis for this Plan's goals, objectives (see Section 7) and programs (see Section 8). It also provides rationale for the community improvement projects areas in which the programs may apply (see Section 6).
5.1 Provincial Policy Statement

The Provincial Policy Statement (2005) sets the policy foundation for regulating the development and use of land in Ontario, for the purpose of establishing and maintaining strong communities, a clean and healthy environment, and economic growth. It recognizes that the wise management of development may involve directing, promoting or sustaining growth, and so encourages efficient development patterns that optimize the use of land, resources and public investment in infrastructure and public service facilities. It promotes intensification and redevelopment that takes into account existing building stock or areas, including brownfields.

The Downtown and Community Renewal Community Improvement Plan addresses the following particular Provincial interests:

- optimizing the use of existing infrastructure and public service facilities (PPS Policy 1.6.2 and 1.7.1(a)), including existing and planned transportation infrastructure (PPS 1.6.5.2);
- maintaining and, where possible, enhancing the vitality and viability of downtowns and mainstreets (PPS 1.7.1(b));
- conservation of significant building heritage resources and significant cultural heritage landscapes (PPS 2.6.1); and
- promoting the redevelopment of brownfield sites (PPS 1.7.1(e)).

5.2 The Growth Plan for the Greater Golden Horseshoe (Places To Grow) and Hamilton’s Density Targets

Places to Grow (2006) provides growth management policy direction from the Province to municipalities within the Greater Golden Horseshoe, including Hamilton. It envisions increasing intensification of existing built-up areas, with a focus on urban growth centres, intensification corridors, major transit station areas, brownfield sites and greyfields. To this end, the Downtown and Community Renewal Community Improvement Project Area is included within the built up area designation, and Downtown Hamilton has been identified as an urban growth centre in both the Growth Plan and the City’s Official Plan.

The Growth Plan encourages intensification and transit-supportive, mixed use development to make better use of existing, underutilized infrastructure. It directs growth to specific intensification areas by establishing minimum density targets that municipalities must identify in their Official Plans. Hamilton’s density targets are as follows:

- By the year 2015 and each year thereafter, a minimum of 40 percent of all residential development occurring annually within Hamilton will be within the built-up area;
The Downtown Hamilton Urban Growth Centre will be planned to achieve, by 2031 or earlier, a minimum gross density target of 250 residents and jobs per hectare. (The Growth Plan identifies a target of 200 residents and jobs per hectare in the Downtown Hamilton Urban Growth Centre; however, it also permits municipalities to establish higher targets, which the City has done in the Urban Hamilton Official Plan).

Additional density targets are identified in the Urban Hamilton Official Plan for the following intensification areas, each subject to adjustment through future secondary plans:

- 100 to 150 residents and jobs per hectare in the sub-regional service nodes at Limeridge Mall and Eastgate Square;
- 100 residents and jobs per hectare in the community downtown nodes of Dundas, Stoney Creek and Waterdown; and
- 50 residents and jobs per hectare in the community downtown node of Ancaster.

The Downtown and Community Renewal Community Improvement Plan would help the City meet these targets through its programs designed to stimulate development and rehabilitation of residential and commercial lands and buildings in specific project areas.

5.3 Vision 2020

VISION 2020 is a vision of a strong healthy, sustainable Hamilton shared by citizens, Council, businesses and organizations. First developed and adopted in 1992, VISION 2020 was renewed by the community in 1997 and 2003 and re-adopted by Council in 2003. In addition to a vision statement, VISION 2020 provides a set of goals to guide planning and decision-making that considers social/health, economic and environmental impacts. It has been integrated into the City’s primary decision-making processes, including the Growth Related Integrated Development Strategy (GRIDS), the Master Plans for Transportation, Stormwater, Water and Wastewater, the new Urban and Rural Official Plans, the Corporate Strategic Plan and the Social Development Strategy.

These are some specific VISION 2020 goals of particular relevance to the Downtown and Community Renewal Community Improvement Plan:

- To encourage development which makes efficient and economical use of infrastructure and services
- To preserve our natural and historical heritage
- To redevelop Hamilton’s central core as the regional centre
- To promote Hamilton’s environment as a desirable place to live and work
- To reduce the consumption of non-renewable energy and eliminate the excessive and wasteful use of energy
To identify and virtually eliminate sources of potential chemical contamination
(This goal is addressed primarily by the ERASE Community Improvement Plan.)

5.4 Official Plan

The Official Plan implements the vision and principles expressed by VISION 2020, the Growth Related Integrated Development Strategy (GRIDS), and the Corporate Strategic Plan. It also implements Provincial land use policy at the municipal level. In addition to the community improvement policies in effect through the Hamilton-Wentworth Official Plan, as outlined in Section 3.2 of this Community Improvement Plan, the Urban Hamilton Official Plan includes land use policy that would establish an urban structure based on nodes and corridors, overlaying land use designations guiding the development/redevelopment of commercial and mixed use areas, neighbourhoods, open spaces, institutional and employment lands.

The Urban Hamilton Official Plan has been approved by Council and the Province but is under appeal at the Ontario Municipal Board. As such, the Hamilton-Wentworth Official Plan and the Official Plans of the former area municipalities now within the amalgamated City of Hamilton, as may be amended from time to time, are in effect until such time as the Urban Hamilton Official Plan is approved by the Board. The area municipalities include Ancaster, Dundas, Flamborough, Glanbrook, Hamilton and Stoney Creek.

While not currently in effect, the Urban Hamilton Official Plan is a document that provides Council-approved direction in support of this Community Improvement Plan’s goals, objectives and programs, and which is not inconsistent with the principles found in the various Official Plans in effect, such as compact, mixed-use development/redevelopment that makes more efficient use of existing infrastructure, and vacant and/or under-utilized land and buildings in the built-up area.

The Urban Hamilton Official Plan promotes the development of compact, mixed use environments that support transit, cycling and pedestrian movement, where people can live, work, learn and play. It notes that residential intensification is a key component of Hamilton’s growth strategy and is essential to meeting the City’s growth targets. Nodes and corridors are identified as the primary intensification areas and focus of reurbanization activities (i.e. population growth, private and public infill and redevelopment, and infrastructure investment).

Specifically, the Urban Hamilton Official Plan states that the City shall consider the creation of new, or expansion of existing programs, to encourage and/or facilitate residential intensification. It also recognizes the benefits that arts and culture bring to the local economy and quality of life, including their role in the adaptive reuse of older buildings and the transformation of deteriorated
neighbourhoods and commercial areas. Additional Official Plan policy is highlighted in Section 6 of this Community Improvement Plan, specific to the sub-area of the Downtown and Community Renewal Community Improvement Project Area described.

5.5 Hamilton Economic Development Strategy 2010-2015

This Community Improvement Plan is supported by the Community Development component of the 2010-2015 Economic Development Strategy. The Community Development component is focused on downtowns, brownfields and the waterfront area, all three of which are traditional centres of economic activity. The primary objectives in the Strategy's community redevelopment component include:

- improving the image of Hamilton and stimulating investment;
- utilizing existing infrastructure;
- increasing residential and non-residential assessment; and,
- creating high-quality jobs.

The Strategy advocates partnerships/collaboration between the public sector, local businesses, residents and the broader community. It notes that local government needs to assume a leadership role in creating an investment-friendly environment though the application of innovative planning practices, investment in physical infrastructure (hard services and facilities), and establishing special purpose programs/policies that encourage redevelopment and attract investment to strategic areas of the city. They include delivery of targeted financial incentive programs to assist and encourage residential and non-residential assessment growth, as well as physical and social investments that will address real and perceived issues like safety and cleanliness.

Specific deliverables include: continued implementation of the Downtown Office Strategy, which has led to this Plan's Office Tenancy Assistance Program; partnerships to attract higher education establishments and post-secondary graduates to Downtown Hamilton; creating linkages between Downtown and the waterfront; development of a creative corridor on King William Street through Artwalk and support for a creative/cultural precinct by encouraging the adaptive reuse of older underutilized buildings.

5.6 City of Hamilton Corporate Strategic Plan

The Corporate Strategic Plan developed by Council identifies strategic priorities for the City's future, including the following themes and focus areas:

**Themes**
- Image – changing the perception of Hamilton and promoting the City as a great place to live, work and play
Focus Areas

- Skilled, Innovative and Respectful Organization
- Financial Stability
- Effective Inter-governmental Relations
- Growing Our Economy
- Social Development
- Environmental Stewardship
- Healthy Community

To help implement the Corporate Strategic Plan, a series of desired end results and related key activities have been identified for the various City departments. This Community Improvement Plan’s contribution toward achieving desired end results is outlined in Section 9, Monitoring, linking the performance measures to be monitored with the Corporate Strategic Plan.

5.7 Transit-related Development Initiatives

5.7.1 Transit-Oriented Design (TOD)

The City has prepared Transit-oriented Design Guidelines for Hamilton to assist with the design of development/redevelopment along transit corridors. The document recognizes that “transit alone is unlikely to create a market demand, but it can act as a catalyst and direct the demand” to appropriate areas. It recommends “[establishing] partnerships when developing TOD areas to leverage the strengths of different groups (private, public, community)” and suggests that incentives such as tax increment financing programs can help to implement TOD development.

5.7.2 Rapid Transit

In collaboration with the City’s planning, engineering and design studies for rapid transit, a secondary planning process was launched for lands along the B-Line Corridor (Main-King-Queenston). It recognizes that investment in intensification along the corridor is important to meet the City’s Official Plan goals and to the long term success of a rapid transit system. As part of a broad consultation process, a focus group with development industry representatives was held. It was suggested that to stimulate investment that would realize the vision for the corridor expressed in the Urban Hamilton Official Plan (and to be detailed in future secondary plan policy), development incentives and a more streamlined application process are needed.
6. COMMUNITY IMPROVEMENT PROJECT AREAS

This Community Improvement Plan applies to the Downtown and Community Renewal Community Improvement Project Area. The Project Area is designated in a By-law approved by City Council. The Project Area includes sub-areas in which various programs and initiatives may be offered, as detailed in Section 8 and the program descriptions provided in the appendices to this Plan.

The sub-areas that collectively comprise the Downtown and Community Renewal Community Improvement Project Area are described below. For specific property reference, the Downtown and Community Renewal Community Improvement Project Area By-law should be consulted. The Project Area may include abutting properties provided they are part of the comprehensive redevelopment of an eligible property.

6.1 Downtown Hamilton

The Downtown Hamilton Community Improvement Project Area includes the historic core of the City of Hamilton and has been the traditional centre of commercial and cultural activity, institutional uses and government for the broader region. As such, the Downtown Hamilton Urban Growth Centre, contained within the Downtown Hamilton Community Improvement Project Area, is recognized in the Urban Hamilton Official Plan as the City's pre-eminent node for commercial and office development that will also accommodate a large and diverse population, major cultural facilities and entertainment uses, and function as a major transit hub. The area includes the central hub of the City's transit system at the MacNab Transit Terminal, the Hunter Street GO Transit station, as well as future GO service on the CN railway at James Street North. Key features include Gore Park, City Hall, the Central Public Library, Hamilton Farmers Market, the Art Gallery of Hamilton, Dofasco Centre for the Arts, Copps Coliseum, Hamilton Place and Convention Centre, the Jackson Square/City Centre complex, and commercial districts including James Street North and South and Hess Village. The limits of the Downtown Hamilton BIA, International Village BIA, King West BIA and Main West Esplanade BIA are each contained within the Downtown Hamilton Community Improvement Project Area boundary.

The Downtown Hamilton Urban Growth Centre includes properties within and abutting the area bound by Cannon Street, Victoria Avenue, Hunter Street and Queen Street, and also includes the properties fronting onto James Street north to the CN railway and south to Charlton Avenue. The Growth Centre has defined the past limits of the Downtown Hamilton Community Improvement Project Area; however, in addition to the Growth Centre, the Downtown Hamilton Community Improvement Project Area now includes precincts to the north, east, south and west. These additional downtown precincts are generally described as follows:
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- Northeast: the balance of the Beasley downtown neighbourhood to the north of Cannon Street, east of James Street, south of the CN railway, and west of Wellington Street, as well as properties along and west of Victoria Avenue to Wellington Street between Barton Street and Cannon Street;
- Northwest: the balance of the Central downtown neighbourhood to the north of Cannon Street, west of James Street, south of the CN railway, and along and east of Queen Street;
- East: the mixed-use commercial area along and between King Street East and Main Street East from Victoria Avenue to Wentworth Street;
- South: the mixed-use commercial area adjacent to James Street South, and parts of the Corktown downtown neighbourhood further east of James Street to Ferguson Avenue, from Charlton Avenue to Hunter Street;
- West: the mixed-use commercial areas along King Street West and Main Street West (including the limits of the Main West Esplanade BIA), from Queen Street to Highway 403.

The strength and vitality of Hamilton’s downtown is a clear signal of the strength and vitality of the City as a whole. The area has been influenced by broad economic, social and physical change and continues to represent an important area where municipal financial resources, planning initiatives and City Council support have been and will be continually dedicated. As noted in the Downtown Hamilton Secondary Plan, vibrant parks, streets and public spaces enhance the value of properties in their vicinity. Investment in the public realm is a key priority in the Downtown and benefits the many underutilized or undeveloped properties. The Secondary Plan also notes the ring of parking lots and vacant land that isolate the central core from the adjacent neighbourhoods, and recognizes that strengthening and providing more residential development is a key to Downtown revitalization. It promotes the use of municipal incentive programs to encourage the retention, conservation, rehabilitation, restoration or adaptive reuse of the Downtown’s many heritage properties.

The conversion of former industrial and warehouse buildings to residential and/or commercial use is also promoted by the Downtown Hamilton Secondary Plan, as well as the West Harbour (Setting Sail) Secondary Plan which would apply to land now within the Downtown Hamilton Community Improvement Project Area to the north of Cannon Street. The northern precincts in the Beasley and Central neighbourhoods include areas in transition from past and declining industrial use, including vacant land and buildings. The Corktown neighbourhood to the south also contains scattered vacant land and buildings suitable for infill and redevelopment. Although this Plan’s programs have supported notable improvements to numerous properties in the Downtown core, it remains evident that there is a continued need to support the upgrading and improved maintenance and appearance of underutilized commercial buildings within the Downtown Hamilton Community Improvement Project Area.
6.2 Community Downtowns and BIAs

Hamilton is a city of many communities. In addition to Downtown Hamilton, it features a variety of commercial areas and civic centres reflective of the past development and history of the former Hamilton-Wentworth Region. They include the downtown areas of the former municipalities of Ancaster, Dundas, Flamborough (Waterdown), Glanbrook (Binbrook) and Stoney Creek and commercial corridors between them. Certain parts of these community downtowns and corridors have established Business Improvement Areas (BIAs) to co-ordinate promotion and beautification. To varying degrees, the Community Downtowns and BIAs face many of the same issues as Downtown Hamilton that can be addressed through community improvement, such as the conservation/adaptive reuse of heritage buildings, making better use of underutilized land and buildings through infill and redevelopment, and increasing the number of residents to support local business in mixed-use, transit-oriented environments.

The Community Improvement Project Areas for the community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown are described below. Each area is identified as a Community Node in the Urban Hamilton Official Plan's urban structure, except Binbrook which is identified as part of the Neighbourhoods element of the urban structure. However, Binbrook is also designated as the Community Core in the Binbrook Village Secondary Plan, and has historically served much of the surrounding area in the former Glanbrook Township as a downtown. A BIA is contained within part or all of each downtown area except Binbrook.

- The Ancaster Village Community Improvement Project Area – This area is defined by the limits of the Ancaster BIA. Within it is the area described in the both the Town of Ancaster Official Plan and the Urban Hamilton Official Plan as the Ancaster Village Core, consisting of the properties fronting on Wilson Street from the Old Mill Restaurant to the west end of the Stoneham Plaza/Dalley Drive.
- The Binbrook Community Improvement Project Area – This area is referred to as the Community Core in the Binbrook Village Secondary Plan.
- The Dundas Community Improvement Project Area – This area includes the area designated Downtown Mixed Use, as indicated on Schedule A, Land Use, Town of Dundas Official Plan, and also includes the area defined by the limits of the Dundas BIA.
- The Downtown Stoney Creek Community Improvement Project Area – This area is designated within the City of Stoney Creek Official Plan as Downtown, as indicated on Schedule A, General Land Use Plan and Schedule A5, Olde Town District Secondary Plan. The Stoney Creek BIA is contained within the Downtown Stoney Creek Community Improvement Project Area boundary.
- The Waterdown Community Improvement Project Area – This area includes the Downtown commercial area defined in the Town of Flamborough Official
Plan as "the historic core area designated BUSINESS DISTRICT, and the URBAN COMMERCIAL areas along Hamilton Street North, and Dundas Street west of Hamilton Street" (Town of Flamborough Official Plan, Section A.3), as indicated on Schedule A, Waterdown Urban Area, Land Use Plan, and Schedule A-2, West Waterdown Secondary Plan, and also includes the area defined by the limits of the Waterdown BIA.

The following Community Improvement Project Areas are located outside of a designated downtown area and are defined by the boundaries of the corresponding BIA:

- The Barton Village Community Improvement Project Area – This area is defined by the limits of the Barton Village BIA (to the east of the Downtown Hamilton Community Improvement Project Area).
- The Concession Street Community Improvement Project Area – This area is defined by the limits of the Concession Street BIA.
- The Locke Street Community Improvement Project Area – This area is defined by the limits of the Locke Street BIA.
- The Ottawa Street Community Improvement Project Area – This area is defined by the limits of the Ottawa Street BIA.
- The Westdale Community Improvement Project Area – This area is defined by the limits of the Westdale BIA.

6.3 Commercial Corridors

In addition to the Downtowns and BIAs, commercial corridors with "main street" characteristics are also designated in the Downtown and Community Renewal Community Improvement Project Area By-law. Although they are not located within a designated downtown area or organized in a BIA, these corridors exhibit similar characteristics and may face similar challenges. They generally have a mix of land uses predominated by ground-floor commercial uses, in buildings situated close to the street upon relatively small properties. The identified areas are primarily located within the lower, inner City where the population has been declining and buildings are underutilized, and in areas close to McMaster University and Mohawk College where there is a need to provide student housing alternatives along the corridors outside of interior, established residential neighbourhoods. There is opportunity for community improvement initiatives to address these issues, and make use of existing infrastructure and transit routes along the corridors.

The corridors comprising the Commercial Corridors Community Improvement Project Area are identified more precisely in the Downtown and Community Renewal Community Improvement Project Area By-law, and are generally described as residential and commercial properties along the following streets:

- Barton Street East, between Sherman Avenue and Walter Avenue;
• Dundurn Street South, from Aberdeen Avenue to Chatham Street;
• James Street North, from Strachan Street to just north of Burlington Street;
• Kenilworth Avenue, between Main Street and Barton Street;
• King Street East, between Main Street at the Delta and Wentworth Street;
• King Street West, between Highway 403 and the Westdale BIA;
• Locke Street South, between the Locke Street BIA and the Downtown Hamilton Community Improvement Project Area at Main Street West;
• Main Street East, between Wentworth Street and Rosewood Road;
• Main Street West, between Highway 403 and Osler Drive, also including abutting properties designated ‘Mixed Use’ on the Ainslie Wood Westdale Secondary Plan Land Use Plan;
• Parkdale Avenue, between Queenston Road and Barton Street;
• Queenston Road, between the Main Street traffic circle and Reid Avenue;
• Upper James Street, between Queensdale Avenue and Fennell Avenue;
• Upper Wellington Street, from just south of Brucedale Avenue to just north of Inverness Avenue; and,
• York Boulevard, between the Downtown Hamilton Community Improvement Project Area and, Dundurn Street on the south side or Inchbury Street on the north side.

Properties abutting those listed above may also be included in the Commercial Corridors Community Improvement Project Area provided that they are situated between the “main street” and a parallel, public alleyway.

6.4 Designated Heritage Properties

A heritage property that is not otherwise included in the Downtown and Community Renewal Community Improvement Project Area as described in Section 6.1, 6.2 or 6.3 above, is designated as part of said Project Area by the Downtown and Community Renewal Community Improvement Project Area By-law, provided that the property is:

a) located within the older City, below the Niagara Escarpment and between Highway 403 and the Red Hill Valley Parkway Parkway; and
b) designated under Part IV or Part V of the Ontario Heritage Act; and

c) used or to be used for commercial, institutional, and/or multi-residential purposes.

7. GOALS AND OBJECTIVES

With consideration to the broader policy and geographic context outlined in Sections 5 and 6 of this Plan, the goals of the Downtown and Community Renewal Community Improvement Plan are:

• To create safe, clean, socially, economically and environmentally healthy areas where people want to live, work, shop, play and learn;
• To ensure a viable population of residents, jobs and visitors to the Project Areas that provide local business support, employment and economic opportunities;
• To make more efficient use of existing infrastructure;
• To encourage the preservation and enhancement of cultural heritage resources;
• To increase the value of land and buildings within the community improvement project areas.

To help realize those goals, the following objectives of the Downtown and Community Renewal Community Improvement Plan will guide the development of its programs and related initiatives:

• To increase and improve the supply of residential units in the Project Areas;
• To facilitate the redevelopment of underutilized buildings, vacant sites, brownfield and surface parking lots;
• To improve the accessibility, functionality and marketability of the built environment, including the rehabilitation, maintenance and adaptive re-use of built heritage resources;
• To improve the aesthetics and design of streetscapes and public and private building façades;
• To support streetscape improvements and pedestrian amenities that encourage walking, cycling and transit use;
• To support the upgrading of physical services and social, recreational and cultural facilities;
• To encourage the provision of unique or specialized attractions and community events;
• To identify and address regulatory, social, environmental and economic barriers and/or restrictions to development and investment opportunities;
• To provide loans, grants and other economic incentives to stimulate private property reinvestment activity;
• To encourage the co-ordination of municipal expenditures and planning and development activity;
• To promote the continued development of Downtown Hamilton as the primary business, administrative, cultural and creative centre of the City;
• To promote and enhance the unique environments established in the community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, Business Improvement Areas, and other mixed-use corridors.

8. PROGRAMS AND INITIATIVES

Section 8 outlines programs and initiatives that may foster and support revitalization and renewal within the associated Community Improvement Project Areas.
8.1 Provision of Loans and Grants

Through its financial incentive programs, the City of Hamilton will provide grants and/or loans to registered/assessed owners and tenants of land and buildings, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or part of the eligible costs of a project as described in this Community Improvement Plan.

Approval of all loan or grant program applications is at the absolute discretion of the City and subject to the availability of funds.

Depending on the specific program, project costs that may be eligible for financial assistance relate to:

- the creation of new dwelling units and/or commercial space upon vacant land and parking lots or within building additions;
- the renovation of existing dwelling units and/or commercial space;
- the conversion of existing but underutilized space to accommodate another permitted use;
- interior and/or exterior building improvements, including commercial façades and signage;
- the conservation and restoration of heritage features of designated heritage properties.

Projects will contribute to the achievement of this Plan’s goals and objectives by:

- providing new residential and/or employment opportunities that support intensification and the efficient use of existing infrastructure;
- assisting the rehabilitation, maintenance and adaptive re-use of built heritage resources; and,
- increasing the value, utility and aesthetic appeal of land and buildings.

In addition to the following program summaries, Council shall adopt by resolution detailed implementation measures to allow for the efficient administration of each financial incentive program. These administration procedures are contained in the appendices to this Plan, providing detailed program descriptions, terms and administration process.

8.1.1 Hamilton Downtown Multi-Residential Property Investment Program

The Hamilton Downtown Multi-Residential Property Investment Program supports residential development within Downtown Hamilton as defined by the Downtown Hamilton Community Improvement Project Area. The Program offers financial assistance to projects that result in predominantly residential development, including:
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- the creation of a new multiple dwelling upon vacant land or parking areas; and/or
- a building addition containing at least three (3) new dwelling units; and/or
- the conversion of existing commercial, industrial, institutional space into a multiple dwelling; and/or
- renovations to existing multiple dwellings.

A multiple dwelling must contain at least three (3) dwelling units. Projects involving fewer than three (3) dwelling units may be eligible for the Commercial Corridor Housing Loan and Grant Program which is also available within the Downtown Hamilton Community Improvement Project Area (see Section 8.1.4).

The maximum loan is based on 25% of the project’s Cost to Construct Budget, including uses accessory to the dwelling units (e.g. parking, laundry, gym/pool used by residents); for mixed use projects, only the residential component of the project’s Cost to Construct Budget, together with uses accessory to the dwelling units, is factored into the loan amount.

The maximum loan term is five years and six months from the date of the final advance exclusive of holdback. The loan interest rate will be 0% for the first five years. For the last six months of the loan, interest shall be payable on the principle outstanding at the then prevailing rate established by Council for interest on tax arrears. Alternately, when the loan is $5 million or more, or the project involves the conservation and/or adaptive re-use of significant heritage buildings, the maximum loan term may be extended to fifteen years, with an interest rate at the City’s five-year borrowing rate plus 1% applied after the first five year interest free period. Approval of the loan application, including a loan term extension, is at the absolute discretion of the City and subject to the availability of funds.

The detailed program description, terms and administrative procedure for the Hamilton Downtown Multi-Residential Property Investment Program, as adopted by City Council resolution, are provided in Appendix ‘A’ to this Community Improvement Plan.

8.1.2 Hamilton Downtown Property Improvement Grant Program

The Hamilton Downtown Property Improvement Grant Program provides an economic incentive for developing, redeveloping or renovating residential and/or commercial land and buildings located within the Downtown Hamilton Community Improvement Project Area.

The Program offers a five year grant, subject to City Council approval, in an amount related to the increase in municipal realty taxes realized by a completed project. The grant shall not exceed 100% of the municipal realty tax increase during the first year, 80% in year 2, 60% in year 3, 40% in year 4, and 20% in...
year 5. For purposes of determining the eligible amount of the increase in municipal realty taxes, special charges including BIA levies shall be excluded from the calculation. The grant would reduce the effect of an increase in municipal (City portion only) realty taxes attributable to the differential between the pre-development assessment and the post-development assessment.

A limited assignment of the grant under the terms of the Program may be made from a registered or assessed owner of the property to the initial purchaser of a new condominium unit. An applicant may assign the grant to the City of Hamilton as payment of their loan under the Hamilton Downtown/West Harbourfront Remediation Loan Program or its successor program, provided though the City's Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan.

Before any grant is provided to the applicant for a property for which a satisfactory grant application has been received and approved, realty taxes are required to have been paid as billed each year.

The detailed program description, terms and administrative procedure for the Hamilton Downtown Property Improvement Grant Program, as adopted by City Council resolution, are provided in Appendix ‘B’ to this Community Improvement Plan.

8.1.3 Commercial Property Improvement Grant Program

The Commercial Property Improvement Grant Program (CPIG) provides financial assistance to commercial property owners/authorized tenants within all active Business Improvement Areas in the City of Hamilton. An active BIA is not considered dormant as defined by the Dormant Business Improvement Area Status Procedure.

The Program aims to improve upon the appearance of numerous BIA commercial properties, recognizing their visibility and contribution to Hamilton's image, for both residents and visitors. It is understood that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector within the City. The Program seeks to build upon these successes, to result in long lasting physical improvements to the assets of commercial property owners/authorized tenants, and to bring about aesthetic improvements to the commercial areas as defined by the Business Improvement Areas.

For buildings that have a linear foot street frontage greater than twenty-five feet (25'), grants will be paid on a matching basis of $400 per linear foot of street frontage up to a maximum of $20,000 for eligible work under the Program. For buildings that have a linear foot street frontage of twenty-five feet (25') or less, grants will be paid on a matching basis to a maximum of $10,000 for eligible work
under the Program. As a further incentive for corner properties and properties where at least one side of the property is exposed to a public street, regardless of the measurement of the street frontage, the City may increase the maximum grant amount to $25,000, on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades. The grant amount will be determined by the measurement of the street frontage and the measurement of the corner/exposed wall multiplied by $400 per linear foot.

In addition to the grant amounts noted above, artfully designed façade improvements and art pieces placed on private property that are openly accessible to public view may be eligible for a supplemental grant through the Program’s art component. The grant will be paid on a matching basis up to a maximum of $10,000 per property for eligible art works, and may be provided in addition to other CPIG program grants for other eligible improvements. These applications will be evaluated and recommended through a juried review process prior to approval, as per the terms of the CPIG Program.

Architectural, design or engineering fees may be eligible up to $1,500 as part of the total grant awarded for completed construction. Interior improvements relating to display windows and entrance areas are eligible to an amount of $2,500 of the total grant payable.

Restoration/conservation of heritage features on commercial properties designated under the Ontario Heritage Act are not eligible for this program; however, improvements other than those to designated heritage features are eligible subject to the approval of a City heritage permit.

The detailed program description, terms and administrative procedure for the Commercial Property Improvement Grant Program, as adopted by City Council resolution, are provided in Appendix ‘C’ to this Community Improvement Plan.

8.1.4 Commercial Corridor Housing Loan and Grant Program

The Commercial Corridor Housing Loan and Grant Program is designed to stimulate residential development within Downtown Hamilton, the community downtowns, active and dormant Business Improvement Areas (BIAs), and other commercial corridors as identified in the Downtown and Community Renewal Community Improvement Project Area.

The program provides financial assistance for converting existing built commercial space into residential units or renovations to existing residential units. It also provides assistance for the costs of creating new residential units via building additions and new construction on vacant land and parking lots. Preference will be given to buildings with direct frontage on a main street.
The maximum loan amount is $10,000 per dwelling unit to a maximum of $200,000 per property. A minimum of 50% of the loan per unit must be spent on developing/renovating the unit. The remaining 50% can cover the cost of common elements of the property, such as roofing, HVAC, central air conditioning, fire escapes, foundations, furnaces and entranceways.

The maximum loan term is five years and six months from the date of the final advance exclusive of holdback. The loan interest rate will be at 0% interest for the first five years. For the last six months of the loan, interest shall be payable on the principal outstanding at the then prevailing rate established by Council for interest on tax arrears. In addition to the loan, the program has a grant portion of $5,000 per application, for professional fees such as architects, lawyers, engineers, and surveyors. The grant portion is allocated to professional fees only upon presentation of paid receipts to the City's satisfaction.

The detailed program description, terms and administrative procedure for the Commercial Corridor Housing Loan and Grant Program, as adopted by City Council resolution, are provided in Appendix 'D' to this Community Improvement Plan.

8.1.5 Hamilton Heritage Property Grant Program

The Hamilton Heritage Property Grant Program provides financial assistance for structural/stability work required to conserve and restore heritage features, the conservation and restoration of heritage features, and for heritage reports/assessments/studies, for designated heritage properties.

The Program offers a grant contingent on the property being designated under Parts IV or V of the Ontario Heritage Act, or the property being eligible for designation pursuant to Ontario Regulation 9/06. A condition of the grant will be that the property is designated under Parts IV or V of the Ontario Heritage Act prior to grant monies flowing to the applicant. Eligible properties must be located within the Downtown Hamilton Community Improvement Project Area, or an active Business Improvement Area, or be a designated heritage property used or to be used for commercial, institutional or multi-residential purposes and situated within the older, lower City between the Niagara Escarpment and Lake Ontario, between Highway 403 and the Red Hill Valley Parkway Parkway.

The grant will be based on 25% of the total cost of regeneration of the property to a maximum of $150,000 for eligible work under the program. The heritage related reports/assessments/studies component provides an additional grant that will fund 100% of the cost of the document(s) to a maximum of $20,000 per property. The applicant must be the property owner or any person to whom the owner has assigned the right to receive the grant.
The detailed program description, terms and administrative procedure for the Hamilton Heritage Property Grant Program, as adopted by City Council resolution, are provided in Appendix ‘F’ to this Community Improvement Plan.

8.1.6 Hamilton Downtown Office Tenancy Assistance Program

The Hamilton Downtown Office Tenancy Assistance Program provides financial assistance to either building owners or tenants for eligible leasehold improvements to office buildings located within the Downtown Hamilton Community Improvement Project Area. The intent of the program is to facilitate the increased attractiveness and marketability of the Downtown office stock. It aims to reduce the Downtown office vacancy rate by attracting new office tenants and owner-occupied office uses from outside the City, and to assist existing Downtown businesses to expand in the Downtown.

The maximum loan amount offered through this program will not exceed $450,000 per application. The loan amount will be based on the lesser of either:

a) 90% of invoiced eligible leasehold improvement costs; or
b) i) in the case of applications by an owner or tenant involving a lease, the square foot area multiplied by up to $25 per square foot depending on the term of the lease, or
   ii) in the case of applications by an owner not involving a lease (i.e. owner-occupied office space), the square foot area multiplied by $25.

The maximum loan term is the term of the lease and shall not exceed five (5) years from the date of the final loan advance. In the case of applications for owner-occupied office space, the maximum loan term shall not exceed five (5) years from the date of the final loan advance. The annual interest rate on the loan will be 1% below the prime rate as established by the Royal Bank of Canada.

City Council at its sole discretion may, when initially approving a loan commitment, provide a grant or forgivable loan when an applicant is a not-for-profit publicly-funded educational establishment establishing its presence in the Downtown Core.

The detailed program description, terms and administrative procedure for the Hamilton Downtown Office Tenancy Assistance Program, as adopted by City Council resolution, are provided in Appendix ‘E’ to this Community Improvement Plan.

8.1.7 Gore Building Improvement Grant Program

The Gore Building Improvement Grant Program is intended to support the maintenance, attractiveness, functionality and viability of the historic building stock.
that fronts onto King Street East between James Street and Catharine Street, known as "the Gore." It provides assistance to improve building appearance, utility and accessibility, and to meet Property Standards and current Sign By-law requirements.

One grant per property will be paid on a matching basis up to a maximum of $50,000 for eligible work under the terms of the Program. The matching basis ratio may be increased to provide 75% of the cost of replacing legal non-conforming signage with new signage that is in conformity with the current Sign By-law.

The detailed program description, terms and administrative procedure for the Gore Building Improvement Grant Program, as adopted by City Council resolution, are provided in Appendix ‘G’ to this Community Improvement Plan.

8.1.8 Hamilton Downtown Commercial Façade Property Improvement Grant Program

The Commercial Façade Property Improvement Grant Program provides financial assistance for façade improvements that will improve the appearance of commercial properties in the Downtown Hamilton Community Improvement Project Area and along the commercial corridors along Main Street West and King Street West leading to the Downtown from Highway 403.

The grant will be paid on a matching basis to a maximum of $10,000 for eligible work under the Program. As a further incentive for corner properties, the City will increase the maximum grant amount to $12,500 on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades.

Restoration/conservation of heritage features on commercial properties designated under the Ontario Heritage Act are not eligible for this program; however, improvements other than those to designated heritage features are eligible subject to the approval of a City heritage permit.

The detailed program description, terms and administrative procedure for the Commercial Façade Property Improvement Grant Program, as adopted by City Council resolution, are provided in Appendix ‘H’ to this Community Improvement Plan.

8.2 Municipal Property Acquisition and Disposition

The City of Hamilton may acquire and prepare property, including land and buildings, for the purposes of redevelopment within any Community Improvement Project Area. The City may also dispose, including sale, lease, or otherwise, of municipal land and buildings within any Community Improvement Project Area for the purpose of achieving the goals and objectives of this Plan.
8.3 Other Strategies

The following programs and initiatives are not provided under the authority of the community improvement provisions of the Planning Act, Section 28, but are intended to augment and support the goals, objectives and financial incentive programs contained in this Community Improvement Plan.

8.3.1 Relief from fees and charges

The City of Hamilton may offer relief from fees, levies and charges associated with redevelopment. For example, all or part of a development charge may be waived within a community improvement project area via the City’s Development Charge By-law under the authority of the Development Charges Act.

8.3.2 Co-operation/Participation with Private Sector Entities

The City of Hamilton may participate financially or otherwise with private sector entities for the objective of furthering the goals and objectives of this Plan. For example, the City may enter into public/private partnerships with developers where appropriate to achieve a desired public good such as the development and operation of a parking structure within Downtown Hamilton.

8.3.3 Capital Improvements

The City of Hamilton will undertake capital improvements in order to enhance the attractiveness of the pedestrian environment along streets and public spaces within the Downtown and Community Renewal Community Improvement Project Areas. These improvements may include but are not limited to expanding the Urban Braille system and providing street furniture, street lighting and pole upgrades, and wayfinding signage. The entrances to the downtown areas and BIAs will be identified by appropriately designed and located gateway features.

8.3.4 Arts and Culture

Downtown Hamilton is seen as the arts and cultural centre of the City, and numerous cultural events are also held within the various community downtowns and commercial districts. The City will continue to encourage cultural and recreational activities as well as festivals and other events in these areas. The City may partner with arts and culture groups to promote and support such events through initiatives such as services in kind.

The City’s Public Art Master Plan identifies and prioritizes potential sites and opportunities for new public art projects, including locations within this Community Improvement Plan’s Project Areas. The Public Art Master Plan also recommends the use of partnerships with the other public institutions, local cultural organizations and the private sector to facilitate the development of
public art. To this end, community improvement initiatives such as arts component of the Commercial Property Improvement Grant Program will promote partnerships with the private sector for the purpose of implementing exterior art works on privately owned land accessible to the public.

8.3.5 Marketing and Promotion

In accordance with the Economic Development Division's Marketing Plan, the City of Hamilton may promote and advertise or contribute to the promotion or advertisement of programs, initiatives and events in Downtown Hamilton, the Community Downtowns, BIAs and other commercial corridors for the purpose of achieving the goals and objectives of this Plan.

8.3.6 Neighbourhood Development Strategies

The Neighbourhood Development Strategy approved by Council in 2011 takes a holistic approach to neighbourhood planning and how best to maximize investments and deliver services in areas exhibiting poor health, social and economic outcomes. Neighbourhood/community strategies may address issues such as access and equity, access to housing and services, health inequalities, property maintenance, environmental issues, community appearance, economic stability, and crime. Such issues are often complex and require a multi-agency and community-based approach for their resolution.

Key activities of the Neighbourhood Development Strategy include increasing investment in neighbourhoods to support the implementation of priority projects identified by residents and key stakeholders. As part of the integrated team of City and community staff and resources, Urban Renewal staff will work with the Director of Neighbourhood Development Strategies when the Strategy is introduced to specific neighbourhoods, to ensure that existing and future opportunities related to community improvement are considered where appropriate.

9. MONITORING

Monitoring the Plan's implementation is undertaken through the City's performance measurement reporting, and the annual report prepared by the Economic Development Division of the Planning and Economic Development Department.

Performance measures are based the desired end results and key activities set out in the Department's business plan, in alignment with the City's Corporate Strategic Plan. They address the following desired end results:

- improve non-residential assessment ratio
- increase the number of brownfield sites redeveloped
• increase the number of new businesses
• increase taxable assessment growth
• increase the value of non-residential building permits (to improve the non-residential assessment ratio)
• increase the number of visitors, conventions and events
• meet growth targets (population and employment)
• decrease office vacancy rates in the Downtown core
• support waterfront redevelopment
• newly created or revitalized employment sites (to increase the employment rate)
• increase the number of residential units with the Downtown core;
• increase alternative transportation usage in areas such as transit, walking and cycling

10. APPROVAL AND AMENDMENT PROCESS

This Community Improvement Plan will be reviewed from time to time to ensure that it is current and adequately reflects existing City policies and priorities, as well as Provincial policies. Monitoring and applicant feedback regarding the Community Improvement Plan and its programs may also lead to amendments and/or minor revisions to the financial incentive program descriptions and terms.

10.1 Formal Amendments

A formal amendment to this Community Improvement Plan is required in the following instances:

• to introduce any new financial incentive programs, to be added to Section 8;
• to increase the amount of financial assistance that may be provided to registered owners, assessed owners, and tenants, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, as described in Section 8; or,
• a change to the Community Improvement Project Area as it is described in Section 6.

Formal amendments will require approval by City Council, and shall be undertaken in accordance with Section 28 of the Planning Act and the City’s Public Participation and Notification Policies contained in the Official Plan. As per the Official Plan, notification of the required public meeting for Community Improvement Plan amendments shall be given at least 17 days prior to the date of the meeting. The notice shall be given in accordance with the applicable requirements of the Planning Act regulations. Council decisions shall take place no sooner than a minimum of 17 days from the time the first notification is given. Proposed amendments will be circulated to the Ministry of Municipal Affairs and Housing prior to approval for consultation purposes. In addition, the City may undertake other communication methods to provide information and seek input,
such as public information open houses, workshops, and direct or electronic mail outs and surveys.

10.2 Other Changes

Council has adopted by resolution detailed implementation measures to allow for the efficient administration of each financial incentive program. These administration procedures are contained in the various program description and terms provided in the appendices to this Community Improvement Plan. Changes to the appendices not requiring a formal amendment will be adopted by City Council by resolution. In addition, Council may discontinue any of the programs contained in this Plan, without amendment to the Plan. Formal amendments, including public meetings under the Planning Act, shall not be required for minor administrative amendments to this Plan such as format changes, typographical errors, grammatical errors and policy number changes.

10.3 Transition

Program applications will be processed under the terms of the program in effect at the time the application was approved by Council. When program terms are revised, applications submitted and approved under the former terms of the program will be processed under the former terms unless the City receives a formal cancellation of the application.
PROGRAM DESCRIPTION

The Hamilton Downtown Multi Residential Property Investment Program (the “Program”) was developed as a catalyst for stimulating residential development within Downtown Hamilton as defined by the Downtown Hamilton Community Improvement Project Area. The Program is intended to provide financial assistance for projects that result in predominantly residential development including converting existing commercial space into multiple dwelling units; renovations to existing multiple dwelling units; the creation of a new multiple dwelling on vacant land; together with uses accessory to the residential development. A multiple dwelling must contain at least three (3) dwelling units.

Acting as a lender, the City provides financial support for the Program and ensures that development arising from the Program within the Downtown is consistent with the policies, principles and design themes contained within the Downtown Hamilton Secondary Plan, relevant Urban Design Guidelines, the Zoning By-law as well as any other City Council approved policy/regulation.

TERMS OF THE PROGRAM

1. The maximum Loan term is five (5) years and six (6) months (subject to prior termination on default) from the date of the final advance exclusive of holdback. No extension or renewal shall be granted.

2. The Loan interest rate will be at 0% interest for the first five (5) years. For the last six (6) months of the Loan, interest shall be payable on the principal outstanding at the then prevailing rate established by Council for interest on tax arrears, such interest to be calculated and payable monthly, not in advance.

3. When the City’s loan is $5 million or more or, when a significant “heritage” property is being conserved, City Council at its sole discretion has the option, at the time of initially approving a loan commitment, of extending the maximum Loan term to fifteen (15) years charging interest after the first five (5) years, at the 5-year borrowing rate for the City (as established by the City’s Underwriter((s))) plus 1% to cover administration costs (interest charged to be re-established every five ((5)) years).
4. The Loan will be secured by a second mortgage upon the lands to be developed (the "Property") upon first advance of funds. In addition, the Applicant will enter into a Loan Agreement which includes (but is not limited to) the terms and conditions of this program description.

5. Interest on arrears will be 12% per annum or such tax arrears interest rate as may be established by Council from time to time.

6. Principal is repayable in annual amounts of ten percent (10%), in 12 equal monthly payments, of the original loan amount. Payments will commence one year following the final advance, exclusive of any required holdback. The balance outstanding will be paid by a balloon payment at the end of the five (5) year and six (6) month term. Monthly principal payments will continue during the last six (6) months of the repayment term with interest calculated and payable monthly, not in advance, if not paid earlier.

7. The loan will mature at the end of the five (5) year and six (6) month term at which time the principal balance outstanding will be paid in full plus any outstanding interest unless City Council approved an extension of the loan term when the loan commitment was initially approved.

8. The loan may be prepaid at any time without notice, bonus or penalty.

9. The maximum loan amount is 25% of the Cost to Construct Budget prepared by an architect/engineer and addressed to the City of Hamilton and dated within 6 months of the date of application. For loans $1 million or above, a letter addressed to the City from a third-party quantity surveyor approving the Cost to Construct Budget must accompany the application. For loans under $1 million the appraisal submitted at time of application is to be addressed to the City of Hamilton and include replacement cost. All of the aforementioned documents are at the expense of the applicant.

10. Approval of the loan application is at the absolute discretion of the City and subject to the availability of funds.

11. The City will periodically review the terms and the duration of the Program and make appropriate revisions as per the direction of City Council.

12. The City may request such security as may be required to secure a commercial loan, including the following: title insurance in lieu of a survey if appropriate; loan agreement; and/or personal property security; and/or personal guarantee’s; and/or lien on the property to be improved; and/or collateral mortgage/charge registered on the property to be improved; and/or letter of credit in lieu of a second mortgage charge on the property (subject to City’s minimum equity requirements); and/or such other security which may be appropriate or available in the circumstance. In the instance where a personal guarantee is required a personal net-worth statement may also be required.

13. Redevelopment/development will commence no longer than 2 years following City Council’s approval of the loan commitment. The 2 year period may be extended by City Council at its absolute discretion.
14. The City's funding will be advanced in 3 stages, upon completion of 60%, 80% and substantial completion of the project. Upon proof satisfactory to the City that the proposed development is 60% complete based upon the cost of construction and that equity and/or financing required to that stage of completion has been injected into the development then the approved City funds will be made available and released proportionately based upon the approved source of funds (equity/financing/City funds).

The calculation of the proportion to be advanced will reflect that the first 60% of funding is from non-City sources. Advances will be made in conjunction with first mortgage financing advances or after proof of equity injections.

15. Owner applicants shall have no less than 25% equity based upon the appraised value of the property upon completion. The appraisal must be addressed to the City of Hamilton, dated within 6 months of the date of the application, include replacement cost, be prepared by an accredited member of the Appraisal Institute of Canada (AIC) and, must accompany the application. The cost of the appraisal is at the total expense of the owner.

16. An application fee of $260.00 must accompany the application. An administration fee of $500.00 per unit for developments under 50 units; $400.00 per unit for developments between 50 and 100 units and $300.00 per unit for projects over 100 units is charged to the borrower and is eligible to be paid out of the loan proceeds. The administration fees will be paid out of the first loan advance that flows from the City of Hamilton. All fees will be authorized through a user-fee by-law passed by City Council. The rate of the fees may be changed from time to time as approved by City Council.

17. All taxes as billed must be paid current and in good standing throughout the development process.

18. Eligible existing buildings/vacant properties must be located in the Downtown Hamilton Community Improvement Project Area. Vacant lands include properties developed as parking lots.

19. Site Concept Plan drawings in a form acceptable to the City must accompany the application.

20. Advances are made by the City, upon proof by a third-party quantity surveyor for loans $1 million or above confirming the value of the work completed. Loans under $1 million require an architect/engineer to confirm the value of the work completed.

21. All costs associated with the conversion or renovations are to be borne by the applicant including construction, design, application and administration fees, appraisals, professional services, inspections, legal and registration fees. The City retains the right to assess the reasonableness of costs and which costs are eligible under the terms of the Program.

22. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the Property then at the option
of the City all monies secured by the mortgage to the City shall forthwith become due and payable. The City shall have absolute discretion in requiring repayment of the loan secured by the mortgage.

23. Change of Corporate Control

Where the Owner is a corporation the Owner covenants and agrees that in the event that:

a) the Owner fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require: or

b) without the written consent of the City first had and obtained:
   i) the Owner issues or redeems any of its shares or transfers any of its shares;
   ii) there is a sale or sales of the shares of the Owner which result in the transfer of the legal or beneficial interest of any of the shares of the Owner; or
   iii) the Owner amalgamates, merges or consolidates with any other corporation

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Owner, or the requested information is not provided, then all monies secured by the mortgage together with accrued interest thereon shall forthwith become due and payable at the option of the City and the City's powers of sale hereby given and all other remedies for enforcement shall be exercisable.

24. If the development is a condominium, the repayment regime is as follows: upon sale of individual condominium units, the City will be repaid upon closing 25% of the sale price of the unit until the total loan amount has been paid in full. For units that remain outstanding, repayment terms for those units will be addressed in the Loan Agreement.

25. The proposed development must conform to applicable Official Plan policies, the Downtown Hamilton Secondary Plan, Urban Design Guidelines and the Zoning By-law, as well as any other City Council approved policy/ regulation.

26. The City of Hamilton will require specific insurance terms to be met to protect the City's interest.

27. Deadlines for the submission and approval of building permits and construction start dates are established following a report to Council for approved applications.

28. Without limiting the discretion as set out in paragraph 10 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate
entities and individuals behind the corporation (Officers/Directors/Shareholders).

29. Without limiting the discretion as set out in paragraph 10 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or other properties owned by the Applicant within the City of Hamilton.

30. Works commenced prior to submitting an application are ineligible. Works commenced after submitting an application but prior to application approval do so at the applicant's risk.
PROGRAM DESCRIPTION

The intent of the Hamilton Downtown Property Improvement Grant Program (the "Program") is to provide an economic catalyst for developing, redeveloping or renovating residential/commercial lands and buildings located within the Downtown Hamilton Community Improvement Project Area (as such boundaries are presently defined).

This Program authorizes for each approved grant application, a five year grant, the amount of which is subject to Council approval, in an amount not exceeding the increase in municipal realty taxes. The increase in municipal realty taxes (City portion only) will be based on either the year in which the building permit that initiated the development/redevelopment was issued or, for properties where the proposed development/redevelopment does not require a building permit, the year in which City Council approved the grant amount, and, the first year in which the property is reassessed. The grant shall be an amount which does not exceed 100% of the municipal realty tax increase during the first year, 80% in year 2, 60% in year 3, 40% in year 4, and 20% in year 5. For purposes of determining the eligible amount of the increase in municipal realty taxes, special charges including B.I.A. levies shall be excluded from the calculation. The grant would reduce the effect of an increase in municipal realty taxes attributable to the differential between the pre-renovation assessment and the post-renovation assessment.

1. Before any grant is provided to the applicant for a property for which a satisfactory grant application has been received and approved, realty taxes are required to have been paid as billed each year and, the property shall be in compliance with the program's requirements and conditions. If an appeal is filed with the Municipal Property Assessment Corporation, the applicant will be entitled to no more than 75% of the yearly grant. Upon final settlement of the appeal, necessary adjustments to the amount of the yearly grant will be made.

2. The first-year of the grant is payable at the end of the first year of reassessment, post completion, of the redevelopment/development (if...
reassessment occurs May 1 the grant will be paid by April 30 of the following year),

3. For commercial projects, the first year of the grant is payable at the end of the first year of reassessment, post completion, of the redevelopment/development regardless of the number of commercial units occupied (if reassessment occurs May 1 the grant will be paid by April 30 of the following year).

4. For residential condominium projects, the first-year grant is payable by the end of the calendar year in which 75% of the residential condominium units within the project are fully assessed, and is calculated on a rateable per unit basis.

5. The grants may be received by an owner in conjunction with any other available municipal program in support of redevelopment/development, including the municipality's loan and heritage programs. The approved grants are not assignable by the owner to anyone, except to the initial purchaser of any condominium unit or to the City of Hamilton. The total of each property's five years of approved grants shall not exceed the costs of the property's development/redevelopment.

6. A limited assignment of the grant under the terms of the Program may be made from a registered or assessed owner of the property to the initial purchaser of each new condominium unit. The assignment of the grant shall not apply to any subsequent re-sale of any such unit. The assigned grant shall be restricted to the balance of the five (5) year term running from the re-assessment date following the date of the registration of the condominium. The first-year grant is payable at the end of the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis. In addition to the one time $675 application fee, a one time administration fee of $350 per unit shall be deducted from the initial grant payment. Fees will be authorized through a by-law passed by City Council. The rate of the fees may be changed from time to time as approved by City Council.

7. For applicants who choose not to assign the grant to the initial purchasers of each condominium unit, the grant will be earned by the applicant if they have met all terms and conditions of the Program including payment of taxes until the development has past Final Building Inspection by Building Services. The annual grant to the applicant will be pro-rated if an appeal has been filed with the Municipal Property Assessment Corporation by any of the condominium unit owners. The grant for condominium units that are under appeal will not be released until the appeals are settled through the Assessment Review Board. The first year grant is payable during the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis.
8. An applicant and any assignees, can assign the grant to the City of Hamilton as payment of their loan under the Hamilton Downtown/West Harbourfront Remediation Loan Program.

9. The applicant will be required to enter into an Agreement with the City of Hamilton that sets out the conditions of the annual grant.

10. Redevelopment/development will commence no longer than 2 years following City Council’s approval of the grant or the grant will be cancelled. The 2 year period may be extended by the City Council at its absolute discretion.

11. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the Property the City shall have absolute discretion in ceasing any further grant payments.

12. Change of Corporate Control:
Where the Owner is a corporation the Owner covenants and agrees that in the event that:

a) the Owner fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require; or

b) without the written consent of the City first had and obtained:

i) the Owner issues or redeems any of its shares or transfers any of its shares;

ii) there is a sale or sales of the shares of the Owner which result in the transfer of the legal or beneficial interest of any of the shares of the Owner; or

iii) the Owner amalgamates, merges or consolidates with any other corporation

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Owner, or the requested information is not provided, then future grant payments under the Program shall cease at the absolute discretion of the City.

13. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds

14. Without limiting the discretion as set out in paragraph 13 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).
15. Without limiting the discretion as set out in paragraph 13 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or other properties owned by the Applicant within the City of Hamilton.

16. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.

**GRANT CRITERIA**

Projects that include developing, redeveloping or renovating residential/commercial lands and buildings within the Downtown Hamilton Community Improvement Project Area are eligible under the Program. Approval of the application and estimated grant amount is subject to City Council approval. Such application shall be submitted and only received if it is prior to the owner’s commencement of improvements/rehabilitation to their property and shall include plans, estimates, contracts and other details as may be required to satisfy the City as to the cost of the project and as to the conformity of the project with the objectives of the Downtown and Community Renewal Community Improvement Plan.

Such project is also required to be in compliance with the City’s Official Plan policies, other by-laws and policies, including but not limited to zoning, site plan approval, design guidelines, heritage matters including preservation of historical buildings. The compliance of each application with the criteria of this Program and the estimated amount of the Property’s grants (within the permitted terms of this Program) is at the discretion of and subject to Council approval.

All parking lots and vacant sites are eligible. Properties upon which commercial, residential or industrial buildings are cleared and demolished are eligible with the exception of designated heritage buildings.

This program shall not apply to an existing or proposed Adult Entertainment Parlour, Body Rub Establishment, Correction Facility, Corrections Residence, Emergency Shelter, Lodging House or Residential Care Facility as defined in the Zoning By-law.
PROGRAM DESCRIPTION

The Business Improvement Area Commercial Property Improvement Grant Program is intended to provide financial assistance for commercial property owners/authorized tenants within active* City-wide Business Improvement Areas as identified within the Downtown and Community Renewal Community Improvement Plan. The Program provides financial assistance for property owners/authorized tenants within each of the active Business Improvement Areas across the entire City of Hamilton. The Program aims to improve upon the appearance of numerous commercial properties throughout the City. It is understood that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector within the City of Hamilton. This Program seeks to build upon these successes, to result in long lasting physical improvements to the assets of commercial property owners/authorized tenants, and to bring about aesthetic improvements to the commercial areas as defined by the Business Improvement Areas, and to broadly improve commerce within the entire City.

*An active BIA is not considered dormant as defined by the Dormant Business Improvement Area Status Procedure as approved by City Council at its meeting held November 11, 2009.

PROGRAM TERMS

1. Commercial property owners/authorized tenants are eligible to apply for a grant under the Program once each calendar year.

2. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with ground floor street frontages.

3. Commercial uses must be in conformity with applicable policy documents of the City including but not limited to Official Plans, the provisions of the Zoning By-law and any other applicable City by-laws.

4. Performance measures are to be applied to the payment of grants.
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5. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. Owner may present an estimate but is required to have at least two prepared by contractors. The grant will be calculated based upon lowest cost estimate, and is not to address cost increases or over runs. In the case where the applicant is the owner of a contracting company and wishes to utilize the company to undertake the improvements, one (1) cost estimate will be required. A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.

6. Buildings that have a linear foot street frontage greater than twenty-five feet (25’), grants will be paid on a matching basis of $400 per linear foot of street frontage up to a maximum of $20,000 for eligible work under the Program.

7. Buildings that have a linear foot street frontage of twenty-five feet (25’) or less, grant amounts will be paid on a matching basis to a maximum of $10,000 for eligible work under the Program.

8. As a further incentive for corner properties and properties where at least one side of the property is exposed to a public street regardless of the measurement of the street frontage, the City will increase the maximum grant amount to $25,000, on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades. The grant amount will be determined by the measurement of the street frontage and the measurement of the corner/exposed wall multiplied by $400 per linear foot.

9. Restoration/conservation of heritage features on commercial properties designated under the Ontario Heritage Act are not eligible under this grant program however, improvements other than those on heritage features are eligible subject to the approval of a City heritage permit. Urban Renewal staff will work closely with Community Planning and Design staff on all applications received that are designated under the Ontario Heritage Act.

10. Artfully designed façade improvements or art pieces placed on private property that can be viewed by the public provides an additional matching grant of $10,000.

11. The applicant will provide an adequate brief and rendering of the proposed art piece.

12. A jury will be established and may comprise a selection of the following: Urban Renewal Section, urban designer, Business Improvement Area member. The Director of Culture or representative will be on the jury.

13. The selection jury will review, evaluate and approve all proposed art projects.

14. The jury will reserve the right to deem what is eligible for funding under the arts component.
15. A building inspector will perform initial inspection relative to the façade which is intended to be improved, and subsequent final inspection to assure compliance with the Ontario Building Code.

16. Approval of the grant is at the sole discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.

17. Proposed improvements to be completed within one year to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.

18. Work completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the Urban Renewal Section.

19. At the sole discretion of the Manager of Urban Renewal, partial payments for works completed can be processed consistent with the payment process described above.

20. At the sole discretion of the Manager of Urban Renewal, the grant cheque can be made jointly payable to the applicant and the contractor if such a request has been received from the applicant.

21. An application fee of $320 is payable upon submission of application. The fee will be authorized through a by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council.

22. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds.

23. Without limiting the discretion as set out in paragraph 22 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

24. Without limiting the discretion as set out in paragraph 22 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

25. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant's risk.

26. A successful applicant will enter into an agreement with the City containing the terms and conditions (but not limited to) set out in the program description.
ELIGIBILITY REQUIREMENTS

- Property owners and authorized tenants are eligible
- Property taxes must be paid current
- The proposed work to be pre-inspected by the City Building Inspector
- Commercial properties must be located within one of the City’s active Business Improvement Areas and be within the corresponding Community Improvement Project Area
- Existing use must be in conformity with the applicable Zoning By-law regulations, and other relevant planning controls

ELIGIBLE IMPROVEMENTS

- Replacement or repairing of storefronts and the rear of properties if used as an access to the business
- Improvements and or upgrades to doors, cornices and parapets
- Addition of new lighting and upgrading of existing fixtures, on exterior of the façade and within the storefront area normally associated with the display area
- Awning replacements and/or additions
- Brick repairs and/or pointing
- Painting and façade treatments
- Installation or improvement of signage
- Architectural, engineer or design fees may be eligible up to $1,500 as part of the total grant awarded for completed construction
- Interior improvements related to display windows and entrance areas are eligible to an amount of $2,500 of the total allotment. Eligible areas will be determined by the review committee
- Permanent landscape features only such as flagstone and natural stones/rocks, statuary, irrigation, containers
- Permanent Fencing
- Front-yard decks/patios or side yard decks/patios that abut a street

In-Eligible:

- Trees, shrubbery, perennials, annuals, soil, mulch, grass
- Roofing (apart from mansard roofs above the eligible frontage)
- Sandblasting
- Paving of parking lots
- Outdoor furniture
COMMERCIAL CORRIDOR HOUSING LOAN AND GRANT PROGRAM

PROGRAM DESCRIPTION

The Commercial Corridor Housing Loan and Grant Program (the “Program”) is designed to stimulate residential development within Downtown Hamilton, Hamilton’s Community Downtowns, active and dormant Business Improvement Areas and “main street” corridors, as identified in the Downtown and Community Renewal Community Improvement Project Area By-law.

The Program is intended to provide financial assistance for converting existing built commercial space into residential units, renovations to existing residential units or construction of new units via building additions. The Program is also intended to provide assistance for the costs of creating new residential units on vacant land.

Acting as a lender, the City provides financial support for the Program and ensures that development arising from the Program is consistent with the principles and design themes contained within the Downtown and Community Renewal Community Improvement Plan, the applicable Official Plan and Zoning By-law, and the provisions of relevant Urban Design Plans.

PROGRAM TERMS

Note: A Pre-Application Form must be completed and forwarded to the Urban Renewal Section prior to scheduling a meeting with staff to complete a final application form. The Pre-Application Form is required in order that staff can review property details and determine appropriate next steps.

1. Subject to meeting all other Program terms, the Commercial Corridor Housing Loan and Grant Program is available to property owners within:
   a) the Downtown Hamilton Community Improvement Project Area;
   b) the City of Hamilton’s Community Downtowns;
   c) the active and dormant Business Improvement Areas;
   d) the “main street” corridors as identified in the Downtown and Community Renewal Community Improvement Project Area By-law.

2. The maximum loan amount is $10,000 per dwelling unit to a maximum of $200,000 per property. A dwelling unit is a room or suite of rooms used or intended to be used by one or more persons living together as one household, in which cooking and sanitary facilities are provided for the exclusive use of the household, and to which an independent entrance is provided from outside the building or from a common interior hallway, vestibule or stairway. A minimum of 50% of the loan per unit must be spent on developing/renovating the unit. The
remaining 50% can cover the cost of common elements of the property e.g. roofing, HVAC, central air conditioning, fire escapes, foundations, furnaces, entranceways or other improvements deemed eligible by the General Manager of the Planning and Economic Development Department.

3. In addition to the loan, the Program has a grant portion of $5,000 per application allocated to professional fees only. The grant portion is paid upon presentation of paid receipts to the City's satisfaction. Professional fees will include: architects; lawyers; engineers; surveyors' fees, title insurance, etc. Eligible fees will be at the absolute discretion of the City.

4. The Program does not apply to single-detached dwelling units or “individual” street townhouse dwelling units.

5. The Program will not fund improvements including roofing, electrical, fascia, eavestrough, in isolation of internal work on dwelling units.

6. Approval of the loan application is at the absolute discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.

7. The maximum Loan term is five (5) years and six (6) months (subject to prior termination on default) from the date of the final advance exclusive of holdback. No extension or renewal shall be granted.

8. The Loan interest rate will be at 0% interest for the first five (5) years. For the last six (6) months of the Loan, interest shall be payable on the principal outstanding at the then prevailing rate established by Council for interest on tax arrears, such interest to be calculated and payable monthly, not in advance.

9. The Loan will be registered as a second mortgage upon the lands to be developed (the “Property”) upon first advance of funds. In addition, the Applicant will enter into a Loan Agreement which includes (but is not limited to) the terms and conditions of this program description.

10. Interest on arrears will be 12% per annum or such tax arrears interest rate as may be established by Council from time to time.

11. Principal is repayable in annual amounts of ten percent (10%), in 12 equal monthly payments, of the original loan amount. Payments will commence one year following the final advance, exclusive of any required holdback. The balance outstanding will be paid by a balloon payment at the end of the five (5) year and six (6) month term. Monthly principal payments will continue during the last six (6) months of the repayment term with interest calculated and payable monthly, not in advance, if not paid earlier.

12. The loan may be prepaid at any time without notice, bonus or penalty.

13. The City may request such security as may be required to secure a commercial loan, including the following: loan agreement; and/or promissory note; and/or personal property security; and/or personal guarantees; and/or lien on the property to be improved; and/or collateral mortgage charge registered on the property to be improved; and/or letter of credit in lieu of a second mortgage charge on the property (subject to City's minimum equity requirements); and/or such other security which may be appropriate or available in the circumstance.
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The City will request net worth statements or variations thereof as the City may determine.

14. The City’s funding will be advanced in 3 stages, upon completion of 60%, 80% and substantial completion of the project. Upon proof satisfactory to the City that the proposed development is 60% complete based upon the value of the construction and that equity and/or financing required to that stage of completion has been injected into the development, then the approved City funds will be made available and released proportionately based upon the approved source of funds (equity/financing/City funds). The calculation of the proportion to be advanced will reflect that the first 60% of funding is from non-City sources. Advances will be made in conjunction with financing advances or after proof of equity injections.

15. Applicants shall have no less than 25% equity based upon the appraised value of the property offered as security, including cost of improvements being financed. The City at its discretion will determine whether an appraisal is required or whether it will accept a drive-by appraisal, tax assessment or other proof of value, depending on the amount of the Loan and the extent of construction or renovation.

16. The City may request personal guarantees, and/or such other security which may be appropriate or available in the circumstances.

17. An application fee of $255 must accompany the final application. An administration fee of $260 per unit is charged to the borrower. The administration fees will be paid out of the first advance of funds that flow from the City of Hamilton. The fee amount may be changed from time to time as approved by City Council.

18. Realty taxes must be paid as billed throughout the development process.

19. Advances are made by the City, upon proof satisfactory to the City confirming the value of the work completed.

20. All costs associated with the conversion or renovations are to be borne by the applicant including construction, design, administration fees, appraisals, inspections, legal and registration fees. The City retains the right to assess the reasonableness of costs and which costs are eligible under the terms of the Program.

21. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the Property then at the option of the City all monies secured by the mortgage to the City shall forthwith become due and payable. The City shall have absolute discretion in requiring repayment of the loan secured by the mortgage.

22. Change of Corporate Control:
   Where the Owner is a corporation the Owner covenants and agrees that in the event that:
   a) the Owner fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require: or
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b) without the written consent of the City first had and obtained:
   i) the Owner issues or redeems any of its shares or transfers any of its shares;
   ii) there is a sale or sales of the shares of the Owner which result in the transfer of the legal or beneficial interest of any of the shares of the Owner; or
   iii) the Owner amalgamates, merges or consolidates with any other corporation

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Owner, or the requested information is not provided, then all monies secured by the mortgage together with accrued interest thereon shall forthwith become due and payable at the option of the City and the City’s powers of sale hereby given and all other remedies for enforcement shall be exercisable.

23. If the development is a condominium, the repayment regime is as follows: upon sale of individual condominium units, the City will be repaid $12,500 per unit, until the loan is paid in full. For units that remain outstanding, repayment terms for those units will be addressed in the Loan Agreement.

24. The proposed development must conform to the relevant Official Plan and Zoning By-law and such other approved municipal policies as are applicable, e.g. urban design guidelines/built form guidelines.

25. The proposed development must conform to an Urban Design Plan where same is in effect. The applicant must demonstrate to staff that the Urban Design Plan is being implemented.

26. The City of Hamilton will require specific insurance terms to be met to protect the City’s interest.

27. Redevelopment/development will commence no longer than one-year following the date the loan is approved by the General Manager of the Planning and Economic Development Department or the loan/grant will be cancelled. The one-year period may be extended at the absolute discretion of the General Manager of the Planning and Economic Development Department.

28. The deadline for 60% completion of the proposed redevelopment/development will be subject to a date established through consultation with the applicant and approved by the General Manager of the Planning and Economic Development Department.

29. The City will periodically review the terms and the duration of the Program and make appropriate revisions as per the direction of City Council.

30. The Commercial Corridor Housing Loan and Grant may be received by an owner in conjunction with any other available City programs (excluding the Hamilton Downtown Multi-Residential Property Investment Program) in support of the redevelopment/development of the property.

31. Without limiting the discretion as set out in paragraph 6 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the
Appendix 'F' to Report PED11188

commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

32. Without limiting the discretion as set out in paragraph 6 herein, the City Council whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

33. Works commenced prior to submitting an application are ineligible. Works commenced after submitting an application but prior to application approval do so at the applicant's risk.
Program Description:

The Hamilton Heritage Property Grant Program (HHPGP) 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; the conservation and restoration of heritage features of properties; and for heritage studies/reports/assessments for properties that are designated under Parts IV or V of the Ontario Heritage Act. Eligible properties must be located within: Downtown Hamilton; an active* Business Improvement Area within the City of Hamilton; or, be designated under Parts IV or V of the Ontario Heritage Act and located within the lower city between Highway 403 and the Red Hill Valley Parkway and used for commercial, institutional or multi-residential purposes.

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. 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 applicable Zoning By-laws as well as any other applicable City Council approved policies/regulations.

* An active B.I.A. is not considered dormant as defined in the Dormant Business Improvement Area Status Procedure as approved by City Council at its meeting held November 11, 2009.

Terms of the Program:

1. The applicant must be the property owner of a historically designated property or, any person whom the owner of such property has assigned the right to receive the grant, to be eligible to apply for the program.

2. The grant is contingent on properties being designated under Parts IV or V of the Ontario Heritage Act.
3. An application fee of $320 is to accompany the application. The rate of the fee may be changed from time to time as approved by City Council.

4. The grant is conditional upon a Heritage Permit; or easement approval; or other City approval, being issued for the heritage component.

5. The grant is conditional upon all planning and building code approvals required for structural/stability works.

6. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.

7. The Urban Renewal Section reserves the right to recommend works that are integral to the preservation of the building required to preserve/conserve the heritage features.

8. Proposed work is to be completed within two calendar years of the date of approval of the General Manager of the Planning and Economic Development Department to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.

9. 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 or, upon proof satisfactory to the City confirming the value of the work completed.

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

11. Notwithstanding the above, upon completion of the improvements on condominium properties, the Urban Renewal Section will set a deadline to the condominium corporation as to when all taxes on the property are to have been paid as billed and, if on that date 100% of the taxes are not paid, the grant will be advanced proportionately based upon the percentage of paid taxes. The remainder of the grant will be cancelled.

12. 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.

13. Work completed must comply with estimates, and work proposed and identified within the application unless previously approved by the Urban Renewal Section.

14. At the sole discretion of the Manager of Urban Renewal, partial payments for works completed can be processed consistent with the payment process described above.
15. At the sole discretion of the Manager of Urban Renewal, the grant cheque can be made jointly payable to the applicant and the contractor if such a request has been received from the applicant.

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

17. The heritage grants may be received by an owner in conjunction with any other City heritage program available including the Commercial Heritage Property Restoration Program and the Community Heritage Trust Program. Funding under these programs will not fund the same work and will be contingent on total financing under all heritage programs not exceeding 50% of the total cost of the restoration/conservation work.

18. The heritage grant may also be received by an owner in conjunction with any other available City program in support of the redevelopment/development of the property including the City's Hamilton Downtown Multi Residential Property Investment Program; the Hamilton Downtown Property Improvement Grant Program, the Commercial Corridor Housing Loan and Grant Program and the Commercial Property Improvement Grant Program. Funding under these programs will not fund the same work.

19. Approval of the grant application is at the absolute discretion of the City and subject to the availability of funds.

20. Without limiting the discretion as set out in paragraph 19 herein, the City, Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

21. Without limiting the discretion as set out in paragraph 19 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

22. A successful applicant will enter into an agreement with the City containing the terms and conditions (but not limited to) set out in the program description.

Heritage Related Reports/Assessments/Studies Component:

- The heritage related reports/assessments/studies component provides an additional grant that will fund 100% of the cost of the document(s) to a maximum of $20,000 per property.
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- The applicant shall retain a qualified consultant to complete the heritage related reports/assessments/studies, who is acceptable to the City (Urban Renewal Section and Community Planning and Design).
- The final document is to meet the satisfaction of the City (Urban Renewal Section and Community Planning and Design).
- Copies of the final document shall be provided to the City (Urban Renewal Section and Community Planning and Design) and may be used as the basis for future work on the property by a future owner should the ownership of the property change.

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 (“OHA”).
- 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 accompanying the designating by-law under the OHA.
- 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 accompanying the designating by-law under the OHA.
- 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 store 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.
- 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
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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 ineligible 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
HAMILTON DOWNTOWN OFFICE TENANCY ASSISTANCE PROGRAM

PROGRAM DESCRIPTION
The Hamilton Downtown Office Tenancy Assistance Program (the “Program”) provides financial assistance to either building owners or tenants for eligible leasehold improvements to office buildings located within the Downtown Hamilton Community Improvement Project Area. The intent of the Program is to facilitate the increased attractiveness and marketability of the Downtown office stock and reduce the Downtown office vacancy rate by attracting new office tenants and owner-occupied office uses from outside the City, and to assist existing Downtown businesses to expand in the Downtown.

Acting as a lender, the City provides financial support for the Program in the form of a low interest loan. Development arising from the Program must be consistent with the Downtown and Community Renewal Community Improvement Plan and other policies and regulations as may be applicable, such as the Downtown Hamilton Secondary Plan, the Zoning By-law, Urban Design Guidelines, and building permit requirements.

ELIGIBILITY REQUIREMENTS
1. Buildings must be located within the Downtown Hamilton Community Improvement Project Area to be considered for the Program.

2. Either owners of eligible buildings, or tenants within eligible buildings, may apply to the Program.

Applications by Owner/Tenant involving a Lease:
3. Leasehold improvements made for a tenant relocating to an eligible building from outside the City of Hamilton are eligible for the Program. Each application must involve leasehold improvements within an approximate minimum of 2,000 square feet of gross leaseable office space that is subject to a lease. The minimum square foot requirement may be subdivided within a larger building. The lease term must be a minimum of one (1) year.

4. Leasehold improvements made for a tenant relocating from a location within the City of Hamilton that is outside of the Downtown Hamilton Community Improvement Project Area are ineligible for the Program.

5. Leasehold improvements made for a tenant currently leasing office space within an eligible building in the Downtown Hamilton Community Improvement Project Area may be eligible for the program, only in cases
where the current leasehold area is being expanded in the same or another eligible building. For the purpose of calculating the loan amount, the total eligible leasehold improvement costs will account for the expansion area only. Each application must involve leasehold improvements within an approximate minimum of 1,000 square feet of gross leaseable office space that is subject to a lease. The minimum square foot requirement may be subdivided within a larger building. The lease term must be a minimum of one (1) year.

Applications by Owner not involving a Lease:

6. In the case of owner-occupied office space that does not have a lease, the building owner occupying said office space may apply to the Program provided the owner applicant is relocating from outside the City of Hamilton to an eligible building. For the purpose of the Program, the office space and improvements will be considered to be leaseable/leasehold improvements. Each application must involve leasehold improvements within an approximate minimum of 2,000 square feet of gross leaseable office space.

All Applications:

7. Eligible leasehold improvements include leasehold improvements required by the tenant in order to lease the space, but that will become the property of the landlord upon termination of the lease. They include alterations or improvements to the building that cannot be removed upon termination of the lease because they are attached to or form part of the leased premises. They may include:

- alterations to a building such as interior walls, ceilings and doors;
- paint, wallpaper, window coverings and flooring;
- phone and data cabling;
- fixed lighting, HVAC, electrical or plumbing upgrades.

Ineligible leasehold improvements would include items that can be moved or taken out of the building, such as mobile partitions, furniture and equipment, appliances, pictures, signs, and carpeting/rugs that are not attached to the floor. Capital improvements to a property are not eligible e.g. additions, roofing.

8. For the purpose of this Program, eligible leasehold improvements are to be made to space within eligible buildings that is devoted to office uses, where permitted by the zoning by-law, in which management, clerical, administrative, consulting, advisory, training or teaching services are offered or performed, including call centres and educational establishments. Other uses may include commercial school, communications establishment, financial establishment, medical office, and medical clinic (excluding methadone clinics), where permitted by the zoning by-law. City Council at its sole discretion may deem other uses eligible for the program that are not listed above.

Leasehold improvements to space within eligible buildings that is devoted to more commercially-oriented uses are ineligible, such as retail,
restaurant, personal services, commercial entertainment, commercial recreation, hotel, conference or convention centre uses.

9. The improvements made to buildings shall be in accordance with the Ontario Building Code and in compliance with all applicable City by-laws, official plans, zoning regulations, design guidelines and site plan approvals.

10. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.

11. Prior to a loan being approved, property taxes are required to be paid in full as billed.

12. Approval of the loan application is at the absolute discretion of the City and subject to the availability of funds.

13. Without limiting the discretion as set out in paragraph 12 herein, the City Council, whether or not an applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; or, corporate entities and individuals behind the corporation (e.g. Officers/Directors/Shareholders).

14. Without limiting the discretion as set out in paragraph 12 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

TERMS OF THE PROGRAM

14. The maximum loan amount will not exceed $450,000 per application.

15. The loan amount will be based on the lesser of either a) or b):
   a) 90% of invoiced eligible leasehold improvement costs;
   b) i) in the case of applications by an owner or tenant involving a lease, the square foot area multiplied by the appropriate $ amount based on the term of the lease, as indicated in the table below;

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<th>Term of Lease</th>
<th>$ amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 to 35 months</td>
<td>$10</td>
</tr>
<tr>
<td>36 to 47 months</td>
<td>$15</td>
</tr>
<tr>
<td>48 to 59 months</td>
<td>$20</td>
</tr>
</tbody>
</table>
Appendix ‘H’ to Report PED11188

| 60 months or longer | $25 |

ii) in the case of applications by an owner not involving a lease (i.e. owner-occupied office space), the square foot area multiplied by $25.

16. City Council at its sole discretion has the option, at the time of initially approving a loan commitment, of providing a grant or forgivable loan versus a loan when an applicant is a not-for-profit publicly-funded educational establishment establishing its presence in the Downtown Core. Approval of a grant would be contingent on an appropriate funding source being identified as part of the approval process.

17. The annual interest rate on the loan will be 1% below the prime rate as established by the Royal Bank of Canada. Such rate shall be established at the time the first instalment of the loan is advanced by the City, and reset annually on the anniversary date of the first advance.

18. The maximum loan term is the term of the lease and shall not exceed five (5) years (subject to prior termination on default) from the date of the final loan advance. In the case of applications for owner-occupied office space, the maximum loan term shall not exceed five (5) years (subject to prior termination on default) from the date of the final loan advance.

19. All applicants will submit a completed Program application form, financial statements, a business plan in a format acceptable to the City in its absolute discretion, and any other documentation or evidence the City may require to evaluate the loan application.

20. All applicants receiving approval for a City loan under this Program shall be required to enter into a Loan Agreement with the City with provisions including but not limited to the terms and conditions set out herein, and execute a General Security Agreement.

21. Loans are conditional upon the City being provided with a copy of the executed lease, in a format acceptable to the City in its absolute discretion. This Program term does not apply in the case of applications for owner-occupied office space.

22. The loan under this Program, once approved, may be advanced in up to three (3) stages, upon completion of 50%, 75% and 100% completion of the improvements, based on 90% of the actual eligible leasehold improvement costs incurred as evidenced by copies of paid invoices.

23. Prior to each loan advance, realty taxes are required to be paid in full as billed.

24. Prior to the final advance, final inspection will be completed for all building permits required in relation to the leasehold improvements.

25. Loan repayments will commence one (1) month following the final advance and no later than four (4) months following the first advance. The four (4) month period may be extended by the City in its absolute discretion in cases where an applicant submits a work schedule in a format acceptable to the City. The work schedule must be submitted no
later than the time of the first advance (i.e. 50% complete) and demonstrate that a longer period is required to complete the balance of the leasehold improvements.

26. Loan repayments will be a blend of interest and principal based on the term of the loan and the interest rate set at the first advance. Payments will be adjusted annually at the time the interest rate is reset (i.e. the anniversary date of the first advance).

27. Interest on arrears will be such tax arrears interest rate as may be established by Council from time to time.

28. If the applicant is the owner, in the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the property by the owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.

29. In cases where the applicant is a corporation, the applicant covenants and agrees that in the event that there is a change in the effective control of the majority of the voting shares of the corporation, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.

30. If the applicant is a tenant, in the event that the tenant vacates the office space prior to the end of the loan term (i.e. the end term of the lease or five (5) years from the date of the final loan advance, whichever is less), the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with the interest accrued to date.

31. An Office Tenancy Assistance Program loan may be received by an applicant in conjunction with other available City incentive programs in support of the redevelopment/development of the property.

32. Approval of the loan application is at the absolute discretion of the City and subject to the availability of funds.

33. An application fee of $410.00 must accompany the application. All fees will be authorized through a user-fee by-law passed by City Council, and may be changed from time to time as approved by City Council.
PROGRAM DESCRIPTION

The Gore Building Improvement Grant Program (the “Program”) was developed to support the maintenance, attractiveness, functionality and viability of the historic building stock that fronts on King Street East between James Street and Catharine Street, known as the “Gore”. The Program is intended to provide financial assistance to bring existing properties to present-day Property Standards and Sign By-law requirements and, to improve their accessibility.

The Program supports an objective of the Downtown Secondary Plan: conserve and enhance the Gore as the primary landscaped open space and concentration of heritage buildings in Downtown Hamilton.

Applications under the Program will be accepted to the end of December 2014 (subject to the availability of funding). Improvements funded under the Program must be completed no later than August 1, 2015.

PROGRAM TERMS

1. Property owners and, tenants authorized in writing by the owner, are eligible to apply for a grant under the program. One grant per property. A property to be defined by a property deed.

2. Two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. Owner may present an estimate but is required to have at least two prepared by contractors. The grant will be calculated based upon lowest cost estimate, and is not to address cost increases or over runs. In the case where the applicant is the owner of a contracting company and wishes to utilize the company to undertake the improvements, one (1) cost estimate will be required. A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.

3. Applicants will be required to provide a business case that identifies how the improvements will improve the marketability of the property for prospective tenants and/or improve the business vitality and/or utilize formerly under-utilized upper floors.
Grants will be paid on a matching basis up to a maximum of $50,000 for eligible work under the Program.

A building inspector will perform initial inspection relative to the proposed improvements, and subsequent final inspection to assure compliance with Property Standards.

Approval of the grant is at the sole discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.

Proposed improvements to be completed within one year to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.

Work completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the Urban Renewal Section.

The Applicant shall provide to the City's Urban Renewal Section copies of paid invoices for all work undertaken on the property for which the grant is applicable. This documentation is to be provided prior to the final inspection.

A City Building Inspector’s final inspection report confirming all works have been carried out satisfactorily will be provided prior to release of any grant monies.

At the sole discretion of the Manager of Urban Renewal, partial payments for works completed can be processed consistent with the payment process described above.

At the sole discretion of the Manager of Urban Renewal, the grant cheque can be made jointly payable to the applicant and the contractor if such a request has been received from the applicant.

The grant is not transferable upon sale of the property.

The grant may also be received by an owner in conjunction with any other available City program in support of the redevelopment/development of the property with the exception of the Hamilton Downtown Commercial Façade Property Improvement Grant Program.

An application fee of $320 is payable upon submission of application. The fee will be authorized through a by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council.

Without limiting the discretion as set out in paragraph 6 herein, the City, Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/ Directors/ Shareholders).
17. Without limiting the discretion as set out in paragraph 6 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

18. A successful applicant will enter into an agreement with the City containing the terms and conditions (but not limited to) set out in the program description.

ELIGIBILITY REQUIREMENTS

- Property owners and authorized tenants are eligible.
- Property taxes must be paid current.
- The improvements made to buildings shall be in accordance with Property Standards and in compliance with all applicable City by-laws, official plans, zoning regulations, design guidelines and site plan approvals.
- Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant's risk.
- Properties must front on King Street between James Street and Catharine Street.
- Existing use must be in conformity with the applicable Zoning By-law regulations (including the Heritage Character Zone), and other relevant planning controls.
- This program shall not apply to an existing or proposed Adult Entertainment Parlour, Body Rub Establishment as defined in the Zoning By-law.

ELIGIBLE IMPROVEMENTS

- Signage in conformity with the Sign By-law 06-243 as amended. (Note: the eligible grant amount will be increased to 75% of the cost of installing a sign that is in conformity with the Sign By-law and is replacing a legally non-conforming sign)
- Façade improvements
- Reinforcement of floors, walls, ceilings and foundations
- Required improvements to ventilation systems
- Construction or alteration of stairs, guards, handrails
- Roofing
- Installation or repair of central air-conditioning
- Installation or repair of furnace
- Installation or alteration of required window openings
Appendix ‘I’ to Report PED11188

- Installation or alteration of fire protection systems; fire separations; fire doors, fire shutters and other fire protection devices
- Improvements for barrier-free accessibility including elevators
- Other improvements related to health and safety issues deemed eligible at the sole discretion of the General Manager of Planning and Economic Development.
PROGRAM DESCRIPTION

The Hamilton Downtown Commercial Façade Property Improvement Grant Program (the “Program”) is intended to provide financial assistance for commercial property owners/authorized tenants within the Downtown Hamilton Community Improvement Project Area. The Program aims to improve upon the physical appearance of properties within the Downtown, achieve quality façade improvements and, encourage investment in the area. Spurring the preservation, revitalization and reinvestment of commercial properties within the Downtown will assist in creating a welcoming environment for people to live, work, play and learn.

Applications under the Program will be accepted to the end of December 2014 (subject to the availability of funding). Improvements funded under the Program must be completed no later than August 1, 2015.

PROGRAM TERMS

1. Commercial property owners and tenants authorized in writing by the owner, are eligible to apply for a grant under the Program once each calendar year.

2. Commercial properties are to be identified by municipal address to identify multiple and separate commercial units with ground floor street frontages.

3. Commercial uses must be in conformity with: all policy documents of the City including but not limited to official plans; the provisions of the Zoning By-laws; and any other City by-laws.

4. Performance measures are to be applied to the payment of grants.

5. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Two (2) separate cost estimates of the work to be provided by a licensed contractor other than the owner. Owner may present an estimate but is required to have at least two prepared by contractors. The grant will be calculated based upon lowest cost estimate, and is not to address cost increases or over runs. In the case where the applicant is the owner of a contracting company and wishes to utilize the
company to undertake the improvements, one (1) cost estimate will be required. A Building Inspector will review all estimates provided for the purpose of ensuring competitiveness.

6. Maximum grant amount will be paid on a matching basis (50%-50%) to a maximum of $10,000 per property for eligible work under the Program. As a further incentive for corner properties, the City will increase the maximum grant amount to $12,500 on a similar matching basis for eligible work under the Program to recognize the importance of flankage facades.

7. Restoration/conservation of heritage features on commercial properties designated under the Ontario Heritage Act are not eligible under this grant program however, improvements other than those on heritage features are eligible subject to the approval of a City heritage permit. Urban Renewal staff will work closely with Community Planning and Design staff on all applications received that are designated under the Ontario Heritage Act.

8. A building inspector will perform initial inspection relative to the façade which is intended to be improved, and subsequent final inspection to assure compliance with the Ontario Building Code.

9. Approval of the grant is at the sole discretion of the General Manager of the Planning and Economic Development Department and subject to the availability of funds.

10. Proposed improvements to be completed within one year to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.

11. Work completed must be consistent with estimates, and work proposed and identified within the application unless previously discussed and approved by the Urban Renewal Section.

12. The Applicant shall provide to the City’s Urban Renewal Section copies of paid invoices for all work undertaken on the property for which the grant is applicable. This documentation is to be provided prior to the final inspection.

13. A City Building Inspector’s final inspection report confirming all works have been carried out satisfactorily will be provided prior to release of any grant monies.

14. At the sole discretion of the Manager of Urban Renewal, partial payments for works completed can be processed consistent with the payment process described above.

15. At the sole discretion of the Manager of Urban Renewal, the grant cheque can be made jointly payable to the applicant and the contractor if such a request has been received from the applicant.

16. An application fee of $200 is payable upon submission of application. The fee will be authorized through a by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council.
17. The grant may also be received by an owner in conjunction with any other available City program in support of the redevelopment/development of the property with the exception of the Commercial Property Improvement Grant Program available within Business Improvement Areas.

18. Without limiting the discretion as set out in paragraph 9 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

19. Without limiting the discretion as set out in paragraph 9 herein, the City Council, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there are property tax arrears owed on the subject property or on other properties owned by the Applicant within the City of Hamilton.

20. Improvements commenced prior to submitting an application are ineligible. Improvements commenced after submitting an application but prior to application approval do so at the applicant’s risk.

21. A successful applicant will enter into an agreement with the City containing the terms and conditions (but not limited to) set out in the program description.

ELIGIBILITY REQUIREMENTS

- Property owners and authorized tenants are eligible
- Property taxes must be paid current
- The proposed to be pre-inspected by the City Building Inspector
- Commercial properties must be located within the Downtown Hamilton Community Improvement Project Area
- Existing use must be in conformity with: the City Zoning By-laws, other applicable planning controls; all City policies including but not limited to official plans; and all City by-laws.

ELIGIBLE IMPROVEMENTS

- Replacement or repairing of storefronts only
- Improvements and or upgrades to windows, doors, cornices and parapets
- Addition of new lighting and upgrading of existing fixtures, on exterior of the façade
- Awning replacements and/or additions
Appendix ‘J’ to Report PED1188

- Brick repairs and/or pointing
- Painting and façade treatments
- Installation or improvement of signage
- Architectural, engineering or design fees may be eligible up to $750 as part of the total grant awarded for completed construction

In-Eligible:
- Trees, shrubbery, perennials, annuals, soil, mulch, grass
- Roofing (apart from mansard roofs above the eligible frontage)
- Sandblasting
- Paving of parking lots
- Outdoor furniture
- Permanent landscape features such as flagstone and natural stones/rocks, statuary, irrigation, containers
- Fencing
- Front-yard decks/patios or side-yard decks/patios that abut a street
CITY OF HAMILTON

BY-LAW NO. _________

To Amend City of Hamilton By-law No. 10-052 as amended to delegate authority to the General Manager, Planning and Economic Development for certain grants and loans under the Downtown and Community Renewal Community Improvement Plan

WHEREAS the Council of the City of Hamilton enacted a by-law to delegate authority to the General Manager, Planning and Economic Development with respect to certain grants and loans under the Downtown and Community Renewal Community Improvement Plan being City of Hamilton By-law No. 10-052;

AND WHEREAS this By-law provides for technical amendments to City of Hamilton By-law No. 10-052;

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

1. City of Hamilton By-law No. 10-052 as amended, is amended by inserting the following to Section 2 after (c): "(d) Gore Building Improvement Grant Program" and, "(e) Hamilton Downtown Commercial Façade Property Improvement Grant Program."

2. This By-law comes into force on the date of its passing.
PASSED and ENACTED this day of , 2011.

R. Bratina
Mayor

R. Caterini
City Clerk
WRITTEN COMMENTS RECEIVED FROM ATTENDEES 
AT THE PUBLIC INFORMATION CENTRE HELD ON 
MONDAY, SEPTEMBER 19, 2011

“We strongly support these heritage recommendations. Without them we cannot maintain our heritage properties. This is a great incentive to people like ourselves to maintain our heritage building. Because we are the jewel in the crown of Hamilton, we have many tourists coming to see our building. She is the stately Queen of Hamilton although in run down condition. Thank you for your anticipated co-operation to preserve our heritage building with City Hall Council’s concurrence.”

“Fully and strongly support the proposed amendments. Encourage 100% development charge exemption in the expanded area to remove obstacles to development and encourage development that goes through the proper channels and increases the tax base and city revenue for the long term.”

“I support the majority of proposals. Gore Building Improvement Grant is an excellent idea which will bring gentrification to the core. I recommend expanding the development charge relief to all proposed areas during this 3 year period, much like was proposed along former LRT corridors. Recommend increasing façade grant maximum significantly basing it on surface area of frontage not linear feet.”

“I fully support the expanded CIPA boundaries and 100% elimination of development charges there within. The long-term benefits of newly established tax revenue outweigh any perceived short-term gain from development charges. Development charges also create a disincentive for development. A sustainable downtown tax base, in my opinion, is the most urgent initiative that needs to be undertaken. This is a city wide initiative, in the best interest of all wards.”

“Extremely happy about the Hamilton Heritage Property Grant Program in the downtown areas. This would be a draw for visitors to the core and the heritage of the city. Also, owners of heritage buildings would be able to better maintain the outer heritage features of the buildings.”

“The amendments seem to be a direct result of feedback from the community, and seem to be designed to further assist local planners, property owners, and developers realize and maximize their potential in their community renewal projects. Presentation was good, to the point, and highlighted all the key amendments, and Staff was both professional and knowledgeable, and were able to answer all questions asked of them. I want to commend staff from PEDD for their hard work and dedication to continually improving the urban renewal program, and for their passion to the renewal of our great city. It was clearly evident that they are driven by the same sense of urgency that we all share in moving our city forward.”