SUBJECT: Commercial Heritage Improvement and Restoration Program (CHIRP) 2005 (PED06121) (Wards 2 and 12)

RECOMMENDATION:

(a) That a conditional grant agreement be issued within the terms of the Commercial Heritage Improvement and Restoration Program (CHIRP) for three restoration projects identified in Appendix ‘A’ to Report PED06121.

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entered into between the City of Hamilton and the applicant, that the grant offer will be considered void and withdrawn.

(c) That the grant portion for the three projects, in the total amount of $40,480.87, be funded from Capital Project Account 8300408100.

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

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

Lee Ann Coveyduck  
General Manager  
Planning and Economic Development Department

**EXECUTIVE SUMMARY:**

Heritage and Urban Design staff issued a Request for Applications (RFA) in August 2005 for projects qualifying for Commercial Heritage Property Improvement and Restoration Program matching grants. The RFA offered a 2005 allocation of $120,000, with a residual allocation of $47,650.84 from 2004. Four matching grant applications were received in response, totalling $60,480.87. One of these for $20,000 was previously approved under PED05174. The three remaining applications have now been evaluated by City staff and are recommended in this report for matching grant approval.

**BACKGROUND:**

The Commercial Heritage Improvement and Restoration Program (CHIRP) was initiated in 2004. Council approved the terms of the Commercial Heritage Improvement and Restoration Plan on September 29, 2004 (attached as Appendix ‘B’ to Report PED06121). The program provides financial assistance in the form of matching grants to a maximum of $20,000.00 per application for the conservation of commercial and industrial properties designated under Parts IV or V of the Ontario Heritage Act, or for properties with heritage conservation easements.

Council approved an allocation of $60,000 to this program in 2004, of which $12,934.16 was awarded following submissions of projects from property owners. In anticipation of increased program participation, $120,000 was approved in 2005. This results in a current total available amount of $167,065.84.
Projects that have previously been approved for funding are as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Location</th>
<th>Status</th>
<th>Grant Amount</th>
<th>Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2004-001</td>
<td>1034 Garner Road West (Phillip Shaver House)</td>
<td>Completed</td>
<td>$12,934.16</td>
<td>Roof</td>
</tr>
</tbody>
</table>

Notification of the ongoing program was mailed out to all owners of commercial and/or industrial properties designated under Parts IV and V of the Ontario Heritage Act and/or properties with heritage easements. The first call for CHIRP 2005 applications was made in June 2005 to meet any construction work deadlines to be completed by the end of this year’s building season. A second call for applications was made in August 2005, with a deadline of November 4, 2005, to accommodate applicant project schedules anticipated to be started in the spring of 2006. One project for $20,000 (548 Old Dundas Road) was approved by Council in November 2005 under Report PED05174. The fund balance is currently at $147,065.84.

### ANALYSIS/RATIONALE:

Cultural Heritage Planning staff and Building and Licensing staff have reviewed all three remaining 2005 applications. All applications satisfy the program requirements and guidelines. The locations of the three properties are identified in Appendix ‘C’ to Report PED06121.

#### Projects Currently Recommended for Funding Commitment

<table>
<thead>
<tr>
<th>Property</th>
<th>Funding Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 1034 Garner Road West</td>
<td>$16,281.12</td>
</tr>
<tr>
<td>2. 35 King Street East</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>3. 276 King Street West</td>
<td>$4,199.75</td>
</tr>
<tr>
<td><strong>Total City Funding</strong></td>
<td><strong>$40,480.87</strong></td>
</tr>
<tr>
<td><strong>Total Estimated Construction Costs</strong></td>
<td><strong>$130,961.74</strong></td>
</tr>
</tbody>
</table>

As is anticipated with such projects, each proposal is unique, a result of their specific heritage and business contexts. In discussions with the applicants, the projects are scheduled to proceed in the spring of 2006.

1. **1034 Garner Road West:**

   The building under consideration is a two-storey, Georgian style building, constructed in 1835. The building is a T-plan, with a wing extending from the centre of the rear façade. It features three bays on the front façade, with a finely detailed central portico and front door with sidelights. Additional features identified as the designated property’s heritage attributes are the roof, eaves, fenestration, soffits, fascias and barge boards, and the three original chimneys at...
each end of the house. Some interior features are also included in the reasons for designation, along with a well structure in the side yard.

This former farmhouse is currently in commercial use as a restaurant (Phillip Shaver House) and the owner has applied under the terms of CHIRP to undertake repair, restoration and repainting of woodwork on the exterior of the building, including front door, sidelights and portico, exterior windows and storm windows, gables, soffits, fascia, frieze boards and trim, and the outside well structure. The requisite two quotes were obtained. The CHIRP matching-funds grant calculation is based on 50% of the lowest viable bid, plus taxes. The quote was for $30,432.00, plus $2,130.24 GST, for a total of $32,562.24. The CHIRP grant permissible for this application is $16,281.12.

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

2. 35 King Street East/The Right House:

This six-storey, brick and stone commercial building, built in 1890-1893 as Hamilton’s first modern skyscraper, is an excellent example of High Victorian architecture in Hamilton designed by the prominent, local architectural firm of William Stewart & Son. Built by Thomas C. Watkins for the Right House, the building has served for over 110 years as a landmark on Gore Park and is the last of the large nineteenth century department stores to survive intact in the City. The building is designed with large arcaded windows and a highly ornate, decorative metal roof cornice.

The owner has applied to undertake the repair of the flat roof, which is currently in a state of disrepair and is thus causing damage to the fabric of the building. The ornate roof cornice, visible from the street and cited in the Reasons for Designation, is threatened due to the deterioration of the roof and needs to be repaired in the near future. The owner will most likely apply in the next round of funding for this restoration work.

For the repair of the flat roof, the best solution would be to completely strip the roof to the substrate, and replace it with a similar system—that is, tar and gravel. Proper drainage and metal flashing are also required. Two quotes were obtained by the owner; however, one was for a single membrane system which is probably unsuitable for the long term maintenance of this building. The quote for the tar and gravel roof was $90,000, including GST and PST. The CHIRP matching-funds grant calculation is based on 50% of the lowest bid, plus taxes. The CHIRP grant permissible for this application would be $20,000. Staff recommends approval of this CHIRP application for the funding of a replacement tar and gravel roof.
3. **276 King Street West:**

This two-storey, brick, commercial block, constructed in 1906, is an example of Edwardian, vernacular commercial architecture with decorative brick features and intact shopfronts. It is an integral part of the King Street commercial streetscape at Hess Street and is currently leased to an independent business by the property owner. The building is composed of shopfronts at street level; regularly spaced, round-arched window openings on the second floor with stone keystones and beltcourse; an elaborate, decorative wood cornice with corbels, brackets and dentils; and, a pediment with date stone and stone coping. The building has a flat roof not visible from the street.

The owner has applied under the terms of CHIRP to undertake repair of the flat roof, which is currently in a state of disrepair and thus causing damage to the fabric of the building. The front parapet brick wall is in need of repair, as is the wood cornice—both restorations may be applied for in the future to this funding program. The approximately 800 square foot surface roof area requires a new tar and gravel roof with proper drainage. The repair work would include the stripping of existing roof, installation of new roofing and installation of new flashing. Two quotes were obtained by the owner; however, one was for a two-ply membrane system which is unsuitable for this type of flat roof. The quote for the more appropriate tar and gravel roof was $7,850.00, plus $549.00 GST, for a total of $8,399.50. The CHIRP matching-funds grant calculation is based on 50% of the lowest bid, plus taxes. The CHIRP grant permissible for this application is $4,199.75.

The proposed repair work is deemed necessary to conserve the building fabric and staff recommends approval of this CHIRP application for the funding of a replacement tar and gravel roof.

**ALTERNATIVES FOR CONSIDERATION:**

These CHIRP grant applications can either be approved or denied. Denial of these applications is not recommended since the applications meet the criteria and budget of the program and satisfy the triple-bottom line. The approval of funding will encourage the owners of the designated properties to undertake the restorations and repairs necessary for the long-term protection of these heritage resources.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial – Council approved an allocation of $60,000 in 2004 for the first year of CHIRP (Account No. 8300408100), and $120,000 for the second year of CHIRP (Account No. 8300408100). Expenditures to date in the program total $32,934.16, for a current balance of $147,065.84. Approval of the three remaining 2005 CHIRP applications totaling $40,480.87 will result in a balance of $106,584.47 in the overall CHIRP budget. Additional
applications are anticipated for the late spring of 2006, which can be met by the remaining budget.

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

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

**POLICIES AFFECTING PROPOSAL:**

For application CHIRP2005-002, Section 2.5. – Heritage Conservation of the former Town of Ancaster Official Plan encourages the conservation of property deemed to be of heritage value (2.5.2.iii). The Official Plan for the former Region of Hamilton-Wentworth was committed to the preservation, maintenance and protection of significant heritage resources (9.2), promotion of heritage through tourism development (9.7), and establishing sources of funding for entrepreneurs and established businesses (B.4.1.1).

For applications CHIRP2005-003 and CHIRP2005-004, Section C.6 – Heritage Resources of the former City of Hamilton Official Plan encourages the preservation, maintenance, reconstruction, restoration and management of property considered to have historic, architectural or aesthetic value (6.1). The Official Plan for the former Region of Hamilton-Wentworth was committed to the preservation, maintenance and protection of significant heritage resources (9.2), promotion of heritage through tourism development (9.7), and establishing sources of funding for entrepreneurs and established businesses (B.4.1.1).

**RELEVANT CONSULTATION:**

Under Section 33 of the Ontario Heritage Act, a permit is required for the alteration of any building or structure affecting the Reasons for Designation, and only the Council of the municipality may issue such permits. On review of the proposals by staff, it is noted that none of these projects require a heritage permit.

Staff of the Building and Licensing Division has reviewed these CHIRP applications, conducted site visits, and are in continual consultation with the landowners on the proposed projects.

Pursuant to Subsection 28(1) and 33(4) of the Ontario Heritage Act, the City of Hamilton LACAC (Municipal Heritage Committee) advises and assists Council on matters relating to Part IV and Part V of the Ontario Heritage Act. At its meeting of March 23, 2006, the City's Municipal Heritage Committee considered these applications, together with the staff report, and recommended to Council that the subject applications be approved.
CITY STRATEGIC COMMITMENT:

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

**Community Well-Being is enhanced.** ☑ Yes ☐ No
Arts, culture, archaeological and cultural heritage are supported and enhanced.
Conservation of existing built heritage infrastructure is being supported.

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

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

**Does the option you are recommending create value across all three bottom lines?**
☑ Yes ☐ No
Benefit to local small businesses, use of local contractors supports the socioeconomic and environment of the City.

**Do the options you are recommending make Hamilton a City of choice for high performance public servants?**
☑ Yes ☐ No
The City generation of, and business participation in, this grant program demonstrates that Hamilton is an innovative organization leveraging resources in new ways to partner for success.

:SV/JM

Attachs. (3)
<table>
<thead>
<tr>
<th>File #</th>
<th>Address</th>
<th>Total Estimated Construction Costs</th>
<th>Requested Amount</th>
<th>Description of Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2005-002</td>
<td>1034 Garner Road West (Phillip Shaver House), Ancaster</td>
<td>$32,562.24</td>
<td>$16,281.12</td>
<td>Restoration of woodwork</td>
</tr>
<tr>
<td>CHIRP2005-003</td>
<td>35 King Street East (The Right House), Hamilton</td>
<td>$90,000.00</td>
<td>$20,000.00</td>
<td>Re-roofing</td>
</tr>
<tr>
<td>CHIRP2005-004</td>
<td>276 King Street West, Hamilton</td>
<td>$8,399.50</td>
<td>$4,199.75</td>
<td>Re-roofing</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$130,961.74</strong></td>
<td><strong>$40,480.87</strong></td>
<td></td>
</tr>
</tbody>
</table>
Commercial Heritage Improvement and Restoration Program (CHIRP)

Program Description:

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

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

Program Terms:

- Commercial and industrial property owners are eligible for the grant program on an annual basis.
- Eligible properties are to be identified by deed, and by municipal address to identify multiple and separate commercial units with ground floor street frontages.
- Eligible properties must be assessed for municipal tax purposes as commercial or industrial.
- Residential properties are not eligible.
- Commercial and industrial uses must be in conformity with relevant policy documents of the City and the provisions of the Zoning Bylaw.
- Eligibility requirements for the program relating to the work to be funded will be specifically identified by the City. Two (2) separate estimates for eligible work are to be provided by a licensed contractor other than the owner. The owner may present estimates but is required to have at least two (2) prepared by contractors. The City’s grant aid will be based upon the lowest estimate submitted. Cost increases or over runs may be considered by the City but shall not exceed the maximum grant award of $20,000.
- “Before” and “After” pictures are required as part of the application and processing of the final grant disbursement.
Grants and other sources of funding:

- The grant will be paid on a matching basis (50% Applicant’s funds/50% City funds) up to a maximum of $20,000 for eligible work under the Program.
- Where other government (Federal or Provincial) and/or non-profit organization sources of funding are anticipated these must be declared as part of the grant application and the City’s assistance will be reduced as appropriate (e.g., 33% Applicant’s funds/33% City funds/33% Federal funds)
- Properties receiving grants through the Commercial Property Improvement Grant program are not eligible for the CHIRP grants.
- Grants are to be awarded on an annual cycle following a request for applications with a deadline to be established by the City.

Application timeframes:

- Applications are to be reviewed by the City of Hamilton LACAC (Municipal Heritage Committee) in conjunction with any required heritage permit applications under the Ontario Heritage Act.
- City staff, e.g., a Building Inspector and Cultural Heritage Planner, will perform initial inspections and site visits of the heritage property intended to be conserved and/or restored, and subsequent final inspection to assure compliance with the original award of the grant and any permits pursuant to the Ontario Heritage Act.
- Proposed work is to be completed within one (1) calendar year of the date of the Council award of a grant to be eligible for payment.
- Work completed must comply with estimates, and work proposed and identified within the application.

Fees:

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

Eligibility Requirements

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

Eligible conservation work

• Any work that conserves or enhances elements specified in the Reasons for Designation accompanying the designating by-law under the Ontario Heritage Act.
• The conservation of significant architectural features is eligible. This may include the conservation or restoration of: doors, windows, verandahs, cupolas, chimneys, bargeboard or other decorative trim, parapets, cornices, hood mouldings and any other features important to the overall composition of the structure as specified in the Reasons for Designation.
• The conservation of fences and outbuildings if specifically referred to in Reasons for Designation.
• The conservation or renewal of original siding and roofing materials including repair and replacement where necessary of wood clapboard or board-and-batten, repair and repointing of masonry buildings, stucco repair, repair or replacement of original roofing materials (slate, wood shingles, tile, etc.). Eligible work also includes removal of a modern material (synthetic siding, asphalt shingles, etc.) and replacement with documented original materials.
• The reconstruction of former and significant architectural features for which the appearance can be clearly determined from documentary sources (photographs, drawings, etc.) is eligible.
• The reconstruction of shop fronts which have been altered or replaced. The documentation should be in the form of historic photographs or drawings clearly showing the feature(s) to be reconstructed. Eligible work will be guided by the following reference material: Ontario Ministry of Culture’s Architectural Conservation Note #8 The Conservation and Maintenance of Storefronts and Preservation Brief No. 11, Rehabilitating Historic Storefronts, Technical Preservation Services, National Park Service.
• Cleaning of masonry buildings may be eligible if it is necessary for the building’s preservation. **Under no circumstances will grants be paid for any form of abrasive cleaning, (e.g., sandblasting or sodablasting) or high-pressure water cleaning.**
• Any property may receive one (1) grant only for exterior painting in documented original colours. After this initial grant, it is expected that maintenance will be the owner’s responsibility. Colours must be documented for the individual building or be proved to have been a common contemporary colour in the area.
• Painting of unpainted masonry is not eligible.
• Work necessary to restore the building to structural soundness is eligible, e.g., the correction of serious structural faults that threaten the building’s survival. This does not include structural work to accommodate modern
renovations (e.g. a new supporting beam over the opening for a patio door) or routine maintenance.

- Interior work is only eligible if specifically referred to in the *Reasons for Designation*. Eligible interior features, if specified in the *Reasons for Designation*, include woodwork, plasterwork, wall or ceiling murals, etc.
- New services (electrical, plumbing, heating, air-conditioning) and insulation are not eligible.

**Ineligible works:**

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

- Short-term, routine maintenance. This includes minor repairs (such as repairing a broken step or a broken window), painting (other than as specified above), repair of non-original siding or roofing materials (aluminum siding, asphalt shingles, etc.).
- Landscaping.
- Work on modern additions.
- Work on sheds or outbuildings not specifically referred to in the *Reasons for Designation*.
- Installation of modern doors and windows unless replicas of the original.
- Installation of new storm or screen doors and windows.
- Chimney repairs other than restoration of a significant chimney.
- Repair of eavestrough unless its nature is such that it is significant to the heritage of the structure.
- Repairs to or renewal of modern materials.
- Painting previously unpainted masonry.