TO: Chair and Members Economic Development and Planning Committee  
WARD(S) AFFECTED: WARD 2

COMMITTEE DATE: April 20, 2010

SUBJECT/REPORT NO:  
Commercial Heritage Improvement and Restoration Program (CHIRP), Fall 2009 Grant Application for 109 George Street, Hamilton (PED10086) (W ard 2)

SUBMITTED BY:  
Tim McCabe  
General Manager  
Planning and Economic Development Department

PREPARED BY:  
Meghan House  
(905) 546-2424, Ext. 1202

SIGNATURE:

RECOMMENDATION:

(a) That a Conditional Grant Agreement be issued within the terms of the Commercial Heritage Improvement and Restoration Program (CHIRP) for 109 George Street, Hamilton, for the project described in Appendix “A” to Report PED10086.

(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 this 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entered into between the City of Hamilton and the applicant, that the grant offer will be considered void and withdrawn.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 project, in the total amount of $20,000.00, be funded from the CHIRP Reserve 102047.
109 George Street, Hamilton - front (north) elevation
Council approved five years of funding for this program in 2004. Budget allocations were made in 2004, 2005, 2007, 2008, and 2010 for a total of $600,000.00. A total of $313,711.92 in grant funding has been approved to date.

Projects that have previously been approved for funding are as follows:

<table>
<thead>
<tr>
<th>Application</th>
<th>Location</th>
<th>Status</th>
<th>Amount</th>
<th>Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2004-001</td>
<td>1034 Garner Road West, Ancaster</td>
<td>Completed</td>
<td>$12,934.16</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-001</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-002</td>
<td>1034 Garner Road West, Ancaster</td>
<td>Completed</td>
<td>$16,281.12</td>
<td>Woodwork</td>
</tr>
<tr>
<td>CHIRP2005-003</td>
<td>35 King Street East, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2005-004</td>
<td>276 King Street West, Hamilton</td>
<td>Completed</td>
<td>$4,199.75</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2006-001</td>
<td>199 Glover Road, Stoney Creek</td>
<td>Completed</td>
<td>$15,582.00</td>
<td>Woodwork</td>
</tr>
<tr>
<td>CHIRP2006-002</td>
<td>46 Forest Avenue, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
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<tr>
<td>CHIRP2006-003</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
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<tr>
<td>CHIRP2006-004</td>
<td>47 James Street South, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Repointing</td>
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<tr>
<td>CHIRP2006-005</td>
<td>68 King Street East, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Windows</td>
</tr>
<tr>
<td>CHIRP2007-001</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>Completed</td>
<td>$19,900.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2007-002</td>
<td>51 Herkimer Road, Hamilton</td>
<td>Completed</td>
<td>$20,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2008-001</td>
<td>15-17 King Street West, Dundas</td>
<td>Completed</td>
<td>$12,352.99</td>
<td>Windows</td>
</tr>
<tr>
<td>CHIRP2008-002</td>
<td>30 York Street, Dundas</td>
<td>In progress</td>
<td>$7,869.75</td>
<td>Roof</td>
</tr>
<tr>
<td>CHIRP2008-003</td>
<td>548 Old Dundas Road, Ancaster</td>
<td>In progress</td>
<td>$20,000.00</td>
<td>Windows</td>
</tr>
<tr>
<td>CHIRP2009-001</td>
<td>16 Sydenham Street, Dundas</td>
<td>In progress</td>
<td>$18,505.19</td>
<td>Windows</td>
</tr>
<tr>
<td>CHIRP2009-002</td>
<td>34 King Street East, Stoney Creek</td>
<td>In progress</td>
<td>$13,067.25</td>
<td>Woodwork and Parapet</td>
</tr>
<tr>
<td>CHIRP2009-003</td>
<td>343 Wilson Street East, Ancaster</td>
<td>In progress</td>
<td>$13,029.71</td>
<td>Windows</td>
</tr>
<tr>
<td>CHIRP2009-004</td>
<td>11 Cross Street, Dundas</td>
<td>In progress</td>
<td>$20,000.00</td>
<td>Woodwork and Windows</td>
</tr>
</tbody>
</table>

**Total 2004-2009**  
$313,721.92
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 By-law.

- Eligibility requirements for the program relating to the work to be funded will be specifically identified by the City. Two separate estimates for eligible work are to be provided by a licensed contractor other than the owner. The owner may present estimates, but is required to have at least two prepared by contractors. The City’s grant aid will be based upon the lowest estimate.
submitted. Cost increases or over runs may be considered by the City, but shall not exceed the maximum grant award of $20,000.00.

- “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 $20,000.00 for eligible work under the Program.

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

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

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

**Application Timeframes:**

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

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

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

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

**Fees:**

- An application fee of $250.00 is to accompany the application.
- The fee is non-refundable for applications recommended for funding.
- Unsuccessful applications may receive a $200.00 refund for applications.
Eligibility Requirements:

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

Eligible Conservation Work:

- Any work that conserves or enhances elements specified in the Reasons for Designation accompanying the designating By-law under the Ontario Heritage Act.
- The conservation of significant architectural features is eligible. This may include the conservation or restoration of: doors, windows, verandahs, cupolas, chimneys, bargeboard or other decorative trim, parapets, cornices, hood mouldings, and any other features important to the overall composition of the structure, as specified in the Reasons for Designation.
- The conservation of fences and outbuildings, if specifically referred to in Reasons for Designation.
- The conservation or renewal of original siding and roofing materials, including repair and replacement, where necessary, of wood clapboard or board-and-batten, repair and repointing of masonry buildings, stucco repair, repair or replacement of original roofing materials (slate, wood shingles, tile, etc.). Eligible work also includes removal of a modern material (synthetic siding, asphalt shingles, etc.), and replacement with documented original materials.
- The reconstruction of former and significant architectural features for which the appearance can be clearly determined from documentary sources (photographs, drawings, etc.) is eligible.
The reconstruction of shop fronts which have been altered or replaced. The documentation should be in the form of historic photographs or drawings clearly showing the feature(s) to be reconstructed. Eligible work will be guided by the following reference material: Ontario Ministry of Culture’s Architectural Conservation Note #8 The Conservation and Maintenance of Storefronts and Preservation Brief No. 11, Rehabilitating Historic Storefronts, Technical Preservation Services, National Park Service.

Cleaning of masonry buildings may be eligible if it is necessary for the building's preservation. Under no circumstances will grants be paid for any form of abrasive cleaning, (e.g. sandblasting or sodablasting) or high-pressure water cleaning.

Any property may receive one grant only for exterior painting in documented original colours. After this initial grant, it is expected that maintenance will be the owner’s responsibility. Colours must be documented for the individual building, or be proved to have been a common contemporary colour in the area.

Painting of unpainted masonry is not eligible.

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

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

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

Ineligible Works:

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

Short-term, routine maintenance. This includes minor repairs (such as repairing a broken step or a broken window), painting (other than as specified above), repair of non-original siding or roofing materials (aluminum siding, asphalt shingles, etc.).

Landscaping.
• Work on modern additions.

• Work on sheds or outbuildings not specifically referred to in the *Reasons for Designation*.

• Installation of modern doors and windows, unless replicas of the original.

• Installation of new storm or screen doors and windows.

• Chimney repairs other than restoration of a significant chimney.

• Repair of eavestrough, unless its nature is such that it is significant to the heritage of the structure.

• Repairs to or renewal of modern materials.

• Painting previously unpainted masonry.
<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>CHIRP2009-005</td>
<td>109 George Street, Hamilton</td>
<td>$47,500.00</td>
<td>$20,000.00</td>
<td>Repair and replacement of woodwork, restoration of windows (front), one new window (side), masonry repairs</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$47,500.00</td>
<td>$20,000.00</td>
<td></td>
</tr>
</tbody>
</table>
Executive Summary

Heritage Planning staff issued a Request for Applications (RFA) in Fall, 2009 for designated heritage property projects qualifying for Commercial Heritage Improvement and Restoration Program (CHIRP) matching grants. One grant application was received for a grant amount totalling $20,000.00. The application has been evaluated by City staff, and it is recommended in this report for matching grant approval. The total of all budget allocations to this program is $600,000.00. To date, the amount of approved grant funding totals $313,711.92, although some of this amount has yet to be paid out. Therefore, the balance of available funds is approximately $286,288.08, not including interest accrued on the reserve. The approval of a grant for $20,000.00 (CHIRP 2009-005) through this report will result in a balance of CHIRP funds yet to be allocated of approximately $266,288.08.

Alternatives for Consideration - See Page 6.

Financial / Staffing / Legal Implications (for Recommendation(s) only)

Financial: Council approved budget allocation to CHIRP of $60,000.00 for the first year (2004), $120,000.00 for the second year (2005), none in 2006, $120,000.00 for each of the third and fourth years (2007 and 2008), none in 2009, and $180,000.00 for the last year of the program (2010). The
total of all budget allocations is $600,000.00. To date, the amount of approved grant funding totals $313,711.92, although some of this amount has yet to be paid out. Therefore, the balance of available funds is approximately $286,288.08, not including interest accrued on the reserve. The approval of a grant for $20,000.00 (CHIRP 2009-005) through this report will result in a balance of CHIRP funds yet to be allocated of approximately $266,288.08. Staff of Finance and Administration has been circulated for comment, and concur with the report recommendations.

Staffing: Current staff will monitor the project and approve the completed work prior to issuance of the grant monies.

Legal: On approval of this CHIRP application, the applicant will enter into a contractual agreement 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.

HISTORICAL BACKGROUND (Chronology of events)

The Commercial Heritage Improvement and Restoration Program (CHIRP) was initiated in 2001, and funded for five years starting in 2004. Allocations were made in 2004 ($60,000), 2005 ($120,000), 2007 ($120,000), 2008 ($120,000), and 2010 ($180,000). Council approved the terms of CHIRP on September 29, 2004 (Appendix “B”). The program provides financial assistance in the form of matching grants, to a maximum of $20,000.00 per application, for the conservation of commercial and industrial properties designated under Parts IV or V of the Ontario Heritage Act, or for properties with heritage conservation easements. To date, a total of $313,711.92 (19 projects) have been approved under CHIRP (see Appendix “C”), excluding the grant recommended for approval in this report.

POLICY IMPLICATIONS

Ontario Heritage Act

Section 33(1) of the Ontario Heritage Act requires that the owner of a designated property shall not alter the property, or permit the alteration of the property, if the alteration is likely to affect the property’s heritage attributes unless the owner applies to the Council of the municipality and receives consent, in writing, to the alteration. The owner/applicant has applied for a Heritage Permit for the proposed work.

Section 39(1) of the Ontario Heritage Act enables the Council of a municipality to pass By-laws to provide for paying grants or loans to the owner of a property designated under the Ontario Heritage Act for the purpose of paying for the whole or any part of the
cost of alteration of such designated property on such terms and conditions as the Council may prescribe. This application is consistent with the Council approved terms and guidelines of the CHIRP (Appendix “B”).

City of Hamilton Official Plan

Section C.6 - Heritage Resources of the former City of Hamilton Official Plan applies and encourages the preservation, maintenance, reconstruction, restoration, and management of property considered to have historic, architectural, or aesthetic value (6.1).

Downtown Secondary Plan

Section 6.2.4.1 of the Downtown Secondary Plan states that one of the objectives of the plan is to “retain and enhance the historic fabric of Downtown Hamilton”. The plan further states that “municipal incentive programs will be used in the retention, conservation, rehabilitation, restoration, or adaptive reuse of properties that have been designated under the Ontario Heritage Act” (Section 6.2.4.2(a)).

Urban Hamilton Official Plan

Section 3.4 - Cultural Heritage Resources Policies of the Council approved Urban Hamilton Official Plan (adopted July 9, 2009) provides for the City to “encourage the rehabilitation, renovation, and restoration of built heritage resources in order that they remain in active use” (3.4.1.4). The Plan further states that the City shall “protect and conserve the tangible cultural heritage resources of the City, including archaeological resources, built heritage resources, and cultural heritage landscapes” (3.4.2.1), and “support the continuing use, reuse, care, and conservation of cultural heritage resources and properties by encouraging property owners to seek out and apply for funding sources available for conservation and restoration work” (3.4.2.1 (f)). Although, the Urban Hamilton Official Plan has not been approved by the Ministry of Municipal Affairs and Housing, and is not in effect, these policies demonstrate Council’s commitment to the identification, protection, and conservation of the cultural heritage resources.

RELEVANT CONSULTATION

Heritage Planning staff has been informed by staff of the Building and Licensing Division that CHIRP applications not requiring a building permit do not require review by Building and Licensing.

The Hamilton Municipal Heritage Committee will be circulated a copy of this report for information. The Heritage Permit Review Sub-committee has been consulted regarding the Heritage Permit application and has recommended approval of the proposed alterations.
ANALYSIS / RATIONALE FOR RECOMMENDATION
(include Performance Measurement/Benchmarking Data, if applicable)

Heritage Planning staff has reviewed the submitted CHIRP application and is of the opinion that it satisfies the program requirements and guidelines. The location of the subject property and a photograph are contained in Appendix “D”.

Projects Recommended for Funding Commitment

<table>
<thead>
<tr>
<th>Property</th>
<th>Funding Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHIRP2009-005 109 George St, Hamilton</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>Total City Funding</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>Total Estimated Construction Costs</td>
<td>$47,500.00</td>
</tr>
</tbody>
</table>

(see Appendix “A” to Report PED10086)

The project is scheduled to proceed in the spring of 2010, and is described as follows:

CHIRP2009-005
109 George Street, Hamilton (Ward 2)

107-109 George Street, Hamilton, is a two-and-one-half-storey brick, semi-detached building. The building(s) was built in 1870 for the Hamilton industrialist John Moodie. The Reasons for Designation contained in By-law Nos. 85-176/178 include, but are not limited to, the original features on the north, east, and west façades, including the central gables, eave brackets, the bay windows, the front entrances, and the pointed arched windows in the gables.

This CHIRP application comprises only 109 George Street, which is currently used as a restaurant/bar on the lower level, and an office on the upper level (see location map and photo attached as Appendix “D”).

The applicant proposes to complete the following improvements:

- Repair of wooden elements on the bay window;
- Repair of wooden soffits and fascia;
- Repair of wooden eave brackets;
- Sanding and painting of all wooden elements;
- Repairs to masonry above one window on the west elevation;

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- Restoration and painting of the three upper windows on the north elevation;

- Installation of new interior sull sashes in three upper windows on the north elevation; and,

- Installation of one new wooden window on the west elevation.

The proposed improvements will conserve and enhance the elements specified in the Reasons for Designation, and are consistent with the Council-approved eligibility requirements of CHIRP. The installation of new interior sull sashes is considered to meet the eligibility requirements as it allows the applicant to improve the energy efficiency and aesthetics of the building, while maintaining and restoring the original wooden windows. The new wooden window to be installed on the west elevation will replace an original window that was previously replaced/ altered, and will replicate the original window proportions and profile.

The requisite two quotes were obtained, and the CHIRP matching-funds grant calculation is based on 50% of the lowest viable bid, including applicable taxes. The lower quote was for $47,500.00, plus $2,375.00 GST, for a total of $49,875.00. The CHIRP grant permissible for this application is $20,000.00. The work description in the scope of work constitutes alterations to the property under the Ontario Heritage Act, and a Heritage Permit is required.

### ALTERNATIVES FOR CONSIDERATION:

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

Funding for the conservation or maintenance of features related to the cultural heritage values of properties designated under Part IV of the Ontario Heritage Act is a discretionary activity on behalf of Council. Council, as advised by its Heritage Planning staff, may consider two alternatives: agree to fund the applications, or decline to fund the applications.

#### Decline to Fund

By declining funding, the municipality would be refusing applicants that meet the criteria and budget for the CHIRP program, as approved by both the Council and Hamilton Municipal Heritage Committee. Refusal of funding will not encourage owners of commercial properties designated under Part IV of the Ontario Heritage Act to undertake the appropriate restorations and repairs necessary for the long-term conservation of these heritage resources.
Accordingly, staff does not consider declining funding for these CHIRP applications to be an appropriate conservation alternative.

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


**Skilled, Innovative & Respectful Organization**
- Council and SMT are recognized for their leadership and integrity.
- The approval of this grant demonstrates commitment to previously Council-approved policies and programs.

**Financial Sustainability**
- Generate assessment growth/non-tax revenues.
- The proposed repair work will improve the condition of a private property and may result in a higher assessment value of the subject property and adjacent properties.

**Intergovernmental Relationships**
- Maintain effective relationships with other public agencies.
- The approval of this grant demonstrates a commitment to conserving cultural heritage resources as directed by provincial and federal level policy.

**Growing Our Economy**
- Newly created or revitalized employment sites.
- A skilled and creative labour pool that supports new employers.
- A visitor and convention destination.
- The proposed repair work will create work for skilled and specialized trades people, and will enhance the condition of private commercial property.

**Healthy Community**
- Plan and manage the built environment.
- The proposed repair work will improve the safety and appearance of private commercial property.

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