Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork

TO: Mayor and Members
General Issues Committee

WARD(S) AFFECTED: WARDS 1, 2, 3, 9, 11, 12, 13 and 15

COMMITTEE DATE: November 21, 2012

SUBJECT/REPORT NO:
Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11188(a)) (Wards 1, 2, 3, 9, 11, 12, 13 and 15)

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

PREPARED BY:
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Alan Waterfield (905) 546-2424 Ext.1251

SIGNATURE:

RECOMMENDATIONS:

(a) That staff be directed to prepare amendments to the Downtown and Community Renewal Community Improvement Plan in order to:

(i) Expand the Hamilton Downtown Property Improvement Grant Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;

(ii) Expand the Hamilton Downtown Commercial Property Facade Improvement Grant Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;

(iii) Expand the Hamilton Heritage Property Grant Program to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas;
(iv) Expand the Downtown Office Tenancy Assistance Program, as a three (3) year pilot program, to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Area;

(v) Increase the maximum loan under the Commercial Corridor Housing Loan and Grant Program, currently offered in Downtown Hamilton, Hamilton's Community Downtowns, Business Improvement Areas and other Commercial Corridors, as identified in the Downtown and Community Renewal Community Improvement Project Area By-law, from $10,000 per unit to a maximum of $200,000 per property, to $15,000 per unit to a maximum of $600,000 per property;

(b) That, subject to the approval of recommendation (a) (ii), above, the cost of expanding the Hamilton Downtown Commercial Property Façade Improvement Grant Program in 2013, in the amount of $250,000, be referred to the 2013 Capital Budget process for consideration by City Council;

(c) That, subject to the approval of recommendation (a) (iii), above, the cost of expanding the Hamilton Heritage Property Grant Program in 2013, in the amount of $200,000, be referred to the 2013 Capital Budget process for consideration by Council;

(d) That, subject to the approval of recommendation (a) (v), above, the 2013 cost of increasing the maximum loan under the Commercial Corridor Housing Loan and Grant Program, in the amount of $5,000 for interest costs and $10,000 for the grant component of the program, be referred to the 2013 Operating Budget process for consideration by City Council;

(e) That the decision to designate a Community Improvement Project Area at Piers 5, 6, 7 and 8 be deferred pending analysis of outcomes of ongoing studies at the waterfront;

(f) That staff be directed to prepare amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan to add the properties indicated on the map attached as Appendix “A” to Report PED11188(a), to the Downtown Hamilton Community Improvement Project Area;

(g) That staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area, and associated program initiatives, for the Mount Hope/Hamilton Airport gateway area at Homestead Drive and Airport Road, as shown on Appendix “B” to Report PED11188(a).
SUBJECT: Expansion of Community Improvement Initiatives to Community Downtowns and Piers 5, 6, 7 and 8 and, Expansion of the Downtown Hamilton Community Improvement Project Area (PED11188(a)) (Wards 1, 2, 3, 9, 11, 12, 13 and 15) - Page 3 of 17

EXECUTIVE SUMMARY

Report PED11188(a) presents recommendations to expand the following Community Improvement initiatives to the Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown Community Improvement Project Areas:

- The Hamilton Downtown Property Improvement Grant Program - Pilot Project for Three (3) Years
- The Hamilton Downtown Commercial Property Façade Improvement Grant Program - Pilot Project for Three (3) Years
- The Hamilton Heritage Property Grant Program
- The Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years
- Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program

Piers 5, 6, 7 and 8

Staff was directed “to investigate adding Piers 5, 6, 7 and 8 as part of an expanded Community Improvement Area.” It is recommended that no decision to designate a Community Improvement Project Area (CIPA) at Piers 5, 6, 7 and 8 be made prior to considering the outcomes of ongoing studies at the waterfront. The studies will identify the degree to which the proposed development envisioned for Piers 5, 6, 7 and 8, by the West Harbour (Setting Sail) Secondary Plan and the West Harbour Recreation Master Plan, is technically and economically feasible, and what gaps may exist between development cost and marketability. The studies are anticipated to be completed by the end of April 2013. The information they provide will help to establish the specific needs for community improvement initiatives at Piers 5, 6, 7 and 8, and enable staff to develop new or adapt existing programs to address the gaps.

Expansion of the Downtown Hamilton Community Improvement Project Area

Staff was directed to “investigate the feasibility of including the area on the west side of Emerald Street North to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton CIPA and bring a report back to the GIC.” Staff subsequently recommends that the properties indicated on the map in Appendix “A” to Report PED11188(a) be added to the Downtown Hamilton Community Improvement Project Area through future amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan.
Potential Mount Hope/Airport Gateway Community Improvement Project Area

Through consultation with the Glanbrook Chamber of Commerce and Ward 11 Councillor, the existing conditions and related need for community improvement initiatives in the Mount Hope commercial area centred at Homestead Drive and Airport Road were raised. It is recommended that staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area and associated program initiatives for the Mount Hope/Airport Gateway area at Homestead Drive and Airport Road. This study would be incorporated into the Urban Renewal Section’s 2013 Work Plan, and will implement policy in the Mount Hope Secondary Plan, as contained in the Urban Hamilton Official Plan, which states that the City shall investigate the designation of the District Commercial area in Mount Hope as a Community Improvement Project Area. The study would involve a detailed assessment of the area, in consultation with local businesses and residents, in order to determine what new, existing, and/or modified programs could provide assistance.

Alternatives for Consideration – See Page 15.

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

Financial:

Expansion of the Hamilton Downtown Property Improvement Grant Program – Pilot Project for Three (3) Years:

This program is self-funded from increased taxes paid by the Project’s property owner. Due to the improvements to the property, the value of the property increases, which increases the tax revenue. The City collects the increase in taxes and provides grants, based on the increase in the Municipal portion only, attributable to the redevelopment of a property. Based on a five (5) year program, the City will start to recognize 20% of the increase in revenue after the first year of the program, increasing incrementally by 20%, with full 100% achieved in year five (5).

Expansion of the Hamilton Downtown Commercial Property Façade Improvement Grant Program – Pilot Project for Three (3) Years:

A Capital Budget request, in the amount of $250,000, has been submitted for consideration by City Council during the 2013 Capital Budget deliberations.

Expansion of the Hamilton Heritage Property Grant Program:

A Capital Budget request, in the amount of $200,000, has been included, as part of the 2013 Downtown Block request, to be considered during the 2013 Budget deliberations.
These funds, together with funds contained in an Urban Renewal account for administration of the program, will be sufficient to fund an expanded program in 2013.

**Expansion of the Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years:**

Funding for expansion of the Program is not required at this time as the only cost to the City is the interest cost, and there are sufficient monies in an Urban Renewal account to cover potential interest costs in 2013.

**Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program:**

The cost to fund the loan component of the Commercial Corridor Housing Loan and Grant Program is the interest cost to the City. Urban Renewal staff will include an increase of $5,000 for interest in its operating budget for consideration during the 2013 Operating Budget process by City Council. The interest cost to deliver the Program is anticipated to increase in future years, however, based on anticipated timing of the final approval of the program amendments recommended in Report PED11188(a) (anticipated to come into effect in February/March of 2013), and the fact that interest is not charged until monies flow to an applicant (monies do not flow until a project is 60% complete at which time 60% is advanced), an increase of $5,000 in 2013 will be sufficient for the delivery of the program in 2013.

The grant component of the Commercial Corridor Housing Loan and Grant Program is funded from the Urban Renewal Section’s Operating Budget. Staff will include an increase of $10,000 in its Operating Budget, for the grant component, for consideration during the 2013 Operating Budget process by City Council. Again, the cost of the grant component is anticipated to increase in future years, however, based on the anticipated timing of the final approval of the program amendments recommended in Report PED11188(a), together with the fact that the grant portion of the program is not advanced until projects are 60% complete, an increase of $10,000 in 2013 will be sufficient for the delivery of the program in 2013.

**Staffing:** There will be no additional staffing requirements resulting from Council’s approval of Report PED11188(a). Applications under the financial incentives are processed by the Urban Renewal Section and Taxation Division.

**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 and 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.

Upon approval of the recommendations set out in Report PED11188(a), staff will amend the Downtown and Community Renewal Community Improvement Project Area By-law and/or the Downtown and Community Renewal Community Improvement Plan accordingly as legislated by the Planning Act. The amendments will be brought forward to a Public Meeting at the Planning Committee.

**HISTORICAL BACKGROUND** (Chronology of events)

In November 2011, City Council approved a series of recommendations to update the Downtown and Community Renewal Community Improvement Plan, revise its component programs and initiatives, and expand some of the project areas to which the plan applies (Report PED11188). At that time, City Council also directed staff to “collaborate with former municipalities’ BIAs and, in the absence of a BIA, the Glanbrook Chamber of Commerce, to look at the possibility of future expansions of this project in the former municipalities’ downtowns, and to investigate adding Piers 5, 6, 7 and 8 as part of an expanded community improvement area.”

In February 2012, City Council approved amendments to the Development Charges By-Laws, including the development charge exemption policy applied to the expanded Downtown Hamilton Community Improvement Project Area, and provided direction to staff to undertake a comprehensive review of City Development Charges and their impact on intensification and redevelopment (Report FCS12015). City Council also directed staff to “investigate the feasibility of including the area on the west side of Emerald Street North to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton CIPA and bring a report back to the GIC.”

Report PED11188(a) addresses the aforementioned direction highlighted in italics, above. Also, in regard to the Downtown Hamilton CIPA boundary, staff reported back on City Council’s direction to look at the feasibility of adding the New Horizon/City Square parcel in the Durand Neighbourhood to the Downtown Hamilton CIPA, in Report FCS12089, concerning the request for development charge relief for that development, at the November 7, 2012, General Issues Committee.

**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 development.

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 and Community Renewal Community Improvement Project Area By-law.

**RELEVANT CONSULTATION**

Staff from the Finance and Administration Division, Corporate Services Department, the Legal Services Division, City Manager’s Office, and the Waterfront Development Office were consulted and the advice received is incorporated into Report PED11188(a).

Urban Renewal staff consulted with members of the BIAs in each community downtown and Glanbrook Chamber of Commerce, first to discuss community improvement initiatives for potential expansion, and then to obtain input into the proposed expansion of programs, which received unanimous support. The meetings took place in 2012 as follows:

- Stoney Creek BIA          March 23, October 5
- Ancaster BIA             May 23, October 18
- Dundas BIA               June 6, November 6
- Waterdown BIA            June 19, October 16
- Glanbrook Chamber of Commerce June 21, September 20
- Hamilton Waterfront Trust June 5

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

**Expansion of Community Improvement Initiatives in Community Downtowns**

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 and Community Renewal Community Improvement Project Area By-law, and provide a hierarchy of areas in which the Community Improvement Plan applies and its programs are prioritized. Currently, all of the financial incentive programs are available to all or part of
Downtown Hamilton, which is recognized in the Urban Hamilton Official Plan as the preeminent node in the City, where a broad mix of uses is permitted in higher density development, with a target of 250 jobs and residents per hectare established in the Urban Growth Centre. Staff has considered whether the suite of programs offered in Downtown Hamilton could be extended through to the next level of the hierarchy in the Community Downtowns and recommends that the following programs be offered in Community Downtowns, as well. The financial incentives recommended for expansion to the community downtowns will assist in creating an environment that encourages property development and also help achieve the growth targets identified in the Urban Hamilton Official Plan for the corresponding community nodes. The Dundas, Stoney Creek and Waterdown community nodes each have a density target of 100 jobs and residents per hectare. As per the Ancaster Wilson Street Secondary Plan for the Ancaster Community Node, its growth target is 50 jobs and residents per hectare due to the transportation capacity constraints limiting the overall density of its future growth. Binbrook is identified as part of the Neighbourhoods element of the Plan’s 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.

The Hamilton Downtown Property Improvement Grant Program - Pilot Project for Three (3) Years:

This program is currently offered within the Downtown Hamilton Community Improvement Project Area (CIPA). The program provides a five-year grant, in an amount not exceeding the increase in the municipal portion of the realty taxes, attributable to the development of residential or commercial lands and buildings. The grant will be an amount which does not exceed 100% of the Municipal Realty Tax increase during the first year, 80% in year two (2), 60% in year three (3), 40% in year four (4) and 20% in year five (5).

The Hamilton Downtown Commercial Property Façade Improvement Grant Program - Pilot Project for Three (3) Years:

This program is currently offered (until December 2014) within the Downtown Hamilton CIPA to property owners/tenants of commercial properties that are not located within a Business Improvement Area (BIA). The program offers matching grants, to a maximum of $10,000 per property (increasing to $12,500 for corner properties), for façade improvements. A property owner/tenant of an eligible property can apply once each calendar year for the program for different improvements. The program is similar to the Commercial Property Improvement Grant Program which is offered to property owners/tenants of commercial properties located within an active BIA, however, the Hamilton Downtown Commercial Property Façade Improvement Grant Program provides a reduced maximum grant amount.
The program would be available to property owners/tenants of commercial properties within the Community Downtown CIPAs that are not within a BIA. Staff also proposes to amend the existing terms of the program to include permanent landscape features, permanent fencing and paving of parking lots, as eligible items under the program in an effort to address the uniqueness of issues facing commercial properties within the Community Downtowns.

**The Hamilton Heritage Property Grant Program:**

This program is presently offered within active BIAs, the Downtown Hamilton CIPA and, the lower City between Highway 403 and the Red Hill Valley Parkway. The program offers a grant for the conservation and preservation of heritage features of properties designated under Parts IV or V of the Ontario Heritage Act. The grant is based on 25% of the total cost of regeneration of the property to a maximum of $150,000 for eligible work under the program. Eligible works include works necessary to restore heritage buildings to structural soundness, such as: roofing, the correction of serious structural faults that threaten the building’s survival, underpinning of building structures, and stabilization works to retain portions of the property. The program also offers a $20,000 grant for heritage studies. Staff also proposes to amend the existing criteria, increasing the maximum grant to 50% of the total cost of regeneration of properties, for projects with a value of $40,000 and under. This amendment will incorporate terms of the former Commercial Heritage Restoration Program (CHRP) that was administered by Community Planning into one financial incentive program for heritage restoration. CHRP offered a matching grant for the restoration/conservation of heritage properties to a maximum of $20,000 for commercial/residential designated properties within the City of Hamilton.

**The Hamilton Downtown Office Tenancy Assistance Program – Pilot Project for Three (3) Years:**

This program is presently offered within the Downtown Hamilton CIPA. The program provides a low interest loan to property owners or authorized tenants to support eligible leasehold improvements to office buildings. The amount of the loan 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 per application. The maximum loan term is the term of the lease up to five (5) years from the date of the final advance. To be eligible for the program, the office use must be either new to the City of Hamilton and occupying a minimum of 2,000 square feet, or be expanding by at least 1,000 square feet within the same CIPA.

In an effort to address the smaller scale of the Community Downtowns, staff also proposes to amend the terms of the program requiring proposed office uses within a
Community Downtown to occupy a minimum of 1,000 square feet, or expanding by a minimum of 500 square feet, to be eligible for the program.

**Piers 5, 6, 7 and 8**

Staff was directed “to investigate adding Piers 5, 6, 7 and 8 as part of an expanded community improvement area.” It is recommended that no decision to designate a Community Improvement Project Area (CIPA) at Piers 5, 6, 7 and 8 be made prior to the analysis of outcomes of ongoing studies at the waterfront.

Council directed staff to commence key studies that will accelerate the public and private sector development of Piers 5, 6, 7 and 8, including, but not limited to, issues of site servicing, geo-technical, soils remediation, as well as development phasing, marketability, and valuation. The City’s Waterfront Development Office is coordinating the servicing and soil-related studies with the Hamilton Waterfront Trust which will provide project management for these studies, as authorized by Council in April 2012. The objectives of the studies are to determine the servicing and development costs to develop Piers 5, 6, 7 and 8 in a manner consistent with both the West Harbour (Setting Sail) Secondary Plan and the West Harbour Recreation Master Plan, and to determine the marketability in attracting private sector investment in developing the lands. This work will identify the degree to which the proposed development is technically and economically feasible, and what gaps may exist between development cost and marketability.

The studies are anticipated to be completed by the end of April 2013. The information they provide will help to establish the specific needs for community improvement initiatives at Piers 5, 6, 7 and 8, and enable staff to develop new or adapt existing programs to address the needs and gaps. It is anticipated that a future CIPA, if applied to the waterfront, would be separate and not an expansion of the Downtown Hamilton CIPA as its marketability and subsequent needs may differ.

**Expansion of the Downtown Hamilton Community Improvement Project Area**

Staff was directed “to investigate the feasibility of including the area on the west side of Emerald Street north to Barton Street East, and the east side of Victoria Avenue North below Barton Street to the CNR tracks, in the Downtown Hamilton Community Improvement Project Area and bring a report back to the General Issues Committee.”

The expansion, in November 2011, of the Downtown Hamilton CIPA, focused primarily on the north and east of the Downtown Urban Growth Centre, and along the Primary Corridors and Mixed Use Medium Density designations leading into Downtown and identified in the Urban Hamilton Official Plan. It added portions of the Beasley, Central, Corktown and Landsdale neighbourhoods where there are numerous vacant properties.
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and buildings in transition from past and declining industrial use, to encourage development, particularly residential in the adjacent neighbourhoods, which would support the central core.

Staff recommends that the following properties, as indicated on the map in Appendix “A” to Report PED11188(a), be added to the Downtown Hamilton Community Improvement Project Area through future amendments to the Downtown and Community Renewal Community Improvement Project Area By-law and the Downtown and Community Renewal Community Improvement Plan:

1) East side of Victoria Avenue North, from Barton Street to Birge Street

This area includes properties on the east side of Victoria Avenue North to the parallel laneway, north of Barton Street and south of Birge Street (which runs alongside the CNR tracks). It is designated Mixed Use Medium Density in the Urban Hamilton Official Plan and is a continuation of the northward expansion of the former Downtown Hamilton CIPA boundary in the western portion of the Landsdale Neighbourhood. Staff had originally planned to include this strip in the November 2011 expansion, but it was removed from the amending by-law map when the tax-exempt General Hospital across the street was removed. This strip includes several surface parking lots. It also includes two properties listed in the City’s Inventory of Buildings of Architectural and/or Historical Interest including the Victoria Medical Centre at 304 Victoria Avenue North and the Bank of Montreal at 281 Barton Street East. The Bank and the Fragoso Seafood Place, next door, are within the Barton Village BIA and, therefore, already eligible for some community improvement programs.

2) 225 East Avenue North/315 Robert Street

The land parcel at 225 East Avenue North/315 Robert Street is situated to the east of the public alleyway running between and parallel to Victoria Avenue and East Avenue, and is part of the former Royal Oak Dairy lands in the Landsdale Neighbourhood. The balance of the former Royal Oak Dairy lands, at 246 Victoria Avenue North, to the west of the public alleyway, is already within the Downtown Hamilton CIPA.

An amendment to the Downtown and Community Renewal Community Improvement Project Area By-law is necessary to add 225 East Avenue North/315 Robert Street to the Downtown Hamilton CIPA. An amendment to the Community Improvement Plan is also required to add the property to the Downtown Hamilton CIPA because of the public alleyway separating the former Royal Oak Dairy lands. The Downtown and Community Renewal Community Improvement Plan anticipates that there may be instances where a property abutting a CIPA may be included as part of the comprehensive redevelopment of an eligible property within a CIPA. However, because of the public alleyway that separates them, 225 East Avenue North/315 Robert Street would not
merge on title with 246 Victoria Avenue North to become one property, unless the alleyway was declared surplus and sold to the adjacent property owner.

The addition of 225 East Avenue/315 Robert Street to the Downtown Hamilton CIPA would facilitate its redevelopment, along with the rest of the former Royal Oak Dairy lands on the other side of the public laneway. The properties have more recently been used for a legal non-conforming repair, rebuilding, storage and service business for appliances. Both contain underutilized and/or vacant industrial land and buildings and parking areas, and are under the same ownership. Multiple residential dwellings are permitted by the applicable land use designation and zoning.

Additional Initiatives

*Increase the Maximum Loan under the Commercial Corridor Housing Loan and Grant Program:*

This program is presently offered within the Community Downtowns, Downtown Hamilton, BIAs and the Commercial Corridors. The program provides financial assistance for the construction of new residential units, renovation of residential units, or conversion of existing commercial space into residential units. The loan is currently calculated on the basis of $10,000 per dwelling unit, to a maximum of $200,000 per property (20 units). The number of units funded does not exceed the number of units permitted by the applicable zoning by-law. The grant also provides up to $5,000 per property for professional fees paid. A minimum of 50% of the loan per unit must be spent on dwelling units while the remaining 50% can cover the cost of common elements of the property, such as: roofing, fire escapes, furnaces and entranceways.

Staff is recommending that the maximum loan be increased from $10,000 per unit to a maximum of $200,000 per property, to $15,000 per unit to a maximum of $600,000 per property (40 units). The maximum grant amount would remain at $5,000 per property for professional fees paid. This increase is recommended in order to offer more of an incentive for residential development within Community Downtowns as well as the BIAs and other commercial corridors in the absence of the Hamilton Downtown Multi-Residential Property Investment Program (a program that offers 25% of the cost of residential development in the Hamilton Downtown Community Improvement Project Area, only). There are sites within the areas where this program applies where 40 units can be accommodated in accordance with the applicable zoning by-law regulations. Providing more support to larger projects, where permitted, is intended to help increase the number of residents in intensification areas and achieve the density targets established for the downtown community nodes.
Other Program Amendments:

As a result of program consultation, Urban Renewal staff reviews the terms and conditions of existing financial incentive programs with the objective of improving the programs and administration of same. For example, it has been proposed that surveillance cameras installed on the building façade be included as an eligible expense under the Commercial Property Improvement Grant Program. To do so requires City Council to adopt a resolution amending the program description and terms, which will be brought forward to the future Public Meeting at the Planning Committee, for the purpose of amending the Community Improvement Project Area and Plan.

Development Charge Exemption:

Development charge relief is not a program or initiative offered through the Community Improvement Plan but it does provide an effective development incentive. The Downtown Hamilton development charge exemption area is provided through the City's Development Charges By-law under the authority of the Development Charges Act. The exemption area has typically been amended to reflect the Downtown Hamilton CIPA; therefore, subject to City Council approval of recommendation (f) of Report PED11188(a), and subsequent approval of an amendment to the Downtown and Community Renewal Community Improvement Project Area By-law to expand the Downtown Hamilton CIPA, staff would report back on the implications of extending the Downtown Hamilton development charge exemption area as well. With respect to the development charges in the community downtowns, staff would review the issue through the comprehensive review of City Development Charges and their impact on intensification and redevelopment. Corporate Services staff has advised that the review is anticipated to commence in early 2013, with completion in the beginning of 2014.

Awareness Campaign and Marketing Support:

During the consultation meetings with the BIAs and Glanbrook Chamber of Commerce it was evident that people are unaware of the existing financial incentive programs regardless of the promotional initiatives the Urban Renewal Section is currently implementing. In an effort to improve awareness, staff propose to supplement the promotional campaign to include:

- Brochures targeted at specific areas (rather than City-wide,) including a map of the area, the programs that are available within the area, and testimonials from property owners/tenants in the area who have been recipients of the financial incentives emphasizing the ease of the entire process, in an effort to address scepticism of the approval process for the incentives.
The use of co-op “marketing” student(s) who would meet with each business/property owner within the CIPAs for the purpose of promoting the programs. The interview panel may include a BIA representative.

More ongoing dialogue with Urban Renewal staff meeting at least every six (6) months with the Ancaster, Dundas, Stoney Creek and Waterdown BIAs as well as the Glanbrook Chamber of Commerce, for the purpose of promoting the financial incentive programs, discussing the progress and any barriers to investment in the Community Downtowns.

Education for additional City staff about the financial incentive programs, such as Building Services Customer Service Representatives and Business Licensing staff, in order that they can inform property owners/tenants of the incentives when applying for Building Permits and Business Licences. (Planning, Business Facilitation and the Small Business Enterprise staff currently inform their customers of Urban Renewal financial incentives).

Provide information to all Councillors in wards where financial incentive programs are offered, for inclusion in their community newsletters.

Yearly mailing information on the financial incentive programs to all property owners within the CIPAs.

During consultation, staff also heard concerns with respect to existing vacancies and marketing mixes within specific areas. Since the initial meetings, the Business Development Consultant, who specializes in commercial retention and attraction, has met with representatives from those areas to discuss strategies to reduce the number of vacant properties, and has also met individually with property owners to discuss their specific issue(s). Meetings will continue for the purpose of assisting areas to improve their commercial viability as well as to refer vacancies/new developments to businesses, franchisors and realtors internal and external to the community.

Potential Mount Hope/Airport Gateway Community Improvement Project Area:

Through consultation with the Glanbrook Chamber of Commerce and Ward 11 Councillor, the existing conditions and related need for community improvement initiatives in the Mount Hope commercial area, centred at Homestead Drive and Airport Road, were raised. The area possesses characteristics identified in the City’s community improvement policies contained in the Official Plan that would warrant its designation as a CIPA, for which a plan and associated programs may be prepared, including: building stock or property in need of rehabilitation, deteriorated or insufficient physical infrastructure such as sidewalks and lighting, and poor overall visual amenity of the area, including, but not limited to, streetscapes and urban design. Further, this area is a significant area due to its exposure to visitors to the City via the Airport. As stated in the Mount Hope Secondary Plan as contained in the Council-adopted Urban Hamilton Official Plan (Volume 2, Section B.5.4.4.1(f)):
“The District Commercial designation adjacent to Airport Road West and Homestead Drive enjoys a high degree of visibility and provides a gateway to the John C. Munro International Airport. To ensure this area develops in a coordinated, well-designed and aesthetically-pleasing manner with adequate infrastructure and amenities, and to provide funding eligibility, the City shall investigate the designation of these lands as a Community Improvement Project Area.”

It is recommended that staff be directed to investigate and report back to the General Issues Committee on a Community Improvement Project Area and associated program initiatives for the Mount Hope/Hamilton Airport Gateway area at Homestead Drive and Airport Road. This study would be incorporated into the Urban Renewal Section’s 2013 Work Plan. An appropriate study area would include the area designated as District Commercial in the Mount Hope Secondary Plan, including properties along Airport Road from Upper James Street to the western limit of the Secondary Plan area next to the Airport, as well as properties along Homestead Drive (see Appendix “B” to Report PED11188(a)). The study would involve a more detailed assessment of the area in consultation with local businesses and residents in order to determine what new, existing and/or modified programs could provide assistance.

**ALTERNATIVES FOR CONSIDERATION:**
**(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)**

Non-acceptance of the recommendations contained in Report PED11188(a), or limiting the financial incentive programs to the Community Downtown. These alternatives are not recommended.

**The Hamilton Downtown Property Improvement Grant Program – Potential Ten-Year Grant instead of Five-Year Grant**

The Hamilton Downtown Property Improvement Grant Program is currently offered within the Downtown Hamilton CIPA as a five-year grant. The proposed expansion of the program would apply it to the Ancaster, Binbrook, Dundas and Stoney Creek CIPAs as a five-year grant as well. An alternative option is to provide the program to the Community downtowns as a ten-year grant, but is not recommended by staff.

The program provided a ten-year grant from its inception in 2002 until 2007. This history relates to the request for a ten-year program, by Mr. Herman Demirci in his letter to the City Clerk dated March 1, 2012, regarding proposed development at 5-7 King Street East in Stoney Creek. In an effort to spur development and at the same time enable the City to recoup the revenue in a shorter period of time, Urban Renewal and
Finance staff continue to recommend a five-year program. The five-year program, together with the other financial incentives being recommended for expansion within the Community Downtowns, will assist in creating an environment that encourages property development.

Financial: Capital Budget costs totalling $450,000 and Operating Budget costs of $15,000 would not be required as part of the 2013 Capital Budget process.

Staffing: Not applicable

Legal Not applicable

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)


Growing Our Economy
- Investment in Hamilton is enhanced and supported. Property owners invest in their properties leading to property assessment increases.

Environmental Stewardship
- Financial incentive programs support residential intensification and the reuse of existing building stock and infrastructure.

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

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

Healthy Community
- Partnerships are promoted.
APPENDICES / SCHEDULES

Appendix “A” to Report PED11188(a) – Map of Potential Expansion of the Downtown Hamilton Community Improvement Project Area

Appendix “B” to Report PED11188(a) – Map of Proposed Study Area Boundary for the Potential Mount Hope/Airport Gateway Community Improvement Project Area

HM/AW/hk
Potential expansion of the Downtown Hamilton Community Improvement Project Area
Proposed Study Area Boundary for the Potential Mount Hope/Airport Gateway Community Improvement Project Area