# SUBJECT: Our Downtowns and BIAs – 2006 Annual Report and 2007 Downtown Renewal Division Work Plan (PED07079) (Wards 1, 2, 3, 4, 6, 7, 9, 11, 12, 13, 15)

## EXECUTIVE SUMMARY:

Report PED07079 summarizes developments, events and initiatives that occurred during 2006 in our City’s six (6) downtowns, twelve (12) Business Improvement Areas (BIAs), and the Hamilton Municipal Parking System (HMPS). It provides a review of our incentive programs and downtown construction activity. The report also outlines the Downtown Renewal Division’s accomplishments during 2006 and lays out the Division’s 2007 work plan. The information contained within this report will be used to create municipally-generated publications.

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### CITY OF HAMILTON

**PLANNING AND ECONOMIC DEPARTMENT**

*Downtown Renewal Division*

<table>
<thead>
<tr>
<th>Report to:</th>
<th>Submitted by:</th>
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<tbody>
<tr>
<td>Chair and Members</td>
<td>Lee Ann Coveyduck</td>
</tr>
<tr>
<td>Economic Development</td>
<td>General Manager</td>
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<td>and Planning Committee</td>
<td>Planning and Economic Development Department</td>
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</tbody>
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<thead>
<tr>
<th>Date:</th>
<th>Prepared by:</th>
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<tbody>
<tr>
<td>February 2, 2007</td>
<td>Alan Waterfield Ext. 1251</td>
</tr>
<tr>
<td></td>
<td>Hazel Millsome Ext. 2755</td>
</tr>
</tbody>
</table>

## RECOMMENDATION:

That Report PED07079 respecting “Our Downtowns and BIAs - 2006 Annual Report and 2007 Downtown Renewal Division Work Plan” be received for information and that the relevant contents be made available through appropriate municipally-generated publications.
BACKGROUND:

The Downtown Renewal Division’s mission is to provide the public, Business Improvement Areas (BIAs), businesses, developers and City departments with a one-window approach to various programs and incentives. These programs and incentives are focussed on the renewal and regeneration of our downtown areas and Business Improvement Areas (BIAs). The Hamilton Municipal Parking System’s mission is to be a self-sustaining business unit, financed entirely by its users, which manages the life-cycle of the municipal parking system - from planning, design and construction, to operation, maintenance and enforcement - in support of the residential and business communities, and the City’s land use, transportation and economic development initiatives.

The Division is the principal point of contact for relevant matters related to the City’s six (6) downtowns, twelve (12) BIAs and the Hamilton Municipal Parking System. Last year at this time, the Downtown Renewal Division presented Council with its fifth annual report. The Division is not only committed to keeping Council apprised of developments and initiatives as they present themselves, but also to summarize these developments on an annual basis. Report PED07079 allows Council to review the previous year’s accomplishments and to examine the Division’s current work plan.

ANALYSIS/RATIONALE:

2006 INITIATIVES AND ACCOMPLISHMENTS

While the Downtown Renewal Division spearheaded many successful undertakings in 2006, these accomplishments were not achieved in isolation. For the most part, the successful conclusion of issues resulted because of support and participation by various City Departments. The Downtown Renewal Division recognizes that Downtown issues are complex and are a delicate interplay of a variety of forces therefore requiring an interdisciplinary approach. In this regard, committees such as the Downtown/West Harbourfront Co-ordinating Committee continued their work to co-ordinate municipal efforts.

Business Improvement Areas (BIAs)

The Locke Street Business Improvement Area (BIA) was formed in 2006, including properties along Locke Street from Chatham Street to Homewood Avenue. The boundaries of the Main West Esplanade and Stoney Creek BIAs were expanded in 2006. The Downtown Renewal Division now supports twelve (12) BIAs, along with the Ancaster Village Core Advisory Committee and the Hess Village Pedestrian Mall Authority. Downtown Renewal staff, led by Hazel Milsome, also supported the BIA umbrella group known as the Hamilton Association of Business Improvement Areas (HABIA). Meeting on a monthly basis, the HABIA meetings serve as an efficient forum for information sharing among BIAs and present an opportunity to focus on issues of common concern. HABIA was chaired by Councillor McHattie in 2006 and is now chaired by Councillor Whitehead. Eileen Maloney is the Downtown Renewal Division’s new BIA Co-ordinator.
Bridges to Better Business

Staff from the Downtown Renewal Division and the Small Business Enterprise Centre, along with Mary Pocius, Executive Director of the International Village Business Improvement Area, organized the ‘Bridges to Better Business’ seminar in October. The program included keynote speakers David Crombie, who spoke on "The Urban Agenda for the 21st Century"; John Torella, who spoke on “Trends and Opportunities”; and, Peter Albana, who spoke on "Branding, Not Just for Big Business". Approximately 150 people attended the event.

Excellence in Property Awards

The Downtown Renewal Division co-ordinated the 2006 Excellence in Property Awards. This awards program recognizes the vital contributions individual property and business owners make to their local community through the continual upkeep and beautification of their buildings within Hamilton’s Business Improvement Areas. The program will culminate in an awards presentation at City Council on February 14, 2007. The winners from the participating BIAs are:

- Bombardieri Uniforms and Linen Rentals, 448 Barton Street East, Barton Village BIA;
- Select Consignments, 618 Concession Street, Concession Street BIA;
- Gowlings, 1 Main Street West, Downtown Hamilton BIA;
- Taylor’s Tea Room, 11 King Street West, Dundas BIA;
- Brownies’ Downtown Fine Food and Spirit, 275 King Street East, International Village BIA;
- View Magazine/2 Face Clothier, 368/370 Main Street West, Main West Esplanade BIA;
- Café Limoncello, 226 Ottawa Street North, Ottawa Street BIA;
- Peter Cercone (owner), 28 King Street East, Stoney Creek BIA; and,
- 1010 Bistro, 1010 King Street West, Westdale Village.

The winner of the overall 2006 City of Hamilton award is the Gowlings Law Office at 1 Main Street West, pictured here to the left. The historically designated, formerly vacant Bank of Montreal building was converted into the law office in 2004.
City Council, at its meeting held July 12, 2006, approved the Unanimous Stakeholders’ Agreement (USA) and Management Services Agreement (MSA) as the governing documents regarding the operation of the Hamilton Realty Capital Corporation (HRCC). Downtown Renewal Division staff, together with other City staff and solicitors, worked to establish the Corporation based on the business plan that was approved by City Council in the summer of 2004.

The HRCC is a for-profit development corporation operating within the Downtown Hamilton Community Improvement Project Area. The City of Hamilton and Forum Leasehold Partners Inc. will both contribute a $2 million investment to the HRCC in accordance with the Unanimous Stakeholders’ Agreement. The Designated Manager of the HRCC is Gord Moodie, who accepted the terms of the position in August 2006. Gord also continues to perform his duties as Co-ordinator of Municipal Incentives, Downtown Renewal Division. An information report will be forwarded to Committee and Council in the near future that will provide an update on the activities of the HRCC to date.

Downtown/West Harbourfront Co-ordinating Committee (DWHCC)

The DWHCC is a multi-disciplinary team of staff focussing on relevant issues in the Downtown and West Harbourfront area. The Committee was established in 2001 and developed a 10 Year Capital Budget Plan in consultation with the general public. The Budget Plan serves as a strategy to implement the public provisions of the Downtown Secondary Plan and the Downtown Transportation Master Plan, as well as the Setting Sail Secondary Plan for West Harbour. Each year the Committee reviews the 10 Year Capital Budget Plan with the objective of re-confirming scheduling and co-ordination of streetscape improvement projects and infrastructure improvements that are to be undertaken by the Public Works Department. The 2007 priority projects for Downtown capital block funding are recommended as follows: i) Hamilton Farmers’ Market; ii) functional design/tender/reconstruction of York Boulevard from James to Bay streets; and, Comprehensive Way Finding Study. A more detailed Budget Plan for the West Harbourfront area will be prepared upon final approval of the Setting Sail Secondary Plan by the Ontario Municipal Board.

Downtown Cleanliness and Security Task Force

The Task Force on Cleanliness and Security in the Downtown Core was established following Council approval in 2003. The Task Force identifies issues related to the facts and perception of cleanliness and security in Downtown Hamilton. It then recommends appropriate actions and strategies to address those issues.

In 2006, the Task Force recommended the reinstatement of the Gore to Shore shuttle bus service and the replacement of the incandescent lighting in the trees of Gore Park with more energy-efficient LED lighting. Both of these recommendations were approved by Council. Other project and service enhancements recommended by the Task Force
and approved by Council in 2004 and 2005 include: additional litter containers that are emptied more frequently; additional placement and maintenance of cigarette containers; more frequent power-washing of sidewalks; and, the implementation of the Downtown Ambassador Program.

The Task Force continues to meet and monitors the success of implementing its recommendations. Generally, the enhanced services are proving effective; however, the Task Force has identified services that need improvement in 2007. These enhancements include: the need for additional staff for ground litter control; a security and safety audit; and, the continued need to implement an educational/promotional anti-littering campaign. These items will be addressed through a separate report from the Task Force.

**Streetscape and Landscape Projects in the Downtowns and BIAs**

Downtown Renewal Division staff designed, tendered and implemented several streetscape improvement projects in the City’s Downtowns and BIAs. The Downtown Dundas BIA gateway signs were constructed in 2006 to provide attractive entrance features to this historic commercial district. Working drawings have been prepared for Dundas Memorial Square and Waterdown BIA gateways with construction to commence in Spring 2007. The design process is also underway for Ottawa Street BIA gateways.

Ancaster Square has undergone a major upgrade with improved Library and Municipal Service functions. Downtown Renewal staff, specifically Dave Zimmer, Senior Landscape Architect, was instrumental in the redevelopment of the front area landscape in 2006.
This work consisted of a new entry court and steps with a key feature being the raised planter to house the existing statue. The work will be completed in 2007 with additional landscaping and a master plan for the complete Ancaster Square property.

Additional work included the design and construction of a new LED sign, pictured at right. This sign was sponsored in part by the Optimist Club of Ancaster.

Downtown Renewal Division staff also contributed to Public Works Department initiatives, including embellishments to the design of the King Street bridge over Battlefield Creek (e.g., natural limestone veneer, modified railings, and south-side flower planter), and the relocation of the King Street entrance to Battlefield Park in Stoney Creek.

The Public Works Department project managed the following streetscape projects in 2006 within Downtown Hamilton:

- Ferguson Avenue between Main Street and Grange Avenue;
- King William Street between Hughson and Catharine Streets;
- St. Joseph's Drive between James and John streets (outside the Downtown core but related to the two-way conversion project in 2005);
- Resurfacing of the Hamilton Municipal Parking System Car Park No. 1, between John and Catharine streets, south of Rebecca Street; and,
- Bay Street between York Boulevard and Cannon Street.
Administrative Changes

In 2006 two (2) significant changes occurred administratively in the Downtown Renewal Division. As a result of the audit in 2005 and its recommendations, the new position of Business Analyst was created to support the work of the financial incentive programs. In this capacity, Hazel Milsome was appointed as the Business Analyst with full responsibility of providing support to the Division. In November 2006, with the career advancement of Hazel Milsome, her vacant position of BIA Co-ordinator was filled by Eileen Maloney, formerly of the Corporate Services Department. Eileen Maloney is responsible for the liaison between the City and the twelve (12) Business Improvement Areas.

Hamilton Municipal Parking System (HMPS)

The Hamilton Municipal Parking System’s accomplishments in 2006 are listed below:

- Completed the third phase of the five (5) year, $2.6 million rehabilitation program for the Convention Centre Parking Garage;
- Completed a surface rehabilitation of Carpark #1, located between John and Catharine streets, south of Rebecca Street;
- Installed new software for the “Pay-on-Foot” parking control system at the Convention Centre Parking Garage and at the York Boulevard Parkade;
- Received approval to implement final phase of Bill 25 (Plate Denial) for tighter control and recovery of non-paid parking tags;
- Developed and temporarily implemented a program for better auditing of parking fine payments and tracking of error trends which result in lost revenues;
- Assumed direct delivery of parking operations and enforcement in Dundas in 2006, following a business case analysis in 2005 that assessed whether or not to bring the Dundas parking program, formerly operated by ParkSmart, in-house, or to re-tender or renew the contract;
- Conducted a comprehensive review and reassignment of school crossing guards as a result of major boundary changes by the Hamilton-Wentworth District School Board;
- Planned and operated special event parking for the 2006 Canadian Open, held at the Hamilton Golf and Country Club in Ancaster in September;
- Investigated and processed 720 by-law amendments and changes to parking regulations;
- Participated on the Technical Advisory Committee for the City Hall Renovations; and,
- Supported groups such as HABIA, the Downtown Safety and Cleanliness Task Force, Hess Village Task Force.
DOWNTOWN/BIA LOANS AND GRANTS PROGRAMS

The Downtown Renewal Division administered three incentive programs in 2006:

1. Enterprise Zone – Municipal Realty Incentive Grant Program,
2. Hamilton Downtown Residential Loan Program, and
3. Commercial Property Improvement Grant Program.

These incentive programs are designed to encourage the development of Downtown properties, the creation of new housing on a sustainable basis in Downtown Hamilton, and the upgrading of commercial properties within the twelve (12) Business Improvement Areas of the City of Hamilton.

Measuring the performance of our incentive programs is an important commitment of the Division. The Division’s ultimate measure of success will be when the Division and the programs we measure are no longer required. The following summary of incentive program achievements in 2006 also outlines some of the performance measures for each program.

1. Enterprise Zone – Municipal Realty Incentive Grant Program

This program is exclusive to the Downtown Hamilton Community Improvement Project Area. The intent of the Enterprise Zone Municipal Realty Tax Incentive Grant Program is to provide an economic catalyst for developing, redeveloping or renovating residential/commercial lands and buildings located within the Enterprise Zone. It involves the renovation/rehabilitation of buildings that are at least 50% vacant or vacant properties including parking lots. Therefore applications submitted under this program result in the utilization of existing space or new construction on surface parking lots.

This program authorizes for each approved grant application, a nine (9) year grant, the amount of which is subject to Council approval, in an amount not exceeding the increase in municipal realty taxes as a direct result of the development/redevelopment of the land and/or building. The grant which may be approved by Council shall be an amount which does not exceed 100% of the municipal realty tax increase during the first 5 years, 80% in year 6, 60% in year 7, 40% in year 8, and 20% in year 9. For purposes of determining the eligible amount of the increase in municipal realty taxes, special charges including BIA levies are 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-renovation assessment and the post-renovation assessment.

The Enterprise Zone Municipal Realty Tax Incentive Grant Program provides an effective incentive for development and redevelopment initiatives within the Downtown core area. In delivering this program, we’d like to see a minimum of 5 new applications per year as a performance measure. Seven (7) property owners made application under the terms of the program in 2006, proposing a construction value of $84.2 million. The projects include:
89 King Street East – construction of a new 5 storey building featuring 16 apartment units above ground floor commercial space;

221 York Boulevard – construction of a new 14 storey residential building with renovations to existing ground floor commercial space;

74 Hughson Street South/1 Hunter Street East – renovations to existing commercial space and construction of an additional floor;

53-59 King Street East – conversion to residential above renovated ground floor commercial space;

150 Main Street East – redevelopment of the former Federal Building to residential use;

132 Main Street East – redevelopment of the former HMP site to hotel/commercial use; and

284 King Street East – renovations to upper floor residential units.

Since the beginning of the program in 2002 through 2006, the Downtown Renewal Division has received 27 applications. The total construction value of the 23 projects that either have been built or remain as open files is approximately $179.5 million. Two (2) of the files were closed due to a change of ownership; one (1) file was closed due to project ineligibility; and, one (1) application was re-submitted at a later date.

Grants issued through the Enterprise Zone program are not advanced until construction and the post-renovation assessment are complete. Seven (7) of the projects have reached this stage when they begin to receive their grants. In 2006, over $751,000 in actual grants were issued to these projects, including just over $497,000 paid and approximately $254,000 accrued but not paid in 2006. The total amount to be granted to these projects as per the terms of the program is estimated to be $3,551,000. This total grant accounts for just 12.1% of the total construction cost of $29,299,400 for the seven (7) projects. The grant matches the increased taxes paid by the proponents in accordance with the Enterprise Zone program.

2. Hamilton Downtown Residential Loan Program

The Hamilton Downtown Residential Loan Program provides a financial incentive to developers to assist with the costs of converting commercial space into apartments, construction of new apartments and assistance in the renovation of existing residential units. The program is also intended to provide assistance towards the costs of creating new residential units on vacant land.

Eligible existing buildings/vacant properties must be located in the Downtown Hamilton Community Improvement Project Area. Only class C/D commercial buildings with a pre-existing annual vacancy of not less than 20% are eligible. Vacant lands include properties developed as parking lots.

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 principles and design themes contained within the Downtown Hamilton Secondary Plan.
The loan is interest free for a maximum term of five (5) years and the principal is repayable in annual amounts of ten (10) percent, in twelve (12) equal monthly payments, of the original loan amount. Payments will commence one (1) year following completion of construction. The balance outstanding will be paid by a balloon payment at the end of the five year term. The available loan is calculated on the basis of a maximum of $20 per square foot of habitable floor space.

A request for proposals was issued in 2005 for developers wishing to take advantage of the program. Fourteen proposals were submitted for the construction of approximately 700 units at a total construction cost of almost $120 million.

With respect to this program, the Downtown Renewal Division has two measures of success. The first measure of success is that the full $20 million line of credit is committed to projects; Council presently has before it requests in excess of $20 million. The second measure of success is that projects committed funding under the terms of the program release or pay back the commitment within a five (5) year time frame. This second measure of success is being met as well. In 2005, Chateau Royale on James Street South containing 197 residential units fully paid back their $3.4 million loan. As well, the project known as “The Annex” at 11 Rebecca Street containing 40 residential units has begun payback of the residential loan. The seniors apartment project at 155 James Street South also continues paying back its City loan. The project at 91 Wellington Street North has also provided a loan repayment. The Staybridge Suites Hotel at 118 Market Street started paying back its loan in 2007.

Loan repayments to the City in 2006 totalled $258,675. The City paid interest costs of $228,389 in 2006.

3. Commercial Property Improvement Grant (CPIG) Program

The CPIG program is designed to provide financial assistance to property owners and owner-authorized tenants within each of the twelve (12) Business Improvement Areas across the entire City of Hamilton. The program provides grants for the improvement of the façades and entrance features of commercial properties. 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, and to create long-lasting physical and aesthetic improvements to the assets of commercial property owners within the Business Improvement Areas.

Under the terms of the program in 2006, grants were available to properties within the BIAs, through a request for funding application. Applicants could apply for up to $7,500 on a matching grant basis to be used for exterior and some limited interior improvements. Eligible improvements include upgrades to façades; work such as signage, lighting, architectural detailing and façade repair work. Up to $2,500 dollars could be used for interior work associated with the entrance to the commercial use and the display areas associated with the principal entrances.
A total of 40 CPIG applications were submitted in 2006. Fourteen (14) applications were submitted in the Spring, proposing $209,500 of construction. Council approved $78,000 in grants for these applications, representing 37% of the construction cost. Twenty-six (26) applications submitted for the Fall application deadline are currently being processed and are yet to be approved by Council. They propose nearly $558,000 in construction. The proposed grants of $167,000 represent 29.9% of the proposed total construction value of nearly $558,000.

Actual grants totalling $192,394 were paid to 26 projects in 2006. The majority of these projects applied to the CPIG program in Spring and Fall 2005 and received their grant in 2006. The projects ultimately were built with a total construction cost of $461,887.

### 2006 Commercial Property Improvement Grant (CPIG) Program Payments

<table>
<thead>
<tr>
<th>Date Application Submitted</th>
<th>Number of Applications Paid in 2006</th>
<th>Construction Value</th>
<th>Grant Paid in 2006</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring 2004</td>
<td>2</td>
<td>$19,547</td>
<td>$9,126</td>
<td>46.7%</td>
</tr>
<tr>
<td>Fall 2004</td>
<td>6</td>
<td>$146,861</td>
<td>$65,317</td>
<td>44.5%</td>
</tr>
<tr>
<td>Spring 2005</td>
<td>8</td>
<td>$133,435</td>
<td>$46,594</td>
<td>34.9%</td>
</tr>
<tr>
<td>Fall 2005</td>
<td>7</td>
<td>$104,034</td>
<td>$50,527</td>
<td>48.6%</td>
</tr>
<tr>
<td>Spring 2006</td>
<td>3</td>
<td>$58,009</td>
<td>$20,830</td>
<td>35.9%</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>$461,887</td>
<td>$192,394</td>
<td>41.7%</td>
</tr>
</tbody>
</table>

As we roll out the program each year we track how much total construction value is leveraged from the City’s grant contribution. Although the program is a 50/50 matching grant, the true value of the work leveraged by the City grant is more than 50%. As indicated in the table above, the grants distributed through the program in 2006 achieved a 41.7% to 57.3% ratio public vs. private contribution. The performance measure of the program is to maintain and to continually try to improve on this ratio.

### Incentive Program Review and New Comprehensive Community Improvement Plan

In 2006, the Downtown Renewal Division undertook a 5-year review of all the financial incentive programs it administers. As a result of the review, a new comprehensive Community Improvement Plan for Downtown Hamilton, Community Downtowns and Business Improvement Areas was developed, which includes modifications to some of the programs. Public input into the Community Improvement Plan (CIP) began in June 2006 through the hosting of seven (7) Open Houses held within each community in the City of Hamilton.

The changes will be detailed and recommended in a separate report to Committee and Council in 2007 that deals with the new, comprehensive CIP. Specifically, modifications are being recommended to the Enterprise Zone and Commercial Property Improvement Grant Programs. In addition, the Main Street Housing Program would be put into effect through Council approval of the new CIP.
Main Street Housing Program

City Council, at its meeting held March 1, 2006, approved the program description and terms of the Main Street Housing Loan and Grant Program. The Main Street Housing Program is designed to stimulate residential development within Hamilton’s Community Downtowns and Business Improvement Areas, excluding the BIAs that are encompassed within the Downtown Hamilton Community Improvement Project Area as those BIAs presently benefit from the Hamilton Downtown Residential Loan Program.

The program is intended to provide financial assistance for converting existing built commercial space into residential units or renovations to existing residential units. The program is also intended to provide assistance for the costs of creating new residential units on vacant land within the Community Downtowns and eligible BIAs.

The program offers a maximum loan amount of $10,000 per dwelling unit to a maximum of $100,000 per property. A grant portion of $5,000 per application is available for professional fees only. The loan interest is zero percent amortized over 5 years.

2006 DOWNTOWN BUILDING ACTIVITY

The Downtown Renewal Division monitors the issuance of building permits for Downtown Hamilton and other community downtowns. Construction activity provides an indicator of public and private investment in these areas.

2006 Downtown Hamilton Building Activity

Building activity statistics are collected for the Downtown Hamilton Community Improvement Project area. This area is bounded by Queen Street to the west, Victoria Avenue to the east, Cannon Street to the north, and Hunter Street to the south. It also includes the properties fronting onto James Street north to Liuna Station and south to Charlton Avenue, as illustrated below.
A total of 84 building permits, representing $28.5 million in construction, was issued within the Downtown CIP area in 2006. This construction value is a 79% increase over 2005. As illustrated in the table below, 2006 has been an excellent year for construction value in Downtown Hamilton. Over the past six years since the inception of the Downtown Renewal Division, only 2002 saw greater values, when the $40 million Canada Place office building on Bay Street North drove overall construction to $63.5 million.

In 2006, the split between residential and non-residential construction values was 45% and 55% respectively. The Downtown Renewal Division monitors this ratio in view of the goal to increase the number of residents in the City core.

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1 An additional 21 building permits were issued in the Downtown CIP area in 2006 for demolition, signs and events. These permits are not included in the construction values reported above.
The residential component accounts for nearly $12.8 million of construction in 2006, an 18% increase over 2005. As illustrated in the table below, this value is the highest achieved in Downtown since 2002.

![Graph showing residential construction value from 2001 to 2006](chart.png)

Building permits were issued for the construction of 193 dwelling units in Downtown Hamilton in 2006. The dwelling units are contained within eight (8) projects, accounting for $11.4 million. The balance of $1.3 million in residential building permits in 2006 were for alterations and renovations that did not result in new/renovated dwelling units, such as new balconies.

**Residential Projects Receiving Building Permits in 2006**

<table>
<thead>
<tr>
<th>Project Location</th>
<th>Units</th>
<th>Project Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>260-280 King St. E.</td>
<td>123</td>
<td>This new 11 storey building will include 123 rental units above new ground floor commercial space. The site is currently under construction, as pictured below.</td>
</tr>
</tbody>
</table>

*Photo: Dew Imagery, Courtesy of the Economic Development Division*
<table>
<thead>
<tr>
<th>Location</th>
<th>Units</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>89 King St. E.</td>
<td>16</td>
<td>These units will be located within a new 5 storey residential building with 1st floor commercial uses. This is a CityHousing Hamilton project.</td>
</tr>
<tr>
<td>80 King William St.</td>
<td>15</td>
<td>These 15 units are being constructed in a new, two-storey addition atop Trinity Landing, as Phase 2 of the project. Phase 2 construction continues at Trinity Landing, 80 King William Street. In 2003, building permits were issued for Phase 1, to redevelop the vacant, former Spectator warehouse, as pictured below at left in 2001, into 35 apartment units.</td>
</tr>
<tr>
<td>125 Wellington St. N.</td>
<td>12</td>
<td>This project converted 10 two-storey units into 20 one-storey units and added 2 new units, for a net increase of 12 units in this high-rise apartment building.</td>
</tr>
<tr>
<td>66 Bay St. S.</td>
<td>3</td>
<td>These units are a conversion of existing 1st floor commercial space at the Core Lofts.</td>
</tr>
<tr>
<td>4, 14 Forest Avenue</td>
<td>22</td>
<td>Building permits were issued in 2006 to redevelop residential units and ground floor commercial space at 4 Forest Avenue, pictured below at left; and at 14 Forest Avenue, below at right. In addition, this project received building permits in 2005 to redevelop the residential units at 8 Forest Avenue.</td>
</tr>
</tbody>
</table>
211 Hunter St. E. 1 Conversion of an existing single-detached dwelling to a two-unit dwelling, for a net increase of 1 unit.

69 Queen St. S. 1 Conversion of existing 2nd floor commercial office space to a residential unit.

Total 193 Total construction value = $11.4 million

Of these 193 units, 161 (83%) have received funding from Council under the terms of the Hamilton Downtown Residential Loan Program (HDRLP).

The non-residential component of the total construction value in the Downtown accounts for over $15.7 million in 2006. This value is greater than the amount in 2004 and 2005 combined.

Non-residential building permits were issued for alterations and renovations in 2006, with no new construction. Significant projects included:

- interior alterations at the Ellen Fairclough office building, 119 King Street West ($3.8 million);
- renovations at Sir John A. MacDonald Secondary School, 130 York Boulevard ($2 million);
- interior alterations at the Standard Life office building, 120 King Street West ($1.9 million);
- interior and exterior alterations to the City Centre, 77 James Street North ($1.8 million); and,
- rehabilitation of the Convention Centre parking garage, 80 Main Street West (>$$1 million).
OTHER DOWNTOWN HAMILTON SUCCESSES IN 2006

Construction was nearly completed in 2006 at City View Terrace, a new, 40 unit condominium at 47 Caroline Street North at Napier Street. Its progress is pictured below, from a parking lot in 2001, through construction in 2005 and 2006.

Construction continues at the southeast corner of Main and Queen Streets. This project includes the redevelopment of several commercial/residential mixed use properties from 215 to 231 Main Street West, and 67 and 69 Queen Street South. Visible changes in 2006, pictured below, include the renovation of the Queen Street buildings, as well as 231 Main Street West.
Some of the businesses occupying new locations in Downtown Hamilton in 2006 include:

- Shoppers Home Health Care, 250 King Street East at Ferguson Avenue;
- Aarets Jewellers, 197 King St. E.
- Affinity Vegetarian Restaurant, 85/87 John St. S.
- Aveen Hair Salon, 72 James St. N.
- Bistro Parisien, 150 James St. S.
- Black Cat, 223 King St. E.
- RWY Coffee Culture Cafe, 333 King St. E.
- The Hart Department Store, pictured at right, moved into the City Centre at 77 James Street North.
- Imperial Coin and Stamp Co., 149 King St. E.
- Curry Cabana, 234 King St. E.
- FRWY Coffee Culture Cafe, 333 King St. E.
- James Street Book Cellar, 158 James St. S.
- Marchese Pharmacy, 326 James St. N.
- Moose Bar & Grill, now the James Forest Café, 4 Forest Ave.
- Pritchard/Reinink Downtown Gallery, 205 King St. E.
- Red Quartet Lounge, 219 King St. E.
- Rouge River Restaurant, 54 James St. N.
- Sizzle, 25 Hess St. S.
- Sparkling Fresh Water/Kay Dan Hair Studio, 239 York Blvd.
- Under the Moon/Atomica/Mixed Media, 174 James St. N.
- Visions from the Heart Flowers and Gifts, 220 King St. W.
The Downtown Renewal Division has been tracking ground floor vacancies of commercial and mixed-use buildings since 2001. As shown on the following table, the rate declined in 2006 to 10.6%.

<table>
<thead>
<tr>
<th>Downtown Ground Floor Vacancies</th>
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<tr>
<td>2001</td>
</tr>
<tr>
<td>16.4%</td>
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The Downtown Renewal Division will increase their efforts and solicit the assistance of the Downtown BIAs in an attempt to lower the Ground Floor Vacancy rate. Staff and the Downtown BIAs will continue to implement the Commercial Market Analyses and Action Plans that were prepared for the BIAs.

**2006 COMMUNITY DOWNTOWN BUILDING ACTIVITY**

Community DOWNTOWNS, including Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, collectively had a total of 25 building permits issued in 2006, representing a construction value of nearly $3.1 million. This value excludes 29 building permits issued for demolition, signs and events. The majority of the construction value is attributed to Downtown Ancaster, as illustrated below.

![Community DOWNTOWNS Construction Values](image)
A building permit issued for the Ancaster Municipal Service Centre and public library included interior alterations, a new rear entrance lobby, and a new tower at the front, pictured at right, valued at $1.7 million.

In addition, new office/commercial buildings were under construction in 2006 at 241 and 253 Wilson Street East.

In Dundas, Stoney Creek and Waterdown, the building permits were generally minor alterations. The designated community core of Binbrook did not see any activity in 2006. The Downtown Renewal Division will continue to monitor all construction activity in the downtowns.

In Stoney Creek, work was completed on the façade and entrance to 28 King Street East in Stoney Creek, pictured below. This project received funding from the City’s Commercial Property Improvement Grant program and is the winner of the 2006 Excellence in Property Awards for the Stoney Creek Business Improvement Area.

**LOOKING FORWARD IN 2007**

In 2007 the Downtown Renewal Division will focus on the continued delivery of programs and enhanced communication and marketing. It is expected that 2007 will also see the financial involvement of the Hamilton Realty Capital Corporation in Downtown Hamilton.

The Division will administer incentive programs as revised by the new comprehensive Community Improvement Plan, including the new Main Street Housing Program.
A review of intensification opportunities within the downtowns and BIAs will be conducted, in consultation with the Long Range Planning Division, to assist in the implementation of the Main Street Housing Program.

Three (3) applications have been submitted already to the City during January, 2007 under the Enterprise Zone – Municipal Realty Incentive Grant Program.

The Downtown Renewal Division will be issuing a Request for Applications under the Downtown Hamilton Residential Loan program in the first quarter of 2007.

The next deadline for applications to the Commercial Property Improvement Grant Program is March 15, 2007. Another round of applications will be received in November, 2007.

Downtown Renewal Division staff will continue to work toward the development of a joint venture parking structure within the Downtown Hamilton core, in relation to the Request for Information issued in 2005.

Over the year we intend to continue to implement the Division’s communications plan designed to “sell” the downtowns and the functions of the Downtown Renewal Division to the private sector and businesses. A Profile of Development Economics in Downtown Hamilton and a Socio-Economic Profile of Downtown Hamilton will be developed for marketing programs, in addition to ongoing maintenance of downtown building activity statistics.

The Division will oversee the construction of the Downtown Waterdown and Ottawa Street BIA gateways, as well as finalize the design and oversee the construction of the Dundas Memorial Square project. The Division will also prepare a landscape master plan for the balance of Ancaster Square.

The Division will continue to co-ordinate the work of the Downtown West Harbourfront Co-ordinating Committee.

A significant component of the Division’s work is focussed on supporting BIAs and Advisory Committees such as the Ancaster Village Core Advisory Committee and the Hess Village Pedestrian Mall Authority.

The Downtown Renewal Division will continue to work with the Development and Real Estate Division on all Downtown applications.

In addition to its normal activities, the Hamilton Municipal Parking System’s work program will focus on the completion of the fourth phase of the five (5) year, $2.6 million rehabilitation program for the Convention Centre Parking Garage.

**ALTERNATIVES FOR CONSIDERATION:**

Not applicable – Report PED07079 is for information purposes.
FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

There are no direct financial, staffing or legal implications related to Committee and Council receiving the information presented in Report PED07079.

POLICIES AFFECTING PROPOSAL:

Programs administered by the Downtown Renewal Division are and must be in conformity with the relevant Official Plan documents, including the Downtown Hamilton Secondary Plan, as well as Provincial policy under the Planning Act and the Municipal Act.

RELEVANT CONSULTATION:

In its discussion of the Downtown Renewal Division's 2006 achievements and 2007 work program, Report PED07079 highlights how the Division actively engages downtown and BIA stakeholders, as well as other City staff (e.g. Public Works, Legal, Finance, Tourism) and Committees (e.g. Hamilton Association of Business Improvement Areas (HABIA), Downtown/West Harbourfront Co-ordinating Committee (DWHCC)).

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

Public services and programs are delivered in an equitable manner, coordinated, efficient, effective and easily accessible to all citizens.

Downtown Renewal programs discussed in this Annual Report result in mixed-use development and opportunities to live, work and shop within Downtown Hamilton in a more pleasing environment. Community members are recognized for their contribution to their communities through awards events highlighted in this Annual Report.

Environmental Well-Being is enhanced. ☑ Yes ☐ No

Human health and safety are protected.

The rehabilitation of the buildings and facades, and the development of vacant properties, makes efficient and effective use of existing City infrastructure and services, implementing Provincial policy objectives. Mixed-use development in downtowns and BIAs minimizes land consumption and is a less auto-oriented form of development, protecting human health and safety.

Economic Well-Being is enhanced. ☑ Yes ☐ No

Investment in Hamilton is enhanced and supported.

This report measures the results of Downtown Renewal programs that lead to effective partnerships with
community stakeholders and the development community. Developers, property owners and businesses invest in Downtown and BIA properties, leading to increased property values though improved buildings.

Does the option you are recommending create value across all three bottom lines?
☑ Yes ☐ No

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

Life-long learning is supported.

Hamilton continues to lead initiatives related to renewal. Such initiatives are professionally stimulating and result in Hamilton being a choice for employment for those interested in bettering community life.

RMM:AW