SUBJECT: Commercial Property Improvement Grant Program (C.P.I.G.)
Applications (PED08045) (Wards 1, 2, 3, 4, 6, 7, 13)

RECOMMENDATION:

a) That the applications recommended for approval and identified within Appendix ‘A’
to Report PED08045 be approved for funding according to the terms and
conditions of the Commercial Property Improvement Grant Program (C.P.I.G.).

b) That applicants of properties with outstanding taxes be notified that a condition of
the grant is that their property taxes must be paid in full prior to any grant monies
being advanced for completed work, and that no grant funds will be paid out until
the condition is met and, if the property taxes are not paid in full within one (1) year
of the date of the Letter of Understanding entered into between the City of
Hamilton and the applicant, that the grant will be considered void.

c) That prior unallocated grant monies in the amount of approximately $275,000.00
resulting from applicants not meeting program terms and conditions be transferred
to a new Commercial Property Improvement Grant (C.P.I.G.) Reserve to be
utilized for future loan and grant programs administered by the Downtown and
Community Renewal Division for Hamilton’s Business Improvement Areas.

d) That the grant portion to fund the applications identified in Appendix ‘A’ to Report
PED08045 in the total amount of $234,864.30 be funded from the Commercial
Property Improvement Grant (C.P.I.G.) Reserve Account.
SUBJECT: Commercial Property Improvement Grant Program (C.P.I.G.) Applications (PED08045) (Wards 1, 2, 3, 4, 6, 7, 13) - Page 2 of 6

e) That unallocated grant monies identified in recommendation (d) above that result from taxes not being paid or applicants not proceeding with the renovation of their properties be transferred to the new Commercial Property Improvement Grant (C.P.I.G.) Reserve to be utilized for future loan and grant programs administered by the Downtown and Community Renewal Division for Hamilton’s Business Improvement Areas.

f) That the Director of Downtown and Community Renewal, Planning and Economic Development Department, be authorized and directed to approve increases/decreases to the individual grant amounts approved as long as the overall grant portion referenced in recommendation (e) above is not exceeded and said grant is in accordance with the program rules.

g) That the Director of Downtown and Community Renewal, Planning and Economic Development Department, be authorized to approve a maximum extension period of one (1) year to applicants for the completion of works, over and above the one (1) year period applicants are given that commences the date Council approves their grant.

h) That staff be authorized and directed to prepare and execute Letters of Understanding with Council-approved applicants, with such Letters of Understanding being in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY:

Report PED08045 recommends the approval of applications submitted under the terms of the Commercial Property Improvement Grant Program (C.P.I.G.). The C.P.I.G. Program provides matching grants based on $400.00 per linear foot of façade to a maximum of $20,000.00 per property or $25,000.00 for corner properties. Grants are available to property owners and authorized tenants within Hamilton’s twelve (12) B.I.A.s for façade improvements.

BACKGROUND:

The Commercial Property Improvement Grant Program (C.P.I.G.) was approved by Council at its meeting held October 16, 2001. C.P.I.G. is intended to provide financial assistance for commercial property owners and authorized tenants within the existing twelve (12) City-wide Business Improvement Areas (B.I.A.s) as identified within the
Downtown and Community Renewal Community Improvement Plan and Project Area. It is evident that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector within the City of Hamilton. The program seeks to build upon those successes, resulting in long-lasting physical improvements to the assets of commercial property owners and authorized tenants. The program is also intended to bring about aesthetic improvements to the commercial areas as defined by the B.I.A.s and to improve commerce within the entire City.

While the program offers a maximum of 50% of the total cost of façade improvements based on $400.00 per linear foot of façade to a maximum of $20,000.00 or $25,000.00 for corner properties, it is important to note that the monies leveraged in improvement costs are greater than 50% as reflected in the following chart:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Applications</th>
<th>Total Cost of Construction</th>
<th>Total Grant</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>24</td>
<td>$443,379</td>
<td>$187,832</td>
<td>42.4%</td>
</tr>
<tr>
<td>2002</td>
<td>42</td>
<td>$783,335</td>
<td>$333,365</td>
<td>42.6%</td>
</tr>
<tr>
<td>2003</td>
<td>37</td>
<td>$570,807</td>
<td>$207,700</td>
<td>36.4%</td>
</tr>
<tr>
<td>2004</td>
<td>34</td>
<td>$618,353</td>
<td>$187,722</td>
<td>30.4%</td>
</tr>
<tr>
<td>2005 (Spring)</td>
<td>14</td>
<td>$212,744</td>
<td>$86,108</td>
<td>40.5%</td>
</tr>
<tr>
<td>2005 (Fall)</td>
<td>19</td>
<td>$254,575</td>
<td>$97,252</td>
<td>39.6%</td>
</tr>
<tr>
<td>2006 (Spring)</td>
<td>14</td>
<td>$209,512</td>
<td>$78,063</td>
<td>37.3%</td>
</tr>
<tr>
<td>2006 (Fall)</td>
<td>26</td>
<td>$408,606</td>
<td>$163,690</td>
<td>40.0%</td>
</tr>
<tr>
<td>2007 (Spring)</td>
<td>22</td>
<td>$911,348</td>
<td>$217,119</td>
<td>23.8%</td>
</tr>
<tr>
<td>2007 (Fall)</td>
<td>21</td>
<td>$1,077,450</td>
<td>$234,865</td>
<td>21.7%</td>
</tr>
<tr>
<td>TOTAL TO DATE</td>
<td>253</td>
<td>$5,490,109</td>
<td>$1,793,716</td>
<td>32.6%</td>
</tr>
</tbody>
</table>

When C.P.I.G. was introduced, the maximum grant per property was $15,000.00. In 2003 the maximum grant per property was reduced from $15,000.00 to $7,500.00 in an effort to sustain the program given the financial constraints of the City of Hamilton and, at the same time, addressing the high demand of the program. The reduction in the maximum grant was recommended by staff, approved by the Hamilton Association of Business Improvement Areas (H.A.B.I.A.) and, ultimately approved by City Council. Staff further improved the program in 2005 by extending an invitation for applications to twice a year versus once a year. Increasing the frequency of accepting applications within a calendar year has greatly enhanced the service delivered to the public as witnessed through the positive feedback received from the individual B.I.A.s and H.A.B.I.A.

On February 28, 2007, City Council approved the Downtown and Community Renewal Community Improvement Plan and Project Area. The Plan included amendments to the Commercial Property Improvement Grant Program that changed the maximum matching grant of $7,500.00 per property, to a maximum matching grant of $400.00 per linear foot of façade with a maximum of $20,000.00 per property or, $25,000.00 for corner properties. The applications being recommended in Appendix ‘A’ to Report PED08045 are based on the new program criteria.
The Fall 2007 program was announced in June 2007 with an application deadline of November 1, 2007. The Fall deadline was announced at H.A.B.I.A. as each B.I.A. is responsible for notifying their membership of the program and the deadline for applications. In the past, the Downtown and Community Renewal Division has hosted Public Information Sessions on the program, however, due to the lack of attendance at the Public Information Sessions, it was agreed that they were no longer a viable communications tool.

Applications for Funding:

Appendix ‘A’ to Report PED08045 is a summary of the applications received and provides details relative to the name of the applicant; property address; work proposed; total value of work proposed; measurement of the façade; and, total City grant. The maps contained in Appendix ‘B’ to Report PED08045 identify where the properties proposed for restoration are located.

All proposed work under the terms of the program recommended by the City of Hamilton for funding will comply with the appropriate regulations of the City’s Zoning By-law(s). Any required variances or amendments to ensure conformity with the appropriate by-law(s) will be made a condition of approval of the grant and will be included as part of the Letter of Understanding in a form satisfactory to Corporate Counsel. Building Services Division staff will prepare detailed zoning reports and a record of site inspection to address issues of by-law conformity or Ontario Building Code issues requiring attention. These reports will form the basis of any conditions that are to be referenced within the Letter of Understanding between the City and the applicant.

Program Effects:

The total City portion of work for the twenty-one (21) recommended applications is $234,864.30. The total dollar value of improvements within the B.I.A.s is $1,077,450.68. The City’s grant represents 21.7% of the total construction cost.

The majority of contractors are from Hamilton and in excess of $1,077,450.00 in new contracts, spread over some twenty-four (24) contractors, will be realized within the twelve (12) month completion process. It is staff’s opinion that the ancillary improvements in these areas will be significant.

ANALYSIS/RATIONALE:

The intent of C.P.I.G. is to improve the appearance of commercial properties throughout the City of Hamilton’s B.I.A.s recognizing that smaller scale commercial activities contribute greatly to the economic vitality and health of the commercial sector of the City of Hamilton.
**ALTERNATIVES FOR CONSIDERATION:**

Non-acceptance of the recommendations contained within Report PED08045 would result in the inability of the municipality to make financial assistance available under the terms of the program.

There are no alternative options for approval of the grants at this time.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial – Funding is provided under the terms of C.P.I.G. Projects will be funded once proposed renovations are completed to the satisfaction of a City of Hamilton Building Inspector, and paid receipts totalling double the amount of the City’s grant are provided. The total amount of grants under the Fall 2007 program is $234,864.30 that will be funded from the new Commercial Property Improvement Grant Reserve Account. Finance and Administration staff is presently reconciling the C.P.I.G. files with respect to the approximately $275,000.00 in cancelled grants to determine the exact amount of unallocated grants to be transferred to the new reserve account. Staff from the Downtown and Community Renewal Division recently reviewed the status of all C.P.I.G. grants since the program’s inception for the purpose of identifying grant commitments that had not been forwarded to applicants for various reasons such as taxes not being paid in full or not meeting other terms of the program. As per Council’s previous approval to utilize any unspent monies under the program to fund future loan and grant programs administered by the Division, staff is recommending that a new Commercial Property Improvement Grant Reserve Account be created for that purpose.

Staffing – Administration of C.P.I.G. can be accommodated within the Planning and Economic Development Department and Corporate Services Department.

Legal – Letters of Understanding between the City of Hamilton and applicants are to be executed.

**POLICIES AFFECTING PROPOSAL:**

The Planning Act, Section 28, Subsection (7) permits a municipality, in accordance with a Community Improvement Plan, to make loans and grants which would otherwise be prohibited under Section 106, Subsection (2) of The Municipal Act, to the registered owners or assessed owners of lands and buildings within the designated Community Improvement Project Areas. These grants are permitted as they are in accordance with the Downtown and Community Renewal Community Improvement Plan.

**RELEVANT CONSULTATION:**

The Finance Department was consulted with respect to the financing required for approving the C.P.I.G. grants.
CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, and 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
Partnerships are promoted.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
The initiatives help to improve the quality of life of the residents. The rehabilitation of the building stock and the development of properties in the B.I.A.s make efficient and effective use of City services as well as protecting human health and safety.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Investment in Hamilton is enhanced and supported. Property owners invest in their properties leading to property assessment increases.

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

Hamilton continues to lead initiatives related to renewal. Such initiatives are professionally rewarding and attract high performing public servants with an interest in improving community life.

HM:hm
Attachs. (2)
## COMMERCIAL PROPERTY IMPROVEMENT PROGRAM - FALL 2007

<table>
<thead>
<tr>
<th>FILE NO.</th>
<th>BUSINESS</th>
<th>ADDRESS</th>
<th>PROPOSED IMPROVEMENTS</th>
<th>TOTAL VALUE OF PROPOSED WORK</th>
<th>LINEAR FEET OF FAÇADE</th>
<th>GRANT AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dundas BIA</strong></td>
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<td></td>
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<tr>
<td>DUN2/07</td>
<td>Mr. Angelopoulos</td>
<td>44 King Street West</td>
<td>Brick cleaning</td>
<td>$9,010</td>
<td>Corner Property - 128'4&quot;</td>
<td>$4,505</td>
</tr>
<tr>
<td><strong>International Village</strong></td>
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</tr>
<tr>
<td>IV6/07</td>
<td>Pino J. Farruggia</td>
<td>310 King Street East</td>
<td>Stucco</td>
<td>$16,218.00</td>
<td>Corner Property - 64'2&quot;</td>
<td>$8,109.00</td>
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<tr>
<td>IV7/07</td>
<td>Dawn Cailliot</td>
<td>239 King Street East</td>
<td>Windows</td>
<td>$6,753.26</td>
<td>17'2&quot;</td>
<td>$3,376.63</td>
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<td><strong>Downtown Hamilton BIA</strong></td>
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<td>DT3/07</td>
<td>Min Ah Kim</td>
<td>212-214 King Street East</td>
<td>Stucco and door</td>
<td>$14,750</td>
<td>36'9&quot;</td>
<td>$7,375</td>
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<td>DT4/07</td>
<td>David Huang</td>
<td>18 John Street North</td>
<td>Store front</td>
<td>$21,200.00</td>
<td>34'8&quot;</td>
<td>$10,600.00</td>
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<td>DT5/07</td>
<td>Belma Diamonte</td>
<td>145 Main Street East</td>
<td>Stonework, windows, doors</td>
<td>$42,400.00</td>
<td>38'3&quot;</td>
<td>$15,320.00</td>
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<tr>
<td>DT7/07</td>
<td>Woodland Heights</td>
<td>28 Rebecca Street</td>
<td>Windows and cladding</td>
<td>$56,604.00</td>
<td>Corner Property - 236'</td>
<td>$25,000.00</td>
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<tr>
<td>DT8/07</td>
<td>Ted Mammans</td>
<td>19-25 John Street South</td>
<td>Stucco</td>
<td>$112,360.00</td>
<td>60'</td>
<td>$20,000.00</td>
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<tr>
<td>DT9/07</td>
<td>Mogul Securities</td>
<td>216-218 King Street East</td>
<td>Signs</td>
<td>$9,213.52</td>
<td>36'10&quot;</td>
<td>$4,606.76</td>
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<tr>
<td>DT10/07</td>
<td>Husein Zakuti</td>
<td>92-94 Jackson</td>
<td>Stucco</td>
<td>$38,568.10</td>
<td>Corner Property - 158'</td>
<td>$19,284.05</td>
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<td><strong>Concession Street North</strong></td>
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<td>CON2/07</td>
<td>Morteza Maleki-Raei</td>
<td>636-638 Concession Street</td>
<td>Stucco and windows</td>
<td>$7,494.20</td>
<td>20'2&quot;</td>
<td>$3,747.10</td>
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<td>CON3/07</td>
<td>Ken Battell</td>
<td>409 Concession Street</td>
<td>Sign</td>
<td>$6,996</td>
<td>32'</td>
<td>$3,498.00</td>
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<td>CON4/07</td>
<td>Patricia Knowles</td>
<td>604 Concession Street</td>
<td>Sign and lighting</td>
<td>$16,119.60</td>
<td>46'</td>
<td>$8,059.80</td>
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<td><strong>Ottawa Street BIA</strong></td>
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<tr>
<td>OTT7/07</td>
<td>Jimmy Szeto</td>
<td>282 Ottawa Street North</td>
<td>Signs and shutters</td>
<td>$13,902.81</td>
<td>23'</td>
<td>$6,951.40</td>
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<tr>
<td>OTT8/07</td>
<td>Miroslaw Kuczynski</td>
<td>285 Ottawa Street North</td>
<td>Doors and windows</td>
<td>$22,154</td>
<td>30'</td>
<td>$11,077.00</td>
</tr>
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<td>OTT9/07</td>
<td>William Narine</td>
<td>182-186 Ottawa Street</td>
<td>Windows and doors</td>
<td>$21,369.60</td>
<td>Corner Property - 95'6&quot;</td>
<td>$10,684.80</td>
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<td><strong>Barton Village BIA</strong></td>
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<tr>
<td>BAR7/07</td>
<td>Kim Van Toan</td>
<td>628-630 1/2 Barton Street</td>
<td>New Façade</td>
<td>$300,000</td>
<td>53'6&quot;</td>
<td>$20,000</td>
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<td>BAR8/07</td>
<td>Idalcio Do Carmo</td>
<td>280 Barton Street East</td>
<td>Stucco, windows, stonework</td>
<td>$56,518.07</td>
<td>Corner Property - 146'</td>
<td>$25,000</td>
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<td>BAR9/07</td>
<td>Kim Van Toan</td>
<td>648-650 Barton Street</td>
<td>New Façade</td>
<td>$270,000</td>
<td>24'4&quot;</td>
<td>$9,760</td>
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<td>BAR10/07</td>
<td>Wayne Lynch</td>
<td>422 Barton Street East</td>
<td>Stucco</td>
<td>$19,673.92</td>
<td>Corner Property - 192'</td>
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<td><strong>Westdale Village BIA</strong></td>
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<td>WEST2/07</td>
<td>Roger Abiss</td>
<td>1020 King Street West</td>
<td>Signs and lighting</td>
<td>$16,145.60</td>
<td>25'9&quot;</td>
<td>$8,072.80</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td>$1,077,450.68</td>
<td></td>
<td>$234,864.30</td>
</tr>
</tbody>
</table>
Appendix ‘B’ to Report PED08045
Page 2 of 21

Location Map

Site of the Application

File Name/Number: 310 King St. E.
Date: January 21, 2008

Appendix "A"

Subject Property

310 King Street East, Hamilton

Ward 2 Key Map

N.T.S.
Appendix ‘B’ to Report PED08045
Page 3 of 21
Location Map

File Name/Number: 636-638 Concession St
Date: January 22, 2008

Appendix "A"

Scale: N.T.S.
Planner/Technician: HM / MB

Subject Property

636-638 Concession Street

Ward 7 Key Map

N.T.S.
Appendix ‘B’ to Report PED08045
Page 13 of 21

Location Map

File Name/Number: 604 Concession St
Date: January 22, 2008

Appendix "A"
Scale: N.T.S.
Planner/Technician: HM / MB

Subject Property

604 Concession Street
Location Map

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number: 182-186 Ottawa Street East
Date: January 21, 2008

Appendix "A"
Scale: N.T.S.
Planner/Technician: HM/EC

Subject Property

182-186 Ottawa Street North

Ward 4 Key Map N.T.S.