RECOMMENDATION:

That Report PED11060, respecting the Downtown and Community Renewal Division 2010 Annual Report, attached as Appendix ‘A’, be received for information.

EXECUTIVE SUMMARY

The Downtown and Community Renewal Division’s 2010 Annual Report, attached as Appendix ‘A’, reviews developments, events and initiatives that occurred during the year in Hamilton’s six (6) downtowns, Business Improvement Areas (BIAs) and other commercial corridors.

A comprehensive employment survey was conducted in 2010, accounting for 23,400 jobs in Downtown Hamilton. The data enables the measurement of density targets and growth. It can be used to challenge misconceptions about the relative health of Downtown, and to support strategic initiatives and marketing efforts designed to attract more residents and jobs to the area.

Amendments to the Community Improvement Plan included the introduction of the new Hamilton Downtown Office Tenancy Assistance Program to help achieve the goal of

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
reduced Downtown office vacancies and attract additional jobs to the area. Two applications to the new program were received in 2010. In support of new development and building improvements, the Division also continued to process applications to the Hamilton Downtown Property Improvement Grant Program (formerly the Enterprise Zone Grant Program), Hamilton Downtown Multi-Residential Property Investment Program, BIA Commercial Property Improvement Grant Program, Commercial Corridor Housing Loan and Grant Program and the Hamilton Heritage Property Grant Program. An on-line application system was launched for submitting applications and tracking their status.

Downtown Hamilton construction activity saw $13.5 million in building permit value in 2010. This amount was surpassed for the first time by activity in the community downtowns (i.e. Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown) that collectively achieved $29.3 million in building permit value.

Commercial market assessment updates were underway for four (4) BIAs. The design and location of the Barton Village BIA gateways were finalized, and fabrication of the Westdale gateways commenced. Other capital projects included the preparation of design concepts for the Binbrook parkette and working drawings for the Stoney Creek parkette. The Division continued to meet with the Hess Village Community Liaison Committee to monitor the implementation of the Hess Village Review recommendations, and oversaw the completion of the environmental remediation work at the site of the future urban park at John and Rebecca streets in Downtown Hamilton.

**Alternatives for Consideration – Not Applicable**

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

There are no financial/staffing/legal implications related to receiving the information contained in this Report.

**HISTORICAL BACKGROUND** (Chronology of events)

The Downtown and Community Renewal Division promotes revitalization and development in the City's six Downtowns (i.e. Downtown Hamilton and the five community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown), Business Improvement Areas (BIAs), and other "main street" commercial corridors throughout the City. It aims to attract new investment, residents and business to those areas.

The Division has been measuring its performance and reporting the results of its programs and initiatives on an annual basis since its inception in 2001. This is the tenth Annual Report.
POLICY IMPLICATIONS

No policies will be affected. The six (6) financial incentive programs administered by the Downtown and Community Renewal Division in 2010 must be in conformity with the relevant Official Plan documents, including the Downtown Hamilton Secondary Plan, zoning by-laws, as well as Provincial policy under the Planning Act and the Municipal Act. They include the following programs provided under the authority of the Community Improvement provisions of the Planning Act, the Downtown and Community Renewal Community Improvement Plan and companion Community Improvement Project Area By-law:

1. Hamilton Downtown Property Improvement Grant Program (formerly the Enterprise Zone Grant Program)
2. Hamilton Downtown Multi-Residential Property Investment Program
3. Hamilton Downtown Office Tenancy Assistance Program
4. BIA Commercial Property Improvement Grant Program
5. Commercial Corridors Housing Loan and Grant Program (formerly the Main Street Housing Loan and Grant Program)
6. Hamilton Heritage Property Grant Program

RELEVANT CONSULTATION

The 2010 Annual Report highlights how the Downtown and Community Renewal Division actively engages downtown and BIA stakeholders, as well as other City staff (e.g. Public Works, Corporate Services) and Committees (e.g. Hamilton Association of Business Improvement Areas (HABIA), Downtown West Harbourfront Co-ordinating Committee, Hess Village Community Liaison Committee).

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

This Report is for information purposes. Performance measures are highlighted in the Downtown and Community Renewal Division 2010 Annual Report attached as Appendix ‘A’ to Report PED11060.

ALTERNATIVES FOR CONSIDERATION:

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

Not applicable – Report PED11060 and Appendix ‘A’ are for information purposes.
CORPORATE STRATEGIC PLAN  (Linkage to Desired End Results)


Financial Sustainability

• The 2010 Annual Report tracks assessment growth in Downtown Hamilton.

Growing Our Economy

• The financial incentive programs and related initiatives reviewed in the 2010 Annual Report support new development and revitalization of existing buildings in Downtown Hamilton, community downtowns, BIAs and other commercial corridors. The 2010 Annual Report reviews progress made on Corporate Strategic Plan Desired End Results 4.10 – Decrease the office vacancy rates by 25% in the downtown core based on 2008 baseline.

Healthy Community

• The 2010 Annual Report highlights improvements to the built environment in Downtown and Community Renewal program areas. It reports on Corporate Strategic Plan Desired End Result 7.1 – Increase the number of residential units within the Downtown Core by 150 units per year.

APPENDICES / SCHEDULES

Appendix ‘A’ to Report PED11060 – Downtown and Community Renewal Division 2010 Annual Report

AW:vk
City of Hamilton
Planning and Economic Development Department

DOWNTOWN AND COMMUNITY RENEWAL DIVISION

2010 ANNUAL REPORT
INTRODUCTION

The Downtown and Community Renewal Division (DCR) of Hamilton’s Planning and Economic Development Department promotes revitalization and development in the City’s six Downtowns (i.e. Downtown Hamilton and the five community downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown), Business Improvement Areas (BIAs), and other "main street" commercial corridors throughout the City. This report reviews developments, events and initiatives that occurred during 2010.

2010 DOWNTOWN BUILDING ACTIVITY

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

Downtown Hamilton Building Activity

A total of 119 building permits, representing over $13.5 million in construction, were issued within the Downtown Hamilton Community Improvement Project Area in 2010. This area includes properties within and abutting the block bounded by Hunter Street, Queen Street, Cannon Street and Victoria Avenue, and also includes properties abutting James Street north to the CN railway and south to Charlton Avenue.

As illustrated at left, 2010 construction values are modest in comparison to the previous year when significant public investment was directed to the rehabilitation of City Hall, Lister Block, Hamilton Farmer’s Market and Public Library, and construction of the MacNab Street Transit Terminal and Dr. J. Edgar Davey Public School and community centre.

1 Permits issued for demolition, signs and events are excluded from the reported figures.
The ratio of non-residential to residential development is monitored to measure progress toward the goal to increase the number of residential units in Downtown by 150 per year. The ratio was 74:26 in 2010, when non-residential permits accounted for $10 million of the total construction value. The balance of $3.5 million in residential permits was issued primarily for alterations and renovations. Building permits were issued for the construction of one (1) dwelling unit in 2010, resulting in a net increase of zero (0) dwelling units due to the demolition of a single-detached house on Hunter Street East. From 2001 through 2010, building permits have been issued for 861 dwelling units in Downtown Hamilton, providing an average of 86 per year.

**Community Downtown Building Activity**

Community Downtowns, including Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, collectively had a total of 54 building permits issued in 2010, representing a construction value of approximately $29.3 million. This value is by far the highest reported for the Community Downtowns over the past five years.

The new recreation centre and indoor pool under construction at the Community Park on King Street West in Stoney Creek accounts for nearly 42% of the building permit value. Other notable private investments include:

- a new commercial plaza, 312 Dundas Street East at Main Street in Waterdown;
- an 8,000 sq. ft. office building addition, 259 Wilson Street East in Ancaster;
- a new Shoppers Drug Mart with medical office space on King Street West in Dundas;
- a new three storey, 11 unit residential building with ground floor commercial space, 23 King Street East in Dundas;
- renovations at the Dundas Valley School of Art, 21 Ogilvie Street;
- new commercial development including Shoppers Drug Mart and TD Canada Trust at Binbrook Road and Hwy 56; and
- a new commercial plaza at the south end of the Binbrook community core.
OTHER ECONOMIC INDICATORS FOR DOWNTOWN HAMILTON

Downtown Hamilton Population and Employment

There were 23,400 jobs in a diverse range of employment categories revealed by a comprehensive employment survey conducted in 2010 within Downtown Hamilton Community Improvement Project Area (CIPA). While about one in four jobs are held by government workers (federal, provincial and municipal, including police), the majority of employment is provided by the private sector. The jobs figure combined with current population estimates indicates that the area has a gross density of 189 residents and jobs per hectare. A minimum gross density target of 250 residents and jobs per hectare in this area by the year 2031 has been established in the Urban Hamilton Official Plan.

Since 2001, there has been an increase of over 2,700 residents and jobs, including 1,200 residents and 1,500 jobs, in the smaller Downtown Hamilton Secondary Plan area.\(^2\)

The Centre for Community Study analyzed the survey results in the report, Working in the Core – Downtown Hamilton Employment Analysis, and concluded that Downtown remains a significant employment centre in spite of the many sectoral changes that have affected the economy. Downtown plays a key role in achieving goals of the new Economic Development Strategy as the City continues to transition to a more knowledge-based economy that is attractive to next generation talent and opportunity.

Downtown Hamilton Office Vacancy

Office vacancies within the Downtown Hamilton Community Improvement Project Area declined from 15% of inventoried space in 2009 to 13% by year end 2010. This accounts for a 13% reduction in the vacancy rate.

<table>
<thead>
<tr>
<th>Downtown Office Inventory</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>93</td>
<td>93</td>
</tr>
<tr>
<td>(with at least 5,000 square feet of office space)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Inventoried Space</td>
<td>5,060,400 sq. ft.</td>
<td>5,159,800 sq. ft.</td>
</tr>
<tr>
<td>Total Vacant Space</td>
<td>771,200 sq. ft.</td>
<td>678,600 sq. ft.</td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>15%</td>
<td>13%</td>
</tr>
</tbody>
</table>

\(^2\) This is the area bounded by Hunter Street, Queen Street, Cannon Street and Wellington Street, for which more comparable 2001 census data is available.
The vacancy is concentrated in five (5) buildings that are part of the Jackson Square/City Centre complex, which contain 26% of the total inventoried space, but 61% of the vacancy.

**BIA Retail/Commercial Vacancy Rates**

Retail/commercial vacancy rates in two downtown Business Improvement Areas are less in 2010 than in 2004, according to retail audits conducted in the Downtown Hamilton and International Village BIAs. This work was undertaken by Urban Marketing Collaborative in August 2010 as part of the updates to the 2005 Commercial Market Assessments for those two BIAs.

**Downtown BIA Vacancies**

<table>
<thead>
<tr>
<th>BIA</th>
<th>Downtown Hamilton BIA</th>
<th>International Village BIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant Sq. Ft.</td>
<td>57,500</td>
<td>30,600</td>
</tr>
<tr>
<td>Total Sq. Ft.</td>
<td>369,500</td>
<td>251,800</td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>15.6%</td>
<td>11.9%</td>
</tr>
<tr>
<td>Vacancy Rate in 2004</td>
<td>19%</td>
<td>19%</td>
</tr>
</tbody>
</table>

*Source: Urban Marketing Collaborative*

**Downtown Hamilton Taxes and Assessment**

Increased assessment in the Downtown Hamilton Community Improvement Project Area generated $94,700 in additional tax revenue in 2010. The balance of the tax increase ($706,500) is attributed to budgetary increases. The target is to increase downtown property taxes by $1.45 million per year.

**Downtown Hamilton Tax and Assessment Growth, 2008 to 2010**

<table>
<thead>
<tr>
<th>Year</th>
<th>Downtown Taxes</th>
<th>Downtown Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$25,086,600</td>
<td>$957,200,600</td>
</tr>
<tr>
<td>2009</td>
<td>$25,730,600</td>
<td>$1,020,696,800</td>
</tr>
<tr>
<td>2010</td>
<td>$26,531,800</td>
<td>$1,086,876,700</td>
</tr>
<tr>
<td>Increase 2009 to 2010</td>
<td>$801,200</td>
<td>$66,179,900</td>
</tr>
<tr>
<td>Portion of Increase in Taxes Due to Increase in Assessment</td>
<td>$94,700</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Corporate Services Department, Taxation Division*

**FINANCIAL INCENTIVE PROGRAMS**

DCR administered six (6) financial incentive programs in 2010 under the authority of the community improvement provisions of the *Planning Act*, the Downtown and Community Renewal Community Improvement Plan and companion Community Improvement Project Area By-law. Several amendments to the Community Improvement Plan and its various programs were approved by Council in March 2010:
• The new Hamilton Downtown Office Tenancy Assistance Program was introduced, based on a recommendation in the Downtown Office Strategy.

• Hamilton Downtown Property Improvement Grant Program grants can now be applied to the repayment of a City loan issued under the Hamilton Downtown/West Harbourfront Remediation Loan Pilot Program, administered by the Economic Development and Real Estate Division as a component of the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan.

• In consultation with Hamilton Association of Business Improvement Areas (HABIA), Commercial Property Improvement Grant Program applications are now accepted year round instead of twice per year.

• The Hamilton Heritage Property Grant Program was introduced to the Community Improvement Plan to allow the City to offer grants for heritage preservation to any person that a property owner has assigned the right to a grant, including a condominium corporation. The program was previously offered under authority of the Ontario Heritage Act.

• Council delegated approval authority to the General Manager of Planning and Economic Development for applications to the Commercial Property Improvement Grant Program, Commercial Corridor Housing Loan and Grant Program, and the Hamilton Heritage Property Grant Program.

**Hamilton Downtown Property Improvement Grant Program**

The Hamilton Downtown Property Improvement Grant Program offers an incentive for development that increases a property’s assessed value. It provides a tax increment equivalent grant to projects that construct new or expand/renovate existing residential and/or commercial land and buildings within the Downtown Hamilton Community Improvement Project Area. The grant matches the increased taxes (municipal portion only) paid by the proponents based on pre- and post-development assessments.

In 2010, $518,200 was due to be issued to thirteen (13) reassessed projects through the Hamilton Downtown Property Improvement Grant Program, formerly known as the Enterprise Zone Grant Program. Since grants were first issued in 2004, over $3.1 million has been granted through the program to fifteen (15) reassessed projects that had a combined construction value of $68 million. The total amount granted/to be granted to the fifteen (15) projects is estimated to be nearly $4.4 million, which accounts for a 1:15 ratio of public grant leveraging private investment.

**Hamilton Downtown Property Improvement Grant Program**

**2010 Year End Status of Reassessed Projects**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Issued in 2010 (to 13 projects)</td>
<td>$518,200</td>
</tr>
<tr>
<td>Grants Issued 2004-2010 (to 15 projects)</td>
<td>$3,110,200</td>
</tr>
<tr>
<td>Estimated Balance of Grants to be Issued</td>
<td>$1,278,900</td>
</tr>
<tr>
<td>Estimated Total Grants</td>
<td>$4,389,100</td>
</tr>
<tr>
<td>Construction Value of 15 Reassessed Projects</td>
<td>$68,139,100</td>
</tr>
<tr>
<td>Ratio of Total Grants to Construction Value</td>
<td>1:15</td>
</tr>
</tbody>
</table>

*Note: The 2010 estimated total grant is less than the 2009 estimate due to the sale of one of the projects, upon which grant payments cease.*
In addition, there are six (6) projects that are/nearly are completed but which have not yet been reassessed.

One (1) new application was submitted in 2010, related to the planned construction of a mixed use development featuring 55 new dwelling units on James Street North at Mulberry Street. The project received approval of minor variances in December 2010 which will facilitate site plan approval for a new seven (7) storey building. It will contain ground floor retail, restaurant and banquet space, as an extension of the neighbouring Acclamation Restaurant, as well as some second floor offices, residential units on second to seventh floors, and two (2) levels of underground parking.

![Proposed development at 179-191 James Street North](image)

**Hamilton Downtown Multi-Residential Property Investment Program**

The Hamilton Downtown Multi-Residential Property Investment Program provides an interest free loan to projects that result in predominantly residential development together with uses accessory to the residential development. Loans are based upon 25% of the Cost to Construct Budget for the residential components of the project.

One (1) application for the Hamilton Downtown Multi-Residential Property Investment Program was received in 2010, for the aforementioned Acclamation project on James Street North, proposing 55 new dwelling units.

The 2010 year-end status of the program, formerly known as the Hamilton Downtown Residential Loan Program, is indicated in the following table. Since 2002, the City has loaned about $13.6 million for the creation/renovation of 747 dwelling units, at an interest cost to the City of approximately $1.6 million. The
The public cost of the program has levered $84.8 million of private construction value at a ratio of 1:32. There are four (4) projects that have repaid their loans in full, and nine (9) additional projects paying back loans, with a collective balance of $3.5 million outstanding at year end 2010.

**Hamilton Downtown Multi-Residential Property Investment Program Status**

<table>
<thead>
<tr>
<th>Units Built/Under Construction</th>
<th>747</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Value</td>
<td>$84,799,813</td>
</tr>
<tr>
<td>Loans Advanced</td>
<td>$13,593,970</td>
</tr>
<tr>
<td>Loans Paid Back</td>
<td>$8,984,646</td>
</tr>
<tr>
<td>Default (one loan)</td>
<td>$1,101,207</td>
</tr>
<tr>
<td>Loans Outstanding</td>
<td>$3,508,117</td>
</tr>
<tr>
<td>Interest Paid</td>
<td>$1,570,162</td>
</tr>
<tr>
<td>Ratio of Interest Paid to Construction Value</td>
<td>1:54</td>
</tr>
<tr>
<td>Cost (Interest + Default)</td>
<td>$2,671,369</td>
</tr>
<tr>
<td>Ratio of Cost to Construction Value</td>
<td>1:32</td>
</tr>
</tbody>
</table>

1 The 50 unit project formerly known as Trinity Landing at 80 King William Street was completed by new ownership and rebranded as the Filmwork Lofts in 2010. The revived project quickly sold out. Building permits had originally been issued in 2003 (35 units) and 2006 (15 units).

**Hamilton Downtown Office Tenancy Assistance Program (OTAP)**

OTAP provides a low interest loan to building owners or tenants to support eligible leasehold improvements to office buildings located in Downtown Hamilton. The amount of the loan depends on the square foot area and term of lease or owner-occupied status of the office space, to a maximum of $450,000 per application.

Two (2) applications to this new program were received in 2010:

The program’s first loan of nearly $170,000 was advanced to Aragon Properties, in support of over $190,000 in leasehold improvements to the office building at 31 King Street East overlooking Gore Park. Over 7,000 square feet of space now accommodates the National Academy of Health and Business, a career college operating since 1979 in Mississauga, which chose to open a campus in Hamilton.

The Academy plans to expand into the remaining second floor space within one year.

The second application is for improvements in 6,000 square feet at 366-368 King Street West, future home of Vrancor Group Inc. and Vrancor Restaurant Group Inc. of Burlington. The application is pending approval.
BIA Commercial Property Improvement Grant Program (CPIG)

The CPIG Program offers financial assistance for enhancing the physical and aesthetic appearance of commercial building façades and entranceways in active Business Improvement Areas (BIAs). For properties with a street frontage greater than 25 feet, CPIG provides a grant on a matching basis of $400 per linear foot of street frontage, up to a maximum of $20,000 ($25,000 for corner properties or flankage exposed to a street). For properties with a street frontage of 25 feet or less, it provides a matching grant to a maximum of $10,000 ($12,500 for corner properties or flankage exposed to a street).

Although the CPIG 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 following table, the grants distributed through the program in 2010 achieved a 48:52 ratio public vs. private contribution. Over the past nine (9) years, a ratio of 43:57 has been achieved.

Commercial Property Improvement Grant Payments

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Number of Projects Paid</th>
<th>Construction Value</th>
<th>Grant Paid</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>23</td>
<td>$487,580</td>
<td>$233,172</td>
<td>48%</td>
</tr>
<tr>
<td>2002-2010</td>
<td>234</td>
<td>$3,804,535</td>
<td>$1,651,730</td>
<td>43%</td>
</tr>
</tbody>
</table>

Twelve (12) applications were approved in 2010 that would result in a 41:59 ratio public vs. private contribution. CPIG funds are advanced only when the work has been completed. A further nine (9) applications submitted in 2010 were moving forward pending approval at year end, collectively proposing a 30:70 ratio public vs. private contribution.

2010 Commercial Property Improvement Grant Applications

<table>
<thead>
<tr>
<th>2010 Applications</th>
<th>Proposed Construction Value</th>
<th>Potential Grant</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 (approved)</td>
<td>$291,444</td>
<td>$119,610</td>
<td>41%</td>
</tr>
<tr>
<td>9 (pending)</td>
<td>$536,959</td>
<td>$161,101</td>
<td>30%</td>
</tr>
</tbody>
</table>

A particularly notable application pending approval is for Treble Hall at 4-12 John Street North and the adjacent corner building at 85 King Street East, currently leased to Pizza Pizza and the Pagoda Restaurant.

This property was purchased in 2010 by an owner with a positive track record of building restoration, who intends to improve the building façades with the assistance of the CPIG program, as part of an overall building rehabilitation.
Commercial Corridor Housing Loan and Grant Program

The Commercial Corridor Housing Loan and Grant Program provides financial assistance for the conversion of existing built commercial space into residential units, renovations to existing residential units, and the construction of new residential units on vacant lots, surface parking lots or in building additions. It offers an interest free loan in the amount of $10,000 per dwelling unit to a maximum of $200,000 per property, and a grant up to $5,000 per property for professional fees.

At year end 2010, $252,000 has been loaned through the Commercial Corridor Housing Loan and Grant Program, formerly known as the Main Street Housing Loan and Grant Program, to assist with the renovation of 33 dwelling units at Barton and Emerald streets and the creation of 27 new units through conversion of the former West Avenue Public School. A further $148,000 in committed loans and $10,000 in conditional grants has yet to be advanced to these two projects.

In 2010, a loan commitment of $80,000 and conditional grant was approved for the renovation of eight (8) dwelling units on Main Street East between Ottawa Street and Kenilworth Avenue; however, the applicant subsequently cancelled the City loan before any funds were advanced and is proceeding with the project using alternate funding sources.

The program has a two-step application process. Nine (9) pre-applications were submitted to the program in 2010. Three (3) full applications were submitted in 2010 proposing the renovation of 20 dwelling units. These applications are currently being processed. Based on current applications and inquiries, it is apparent that the new Zoning By-law, once approved, would help increase uptake of this program, and reduce the number of applications that require approval of zoning by-law amendments or variances prior to advancing to the full application stage.

In 2010, a zoning by-law amendment and site plan were approved to facilitate the creation of ten (10) new dwelling units and one (1) business or professional office at 130-134 Wellington Street North in the Downtown Hamilton Community Improvement Project Area. These approvals enable the project, for which a Commercial Corridor Housing Loan and Grant Program pre-application was submitted in 2009, to advance to the full application stage, with building permits pending in 2011. It involves conversion and addition to a vacated office building.

Hamilton Heritage Property Grant Program

The Hamilton Heritage Property Grant Program provides a grant based on 25% of the total eligible costs for heritage property restoration, to a maximum of $150,000. Up to $20,000 is also available for technical and historical studies. It is available in the Downtown Hamilton Community Improvement Project Area and Business Improvement Areas.

Over the past three (3) years, just over $500,000 has been granted to seven (7) project applications, including approximately $176,000 in 2010, issued to the Right House office building at King and Hughson streets and the former West Avenue Public School in the Barton Village BIA.
A loan commitment of $121,700 was approved for one (1) additional application submitted in 2010, for the exterior restoration work on the Pigott and Sun Life buildings at 36 and 42 James Street South, including the repair of terra cotta, limestone and masonry features.

BUSINESS IMPROVEMENT AREAS

The Downtown and Community Renewal Division provides support to Business Improvement Areas (BIAs) across the City, as well as the Hamilton Association of Business Improvement Areas (HABIA).

BIA Commercial Market Assessments

The Ancaster BIA Commercial Market Assessment, and updates to the 2002 assessments for the Concession Street, Dundas, Ottawa Street, Waterdown and Westdale BIAs were presented in 2010. The updates noted decreased vacancy rates in the BIAs under study, and found that the Commercial Property Improvement Grant Program has been effective towards improving properties and affecting retail sales. Urban Marketing Collaborative was also retained in 2010 to update the commercial market assessments conducted in 2005 for the Barton Village, Downtown Hamilton, International Village and Stoney Creek BIAs. The work will be finalized and presented in Spring 2011.

BIA Excellence in Property Awards

The annual BIA Excellence in Property Awards recognize efforts to upgrade and beautify buildings within participating BIAs, and acknowledge long-standing businesses. The 2010 award recipients included:

- Dodsworth & Brown Funeral Home, Ancaster BIA;
- Burning Desires, Barton Village BIA;
- E. Fusaro Custom Tailor, Downtown Hamilton BIA;
- Bangkok Spoon Deluxe Inc., Dundas BIA;
- 116-120 Ottawa Street North, Ottawa Street BIA;
- Westdale Café, Westdale Village BIA; and
- International Village Antiques, International Village BIA, which was also identified as the overall city-wide winner.

STREETSCAPE AND LANDSCAPE PROJECTS IN DOWNTOWNS AND BIAs

DCR staff have designed, tendered and project managed several streetscape improvement projects in the City’s Downtowns and BIAs.
In 2010, fabrication of the Westdale BIA gateways commenced. The design and location of the Barton Village BIA gateways was finalized, and the design concepts for the Stoney Creek parkette, adjacent to the fountain at King and Jones streets, progressed to working drawings.

Design concepts for the Binbrook Community Parkette were completed in 2010. It is a key element in the implementation of the Binbrook Secondary Plan and the Community Core Urban Design Guidelines. The parkette will contain a combination of hard and soft landscape areas with public art planned as a focal point.

OTHER INITIATIVES

**Downtown West Harbourfront Co-ordinating Committee**

The Downtown West Harbourfront Co-ordinating Committee is a team of staff from various City departments who focus on issues in the Downtown and West Harbourfront area. Each year the Committee recommends priority projects for Downtown Capital Block funding that implement the public components of the Downtown Hamilton Secondary Plan and other City plans and policy.
The following projects were allocated funding in 2010:

- $500,000 contribution to CityHousing Hamilton for 95 King Street East. Plans are underway to redevelop the former adult entertainment parlour overlooking Gore Park into live-work and gallery space for artists.
- $100,000 to support applications to the Hamilton Heritage Property Grant Program and Hamilton Downtown Office Tenancy Assistance Program.
- $250,000 for public art projects at the intersections of Main and Queen streets and James and Hunter streets.
- $110,000 to the Gore Park Pilot Project for programming use of the pedestrian space.
- $540,000 to support the temporary relocation of, and improvements to, the Hamilton Farmers' Market.
- $1.1 million to a reserve fund for the future park at John and Rebecca streets.

**Future John/Rebecca Park Site Remediation**

Environmental site remediation of the municipal parking lot at 76 John Street North was completed in 2010. Design concepts for a future Downtown park, as identified in the Hamilton Downtown Secondary Plan and zoning by-law will be underway in 2011, and will include a feature to commemorate Hamilton’s Emergency Services. The site is bounded by John, Rebecca, Catharine and King William Streets, across the street from Fire Station No. 1.

**Downtown Campus Attraction Strategy**

As part of ongoing efforts to secure a commitment from a post-secondary institution for a Downtown campus, work began in 2010 on a draft Downtown Campus Attraction Strategy. It will be completed and presented to Council in Spring 2011.

**Outreach/Marketing**

Promotion of the various financial incentive programs in 2010 included the distribution of marketing brochures to all properties with the Business Improvement Areas and commercial corridors. Over 3,000 brochures were mailed out.

An on-line application system for the Division’s six (6) loan and grant programs was launched in June 2010, thus expanding the ways that applicants can access information, submit program applications and fees, and track the status of their application via the internet.

The Division continued to meet with the Hess Village Community Liaison Committee. The feedback provided at meetings indicates positive results arising from the implementation of Hess Village Review strategies, particularly through
the new Public Nuisance By-law. The group will continue to meet to track progress over a longer time period and to consider the effectiveness of upcoming improvements such as the new liquor licence commenting/review process.

Hamilton Realty Capital Inc.

Hamilton Realty Capital Corporation acquired options on approximately two-thirds of a Downtown block and developed a business case and financial proposal to be presented to Council in 2011. An offer was made on a significant downtown building for redevelopment. The offer was accepted and the deal closed in Q1 2011.

Other Downtown Hamilton Development Applications

The following development applications and formal consultations indicate interest in future residential development within Downtown Hamilton.

- A one-year extension was granted in December 2010 to the conditional site plan approval for the development of a 107 unit multiple residential condominium building at 15 Queen Street South. The proposal is currently the subject of an Ontario Municipal Board hearing.
- The site plan application submitted for the Hamilton Grand, 64 Main Street East at John Street, proposes to construct a 15 storey building containing 23 hotel units (floors 1 to 4), 161 condominium hotel units (floors 7 to 13), 46 residential apartment units (floors 15 and 16) and approximately 26,000 square feet of commercial office space (floors 5 to 6), together with 106 underground parking spaces.
- The following development proposals with a residential component were the subject of Formal Consultation submissions to the City in 2010:
  - 235 Main Street West at Queen Street: Options considered include a two storey building with first floor retail and second floor office; or a 10 storey, 88 unit residential building with three (3) levels of underground parking and ground floor commercial uses.
  - 68 George Street: A six (6) storey, 134 room Staybridge Suites Hotel is proposed to replace a similar hotel at 118 Market Street that was sold and converted to a retirement home in 2010.
  - 20-22 George Street: A 20storey, 140 unit residential building with three (3) levels of underground parking and ground floor commercial uses is proposed.
  - 150 Main Street West: A 20 storey, 229 unit residential building with three (3) levels of underground parking is proposed at the site of the former National Revenue building.
  - 205-215 Cannon Street East at Cathcart Street: An eight (8) storey, 96 unit residential building with two levels of underground parking is proposed.
CONCLUSION

Overall, Downtown Hamilton development activity and use of the financial incentive programs was down in 2010, with several projects not progressing as quickly as had been anticipated. A much stronger level of activity occurred in the community downtowns. However, it remains reasonable to expect improved results in the future as the general market responds to improving economic conditions, and with consideration to developments currently in the planning stage in Downtown Hamilton as well as the community downtowns. The increased marketing of the financial incentive programs conducted later in 2010 resulted in an increased level of interest (e.g. ten to eleven daily telephone inquiries), that can lead to an increased level of investment activity.

In addition, in 2011 the Downtown and Community Renewal Division is undertaking a comprehensive five year review of the Community Improvement Plan and its component financial incentive programs. This review will update and realign as necessary the Plan’s goals and objectives with current City policies including the Corporate Strategic Plan and the new Urban Hamilton Official Plan. It may identify and implement changes to the Community Improvement Plan, Project Areas and programs, intended to increase the use and effectiveness of the programs for community improvement.