TO: Chair and Members
   Economic Development and Planning Committee

WARD(S) Affected: WARDS 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13 and 15

COMMITTEE DATE: March 2, 2010

SUBJECT/REPORT NO: Downtown and Community Renewal Division 2009 Annual Report (PED10046)

SUBMITTED BY: Tim McCabe
   General Manager
   Planning and Economic Development

PREPARED BY: Alan Waterfield 905-546-2424 x1251

SIGNATURE:

RECOMMENDATION:

That Report PED10046, respecting the Downtown and Community Renewal Division 2009 Annual Report, attached as Appendix ‘A’, be received for information.

EXECUTIVE SUMMARY

The Downtown and Community Renewal Division’s 2009 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.

In support of new development and building improvements, the Division continued to process applications to the Enterprise Zone Grant Program, BIA Commercial Property Improvement Grant Program, Main Street Housing Loan and Grant Program and the Hamilton Heritage Property Grant Program. Amendments to the Community Improvement Plan completed in 2009 included significant changes to the former

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   Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork
Hamilton Downtown Residential Loan Program, now the Hamilton Downtown Property Investment Program.

Council approved the draft program description and terms for the Remediation Loan Pilot Program that will assist in the clean up of smaller properties proposing redevelopment in the Downtown and West Harbour areas. The Downtown Office Strategy was prepared and is being implemented to address the goal to decrease the office vacancy rate by 25% by January 2011, as per the Corporate Strategic Plan.

In the context of the global economic recession, Downtown Hamilton construction activity was led by significant public sector development projects, including the redevelopment of City Hall, the Lister Block, Farmer’s Market and Central Library, new transit terminal and a new public school/community centre. These improvements improve the Downtown environment and provide amenities and services that will help efforts to attract new residents and jobs to the Downtown, including private sector investment that is anticipated to return as economic conditions improve.

Commercial market assessments were conducted/updated for six (6) BIAs, including the new Ancaster BIA. Construction of the Waterdown BIA gateway was completed, with designs underway for Barton Village and Westdale gateways, and other capital projects including interpretive panels for Ancaster Square and the Stoney Creek parkette. The Division led the Hess Village Review, which resulted in a series of recommendations designed to address issues in Hess Village and improve the regulation of licensed establishments across the City.

Alternatives for Consideration – Not Applicable

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

There are no financial/staffing/legal implications related to Committee and Council receiving the information contained in Report PED10046 and Appendix ‘A’, the Downtown and Community Renewal 2009 Annual 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 Downtown and Community Renewal 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 ninth Annual Report.

**POLICY IMPLICATIONS**

No policies will be affected. Programs administered by the Downtown and Community Renewal Division 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. Most importantly, financial incentive programs must be provided for in a Community Improvement Plan within a designated Community Improvement Project Area. The Hamilton Heritage Property Grant Program is provided under the authority of the Ontario Heritage Act.

**RELEVANT CONSULTATION**

The 2009 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)

Report PED10046 and Appendix ‘A’ are for information purposes. Performance measures are highlighted in the Downtown and Community Renewal Division 2009 Annual Report attached as Appendix ‘A’ to Report PED10046.

**ALTERNATIVES FOR CONSIDERATION:**

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

Not applicable – Report PED10046 and Appendix ‘A’ are for information purposes.

**CORPORATE STRATEGIC PLAN**

(Linkage to Desired End Results)

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Financial Sustainability

• The 2009 Annual Report tracks assessment growth in Downtown Hamilton.

Growing Our Economy

• The financial incentive programs and related initiatives reviewed in the 2009 Annual Report support new development and revitalization of existing buildings in Downtown Hamilton, community downtowns, BIAs and other commercial corridors. The 2009 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 and 4.11 – Two significant waterfront developments per year.

Healthy Community

• The 2009 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 PED10046 – Downtown and Community Renewal Division 2009 Annual Report

AW:vk
City of Hamilton
Planning and Economic Development Department

DOWNTOWN AND COMMUNITY RENEWAL DIVISION

2009 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), thirteen 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. DCR has been measuring its performance and reporting the results of its programs and initiatives on an annual basis since its inception in 2001. The ninth DCR Annual Report reviews developments, events and initiatives that occurred during 2009, to track performance measures and other DCR objectives.

2009 DOWNTOWN BUILDING ACTIVITY

The Downtown and Community 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.

Downtown Hamilton Building Activity

Building permit data is collected for the Downtown Hamilton Community Improvement Project Area (CIPA). 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.

A total of 95 building permits, representing over $108 million in construction, were issued within the Downtown Hamilton CIPA in 2009. As illustrated in the

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1 Building permits issued for demolition, signs and events are not included in the construction values reported above. Also excluded is a $2.5 million building permit issued in March 2009 for the redevelopment of the former theatre at 14 Mary Street. Lyric Century Apartments proposed 59 condominium units to be constructed behind the façade portion of the existing structure that would be maintained in accordance with a heritage permit. The permits are no longer valid due to the demolition of the building.
table below, 2009 construction values greatly exceed those of previous years in Downtown Hamilton.

![Downtown Hamilton Total Construction Value 2001 to 2009](image)

This finding is the result of significant public sector investment in the Downtown, with over 90% of the construction value attributed to five projects, including the renovations to City Hall; redevelopment of the historic Lister Block; renovation of the Hamilton Farmers’ Market and Central Library; the construction of the new transit terminal at MacNab Street between King Street and Main Street; and the new Dr. J. Edgar Davey Public School and community centre at Wilson Street and Ferguson Avenue.

![2009 Downtown Hamilton Construction Value](image)

These investments support the redevelopment of heritage property (i.e. City Hall and the Lister Block), and/or enhance land uses that are supportive to living and
working in the Downtown. The market, library, school and community centre are services that help to attract people to the Downtown. The new transit terminal at MacNab Street will enable the removal of bus queues in Gore Park, providing better opportunity for use of the public spaces, as proposed in the Gore Master Plan.

DCR monitors the ratio of residential to non-residential development to indicate progress toward the goal to increase the number of residential units downtown by 150 per year. As illustrated in the previous chart, residential development was a small proportion in 2009, accounting for approximately $1.37 million of construction.

Building permits were issued for the construction of three (3) dwelling units, accounting for approximately $370,000. They include a new single-detached home on Hunter Street West and the conversion of non-residential space into an additional apartment unit at both 100 Ferguson Avenue South (Renaissance Towers) and 235 Rebecca Street. The net increase in new Downtown dwelling units is two (2), as the Hunter Street dwelling replaced the one demolished on the property earlier in the year. The balance of $1 million in residential building permits in 2009 included alterations and renovations that did not result in new dwelling units.

From 2001 through 2009, building permits have been issued for 860 dwelling units in Downtown Hamilton, providing an average of 96 per year.

<table>
<thead>
<tr>
<th>Units</th>
<th>Dwelling Units Issued Building Permits in Downtown Hamilton CIPA, 2001 to 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>2001 2002 2003 2004 2005 2006 2007 2008 2009</td>
</tr>
<tr>
<td>50</td>
<td>150 200 150 250 200 150 50 0 0</td>
</tr>
</tbody>
</table>

Note: Excludes lapsed building permits for 14 Mary St.
The Downtown and Community Renewal Division has been tracking the number of ground floor vacancies in commercial and mixed-use buildings within the Downtown Hamilton Community Improvement Project Area since 2001. As shown on the following table, the rate decreased to 9% in 2009.

### Downtown Hamilton Ground Floor Vacancies

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>16.4%</td>
<td>16.1%</td>
<td>9.0%</td>
<td>10.4%</td>
<td>12.6%</td>
<td>10.6%</td>
<td>11.1%</td>
<td>10.1%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

### Downtown Hamilton Taxes and Assessment

Increased assessment in the Downtown Hamilton Community Improvement Project Area generated $242,000 in additional tax revenue in 2009. The balance of the tax increase ($402,000) 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 2009

<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>Increase 08 to 09</td>
<td>$644,000</td>
<td>$63,496,200</td>
</tr>
</tbody>
</table>

**Portion of Increase in Taxes Due to Increase in Assessment**

- $242,000

**Source:** Corporate Services Department, Taxation Division

### Community Downtown Building Activity

Community Downtowns, including Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, collectively had a total of 36 building permits issued in 2009, representing a construction value of approximately $1.7 million. This value excludes building permits issued for demolition, signs and events. The value is half the previous three (3) year average, indicative of the recession.

Nearly half of the construction value is attributed to Downtown Dundas, primarily for alterations to existing commercial buildings.

**FINANCIAL INCENTIVE PROGRAMS**
In 2009, DCR administered four (4) financial incentive programs 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:

- Enterprise Zone Grant Program
- Hamilton Downtown Property Investment Program (formerly the Hamilton Downtown Residential Loan Program)
- BIA Commercial Property Improvement Grant Program
- Main Street Housing Loan and Grant Program

In addition, the Hamilton Heritage Property Grant Program is provided under the authority of the *Ontario Heritage Act*.

**Enterprise Zone Grant Program**

The Enterprise Zone 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.

In 2009, $733,000 was due to be issued to thirteen reassessed projects that had a combined construction value of $66 million. The total amount to be granted is estimated to be nearly $5.1 million, which accounts for a 1:13 ratio of public grant leveraging private investment. The grant matches the increased taxes (municipal portion only) paid by the proponents in accordance with the Enterprise Zone program (i.e. based on pre- and post-development assessments, the five year grant is equivalent to 100% of the municipal realty tax increase during the first year, 80% in year two, 60% in year three, 40% in year four, and 20% in year five).

<table>
<thead>
<tr>
<th>Enterprise Zone Grant Program 2009 Year End Status of Reassessed Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Reassessed Projects</td>
</tr>
<tr>
<td>Total of Grants for 2009</td>
</tr>
<tr>
<td>Total of Grants Issued to Date</td>
</tr>
<tr>
<td>Estimated Balance of Grants to be Issued</td>
</tr>
<tr>
<td>Estimated Total Grants</td>
</tr>
<tr>
<td>Construction Value of Reassessed Projects</td>
</tr>
<tr>
<td>Ratio of Total Grants to Construction Value</td>
</tr>
</tbody>
</table>

In addition, there are six projects that are/nearly are completed but which have not yet been reassessed.

Two new applications were submitted in 2009:
• The Canada Post distribution centre, at Cannon and Wellington streets, is to be redeveloped as a Shoppers Drug Mart and medical offices.

• The Studios at Hotel Hamilton involves the complete renovation of the former lodging house at 193-197 James Street North. The redevelopment provides 19 studios/offices, a common boardroom and kitchenette, intercom, and ground floor café and gallery, in the heart of the James North cultural corridor.

The target of five new applications per year has not been met. Amendments to the program considered during 2009 will be recommended to Council in March 2010 with the goal to improve program uptake.

**Hamilton Downtown Property Investment Program (former Hamilton Downtown Residential Loan Program)**

The new Hamilton Downtown Property Investment Program (HDPIP) was introduced in 2009 following Council-approved amendments to the Downtown and Community Renewal Community Improvement Plan in March 2009, taking effect in April. No applications were submitted in 2009.

HDPIP replaced the Hamilton Downtown Residential Loan Program. The revised program provides an interest free loan to projects that result in predominantly residential development together with uses accessory to the residential development. Loans are now based upon 25% of the Cost to Construct Budget for the residential components of the project, rather than $20 per square foot of habitable floor space. The revisions are intended to help mitigate some of the challenges faced when developing in the Downtown Core, such as the cost for underground parking. Individual applications will be accepted year round, rather than in response to a Request for Application issued by DCR.

Since the Hamilton Downtown Residential Loan Program’s inception in 2002, the City has loaned over $13.5 million for the creation/renovation of 747 dwelling units, at an interest cost to the City of approximately $1.5 million. The public cost of the loan has levered $84.8 million of private construction value at a ratio of 1:57.

**Hamilton Downtown Residential Loan Program Status**

| Units Built/Under Construction | 747 |
In 2009, the only default of a loan advance under a DCR financial incentive program occurred with the Trinity Landing project at 80 King William Street. A new owner purchased the development through the receivership process and is completing the project; however, the City will not be able to recoup the loan. As such, the revised cost of the program to the city is approximately $2.6 million, reducing the leverage ratio to 1:33.

By year end 2009, nearly $12.4 million in loan commitments previously approved by Council under the former Hamilton Downtown Residential Loan Program were slated to be cancelled due to project inaction by December 31. No loans were advanced to any of the 15 projects, collectively proposing the development/redevelopment of 684 dwelling units. It is anticipated that some of these projects will reapply under the new Hamilton Downtown Property Investment Program.

**BIA Commercial Property Improvement Grant Program**

The Commercial Property Improvement Grant (CPIG) Program offers financial assistance for enhancing the physical and aesthetic appearance of commercial building façades and entranceways in BIA s. It 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).

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 following table, the grants distributed through the program in 2009 achieved a 38% to 62% ratio public vs. private contribution.

**Commercial Property Improvement Grant Payments in 2009**

<table>
<thead>
<tr>
<th>Number of Projects Paid in 2009</th>
<th>Construction Value</th>
<th>Grant Paid in 2009</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>34</td>
<td>$729,451</td>
<td>$275,654</td>
<td>38%</td>
</tr>
</tbody>
</table>
A total of 39 applications submitted in 2009 were recommended for funding that is distributed when the work is completed, resulting in a 34% to 66% ratio public vs. private contribution.

### 2009 Commercial Property Improvement Grant Applications

<table>
<thead>
<tr>
<th>Recommended Applications</th>
<th>Proposed Construction Value</th>
<th>Potential Grant</th>
<th>Grant as a Percentage of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>39</td>
<td>$1,167,100</td>
<td>$394,112</td>
<td>34%</td>
</tr>
</tbody>
</table>

Note: Spring 2009 applications were approved by Council. Fall 2009 applications recommended by staff will be considered by Council in early 2010.

No applications were submitted in 2009 under the King William Urban Art Walk component of the program.

### Main Street Housing Loan and Grant Program

The Main Street 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 2009, $103,000 has been loaned through the program, to assist with the redevelopment of 33 dwelling units at Barton and Emerald streets.

Twenty pre-applications were submitted to the Main Street Housing Loan and Grant Program in 2009.

- A loan commitment of $200,000 and conditional grant of $5,000 was approved by Council in June 2009 for the conversion of the former West Avenue Public School into 27 dwelling units. The redevelopment is nearing the 60% complete stage that must be reached prior to the proportionate advance of any funds.
• A full application concerning the renovation of eight (8) dwelling units on Main Street East between Ottawa Street and Kenilworth Avenue is recommended for a loan commitment of $120,000 and conditional grant of $5,000.

Half of the pre-applications submitted require either an approved amendment to the Zoning By-law or a successful Committee of Adjustment application prior to advancing to the full application stage. It has become apparent, based on current applications and inquiries, that the new Zoning By-law, once approved, will help increase uptake of this program. Updated zoning provisions will allow a greater number of applications to proceed without requiring amendments and/or variances.

**Hamilton Heritage Property Grant Program**

Three (3) applications were submitted in 2009 to the Hamilton Heritage Property Grant Program. It 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.

**2009 Hamilton Heritage Property Grant Program Applications**

<table>
<thead>
<tr>
<th>Address</th>
<th>Grant</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Avenue Public School 255 West Ave.</td>
<td>$150,000</td>
<td>For window replacement, façade repointing and cleaning, restoration of slate tile roof and other heritage features</td>
</tr>
<tr>
<td>Right House 35 King St. E.</td>
<td>$25,922</td>
<td>For rehabilitation of the west wall</td>
</tr>
<tr>
<td>Tivoli Theatre 108-114 James St. N.</td>
<td>$78,250</td>
<td>For stabilization work</td>
</tr>
<tr>
<td><strong>Total 2009 Grant Commitment</strong></td>
<td><strong>$254,172</strong></td>
<td></td>
</tr>
</tbody>
</table>

This program originally applied only to properties within the Downtown Hamilton Community Improvement Project Area, but was expanded to BIAs through resolution of City Council in February 2009.

**WATERFRONT DEVELOPMENT**

New waterfront development is constrained by the ongoing Ontario Municipal Board appeal of the West Harbour (Setting Sail) Secondary Plan. Its resolution has been further delayed by the uncertainty around the potential stadium site for the 2015 Pan Am Games. These issues have affected progress toward the goal to complete two (2) significant waterfront developments per year starting in 2009.

In October 2009, Council approved a report respecting the feasibility of establishing a Hamilton Waterfront Development Corporation, prepared by staff from the office of the General Manager of the Planning and Economic Development Department. A future report will provide recommendations regarding a specific mandate, governance structure, staffing, and financial
funding model for a Hamilton Waterfront Development Corporation, and the parameters of a legal agreement that would be required to establish it.

Remediation Loan Pilot Program

To assist future development and facilitate the environmental clean-up of smaller properties within the West Harbour area, as well as Downtown Hamilton, the new Hamilton Downtown/West Harbourfront Remediation Loan Pilot Program was developed. Council approved the draft program description and terms in October 2009. The implementing amendments to the Downtown and Community Renewal and ERASE Community Improvement Plan were developed over the Fall of 2009, and will be presented in March 2010.

The program will be administered through the Economic Development and Real Estate Division and delivered as a component to the Environmental Remediation and Site Enhancement (ERASE) Redevelopment Grant Program. It will offer a low interest loan equal to 75% of the cost to remediate a property to a maximum of $100,000.00 per property/project. Recipients of either the ERASE Redevelopment Grant Program or Enterprise Zone Grant Program will assign the grant money to the City of Hamilton for repayment of the loan until such time as the loan is paid in full.

DOWNTOWN OFFICE STRATEGY

The Downtown Office Strategy was approved by Council in December 2009. As per the City’s Corporate Strategic Plan and departmental performance measures, the primary goal of the Strategy is to decrease the office vacancy rate by 25% in the Downtown Core based on a 2008 baseline by January 2011.

<table>
<thead>
<tr>
<th>Downtown Office Inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings (with at least 5,000 square feet of office space)</td>
</tr>
<tr>
<td>Total Inventoried Space</td>
</tr>
<tr>
<td>Total Vacant Space</td>
</tr>
<tr>
<td>Vacancy Rate</td>
</tr>
</tbody>
</table>

The 2008 baseline inventory indicates a vacancy rate of 15% in the Downtown Hamilton Community Improvement Project Area.

The Strategic Actions set forth in the Strategy involve collaborative efforts concerning data sharing and monitoring, marketing, and new/revised incentives for office development and tenant attraction. The Strategy supports related initiatives that contribute to the continued enhancement of the Downtown environment, recognizing that maintaining a clean and safe environment is of vital importance to efforts to attract and retain office tenants and others to Downtown.

Program details for a new financial incentive program were under development in late 2009 in consultation with Downtown office stakeholders. The program will be presented to Council in March 2010 via proposed amendments to the Downtown and Community Renewal Community Improvement Plan. DCR staff
will report back to the Economic Development and Planning Committee on further outcomes of the Downtown Office Strategy implementation as part of the 2010 Annual Report.

**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 Expansions and Dormancy**

The Locke Street BIA added an additional property in February 2009. Discussions about forming a new BIA were held with interested property owners on Kenilworth Avenue. The Main West Esplanade BIA was placed in dormant status due to inactivity among its membership, which prompted the creation of a protocol for dormant BIAs.

**BIA Commercial Market Assessments**

Through a competitive bid process, staff and Ancaster BIA representatives selected Urban Marketing Collaborative to conduct a Commercial Market Assessment for the Ancaster BIA in 2009. The assessment provides an action plan, supported by market analysis, surveys and a visioning exercise, to guide the new BIA, which was created in December 2008. Urban Marketing Collaborative was also retained to update the five commercial market assessments conducted in 2002 for the Concession Street, Dundas, Ottawa Street, Waterdown and Westdale BIAs. The work will be finalized and presented to the Economic Development and Planning Committee in Spring 2010.

**BIA Excellence in Property Awards**

DCR staff organize the annual BIA Excellence in Property Awards to recognize efforts to upgrade and beautify buildings within participating BIAs, and to acknowledge long-standing businesses. The following winners were announced at the November 25 Council meeting:

- C & DC Orthopaedic Services, Barton Village BIA
- Victoria Hall, 66 King St. E., Downtown Hamilton BIA
- Kids and Crafts, Dundas BIA
- Shakespeare’s Steak and Seafood House, International Village BIA
- Liza’s Hair Salon, Ottawa Street BIA
- Albert Snow Hair Design Group, Westdale Village BIA

Shakespeare’s Steak and Seafood House was identified as the overall 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 2009, construction of the Waterdown BIA gateways was completed. Initial design work was begun on the Barton Village BIA gateways. The Westdale BIA gateways were designed in consultation with the BIA to reflect the Art Deco period when Westdale Village was created. These vertical structures will be internally illuminated.

The Ottawa Street BIA gateways completed in 2008 won an Award of Merit in the Streetscaping category at the 2009 Urban Design and Architecture Awards.

The Stoney Creek parkette was designed to complement the recently developed Stoney Creek fountain. The site will provide much needed green space in Downtown Stoney Creek, and a venue for BIA and community functions.
As part of Phase 3 of the Ancaster Square Master Plan, DCR prepared a landscape plan that will provide much needed aesthetic and functional improvements to the grounds of the historic Hammill House. The house is currently under renovation and will serve as a community facility for Ancaster sports groups. The landscape work will commence in Spring 2010.

DCR also assisted the former Ancaster Village Core Advisory Committee in designing interpretive panels outlining key points in the history of the community, to be placed in the vicinity of the redeveloped Hammill House landscape.

In 2009, the Ancaster recreational complex was dedicated as the Robert E. Wade Ancaster Community Park, to honour the last mayor of the former Town of Ancaster and the first mayor of the amalgamated City of Hamilton. DCR provided design, tendering and project management services to the Culture and Recreation department. The sign was unveiled during the dedication ceremony in June.

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.

Projects receiving funding in 2009 included:

- $1.25 million for the Hamilton Farmers’ Market relocation;
- $100,000 for Hamilton Heritage Property Grant Program;
• $500,000 for the Hamilton Downtown/West Harbourfront Remediation Loan Pilot Program;
• $100,000 for the Gore Master Plan; and
• $150,000 for the Downtown Lighting Study.

DCR also provided input and support throughout the year to other City initiatives and studies, including rapid transit, the creative catalyst, Economic Development Strategy and new Official Plan policies.

Hess Village Review

DCR led a multi-disciplinary team of City Staff and Hamilton Police Services to address issues identified by City Council in February 2009 relative to Hess Village in Downtown Hamilton. A comprehensive set of recommendations were formulated after months of work and consultation that was not anticipated in the year’s work plan. The Hess Village Review resulted in City-wide improvements to the handling of liquor license applications, the regulation of outdoor commercial patios, including capacities, and the encroachment agreement process for patios located on a City road allowance. Council enacted a Public Nuisance By-law to assist Hamilton Police Services in addressing inappropriate behaviour throughout the City. Other policing strategies specific to Hess Village include perimeter patrols, more Special Duty Officers, Closed-Circuit Television Cameras (CCTV) and flood lighting at closing time.

Consultation was undertaken to obtain input from those with an interest in Hess Village. This dialogue continues with the ongoing meetings of the Hess Village Community Liaison Committee, established to provide stakeholders with an ongoing role in monitoring the implementation and effectiveness of the strategy for addressing issues relative to Hess Village.

Hamilton Realty Capital Inc.

Hamilton Realty Capital Inc. is a co-investment partnership between Forum Equity Partners and the City, created to stimulate real estate development within the Downtown Hamilton Community Improvement Project Area. In September 2009, the City designated as Manager DCR’s new Senior Business Development Consultant, who has refocused the efforts of the company. An option has been obtained on a significant Downtown property for redevelopment, and discussions were initiated with several potential tenants. It is anticipated that construction on the property will begin in early 2011.

Public Presentations/Outreach

As part of its marketing initiatives, DCR staff made seven public presentations on the incentive programs and progress in the downtown areas, to groups such as BIAs (and potential BIAs), Home Builders’ Association, and Commercial Realtors’
Association. The number of presentations made was restrained due to the vacancy for part of the year in the Senior Business Development Consultant role.

A Community Engagement Plan was undertaken, to lay out the strategies and tactics to move forward with rebuilding the downtown core into a "people place" where the creative class is welcome and both residents and visitors are fully informed as to what is happening downtown, and the ways in which they can participate in making it the positive focal point of the city once again.

Research was done to gather opinions and attitudes. This research took the form of both primary and secondary research and yielded a wealth of information that reflects the prevailing attitudes of the citizens of Hamilton and people in neighboring municipalities. This research will be fully analyzed and incorporated into an action plan during 2010.

The DCR website – www.hamiltonrenewal.ca – was relaunched as part of the Economic Development and Real Estate Division’s www.investinhamilton.ca site. In December 2009, a contract was awarded for the development of an on-line application system for all of DCR’s financial incentive programs. It is expected to be operational by Spring 2010.

CONCLUSION

Downtown development activity was dominated by public sector projects in 2009. It was a challenging year that did not live up to expectations as various private development initiatives were delayed due to the recession. Nonetheless, developments currently in the planning stage, brought forward as conditions improve, will see new investment, residents and jobs in Hamilton.

At year end 2009, conditionally approved site plans for private development projects indicate that 2010 will report improved results with respect to new residential units in Downtown Hamilton. The planned introduction of the new financial incentive program related to the Downtown Office Strategy will provide an additional tool to attract new business to Downtown and address the office vacancy rate. The associated investment would contribute to assessment growth targets. In addition, major decisions will be made in 2010 with implications for Downtown, the waterfront and several BIAs and commercial corridors, including the scale of Light Rapid Transit and venues for the 2015 Pan Am Games.