That approval be given to Hamilton Community Heritage Fund Loan Program Application (HCHF2011-001), for property located at 107 Mill Street North (Waterdown), as shown on Appendix “A” to Report PED11006, subject to the following:

(a) That a loan commitment of $14,999.00 be approved, in accordance with the terms and conditions of the Hamilton Community Heritage Fund Loan Program, for masonry repointing and stabilization of a structural beam.

(b) That the applicant shall provide copies of any structural drawings or plans submitted for the purposes of obtaining a Building Permit or other City approvals, to the satisfaction and approval of Planning staff.

(c) That the Mayor and Clerk be authorized and directed to execute the Loan Agreement and security documentation with respect to Recommendation (a), in a form satisfactory to the City Solicitor.
(d) That the General Manager of the Planning and Economic Development Department be authorized to amend the Loan Agreement provided that the terms and conditions of the Hamilton Community Heritage Fund Loan Program are maintained.

(e) That Report PED11006 be forwarded to the Hamilton Municipal Heritage Committee (HMHC) for information.

**EXECUTIVE SUMMARY**

The Hamilton Community Heritage Fund (HCHF) was established by the former City of Hamilton during the mid-1980’s. In 2001, Council authorized that this fund be made available to all eligible heritage property owners within the newly amalgamated municipality. The original maximum loan amount was set at $20,000.00, but an increase to the maximum loan amount to $50,000.00 was authorized by Council in 2005 (Report PED05091). The loan is only available to properties designated under the Ontario Heritage Act.

The owner of the subject property, located at 107 Mill Street North (Waterdown) (see location map attached as Appendix “A”), designated under Part V of the Ontario Heritage Act, has applied for a $14,999.00 loan under the program in order to complete masonry repointing and stabilization of a structural beam. Accordingly, approval of a loan amount of $14,999.00 is being recommended.

*Alternatives for Consideration - See Page 7.*

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

**Financial:** Funding is provided under the terms of the Hamilton Community Heritage Fund Loan Program, as approved by City Council on September 14, 2005. The loan monies are to be advanced from the City of Hamilton’s line-of-credit, with the foregone interest being charged to Account Number 52901-812040. Any costs incurred for the HCHF Loan program are to be funded from the HCHF Reserve 102049.

**Staffing:** Administration of this loan can be accommodated within the Community Planning and Design Section (Heritage and Urban Design) of the Planning and Economic Development Department, as well as within the Corporate Services Department.

**Legal:** Review of all documentation associated with the loan will be appropriately undertaken by the City Solicitor to protect the City’s interests. In certain cases, as projects move forward, it is sometimes necessary to make minor amendments to previously approved loan commitments and agreements.
Therefore, staff is recommending that the General Manager of Planning and Economic Development be authorized (with the input from the General Manager of Finance and Corporate Services and the City Solicitor) to amend loan commitments/agreements without further Council approvals, provided that the terms and conditions of the HCHF Loan Program are maintained.

A Heritage Permit under Section 33 of the Ontario Heritage Act has been obtained for the masonry repointing. A Heritage Permit is not required for the stabilization of a structural beam, as the work will not affect the exterior of the house or the character of the Mill Street Heritage Conservation District.

**HISTORICAL BACKGROUND** (Chronology of events)

The former City of Hamilton established the Hamilton Community Heritage Fund (HCHF) in 1985 (By-law No. 85-120) as part of the Province of Ontario’s Building Rehabilitation and Improvement Campaign, commonly referred to as the “BRIC” Program. The Grant Agreement entered into by both parties (the Province of Ontario and the former City of Hamilton) established a fund that originally comprised $441,666.67. Of this total amount, $250,000.00 (57%) was from the Province, and $191,666.67 (43%) was from the former City of Hamilton.

The intent of the HCHF, as established by the Grant Agreement, was to establish a permanent fund for the purpose of investing in architectural conservation. Specifically, the fund was to be used:

- For loans for the purchase and/or conservation of heritage property;
- To guarantee loans for the purchase and/or conservation of heritage property; and,
- For grants to owners of designated heritage property for the conservation of that property.

Heritage property was defined in the agreement as a property designated under the Ontario Heritage Act. The former City of Hamilton operated the fund solely for the purpose of low or no-interest loans. Between 1985 and 2001, approximately 60 loans were approved, accounting for approximately $530,000.00.

The HCHF was originally established as a revolving fund, with the former City of Hamilton offering low-interest loans for eligible conservation work on buildings designated under the Ontario Heritage Act. As interest rates declined during the 1990’s, the program was revised to permit interest-free loans, and the former City of
Hamilton continued to offer loans of up to $20,000.00, repayable over a ten-year period and secured by a lien. The agreement with the Province of Ontario stipulated that loans of $15,000.00 or more required a Heritage Conservation Easement Agreement between the property owner and the City. The subject application is for an amount below $15,000.00, and a Heritage Conservation Easement Agreement is not required.

After municipal amalgamation, Council agreed to maintain the HCHF program as a permanent reserve to provide loan assistance to all designated heritage properties within all of the former municipalities (Report PD00151(A), Item (f)). In 2005, Council approved an increase in the maximum loan amount to $50,000.00 (Report PED05091), and under the current terms of the program, the loan is registered as a mortgage on the property and repayable over a period of up to ten-years, with no accumulated interest.

The current terms of the program, approved by Council in 2005, stipulate that to be eligible for a loan, the property must be designated either individually under Part IV of the Ontario Heritage Act, or as part of a Heritage Conservation District, under Part V of the Ontario Heritage Act. Funding is available only for work that conserves or restores the historic fabric and significant architectural elements of a building. Interior features are only eligible for funding if specifically mentioned in the Reasons for Designation or Description of Heritage Attributes of a property designated under Part IV of the Ontario Heritage Act. Routine maintenance and repair is not eligible.

To date, a total of $337,364.00 (8 projects) has been approved under HCHF since municipal amalgamation (see Appendix “B”), excluding the loan recommended for approval in this Report.

**POLICY IMPLICATIONS**

**Ontario Heritage Act**

Section 33 of the Ontario Heritage Act requires that the owner of a designated property shall not alter the property, or permit the alteration of the property, unless the owner applies to the Council of the municipality and receives consent, in writing, to the alteration. The owner has applied for, and received, a Heritage Permit for the proposed work.

Section 106 of the Municipal Act enables the municipality to make grants, on such terms as the Council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality, for any purpose that the Council considers to be in the interests of the municipality.
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

Town of Flamborough Official Plan

The Official Plan of the former Town of Flamborough states that “Council shall encourage the conservation and restoration of Heritage features in the Town, which may include archaeological sites, buildings, structures and streetscapes of historical and architectural value” (E.2.1).

Urban Hamilton Official Plan

Section 3.4 - Cultural Heritage Resources Policies of the Council approved Urban Hamilton Official Plan (adopted July 9, 2009) provides for the City to “encourage the rehabilitation, renovation, and restoration of built heritage resources in order that they remain in active use” (3.4.1.4). The Plan further states that the City shall “protect and conserve the tangible cultural heritage resources of the City, including archaeological resources, built heritage resources, and cultural heritage landscapes” (3.4.2.1), and “support the continuing use, reuse, care, and conservation of cultural heritage resources and properties by encouraging property owners to seek out and apply for funding sources available for conservation and restoration work” (3.4.2.1 (f)). Although, the Urban Hamilton Official Plan has not been approved by the Ministry of Municipal Affairs and Housing, and is not in effect, these policies demonstrate Council’s commitment to the identification, protection, and conservation of the cultural heritage resources.

RELEVANT CONSULTATION

A Building Permit from the Building and Licensing Division will be required for the stabilization of the structural beam, and no loan monies will be disbursed if the work is completed in contravention of the Building Code Act or any other applicable legislation or City By-law.

Pursuant to Sections 28(1), 33(4), and 42.4 of the Ontario Heritage Act, the HMHC advises and assists Council on matters relating to Part IV and Part V of the Ontario Heritage Act. The HMHC has been consulted through the Heritage Permit Application process through its Heritage Permit Review Sub-committee. The HMHC shall be advised of the decision regarding this loan by copy of this Report and recommendations at its January 27, 2011 meeting (Recommendation (e)).

ANALYSIS / RATIONALE FOR RECOMMENDATION

The subject property, located at 107 Mill Street North, Waterdown (see location map attached as Appendix “A”), is designated under Part V of the Ontario Heritage Act as part of the Mill Street Heritage Conservation District. The owner has applied for a loan
under the HCHF program in order to complete masonry repointing and stabilization of a structural beam.

The subject property is designated under Part V of the Ontario Heritage Act by By-law 96-34-H as part of the Mill Street Heritage Conservation District. The total value of the work is approximately $16,000.00, including HST. The applicant has requested a loan of $14,999.00.

The proposed work (refer to photos attached as Appendix “C”) comprises:

- Repointing all the stone façades; and,

- Stabilization of a structural beam under the ground floor of the original house.

The applicant intends to complete the repointing, as soon as possible, and prior to the Council-approval of the loan. Retroactive funding of work is contrary to the Council-approved HCHF program terms and guidelines. However, staff supports the retroactive approval of this portion of the loan, as the applicant intends to complete that work prior to the winter months and the application was submitted just before the 2010 municipal election. Therefore, the applicant could not obtain Council-approval of the loan in an appropriate time frame due to the lack of available Planning Committee and Council meeting dates. The stabilization of the structural beam is intended to be completed in the spring, following the expected Council-approval of the loan.

A Heritage Permit (HP2010-062), under Section 33 of the Ontario Heritage Act, has been obtained for the masonry repointing. A Heritage Permit is not required for the stabilization of a structural beam as this is interior work and will not affect the exterior of the house or the character of the Mill Street Heritage Conservation District. The proposed masonry repairs and structural stabilization are consistent with accepted principles and practice for the conservation and management of heritage fabric.

The HCHF program terms require that an Easement Agreement be registered between the City and the owner(s) for loan amounts over $15,000.00. The applicant has requested an amount under $15,000.00, and a Heritage Conservation Easement is not required.

The proposed work will conserve the significant heritage features of the property and meets the intent and eligibility criteria of the HCHF Loan Program, and staff recommends approval of the requested loan.
**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

---

**ALTERNATIVES FOR CONSIDERATION**

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

Funding for the conservation or maintenance of features related to the cultural heritage value of property designated under the *Ontario Heritage Act* is a discretionary activity of Council. Council, as advised by staff, may consider two alternatives: agree to fund a different amount, or decline to fund the application.

**Decline to Fund**

By declining funding, the municipality would be refusing applicants that meet the criteria and budget for the HCHF Program, as approved by both the Council and HMHC. Refusal of funding will not encourage owners of properties designated under Part V of the *Ontario Heritage Act* to undertake the appropriate restoration and repair necessary for the long-term conservation of these heritage resources.

Accordingly, staff does not consider declining funding for this HCHF application to be an appropriate conservation alternative.

**Approve a Different Amount**

Council may decide to approve a loan amount that is different from the staff recommendation. This alternative is not recommended, as it may compromise the ability of the owners to complete work that is necessary of the conservation of the property.

---

**CORPORATE STRATEGIC PLAN** (Linkage to Desired End Results)


**Skilled, Innovative and Respectful Organization**

- Council and SMT are recognized for their leadership and integrity.
- **Staff Comment:** The approval of this loan demonstrates commitment to previously Council-approved policies and programs.
Financial Sustainability

- Generate assessment growth/non-tax revenues.
- **Staff Comment:** The proposed conservation work will improve the condition of a private property, and may result in a higher assessment value for the subject property and adjacent properties.

Intergovernmental Relationships

- Maintain effective relationships with other public agencies.
- **Staff Comment:** The approval of this loan demonstrates a commitment to conserving cultural heritage resources, as directed by provincial and federal level policy.

Growing Our Economy

- A skilled and creative labour pool that supports new employers.
- **Staff Comment:** The proposed conservation work will create work for skilled and specialized trades, and will enhance the condition of private property.

Healthy Community

- Plan and manage the built environment.
- **Staff Comment:** The proposed conservation work will improve the safety and appearance of private property.

APPENDICES / SCHEDULES

- Appendix “A”: Location Map
- Appendix “B”: Previously Approved HCHF Loans
- Appendix “C”: Photographs

:MH
Attachs. (3)
PREVIOUSLY APPROVED HCHF LOANS

The Hamilton Community Heritage Fund (HCHF) was established by the former City of Hamilton in 1985 (By-law No. 85-120). After Municipal amalgamation, the Council revised the scope of the original HCHF to apply City-Wide (Report PD01141(a)), and in 2005, revised the terms and maximum loan amount of the HCHF (Report PED05091).

Projects that have previously been approved for funding are as follows:

<table>
<thead>
<tr>
<th>Application</th>
<th>Location</th>
<th>Status</th>
<th>Amount</th>
<th>Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCHF2007-001</td>
<td>St. Paul’s Presbyterian Church, Hamilton</td>
<td>Completed</td>
<td>$50,000.00</td>
<td>Protective Glazing</td>
</tr>
<tr>
<td>HCHF2008-001</td>
<td>1059 Highway 8, Stoney Creek</td>
<td>Completed</td>
<td>$50,000.00</td>
<td>Windows, Woodwork</td>
</tr>
<tr>
<td>HCHF2008-002</td>
<td>153 St. Clair Avenue, Hamilton</td>
<td>Completed</td>
<td>$14,999.00</td>
<td>Repointing, Porch Repairs</td>
</tr>
<tr>
<td>HCHF2008-003</td>
<td>235 Bowman Street, Hamilton</td>
<td>Completed</td>
<td>$50,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>HCHF2009-001</td>
<td>957 Governor’s Road, Dundas</td>
<td>Completed</td>
<td>$5,145.00</td>
<td>Roof</td>
</tr>
<tr>
<td>HCHF2009-002</td>
<td>35-43 Duke Street, Hamilton</td>
<td>In Progress</td>
<td>$100,000.00</td>
<td>Painting and Wood Repairs, Masonry</td>
</tr>
<tr>
<td>HCHF2009-003</td>
<td>108 James Street North, Hamilton</td>
<td>Completed</td>
<td>$50,000.00</td>
<td>Roof</td>
</tr>
<tr>
<td>HCHF2009-004</td>
<td>122 MacNab Street South, Hamilton</td>
<td>Completed</td>
<td>$17,220.00</td>
<td>Masonry</td>
</tr>
<tr>
<td><strong>Total 2007-2009</strong></td>
<td></td>
<td></td>
<td><strong>$337,364.00</strong></td>
<td></td>
</tr>
</tbody>
</table>
Side (North) Elevation