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# HALDIMAND COUNTY

**Report EDT-01-2019 Downtown Areas Community Improvement Plan – 151  
Caithness Street East, Caledonia-Caledonia Agricultural Society**

**For Consideration by Council in Committee on January 15, 2019**

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## **OBJECTIVE:**

To seek Council approval of one (1) application for funding made under the Terms and Conditions of the Haldimand County Downtown Areas Community Improvement Plan (CIP).

## **RECOMMENDATIONS:**

1. THAT Report EDT-01-2019 Downtown Areas Community Improvement Plan – 151 Caithness Street East, Caledonia-Caledonia Agricultural Society be received;
2. AND THAT the project as outlined in Report EDT-01-2019 be approved for a grant to be funded from the Community Improvement Plan Reserve, to a maximum of \$96,618, subject to Council approval of the additional contribution to the Community Improvement Plan Reserve as included in the Draft 2019 Tax Supported Operating Budget;
3. AND THAT the Mayor and Clerk be authorized to execute the Downtown Areas Community Improvement Plan Financial Incentive Program Agreement with the respective property owner.

**Prepared by:** Zach Gable, MAES, EcD, Senior Economic Development Officer

**Reviewed by:** Lidy Romanuk, BA, EcD, CEcD, Manager, Economic Development and Tourism

**Respectfully submitted:** Craig Manley, MCIP, RPP, General Manager of Community & Development Services

**Approved:** Craig Manley, MCIP, RPP, Deputy Chief Administrative Officer

## **EXECUTIVE SUMMARY:**

This proposal is to undertake substantial building improvements at the property known as 151 Caithness Street East, Caledonia. Economic Development and Tourism staff recommend that this application be approved for funding under the Downtown Areas Community Improvement Plan Financial Incentives Program, as all program eligibility requirements have been met.

## **BACKGROUND:**

In May 2008, Haldimand County Council adopted the Haldimand County Downtown Areas Community Improvement Plan (CIP) and corresponding Downtown Community Improvement Project Areas (CIPAs). The CIP provides Council with the ability to offer financial incentives to private property owners to revitalize, redevelop, and renovate properties and buildings within the CIPAs. The CIPAs are identified as the downtown areas of the communities of Caledonia, Cayuga, Dunnville, Hagersville, Jarvis and Selkirk. In September 2013, Council approved the Rural Business and Tourism Community Improvement Plan (RBTCIP). The RBTCIP targets key Haldimand County economic objectives by supporting hamlets, commercial roofed accommodations and value added agricultural businesses.

Amendments in November 2014, added a new program to the Downtown Areas CIP to include interior renovations for places of assembly related to arts and culture, commercial roofed accommodations and restaurants, and expanded eligible costs for existing programs.

Economic Development and Tourism (EDT) staff continue to promote both financial incentive programs to the communities and stakeholders. EDT staff also assist proponents with their applications, in order to bring eligible projects before Council in a timely manner. Further, staff continue to work with applicants to ensure that their projects move forward to completion.

As of this report date, one hundred and twenty-six (126) Downtown Areas CIP applications and twenty (20) RBTCIP applications have been approved (including this report EDT-01-2019). One hundred and twenty-seven (127) of the previously approved applications have been completed and the files have been closed on three (3) applications. Downtown area grants have been approved in Caledonia, Cayuga, Dunnville, Hagersville, Jarvis and Selkirk. Grants have been approved for value added agriculture projects in the rural areas of Haldimand County; as well, projects in the hamlets of Fisherville, Port Maitland and York have been approved under the RBTCIP.

**Summary of the 146 Downtown Areas CIP and RBTCIP Applications (including EDT-01-2019) Considered by Council:**

<b>Financial Incentive Program</b> <i>(Including EDT-01-2019)</i>	<b>Downtown Areas</b>	<b>Rural Business and Tourism</b>
Application and Permit Fees Refund	\$224,299	\$17,704
Building Restoration, Renovation and Improvement	\$73,527	\$145,712
Downtown Housing Grant	\$127,971	N/A
Heritage Improvement Grant	\$20,000	\$29,923
Façade Improvement Grant	\$768,065	\$87,412
<b>Total value of CIP grants provided by the County**</b>	<b>\$1,213,862</b>	<b>\$280,751</b>
Total construction value of CIP Projects	\$9,585,113	\$976,432
Grant values as a percentage of construction values	13%*	29%
Council approved transfers from CIP Reserve for other initiatives	\$6,360	
<b>Total funds remaining in CIP Reserve</b>	<b>\$118,964***</b>	

\* **Grant as a % of Construction** – This calculation shows the leveraging factor; basically, how much funding the County is contributing to the project compared to the total cost of the project. As it currently stands, for every dollar granted by the County, approximately \$7.00 of additional private funding has been invested in the Downtown Areas of the County. The Kinsmen Park Revitalization and Dunnville Farmers Market Project are not included in the total construction values.

\*\* Includes grant amounts related to staff approved projects under \$5,000.

\*\*\* Includes contribution from the Association of Municipalities of Ontario for Main Street Revitalization Funding Program in the amount of \$69,936 (Report PED-EDT-05-2018).

## **ANALYSIS:**

The final completed application for the property known as 151 Caithness Street East, Caledonia was received in fall of 2018. This property is the Caledonia Fairgrounds and includes an exhibition hall, fair board office space, grandstand and other amenities. A location map has been included in this report as Attachment 1. Staff from a variety of divisions have previously met with members of the Caledonia Agricultural Society and the Caledonia Fair Manager to assist with the required planning and permit applications, as well as funding opportunities. This application is for the redevelopment of the Exhibition Hall located at 151 Caithness Street East, Caledonia. This project involves extensive interior and exterior improvements which will utilize many of the incentives available to eligible properties under the Downtown Areas Community Improvement Plan including: the Façade Improvement Grant Program and Application, Building Restoration, Renovation and Improvement Grant Program, and Permit Fees Refund under the Downtown Areas Community Improvement Plan.

The property at 151 Caithness Street East is owned and operated by the Caledonia Agricultural Society (a registered charity) and is well known as the site of the Caledonia Fair entering its 147<sup>th</sup> year of operation. It should be noted in addition to the fair, the property is well utilized from a resident and tourism perspective hosting several other events including community celebrations, dog shows and private events such as weddings. A previous façade improvement grant was approved at 151 Caithness Street East, Caledonia in 2015 and completed in 2016. The improvements included installation of an accessible ramp and improvements to the façade of the fair office building which is located at the same address but is a different building, no further work is proposed to the fair office building as part of this application. As of this report date demolition work to the existing Exhibition Hall and Annex has been completed with servicing upgrades taking place.

### **Proposed Improvements**

The proposed improvements will transform the former Exhibition Hall into a state of the art event space with capacity for 1,200 patrons that can accommodate a variety of arts, culture and recreation events. The hall was formerly a Town of Haldimand arena built in 1971 and purchased by the Caledonia Agricultural Society. The Exhibition Hall could only be utilized on a seasonal basis from April to October due to lack of heating. It also lacked good acoustics, modern multi-media facilities and accessible meeting rooms. The ice surface, bleachers, kitchen, upstairs dressing rooms and concessions are generally inadequate as a modern events space. Photos of the building conditions prior to demolition have been included in this report as Attachment 2.

The Caledonia Agricultural Society has been very successful in garnering community support through a successful fundraising campaign. Notable contributions include a \$1.6 Million donation from Ron and Nancy Clark Foundation as well a \$500,000 contribution from Empire Homes. A variety of successful fundraising events have taken place by the Caledonia Agricultural Society and have been well supported by the residents, service clubs and businesses of Haldimand County.

### **Building Restoration, Renovation and Improvement Grant**

The Caledonia Agricultural Society plans to undertake renovations of the hall that would provide a first-class meeting and entertainment facility that can host large events year around. The new facility, which will be known as the Riverside Exhibition Centre, will include an elevated stage with professional lighting, sound and theatre technology, a commercial kitchen, education room and multi-purpose meeting rooms. The renovations include new mechanical systems, electrical work, flooring, fire suppression and an elevator ensuring the new Riverside Exhibition Centre is accessible. These expenses are eligible under the Building Restoration, Renovation and Improvement Grant which is restricted to costs of converting vacant or under-utilized space to use as a commercial roofed accommodation, restaurant/market or place of assembly related to culture, recreation, or arts. The

maximum grant available is \$25,000. Concepts of the proposed renovations have been included in this report as Attachment 3.

### **Façade Improvement Grant**

Façade improvements include the creation of a new accessible entrance on the North side of the building with a canopy. The existing annex is to be rebuilt with a façade that complements the fair board office. Concepts of the proposed renovations have been included in this report as Attachment 3. As the applicant is undertaking both aesthetic and accessibility improvements to the façade, the maximum grant available is \$15,000.

### **Application and Permits**

Various building and plumbing permits will be required for the planned renovations which are eligible to be refunded through the Application and Permit Fee Refund Program. In addition to the building permits, the project team was required to attend a pre-consultation meeting and complete a site plan amendment.

### **Local Economic Impact**

The establishment of a year round event space will lead to positive local economic impacts. The Riverside Exhibition Centre will host a variety of events including recreation/sporting events, art and culture events, business seminars, conferences and tradeshow as well community gatherings. The Riverside Exhibition Centre will feature educational programs that will focus on agricultural education, offer cooking and nutrition classes, as well as implement new programs for youth.

The estimated economic impact using the Ontario Ministry of Tourism, Culture and Sport's Tourism Regional Impact Model tool suggests that an event with an attendance of 1,000 people at the Riverside Exhibition Centre would generate visitor spending locally of approximately \$60,000. The establishment of a year round space in Caledonia along the Grand River creates a significant tourism opportunity in the County which supports the Council approved Tourism Strategic Plan. The redevelopment will allow the Caledonia Agricultural Society to host indoor concerts and theatre productions with a floor space of 1,300 square metres.

The project meets many of the goals and of objectives of the Downtown Areas Community Improvement Plan. The aesthetic and accessibility improvements are a key aspect of the CIP and the unique setting of the Riverside Exhibition Centre helps create an attraction to downtown Caledonia helping improve the competitiveness and marketability of the area as a tourism destination. This project complements a variety of projects completed in the Downtown Caledonia area including the Kinsmen Park revitalization and Riverwalk, streetscaping, and private property improvements, many facilitated by the Downtown Areas CIP.

<b>Review Panel Recommendation</b>			<b>The application is complete and recommended for approval.</b>		
<b>File No.</b>	<b>Community</b>	<b>Address</b>	<b>Value of Project</b>	<b>Value of Grant</b>	<b>Grant as a % of Construction</b>
138	Caledonia	151 Caithness Street East	\$4,487,000	\$96,618	2.2%
<b>Façade Improvement Grant</b>					<b>\$15,000</b>
<b>Building Restoration, Renovation and Improvement Grant</b>					<b>\$25,000</b>
<b>Application and Permit Fees Refund</b> (site plan amendment, building permit fees)					<b>\$56,618</b>
<b>Total Grant to 151 Caithness Street East, Caledonia</b>					<b><u>\$96,618</u></b>

<b>Project Description</b>	Renovation of existing exhibition hall, installation of accessible entrance.
<b>Conditions</b>	<ol style="list-style-type: none"> <li>1. Property taxes must be in good standing and the property must be in conformity with all County/Provincial/Federal by-laws and legislation throughout the term of the program – i.e. property standards, zoning by-laws, official plan, etc.</li> <li>2. Approval of a site plan amendment and building permits will be required.</li> </ol>

## **FINANCIAL/LEGAL IMPLICATIONS:**

The Downtown Areas Community Improvement Plan (CIP) was established in 2008, with an annual allocation of \$100,000 contributed to a Community Improvement Plan Reserve to be used to fund approved grant applications under the financial incentives component of the Downtown Areas CIP. In 2013, the annual contribution was increased to \$150,000 to incorporate the Downtown Areas CIP and the Rural Business and Tourism Community Improvement Plan. Upon approval of this application, Council will have approved a total of \$1,500,973 from this Reserve. This application requires \$96,618 in funding from the Reserve. There are currently insufficient funds within the Community Improvement Plan Reserve to accommodate this application. However, contained within the Draft 2019 Tax Supported Operating Budget (to be presented to Council April 2-4, 2019) is an additional contribution to this reserve of \$150,000. If the additional contribution is approved, this would bring the projected balance of the Community Improvement Plan Reserve to \$118,964. Staff proposed that this application be approved, contingent upon the approval of this additional funding as part of the overall Operating Budget deliberations.

Additional funds were received from the Association of Municipalities of Ontario for the Main Street Revitalization Funding Program in the amount of \$69,935.67, as presented to Council on April 24, 2018 through Report PED-EDT-05-2018, and were added to the Community Improvement Plan Reserve. These funds will be required to be spent under the terms and conditions contained within the agreement once finalized. The Caledonia Agricultural Society CIP project meets the eligibility criteria of the Main Street Revitalization Funding program and will be included as one of the projects funded under this program. To date, \$52,096 of Main Street Revitalization Funds have been allocated to CIP projects and this project will utilize the remaining balance of \$17,840.

Legal: A grant agreement will be prepared for execution by the Mayor and Clerk should Council approve this application. The grant agreement was reviewed by legal counsel in the spring of 2008.

## **STAKEHOLDER IMPACTS:**

All Community Improvement projects are circulated and reviewed by a staff committee that consists of representatives from Building & Municipal Enforcement Services, Planning and Development, Community Development and Partnerships (Heritage and Culture) and Finance Divisions. Once this project has received Council approval, staff from the Building & Municipal Enforcement Services will be required to assist Economic Development and Tourism staff to ensure that all proposed works are carried out in the manner applied for, and that terms and conditions are met.

Given the downtown location of 151 Caithness Street East, it is anticipated the proposed project will positively impact the downtown Caledonia area.

## **REPORT IMPACTS:**

Agreement: Yes

By-law: No

Budget Amendment: No

Policy: No

## **ATTACHMENTS:**

1. Location Map of 151 Caithness Street East, Caledonia.
2. Photos Prior to Demolition of 151 Caithness Street East, Caledonia.
3. Renovation Concepts of 151 Caithness Street East, Caledonia.