
HALDIMAND COUNTY

Report EDT-06-2019 Community Improvement Plan – 204 Caithness Street
East, Caledonia



For Consideration by Council in Committee on May 7, 2019

OBJECTIVE:

To seek Council approval of one (1) application for funding made under the Terms and Conditions of the Haldimand County Rural Business and Tourism Community Improvement Plan (RBTCIP).

RECOMMENDATIONS:

1. THAT Report EDT-06-2019 Community Improvement Plan – 204 Caithness Street East, Caledonia be received;
2. AND THAT the project as outlined in Report EDT-06-2019 be approved for a grant to be funded from the Community Improvement Plan Reserve, to a maximum of \$37,100;
3. AND THAT the Mayor and Clerk be authorized to execute the Rural Business and Tourism Community Improvement Plan Financial Incentive Program Agreement with the respective property owner.

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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: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

This proposal is to undertake improvements to create a new three (3) room Bed and Breakfast facility. 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 based on supporting the growth of the County's tourism businesses.

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-seven (127) Downtown Areas CIP applications and twenty-two (22) RBTCIP applications have been approved (including this report EDT-06-2019). One hundred and twenty-eight (128) 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 149 Downtown Areas CIP and RBTCIP Applications (including EDT-06-2019) Considered by Council:

Financial Incentive Program <i>(Including EDT-06-2019)</i>	Downtown Areas	Rural Business and Tourism
Application and Permit Fees Refund	\$222,863	\$19,889
Building Restoration, Renovation and Improvement	\$73,527	\$184,272
Downtown Housing Grant	\$127,971	N/A
Heritage Improvement Grant	\$20,000	\$39,923
Façade Improvement Grant	\$771,898	\$97,412
Total value of CIP grants provided by the County**	\$1,216,259	\$341,496
Total construction value of CIP Projects	\$9,594,147	\$1,065,163
Grant values as a percentage of construction values	13%*	32%
Council approved transfers from CIP Reserve for other initiatives	\$6,360	
Total funds remaining in CIP Reserve	\$55,821***	

* **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 204 Caithness Street East, Caledonia was received in March of 2019. A location map has been included in this report as Attachment 1. While not a heritage designated property, the Victorian style of the property does make the property significant from a heritage perspective.

This application is for a new commercial roofed accommodation under the provisions of the County's Community Improvement Grants. Commercial roofed accommodations are defined as year-round, permanent fixed-roof accommodations including: hotels, motels, and bed and breakfasts (B&Bs). This does not include cottage rentals, camp grounds or trailer grounds/parks. The County's Community Improvement Plan Grant programs have funding streams meant to assist in the establishment of commercial roofed accommodations. This property is located outside of the Downtown Areas CIP but, it is eligible for funding under the grant program which provides incentives for the creation of commercial roofed accommodation throughout the community as a key part of the County's Tourism Strategic Plan. The funding stream is intended to assist in the increase of the number of commercial roofed accommodations in Haldimand County and covers all areas outside of the established Downtown Areas CIP boundary. All commercial roofed accommodations are eligible under either program, as a tool to encourage the establishment of more overnight accommodations in the County.

Proposed Improvements

The applicants have applied to access funds for renovations and improvements to open a three (3) room bed and breakfast. The property is currently a single family dwelling. Photos of the existing conditions at 204 Caithness Street East, Caledonia can be found in Attachment 2. This application is for the Façade Improvement, Signage and Landscape Improvement Grant, the Development Charge, Planning Fees and Building Permit Grant, and the Building Restoration, Renovation and Improvement Grant.

Building Restoration, Renovation and Improvement Grant

Improvements under the Building Restoration, Renovation and Improvement Grant involve conversion of an existing residential space into accommodations for guests. Some of the proposed work includes the creation of two additional bathrooms to serve guests, and upgrades to an existing washroom so all guest rooms have access to a private bathroom. Additional work includes installation of new sound proofing doors for guest privacy and to create a clear division from the residential portion of the home. Further enhancements to the guest bedrooms to ensure they are providing a high standard to the public include drywall work and installation of closets. A floor plan of the proposed improvements can be found in Attachment 3.

Further eligible expenses under the Building Restoration, Renovation and Improvement Grant include enlargement of the parking area to ensure there is enough parking spaces to satisfy zoning by-law requirements for the use, and to allow for vehicles to turn easily around on the property. The proposed parking plan can be found in Attachment 4.

Façade Improvement, Signage, and Landscape Improvement Grant

Work under the Façade Improvement, Signage and Landscape Improvement Grant involves replacing multiple windows that are part of the facade. The windows are to retain the heritage grill keeping with the Victorian style of the home. Additional work includes further landscaping improvements and painting of the decorative exterior elements on the home.

The proposed improvements will require building permits and plumbing permits for the new fixtures. These fees are rebate-able through the RBTICIP.

Local Economic and Tourism Impact

The 2017 approved Tourism Strategic plan, identifies the current lack of accommodations as an obstacle to growing the tourism sector in Haldimand County. Increasing the availability of roofed accommodations in Haldimand County will help to raise the County's tourism potential, as the economic spin-off of tourists is significantly increased when an overnight stay is included. Regional statistics from 2016, demonstrate that the average spent per person per overnight visit in Ontario's Southwest region (including Haldimand County) is \$182, while the average spent per person per same-day visit is \$67.

Increasing the number of commercial roofed accommodations available for tourists in Haldimand County is one of the key priorities of the Rural Business and Tourism Community Improvement Program under which this project is eligible. The project is desirable from a cultural tourism perspective, as the work will be encouraging the commercial use of a heritage significant building, and at the same time will create a boutique accommodation.

The Caithness Street location of the proposed Bed and Breakfast is within the periphery of Downtown Caledonia, where the County has made significant investments over the years including streetscaping and applications approved under the Downtown Areas CIP and as well, coincides with the improvements to the Riverside Exhibition Hall at the Caledonia Fairgrounds.

Review Panel Recommendation			The application is complete and recommended for approval.		
File No.	Community	Address	Value of Project	Value of Grant	Grant as a % of Construction
22	Caledonia	204 Caithness Street East	\$88,731	\$37,100	42%
Building Restoration, Renovation and Improvement Grant					\$25,000
Façade, Signage & Landscape Improvement Grant					\$10,000
Development Charge, Planning Fees and Building Permit Grant					\$2,100
Total Grant to 204 Caithness Street East, Caledonia					<u>\$37,100</u>
Project Description	Conversion of residential space to create a three (3) room Bed and Breakfast. Exterior improvements involve replacement of existing windows enlargement of the parking area.				
Conditions	<ol style="list-style-type: none"> 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. 2. Plumbing permit and building permits required for various improvements. 3. The renovated portion of the property at 204 Caithness Street East, Caledonia must operate as a Bed and Breakfast for a period of at least 3 years, otherwise the grant will be repayable to Haldimand County as determined by staff. 				

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 \$1,564,115 from this Reserve. This application requires \$37,100 in funding which would leave the balance of the Community Improvement Plan Reserve at \$55,821 if approved.

Legal: A grant agreement will be prepared for execution by the Mayor and Clerk should Council approve this application. This ensures all works as approved are completed within a specified timeframe. 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.

REPORT IMPACTS:

Agreement: Yes

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Location Map of 204 Caithness Street East, Caledonia.
2. Photos of the existing conditions at 204 Caithness Street East, Caledonia.
3. Proposed Floor Plan of 204 Caithness Street East, Caledonia.
4. Parking Plan for 204 Caithness Street East, Caledonia.