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# HALDIMAND COUNTY

## Report EDT-09-2019 Downtown Areas Community Improvement Plan 2022 Main Street North, Jarvis



For Consideration by Council in Committee on June 18, 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.

### RECOMMENDATIONS:

1. THAT Report EDT-09-2019 Downtown Areas Community Improvement Plan – 2022 Main Street North, Jarvis be received;
2. AND THAT the project as outlined in Report EDT-09-2019 be approved for a grant to be funded from the Community Improvement Plan Reserve, to a maximum of \$50,000;
3. AND THAT a maximum of \$30,000 to be funded from the 2020 Community Improvement Plan annual allocation as a result of the approval of Community Improvement Plan projects identified in reports EDT-09-2019, EDT-08-2019 and EDT-10-2019 be approved;
4. AND THAT the Mayor and Clerk execute the Downtown Areas 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 various improvements to property at 2022 Main Street North, Jarvis. 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-nine (129) Downtown Areas CIP applications and twenty-four (24) RBTCIP applications have been approved (including reports EDT-09-2019, EDT-08-2019, and EDT-10-2019). One hundred and twenty-nine (129) 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, Rainham Centre and York have been approved under the RBTCIP.

**Summary of the 153 Downtown Areas CIP and RBTCIP Applications (including EDT-09-2019, EDT-08-2019 and EDT-10-2019) Considered by Council:**

| <b>Financial Incentive Program</b><br><i>(Including EDT-09-2019, EDT-08-2019 and EDT-10-2019)</i> | <b>Downtown Areas</b> | <b>Rural Business and Tourism</b> |
|---|-----------------------|-----------------------------------|
| Application and Permit Fees Refund  | \$227,863             | \$21,089                          |
| Building Restoration, Renovation and Improvement  | \$73,527              | \$197,305                         |
| Downtown Housing Grant  | \$157,971             | N/A                               |
| Heritage Improvement Grant  | \$20,000              | \$39,923                          |
| Façade Improvement Grant  | \$796,898             | \$107,359                         |
| <b>Total value of CIP grants provided by the County**</b>   | <b>\$1,276,259</b>    | <b>\$365,676</b>                  |
| Total construction value of CIP Projects  | \$10,060,894          | \$1,101,658                       |
| Grant values as a percentage of construction values   | 13%*                  | 33%                               |
| Council approved transfers from CIP Reserve for other initiatives                                 | \$6,360               |                                   |
| <b>Total funds remaining in CIP Reserve</b>   | <b>-\$28,356***</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 2022 Main Street North, Jarvis was received in May 2019. A location map has been included in this report as Attachment 1. Contact with EDT staff occurred earlier in March of 2019, and since that time, staff has worked with the applicant to finalize their plans and prepare the subject application for Council consideration. This application will utilize many of the incentives available to eligible properties under the Downtown Areas Community Improvement Plan (DACIP) including: the Façade Improvement Grant program, Downtown Housing Grant Program, and Application and Permit Fees Refund Program.

One previous DACIP application for the Façade Improvement Grant Program was approved for the previous ownership for the installation of new awnings. The property was previously known as Bronco's Tavern which has been in operation for over 40 years as a restaurant and pub. The Building has been recently purchased and the new owners have plans to undertake significant renovations. Some of the proposed changes include reconfiguring the commercial space to support a variety of new businesses including personal services, yoga/fitness studio and multi-purpose event space, paramedical services, café, a rentable commercial kitchen and creation of two (2) apartment units in the upper floor.

The following provides an overview of the improvements proposed under each section the Community Improvement Program:

### **Façade Improvement Grant**

The existing façade is brick with awning signage. Photos of the building can be found in Attachment 2. Improvements under the Façade Improvement Grant program will include replacement of front windows, and doors and the installation of shutters. One of the new entrances will be accessible and new signage and replacement of soffit, fascia and eaves are proposed. A concept for the improved façade is included in Attachment 3. The improvements have been reviewed in accordance with the County's Urban Design Guidelines and are encouraged as they maintain the heritage aspects of the building and historic downtown core.

### **Downtown Housing Grant**

The proposed improvements include renovations to vacant space on the second floor of 2022 Main Street North, Jarvis to create two new apartment units. The work involves electrical, paint, heating, bathroom installation, kitchen, installations and flooring. This will create two (2) new two-bedroom apartments in downtown Jarvis. Floor plans of the existing commercial and residential space are included in Attachment 4. The proposed layout of the commercial and residential space can be found in Attachment 5 and concepts for the kitchens in Attachment 6.

### **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.

### **Local Economic Impacts**

The proposed improvements in the application could be transformational for downtown Jarvis. The addition of apartment units will help increase the rental housing supply in Jarvis and across the County. Current vacancy rates reported by the Hamilton-Burlington Realtors Association, show residential

vacancies in the County at less than 1% which further demonstrates the need for additional housing supply.

The new commercial uses will create new employment opportunities in downtown Jarvis, but will also increase patronage to the downtown area given the types of proposed uses. The addition of a café and recreation space are particularly important to downtown revitalization projects as they help make the downtown a destination for residents and visitors.

| 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 * |
| 146  | Jarvis  | 2022 Main street North | \$439,306   | \$50,000       | 11%                            |
| <b>Façade Improvement Grant including accessibility improvements</b> |   |                        |   |                | <b>15,000</b>                  |
| <b>Application and Permit Fees Refund Program</b>                    |   |                        |   |                | <b>5,000</b>                   |
| <b>Downtown Housing Grant Program</b>                                |   |                        |   |                | <b>30,000</b>                  |
| <b>Total Grant to 2022 Main Street North</b>                         |   |                        |   |                | <b><u>\$50,000</u></b>         |
| <b>Project Description</b>   | Replacement of front windows, and doors. One entrance to be accessible, new signage as well replacement of soffit, fascia and eaves. Work to convert existing space into a variety of new commercial uses which include substantive plumbing, electrical and mechanical systems as well installation of a universal washroom. Creation of two new apartment units, work involves electrical, paint, heating, new bathrooms, kitchens, flooring. |                        |   |                |                                |
| <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. Building permits, plumbing permits and sign permits will be required for proposed improvements.</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 base budget 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 \$1,641,932 from this Reserve.

This application in conjunction with those associated with reports EDT-08-2019 and EDT-10-2019 were submitted and the financial information was refined over several months. As such there was very little ability to coordinate the projects with respect to the available funding. There are currently insufficient funds within the Community Improvement Plan Reserve to approve all three applications before Council. This application requires \$50,000 in funding which would leave the Community Improvement Plan at a negative balance of \$28,356, if reports EDT-09-2019, EDT-08-2019 and EDT-10-2019 are

approved by Council. This is a unique situation—while the reserve has been depleted in the past—it is usually close to the end of the calendar year. There are two options available for Council to consider:

### **Option #1**

The program guidelines state the applications are received on a first come, first serve basis. If Council chooses to proceed status quo, the recommendation is to approve reports EDT-08-2019 (\$19,445) and EDT-10-2019 (\$10,000) in full and approve EDT-09-2019 for a partial grant amount of \$21,643 with the funds that are currently remaining in the CIP Reserve.

### **Option #2**

Approve all three projects in full. The shortfall of approximately \$28,356 could be funded from the 2020 CIP annual allocation. This would leave approximately \$121,644 for new projects in 2020, if Council continues to approve the base budget allocation of \$150,000 during review of the 2020 Tax Supported Operating Budget.

Staff is recommending that Council proceed with Option #2 and approve all three projects in full. As a result of the three proposed CIP projects there will be improvements to buildings within three separate communities, new business created and potentially new employment opportunities.

Moving forward, any new applicants requesting CIP funds will be advised that the program is now closed for 2019 and that new projects will not be consider by Council until early 2020. Staff will continue to undertake the necessary due diligence work to ensure any proposals that are submitted pending future funding meet the program intent.

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 2022 Main Street North, Jarvis.
2. Photos of the existing conditions of 2022 Main Street North, Jarvis.
3. Concept for Façade Improvement.

4. Existing site plan 2022 Main Street North, Jarvis.
5. Proposed site plan 2022 Main Street North, Jarvis.
6. Concept kitchen design for apartments.