
HALDIMAND COUNTY

Report PED-EDT-01-2018 Rural Business and Tourism Community Improvement Plan – 2 Dover Street, Port Maitland

For Consideration by Council in Committee on February 6, 2018



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 PED-EDT-01-2018 Rural Business and Tourism Community Improvement Plan – 2 Dover Street, Port Maitland be received;
2. AND THAT the project as outlined in Report PED-EDT-01-2018 for the property at 2 Dover Street, Port Maitland be approved for a grant to be funded from the Community Improvement Plan Reserve, to a maximum of \$32,558, pending Council approval of the additional contribution to the Community Improvement Plan Reserve, to be included in the Draft 2018 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;
4. AND THAT the terms set out in the agreement between the Property Owner and Haldimand County shall include a clause that identifies that the property at 2 Dover Street, Port Maitland must operate as a short-term accommodation serving the needs of the travelling or vacationing public for a minimum of 3 years. If these terms are not met, the grant will be repayable to Haldimand County as determined by staff.

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Respectfully submitted: Craig Manley, MCIP, RPP, General Manager of Planning and Economic Development

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

The proposal is to renovate a portion of an existing multi-residential building at 2 Dover Street, Port Maitland into commercial roofed accommodations utilizing financial support from the Rural Business and Tourism Community Improvement Plan (RBTCIP). Economic Development and Tourism staff recommend that this application be approved for funding under the RBTCIP, 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 sixteen (116) Downtown Areas CIP applications and sixteen (16) RBTCIP applications have been approved (including this report PED-EDT-01-2018). One Hundred and twenty-one (121) 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 and York have been approved under the RBTCIP.

Summary of the 132 Downtown Areas CIP and RBTCIP Applications (including PED-EDT-01-2018) Considered by Council:

Financial Incentive Program <i>(Including PED-EDT-01-2018)</i>	Downtown Areas	Rural Business and Tourism
Application and Permit Fees Refund	\$164,617	\$10,915
Building Restoration, Renovation and Improvement	\$48,527	\$100,147
Downtown Housing Grant	\$127,971	N/A
Heritage Improvement Grant	\$20,000	\$19,923
Façade Improvement Grant	\$694,504	\$67,076
Total value of CIP grants provided by the County**	\$1,055,619	\$198,061
Total construction value of CIP Projects	\$4,963,791	\$575,421
Grant values as a percentage of construction values	21%*	34%
Council approved transfers from CIP Reserve for other initiatives	\$6,360	
Total funds remaining in CIP Reserve (Subject to approval of 2018 operating budget)	\$140,315	

* **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 \$5.00 of private funding has been invested. 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.

ANALYSIS:

The final completed application for the property known as 2 Dover Street, Port Maitland was received December, 2017. A location map has been included in this report as Attachment 1. Contact with EDT staff occurred in September 2017, and since that time, staff has worked with the applicant to finalize their plans and prepare the subject application for Council's consideration. This application is for the Façade, Landscape & Signage Improvement Grant, Building Restoration, Renovation and Improvement Grant, Development Charges, and Planning Fees & Building Permit Grant programs. The property currently is multi-residential with several units which provide long terms rentals. The existing layout can be found in Attachment 2, an exterior photo of the existing property can be found in Attachment 3.

Proposed Improvements

The application being presented for Council's consideration utilizes multiple grant programs for conversion of residential space into commercial roofed accommodation under the provisions of the County's Rural Business and Tourism Community Improvement Plan. No previous applications have been submitted for the property. The proposed improvements to the property include the renovations of a portion of the building at 2 Dover Street, Port Maitland to create a total of four (4) units serving the needs of the travelling or vacationing public by offering temporary occupancy. This includes reframing of the existing space as well electrical, plumbing, drywall work, installation of kitchen cabinets and new bathroom fixtures, the proposed layout can be found in Attachment 4. Exterior improvements include new windows and doors to establish new entries for the units, a drawing of the improvements can be found in Attachment 5.

The property at 2 Dover Street is of significance to the community. Port Maitland has been a well known destination and had a reported 130 rooms for rent in the early 1900's. The property at 2 Dover Street was previously known as the Hotel Exchange and Maitland Arms Hotel and were popular hotels and entertainment establishments. Unfortunately, there were a couple of fires on the property which led to the construction of the current structure at 2 Dover Street. The current occupancy is long term rental of rooms. Some units share kitchen, living room and bathroom space, and do not have direct access from the exterior of the building and must be accessed from an internal hallway. The building is in need of substantial improvements before it could be rented for short term occupancy to the travelling/vacationing public. The applicant is proposing about half the existing building being renovated as a first phase in the redevelopment of the property, with future phases including a limited service restaurant and renovation of the remaining units into vacation units. A letter of intent has been submitted and is included in Attachment 6.

Intent of the Rural Business and Tourism Community Improvement Plan

The recently approved Tourism Strategic plan identifies the current lack of accommodations as a an obstacle to growing the tourism sector in the County. This has been an ongoing issue and from a economic development perspective represents a lost opportunity for tourism revenue in the County. Regional statistics demonstrate that the average spend per person per overnight visit in Ontario's

Southwest region (including Haldimand County) is \$182, while the average spend 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. All commercial roofed accommodations are eligible under either program. Other initiatives to increase the number of accommodations have included zoning reforms to allow for the establishment of bed and breakfast or farm stays as a value added agricultural activity.

Port Maitland is of particular significance to tourism development in Haldimand County. The hamlet is one of the few areas of publically owned waterfront property which was identified through the Lakescape Action Plan. A number of improvements have been made in the Port Maitland area to facilitate improved recreational activities for visitors and residents. This has included paving of the parking lot, upgrades to the Port Maitland Esplanade Park and additional public parking and beach access off of Dover Street.

The existing lighthouse and pier offers scenic enjoyment as well as being a popular fishing destination in the County. A public boat launch is also available in addition to private marinas located along the Grand River. Port Maitland is part of the County cycling routes, and is also identified in many tourism publications as a fishing and recreation destination. While Port Maitland is a key destination in the County there are limited commercial enterprises in the hamlet itself to support tourism development. The establishment of an accommodation would be a new offering for visitors in the immediate area and could eventually lead to increased spending in the community.

This application meets the intent of the Community Improvement Plan and assists in increasing the number of available rooms in Haldimand County.

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
17	Port Maitland	2 Dover Street	\$160,000	\$32,558	20%
Façade, Landscape, & Signage Improvement Grant					\$5,189
Building Restoration, Renovation & Improvement Grant					\$25,000
Development Charge, Planning Fees & Building Permit Fees					\$2,369
Total Grant to 2 Dover Street, Port Maitland					<u>\$32,558</u>
Project Description	Conversion of existing residential space into 4 units for temporary occupancy for the travelling or vacationing public.				
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. Building Permit will be required. 3. The renovated portion of the property at 2 Dover Street, Port Maitland must operate as an establishment serving the needs of the travelling or vacationing public by offering temporary occupancy 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 has approved a total of \$1,259,685 from this Reserve. This application requires \$32,558 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 2018 Tax Supported Operating Budget (to be presented to Council on March 6, 7 and 8, 2018) 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 \$140,315. Staff proposed that this application be approved, contingent upon the approval of this additional funding.

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 Controls and By-law Enforcement, Planning and Development, Community Development and Partnerships (Heritage and Culture) and Finance Divisions. Once this project has received Council approval, staff from the Building Controls and By-law Enforcement Division 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.

The project is taking place in the hamlet of Port Maitland and aligns with a number of tourism development and promotion projects.

REPORT IMPACTS:

Agreement: Yes

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Location Map of 2 Dover Street, Port Maitland.
2. Existing Floorplan of 2 Dover Street, Port Maitland.
3. Existing Exterior Photo of 2 Dover Street, Port Maitland.
4. Proposed Floorplan of 2 Dover Street, Port Maitland.
5. Proposed Exterior of 2 Dover street, Port Maitland.
6. Letter of intent from Applicant.