



Financial Incentive Programs

in the City of Hamilton, Downtown and Community Renewal Division

Introduction

The City of Hamilton's Downtown and Community Renewal Division offers six different kinds of financial incentive programs that assist with various costs related to development and property improvements for properties that are located in Hamilton's six Downtowns; 13 Business Improvement Areas (BIAs); and along "Main Street Corridors". In addition to the financial incentives offered by these programs, all development charges levied by the City of Hamilton are exempt in the Downtown Hamilton Community Improvement Project Area. However, education development charges are applicable. All other fees such as Building Permit fees and parkland dedication are also applicable.

What is a Business Improvement Area (BIA)?

A Business Improvement Area is a geographical area within a municipality that is recognized as needing a more attractive physical environment in order to create a more successful business in the community. A BIA allows local business people and property owners to join together and, with the support of the municipality, organize, finance and carry out physical improvement and promote economic development in their district. A BIA board of management is composed of property owners and business operators, along with at least one member of council,

and is set up to provide certain business promotion and improvement functions.

What are Hamilton's Downtowns?

- Downtown Hamilton
- Ancaster Village Core
- Binbrook Community Core
- Downtown Dundas
- Downtown Stoney Creek
- Waterdown Village

Are there maps that indicate where these loans and grants apply?

There are various maps that you will find useful. They include maps for the BIAs, “Main Street Corridors”, the Downtown Hamilton Community Improvement Project Area and, Community Downtowns. All of these resources can be found online at www.hamilton.ca/pedmaps. Hard copies of these maps can also be found at the One-Stop for Business on the first floor of City Hall.

What are the six financial incentive programs?

1. Commercial Property Improvement Grant Program (CPIG)

Commercial property owners and owner-authorized tenants within the City’s active BIAs may receive financial assistance for enhancing the physical and aesthetic appearance of building façades and entranceways.

Who is eligible? Property owners and authorized tenants.

What areas? Active BIAs.

How much is the financial incentive? The CPIG program provides a grant for eligible improvements for properties with a street frontage greater than 25 ft, on a matching basis of \$400 per linear foot of street frontage, up to a maximum of \$20,000 (\$25,000 for corner properties and where at least one side is exposed to a street). Properties that have a street frontage of 25 ft. or under, the maximum matching grant is \$10,000 (\$12,500 for corner properties and where at least one side is exposed to a street). An additional matching grant up to \$10,000 is available for art pieces placed on private property along the Urban Art Walk on King William Street between James Street and Ferguson Avenue.

Is there an application fee? Yes, there is an application fee of \$310.

2. Hamilton Heritage Property Grant Program

The Hamilton Heritage Property Grant Program (HHPGP) provides financial assistance in the form of a grant for structural/stability work required to conserve and restore heritage features of properties; the conservation and restoration of heritage features of properties; and for heritage studies/reports/assessments for properties that are designated under Parts IV or V of the Ontario Heritage Act.

Who is eligible? Property owners and any person whom the owner has assigned the right to receive the grant.

What areas? Active BIAs, Downtown Hamilton Community Improvement Project Area.

How much is the financial incentive? The grant is based on 25% of the total cost of restoration of the property to a maximum grant of \$150,000. An additional \$20,000 is available for heritage related assessments/studies/reports.

Is there an application fee? Yes, there is an application fee of \$310.

3. Hamilton Downtown Property Improvement Grant Program

This grant encourages projects that develop or renovate residential and/or commercial land and buildings within the Downtown Hamilton Community Improvement Project Area. For each grant application approved, the program will authorize a five-year grant, in an amount not exceeding the increase in municipal realty taxes as a direct result of the development/redevelopment of the land and/or building. Approved grants shall not exceed 100% of the municipal realty tax increase during the first year, 80% in year two, 60% in year three, 40% in year four and 20% in year five. Grants will not exceed the costs of the property’s development/redevelopment. The grant can only be assigned by a property owner to the initial purchaser of each new condominium unit or, to the City of Hamilton as payment of their loan under the Hamilton



Downtown/West Harbourfront Remediation Loan Program (a program administered by the Economic Development Division). As a pilot project, from May 2010 to April 2011, the City will waive the requirement that a building have an annualized vacancy rate of 50% for eligibility purposes.

Who is eligible? Property owners.

What areas? Downtown Hamilton Community Improvement Project Area.

How much is the financial incentive? The amount cannot exceed the increase in municipal realty taxes as a direct result of the development/redevelopment of the land and/or building. Realty taxes are required to have been paid as billed each year for the grant to be advanced.

Is there an application fee? There is a \$660 application fee, and a one time administration fee of \$340 per unit when an owner assigns the grant to condominium purchasers. The fee is deducted from the condominium purchasers' initial grant payments.

4. Commercial Corridor Housing Loan and Grant Program

This Program is intended to provide financial assistance for converting existing built commercial space into residential units, renovations to existing residential units or construction of new units via building additions. The Program is also intended to provide assistance for the costs of creating new residential units on vacant land.

Who is eligible? Property owners.

What areas? Downtown Hamilton Community Improvement Project Area; City of Hamilton's Community Downtowns; active and dormant Business Improvement Areas; and "Main street" corridors as identified in the Downtown and Community Renewal Community Improvement Project Area By-law.

How much is the financial incentive?

The zero percent interest loan is calculated on the basis of \$10,000 per dwelling unit, to a maximum of \$200,000 per property. The grant provides up

to \$5,000 per property for professional fees paid.

Is there an application fee?

An application fee of \$250 must accompany the final application. An administration fee of \$260 per unit is also charged to the borrower and will be paid out of the first loan advance that flows from the City of Hamilton.

5. Hamilton Downtown Multi-Residential Property Investment Program

This Program is intended to provide financial assistance for projects that result in predominantly residential development including converting existing commercial space into residential units; renovations to existing residential units; the creation of new residential units on vacant land (vacant lands include properties developed as parking lots); together with uses accessory to the residential development. A multiple dwelling must contain at least three (3) dwelling units.

Who is eligible? Property owners.

What areas? Downtown Hamilton Community Improvement Project Area.

How much is the financial incentive? The maximum zero percent interest loan amount is 25% of the Cost to Construct Budget prepared by an architect/engineer and addressed to the City of Hamilton and dated within 6 months of the date of application. For loans \$1 million or above, a letter addressed to the City from a third-party quantity surveyor approving the Cost to Construct Budget must accompany the application.

Appraisals submitted at time of application are to be addressed to the City of Hamilton and include replacement costs.

Is there an application fee? An application fee of \$255.00 must accompany the application. An administration fee of \$500.00 per unit for developments under 50 units; \$400.00 per unit for developments between 50 and 100 units and \$300.00 per unit for projects over 100 units is charged to the borrower and will be paid out of the first loan advance that flows from the City of Hamilton.

6. Hamilton Downtown Office Tenancy Assistance Program

This Program aims to reduce the Downtown office vacancy rate by attracting new office tenants and owner-occupied office uses from outside the City, and to assist existing Downtown businesses to expand in the Downtown. It provides a low interest loan to building owners or tenants to support eligible leasehold improvements to office buildings located within the Downtown Hamilton Community Improvement Project Area.

Who is eligible? Property owners or tenants.

What areas? Downtown Hamilton Community Improvement Project Area.

How much is the financial incentive? The amount of the low interest loan depends on the square foot area and term of lease or owner-occupied status of the office space, to a maximum of \$450,000 per application.

Is there an application fee? An application fee of \$400.00 must accompany the application.

Where can I find the specific eligibility requirements and terms of each of the incentive programs?

You can ask staff from the One-Stop for Business at City Hall (www.hamilton.ca/onestop) for the complete program overview or access the details online at www.investinhamilton.ca/financial-incentive-programs/financial-incentive-programs.html

Where can I apply?

You can either apply directly online at www.investinhamilton.ca/financial-incentive-programs.com or you can visit City Hall and fill out a printed application. There are no deadlines for the incentive programs. Applications are accepted all year round.

Where can I find out information about Building Permits?

In general, a Building Permit is required to erect, install, extend, alter, or repair a building. A Demolition Permit is required to demolish all or part of a building. It is the property owner's responsibility to ensure, when necessary, that a Building Permit is obtained before beginning any construction or demolition. If you are unsure if a permit is required, please review the details of the work with our Customer Service Representatives, prior to construction or demolition. You can contact a Customer Service Representative from the Building Services Division at 905-546-2720 or via email at building@hamilton.ca. To access information about Building Permits online you can go to www.hamilton.ca/buildingpermits.

For more information contact:

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