

Staff Report

Report To: City Council
Report From: Jocelyn Wainwright, Junior Planner
Meeting Date: November 20, 2024
Report Code: CS-24-101
Subject: Capital Grant Program Applications for 945 2nd Avenue East (Sunday Service)

Recommendations:

THAT in consideration of Staff Report CS-24-101 respecting Capital Grant Program Applications for 945 2nd Ave E (Sunday Service), the Community Services Committee recommends that City Council:

1. Approve the application for a Façade and Structural Improvement grant (33% of eligible costs, up to a maximum of \$5,000) subject to the conditions outlined in Schedule 'F';
2. Approve the application for an Accessibility Improvement grant (50% of eligible costs to a maximum of \$10,000), subject to conditions in Schedule F; and
3. Direct staff to bring forward a by-law to execute a Financial Incentive Program Agreement between the City and the property owner for the completion of the façade and structural improvement and accessibility improvement works.

Highlights:

- Applications to the City's Façade and Structural Improvement Grant Program and Accessibility Improvement Grant Program have been received from Beth Milne for Sunday Service.

- The applicant is proposing to undertake exterior improvement works at 945 2nd Ave E.
- The proposed exterior work on the front (west) façade seeks to reproduce elements of the building’s original architectural appearance and create an accessible main entrance.
- The proposed improvements will support the renovation of the ground floor of the building into a restaurant.
- The applications meet the eligibility criteria under the Façade and Structural Improvement Grant Program and the Accessibility Improvement Grant Program.
- The estimated amount of grant funding across both grant programs is a total of \$15,000. There is sufficient funding remaining in the 2024 budget and reserve funds to approve the grant at the recommended amount.
- As a portion of the works have commenced and the expected amount of grant funding exceeds \$10,000, the criteria for approval by staff delegation have not been met.
- Staff recommend approval of the application to the Façade and Structural Improvement Grant Program and Accessibility Improvement Grant Program, subject to conditions of approval.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: Prosperous City - KR3 - Commit 90% of the Community Improvement Program Grant funding allocation to the façade, business start-up, landscape, and accessibility programs each fiscal year.

Climate and Environmental Implications:

There are no anticipated climate or environmental impacts.

Previous Report Authority:

[The City of Owen Sound Community Improvement Plan](#)

Background:

The property owner, Beth Milne, is establishing a new business, Sunday Service at 945 2nd Ave E. As part of establishing a new business the owner is

looking to undertake exterior improvements on the building and has submitted applications under the Façade and Structural Improvement Grant Program and Accessibility Improvement Grant Program. The applications are attached to the report as Schedule 'A'.

The subject property is located on the east side of 2nd Ave E, towards the middle of the 900 block. The building fronts on 2nd Ave E, and the north side façade and east rear façade of the building abut a privately owned laneway, and parking lot, respectively. The property is located within the River District and is within the program area boundaries under the Community Improvement Plan (CIP).

The subject property is designated 'River District Commercial' by the City's Official Plan (OP, 2021) and is zoned 'Core Commercial' (C1) with Special Provision 14.84. The Downtown Commercial policies of the OP encourage a strong retail sector in this area, with appropriate supporting programs to market the Downtown retail area and to promote building and parking improvements (policy 4.2.3.1). The policies of the OP generally support the provision of a safe and accessible urban environment for all persons (3.5.2.1). The proposed restaurant use of the building is permitted within the C1 Zone. Special Provision 14.84 regulates the placement and size of residential uses in combination with permitted non-residential uses within the first storey of a building. There are no residential uses proposed on the first storey; therefore, Special Provision 14.84 does not place a limitation on the proposal.

The City's Harbour & Downtown Urban Design and Master Plan Strategy further identifies the property as being within both the Downtown River and Central Downtown Precincts. The Downtown River Precinct is the heart of the City's Downtown and is intended to provide a strong pedestrian environment with links to greenspace and a consistent commercial character along 2nd Ave E. Section 1.1 of the Master Plan specifically identifies 1st Ave E, between 8th St and 10th St and 2nd Ave E and the Sydenham River, as an opportunity to create a shopping and restaurant area that reinforces the attraction of main street.

Proposed Work

The applicant is proposing to undertake exterior redesign work on the first storey of the front (western) façade to reproduce the original style of the façade. A historic photo of the original façade and a photo of the building's

existing façade has been attached to the report as Schedule 'B' and 'C,' respectively. The proposed work also includes the installation of an accessible door and ramp at the main entrance to the building from 2nd Ave East.

1. Under the Façade and Structural Improvement Grant Program, the following proposed works on the ground floor of the front (west) façade are eligible for grant funding:

- Removal of existing exterior stone cladding, mesh, plywood, windows and doors (this work is complete);
- Replacement of plywood;
- Construction of column frames;
- Installation of new brick, wire mesh and scratch coat; and
- Installation of two (2) new windows and one (1) transom window above the doorway.

2. Under the Accessibility Improvement Grant Program, the following proposed works to the main entryway are eligible for grant funding:

- Installation of new accessible door and door opener; and
- Installation of an accessibility ramp.

Analysis:

All five capital grant programs under the City's Community Improvement Plan, including the Façade and Structural Improvement Grant Program and the Accessibility Improvement Grant Program, are processed on a first-come, first-serve basis. Sufficient funds remain in the allocated 2024 CIP grant budget and reserves to consider the request.

Community Improvement Plan Policies

The CIP is intended to be read in its entirety. Interpretation of the CIP will be at the discretion of the Plan Administrator and City Council or its designated approval authority (the Director of Community Services jointly with the City Manager). Section 7.2 of the CIP provides guidance on the general process and submission requirements for applications.

7.2.3 Application Prior to Commencement of Works

An application must be submitted to the City prior to commencing any community improvement works. If an application is submitted following the

commencement of community improvement works the application will be rejected upon receipt.

Staff are bringing forward the applications for consideration by Council as demolition has commenced and the expected grant funding amount exceeds \$10,000.

The applicant has been consulting with staff on their applications to the Façade and Structural Improvement Grant Program and Accessibility Improvement Grant Program since September and submitted complete applications in October prior to commencing demolition and other eligible work. Since the submission of the application, elements of the first-storey façade, such as exterior cladding, windows, and doors have been removed. Staff understood that the applicant needed to begin working on the exterior of the building prior to receiving grant approval as there are fewer good weather days as winter approaches.

The estimated combined grant funding under the Façade and Accessibility Grant Programs exceeds \$10,000, which is the limit that can be approved through staff delegation. Therefore, the applications are required to be approved by the Council. Typically, applications approved through staff delegation are reviewed and approved in less than time than applications that are brought forward for consideration by the Community Services Committee and final approval by Council. Given the timelines for Committee and Council meetings, the applications would not be able to receive approval prior to December 4th. Staff recognize that waiting to begin work until after receiving approval could make it difficult to complete the work as the weather becomes more unpredictable heading into winter. Therefore, staff recommend that the Council approve the applications retroactively, recognizing that the winter season was placing timing constraints on the project.

7.2.4 Applicant to Declare Other Funding All sources of additional funding or incentives must be declared at the time of submission. The Plan Administrator is entitled to make recommendations for incentive reductions based on any declared funding or incentive.

The property owner has received a grant of \$15,000 from the Federal Economic Development Agency for Southern Ontario under the My Main Street Grant Program to reclad the façade in brick. A quote from RG Mansory submitted in support of the application to the Façade and Structural

Improvement Grant Program estimates the cost of the brick to be \$15,340 (pre-HST). The cost estimate from RG Masonry is attached hereto as part of Schedule 'D'.

To ensure that the applicant does not receive grant funding for brickwork under both the My Main Street Grant and the Façade and Structural Improvement Grant Program, staff have included a condition of approval that provides that any brickwork costs up to \$15,000 are ineligible for grant funding from the City. Based on the quote provided, this would mean that of the estimated \$15,340 in brickwork, only \$340 would be eligible for grant funding from the City.

The remainder of the eligible works listed in the quote, such as removing and replacing plywood and wire mesh and constructing new framing and windows, are estimated to cost \$7,600 (pre-HST). A quote for the proposed windows was also provided, which estimates the cost of the windows at \$16,252.06 (pre-HST). In accordance with the Guidelines, single façade improvements must have a minimum project cost of \$3,000.

Notwithstanding the deducted eligible costs of the brickwork as a result of the funding provided through the My Main Street Grant, the application meets the project cost criteria.

Façade and Structural Improvement Grant Program

The [Façade and Structural Improvement Program Guidelines](#) ("the Guidelines") provide the criteria for evaluating applications and specify eligible and ineligible works.

The Façade and Structural Improvement Grant Program may provide incentives to projects where:

- a) The project results in improvements to one (1) or more façades that are in full view of the public; and/ or
- b) Council, in its sole discretion, may consider other projects which have heritage merit and meet the overall intent of the program.

The subject application meets the project eligibility criteria a) as the project will improve the front (west) façade, which fronts onto 2nd Ave E, a municipal road that is in full view of the public.

In evaluating a façade application, the Guidelines direct that the application be assessed against three main criteria:

1. Consistency with the Guidelines and the original architectural design of the building;
2. The extent to which a project addresses life safety and major structural deficiencies, where applicable; and,
3. Overall benefits to the Downtown and Harbour Area and consistency with the City's Official Plan and other applicable policies.

The proposed work fits the criteria for "redesign," as outlined in the eligible projects section of the Guidelines (pg.16). The ground floor of the front façade has been significantly altered over the year, as can be seen in the photos attached hereto, as Schedule 'B' and 'C', which show a rendering of the building original façade and a more recent photo of the façade taken this fall. The intent of the redesign is to reproduce parts of the façade's original architectural composition, as shown in the historic photo of the building, using modern materials and features, including new windows, doors, and a brick veneer front façade, to reproduce many of the key elements of the façade's original architectural design. Based on the historic photo it appears that many elements of the second storey of the front façade are original, including the window openings, pilasters, cornices, corbelling, window sills, as well as the rounded corner. Staff note that the shape of the building's corner on the first storey has been changed from a rounded corner to a square corner. The application is not proposing to rebuild the rounded corner as this work was not financially feasible.

The Guidelines provide that exterior siding shall be compatible in type, texture, and colour with the original materials of the subject building and the surrounding area (pg. 25). The first storey of the building is proposed to be clad in yellow and red-orange brick veneer to match the existing colour scheme and pattern of the brick as seen on the second storey of the building.

The existing un-original display windows and door on the first storey have been removed and are proposed to be replaced with two (2) new windows and a new accessible door similar in size, configuration, and style to the original doors and windows shown in the historic photo. The Guidelines provide that replacement windows should be the same size and configuration as the original windows they replace (pg. 26). The proposed accessible door is discussed in detail under the Accessibility Improvement Grant Program section of the report.

As noted, the project proposes to reproduce the decorative façade elements such as the pilasters and cornices. The Guidelines encourage the restoration of elements to their original condition (pg. 29). As the original pilasters and cornices have been removed from the façade, it is not possible to restore these features. In the opinion of staff, using a brick veneer to replicate the pillars and cornices in their original colour and composition meets the intent of the guidelines.

Staff are supportive of the proposed design and anticipate that the building's new façade will improve the vibrancy of the 2nd Ave E streetscape.

There are no known life safety or major structural deficiencies present within the building. The proposed structural work is required to be carried out under a Building Permit. The applicant has submitted a Building Permit Application with engineered drawings. The applicant's contractors will be required to obtain a Temporary Encroachment Permit to use a portion of the City's road allowance for scaffolding, hoarding, ladders etc. Staff anticipate that the Building Permit will be approved prior to grant approval and are recommending that Council approve the grant retroactively, as discussed in the Community Improvement Plan Policies section of the report.

The Facade and Structural Improvement Grant Program provides that the program may waive Building Permit fees for façade and structural improvements. As staff anticipate that the Building Permit will be approved prior to grant approval, a condition of approval has been included in Schedule 'F', that requires the Building Permit Fees to be paid at the time of Building Permit application, and that the applicant may submit the Building Permit receipt once the improvement works are completed and be reimbursed for the fees at the time of grant payout.

The program encourages projects that revitalize deteriorating buildings, help make the River District a more inviting and interesting place, and support a distinctive and attractive downtown. The proposed façade design will give the building a much-needed facelift and incorporate historic features into the downtown streetscape, which will benefit the River District and Harbour Area.

The application to the Façade and Structural Improvement Grant Program is consistent with the respective program guidelines. Planning Staff support the proposed works and recommend approval of the application, subject to the conditions outlined in Schedule 'F.'

Accessibility Improvement Grant Program

The applicant is proposing to install a new accessible door and door opener as well as an accessibility ramp at the main entrance of the building on 2nd Ave E.

The [Accessibility Improvement Grant Program Guidelines](#) (“the Guidelines”) identify eligible and ineligible works under the program (Sections 5 and 6). Generally, the program is intended to support projects that undertake accessibility retrofits to existing commercial, industrial, mixed-use, or multi-unit residential buildings. The owner is eligible to apply for this program as the proposed accessibility retrofits will support a new restaurant in an existing commercial building.

In accordance with the Guidelines, accessibility improvement projects must have a minimum project cost of \$5,000 in order to be considered eligible. This criterion is satisfied. An estimate of the proposal is provided in Schedule ‘D’.

The Guidelines identify that the installation of accessible doors as part of an accessible route is an important consideration for all users of a facility (Section 6.1.7) and is an eligible work under the program. The proposed location of the accessible door is located at the front (west) entrance of the building. Under the program, the general requirements for accessible doors and doorways include:

- High tonal contrast to differentiate doors and/or door frames from the surrounding environment should be provided.
- Frameless and fully glazed doors should not be used.
- Where automatic doors are provided ensure that sensors are suitably placed to detect users approaching and ensure timing allows for safe passage through doorways.
- Power door operators may be vertical or circular plates.

Further, the Guidelines require that the detailed design and installation of accessible doors and doorways, including, but not limited to, clearance width, opening force, thresholds, hardware, and installation and placement of accessible power operators, must conform to AODA, OBC and City standards at the time of program application.

The application proposes that an exterior accessibility ramp be installed for patrons to gain access to the main entrance on 2nd Ave E. The Guidelines

identify that the steepness of the ramp, space for turning at landings, and handrail design are important safety and function considerations in the installation of a ramp.

Additionally, the detailed design of ramps, including, but not limited to, clear width, slopes, landings, guards and handrails, must conform to the AODA, OBC and City standards in force and effect at the time of program application

As previously noted, a Building Permit Application has been submitted for the structural work on the façade. However, staff have confirmed that the drawings submitted as part of the Building Permit Application do not show the proposed accessible door or ramp. Staff note that the building currently has a recessed entryway and that there is limited space between the existing door and the property line, and the proposed ramp cannot encroach into the City's sidewalk. As the design for the accessibility ramp has not been submitted, staff anticipate that to meet AODA requirements, the applicant may consider moving the ramp to the interior of the building, similar to the design of the interior accessibility ramp in the Milk Maid. The Guidelines provide that buildings in the River District may benefit from interior and exterior accessibility improvements. Staff are supportive of either an interior or exterior accessibility ramp.

All accessibility improvements under this program must have a Building Permit issued by the City's Building Division. Conditions of approval included in Schedule 'F' require the following:

- That the applicant must submit drawings showing the proposed accessibility ramp and door to their existing Building Permit Application;
- That the drawings showing the accessibility improvements and drawings showing the structural improvements must correspond with each other; and
- That works completed without a Building Permit will be ineligible to receive grant funding.
- The accessibility ramp cannot be located in the municipal road allowance (including the sidewalk).

The proposed accessibility improvements meet the intent of the Guidelines, and staff recommend the approval of an Accessibility Improvement Grant, subject to conditions in Schedule 'F'.

Financial Implications:

The applicant is eligible for a single façade grant of 33% of eligible costs to a maximum of \$5,000. The estimated Façade and Structural Improvement grant is a maximum of \$5,000 based on \$24,192.06 in eligible work.

Additionally, the applicant is eligible for an accessibility improvement grant of 50% of eligible costs up to a maximum of \$10,000. The estimated grant is a maximum of \$5,150 based on the estimated \$10,300 in work provided.

The available budget for CIP programs in 2024 is \$60,000. It merits note \$17,500 of the 2023 budget was unspent and remains available in the City's reserve funds.

So far this year, \$50,000 in grant funding has been approved under the Accessibility Improvement Grant Program, the Façade and Structural Improvement Grant Program, and the Start-up Leasehold Improvement Grant Program.

If the subject applications were approved at their respective maximum grant amounts, the 2024 budget would be spent and \$12,500 of the unspent 2023 budget would remain to fund other projects under the capital grant programs.

Communication Strategy:

Staff continue to promote the financial incentive programs available under the CIP and provide assistance as needed.

Consultation:

Communication with the applicant.

Attachments:

- Schedule 'A': Application Form
- Schedule 'B': Historic Photo
- Schedule 'C': Existing Façade Conditions
- Schedule 'D': Cost Estimates
- Schedule 'E': List of Approved Works
- Schedule 'F': Conditions of Approval

Recommended by:

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Reviewed by:

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For more information on this report, please contact Jocelyn Wainwright, Junior Planner at, planning@owensound.ca or 519-376-4440 Ext. 1250.