



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.4.1

Halifax Regional Council
July 21, 2015

TO: Mayor, ~~Savage~~ and Members of Halifax Regional Council

SUBMITTED BY: Original Signed

Jason Cooke, Vice Chair, Heritage Advisory Committee

DATE: June 26, 2015

SUBJECT: Case H00415: Heritage Incentives – Barrington Street Heritage Conservation District Grants 2015-16

ORIGIN

Motion by the Heritage Advisory Committee from a meeting held on June 24, 2015.

LEGISLATIVE AUTHORITY

Section 21 of the Halifax Charter regarding Standing, Special and Advisory Committees.

By-Law H-200 Respecting the Establishment of a Heritage Advisory Committee and a Civic Registry of Heritage Property.

RECOMMENDATION

The Heritage Advisory Committee recommends Halifax Regional Council:

1. Approve a grant of not more than \$100,000 and a tax credit of not more than \$160,500 for the restoration and renovation of the Pacific building located at 1537 Barrington Street as described in the report dated June 5, 2015.
2. Approve a grant of not more than \$38,017 for the restoration and renovation of the Wright building located at 1672 Barrington Street as described in the report dated June 5, 2015.
3. Approve a grant of not more than \$62,540 for the restoration and renovation of the Cleverdon building located at 1711 Barrington Street as described in the report dated June 5, 2015.
4. Approve a grant of not more than \$65,664 and a tax credit of not more than \$8,963 for the restoration and renovation of the W.M. Brown building located at 1549 Barrington Street as described in the report dated June 5, 2015.
5. Approve a grant of not more than \$71,281 for the restoration and renovation of the Phinney building located at 1678 Barrington Street as described in the report dated June 5, 2015.
6. Approve a grant of not more than \$33,416 for the restoration and renovation of the Johnson building located at 1663-65 Barrington Street as described in the report dated June 5, 2015.

Recommendations continued pg. 2

7. Approve a grant of not more than \$100,000 and tax credit of not more than \$9,207 for the restoration and renovation of the D'Allaird building located at 1645-49 Barrington Street as described in the report dated June 5, 2015.
8. Approve the grants and tax credits referenced in recommendations 1 to 7 above conditional upon, and payment to the respective applicant shall not be made until, the respective applicant has:
 - a) completed the work set out in the respective application to the satisfaction of the Municipality;
 - b) provided well organized receipts and invoices, in a format acceptable to the Municipality, to support the total amount approved; and
 - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that the owner will not apply to demolish, nor will they demolish, the respective property for 20 years from the date of the agreement.
9. Approve the transfer of any approved but unused grant funds (at fiscal year-end) from the 2015- 16 Barrington Street Heritage Conservation District Incentives Program budget, \$100,000 from account C310-8004 Planning & Applications, to the Cultural Development Reserve (account Q312) for expenditure once the approved projects are completed.

BACKGROUND

At the June 25, 2015 Heritage Advisory Committee meeting, staff presented the report detailing the seven applications recommended for grants and tax credits for the 2015-16 Barrington Street Heritage Conservations District Financial Incentives program.

DISCUSSION

Following the presentation, staff responded to questions. The Committee expressed no concerns with staff's recommendations and passed a motion endorsing the recommendation, as noted above.

FINANCIAL IMPLICATIONS

The attached staff report addresses financial implications.

COMMUNITY ENGAGEMENT

The Heritage Advisory Committee is an Advisory Committee to Regional Council comprised of 10 volunteer members of the public and two Councillors. The meetings are open to the public and the agendas and minutes are posted at www.Halifax.ca.

ENVIRONMENTAL IMPLICATIONS

None.

ALTERNATIVES

The Committee did not provide alternatives.

ATTACHMENTS

Attachment 'A': Staff report dated June 5, 2015

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Sheilagh Edmonds, Legislative Assistant

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Heritage Advisory Committee
June 24, 2015

TO: Chair and Members of the Heritage Advisory Committee

SUBMITTED BY: Original Signed by:

Bob Bjerke, Chief Planner & Director, Planning and Development

DATE: June 5, 2015

SUBJECT: Case H00415: Heritage Incentives – Barrington Street Heritage
Conservation District Grants 2015-16

ORIGIN

HRM Barrington Street Heritage Conservation District Financial Incentives Program.

LEGISLATIVE AUTHORITY

Heritage Property Act, and the Barrington Street Heritage Conservation District Revitalization Plan.

RECOMMENDATION

It is recommended that the Heritage Advisory Committee recommend that Halifax Regional Council:

1. Approve a grant of not more than \$100,000 and a tax credit of not more than \$160,500 for the restoration and renovation of the Pacific building located at 1537 Barrington Street as described in this report.
2. Approve a grant of not more than \$38,017 for the restoration and renovation of the Wright building located at 1672 Barrington Street as described in this report.
3. Approve a grant of not more than \$62,540 for the restoration and renovation of the Cleverdon building located at 1711 Barrington Street as described in this report.
4. Approve a grant of not more than \$65,664 and a tax credit of not more than \$8,963 for the restoration and renovation of the W.M. Brown building located at 1549 Barrington Street as described in this report.
5. Approve a grant of not more than \$71,281 for the restoration and renovation of the Phinney building located at 1678 Barrington Street as described in this report.

6. Approve a grant of not more than \$33,416 for the restoration and renovation of the Johnson building located at 1663-65 Barrington Street as described in this report.
7. Approve a grant of not more than \$100,000 and tax credit of not more than \$9,207 for the restoration and renovation of the D'Allaird building located at 1645-49 Barrington Street as described in this report.
8. Approve the grants and tax credits referenced in recommendations 1 to 7 above conditional upon, and payment to the respective applicant shall not be made until, the respective applicant has:
 - a) completed the work set out in the respective application to the satisfaction of the Municipality;
 - b) provided well organized receipts and invoices, in a format acceptable to the Municipality, to support the total amount approved; and
 - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that the owner will not apply to demolish, nor will they demolish, the respective property for 20 years from the date of the agreement.
9. Approve the transfer of any approved but unused grant funds (at fiscal year-end) from the 2015-16 Barrington Street Heritage Conservation District Incentives Program budget, \$100,000 from account C310-8004 Planning & Applications, to the Cultural Development Reserve (account Q312) for expenditure once the approved projects are completed.

BACKGROUND

In 2009, Regional Council adopted the Barrington Street Heritage Conservation District (BSHCD) Plan and By-law which included a financial incentives program to encourage restoration and renovation of buildings within the District. Prior to the adoption of the Plan, Council had approved in principle a financial program budget of \$1 million in grants and \$2 million in tax credits spread over five years. In 2009-10, the grant budget was set at \$200,000 for each year of the subsequent four years.

However, at the conclusion of the five years of the BSHCD financial incentives program Council approved a two-year extension for the 2015-16 and 2016-17 fiscal years. The program extension will allow for additional properties in the District to participate in the incentives program and will encourage restoration projects and will improve the District as a whole. These additional two years allows for the reallocation of grant funds which had been previously approved but withdrawn, and will include additional operating budget for two additional years. Table 1 below illustrates the funding available:

Table 1: Operating Budget

Description	Funding Source	Amount
Previously approved & withdrawn BSHCD projects	Cultural Reserve (Q312)	\$317,172
2014-15 annual BSHCD budget	\$150,000 (C310-8004) \$50,000 (Q312)	\$200,000
2015-16 annual BSHCD budget	\$100,000 (C310-8004) \$50,000 (Q312)	\$150,000
	<i>Total Grants Funding Available</i>	<i>\$667,172</i>

Additionally, the estimated tax credit budget of \$2 million for the program has not been fully allocated, and the tax credit budget (M310-8007) was continued for the two-year extension period without an increase in planned program expenditure.

DISCUSSION

For the 2015-16 budget year staff have reviewed seven (7) applications requesting financial assistance under the Barrington Street Heritage Conservation District Incentives program (Map 1 and Attachment A). Table 2 below summarizes the proposed 7 projects:

Table 2: Project Summaries

App	Property	Project Description
15-01	1678 Barrington St. Phinney Building	Storefront restorations, and upper façade restoration including the reinstatement of four 'lost' windows at the 2 nd floor, and replacement of 3 inappropriate windows at the 4 th floor.
15-02	1537 Barrington St. Pacific Building	Storefront restoration including the reinstatement of original configuration of main entrance and shop fronts, and the full restoration/replacement of badly deteriorated terra cotta at the upper building levels.
15-03	1711 Barrington St Cleverdon Building	Storefront repairs including masonry work, and upper façade restoration including window replacements & roof replacement.
15-04	1672 Barrington St. Wright Building	Storefront repairs including restoring main doors and painting, and upper façade restoration including 18 window replacements.
15-05	1663-65 Barrington St. Johnson Building	New contemporary storefront, and upper façade restoration including the reinstatement of two 'lost' windows at 2 nd floor & masonry repairs.
15-06	1645-49 Barrington St. D'Allaird Building	New lobby glazing entrance system, and upper façade restoration includes 62 new windows, masonry repairs, & roof replacement.
15-07	1549 Barrington St. W. M. Brown Building	Storefront repairs, and upper façade restoration including 18 window replacements and roof replacement.

Project Evaluations/Priority Criteria

A staff review has determined that each of the seven applications have meet the basic eligibility criteria for grants and tax credits outlined in the Program Terms and Conditions (Attachment B). Eligibility criteria are specifically addressed in sections 2.5 and 3.5 respectively. Additionally, section 2.9 of identifies four criteria by which the relative merit of each application can be evaluated. The priority criteria state that preference will be given to:

1. Preservation and restoration of historic structural and weatherproofing elements, rather than cosmetic improvements, e.g. restoration of masonry, cladding, windows, doors or roof has greater priority than painting;
2. Restoration of publicly visible features, e.g. an application for restoration of a front façade would have higher priority than a façade facing an interior light well or rear yard;
3. Registered heritage buildings;
4. Buildings in poor condition and at greatest risk for deterioration or loss.

A detailed evaluation and ranking of the applications using these criteria was completed and each project has been given a ranking score. Table 3 below gives an overview of the seven applications listed in order of those with the highest to lowest score. Those with the highest score are deemed to have the most merit based on the priority criteria.

Table 3 – Grant Applications Ordered by Score

Rank	Building	Possible Grant	Possible Tax Credit	Score
1st	1537 Barrington St - Pacific Building	\$100,000	\$160,500	11.1/12
2nd	1672 Barrington St - Wright Building	\$38,017	\$0	8.2/12
3rd	1711 Barrington St - Cleverdon Building	\$62,540	\$0	7.75/12
4th	1549 Barrington St – W. M. Brown Building	\$65,664	\$8,963	7.6/12
5th	1678 Barrington St - Phinney Building	\$71,281	\$0	7.05/12
6th	1663-65 Barrington St - Johnson Building	\$33,416	\$0	7/12
7th	1645-49 Barrington St - D'Allaird Building	\$100,000	\$9,207	6.1/12
TOTALS		\$470,918	\$178,670	

Options for Allocation of Funds

Due to the number of applications this year there are more than the annual \$200,000 grant budget can support. The seven (7) applications total \$470,918 which is more than double the annual grant budget of \$200,000. However, staff believe there are good reasons to consider exceeding the usual annual grant budget and instead allocate full grant funding to each of the seven applications.

Firstly, the program has only been extended for an additional two years, and refusing applications which have been made this year assumes that new applications will be submitted next year. Secondly, there is more grant funding available that can be used during the remaining two years of the program if adhering strictly to \$200,000 annual grant budget. Thirdly, allocating the full \$470,918 will still leave \$196,254 in grant funding for the 2016-17 program year. Therefore, staff have identified two possible options for allocation of the 2015-16 grant funds as follows:

Option A: Grants & Tax Credits for all applications

Extending approvals to each of the seven applications would allow better investment into each of these seven buildings and benefit the District as a whole. Allowing funding for all of the applications would leave \$196,254 of grant funds available for the last year of the program in 2016-17. Table 3 above illustrates the effect of full grant awards to all seven (7) applications, and would result in a total grant allocation of \$470,918 and tax credits of \$178,670. This is the staff recommended option.

Option B: Grants & Tax Credits for the top 3 Ranked Applications; all others Tax Credits only

Council could chose to adhere strictly to the program terms and conditions and not exceed the annual \$200,000 in grants for each of the two remaining years of the program. This would mean that the top three ranked grant application would receive full grant and tax credit funding. As in past years (2010-11) of the program Council could choose to offer tax credits to the remaining four applications based on the full value of their eligible costs. This option B is outlined below, and would result in a total grant allocation of \$200,557 and tax credits of \$259,778.

Table 4 – Fund Only the Top Ranked Applications, & Tax Credits for Remaining Applications (Option B)

Rank	Building	Possible Grant	Possible Tax Credit	Score
1st	1537 Barrington St - Pacific Building	\$100,000	\$160,500	11.1/12
2nd	1672 Barrington St - Wright Building	\$38,017	\$0	8.2/12
3rd	1711 Barrington St - Cleverdon Building	\$62,540	\$0	7.75/12
	Subtotal	\$200,557	\$160,500	
4th	1549 Barrington St - W. M. Brown Building	\$0	\$28,662	7.6/12
5th	1678 Barrington St - Phinney Building	\$0	\$21,384	7.05/12
6th	1663-65 Barrington St – Johnson Building	\$0	\$10,025	7/12
7th	1645-49 Barrington St - D'Allaird Building	\$0	\$39,207	6.1/12
	TOTAL	\$200,557	\$259,778	

Recommendation

All of the applications have met the basic project evaluation criteria and will result in needed improvements to each of the buildings. Given that there are only two years remaining for the Barrington Street Heritage Conservation District Financial Incentives Program, and that there is sufficient grant funding available to fund each of the projects, staff are recommending Council approve all of the seven applications for the 2015-16 year. This expenditure will still leave \$196,254 available for grants in the 2016-17 year and will further the overall goal of the program by investing in the Heritage Conservation District.

FINANCIAL IMPLICATIONS

This report recommends the approval of \$470,918 in Heritage Incentive Grants for the 2015-16 fiscal year through account C310-8004 (Planning & Applications) and funding for the program balance from the Cultural Development Reserve (Q312). This report recommends \$178,670 in tax credit incentives for the 2015-16 program year, funded from M310-8007 (Other Fiscal Services).

This report also recommends the continued practice of waiving building permit revenues. For the seven projects listed in this report, the amount of building permit revenue being waived is \$11,400. The amount of waived permit fees represents a small fraction of HRM's total revenue from permit application fees and will be absorbed through account C430-4903 Permits & Inspections – Building Permits.

COMMUNITY ENGAGEMENT

The community engagement process is consistent with the intent of the HRM Community Engagement Strategy. The level of community engagement was information sharing achieved through the HRM website and public accessibility to the require Heritage Advisory Committee meeting and Regional Council.

ALTERNATIVES

1. The Heritage Advisory Committee could recommend allocation of grants and tax credits based upon Option B, as described in this report. Although this approach would support the highest ranking projects, it would provide less incentive to the other projects.
2. The Heritage Advisory Committee could refuse to recommend any proposed grant or tax credit for any of the applications outlined in this report. This is not the recommended course of action as staff have determined that all projects meet the basic eligibility criteria.

ATTACHMENTS

Map 1 Location Map

Attachment A 2015-16 Grant Project Summaries

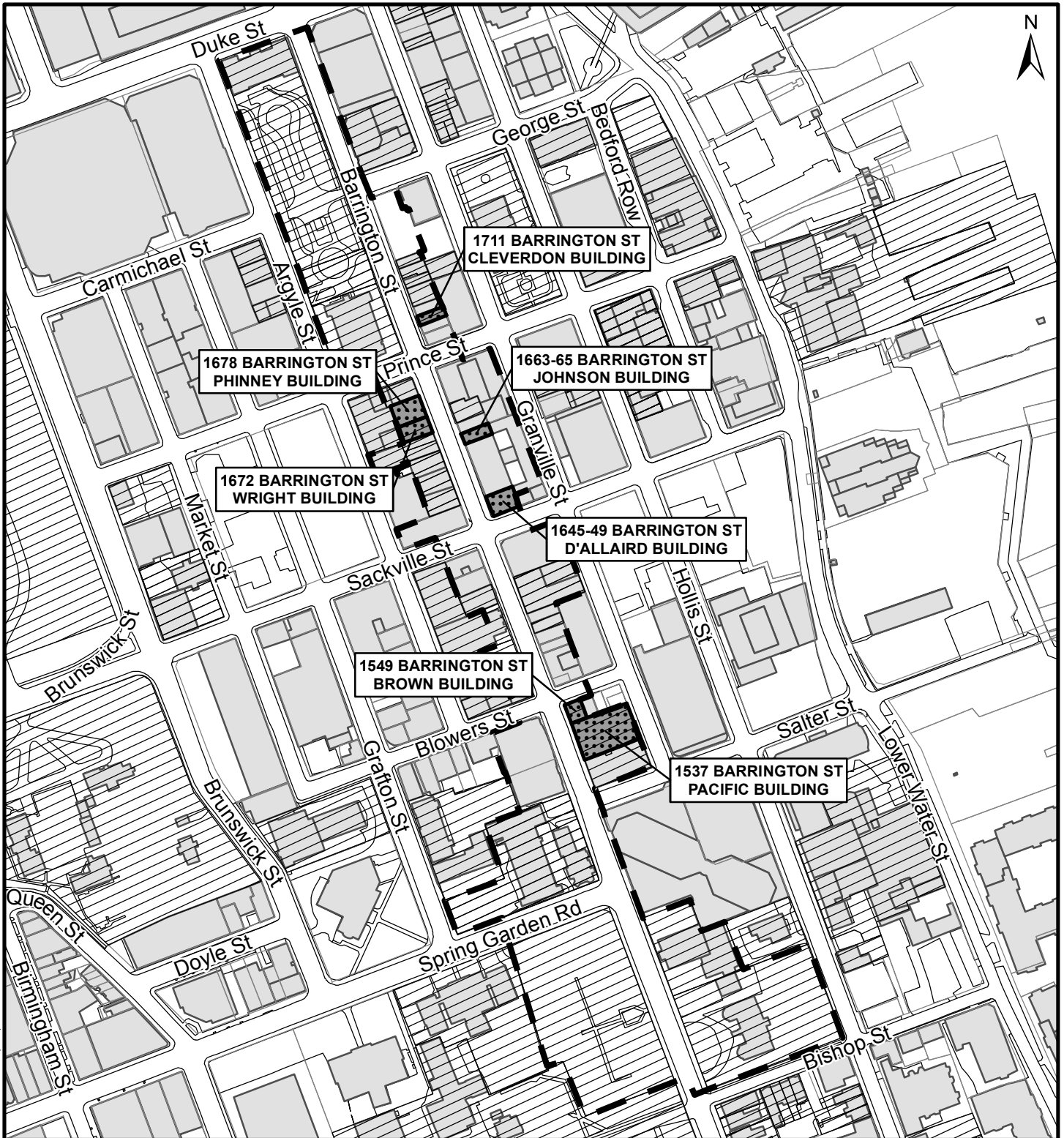
Attachment B Barrington Street Heritage Conservation District Financial Incentives Program - Terms & Conditions

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.




Report Prepared by: Maggie Holm, Heritage Planner (902) 490-4419

Report Approved by: Original Signed
Jacob Ritchie, Urban Design Manager (902)490-6510

Financial Approval by: Original Signed
Bruce Fisher, Acting Director of Finance & ICT/CFO, (902)490-6308



Map 1 - Location Map

-  Application Location
-  Existing Municipally Registered Heritage Property
-  Barrington Street South Precinct

-  Building
-  Property Parcel


HALIFAX
Planning & Development

0 50 100
m


Scale 1:1,500

Attachment A: 2015-16 Grant Project Summaries


Application 15-01

1678 Barrington Street Phinney Building c.1820	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • Storefront restorations including new signbands, signs, awnings and exterior lighting; • Main entrance restoration including repairs to tile work and new doors; • Reinstatement of 4 'lost' windows at the second floor & 3 inappropriate windows at the fourth floor; • Sandstone restoration, cleaning, and painting; 	<p>The value of construction, based on applicant submission of estimates and quotes is \$142,562.</p> <p>Staff have calculated a 50% grant not to exceed \$71,281. These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>


Application 15-02

1537 Barrington Street Pacific Building c.1911	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • Reinstatement of the original storefronts including new doors and windows; • Upper façade restoration and replacement of the deteriorated terra cotta; • Parapet repairs; • Replacement of steel lintels above each window; • Replacement windows on the front façade. 	<p>The value of construction, based on applicant submission of estimates and quotes is \$1,270,000.</p> <p>Staff has calculated a 50% grant not to exceed \$100,000. Additionally, a 15% tax credit has been calculated not to exceed \$160,500. These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>


Application 15-03

1711 Barrington Street Cleverdon Building c.1870	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • Storefront improvements including new secondary entrance, repairs to sign band, and painting; • Repairs to north wall; • Replace 6 windows on the front façade; and • Roof replacement. 	<p>The value of construction, based on applicant submission of estimates and quotes is \$125,081.</p> <p>Staff have calculated a 50% grant not to exceed \$62,540. These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>


Application 15-04

1672 Barrington Street Wright Building c.1896	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • Storefront repairs and painting; • Upper façade masonry repairs; and • Replacement of 22 windows. 	<p>The value of construction, based on applicant submission of estimates and quotes is \$76,035.</p> <p>Staff have calculated a 50% grant not to exceed \$38,017. These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>


Application 15-05

1663 Barrington Street Johnson Building c.1890's	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • New contemporary storefront; • Upper façade masonry repairs, • Cleaning and painting of cornice; and • Reinstatement of 2 'lost' windows. 	<p>The value of construction, based on applicant submission of estimates and quotes is \$66,832.</p> <p>Staff have calculated a 50% grant not to exceed \$33,416. These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>

Application 15-06

1645 Barrington Street D'Allaird Building c.1950's	Project Summary	Value of Construction
	<ul style="list-style-type: none"> • New contemporary storefront and masonry repairs; • Upper façade and painting; • Paint upper storey addition (4th and 5th floors); • Replacement of 62 windows; and • Roof replacement. 	<p>The value of construction, based on applicant submission of estimates and quotes is \$261,379.</p> <p>Staff have calculated a 50% grant not to exceed \$100,000. Additionally, a 15% tax credit has been calculated not to exceed \$9,207.</p> <p>These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>

Application 15-07

1549 Barrington Street W.M. Brown Building c.1911	Project Summary	Value of Construction
	<ul style="list-style-type: none">• Restore signbands and paint storefront;• Masonry repairs and building lighting;• Replacement of 18 windows; and• Roof replacement and cornice repairs.	<p>The value of grant-eligible construction, based on applicant submission of estimates and quotes, is \$131,329. Staff have calculated a 50% grant not to exceed \$65,664.</p> <p>An additional \$59,750 of interior work is eligible for the tax credit, a 15% tax credit for which has been calculated not to exceed \$8,963.</p> <p>These figures are based on a full staff review of the application for conformance with the Barrington Street HCD Incentives program.</p>

Note: All recommended grants and tax credits in this attachment are based on Option A: Grants & Tax Credits for all applications.

**TERMS AND CONDITIONS
FOR CAPITAL GRANTS, TAX INCENTIVES, AND PERMIT FEE WAIVERS
Updated March 18, 2010**

INTRODUCTION

The Barrington Street Heritage Incentives Program (the Program) is administered by the Heritage Property Program (Community Development Department) to encourage restoration and renovation of buildings in the Barrington Street Heritage Conservation District. Within the limits of the annual approved budget, the Program provides:

- Matching grants (up to \$100,000.00) for exterior restoration work up to \$200,000.00 in value;
- Tax credits for exterior restoration work (over \$200,000.00 in value); and
- Tax Credits for interior restoration or renovation work that contributes to the ongoing functional viability of the building.
- Waiver of application fees for Building Permits and Sign Permits.

The Program will operate for five years from the time of the adoption of the Barrington Street Heritage Conservation District Plan and Bylaw (June 16, 2009 to March 31, 2014).

The Program operates on a fiscal year basis from April 1st to March 31st.

The success and effectiveness of the grant and tax incentive program will be measured in relation to the following outcomes.

- Number of storefront restorations.
- Number of sign improvements.
- Number of new awning installations.
- Number of facade restorations.
- Number of interior improvements.
- Number of applications in relation to program participation estimate of 19 property owners.
- Value of applications in relation to program budget estimate of \$14 million.
- Value of investment leveraged from private sector.
- Increase in occupancy and total rental revenues.
- Increase in assessment and tax revenues.
- Improvement in overall streetscape cohesiveness.
- Public perception/media coverage of improvements.

1.0 **GENERAL TERMS**

1.1 Program opens on January 1st of each year and applications must be received no later than March 1st. *(Note: For 2010, the application deadline has been extended to March 31st).*

1.2 Applications can be mailed to:

HRM Heritage Property Program
P.O. Box 1749, Halifax, NS B3A 3J5

Or hand delivered to:

HRM Heritage Property Program
Community Development Department, Heritage & Design
2nd Floor, Alderney Gate, 40 Alderney Drive, Dartmouth
Telephone: 490-4419 or 490-4663

Applications received by email or fax will not be accepted. Late or incomplete applications will not be reviewed.

1.3 Applications must include:

- a. A completed application form;
- b. Recent photographs of the building with close-ups of the areas of work for which the grant or tax credit is applied for;
- c. Professionally prepared design documents including plans, elevation drawings, and technical specifications for all aspects of the proposed restoration/renovation work;
- d. Professionally prepared cost estimates or two contractors quotes, exclusive of HST, for each component of the proposed work shown on the plans and specifications (e.g., masonry restoration, window replacement, roofing, electrical, plumbing, etc.);
- e. Where applicable, an itemized breakdown of costs distinguishing between eligible and ineligible work and materials, in accordance with the eligibility criteria listed below; and
- f. Copies of applicable permits for all aspects of the proposed work shown on the plans or proof of submission of application for such permits.

1.4 Only those buildings listed on Map 1 of the Barrington Street Heritage Conservation District Revitalization Plan are eligible for funding through the Financial Incentives Program.

1.5 Each building listed on Map 1 of the Barrington Street Heritage Conservation District Revitalization Plan is eligible for funding through the Financial Incentives Program.

- a. For the purposes of the Financial Incentives Program, St. Mary's Basilica & Glebe shall be regarded as one building.
- b. Separate applications shall be made for each building, regardless of ownership or lot consolidation.

- 1.6 Building owners must be in good standing with HRM and shall not have any unpaid taxes or legal claims outstanding.

2.0 GRANTS

- 2.1 Grants are awarded on a 50% cost-sharing basis for eligible costs, exclusive of HST.
- 2.2 The maximum total grant allowable for each building is \$100,000.00, with the following maximum amounts for certain components:
 - a. Maximum grant per storefront: \$15,000.00 (buildings with more than one storefront may receive more than one storefront restoration grant).
 - b. Maximum grant for storefront signs: \$3,000.00 per storefront.
 - c. Maximum grant for awnings: \$1,000.00 per storefront.
- 2.3 Minimum grant: \$1,000.00.
- 2.4 Building Owners may apply for one grant each year per building, but may not receive more than two grants per building during the five-year time frame of the Program. Maximum cumulative value of grants is \$100,000.00 per building.

Eligible Work & Materials

- 2.5 Costs associated with projects that restore exterior architectural elements significant to the heritage character of the building are eligible for grant funding, including:
 - a. Preservation of existing exterior architectural elements such as repair (including structural repair) of deteriorated exterior-facing: walls, cladding, masonry, windows, doors, lintels, sills, storefronts, roofs, roofing, chimneys, foundations, cornices, mouldings, parapets, architectural trim, and other significant features;
 - b. Replacement of exterior architectural features which exist but which are beyond preservation or repair. This includes replacement in kind of deteriorated exterior-facing: walls, cladding, masonry, lintels, sills, storefronts, roofs, roofing, chimneys, foundations, cornices, mouldings, parapets, architectural trim, and other significant features, using accurate reconstruction and materials, sizes, and configurations that match the original;
 - c. Replacement of exterior windows and doors:
 - (i) at street level with traditional materials (typically wooden); and
 - (ii) on upper storeys with traditional materials or aluminum clad windows;
 - d. Storefront projects using traditional design and materials, as per section 4.5.2 of the Land Use Bylaw Design Manual;
 - e. Restoration of significant architectural features which have been lost but for which the appearance can be clearly determined from physical evidence or documentary sources such as historic drawings or photographs;
 - f. Painting;
 - g. Signs;
 - h. Awnings; or
 - i. Architect and other design consultant fees.

Ineligible Work & Materials

2.6 The following costs are ineligible for grant funding:

- a. Projects using modern materials such as vinyl windows, steel doors, vinyl siding, or EIFS cladding;
- b. Short-term, routine maintenance, including minor repairs to non-original siding or roofing;
- c. Work carried out prior to submission of the application (except by special arrangement); or
- d. The cost of labour undertaken by the owner.

Project Evaluation

2.7 Projects will be evaluated under the *HRM Heritage Building Conservation Standards* and the *Heritage Design Guidelines of the Downtown Halifax Land Use Bylaw Design Manual*.

2.8 Cost estimates will be evaluated for their correspondence and consistency with plans and specifications for the proposed work.

2.9 Preference will be given to:

- a. preservation and restoration of historic structural and weatherproofing elements, rather than to cosmetic improvements, e.g., restoration of masonry, cladding, windows, doors, or roof has greater priority than painting;
- b. restoration of publicly visible features, e.g., an application for restoration of a front facade would have higher priority than a facade facing an interior light well or rear yard;
- c. registered heritage buildings;
- d. buildings in poor condition and at greatest risk of deterioration or loss.

Application Review Process

2.10 Applications will be screened for basic eligibility and completeness as they are received. Applicants will be notified if their application is ineligible or incomplete.

2.11 Eligible applications will be evaluated by staff and a report and recommendations will be prepared for consideration by the Heritage Advisory Committee (HAC).

2.12 The staff report will be reviewed by HAC for recommendation to Regional Council.

2.13 Funding availability is subject to approval of program budgets and available funds.

2.14 Final approval of all grants and their amount is a decision of Regional Council in its sole discretion.

- 2.15 Notification of grant approval or rejection will be mailed to applicants following the decision of Regional Council.

Conditions of Approval & Payment of Grant

- 2.16 Grant approval is conditional on issuance of all applicable permits.
- 2.17 The amount paid to the building owner shall be the amount of the grant approved by Regional Council or the amount supported by receipts and paid invoices, whichever is less.
- 2.18 Where the total amount of both the grant and tax credits approved by Regional Council exceeds \$10,000, such approval is conditional on the owner entering into, and registering at the Land Registration Office/Registry of Deeds, an agreement:
- a) that the owner will not apply for demolition or demolish the building to which the grant and tax credits are applied for twenty years from the date of execution of the agreement;
 - b) that should the building be damaged or destroyed during the term of the agreement, any unused portion of the tax credit will be suspended pending the completion of the reconstruction and be null and void should the building not be reconstructed;
 - c) that the owner will maintain insurance against normal perils that are coverable on an all risk policy basis, including fire, in an amount equal to the replacement cost of the building; and
 - d) that the agreement shall run with the land.
- 2.19 Grant payment is conditional on satisfactory completion of approved work in accordance with approved plans, specifications, and applicable code requirements, free of deficiencies; final inspection by HRM heritage and building inspection staff in consultation with the project architect; photographic documentation of completed work; and submission of receipts and paid invoices.
- 2.20 Deadline for submission of receipts and paid invoices is March 15th.
- 2.21 Projects must be completed within the fiscal year(s) for which they are approved unless otherwise approved by Regional Council.
- a. Where it is anticipated that work will not be completed by the end of the fiscal year(s) for which it was approved, the applicant shall notify HRM by February 15th.
- 2.22 Grants are tied to specific approved work. Additional work not approved will not be funded.
- 2.23 The applicant shall notify HRM of any changes to the approved work prior to it being undertaken. Work that deviates from the approved work without a supplementary approval may not be eligible for funding and, at the discretion of HRM, such funding may be withheld and re-allocated to another property in the heritage conservation district.

3.0 TAX CREDITS

- 3.1 Tax credits will be calculated on the basis of 15% of the value of eligible work, excluding HST.
- 3.2 There is no maximum tax credit; however, the annual payout cannot exceed the municipal portion of taxes (the general rate) due in that year.
- 3.3 When required, e.g., for large projects, the balance of tax credits earned is carried forward until the total tax credits applied to taxes equal the total tax credits earned.
- 3.4 Minimum tax credit: \$1,000.00.

Eligible Work & Materials

- 3.5 Costs associated with the following projects are eligible for tax credits:
 - a. Exterior restoration work on an existing building which meets the eligibility requirements for grants but which is in excess of the \$200,000.00 for which a cost-sharing grant was applied;
 - b. Exterior elements on new rooftop additions including cladding and trim, windows, doors, and roofing, but excluding structural components. This may include contemporary design and materials approved under applicable Design Guidelines;
 - c. Exterior storefront work using contemporary (non-traditional) design and modern (non-traditional) materials, as per section 4.5.3 of the Design Manual;
 - d. Interior renovations needed to meet building code and fire safety requirements;
 - e. Interior structural repairs and improvements to the existing building, including those required for support of approved rooftop additions;
 - f. Interior renovation of the base building shell and structure, including demising walls between tenant spaces to base building specifications, e.g., taped drywall and ceilings ready for paint, and sub-floors ready for finishing, but does not include partition walls within tenant spaces;
 - g. Renovation of base building:
 - (i) plumbing to provide capped hot and cold water and sewer connections within the base building shell and structure, including demising walls, to code. This does not include water and sewer extension inside commercial tenant spaces beyond demising walls but does include roughed in plumbing in residential units;
 - (ii) electrical & telecommunications to provide roughed-in electrical and telecommunications wiring within the base building shell and structure and demising walls, to code. This does not include interior cabling, panels, outlets, or furniture connections, etc., inside commercial tenant spaces beyond demising walls but does include roughed-in wiring inside residential units;
 - (iii) HVAC to provide a complete HVAC distribution system with diffusers, installed to code to a standard grid, in all common areas, unpartitioned commercial spaces, and residential units in the building;

- (iv) sprinklers and fire alarms to provide a complete sprinkler and fire alarm system installed to code to a standard grid, in all common areas, unpartitioned commercial spaces, and residential units in the building;
- h. Renovation of common interior circulation areas including lobbies, hallways, stairs, common washrooms, and elevators to a finished condition, including fixtures and finishes, i.e., finished walls, floors and ceilings, doors, lighting, and washroom fixtures;
- i. Energy efficiency improvements including renovations to building envelope;
- j. Restoration of historic interior features or finishes located in common, publicly accessible circulation areas; or
- k. Restoration of historic interior features or finishes located in spaces outside common areas (e.g. leased spaces) in special cases.

Ineligible Work & Materials

3.6 The following costs are ineligible for tax credits:

- a. Fixtures, finishes in spaces outside common areas, e.g. improvements to leased spaces, condominium units, or storage areas;
- b. Distribution of central building systems outside common areas, beyond base building requirements;
- c. Any interior work within rooftop additions, including structural, plumbing, HVAC, electrical, telecommunication, sprinkler and fire alarm systems; or
- d. Interior work on projects without adequate exterior restoration.

Project Evaluation

- 3.7 Projects involving exterior work eligible for tax credits will be evaluated on the same basis as for grants, as listed in Part 2.0.
- 3.8 Cost estimates will be evaluated for their correspondence with plans and specifications for the proposed work.
- 3.9 Base building renovations will be evaluated for consistency with applicable code requirements (not needed where applicable permits have been granted prior to submission of incentives application).
- 3.10 Projects involving restoration of historic interior features or finishes will be evaluated for consistency with the *HRM Heritage Building Conservation Standards*.
- 3.11 Preference will be given to:
 - a. registered heritage buildings;
 - b. buildings in poor condition and at greatest risk of deterioration or loss.

Application Review Process

- 3.12 Applications will be screened for basic eligibility and completeness as they are received. Applicants will be notified if their application is ineligible or incomplete.
- 3.13 Eligible applications will be evaluated by staff and a report and recommendations will be prepared for consideration by the Heritage Advisory Committee (HAC).
- 3.14 The staff report will be reviewed by HAC for recommendation to Regional Council.
- 3.15 Funding availability is subject to approval of program budgets and fiscal capacity.
- 3.16 Final approval of all tax credits and their amount is a decision of Regional Council in its sole discretion.
- 3.17 Notification of tax credit approval or rejection will be mailed to applicants following the decision of Regional Council

Conditions of Approval

- 3.18 Tax credit approval is conditional on issuance of all applicable permits.
- 3.19 The amount of the tax credit shall be the amount of the tax credit approved by Regional Council or the amount supported by receipts and paid invoices, whichever is less.
- 3.20 Where the total amount of both the grant and tax credits approved by Regional Council exceeds \$10,000, such approval is conditional on the owner entering into, and registering at the Land Registration Office/Registry of Deeds, an agreement:
 - a) that the owner will not apply for demolition or demolish the building to which the grant and tax credits are applied for twenty years from the date of execution of the agreement;
 - b) that should the building be damaged or destroyed during the term of the agreement, any unused portion of the tax credit will be suspended pending the completion of the reconstruction and be null and void should the building not be reconstructed;
 - c) that the owner will maintain insurance against normal perils that are coverable on an all risk policy basis, including fire, in an amount equal to the replacement cost of the building; and
 - d) that the agreement shall run with the land.
- 3.21 Tax credit payment is conditional on satisfactory completion of approved work in accordance with approved plans, specifications, and applicable code requirements, free of deficiencies; final inspection by HRM heritage and building inspection staff in consultation with the project architect; photographic documentation of completed work; and submission of receipts and paid invoices.
- 3.22 Deadline for submission of receipts and paid invoices is March 15th.

- 3.23 Tax credits will be applied against taxes due beginning in the fiscal year following completion of eligible work.
- 3.24 When requested, tax credits will be paid out to the property owner in the form of a grant equivalent following payment in full of all applicable taxes
- 3.25 Tax credits are tied to specific approved work. Additional work not approved will not be funded.
- 3.26 The applicant shall notify HRM of any changes to the approved work prior to it being undertaken. Work that deviates from the approved work without a supplementary approval may not be eligible for funding and, at the discretion of HRM, such funding may be withheld and re-allocated to another property in the heritage conservation district.

4.0 PERMIT FEE WAIVERS

- 4.1 Fees for any building permit or sign permit application submitted within five years of the adoption of this Plan shall be waived for any property within the Barrington Street Heritage Conservation District.
- 4.2 This waiver shall not apply to other construction related fees such as plumbing fees, encroachment fees, sidewalk café rental fees, SANS deposits, future settlement fees, and sewer redevelopment charges, and shall not apply to application fees for demolition or de-registration of a building in the Historic District.

5.0 SPECIAL CASE: NEW CONSTRUCTION - FORMER NFB FACADE (1572 Barrington Street)

- 5.1 Special consideration may be given a customized grant and tax incentive package to assist in the cost of constructing a new building behind the former NFB facade, by amendment or re-negotiation of the Heritage Agreement dated 16 July, 1997.