



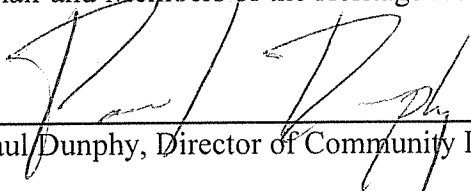
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7.1.2

Heritage Advisory Committee  
February 11, 2010

**TO:** Chair and Members of the Heritage Advisory Committee

**SUBMITTED BY:**

  
\_\_\_\_\_  
Paul Dunphy, Director of Community Development

**DATE:** February 1, 2010

**SUBJECT:** **Barrington Street Heritage District Incentives Program  
Revised Terms & Conditions**

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**ORIGIN**

Staff.

**RECOMMENDATION**

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

1. Approve the revised Terms and Conditions for the Barrington Street Heritage Incentives Program as shown in Attachment "A" to this report; and
2. Extend the deadline for submission of new incentives applications for 2010 from March 1, 2010 to March 31, 2010.

## BACKGROUND

On June 16, 2009 Regional Council adopted the Barrington Street Heritage Conservation District (HCD) Plan which includes a financial incentives program to encourage exterior restoration and interior upgrading of buildings within the HCD. The program became effective on October 24, 2009. In administering the first three applications under the new program in late 2009, staff has become aware that certain aspects of the "Terms and Conditions" of the program need to be clarified or enhanced to ensure applications in 2010 are processed more efficiently and consistently.

## DISCUSSION

The proposed revised Terms and Conditions for the program are shown in Attachment "A" and can be compared with the existing Terms and Conditions which are shown in Attachment "B". The clarifications are outlined below:

### **1. Formatting**

- Section numbers will be added to aid in navigating through the document.
- The document has been re-organized into sections entitled Introduction, General Terms, Grants, Tax Credits, Permit Fee Waivers, and Special Case: New Construction - Former NFB Facade.
- The Grant and Tax Credit sections will be structured more consistently and each section will clarify Eligible Work, Ineligible Work, Evaluation Criteria, Application Review Process, and Conditions of Approval and Payment.

### **2. General Terms (Section 1)**

- Section 1.3 will clarify the requirement for clear plans, specifications, and cost estimates for each component of the work shown on the plans.
- Sections 1.4 and 1.5 will clarify that each building shown on the Heritage District Map is potentially eligible for grant and tax credit funding. The need for this clarification flows from an anticipated incentives application for 2010 which involves renovation of three existing buildings which abut each other on separate lots, but which are required to be consolidated into a single property to facilitate development approval under the Land Use Bylaw and Building Code. If this were to mean that the three properties must also be regarded as one building for the purposes of the incentives program, the effect would be to reduce the grants for which the owner could apply, from three grants (max \$300,000) to one grant (max \$100,000). This could potentially discourage investment and would not be consistent with the intent of the program, which is to encourage investment in restoration and renovation of all buildings identified in the HCD Plan.

### **3. Eligible Work (Sections 2 and 3)**

- Section 2.4 will clarify that, while the program allows the owner of a building to receive two grants within the five year time frame of the program, the total cumulative value of the grants may not exceed \$100,000 per building. This clarification is needed because the original

wording (last bullet in original section 2.6) leaves it unclear whether an owner could receive two grants of \$100,000 each.

- Section 2.5.i. will clarify that architects fees are eligible for cost sharing.
  - Section 3.5. will clarify that interior work eligible for tax credit will include what is referred to in the building leasing industry as “base building” work. Base building work means the renovated “shell space” and the basic systems needed to make the “shell space” ready for leasing. This generally includes finished common areas (lobbies, stairs, hallways, elevators, and common washrooms), as well as unfinished tenant spaces, and all mechanical, electrical, and plumbing systems needed to service the shell space. Tax credits will apply to all such base building work but will not apply to tenant improvements or “fit-ups” in leased spaces.
- 4. Evaluation (Sections 2 and 3)**
- Section 2.7 will clarify that all grant-assisted work must meet applicable design standards.
  - Section 2.8 will clarify that cost estimates must correspond with the work shown on plans and specifications.
  - Sections 3.7 to 3.10 will clarify that all tax creditable base building work must meet applicable standards and code requirements.
  - Sections 2.9 and 3.11 establish priority criteria, e.g., that preference will be given to buildings in poor condition and at greatest risk of deterioration or loss.

**5. Review Process / HAC recommendation / Council Approval**

Sections 2.10 - 2.15 and 3.12 - 3.17 clarify that all incentives applications in the heritage district require a staff report, HAC recommendation to Council, and Council approval, subject to program budget and availability of funds.

**6. Conditions of Approval and Payment**

- Sections 2.16 - 23 and 3.18 - 26 clarify that grants and tax credit approvals are treated similarly; they are conditional on:
  - issuance of all applicable permits;
  - completion and inspection of work, free of deficiencies;
  - completion within the fiscal year of approval except by agreement with Council;
  - the owner entering into an agreement not to apply for demolition for twenty years; agreement filed at Land Registration Office/Registry of Deeds; agreement runs with the land.
- These terms differ from those earlier adopted, which made provision for large projects that span more than one fiscal year and enabled partial payment of tax credits based on the amount of work completed to the end of the fiscal year.

**7. Appeals**

Appeal provisions in the existing Terms & Conditions (see section 2.8 in Attachment “B”) have been removed, as all grants and tax credits are approved by Council at its sole discretion.

### 8. Time Extension

Staff presented an outline of the above clarifications to the Heritage Advisory Committee at its regular meeting on January 27, 2010. In light of the proposed amendments to the Terms & Conditions, the Committee recommended that the deadline for submission of new incentives applications for 2010 be extended from March 1, 2010 to March 31, 2010 subject to receiving this report. The extension will provide sufficient time for the revised Terms & Conditions to be approved by Council and advertised to property owners. This recommended extension would only apply to applications in 2010.

### BUDGET IMPLICATIONS

None

### FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

### ALTERNATIVES

1. The Heritage Advisory Committee could recommend the proposed revisions to the Terms and Conditions. This is the recommended course of action.
2. The Heritage Advisory Committee could recommend the proposed revisions with changes.
3. The Heritage Advisory Committee could refuse to recommend the proposed revisions. This is not recommended as the revisions provide greater clarity for both applicants and staff in the administration of the program.

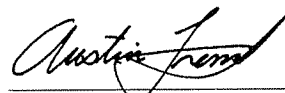
### ATTACHMENTS

Attachment "A": Proposed Revised Terms & Conditions  
Attachment "B": Existing Terms & Conditions

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Bill Plaskett, Heritage Planner, 490-4663

Report Approved by:



Austin French, Manager, Planning Services, 490-6717

## ATTACHMENT "A"

### Barrington Street Heritage Conservation District Financial Incentives Program Terms and Conditions for Capital Grants, Tax Incentives, and Permit Fee Waivers

Proposed Revisions  
February 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 1<sup>st</sup> to March 31<sup>st</sup>.

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 1<sup>st</sup> of each year and applications must be received no later than March 1<sup>st</sup>.

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  
2<sup>nd</sup> 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 \$10,000.00, such approval is conditional on the owner entering into, and registering at the Land Registration Office/Registry of Deeds, an agreement not to 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. This 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 15<sup>th</sup>.
- 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 15<sup>th</sup>.
- 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 \$10,000.00, such approval is conditional on the owner entering into, and registering at the Land Registration Office/Registry of Deeds, an agreement not to apply for demolition or demolish the building to which the grant and tax credits are applied for twenty years from the date of the agreement. This 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 15<sup>th</sup>.
- 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.

## ATTACHMENT "B"

### **Barrington Street Heritage Conservation District Financial Incentives Program Terms and Conditions for Capital Grants, Tax Incentives, and Permit Fee Waivers**

**As adopted by Regional Council on June 16, 2009**  
*(with section numbers added to enable comparison with Attachment "A")*

#### **1. GENERAL CONDITIONS**

##### **1.1 Program Aim**

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) for exterior restoration work up to \$200,000 in value;
- Tax credits for exterior restoration work (over \$200,000 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.

##### **1.2 Operational Criteria**

- The Program will operate for five years from the time of the adoption of the Barrington Street Heritage Conservation District Plan and Bylaw.
- The Program operates on a fiscal year basis from April 1<sup>st</sup> to a March 31<sup>st</sup>.

##### **1.3 Application Requirements**

- Applications will be accepted between January 1<sup>st</sup> and March 1<sup>st</sup> and may be submitted to:  
HRM Heritage Property Program  
P.O. Box 1749, Halifax, NS B3A 3J5  
or by hand delivery to:  
HRM Heritage Property Program  
Community Development Department, Heritage & Design  
2<sup>nd</sup> Floor, Alderney Gate, 40 Alderney Drive, Dartmouth  
Telephone: 490-4419 or 490-4663
- Email or faxed applications will not be accepted.
- Late or incomplete applications will not be reviewed.

##### **1.4 Applications must include:**

- A completed application form.
- Recent photographs of the building with close-ups of the areas of work for which the grant or tax credit is applied for.



- Professionally prepared design documents including technical specifications for all projects.
- Professionally prepared cost estimates for the proposed work.
- An itemized breakdown of costs distinguishing between eligible and ineligible work and materials, in accordance with the eligibility criteria listed below.

### 1.5 Eligibility of Property

- Property must be located in the Barrington Street Heritage Conservation District.
- Property owner must be in good standing with HRM and shall not have unpaid taxes or any other legal claim outstanding.

### 1.6 Eligibility of Applicant

- Property owner must be in good standing with HRM and shall not have any unpaid taxes or any other legal claim outstanding;
- An applicant may apply for incentives for multiple properties if the properties meet the eligibility requirements.

## 2. GRANTS

Grants may be made for exterior work on the following building components:

- Storefronts and street level facades.
- Upper facades.
- Exterior walls (front, side, and rear, excluding party walls).  
(Note: repairs to party wall are eligible for tax credits, see below).
- Roofs, including chimneys.
- Foundations.
- Signs.
- Awnings.

### 2.1 Eligible Work & Materials

- Projects which restore exterior architectural elements significant to the heritage character of the building, including any of the following:
- **Preservation** of existing exterior architectural elements. This includes repair (including structural repair) of deteriorated walls (front, side, or rear), cladding, masonry, windows and doors, lintels and sills, storefronts, roofs, roofing, chimneys, foundation, cornices, mouldings, parapets, architectural trim, and other significant features.
- **Replacement** of exterior architectural features which exist but which are beyond preservation or repair. This includes replacement in kind of deteriorated walls (front, side, or rear), cladding, masonry, windows and doors\*, lintels and sills, storefronts, roofs, roofing, chimneys, foundation, cornices, mouldings, parapets, architectural trim, and other significant features, using accurate reconstruction and materials, sizes, and configurations that match the original.
- **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.
- Projects must use traditional materials (wood, stone, brick, etc.) and traditional design.

- Painting.
- Signs.
- Awnings.

\* Note: In order to qualify for grants, replacement windows and doors at street level must be of traditional materials (typically wooden windows and doors); however, on upper storeys, aluminum clad windows are acceptable).

## **2.2 Ineligible Work & Materials**

- Modern materials such as vinyl windows, steel doors, vinyl siding, or EFIS cladding.
- Short-term, routine maintenance, including minor repairs to non-original siding or roofing.
- Poor or defective work.
- Work carried out prior to submission of the application (except by special arrangement).
- Owner Labour.

## **2.3 Project Evaluation**

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*.

## **2.4 Priority Criteria**

- Preference given to preservation and restoration of historic structural and weatherproofing elements than to cosmetic improvements, e.g., restoration of masonry, cladding, windows, doors, or roof has greater priority than painting.
- Preference given to 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.
- Preference given to registered heritage buildings.
- Preference given to buildings in poor condition and at greatest risk of deterioration or loss.

## **2.5 Application Review Process**

- Applications will be screened for basic eligibility as they are received.
- Eligible applications will be reviewed and evaluated by Heritage staff in consultation with the Heritage Advisory Committee in March.
- Notification of approval or rejection will be mailed to applicants in April.
- Approval of grants will be conditional on approval of program budget and available funds.
- Due to limited funds, not all eligible applications may receive approval.

## **2.6 Maximum & Minimum Grants & Multiple Applications**

- Grants are awarded on a 50% cost-sharing, matching grant basis.
- The maximum overall grant: \$100,000 per property.
- Maximum grant per storefront: \$15,000 (buildings with more than one storefront may receive more than one grant).
- Maximum grant for storefront signs: \$3000 per storefront.
- Maximum grant for awnings: \$1000 per storefront
- Minimum grant: \$1000.

- Grants over \$10,000 will require approval by Regional Council.
- Grants under \$10,000 will require approval by Heritage Advisory Committee (in accordance with the existing Heritage Incentives Program, which continues to apply to registered heritage properties outside the heritage conservation district).
- The number of grants per property is limited to one per year and two in the five-year time frame of the Program.

## **2.7 Conditions of Approval & Payment of Grant**

- Projects must be completed within the fiscal year for which they are approved except by special agreement.
- Grant payment is conditional on satisfactory completion of approved work, photographic documentation of completed work, site review by HRM staff, and submission of receipts and paid invoices.
- Deadline for submission of receipts and paid invoices is March 15<sup>th</sup>. This is necessary to enable grant payments to be processed by end of fiscal year.
- Grant funding for projects not completed by the end of the fiscal year will be forfeited except by specific agreement, on a case by case basis.
- Grants are tied to specific approved work. Additional work not approved will not be funded.
- The applicant shall notify HRM of any changes to the approved work prior to it being undertaken and shall not proceed with the work without supplementary approval by staff. 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 as an agreement with HRM to maintain the building and not apply for demolition for twenty years. The agreement runs with the land and shall be filed at the Land Registration Office/Registry.
- Grants over \$10,000 are conditional on owner entering an agreement with HRM to maintain the building and not apply for demolition for twenty years. The agreement runs with the land and shall be filed at the Land Registration Office/Registry of Deeds. (See draft agreement in Attachment A).

## **2.8 Appeals**

- Refusal of a grant application or withholding of an approved grant payment may be appealed by the applicant within fourteen days of written notification of the decision.
- Appeals will only be considered on the basis of new information, or an error in fact or procedure during the review process.
- Appeals shall be in writing, addressed to the Heritage Property Program and shall give reasons for the appeal.

## **3. TAX CREDITS**

Where an application includes both exterior restoration and interior rehabilitation, tax credits may be approved for the following types of work :

### **3.1 Exterior Work Eligible for Tax Credit**

- Exterior restoration work on an existing building which meets the eligibility requirements

for grants (see above) but which exceeds \$200,000 in value.

- 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.

### **3.2 Interior Work Eligible for Tax Credit**

- Renovations needed to meet building code and fire safety requirements.
- Renovation of common interior circulation areas including lobbies, hallways, staircases, washrooms, elevators and lift devices.
- Structural repairs, including repairs to party walls and structural improvements to the existing building required for support of approved rooftop additions.
- Renovation of central building systems in the existing building including plumbing, heating, ventilation, and air conditioning (HVAC), electrical or telecommunication systems and associated service rooms, and sprinkler systems.
- Energy efficiency improvements including renovations to building envelope.
- Restoration of historic interior features or finishes located in common, publicly accessible circulation areas.
- Restoration of historic interior features or finishes located in spaces outside common areas (e.g. leased spaces) in special cases.

### **3.3 Ineligible Work**

- Fixtures, finishes and demising walls in spaces outside common areas, e.g. improvements to leased spaces, condominium units, or storage areas.
- Distribution of central building systems outside common areas, beyond open area requirements.
- Any interior work within rooftop additions, including structural, plumbing, HVAC, electrical or telecommunication systems.
- Interior work on projects without adequate exterior restoration.

### **3.4 Calculation and Payout of Tax Credits**

- Tax credits will be calculated on the basis of 15% of the value of eligible work.
- All Tax Credits will require approval by Regional Council.
- For minor projects, tax credits will be applied against taxes due in the fiscal year following completion of eligible work.
- For multi-year projects, tax credits will be calculated (and applied against taxes due) based on the amount of eligible work completed in the prior year.
- 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
- All tax credits are conditional on owner entering an agreement with HRM to maintain the building and not apply for demolition for twenty years. The agreement runs with the land and shall be filed at the Land Registration Office/Registry of Deeds. (See draft agreement in Attachment A).

### **3.5 Maximum and Minimum Tax Credits**

- There is no specific maximum tax credit, however, the annual payout cannot exceed the

municipal portion of taxes (the general rate) due in that year.

- When required, i.e., 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.
- Minimum tax credit: \$1000, i.e., eligible work of \$6700 or greater.

#### **4. PERMIT FEE WAIVERS**

- 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.
- 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 deregistration of a building in the Historic District.

#### **5. OUTCOME MEASURES**

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.

#### **6. SPECIAL CASE: NEW CONSTRUCTION - FORMER NFB FACADE (1572 Barrington Street)**

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.