Subject: Centretown Heritage Façade Improvement Pilot Program

File Number: ACS2025-PDB-RHU-0028

Report to Built Heritage Committee on 10 June 2025

and Council 25 June 2025

Submitted on May 30, 2025 by Court Curry, Manager, Right of Way, Heritage, and Urban Design Services, Planning, Development and Building Services

Department

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Ward: Somerset (14)

Objet: Programme pilote d'amélioration des façades patrimoniales du centre-ville

Numéro de dossier : ACS2025-PDB-RHU-0028

Rapport présenté au Comité du patrimoine bâti

le 10 juin 2025

et au Conseil le 25 juin 2025

Soumis le 30 mai, 2025 par Court Curry, Gestionnaire, Services des emprises, du patrimoine, et du design urbain, Direction générale des services de la planification, de l'aménagement et du bâtiment

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### REPORT RECOMMENDATIONS

That the Built Heritage Committee recommend that Council approve the creation of the Centretown Heritage Façade Improvement Program as a pilot program and adopt a by-law under Sections 39 and 45 of the *Ontario Heritage Act* to create the grant program and establish the program requirements as outlined in Document 1.

#### RECOMMANDATIONS DU RAPPORT

Que le Comité du patrimoine bâti recommande que le Conseil approuve la création du programme pilote d'amélioration des façades des bâtiments patrimoniaux au centre-ville et adopte un règlement municipal en vertu des paragraphes 39 et 45 de la *Loi sur le patrimoine de l'Ontario* afin de créer un programme de subvention et de définir les exigences du programme, comme le précise le document 1.

#### **BACKGROUND**

Ottawa has 21 Heritage Conservation Districts (HCD). Two of these HCDs – Centretown and Bank Street – are targeted as key areas for improvement within the *Centretown Street Safety and Revitalization Action Plan*, which outlines the collaboration between City staff and Bloomberg Associates to take measured action toward enhancing Centretown's main streets starting this summer. The Action Plan outlines near-term initiatives that build upon directions from various Council-approved plans, such as the *Downtown Ottawa Urban Design Strategy*, the *Centretown Community Design Plan*, *Downtown Moves*, and the *Economic Development Strategic Action Plan*, and advances four core themes of Centretown revitalization: a place that is inviting, green, vibrant, and safe for all. More specifically, in support of Centretown's small businesses, the Plan looks to invest in the upkeep and restoration of commercial storefronts through the heritage grant program, with a primary focus on designated contributing commercial properties along Bank Street and the Somerset Village area.

The conservation of properties of cultural heritage value is also a priority for the City as outlined in Section 4.5 of the City of Ottawa Official Plan. Section 4.5.3 (12) of the Official Plan notes that the City will create and maintain financial incentive programs to support the rehabilitation and sensitive development of designated heritage properties.

While a Heritage Property Grant Program already exists, the need for additional investment on Bank and Somerset Streets has been identified through the City's ongoing work on downtown revitalization. Therefore, a separate targeted program that offers more financial aid is being proposed as a pilot. The funding offered through this

program will support an array of heritage façade improvements and restoration, including but not limited to – storefront windows, entrances, brickwork, cornices and architectural detailing, and heritage compliant awnings, signage, painting, and lighting where appropriate.

#### DISCUSSION

The goals of the Centretown Heritage Façade Improvement Program (CHFIP) are:

- 1. **Heritage Conservation:** encourage the restoration and conservation of heritage buildings that contribute to Centretown's sense of place.
- Beautification: improve the visual attractiveness of storefronts to create a more inviting environment for customers and visitors.
- 3. **Improved Accessibility:** support upgrades that make properties more accessible for all users.

The objective is to encourage private investment in the revitalization of the Bank Street corridor as part of the broader revitalization plan for Centretown. Through aesthetic façade improvements such as signage, lighting, commercial storefront improvements and heritage conservation projects such as masonry conservation, private property owners can help contribute to a vibrant Bank Street. These efforts will help reinforce a special sense of place along Bank Street as a historic main street in the downtown core. Façade improvement programs are common across Ontario, Canada, and beyond. Façade improvement programs that include municipal government contributions have been shown to strengthen civic identity and pride, demonstrate local commitment to preserving historic character and promoting vibrant communities. Some of the potential outcomes include increased tax revenues, lower vacancy rates, and increased economic activity including tourism. There are existing commercial façade improvement programs in Toronto, Edmonton, Calgary, Montreal and Vancouver as well as many smaller municipalities around the country.

The City of Ottawa has a Heritage Property Grant Program that funds restoration and conservation projects for all designated heritage buildings. The program has proven successful in restoring and conserving the city's built-heritage and has provided property owners with compensation. In 2024, staff reviewed and updated the program <a href="ACS2024-PDB-RHU-0050">ACS2024-PDB-RHU-0050</a>, increasing the budget to reflect the number of designated properties city-wide, expanding the support for large-scale buildings and not-for-profit property owners, and streamlining its processes.

The existing program funds all designated building types. Properties along Bank Street are eligible for up to \$35,000 in matching grants. The creation of a targeted cost-sharing

grant stream for up to \$75,000 that focuses on these commercial properties and has an expanded scope of eligible projects would allow for more meaningful and targeted projects that strengthen the historic character of the neighbourhood. With additional funding and tailored support, the City would empower property owners to meaningfully conserve heritage features while contributing to the vibrancy of this historic main street.

### **Recommendation 1:**

The authority to create a grant program for private property owners comes from the *Ontario Heritage Act* (OHA). Sections 39 and 45 of the OHA include the ability to create grant or loan programs related to conservation of designated heritage properties:

39 (1) The council of a municipality may pass by-laws providing for the making of a grant or loan to the owner of a property designated under this Part for the purpose of paying for the whole or any part of the cost of alteration of such designated property on such terms and conditions as the council may prescribe. R.S.O. 1990, c. O.18, s. 39 (1).

45 Sections 36, 37, 38 and 39 apply in respect of any building or structure and the land appurtenant thereto that is situate within the area that has been designated by by-law under this Part as a heritage conservation district. R.S.O. 1990, c. O.18, s. 45.

Grant programs made under these provisions are exempt from Section 106 of the Municipal Act which prohibits the granting of bonuses to commercial enterprises. The specific exemption is in Section 39(3) of the OHA:

(3) Section 106 of the Municipal Act, 2001 does not apply to a grant or loan made under subsection (1). 2009, c. 33, Sched. 11, s. 6 (14).

Staff recommend that Council pass a by-law in accordance with Sections 39 and 45 of the OHA to implement the proposed CHFIP Pilot. The proposed by-law including program requirements is attached to this report as Document 1 and briefly summarized below.

# **Program Requirements**

The overall program requirements closely mirror those of the existing Heritage Property Grant Program which was approved by Council in 2024 <u>ACS2024-PDB-RHU-0050</u>. The areas where the program differs are outlined below and the draft by-law including the Program Requirements is attached as Document 1.

# **Property Eligibility**

Eligible owners include owners of properties designated under Part IV of the OHA or owners of Contributing or Grade 1-3 properties designated under Part V of the OHA within the boundaries shown on Document 3.

The eligible projects are generally divided into two categories: Beautification and Heritage Conservation. These categories are summarized below.

# Category 1: Beautification

This category is aimed at improving the aesthetics of commercial storefronts in the program area to contribute to the historic character and visual continuity of commercial buildings in the Centretown Heritage Conservation District and Bank Street Heritage Conservation District. Eligible projects include but are not limited to new storefront signage, exterior lighting, removal of inappropriate building elements and storefront entrance improvements including accessibility improvements such as door openers, ramps and railings.

# Category 2: Heritage Conservation

This category is aimed at restoring and conserving the Contributing properties within the program area. Eligible projects include but are not limited to storefront conservation or restoration, structural improvements, masonry cleaning and repointing, reinstatement or replacement of heritage attributes.

# **Funding Formula**

To influence meaningful revitalization as part of the broader Centretown Street Safety and Revitalization Action Plan undertaken with Bloomberg Associates, staff propose that the funding formula be 75 per cent of eligible costs up to a maximum of \$75,000.

### Delegated authority

Staff recommend that authority for the implementation of the program, including approval of the funding, be delegated to the Program Manager of the Heritage Planning Branch and the Program Manager of Public Realm and Urban Design. This is consistent with the existing Heritage Property Grant Program which is administered by the Heritage Planning Branch.

### Timeline

The proposed pilot program will run from Summer 2025 until the end of December 2026 or until the budget is exhausted, whichever comes first, unless extended by City Council. Staff will report out on the outcomes of the pilot via memorandum to Built Heritage Committee.

The funding source for this pilot grant program will be the Public Realm Intervention account(s) which provide funding for city-wide public realm interventions in the City's design priority areas such as the parts of Bank St. and Somerset St. in the downtown.

### FINANCIAL IMPLICATIONS

Pending Council approval, a capital account will be established with budget authority of \$500,000, funded from within the existing Public Realm Intervention account(s), to facilitate tracking of the program. Grant payments will be made from the Centretown Heritage Façade Improvement Program according to individual agreements between the City and property owners within the designated area.

### **LEGAL IMPLICATIONS**

There are no implications associated with implementing the report recommendation.

### COMMENTS BY THE WARD COUNCILLOR

The Ward Councillor is aware of the report and its recommendations.

#### CONSULTATION

The Centretown Business Improvement Area and Somerset Village Business Improvement Areas were consulted as part of the development of this report.

### **ACCESSIBILITY IMPACTS**

Staff have ensured that related project material distributed publicly is available in an accessible form and will accommodate any further accessibility needs should they arise.

The new pilot program will support upgrades that make properties more accessible for all users. These upgrades shall meet the *Accessibility for Ontarians with Disabilities Act* (AODA) standards.

### ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications resulting from this report.

### **RISK MANAGEMENT IMPLICATIONS**

There are limited risk implications. These risks have been identified and explained in the report and are being managed by the appropriate staff.

### **RURAL IMPLICATIONS**

There are no rural implications.

# **TERM OF COUNCIL PRIORITIES**

This project addresses the following Term of Council Priorities:

• A city with a diversified and prosperous economy.

# SUPPORTING DOCUMENTATION

Document 1- Draft By-law Centretown Heritage Façade Improvement Pilot Program Requirements

Document 2 – Centretown Heritage Façade Improvement Program Boundary Map

# **DISPOSITION**

Right of Way, Heritage, and Urban Design is responsible for implementing the recommendations of this report.

# Document 1 - Draft By-Law Centretown Heritage Façade Improvement Program

WHEREAS the City of Ottawa values its architectural heritage; and

WHEREAS Section 39 of the *Ontario Heritage Act* authorizes the Council of a municipality to pass a Bylaw providing for the making of a grant or loan to the owner of a property designated under *the Act* for the purpose of paying for the whole or any part of the cost of alteration of the property on such terms and conditions as the Council may prescribe; and

WHEREAS Section 45 of the *Ontario Heritage Act* authorizes the Council of a municipality to pass Bylaws providing for the making of a grant or loan to the owner of any building or structure and the land appurtenant thereto that is situate within an area that has been designated by Bylaw under Part V of the Act, as a heritage conservation district, for the purpose of paying for the whole or any part of the cost of alteration of such property on such terms and conditions as the Council may prescribe; and

WHEREAS the City of Ottawa wishes to encourage revitalization of the downtown core, particularly the commercial storefront

WHEREAS the City of Ottawa desires to assist heritage property owners and encourage the restoration and preservation of buildings or structures of cultural heritage value; and

THEREFORE the Council of the City of Ottawa enacts as follows:

- The Centretown Heritage Façade Improvement Program is established according to the Program Requirements in Schedule "A"
- 2. The by-law will apply to properties within the project area shown in Schedule "B" subject to the eligibility criteria outlined in the Program Requirements

#### Schedule A

# **Centretown Façade Improvement Program Requirements**

# 1. Program Description

The Centretown Heritage Façade Improvement Program (CHFIP) is a contribution pilot program intended to assist eligible property owners of designated heritage properties with conservation, accessibility, and/or beautification projects. The objective is to encourage private investment in the revitalization of the Bank Street corridor as part of the broader revitalization efforts in Centretown. Through aesthetic façade improvements such as storefront signage, exterior lighting, commercial storefront improvements and heritage conservation projects such as masonry conservation, private property owners can help contribute to a vibrant Bank Street. These efforts will help reinforce a special sense of place along Bank Street as a historic main street in the downtown core.

The CHFIP will provide contributions for the purposes of the City of Ottawa Grants and Contributions Policy. Contributions (referred to as grants for ease of understanding) are conditional transfer payments to an individual or organization that are subject to being accounted for or audited. The program will run until the end of 2026 unless extended by City Council and is based on availability of funding. The program is administered by Right of Way, Heritage, and Urban Design within the Planning, Development and Building Services Department.

### 2. Program Goals

- 1. **Heritage Conservation:** encourage the restoration and conservation of heritage buildings that contribute to Centretown's sense of place
- 2. **Beautification:** improve the visual attractiveness of storefronts to create a more inviting environment for customers and visitors.
- 3. **Improved Accessibility:** support upgrades that make properties more accessible for all users.

# 3. Definitions

CHFIP: Centretown Heritage Façade Improvement Program

**Designated Heritage Property:** A property designated under Part IV or V of the Ontario Heritage Act.

**Contributing Properties:** Properties designated under Part V of the *Ontario Heritage Act*, located within a Heritage Conservation District (HCD) that have been determined to

contribute to the heritage character of the District. These properties may be listed as Category 1,2,3 or Contributing in the respective HCD documentation.

**Cultural Heritage value:** The historic, design or contextual significance for past, present or future generations. The heritage value of an historic resource is embodied in its heritage attributes.

**Heritage Attributes:** Those attributes of a property that reflect its heritage value. Attributes may include architectural elements, landscape features, or building location.

**Restoration:** The action or process of accurately revealing, recovering or representing the state of a historic place or of an individual component, as it appeared at a particular period in its history, while protecting its heritage value

**Rehabilitation:** The action or process of making possible a continuing or compatible contemporary use of a historic place or an individual component, while protecting its heritage value.

**Preservation:** The action or process of protecting, maintaining, and/or stabilizing the existing materials, form, and integrity of a historic place or of an individual component, while protecting its heritage value.

**Right of Way:** The travelled portion of public streets, as well as the border area, which may include any sidewalks, boulevards, traffic circles or medians.

**Public Realm:** The publicly owned places and spaces that belong to, and are accessible by, everyone. These can include municipal streets, lanes, squares, plazas, sidewalks, parks, open spaces and civic buildings and institutions.

# 4. Program Boundaries and Property Eligibility

Owners of properties designated under Part IV of the OHA or owners of Contributing or Grade 1-3 properties designated under Part V of the OHA within the boundaries shown in the Centretown Heritage Façade Improvement Pilot Program Map.

# 5. Project Eligibility and Types of Work

All projects must conform to heritage standards and City Bylaws, such as but not limited to the Permanent Signs on Private Property By-law (No. 2016-326) and HCD By-laws.

Applicants must discuss their projects with City staff prior to applying. City staff will then determine the eligibility of the project, provide technical advice and assist with the application process.

There are two categories of eligible projects:

# **Category 1: Beautification**

This category is aimed at improving the aesthetics of commercial storefronts in the program area to contribute to the historic character and visual continuity of commercial buildings in the Centretown Heritage Conservation District and Bank Street Heritage Conservation District. Eligible projects include but are not limited to:

- New signage that meets the City's Permanent Signs on Private Property By-law
- New lighting to externally illuminate new signage or highlight architectural features of historic buildings.
- Removal of inappropriate building elements such as signage, security bars, inappropriate cladding, inappropriate paint, etc.
- Building improvements such as ramps, railings and/or accessible door openers
  that meet Accessibility for Ontarians with Disabilities Act (AODA) standards while
  also complying with the Standards and Guidelines for Historic Places in Canada
  and the HCD Plan

# **Category 2: Heritage Conservation**

This category is aimed at restoring and conserving the Contributing properties within the program area. Eligible projects include but are not limited to:

- Storefront conservation or restoration including windows, doors, sign bands, transom windows, bulkheads, awnings
- Structural improvements necessary for continued use
- Restoration of heritage attributes such as repointing brick and stone or restoration of windows, sills, cornices, storefront features and doors.
- Reinstatement or replacement of heritage attributes that have been lost or deteriorated beyond repair.
- Masonry cleaning
- Repainting of appropriate elements
- Other projects that meet the definition of conservation or restoration in the Standards and Guidelines for the Conservation of Historic Places in Canada

\*\*Other costs such as architectural or design fees, engineering fees or other technical studies may be eligible when related to an eligible project that receives funding through the program.

# Ineligible projects include:

- Work that has already been started at the time of application. No retroactive funding is available.
- Technical studies such as building condition assessments where the building is proposed for demolition.
- Ongoing building maintenance that is the normal responsibility of a property owner such as painting.
- Interior work
- Projects that have already received Heritage Grant funding through the Heritage
   Property Grant Program

# **6. Application Requirements**

Applications for the program require:

- 1. A meeting with City staff in advance of a formal application. This meeting will be used to discuss requirements, prioritization, and phasing of projects.
- 2. Completed application form (available on the City of Ottawa website).
- 3. Photographs of the building and area(s) where work is being proposed.
- 4. Copies of at least two quotes for the work that will be completed.

**Note:** Given the occasional challenges in finding appropriate tradespeople, exceptions to the requirement for two quotes may be made at staff's discretion if the applicant demonstrates efforts to obtain additional quotes.

5. If the property owner wishes to complete some or all of the work themselves, a detailed quote must be submitted regarding material costs.

Providing incomplete or insufficient information may result in an application being denied.

### 7. Approval Process

All applications will be reviewed by the Planning, Development and Building Services Department staff who will submit their recommendations for funding allocation to the Program Manager, Heritage Planning Branch. The Program Manager, Heritage Planning Branch and the Program Manager, Public Realm and Urban Design Branch shall have the delegated authority to review and provide final approval to contributions under the Centretown Heritage Façade Improvement Program provided that such allocations.

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a) collectively, do not exceed the value of the budget provision approved for such contributions; and,

If the applications received exceed the available budget, priority will be based on a first come first served basis.

The decision of the Planning, Development and Building Services Department is final, and applicants will receive a letter notifying them of the result of their application. If the grant is approved, the letter will contain the amount of the grant, a contribution agreement for the applicant to sign that will include the reporting requirements. If the grant is not approved, the letter will outline the reasons.

All successful applicants will be required to enter into a contribution agreement with the City of Ottawa in accordance with the City of Ottawa Grants and Contributions Policy. The Program Manager, Heritage Planning Branch will sign these agreements under the Centretown Heritage Façade Improvement Program.

### 8. Funding Formula

The City will offer up to 75 per cent of costs to a maximum of \$75,000. If, for example, the total restoration work was \$50,000, the grant would be \$37,500, if \$100,00 the grant would be \$75.000.

If the property owner plans to complete some or all of the work themself, grant funding will be based on 50 per cent of the cost of eligible materials. No funding will be provided for labour.

Depending on size of project, and number of applications, the grant allocation per project may be less than 50 per cent of the total cost of the project in order to provide grants to more applicants.

\*\* In exceptional circumstances, retroactive grant funding may be approved on an emergency basis if available.

### 9. Disbursement of Funds

Once the work has been completed and paid for, the applicant must submit a project report as outlined in the contribution agreement which includes: a brief description of the project, proof of payment (copy of invoices marked paid, cancelled cheque or other appropriate proof) and photographs of the completed work to the Planning, Development and Building Services Department. Upon receipt of these documents, a City planner will schedule a site visit to verify that the work has been completed to approved restoration standards.

All work must be completed and documentation for the disbursement of grant funding submitted to the Planning, Development and Building Services Department 12 months from receiving approval.

Once all work has been verified, the City planner will request disbursement of the contribution in accordance with the terms and conditions of the contribution agreement. The payment will be issued 60 days after the completion of the Project as certified by the contractor in the Certificate of Completion.

If the property owner has started the work and cannot complete the work within 12 months of approval, a special request for an extension may be made in writing to the to the Planning, Development and Building Services Department. Extensions may be approved by a Program Manager, with the delegated authority to sign agreements under the Centretown Heritage Façade Improvement Program.

# 10. Monitoring

The program will run until the end of 2026 unless extended by City Council.

Minor amendments to these Program Guidelines in relation to changes in City policy, procedures or changes to legislation of administration of the Pilot Program may be implemented by staff without requiring Council approval.

Any substantive changes such as updates to funding maximums, overarching program priorities or any other modifications that significantly alter the program's scope or objectives, will require Council approval.

# Schedule "B"

Centretown Heritage Façade Improvement Program Boundary Map (attached as Document 2)