

## **Staff Report 2021-0025**

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Meeting Date: March 1, 2021

Subject: Proposed Changes to the Designated Heritage Property Grant Program

Submitted By: Cassandra Jasinski, Heritage Planner, Policy, Heritage and Design Division, Planning Department & Sarah Parish, Planning Technician, Planning Services Division, Planning Department

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### **RECOMMENDATION**

That a by-law be enacted to amend By-law 2013-99, as amended, to update the Heritage Property Grant Program Guidelines attached as Schedule A to Staff Report 2021-0025 and to repeal By-law 2017-70 and 2019-16.

### **REPORT HIGHLIGHTS**

- The Designated Heritage Property Grant (the “DHPG”) program currently provides financial assistance to designated heritage property owners in all tax classes for the maintenance and restoration of their properties.
- The DHPG program provides grants of 50% of eligible costs to a maximum of \$4,000 per grant. A single property is eligible to receive two (2) grants in a calendar year.
- As designated heritage properties in the commercial and industrial tax classifications are now eligible for the DHPG program, staff recommend that DHPG program funding exclude refundable HST where the Designated Heritage Property Grant application is associated with a business registered for HST refunds through the Canada Revenue Agency (the “CRA”).
- By-law 2020-109 established a Heritage Property Tax Rebate Program for designated heritage properties in the commercial and industrial tax classes. This program begins for the 2021 taxation year. The program does not allow property owners approved for a Heritage Property Tax Rebate to receive a Designated Heritage Property Grant, or vice versa, in the same taxation year.
- Staff recommend that the DHPG program by-law be amended to update the Program Guidelines as outlined in this report and attached as Schedule A.

### **DISCUSSION**

#### Background

The DHPG program was originally established by By-law 2006-34 as a financial incentive program to promote and support stewardship of residential and institutional designated heritage properties. Originally administered by the Caledon Heritage Foundation, the administration transferred to the Town in 2010 (resolution no. 2010-32). The Town currently offers a grant that matches up to \$4,000, which property owners can apply for twice per year, depending on available funds.

In 2013, Council enacted By-law 2013-99 to establish new program Guidelines. In 2019, the program was revised to include designated properties in the commercial and industrial tax classes. This change expanded the program to include an additional 42 properties designated under Part IV or Part V of the Ontario Heritage Act (the “Act”).

### Recommended Changes to the DHPG Program

#### *Exclusion of Refundable HST from Grant Funding*

Now that designated commercial and industrial heritage properties are eligible for the DHPG program, staff recommend that DHPG program funding exclude refundable HST where the Designated Heritage Property Grant application is associated with a business registered for HST through the CRA. The exclusion of refundable HST from funding for these applications will benefit the program by maximizing available grant funding for other eligible designated properties.

#### *Heritage Property Tax Rebate Program*

By-law 2020-109 established a Heritage Property Tax Rebate Program for designated heritage properties in the commercial and industrial tax classes. This new program, the Town’s second financial incentive program for designated heritage properties, begins for the 2021 taxation year.

Owners of designated properties in the commercial and industrial tax classes that have received a Town of Caledon Heritage Property Tax Rebate cannot receive funding under both incentive programs in the same taxation year and will not be eligible for the DHPG program if they are receiving the tax rebate, or vice versa.

This change to the DHPG program will impact the forty-two (42) designated heritage properties in the commercial and industrial tax classes, representing fourteen (14%) percent of all designated heritage properties in the Town of Caledon.

#### *DHPG Guideline Updates*

The DHPG Guidelines have been updated to address the changes to the program noted above. Language within the DHPG Guidelines has also been clarified, specifically regarding the consistent use of terms and definitions.

#### *Repeal of Redundant By-laws*

By-laws 2017-70 and 2019-16 were only passed to delete and replace the DHPG Program Guidelines forming Schedule A to the DHPG program by-law. As Schedule A is once again being deleted and replaced, these by-laws are redundant and should be repealed.

### Conclusion

The proposed changes to the DHPG Program and Guidelines ensure that the Town can distribute financial heritage incentives in a balanced and equitable manner to as many eligible property owners as funding permits. Designated property owners in the industrial

and commercial tax classes can apply for whichever of the two financial incentive programs best suit their needs, either the DHPG program or the Heritage Property Tax Rebate Program.

In addition, the housekeeping amendments to the by-law and Guidelines provide further clarification for both staff and property owners regarding the administration of the DHPG program.

Staff recommends that the DHPG program by-law, By-law 2013-99, as amended, and related guidelines comprising Schedule A to the proposed by-law, be further amended to address these changes to the DHPG program.

### **FINANCIAL IMPLICATIONS**

The budget for the DHPG program is \$65,000 annually.

The exclusion of refundable HST where a Designated Heritage Property Grant application is associated with a business registered for HST refunds through the CRA will benefit the DHPG program by maximizing available grant funding for other eligible designated properties.

Designated heritage properties in the commercial and industrial tax classes may select the financial incentive program most beneficial to their needs, either the DHPG program or the Heritage Property Tax Rebate Program but cannot receive funds in the same year under both programs offered by the Town.

### **COUNCIL WORK PLAN**

The matter contained in this report is not relative to the Council Work Plan.

### **ATTACHMENTS**

Schedule A: Proposed Guidelines for the Designated Heritage Property Grant Program



# Designated Heritage Property Grant Program Guidelines 2021

# Designated Heritage Property Grant Program Guidelines

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## Program Purpose

The Town of Caledon's Designated Heritage Property Grant Program was established in 2006 to encourage and assist owners with the conservation of properties designated under the *Ontario Heritage Act*. The program is currently funded by an annual budget set by Council.

The grants are intended to assist designated property owners with small to mid-size conservation projects that focus on the maintenance and rehabilitation of existing Heritage Attributes or the restoration of Heritage Attributes that would contribute to the cultural heritage value of the property.

The program runs every spring, with a second round in the fall subject to available funds.

## Definitions

- (a) 'Owner' means the person or persons registered on title as the owner(s) of the Designated Heritage Property.
- (b) 'Town' shall mean The Corporation of the Town of Caledon.
- (c) 'Designated Heritage Property' shall mean real property and includes all buildings, structures and landscape elements thereon that are designated under municipal by-law as being of cultural heritage value or interest under section 29 of the *Ontario Heritage Act* or that are designated by municipal by-law as a contributing property in a heritage conservation district under Part V of the *Ontario Heritage Act*.
- (d) 'Eligible Conservation Work' shall mean work that conserves Heritage Attributes, executed in such a manner as not to detract from or diminish the cultural heritage value/interest of the Designated Heritage Property.
- (e) 'Heritage Conservation District' shall mean a defined geographic area designated under Part V of the *Ontario Heritage Act* for its cultural heritage value/interest.
- (f) 'Heritage Attributes' shall mean the principal features, characteristics, context and appearance that contribute to the cultural heritage value of a Designated Heritage Property and are identified as heritage attributes in the designating by-law or the statement of cultural heritage value/interest where a list of heritage attributes is not included.
- (g) 'Conservation' shall mean the preservation or restoration of the Heritage Attributes of a Designated Heritage Property to retain its cultural heritage value/interest and extend its physical life.
- (h) 'Preservation' shall mean the act or process of applying measures necessary to sustain the existing form, integrity, and materials of a Designated Heritage Property.
- (i) 'Restoration' shall mean the process of accurately revealing, recovering, replicating or representing the state of Heritage Attribute at a particular period in its history, while protecting the cultural heritage value of the Designated Heritage Property.

## Grant Amount

The program funds matching grants of 50% of eligible costs to a maximum of four thousand dollars (\$4,000), subject to available funding.

## Eligible Properties

To be eligible, a Designated Heritage Property must be:

- (a) located within the Town of Caledon;
- (b) A Designated Heritage Property

The property is not eligible if it is:

- (a) **Not** a Designated Heritage Property;
- (b) Approved for a Heritage Property Tax Rebate for the same taxation year;
- (c) Subject to compliance and enforcement orders issued by the Town; and/or,
- (d) Owned by any level of government (except where a non-profit or community group is responsible for the maintenance of the property);

The Designated Heritage Property cannot be in tax arrears, unless a provincial state of emergency declared in the year, or subject to compliance and enforcement orders issued under property standards and maintenance by-laws, the Ontario Fire Code and the like.

Designated Heritage Properties in the commercial and industrial tax classes under the *Assessment Act* cannot receive both a Grant and a Town of Caledon Heritage Tax Rebate in the same taxation year.

Designated Heritage Properties owned by any level of government are not eligible, except where a non-profit, community group has assumed responsibility for maintenance of the Designated Heritage Property by long-term lease or legal agreement. In such cases, that organization may make an application.

## Eligible Conservation Work

Any new work that directly and appropriately conserves Heritage Attributes is deemed eligible. All work must be executed in such a manner as not to detract from or diminish the cultural heritage value of the Designated Heritage Property.

Eligible Conservation Work includes the costs of labour, materials and equipment. The grant is based on the owner's actual expenditures as verified by invoices and receipts. Donated labour and materials are not considered part of the project costs.

Where a Designated Heritage Property contains non-heritage additions, only the heritage portion of a Designated Heritage Property will be eligible for the grant funding.

Grant funding excludes refundable HST (13%) for those applications associated with a business registered for HST with the Canada Revenue Agency (CRA).

## ***Preservation Projects***

'Preservation' is the act or process of applying measures necessary to care for and sustain the existing form, integrity, materials and details of a Designated Heritage Property. Preservation is appropriate when the existing Heritage Attributes and features are essentially intact.

The removal or replacement of intact or otherwise repairable Heritage Attributes on a Designated Heritage Property should always be avoided.

Occasionally rehabilitation may also be required if a Designated Heritage Property is to remain functional - usually through conversion of a Designated Heritage Property for a new, compatible use. Rehabilitation involves more intervention than simple preservation, usually by making certain, carefully considered alterations.

Every effort should be made to retain and preserve the Heritage Attributes that contribute to the significance of the Designated Heritage Property, while still permitting those changes necessary to ensure the building has renewed viability.

## ***Restoration Projects***

'Restoration' is the process of accurately revealing, recovering, replicating or representing the state of a Designated Heritage Property at a particular period in its history, while still protecting the cultural heritage value of the Designated Heritage Property.

Restoration is appropriate when the significance of the Designated Heritage Property during a particular period in its history far outweighs the potential loss of existing materials, spaces, finishes and other attributes. Restorations are usually considered when the heritage integrity and significance of the property has been greatly diminished over time.

Restoration should focus on accurately replicating decayed and missing elements or revealing intact elements that are hidden or obscured. Restoration can also focus on removing inappropriate finishes and features that obviously diminish the heritage value of the Designated Heritage Property.

The merits and scope of a restoration project is determined using appropriate documentary sources - either directly related to the Designated Heritage Property or based on solid research and relevant historical references that can be used to guide a project.

Restoration should never be the result of speculation or mere conjecture and should never be overly influenced by current design trends.

## ***Examples of Eligible Conservation Work:***

Eligible Conservation Work can include the preservation or restoration of:

- architectural and engineering services, feasibility studies, preparation of drawings (*Note: only applicable to designated heritage properties managed by not-for-profit community groups*)
- architectural elements such as porches, verandahs, cupolas, columns, brackets, soffits, and fascia
- exterior cladding such as clapboard, wood shingles, pebbledash stucco, board and batten
- windows, doors (including screen doors and storm windows) and other structural openings
- decorative architectural detailing, millwork and trim
- significant chimneys



- interior Heritage Attributes
- masonry and stonework
- cleaning of masonry and stone (if deemed necessary and if using non-destructive cleaning methods); chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used
- removal of non-heritage siding and detailing
- repairs deemed critical to the stabilization and preservation of the property, including repairs to the roof and eaves troughs, exterior cladding, windows, foundation and drainage, serious structural faults
- removal of inappropriate modern materials such as insulbrick, metal siding and the like
- introduction of an exterior period paint colour scheme



***Examples of Eligible Conservation Work:***



**Alton Mechanics Institute: Repaired roof and associated flashing, repointed areas of exterior brickwork, restored windows and front door**



**Alexander Smith Farmstead: Resided barn**





**Bolton Heritage Conservation District: Restored front porch elements**

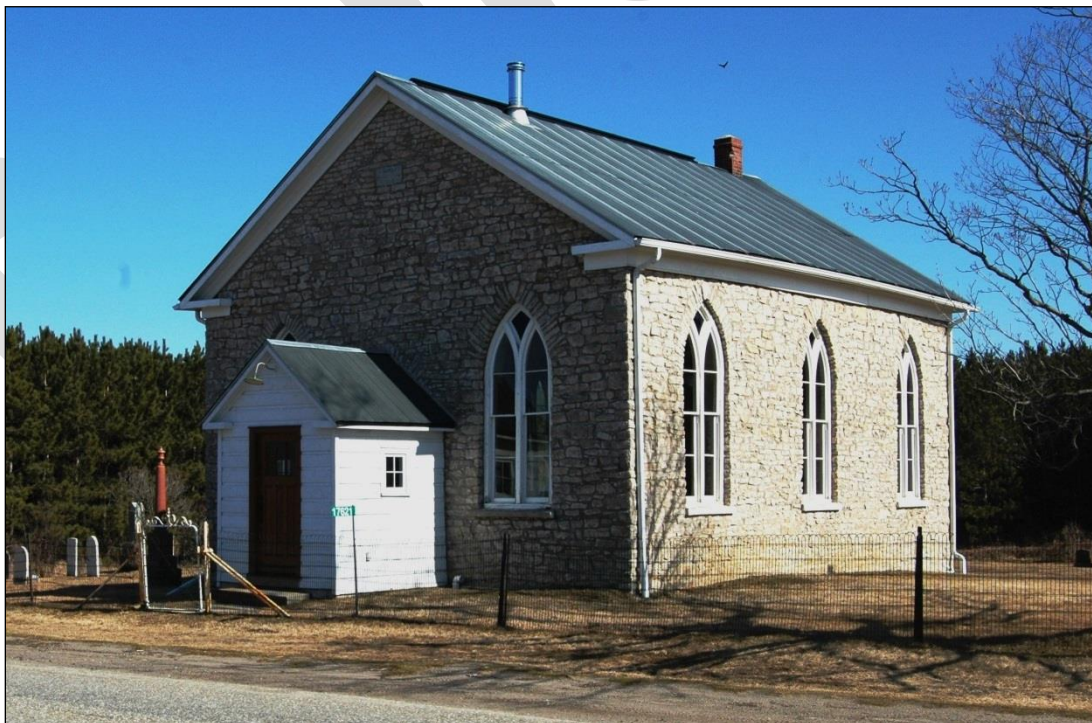


**Little-Webber House: Repaired and repainted shutters**



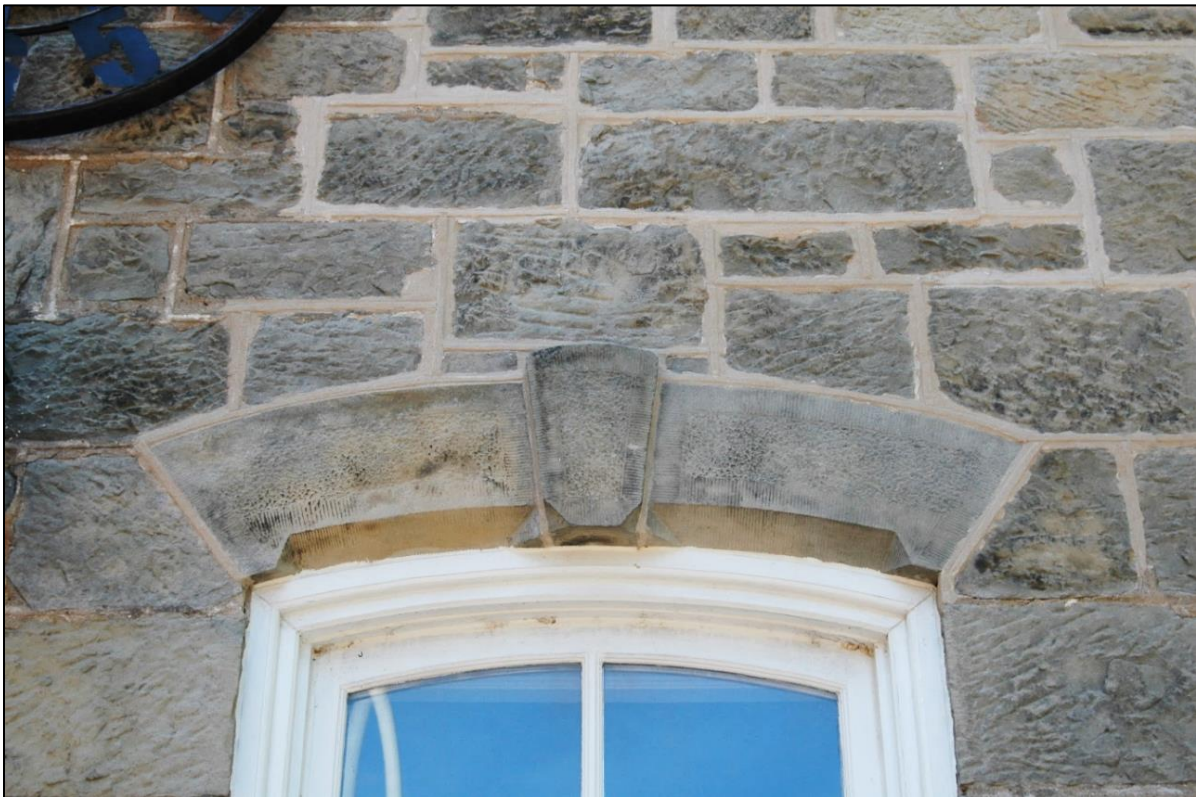


**Goodfellow-Nattress-Potts: Replaced sash cords and installed weather seal on windows**



**St. Andrew's Stone Church: Restored windows, repointed north wall, replicated front vestibule door**





**Sharpe Schoolhouse: Repointed areas of exterior stonework**



**Bolton Heritage Conservation District: Repointed areas of Christ Church Anglican bell tower**





**Claude Presbyterian Church: Repaired front gable fascia and soffits, painted exterior wood trim and exposed rafters in eaves**



**Silver Creek Schoolhouse: Repaired fascia, soffits, and bell tower**

## In-eligible Work

In-eligible work includes:

- previously commenced or completed work;
- projects of a non-heritage nature;
- work that focuses on non-heritage attributes;
- alterations, renovations or repairs that do not conserve the Heritage Attributes of the property;
- an extension or addition that is of contemporary construction;
- new additions, spaces, features or finishes, or work that might diminish the cultural heritage value of the Designated Heritage Property; and/or,
- interior renovations, unless interior Heritage Attributes are identified in the property's designation by-law.

### ***Examples of In-Eligible Work:***

- any work completed or started before a grant has been formally approved
- architectural and engineering services, feasibility studies, cost estimates, preparation of drawings (except for such work undertaken for not-for-profit community groups as identified above in *Eligible Conservation Work*)
- repairs and upgrades ordered as a result of non-compliance with property standards by-laws and other applicable by-laws, regulations and legislation
- minor repairs; routine household maintenance
- construction of new additions or accessory structures that are not based on historical research and that do not incorporate historically appropriate forms, finishes, elements and materials
- re-insulating, installation of new heating or cooling systems or other energy efficiency upgrades
- improvements to mechanical or electrical systems
- removal of asbestos, mould, urea formaldehyde and other contaminants
- driveway paving and repairs
- exterior painting not based on historical research and not using appropriate period paint colour schemes
- non-heritage awnings, gutters, downspouts and signage
- moving of structures
- work focusing on non-heritage additions, sheds or outbuildings not specifically identified as Heritage Attributes
- new fencing or landscaping that is not based on historical research and that does not incorporate historically appropriate forms, finishes, elements and materials
- sandblasting or other cleaning methods that may damage a structure's finishes

- re-shingling a roof with non-heritage shingles such as asphalt

If there is doubt about the interpretation of what constitutes Eligible Conservation Work in relation to a specific project proposal, the Town's heritage staff or designate should be contacted for clarification.

The final determination of what constitutes eligible and in-eligible work is at the discretion of the Town's heritage staff in consultation with the Heritage Caledon, with reference to the Program Guidelines as approved by Town Council.

## **Application Forms**

Owners can apply for the grant at <https://www.caledon.ca/en/living-here/designated-heritage-property-grant-program.aspx#Apply-for-a-grant>. Hard copy application forms are also available on the Town website.

## **Documentation with Each Grant Application**

Owners are to submit as much information and supporting documentation as necessary to describe the proposed project and demonstrate its merits. The Town may request additional information as required. The following types of information are required with each grant submission:

- Photographs of the Designated Heritage Property and of the features showing what and where the work will take place
- Copies of historical photographs, illustrations or other forms of historical documentation of the Designated Heritage Property if available, and if applicable to the project; if not available, general historical references and graphic material that help illustrate what is proposed and why it is historically appropriate
- Drawings (as necessary) that adequately illustrate the scope and type of work, location as proposed; drawings rendered by the Owner are acceptable in many instances; if an architect or consultant has been otherwise retained, drawings should ideally be submitted by them as available
- At least two (2) competitive cost estimates for all labour and materials involved in the proposed work unless there is only one specialized supplier of a particular product, trade or service in the GTA. These estimates must be sufficiently detailed so as to clearly indicate the scope and nature of work. In a case where it is not possible to obtain two (2) estimates, the Town will use its discretion to allow a grant application to proceed with less than the required number of cost estimates
- Although not mandatory, Owners are encouraged to select suppliers, contractors and/or tradespeople with demonstrated experience with heritage properties
- A brief summary of the overall project budget

## **Pre-Consultation**

Owners and/or their agents are encouraged to consult with the Town's heritage staff or designate prior to submitting a grant application. This pre-consultation is to help ensure that applications are complete and that they meet the criteria and eligibility requirements.

A site inspection of the Designated Heritage Property and an assessment of possible impacts on existing Heritage Attributes will be made by heritage staff and available members of the Designated Heritage Property Review Group (Heritage Caledon's grant program subcommittee).



### ***Pre-Consultation for Emergency Work:***

Eligible Conservation Work undertaken for emergency purposes between grant application rounds (i.e. urgent structural repairs to foundation or roof) may be considered for retroactive grant support. Such consideration is dependent on pre-consultation with heritage staff prior to the work commencing.

### **Assessment of Applications**

#### ***Project Merits Will Be Assessed Using the Following Criteria:***

- is compatible and consistent with the cultural heritage value/interest of the Designated Heritage Property
- serves to conserve the building or property by stabilizing and protecting existing Heritage Attributes
- if a restoration: serves to help restore the building or property by replicating lost or damaged Heritage Attributes. Such work must not compromise existing Heritage Attributes in the process and must be justified using appropriate research and documentation methods
- is consistent with Town of Caledon by-laws and policies, along with relevant provincial and federal regulations and codes
- is consistent with the [Standards and Guidelines for the Conservation of Historic Places in Canada](#) and is consistent with good heritage conservation practices in general

#### ***Factors Used in Assessment of Grant Applications:***

- the overall cultural heritage value/interest of the Designated Heritage Property as determined by the Town of Caledon's criteria for assessing cultural heritage value/interest;
- documentation that indicates the suppliers of a particular product, trade or service have sufficient expertise and experience working with heritage properties;
- the use of historically appropriate materials and finishes as warranted;
- the availability of funds within the program budget;
- the relationship of the application to the long-term conservation plans and priorities of the Town

### ***Application Deadlines***

There will be an annual spring application deadline and, if funds permit, a fall application deadline. Owners of Designated Heritage Properties will be notified of the spring application deadline by email or letter early in the new year; similar notification will be sent in mid-summer should funding permit a second round of applications.

## Grant Application Process

1. Grant applications shall be submitted to heritage staff in the Policy, Heritage and Design Services section of the Planning Department online, or by mail or email (contact information provided at the end of this document).
2. Applications will be screened by heritage staff to ensure they are complete. If any information is missing, Owners will be notified by phone and will have **one week** to supply the information. If the information is not provided, the application will be closed.
3. Receipt of a complete application will be acknowledged by email/ telephone, followed by a letter.
4. Heritage staff will forward all applications deemed eligible to the Designated Heritage Property Grant Review Group (the DHPG Review Group comprises heritage staff and a subcommittee of Heritage Caledon).
  - Priority will be given to Owners who have not previously received funding under the DHPG program
  - Applications may be granted funding either with or without conditions and/or other considerations
5. The recommendations of the DHPG Review Group will be presented to Council in a staff report prepared by heritage staff.
6. Caledon Council will make the final decision regarding approval or refusal of grant requests.
7. All Owners will be notified of Council's decision by email or telephone, followed by letter.

By signing the application form, the Owner certifies that no work eligible for grant funding has yet been contracted or undertaken.

Work and projects under consideration with a grant submission shall not commence prior to receiving written confirmation from the Town of Caledon that a grant has been awarded.

If the proposed project includes both work eligible for a heritage grant and work not eligible for a heritage grant, the cost estimates must clearly differentiate between eligible and in-eligible work.

## Administration of Grants

Each grant may be awarded in the amount of up to half of the cost of the Eligible Conservation Work to a maximum of four thousand dollars (\$4,000).

Grant funding excludes refundable HST (13%) for those applications associated with a business registered for HST with the Canada Revenue Agency (CRA).

All grants are subject to available funding within the Town's annual program budget.

## ***Changes to Approved Eligible Conservation Work***

The grant recipient shall contact heritage staff and the DHPG Review Group concerning any changes to the approved Eligible Conservation Work that are proposed during the course of the work. The grant recipient shall not proceed with any changes to the proposed project unless approved by the DHPG Review Group.

## **Grant Payment Requirements**

Before the grant is paid by the Town, the following must occur:

- a) The Eligible Conservation Work must be completely paid for by the Owner(s) of the Designated Heritage Property (with documentation provided to verify such payment through submission of original invoices, receipts and proof of payment (i.e. cancelled cheques / credit card statements);
- b) The completed Eligible Conservation Work must be exactly the Eligible Conservation Work that was approved by the DHPG Review Group, or any subsequently approved changes, and be completed to the satisfaction of the DHPG Review Group;
- c) The Owner(s) will permit the DHPG Review Group to inspect and photograph the completed project to ensure conformity to the proposal submitted;
- d) Eligible Conservation Work must be completed within three (3) years from the date of approval of the grant; and,
- e) Heritage staff must be in receipt of all documentation listed in the Guidelines, or as are requested by heritage staff or DHPG Review Group.

In accordance with *Ontario Heritage Act*, upon satisfaction of the above requirements the Town will pay the grant to the Owner(s) of the Designated Heritage Property. The Town will not pay the grant to the agent or contractors of the Owner(s) without express written authorization to do so from the Owner(s).

## **Remedial Actions**

Should, in the opinion of the DHPG Review Group, the grant recipient fail to comply with the requirements of the program Guidelines or supply false information, the grant recipient shall either not be paid the grant by the Town, or, if the grant has already been paid, will be required to forthwith repay the entire grant amount to the Town.

Failing immediate repayment upon notice from the Town, the grant shall be deemed to be a loan, for which the amount of the loan together with interest (at the Prime Interest Rate as set out by the Bank of Canada as of the date of notice from the Town, plus 2%) may be added by the Town Clerk to the collector's roll and collected in like manner as municipal taxes, and such amount and interest shall be a lien or charge upon the land in respect of which the loan was made.

## **Frequency of Grant**

A single Designated Heritage Property is eligible to receive two (2) grants in the calendar year at the sole and absolute discretion of Council and subject to available annual funding.

In the event that a second grant is approved, the applicant waives his/her right to apply for a grant under the Designated Heritage Property Grant Program in the following calendar year in respect of the same Designated Heritage Property.

## Completion of Work

Eligible Conservation Work must be completed within three (3) years from the date of approval of the grant.

### Grant Application Checklist

- ☐ Completed and signed application form
- ☐ Drawings / renderings necessary to accurately describe the existing condition and proposed work
- ☐ Current colour photographs documenting the heritage features or area of the proposed work
- ☐ Copies of archival photographs, if applicable
- ☐ Attached cost estimates for labour and materials

## Further Information

Policy, Heritage and Design Services  
Planning Department  
Town of Caledon  
6311 Old Church Road  
Caledon, ON L7C 1J6

Phone: 905.584.2272 x7338  
Fax: 905.584.4325  
Email: [heritage@caledon.ca](mailto:heritage@caledon.ca)

DHPG program information is posted on the Town's website here:

[Designated Heritage Property Grant Program - Town of Caledon](#)

Heritage staff will send out letters and/or e-mails regarding program updates and whether funding allows a fall submission to occur.



***Patullo-McDiarmid Dry Stone Wall: Restored using existing stone and new cedar shakes.***