



HERITAGE STRATFORD ADVISORY COMMITTEE ADDENDUM

Adoption of Addendum to the Heritage Stratford Advisory Committee Agenda:

Motion by

THAT the Addendum to the Heritage Stratford Advisory Committee Agenda dated April 14, 2026, be added to the agenda as printed to include the following:

4. Business Arising from Previous Minutes

4.1 Update on CIP Proposal

Following the publishing of the agenda, Barb Cottle, Heritage Stratford Advisory Committee Member, provided the attached draft proposal for the City of Stratford Heritage District Fund for the consideration of the Committee.

City of Stratford Heritage District Improvement Program

Council Briefing Draft

1. Purpose

The Façade Improvement Loan Program is intended to encourage Heritage Conservation District (HCD) property owners to undertake structural and façade improvements. This program allows the City to offer financial assistance to support the conservation and long-term integrity of properties within the City of Stratford's Heritage Conservation District (HCD).

The proposed program is designed to:

- Support Heritage District owners with the conservation and maintenance of heritage façades and character-defining elements
- Encourage private-sector investment in Heritage District properties with funding up to 50% of eligible costs to a maximum of \$25,000.
- Maintain and improve the integrity and visual quality of the Heritage Conservation District.
- Preserve heritage features within the HCD and encourage improvements consistent with the "City of Stratford Heritage Conservation District Standards".
- Provide opportunity for investment in HCD buildings that improve the economic climate of the area and increase its importance as a destination for residents and visitors.
- Provide a sustainable and predictable funding tool aligned with the Council's fiscal objectives.

2. Policy Context and Objectives

The proposed program responds to the following key municipal objectives:

- Support ongoing building maintenance and conservation in Heritage Districts.
- Ensure the program is **levy neutral**, which doesn't burden the City of Stratford.

This document was prepared by the Heritage Stratford Advisory Committee and is provided for the Council's consideration and direction for Heritage District Fund development and implementation.

- Provide recurring access to funding opportunities every year.
- Establish a program that is financially sustainable over the long term.

3. Program Model Overview

To achieve these objectives, the Heritage Stratford Advisory Committee recommends that the City establish the Heritage District Fund as a **Revolving Loan Fund (RLF)**. To keep the program levy neutral, the \$260,000 cannot be "given away" as standard grants, or the fund will be depleted.

Unlike a grant-based model, the \$260,000 acts as the "seed." As owners repay their loans, that money flows back into the fund to be loaned out to the next applicant. A revolving loan structure allows funds to be reused as loans are repaid, ensuring long-term sustainability and alignment with levy neutrality.

Key Features:

- **Initial Capitalization:** \$260,000
- **Revolving Structure:** Loan repayments are returned to the fund and made available to future applicants
- **Sustainable Annual Disbursement Targets:**
 - Year 1: Up to \$130,000. Leaving half of the initial amount for sustainability.
 - Subsequent Years: \$85,000 annually.
- **Interest Rate:** Low interest (2%) to sustain the program and offset late or default payments. For a maximum of 5 years.
- **Administrative Fee:** Offset administrative costs. \$500. By charging an administrative fee, the City can offset the program's internal costs, ensuring it doesn't increase the tax levy.

This model allows the City to maintain a consistent program without ongoing pressure on the tax levy.

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4. Financial Framework

4.1 Funding Limits

- Maximum loan per property: **The lesser of \$25,000 or 50% of the eligible project costs**

4.2 Cost-Sharing Requirement

Property owners are required to contribute a minimum of 50% of the total project costs.

Illustrative Examples:

- \$60,000 project → \$25,000 loan (maximum reached)
- \$30,000 project → \$15,000 loan

4.3 Program Impact

The 50% matching requirement effectively doubles the impact of the City's investment:

- **\$260,000 fund → \$520,000+ in total heritage conservation activity**

4.4 Eligible Works

Those who have previously defaulted under any City loan program will not be eligible. The program is not retroactive and is only for new work, not already started.

The applicant(s) must be the registered owner of the property. Loan assistance is available for any individual building in the HCD. The entire multi-unit building, which contains separate units with condominium status, will be considered one building for the purposes of the program. Separate applications must be submitted for each individual building on a single property.

All mortgages and loans applicable to a property, including the HCD Façade Improvement Loan, must not exceed 90% of the assessed value of the property. Based on the property's assessed value, property owners who do not have sufficient equity in their property will not be eligible for a loan under this program. The City will be responsible for preparing a title search to determine all outstanding mortgages and liens charged against the property.

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The applicant must sign a loan agreement that outlines the terms and conditions of the loan. All property taxes must be paid in full before funds are advanced under the program and for the lifetime of the loan.

Funding is limited to conservation-related work and must align with:

- *Standards and Guidelines for the Conservation of Historic Places in Canada.*
- City of Stratford Heritage Conservation District guidelines.

Eligible exterior work includes:

- **Masonry restoration** (repointing, cleaning, repair). Repointing with historically correct lime-based mortar; specialized cleaning (no sandblasting); and brick/stone replacement.
- **Windows and Doors.** Restoration of original wood sashes, frames, and hardware. (Replacement only allowed if restoration is technically impossible, and must match original profile/material).
- **Architectural Woodwork.** Repair of original verandas, gingerbread trim, cornices, and storefront bulkheads.
- **Roofing.** Repair of slate, cedar, or original metal roofing (if visible as a character-defining element).
- **Signage.** Installation of appropriate signage if in conjunction with other improvements.
- **Professional fees.** Up to 10% of funding may be applied to fees for architects, designers, engineers, and solicitors, as well as studies.
- **Storefronts.** Restoration of original glass heights, transoms, and recessed entries.

4.5 Ineligible Works

- Interior upgrades (e.g., plumbing, electrical, HVAC)
- Non-visible structural work
- Modern alterations or additions not consistent with heritage conservation

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5. Security and Risk Management

5.1 Loan Security

Loans will be secured through a **Municipal Tax Lien (Local Improvement Charge model)** Liens will be noted on the tax roll and will be registered and discharged by the City.

- Registered on title.
- Attached to the property rather than the individual owner.
- Payable upon sale or transfer unless otherwise discharged.
- The cost of the loan security administration will be covered under an initial administration fee of \$500.

5.2 Default Provisions

The loan will become immediately due and payable if:

- The property is sold (unless assumed by the purchaser).
- Approved heritage features are altered or removed without authorization.

This approach ensures the City's financial position is protected and consistent with existing municipal practices.

6. Eligibility Criteria

Applicants must meet the following criteria:

- Property designated under Part IV or Part V within the Heritage Conservation District.
- Property taxes are current.
- No outstanding litigation with the City.

7. Program Administration

7.1 Application Requirements

Applicants will be required to submit:

- Building Permit Application and/or Heritage Permit Application.

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- HCD Façade Improvement Loan application that includes a description of how the proposed works relate to the exterior façade improvements. The onus is on the applicant to show how the proposed works relate to façade improvements.
- A minimum of two contractor quotations. The lower of the two estimates will be taken as the cost of the eligible works for the purpose of this program.
- A Conservation Plan outlining the proposed work (including drawings and photographs).
- A mandatory pre-consultation for larger projects.

7.2 Review Process

- Applications will be reviewed by Heritage Planning staff and the Heritage Stratford Advisory Committee. City staff may need to inspect the building to review its condition and the proposed improvements.
- Approval will be based on compliance with established conservation standards.
- A committee-based review process is recommended to ensure consistency and transparency.
- City Council will make the final determination as to how much of the proposed work is eligible under the HCD Facade Improvement Loan Program.

7.3 Project Implementation

- Approval expires after one year.
- Projects must be completed within **18 months**.
- Final inspection by the City is required prior to final payment and upon receipt of invoices for all completed work and after City inspection of all completed improvements that have taken place. There will be no progress payments.
- The loan amount will relate to the invoices showing the actual costs of completed work if less than the estimated costs.

7.4 Disbursement

- 100% of funding released upon completion and satisfactory inspection.

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8. Repayment Terms

- Loan payments will begin 4 months after the advancement of funds.
- Repayment of the loan will be on a monthly basis.
- Full repayment can be made at any time without penalty.
- Standard term: 5 years.
- An initial administrative fee will be applied to recover legal and processing costs.
- The loan will be transferable to a new owner, provided that the new owner meets with, and agrees to, the terms and conditions of the loan.

Shorter repayment periods are recommended to improve fund turnover and long-term program capacity.

9. Relationship to Previous Programs

The proposed Heritage District Fund builds on the structure of Stratford's previous Heritage Conservation District Façade Improvement Loan Program, with enhancements to improve:

- Financial sustainability.
- Administrative clarity.

10. Conclusion

The proposed Heritage District Fund provides Council with a financially responsible and sustainable tool to support heritage conservation within the City.

By leveraging a revolving loan model, the City can:

- Protect and enhance its heritage assets.
- Stimulate private investment.
- Maintain the character and economic vitality of the Heritage Conservation District.
- Deliver a program that aligns with Council's fiscal priorities, including levy neutrality.

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