

To: Economic and Development Services Committee

From: Warren Munro, HBA, MCIP, RPP, Commissioner,
Economic and Development Services Department

Report Number: ED-23-184

Date of Report: October 11, 2023

Date of Meeting: October 16, 2023

Subject: Request under the Urban Growth Centre Community
Improvement Plan

Ward: Ward 4

File: 03-05

1.0 Purpose

On September 11, 2023, the Economic and Development Services Committee considered Correspondence ED-23-171 and heard a presentation from Diana Cerovich regarding a request from the Biltmore Theatre to consider a request for a grant under the Urban Growth Centre Community Improvement Plan ("U.G.C.C.I.P.").

ED-23-171 acknowledges that the work has been completed owing to an emergency and that the March 1, 2023 deadline for an application had passed. The work was completed in June of 2023 and was required in order to ensure "appropriate environmental controls for the summer months and patron health and comfort".

On September 11, 2023, the Economic and Development Services Committee referred Item ED-23-171 to staff for a report.

The purpose of this Report is to respond to the Economic and Development Services Committee September 11, 2023 direction and recommend approval of a request submitted by the Biltmore Theatre for a grant under the U.G.C.C.I.P.

Attachment 1 is a copy of the letter dated September 1, 2023 from the Biltmore Theatre.

Confidential Attachment 2 is a copy of the application to the U.G.C.C.I.P. and associated quotes and invoices.

2.0 Recommendation

That the Economic and Development Services Committee recommend to City Council:

That the Development Services Committee recommend to City Council that, pursuant to Report ED-23-184 dated October 11, 2023, the Biltmore Theatre be approved for an Upgrade to Building and Fire Codes Grant in the amount of \$10,000.00.

3.0 Executive Summary

Not applicable.

4.0 Input From Other Sources

The following were consulted in the preparation of this Report:

- Commissioner, Corporate and Finance Services

5.0 Analysis

5.1 Urban Growth Centre Community Improvement Plan

On May 2, 2016, City Council adopted the U.G.C.C.I.P. which is intended to encourage economic development in the Downtown Oshawa Urban Growth Centre through a variety of grant programs. The U.G.C.C.I.P. was advanced owing to the identification of downtown Oshawa as an Urban Growth Centre in the Provincial Growth Plan for the Greater Golden Horseshoe.

The U.G.C.C.I.P. specifies that the terms and conditions of any grant program and administrative procedures may be changed, altered, amended or modified by the City on a case by case basis.

5.2 Applications under the Urban Growth Centre Community Improvement Plan

The Biltmore Theatre was previously the successful recipient of an Economic Stimulus Grant and a Façade and Accessibility Improvement Grant under the U.G.C.C.I.P.

In September 2020, the Economic Development Services department received an application from the Biltmore Theatre to aid in financing work that included:

- Façade restoration
- Replacement of front and rear doors
- Interior replacement of curtains with to code fire retardant material
- Installation of new flooring
- Installation of new sound equipment
- Installation of new windows
- Removal of existing paint

Following receipt of invoices and confirmation of the completion of work, the Biltmore Theatre received a grant from the City in the amount of \$24,915.50 broken down as \$20,000 as an Economic Stimulus Grant and \$4,915.50 as a Façade and Accessibility Improvement Grant.

This is the only application from the Biltmore Theatre to the U.G.C.C.I.P. outside of the request currently being contemplated by the Economic and Development Services Committee.

5.3 The Development

The work outlined in Section 5.2 above was required enhancements to allow the Biltmore Theatre to open to the public, which occurred in 2021.

Oshawa's Biltmore Theatre originally opened in 1940 and operated at a movie theatre, under this name, until the 1960s. It was one of the original five movie theatres in the Biltmore Theatre chain, which was owned by the Okum Brothers. It reopened as the Odeon theatre and operated as such until 1989. Following the closure of the Odeon theatre, the space converted into a series of nightclubs and music venues.

In September 2020, the theatre was purchased by the Kedvessy family who renovated the building, revived the Biltmore Theatre name, and brought back elements of the original art deco design from the 1940s.

The Biltmore Theatre now operates as a public hall, bringing touring concerts, special events and providing community rental space for public gatherings.

The grants released by the City through the U.G.C.C.I.P. as noted in Section 5.2 of this Report aided in the renovations of the Biltmore Theatre and supported the re-opening of the venue.

5.4 Current Request

On September 1, 2023, City staff received correspondence from the Biltmore Theatre requesting a grant for previously completed work (see Attachment 1) at 39 King Street East.

The work included a complete replacement and upgrade of the rooftop H.V.A.C. system at a cost of \$64,410. The completed work also improved the energy efficiency and monitors carbon dioxide in the space for improved air circulation.

The completed work associated with this correspondence could be considered for the Upgrade to Building and Fire Codes Grant which would provide eligible applicants up to 50% of the construction costs to a maximum of \$10,000 per municipal street address, storefront or commercial unit, whichever is less, subject to an overall maximum of \$30,000 per property for a building with multiple street addresses, storefronts or commercial units.

The Upgrade to Building and Fire Codes Grant includes the following eligibility, as outlined in Appendix 2, Section 3.2 of the U.G.C.C.I.P. guidelines:

- Installation, repair or reinstall of plumbing, heating, H.V.A.C., electrical fixtures and wiring, cable, telephone and other service-specific installations;

The following parameters are outlined in Appendix 2, Section 5.0 of the U.G.C.C.I.P. guidelines which constitute the request from the Biltmore Theatre seeking an exemption for funding consideration:

- No grant will be applied retroactively to works started prior to the commencement of this program.
- All property owners must submit a minimum of two estimates of the work to be undertaken from contractors. One of the two required estimates must be from a local (Durham based) contractor.

As the quotes were sourced prior to the grant application deadline of September 1, 2023 and the work was completed, City staff have only received the invoices for the completed work and did not have an opportunity to review any estimates that were sourced by the Biltmore Theatre.

However, the work was completed by a Durham based contractor which is a principle of the U.G.C.C.I.P. In addition, Corporate Services staff with experience in construction and capital improvement estimates have reviewed the invoices and consider them to be reasonable and reflective of market rates.

Upon evaluation of the invoices supplied by the Biltmore Theatre, and the terms of the Upgrade to Building and Fire Codes Grant under the U.G.C.C.I.P., the project would be approved for a \$10,000.00 grant if it was submitted before the work was initiated.

5.5 Basis for Recommendation

This Report recommends that, notwithstanding the fact that work has been initiated and completed prior to approval, the Biltmore Theatre be approved for a \$10,000.00 Upgrade to Building and Fire Codes Grant for the following key reasons:

- The work was an emergency and waiting for the matter to be considered through the normal application intake may have exacerbated the damage.
- The work is eligible and would have been approved by staff if it could have awaited the normal application intake process.
- The Biltmore Theatre is a local business success with 30 employees in the downtown which helps to advance the target of 200 persons/jobs per hectare in the Provincial Growth Plan for the Downtown Oshawa Urban Growth Centre.
- The Biltmore Theatre was a key contributor to the success of Convergence Music and Art Festival.

- The Biltmore Theatre welcomed approximately 16,000 patrons in 2022 and is estimated to reach 20,000 in 2023.

6.0 Financial Implications

There are sufficient funds in the Community Improvement Plan reserve to fund the grant recommended by this Report.

7.0 Relationship to the Oshawa Strategic Plan

The Recommendation in this Report advances the Economic Prosperity and Financial Stewardship goals of the Oshawa Strategic Plan.



Hailey Wright, BA Hons, Director,
Business and Economic Development Services



Warren Munro, HBA, MCIP, RPP, Commissioner,
Economic and Development Services Department

To Members of Council,

**Item: ED-23-184
Attachment 1**

We wish to address you, committee & members of council, in regards to the Biltmore Theatre application for the CIP program for September 2023. Through the CIP program we are seeking \$10,000 in retroactive funding as part of building and fire improvements. In June of 2023 the Biltmore upgraded and replaced its existing rooftop HVAC unit at a cost of \$64, 410.00 (Gross).

Due to constraints with suppliers' ability to get an appropriately sized unit and with an aged and non functioning HVAC unit producing no Air Conditioning, we were forced to proceed with the project ahead of the summer months and the September CIP Grant intake. We confirmed one of the 3 quotes received (all Durham Region based businesses and quotes are supplied in the CIP program application). This assured appropriate environmental controls for the summer months for events and patron health and comfort.

The aged and non functioning unit that was replaced was over 20 years old; the updated system has a much greater efficiency rating and monitors CO2 in the space for improved air circulation and air exchange.

To date, the Biltmore Theatre has accessed funding through the CIP program previously in September of 2020 being awarded \$24, 915.50 (distributed in March of 2022) for economic stimulus and facade improvements. Access to this funding has proved crucial to the businesses growth and facility improvements. As an arts and culture based organization, additional funding sources prove crucial to our business plans and on-going success.

Council does have a historic precedent of approving CIP grants retroactively in circumstances that have extenuating circumstances that required more immediate attention than possible when waiting for intake periods.

Jacob Hamayda, General Manager of Biltmore Theatre Corp, also speaking as a representative of 1334943 Ontario Ltd. who owns the building, will be present to address council and committees questions or concerns.

The Biltmore Theatre is a concert hall and event space in Downtown Oshawa highlighting Canadian musicians and local events and culture. The Biltmore Theatre sees just over 20,000 event guests and tourists each year. Biltmore Theatre Corp. is a tenant of 39 King St E, owned by 1334943 Ontario Ltd, both businesses are operated by Diana Cerovich.



Diana Cerovich - Sept 1, 2023

COO - Biltmore Theatre

Vice President - 1334943 Ontario Ltd.

Biltmore Theatre 39 King ST E, Oshawa ON. L1H 1B2