

To: Economic and Development Services Committee

From: Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

Report Number: ED-24-11

Date of Report: January 3, 2024

Date of Meeting: January 8, 2024

Subject: Request under the Urban Growth Centre Community
Improvement Plan

Ward: Ward 4

File: 03-05

1.0 Purpose

On December 6, 2023, the City Clerks department received correspondence from Gino Mastromattei of Crispcorp Ltd. which owns and operates the property located at 2 Simcoe Street South. The letter is requesting an exemption to the terms under the Urban Growth Centre Community Improvement Plan (“U.G.C.C.I.P.”) to fund work outside of the intake period. The request for the exemption is due to the urgent nature of the work that needs to be undertaken.

The correspondence outlines that repairs are needed to the building line along the exterior parapet wall and it is proposed that Crispcorp Ltd. will install metal cladding along the north, south and west walls which will be secured directly to the concrete walls, eliminate any ongoing safety concerns from the damaged masonry and enhance the general appearance of the building.

The correspondence acknowledges that “due to the current conditions (of the exterior masonry along the parapet roof area), specifically safety concerns, timing is of the essence and repairs must commence immediately.”

The purpose of this Report is to recommend approval of a request submitted by Crispcorp Ltd. for a grant under the U.G.C.C.I.P.

Attachment 1 is a copy of the letter dated December 6, 2023 from Crispcorp Ltd.

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

2.0 Recommendation

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

That, pursuant to Report ED-24-11 dated January 3, 2024, Crispcorp Ltd. be approved for an Upgrade to Building and Fire Codes Grant in the amount of \$10,000.00 and a Façade and Accessibility Improvements 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

Crispcorp Ltd. was previously the successful recipient of a Façade and Accessibility Improvement Grant under the U.G.C.C.I.P. In March 2019, the Economic Development Services Department received an application from Crispcorp Ltd. to aid in financing work at 2 Simcoe Street South that included:

- Six new awnings promoting Spark Centre and other anchor tenants

Following receipt of invoices and confirmation of the completion of work, Crispcorp Ltd. received a grant from the City in the amount of \$9,820 as a Façade and Accessibility Improvement Grant.

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

5.3 Current Request

On December 6, 2023, City staff received correspondence from Crispcorp Ltd. requesting a grant for proposed work at 2 Simcoe Street South (see Attachment 1).

The work included a complete upgrade to the three top sections of the roof parapet walls of the building on the north, south and west walls. The proposed work also includes top of roof capping to prevent future water penetration throughout and metal cladding that will be approximately 12 feet wide and 10 feet high. The cost of the work is approximately \$122,540 plus H.S.T. for supply and installation. It should be noted that the U.G.C.C.I.P. does not fund engineered drawings or permits as part of the scope of work.

The completed work associated with this correspondence could be considered for both the Upgrade to Building and Fire Codes Grant and the Façade and Accessibility Improvement Grant. Each of these grants 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. Approval of both of these grants under the U.G.C.C.I.P. would result in a \$20,000.00 grant to Crispcorp Ltd.

5.4 Basis for Recommendation

This Report recommends that, notwithstanding the fact that work needs to be initiated and completed prior to the U.G.C.C.I.P. application cycle, Crispcorp Ltd. be approved for a \$10,000.00 Upgrade to Building and Fire Codes Grant and \$10,000.00 Façade and Accessibility Improvements Grant for the following key reasons:

- The work is an emergency and waiting for the matter to be considered through the normal application intake may exacerbate the damage and overall safety in the immediate area; and,
- The work is eligible and would have been approved by staff if it could wait and be considered as part of the normal application intake process; and,
- Crispcorp Ltd. located at 2 Simcoe Street South is an office building which currently has strong professional tenants such as CIBC Retail, Commercial and Wood Grundy, Spark Centre, Synergy Lab, Ontario Tech University and The Staffing Connection and the Canadian Council on Rehabilitation and Work. The presence of these businesses downtown within 2 Simcoe Street South brings approximately 130 employees to the office location, plus clients, which helps to advance the target of 200 persons/jobs per hectare in the Provincial Growth Plan for the Downtown Oshawa Urban Growth Centre.

It should be noted that any permits and required agreements for the proposed work will still be required should the Economic and Development Services Committee endorse the recommendation to City Council in Section 2.0 of this Report.

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



Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

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December 6, 2023

To Members of Council,

I wish to address you, committee & members of council, in regards to our property 2 Simcoe street South, locally referred as the "CIBC" building, and our application for the CIP program for March 1st.

Through the CIP program we are seeking the maximum allowance in retroactive funding as part of building, fire & facade improvements.

Since 2017 we proceeded to repair, accumulated cost of approx. \$30,000 to \$40,000 thousand dollars, the exterior masonry along the parapet roof area which, due to age & weathering, outdoor elements penetrated behind bricks and thus causing them to bow and deteriorate as well as caulking expansion issues.

During our most recent issue it was determined that the a more permanent repair would have to be to either remove the entire bricks along the exterior parapet wall as well as replace bricks and install new weather applications with angle steel irons which would cost substantially higher than the alternative which would be to install metal cladding along the same area of the buildings North, South & West walls which would be secured directly to the concrete wall. This installation will be engineered approved and not only would it be more economical but have the same if not longer life expectancy span. In addition we may be able to attract large corporate tenants by being able to provide prominent signage on the cladding.

The cost of installing the metal cladding is approximately \$128,000.00 plus HST, which includes material, labor, permit & Engineering performed by D.G Biddle & Associates Limited.

Unfortunately due to the current conditions, specifically safety concerns, timing is of the essence and repairs must commence immediately.

As mentioned I have retained a local Engineering firm, D.G Biddle & Associates Limited, to oversee the installation.

We have previously accessed funding through the CIP program for the Facade Grant - Awnings & Window Branding along Simcoe & king in July of 2020 in the amount of \$9,820 which allowed us to ratify our current tenants tenancy needs especially with the lack of Parking.

I wish to stress that under normal circumstance we would not have made such a request as we have spent hundreds of thousands of dollars over the years, new chiller, water tower, elevators, retrofitted lobby, washrooms, etc... But unlike other major cites the lack of Parking has caused unprecedented vacancies.

In closing I am aware that there is precedent of Council retroactively approving CIP grants in the past and I'm hopeful they make the same exception in our case.

Please feel free to contact me directly with any further question or concerns at your earliest convenience. In the meantime kindly accept my application attached to review.

Sincerely,

Gino Mastromattei
Controller