

**THE CORPORATION OF THE TOWN OF GODERICH
BY-LAW NO.30 OF 1994**

A by-law to approve the establishment of a Goderich Heritage Enhancement Fund.

WHEREAS the LACAC Committee of the Town of Goderich have developed and have recommended the establishment of a Goderich Heritage Enhancement Fund Program to provide financial assistance for heritage projects.

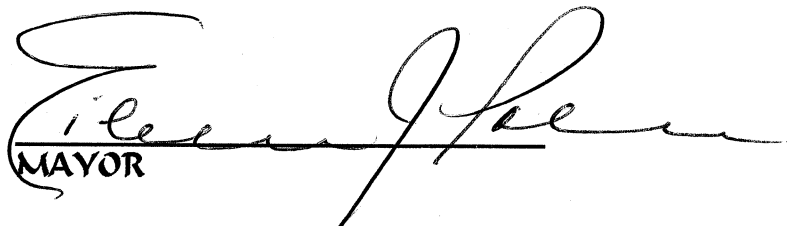
AND WHEREAS the funds will be allocated to a special Reserve Fund of the Corporation of the Town of Goderich to be administered according to the policies of the guidelines hereto attached.

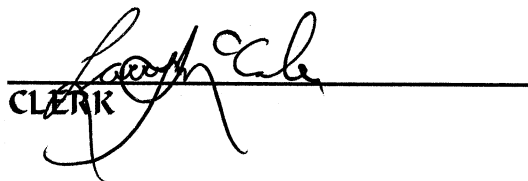
AND WHEREAS any funds allocated or donations received, pursuant to these guidelines, be deposited in the reserve fund.

NOW, THEREFORE, THE COUNCIL OF THE CORPORATION OF THE TOWN OF GODERICH ENACTS AS FOLLOWS:

1. That the Council hereby adopt the policies hereto attached.
2. That any funds allocated or donations received pursuant to these guidelines be deposited in the reserve fund pursuant to policies hereto attached.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS THIRTIETH DAY OF MAY, 1994.


MAYOR


CLERK

MAY 26 1994

GODERICH HERITAGE ENHANCEMENT FUND (GHEF)

- A. PURPOSE
 - B. ADMINISTRATION
 - C. SOURCES OF FUNDING
 - D. DETAILS OF FUNDING
-

A. PURPOSE

The objective of the Goderich Heritage Enhancement Fund Program is to promote the conservation and stabilization of properties or areas of architectural and historical value. The aim is to encourage and drive this conservation from within the local/community level.

The Goderich Heritage Enhancement Fund is established to provide financial assistance in the form of loans and/or grants to various heritage properties in the Town of Goderich (and surrounding municipalities where deemed appropriate by the Administrative Committee). Eligible heritage projects shall include, but not be limited to, the following:

1. - Properties designated under the Ontario Heritage Act.
2. - Public owned properties.
3. - Private owned properties.
4. - Plaques and sites of historical and/or architectural interest.
5. - Natural Heritage sites.
6. - Cultural Heritage projects.

Funds will be used primarily for work which restores or reconstructs original heritage resources. This fund will generally not be used for new construction, to make new construction look like heritage, or for the extra costs to make a new addition or construction tie into the theme of the original structure; exceptions may be considered where the Administrative Committee deems appropriate.

Financial assistance in the form of loans and /or grants may also be arranged for heritage related projects or initiatives in the community.

B. ADMINISTRATION

This fund will be administered as a special Reserve Fund of the Corporation of the Town of Goderich.

Any disbursement of monies will be reviewed by the Goderich Architectural Conservation Advisory Committee(LACAC) or such administrative committee in effect at that time, prior to final approval of same.

Financial records will be maintained and processed by the Treasurer, or appointed official, of the Town of Goderich.

C. SOURCES OF FUNDING

1. Municipal - When available, the Municipality of the Town of Goderich may input monies into the Goderich Heritage Enhancement Fund and be administered according to the policies of the fund.

2. Provincial/Federal - When available, Provincial and Federal monies may augment this fund and be administered according to the policies of the fund.

3. **Bequests** - Memorial donations will be a source of funding from those who choose the Goderich Heritage Enhancement Fund as a benefactor. Tax receipts for donations would be issued by the Town of Goderich.

4. **Donations** - Donations will be encouraged and solicited from the general public, organizations and service clubs. Tax receipts for donations would be issued by the Town of Goderich.

5. **Fundraising** - Fundraising will be encouraged by the administrative body of the Goderich Heritage Enhancement Fund. Tax receipts for donations would be issued by the Town of Goderich.

D. DETAILS OF FUNDING

Funding through the GHEF will be available in the form of repayable loans, grant or a combination of both.

1. LOAN DETAILS

Applications for loan funding will be reviewed and awarded based on their individual circumstances, merits and public benefit.

a. - **AMOUNT** - Loans will be available to registered property owners only. The maximum loan will be \$10,000 per calendar year for a residential property and \$50,000 per calendar year for commercial properties. These amounts will be subject to the availability of funds.

b. - **INTEREST** - The interest rate for loans will be one-half of the prime rate of the Town's Banker, rounded up to the nearest one eighth of one percent, on the date the application is approved. The interest will be compounded semi annually and the interest rate will be fixed for the term of the loan.

c. - **TERM** - The amortization period for the repayment of the loan shall be open term not to exceed 5 years. In special circumstances, the amortization may be extended up to 10 years, subject to the approval of the administrative committee. The interest rate of the loan will be subject to recalculation after 5 years.

d. **PAYMENT** - In general, the monies shall be advanced to the property owner upon completion of all eligible improvements. However, a partial advance of the loan may be made where, in the opinion of the Administrative Committee, work on any eligible improvement is substantially complete (generally no less than 75% of the value of the specific eligible improvement for which partial advance is requested). Partial payments shall not exceed the value of the work completed and shall be secured by a lien registered for the full amount of the approved loan prior to disbursement. Interest, at the rate set at the time of loan approval, will accrue from the date of issuance of the partial advance.

In general, cheques will be made out in the names of both the property owner (or authorized agent) and the contractor except where, for good cause, varied by the said Administrative Committee.

e. **REPAYMENT** - Repayment of the loan, including accrued interest on any partial advance(s), will be on a quarterly basis commencing ~~the~~ months from the date of issuance of the initial advance of the loan to the property owner.

Repayment (blended payments of principal and interest) shall be made by a series of postdated cheques. Interest will be added to overdue payments at the rate of prime plus 3% charged by the Town's banker calculated daily and commencing the day after the due date of the payment. In the event of default of loan repayment in excess of thirty days, or in the event of the sale or demolition of the property, the outstanding balance (including principal and interest) shall be payable immediately. There is no penalty for early payout of the loan.

- f. SECURITY - Prior to advancing funds, the Town Solicitor will complete a title search of the subject property. The loan will be secured by a registered lien against the title of the property, in a form satisfactory to the Town solicitor and be registered against the title of the property. Additional security may be requested in the form of an assignment of fire insurance proceeds.

In certain situations, the property owner shall provide letter of credit and shall be requested to provide a letter of undertaking that the property will not be furthered encumbered until the GHEF loan has been repaid in full.

When loan is repaid in full, discharge of the lien will be the responsibility of the property owner.

2. GRANT DETAILS

Applications for grant funding will be reviewed and awarded based on their individual circumstances, merits and public benefit.

Grants will be awarded to heritage projects and to registered property owners to a maximum of \$10,000.00. The grant can not exceed 10% of the pool of money in the GHEF at the time of approval. The grants will be based on a 50/50 match basis with the owner or the project group.

PROVISO

The LACAC or the Administrative Committee of the Goderich Heritage Enhancement Fund will have final approval of any requests for loans or grants.

The terms of the program may be reviewed and amended as deemed desirable by the Administrative Committee.