

IMPLEMENTATION PROGRAM FOR CITY-OWNED HISTORIC RESOURCES

Administrative and Financial Requirements

RECOMMENDATION

That the March 9, 2022, Urban Planning and Economy report CR_7833, be received for information.

Report Purpose

Information only.

Executive Committee is being informed of the requirements and proposed priorities for an implementation program for City-owned historic resources.

Previous Council/Committee Action

At the December 2, 2019, Executive Committee meeting, the following motion passed:

That Administration return in fourth quarter 2020, with a report on the implementation program for City-owned history resources outlining administrative and financial requirements and priorities.

Executive Summary

- The City has no dedicated program or budget solely focused on the stewardship of City-owned historic buildings and sites.
- The City owns and maintains 61 identified historic buildings and sites. The management of historic properties is complex.
- The continuing and consistent care of historic assets is fundamental to conservation practice, in alignment with The City Plan.
- Efficient and economical property management sustains both the historic and market values of the assets.

IMPLEMENTATION PROGRAM FOR CITY-OWNED HISTORIC RESOURCES - ADMINISTRATIVE AND FINANCIAL REQUIREMENTS

- The implementation of a City-owned historic resources program and budget will bring a coordinated approach to the rehabilitation, maintenance and use of historically significant buildings owned by the City.

REPORT

City-owned Historic Resources

Over the past several years, the City has faced a number of challenges in maintaining the historic resources that it owns, and making decisions on whether to retain and rehabilitate or dispose of these structures. Additional background on the evolution of the program can be found in Attachment 2. As a result of motions from Council, Administration:

1. *Reviewed its inventory of historic buildings and conducted a broad assessment of their condition.* As detailed in Attachment 1, 23 City-owned properties are designated Municipal Historic Resources and have full legal protection from demolition or inappropriate alteration through the *Historical Resources Act*. Another 38 are on the Inventory of Historic Resources in Edmonton. While having historic significance, these properties have no legal protection, but are eligible for full designation. Eleven of the 61 historic buildings owned by the City are also designated Provincial Historic Resources, meaning legal protection of the building has been applied by the provincial government.

City-owned historic resources, both designated and on the inventory, are in varying levels of condition; some are in immediate need of preservation and rehabilitation, while many others are in fair to good condition. Administration is currently leading a number of assessment and/or full rehabilitation projects for several City-owned historic buildings, for both designated and inventory buildings.

2. *Determined a program approach would optimize the support of City-owned heritage buildings.* Administration determined that an internal program should be established to coordinate issues and address needs related to City-owned heritage resources.

Policy Direction

Establishing a program and budget to manage City-owned historic resources is consistent with direction in The City Plan and the Historic Resource Management Plan. "Preserve" is one of the six guiding values of The City Plan. The associated city-building outcome is that "Edmonton protects and enhances its image and identity through heritage" and the intention statement that flows from this is to "Promote Edmonton's history and encourage a sense of local identity by preserving and enhancing heritage." A critical part of The City Plan is rooted in stewardship and preserving the attributes most valued by Edmontonians today that were handed down to us from previous generations. These considerations are directly applicable to historic resources owned by the City, on behalf of all Edmontonians.

IMPLEMENTATION PROGRAM FOR CITY-OWNED HISTORIC RESOURCES - ADMINISTRATIVE AND FINANCIAL REQUIREMENTS

The Historic Resource Management Plan contains Heritage Policy 11: “The City will encourage the retention, restoration and designation of all of its own historic resources and advocate for its ad-hoc bodies, autonomous agencies and other public bodies to do the same.”

The December 2021 audit of the heritage program concluded that the current Historic Resource Management Plan, and the accompanying City Policy C450B, Policy to Encourage the Designation and Rehabilitation of Municipal Resources in Edmonton, are in need of revision and updates, due in part, because they do not adequately address city-owned assets. The implementation of a program and budget for city-owned historic assets will be a first step in addressing this finding, and concluded through the completion of the new Historic Resources Management Plan and subsequent update to City Policy C450B.

Implementation Program

The implementation program is based on three key principles that will guide decision-making on policy issues, as well as the ongoing evolution of the program, including day-to-day considerations for individual properties. This coordinated approach will ensure utilization, maintenance and stewardship of the historic assets the City owns. While these principles were developed prior to the adoption of the City Plan, they are aligned with policies in the plan and the City’s approach to lifecycle management. The three key principles are:

- **Stewardship** - City-owned historic resources are valued and recognized as having distinct needs that differ from the general building/facility inventory of other City buildings
- **Financing** - funding for the program is stable, sustainable and may be supplemented by the creative and appropriate use of historic assets (e.g., certain uses may not be appropriate for a historic resource)
- **Asset Assessment and Portfolio Management** - up-to-date and thorough information specific to historic assets supports decisions on the historic and commemorative value of City-owned historic resources and informs decisions to prioritize asset life-cycle management, optimal asset use and disposal of assets

The program will act in a coordination role for matters related to City-owned historic structures, with a program lead and technical/support staff. Established business units responsible for matters such as lifecycle management, facility maintenance and property sales/leasing, for example, will continue to act in their current capacity, with direct input from the program lead to help guide decision-making.

In response to the motion from Executive Committee in December 2019, the Administrative requirements to initiate the implementation program include:

- The creation of two full-time equivalent positions
- Develop program Terms of Reference, having regard for:
 - Responsibilities and roles of team related to existing City departments and business units
 - Governance considerations

IMPLEMENTATION PROGRAM FOR CITY-OWNED HISTORIC RESOURCES - ADMINISTRATIVE AND FINANCIAL REQUIREMENTS

- GBA+ considerations
- Program funding and costs

The program priorities, ranging from immediate to long-term actions, are outlined in detail in Attachment 3.

The immediate priorities, targeted for 2023 to 2024, would focus largely on the necessary administrative and financial aspects to initiate the program. Some of this work has already evolved, as Administration has begun to improve the focus on historic sites. This includes developing processes to evaluate and classify existing buildings, procurement processes and confirming immediate building assessment and rehabilitation work.

The medium to long-term priorities, targeted for 2025 onwards, will focus on decisions relating to the assessment and determination of use of buildings to be retained by the City for both public and potentially private use. Evaluation criteria and processes related to the disposition of City-owned historic buildings would be developed, as well as strategies for the potential acquisition of historic buildings from other owners.

Administration will continue to maintain heritage assets through existing facility/asset maintenance programs, applying the awareness that has emerged on the benefits of a more aligned approach within current resources. The program priorities in Attachment 3 would require additional funding in the 2023-2026 budget.

Budget/Financial Implications

The City's existing Historic Resource Management Program previously provided some funding for the rehabilitation of City-owned historic buildings from the Heritage Resources Reserve. Between 2011 and 2019, over \$1.2 million was allocated from the Reserve to eight City-owned buildings that were being designated and rehabilitated. Any future funding from the Reserve was suspended in 2019 as a means to manage the Reserve balance, and focus on providing financial support to the rehabilitation of privately-owned historic buildings. The suspension of funding from the Heritage Resource Reserve has resulted in added pressure to capital budgets to adequately capture costs related to City-owned heritage rehabilitation projects.

One-time funding of \$3 million would be needed to initiate this program. The funds would be used for the preparation of necessary detailed building condition assessments, heritage evaluations, building recording, feasibility studies or other relevant technical reviews, and specific heritage conservation work on upcoming rehabilitation projects on City-owned historic resources. If the program were initiated, additional budget requirements would be identified as part of future supplementary budget discussions or new capital/operating budget cycles.

The program would also require two additional permanent Full Time Equivalent employees (an estimated annual cost of \$225,000) to successfully manage the initiation of the program and its ongoing operation.

IMPLEMENTATION PROGRAM FOR CITY-OWNED HISTORIC RESOURCES - ADMINISTRATIVE AND FINANCIAL REQUIREMENTS

Should Council wish to advance this program, direction would be required from City Council to bring this currently unfunded program forward for consideration as part of the 2023-2026 budget process.

Legal Implications

Designation of a Municipal Historic Resource under Section 26 of the *Historical Resources Act* protects the property from demolition or alteration of its historic features. In addition, at the time of designation, the City enters into a legal agreement with the owner (including the City as owner) to properly maintain the Municipal Historic Resource. Both the designation bylaw and the agreement to maintain are registered against the title to the property, and the relevant obligations bind any future owner.

COMMUNITY INSIGHT

This report was informed by local dialogue about how history is commemorated, conversations with stakeholders in Edmonton's heritage ecosystem (especially the Edmonton Historical Board and the Edmonton Heritage Council), and social media listening related to the loss of historic buildings in the City. Heritage stakeholders have indicated their desire for the City to rehabilitate and manage the historic resources within its real estate portfolio.

GBA+

Historical resources have the potential to help communicate the story of Edmonton's diverse history, and thus contribute to the meaning of our urban places and quality of life of Edmontonians now and in the future. There are relatively few historical resources connected to marginalized groups (through ownership, use or other connections) on the Inventory and Register of Historic Resources in Edmonton, including those owned by the City.

Individuals and marginalized groups (such as women, gender minorities and intersectional identities based on age, income, education, housing or family dynamics) are currently underserved as the heritage planning program has traditionally focused on built heritage and property owners, and has not consistently applied an equity lens. A GBA+ process applied to the creation of an implementation program for City-owned historic resources will help Administration understand the inequalities and create opportunities for marginalized groups.

Administration will include a robust GBA+ process into the implementation program for City-owned historic resources, for both buildings and sites currently identified, as well as potential future buildings and sites that may be identified.

ATTACHMENTS

1. City-owned Historic Resource Asset Inventory
2. Program Background
3. Priority Actions