

Notice of Intention to Designate the West End Telephone Exchange as a Municipal Historic Resource

Recommendation

That Urban Planning Committee recommend to City Council:

1. That a Notice of Intention to Designate a Municipal Historic Resource, as outlined in Attachment 1 of the January 30, 2017, Urban Form and Corporate Strategic Development report CR_5318, be served on the owners of the property occupied by the West End Telephone Exchange, 12021 102 Avenue NW, in accordance with Section 26 of the *Historical Resources Act*, RSA 2000, c H-9.
2. That funding of up to \$342,800 for this project be provided from the Heritage Resources Reserve.
3. That the City Manager be appointed to implement matters arising from the issuance of the Notice of Intention to Designate a Municipal Historic Resource.

Executive Summary

The West End Telephone Exchange is listed on the Inventory of Historic Resources in Edmonton and merits designation under City policy C450B – Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton.

At the April 11, 2017, City Council meeting, Council directed that Administration serve a Notice of Intention to Designate a Municipal Historic Resource on the owners of the property, and that \$342,800 be allocated from the Heritage Resources Reserve to support the rehabilitation of the building.

Due to unforeseen circumstances, the designation of the West End Telephone Exchange as a Municipal Historic Resource could not proceed at that time. These circumstances have been resolved and the designation process can now be re-initiated by serving a second Notice of Intention to Designate as a Municipal Historic Resource.

Report

The West End Telephone Exchange is listed on the Inventory of Historic Resources in Edmonton and merits designation under City policy C450B – Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton.

On January 19, 2017, Bel-Jan Development Ltd. completed the application requirements to have the West End Telephone Exchange, located at 12019A 102 Avenue NW, designated as a Municipal Historic Resource under the provision of City Policy C450B. The property has since been re-addressed to 12021 - 102 Avenue NW.

At the April 11, 2017, City Council meeting, Council directed that Administration serve a Notice of Intention to Designate a Municipal Historic Resource on the owners of the property occupied by the West End Telephone Exchange and that \$342,800 be allocated from the Heritage Resources Reserve to support the rehabilitation of the building.

Due to unforeseen circumstances, the designation of the West End Telephone Exchange as a Municipal Historic Resource could not proceed at that time. A portion of the building encroached onto the adjacent property owned by EPCOR. An agreement was in place which permitted the use of the encroachment area; however, in order to designate the building as a Municipal Historic Resource, it was necessary to register the designation on the land titles of both properties. Initially, EPCOR consented to having the designation registered on the title; however, following the serving of the notice of intention, EPCOR determined it would rather subdivide its property and sell the encroachment area to Bel-Jan Development Ltd.

The land sale required the approval of the the Alberta Utilities Commission, which could not be obtained within the 120 day period initiated by the notice of intention to designate, as required by the *Historical Resources Act*. The sale of the encroachment area is now complete and the encroachment area has been consolidated with the titled lot that accommodates the West End Telephone Exchange. The designation process can now be re-initiated by serving a second notice of intention to designate as a Municipal Historic Resource.

Due to leasing commitments, Bel-Jan Development Ltd. has initiated rehabilitation work on the West End Telephone Exchange and is seeking City funding for work that may be completed prior to Council approval of the designation bylaw and rehabilitation and maintenance agreement. While Administration has worked closely with the applicant to ensure this work is consistent with all heritage requirements, Bel-Jan has

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been advised that any work completed prior to Council approval is undertaken at its risk and ultimately may not be funded.

If designated, any future renovation of the West End Telephone Exchange will be consistent with the Standards and Guidelines for the Conservation of Historic Places in Canada.

The designation of this property will support its proper restoration and continued protection in the future.

Budget/Financial

Upon completion of the project phases, the owner will be paid up to \$342,800 for rehabilitation from the Heritage Resources Reserve. The current reserve balance is sufficient to cover committed funding, including the West End Telephone Exchange.

The total estimated cost of the restoration portion of the project is over \$686,000. Beyond the \$342,800 grant from the Heritage Resources Reserve, the owner is responsible for all costs associated with the restoration portion of the project. Other non-heritage work is estimated at an additional \$1.8 million.

The projections for the reserve, considering current commitments, show an anticipated reserve balance of \$353,000 at the end of 2018; however, Administration is considering a number of potential heritage designations for use of these funds, which will be brought forward for Council approval, as required.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmontonians are connected to the city in which they live, work and play			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Unique character and history of the neighbourhood is Preserved	Number of Designated Municipal Historic Resources	146 (as of January 23, 2018)	There is no target for the designation of historical resources

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score	Current Mitigations	Potential Future Mitigations

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Financial	Grant used for costs that are not related to heritage resource conservation/rehabilitation.	1 - Rare	2 - Moderate	2 - Low	Administration reviews detailed work estimates from third party contractors for qualifying rehabilitation work. Funds are not disbursed until the rehabilitation work is complete.	
Financial	Property owner may be unable to complete rehabilitation in accordance with the Rehabilitation Agreement.	1 - Rare	1 - Minor	1 - Low		Designation Bylaws can be amended to address the circumstances of the owner; for example, by amending the scope of the rehabilitation work.

Justification of Recommendation:

1. Issuance of a Notice of Intention to Designate and subsequent approval of the designation bylaw will provide Administration with the authority to ensure that the building is restored and maintained in accordance with sound principles of conservation.
2. Rehabilitation Funds are available through the Heritage Resources Reserve.
3. Designation complies with the *Historical Resources Act*.

Attachments

1. June 2017, Memo to the Mayor and Council Regarding the Postponement of the West End telephone Exchange Municipal Historic Resource Designation
2. Notice of Intention to Designate the West end Telephone Exchange as a Municipal Historic Resource
3. Location Map for the West End Telephone Exchange
4. Photographs of the West end Telephone Exchange
5. Heritage Planner's Statement of Significance

6. Description of the City Funded Work for the West End Telephone Exchange

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services