

Preservation of Historic Properties - Update on Options

Recommendation:

That the September 28, 2016, Sustainable Development report CR_ 2707, be received for information.

Report Summary

This information report provides an update on actions taken to advance options 1 through 8 of the June 30, 2015, Sustainable Development report CR_1863 - Options for the Preservation of Historic Properties, which identified options to enhance the suite of tools available to facilitate the preservation of historic properties in Edmonton.

Previous Council/Committee Action

At the September 19, 2016, Agenda Review Committee meeting, this report was rerouted to the September 28, 2016, Urban Planning Committee meeting.

At the July 8, 2015, Special Executive Committee meeting, the following motion was passed:

That Administration provide a report on the status of actions taken regarding the options as set out in Attachment 6, excluding option 9, of the June 30, 2015, Sustainable Development report CR_1863.

Report

Option 1 – Explore amending City Policy C450B and the Historic Resource Management Plan to support the designation of Municipal Historic Resources without the agreement of the property owner, where Council deems it prudent and necessary to ensure the protection of the historic resource, with the understanding that compensation would be required.

Actions to date:

- This option is to be addressed through the ten year review of the Historic Resource Management Plan scheduled to begin in 2018 and be completed in 2019.
- In advance of the Historic Resource Management Plan review, where Council has expressed concerns over the imminent demolition of a building listed on the Inventory of Historic Resources, Administration has advised Council of the option to designate the property as a Municipal Historic Resource without the property owner's consent.

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- The option to designate a property as a Municipal Historic Resource without the owner's consent was explored in the case of Sylvancroft Mansion, the Louis Residence and the Edmonton Iron Works. In the case of the Edmonton Iron Works, Council approved the issuance of a Notice of Intention to Designate the building as a Municipal Historic Resource on May 24, 2016.

Option 2 – Where a historic resource is of provincial significance and Council deems it prudent and necessary to ensure the protection of the historic resource, Council could lobby the Province to designate the property as a Provincial Historic Resource.

Actions to date:

- When a building listed on the Inventory of Historic Resources in Edmonton is faced with imminent demolition and is potentially of provincial significance, Administration has circulated the development permit application to Alberta Culture and Tourism for comment.
- Where Alberta Culture and Tourism has expressed a provincial interest, Administration has advised Council of the option to lobby the Province to designate the building as a Provincial Historic Resource.
- In March of 2016, the Tipton Investment Company Building, which was threatened with demolition, was legally protected through designation as a Provincial Historic Resource following expressions of support for the designation from the Mayor and some Councillors.

Option 3 – Explore partnerships with heritage groups and other municipalities to initiate a formal process to lobby for amendments to the *Historical Resources Act* to remove compensation requirements.

Actions to date:

- This option was advanced as a component of the Big City Charter process. Through this process Administration advocated for the City to be provided the authority to designate Municipal Historic Resources without compensation.
- Council will be provided an update on the Big City Charter process via the standard reporting mechanisms.
- This option will be revisited if necessary, pending the outcome of the Big City Charter process.
- In the fall of 2015, the City considered a municipal designation without consent for the Sylvancroft Mansion. The potential compensation required to be paid by the City to the property owner was financially prohibitive; thus, as Sylvancroft demonstrated, the current statutory requirement of compensation continues to be a barrier to the Municipal Historic Resource designation process.

Option 4 – Initiate a program to proactively identify potential areas of historic character to which Direct Development Control Provision zoning could be applied.

Actions to date:

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- A service package (Options for Heritage Preservation) in relation to this option was advanced at Council's direction for consideration during the 2016-2018 budget deliberations, but was not approved.
- Administration will continue to advance this option through neighbourhood heritage inventories as resources allow.
- The 2015 neighbourhood heritage inventory for Calder identified one character area and the neighbourhood heritage inventory for Glenora, which is currently in process, is considering potential character areas.

Option 5 – Solicit communities to explore the application of Direct Development Control Provision zoning in areas of historic character which have been identified but not rezoned to Direct Development Control Provision.

Actions to date:

- A service package (Options for Heritage Preservation) in relation to this option was advanced at Council's direction for consideration during the 2016-2018 budget deliberations, but was not approved.
- Staff will continue to advance this option as resources allow.
- An application to rezone Church Street, identified as a special character area during the 2012 McCauley/ Alberta Avenue neighbourhood heritage inventory, to Direct Development Control Provision has been initiated and will be advanced to Public Hearing in the first quarter of 2017.

Option 6 – Create a program to engage communities to explore the strengthening of regulations and guidelines of the Direct Development Control Provisions in areas of historic character to which Direct Development Control Provision zoning has previously been applied.

Actions to date:

- A service package (Options for Heritage Preservation) in relation to this option was advanced at Council's direction for consideration during the 2016-2018 budget deliberations, but was not approved.
- Staff will continue to advance this option as resources allow.
- Sustainable Development recently supported a joint study with the University of Alberta School of Planning to explore strengthening the Direct Development Control Provision regulations for the Westmount Architectural Heritage Area. The findings of this study are intended to form the foundation of a future rezoning application for the area.

Option 7 – Pursue partnerships with heritage organizations and other municipal governments to lobby the Canada Revenue Agency to recognize built heritage covenants as charitable donations.

Actions to date:

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- Administration continues to view the recognition of heritage covenants as charitable donations as the most obvious mechanism for fiscal incentives at the federal and provincial level.
- Administration has engaged representatives of the Edmonton Historical Board, the Edmonton Heritage Council and counterparts with City of Calgary, all of whom have expressed interest in partnering to advance this option.
- Administration will continue to work with these groups to develop a strategy for advancing this option.

Option 8 – Pursue partnerships with heritage groups and other municipalities to lobby the Provincial and Federal Governments to initiate fiscal incentives supporting the preservation of historic properties.

Actions to date:

- In 2015, the Federal-Provincial-Territorial Ministers' Table on Culture and Heritage released a report on financial measures to encourage heritage development. Fiscal incentives ranked highly amongst the development communities preferred measures to encourage heritage development.
- As a result, the Heritage Resource Management Branch of Alberta Culture and Tourism has convened a working group to explore fiscal incentives to heritage properties.
- Administration has engaged in preliminary discussions with representatives of this working group.
- Presently, there is no clear indication if and when these incentives might be implemented and the form they would take.
- Administration suggests that the Mayor and Council write to the Minister of Culture and Tourism to express support for this initiative.

Additional Actions (unrelated to the eight options listed above):

- The Rehabilitation of Molson Brewery service package was advanced at Council's direction for consideration during the 2016-2018 budget deliberations and was approved. This resulted in the allocation of an additional \$800,000 annually to support the rehabilitation of historic properties beginning in 2018, reducing to \$400,000 annually in 2028.
- Administration has continued to actively promote the Municipal Historic Resource designation program and is projecting to designate 13 Municipal Historic Resources in 2016, including the Edmonton Brewing and Malting Company, McDougall Church and the Hulbert Block, resulting in the allocation of \$5.7 million in funding to support rehabilitation and restoration. This will result in the total number of designated Municipal Historic Resources in Edmonton increasing to 135 by the end of the year.

Policy

The Way We Grow, Edmonton's Municipal Development Plan:

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- Section 5.2.1: Enhance established neighbourhoods by ensuring the design of new development, infrastructure and community facilities makes a positive contribution to the neighbourhood.
- Section 5.8.1: Encourage a sense of local identity and encourage connections to the city's cultural and historical roots through conservation and preservation of significant structures, buildings, districts, landscapes and archeological resources.

Historic Resource Management Plan:

- Policy 4 – Historic Areas: The City will recognize, protect, enhance and promote the character of its historic areas.
- Policy 5 – Legislation: The City supports efforts to encourage legislative changes at all levels of government that would enable proactive heritage programming.
- Policy 8 – Variety of Incentives: The City will endeavor to provide a variety of incentives to assist with the preservation and adaptive reuse of historic resources.
- Policy 9 – Collaboration: The City will work and align with federal and provincial programs that support and promote heritage preservation at the municipal level.
- Policy 12 – Demolition and Inappropriate Alterations: The City will place a high priority on preventing the demolition of historic resources and any inappropriate alterations.

Policy C450B – Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton

Metrics, Targets and Outcomes

Metrics	<ul style="list-style-type: none">• Number of Designated Municipal Historic Resources
Targets	<ul style="list-style-type: none">• Rate of 10 - 15 Municipal Historic Resource designations annually
Outcomes	<ul style="list-style-type: none">• 13 Municipal Historic Resource designations projected for 2016

Others Reviewing this Report

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