

## HERITAGE PLACES STRATEGY OPTIONS

### Recommendation

That Option 1 to advance the Heritage Places Strategy with a narrow scope, as outlined in the March 19, 2024, Urban Planning and Economy report UPE02240, be approved.

<b>Requested Action</b>	Information Only		
<b>ConnectEdmonton's Guiding Principle</b>	<b>ConnectEdmonton Strategic Goals</b>		
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	<b>Urban Places</b>		
<b>City Plan Values</b>	PRESERVE		
<b>City Plan Big City Move(s)</b>	A Rebuildable City	<b>Relationship to Council's Strategic Priorities</b>	15-minute Districts
<b>Corporate Business Plan</b>	Transforming for the Future		
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>Historic Resource Management Program</li> <li>Historic Resource Management Plan</li> <li>C450B - Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton</li> </ul>		
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>June 29, 2021, Urban Planning and Economy report UPE00583, Glenora Heritage Character Area Rezoning</li> <li>December 3, 2021, Office of the City Auditor report OCA00863, Historic Resources Management Program Audit</li> <li>January 18, 2022, Urban Planning and Economy report UPE00724, Heritage Resource Management Strategy</li> <li>November 30, 2022, Financial and Corporate Services report FCS01394, Proposed 2023-2026 Operating Budget</li> <li>November 21, 2023, Financial and Corporate Services report FCS02052, Fall 2023 Supplemental Operating Budget Adjustment</li> </ul>		

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### Previous Council/Committee Action

At the November 21/22/27/28/29, 2023, City Council - Budget meeting, the following motion passed:

1. That Administration provide a report assessing options and the impact of funding the Historic Resource Management Strategy, as outlined on page 148 of Attachment 2 of the November 7, 2023, Financial and Corporate Services report FCS02052.
2. That Administration provide a report assessing options and the impact of funding the Direct Control Zoning for the Glenora Heritage Character Area service package, as outlined on page 147 of Attachment 2 of the November 7, 2023, Financial and Corporate Services report FCS02052.

### Executive Summary

- Administration recommends implementing a Heritage Places Strategy with narrowed engagement and scope, funded from the Heritage Resources Reserve.
- Unless an alternative funding source to the Heritage Resources Reserve is identified, Administration does not recommend resuming the Glenora Heritage Character Area Rezoning project.
- Administration will continue to ensure the program operates in a sustainable manner, the Reserve balance remains sufficient and the City's existing legal obligations are met.
- Administration will continue to support future opportunities for new Municipal Historic Designations and rehabilitation agreements.

## REPORT

The City's Historic Resource Management Program, or Heritage Program, identifies, supports and encourages the protection and preservation of Edmonton's historic resources. Council funds the Heritage Program through annual tax levy contributions to the Heritage Resources Reserve (\$2.3 million annually). The City disperses funds from the Reserve to rehabilitate and maintain properties designated as Municipal Historic Resources.

Since 2021, Administration has regularly supplied updates to Council on the City's Historic Resource Management Program, including options for heritage rezoning in the Glenora neighbourhood. As reviewed in Attachment 1, Administration provided four heritage Council-directed unfunded service packages through the 2023-2026 Operating Budget and the 2023 Fall Supplemental Operating Budget Adjustment.

### Options to Advance the Heritage Places Strategy

The Heritage Places Strategy at the scale presented in the November 7, 2023, Financial and Corporate Services report FCS02052, Fall 2023 Supplemental Operating Budget Adjustment, included a budget for consulting, city-wide engagement, communications and a new full-time equivalent (FTE) to support strategy development and implementation. The unfunded service package value was approximately \$781,000 (\$400,000 one-time funding for consulting and a dedicated resource for three years).

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Administration considered opportunities and challenges in funding the Strategy through sources other than the Heritage Resources Reserve, and determined that doing so would require an insupportable reallocation of funding or personnel from approved budgets and away from established Council priorities. The analysis determined that proceeding with a Heritage Places Strategy will require drawing funds from the Heritage Resources Reserve. As it would place the Heritage Resources Reserve into a negative balance by 2026, a Heritage Strategy at the scale presented through the Fall 2023 Supplemental Operating Budget Adjustment is no longer viable.

A positive balance is required to meet the Heritage Program's legal obligations. When a property is designated as a Municipal Historic Resource, the City enters into a Rehabilitation Incentive and Maintenance Agreement with the property owner. There are currently approximately 30 such legal agreements in which the City has outstanding financial obligations.

Administration recommends proceeding with the Heritage Places Strategy with a narrow project scope. A narrow scope will mitigate impacts to the Reserve and maintain current heritage program service levels.

Policy C450B - Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton, established in 2008, and the Historic Resource Management Plan from 2009 guide the operation of the Heritage Program. The 2021 Historic Resources Management Program Audit<sup>1</sup> recommended document updates. The Office of the City Auditor confirmed that formally retiring the Historic Resource Management Plan and updating Policy C450B would fulfill the requirements of the audit. Each option for Administration's proposed scope of work includes the retirement and update of these respective documents.

### ***Option 1: Narrow Scope - Recommended***

Administration recommends a Heritage Places Strategy with a narrow scope over a two year period, concluding in Q4 2025. This requires accessing budget from the Heritage Resources Reserve to cover consulting work, engagement and a temporary FTE to support development. This will draw approximately \$490,000 from the Heritage Resources Reserve. As indicated in Attachment 2, this leaves the Reserve with a positive balance at the end of 2026. This balance would enable the heritage program to honour its legal obligations with existing agreements, and manage any new applications for designations and Rehabilitation Incentive and Maintenance Agreements.

A Heritage Places Strategy in this scenario addresses what an enhanced view of heritage might mean for Edmonton, identifies opportunities to evolve the program and results in an update to Policy C450B. However, the city-wide engagement and communications originally conceived would not proceed. Engagement would instead be with key stakeholders such as the Edmonton Historical Board, Edmonton Heritage Council and the Indigenous Memoranda of Understanding partners.

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[https://www.edmonton.ca/sites/default/files/public-files/assets/PDF/21483\\_Historic\\_Resource\\_Management\\_Program\\_Audit.pdf?cb=1668115166](https://www.edmonton.ca/sites/default/files/public-files/assets/PDF/21483_Historic_Resource_Management_Program_Audit.pdf?cb=1668115166)

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### ***Option 2: Broad Scope - Not Recommended***

A broad scope to advance the Heritage Places Strategy would include expanded consulting, engagement, communications and a three year temporary FTE. This option has an extended timeline for the FTE and an increased funding amount for consultation. This scope would draw approximately \$625,000 from the Heritage Resources Reserve.

Budget forecasting of the Heritage Resources Reserve (Attachment 2) indicates that a Heritage Places Plan with a broad scope would keep the Reserve in a positive balance through the conclusion of the project in 2026, however, this option leaves little to no budget for new designations and Rehabilitation Incentive and Maintenance Agreements. A broad scope may result in a reduction of existing service levels dedicated to the Municipal Historic Resource designation process. This scope would decrease work with site owners and the issuance of rehabilitation and maintenance grants, and site inspections of completed rehabilitation work. This could also result in the stopping of any new Municipal Historic Resource designations.

### **Glenora Heritage Character Area Rezoning**

Glenora is an example of Garden Suburb neighbourhood design. There are 132 properties in Glenora on the Inventory of Historic Resources but only three Municipal Historic Resources. The last Municipal Historic Resource designation in Glenora was in 2007 and there are no current applications to designate. Since in 2016, 12 Glenora Inventory properties have been demolished. This is anticipated to increase as a result of continued redevelopment activity.

A project to consider the potential for rezoning a portion of Glenora to help preserve the heritage character of the neighbourhood was initiated in 2019 and paused in 2021 at the direction of Urban Planning Committee (June 29, 2021, Urban Planning and Economy report UPE00583, Glenora Heritage Character Area Rezoning).

An established Strategy will outline priorities for the rehabilitation and maintenance of heritage places, which may later inform heritage rezoning for Glenora and other neighbourhoods. Considering the findings of the 2021 audit and limited available resourcing to execute the work, Administration identified that the Heritage Places Strategy is currently a higher priority to complete than Glenora Heritage Character Area Rezoning, and does not recommend that work on the Glenora rezoning project resume. A Heritage Places Strategy would provide strategic and program priorities that the Glenora project would not address.

The Reserve will be placed into a deeper negative position with the cumulative impacts of reallocating resources and budget from the Heritage Resources Reserve for the Glenora rezoning project and a narrowed Heritage Places Strategy. If both projects advance, the City may not be able to meet its obligations through existing Rehabilitation Incentive and Maintenance Agreements or advance any new applications to designate. A new direct control zoning would not address the loss of buildings on the Inventory of Historic Resources in Glenora; it would likely only address the building form of new development (e.g. massing, setbacks, number of units).

Administration will continue to monitor heritage changes in Glenora and reassess resuming the project after a Heritage Places Strategy provides clarity on priority and direction.

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### Budget/Financial Implications

If Committee directs Administration to proceed with either option for the Heritage Places Strategy presented in this report, funding for consulting, engagement and the hiring of temporary staff will be drawn from the Heritage Resources Reserve as described in Attachment 2. To maintain Reserve health, Administration will monitor existing commitments, and review any new applications for designations and new Rehabilitation Incentive and Maintenance Agreements.

### Community Insight

The Edmonton Historical Board, City Council's advisory board regarding historical matters, has called for the Historic Resource Management Plan to be updated. Through social media and emails, and engagement for other projects, the City hears from Edmontonians wanting to preserve heritage. Recently through the Zoning Bylaw Renewal and district planning processes, there have been increased calls for measures to protect historic resources and for the recognition of historic elements beyond structures.

For over a decade, some Glenora residents have expressed concern about redevelopment since the route of the Valley Line West LRT was determined. These residents look to the neighbourhood's heritage characteristics to protect it from inappropriate redevelopment. Since the Glenora Heritage Character Area Rezoning project was paused in 2021, Administration has met a number of times with various residents in Glenora to discuss heritage, the Heritage Program, the Zoning Bylaw and district planning. Administration has heard:

- That some owners of historic resources are uncertain of the impact that redevelopment of adjacent properties may have, and are therefore reluctant to designate their properties as Municipal Historic Resources.
- A desire for a special zoning tool designed to conserve the historic character of a portion of the neighbourhood.

Administration has also heard from developers who do not want area-specific development restrictions in Glenora, indicating that such restrictions would limit opportunities for housing densification.

### GBA+

Historical resources have the potential to help communicate the story of Edmonton's diverse history and add to the meaning of urban places and quality of life of Edmontonians now and in the future. Currently, however, the City's Inventory and Register of Historic Resources does not reflect a broad spectrum of Edmonton's diversity. Women and other groups, including Indigenous peoples and gender minorities are underrepresented in the Inventory and Register and current activities to commemorate history through place-based heritage preservation.

Updates to Policy C450B and the Historic Resource Management Plan have the potential to reflect a wider lens of Edmonton's history and reflect the contributions of currently underrepresented and marginalized people, places and cultures. Administration will include a GBA+ process in the

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planning, engagement, creation and delivery of such a heritage strategy project, to help to understand the inequalities and create opportunities for marginalized groups.

Tools designed to preserve and acknowledge important heritage elements must be sensitively employed so that neighbourhoods are inclusive and welcoming for all. The selection of heritage preservation tools must consider how they support and encourage inclusive neighbourhoods.

### **Attachments**

1. Past Council Direction
2. Budget Implications