

Summary of Recent Efforts to Preserve McDougall United Church

McDougall United Church has been a prominent Edmonton landmark and place of worship for more than a century. In recent years, concern for the church has grown, as brick and architectural features have shown signs of age and disrepair. The Church Council and congregation did not have the financial resources required to restore the building and began seeking alternative solutions.

This attachment is intended to give a brief overview of the work that Administration has completed at Council's direction with the objective of preserving and protecting McDougall United Church for future Edmontonians.

McDougall United Church and the University of Alberta

Between 2007 and 2010, McDougall United Church representatives discussed the possible sale of the site to the University of Alberta. The university completed its own building condition audit, which determined approximately \$10 million would be required to fully restore the facility. Discussions advanced to the point where both parties adopted a conditional memorandum of understanding for a 99 year lease of the property, but a formal agreement was never signed.

February 16, 2011: City Council

In December 2010, McDougall Church Council requested that the City of Edmonton assist the Church in financing urgent repairs on the church roof.

On February 16, 2011, City Council agreed to provide the Church with \$100,000 from the Council Contingency Fund to help cover reroofing and repair costs. Additionally, a motion was passed for Administration to work with McDougall United Church to pursue designation as a Municipal Historic Resource.

August 24, 2011: Executive Committee

After discussions with McDougall United Church representatives, Administration reported on August 24, 2011, that Church Council members had decided not to pursue historic designation.

Despite associated funding available through the City of Edmonton and potentially the Government of Alberta, Church Council was concerned about lack of resources to fund its share of the necessary repairs and upgrades, including ineligibility for funding the mechanical and electrical system upgrades. Church Council was also concerned about restrictions related to title caveats and future development restrictions.

Executive Committee directed Administration to continue working with McDougall United Church on other options to preserve the structure and historical significance of the building while allowing continued use of the facility by the Church and community.

July 9, 2013: Request by the Church for the City to Purchase for \$1

On July 9, 2013, McDougall Church Council sent a letter to the Mayor to suggest the City purchase the building for \$1 and enter into a non-profit lease agreement with the Church Council. While this arrangement would have allowed continued use of the building by the congregation, the City would have become responsible for the long-term maintenance of the building. The request was reviewed internally and recommendations were provided at the January 22, 2014, Executive Committee meeting.

September 9, 2013: MacEwan University

At the September 9, 2013, Executive Committee meeting, the following motion was passed:

That Administration meet with representatives of the Grant MacEwan University and McDougall United Church to bring forward a strategy in January 2014, as part of the report on the "Update on Further Discussions with McDougall United Church."

Discussions began with MacEwan University regarding the possible sale of the facility to MacEwan University, which owns the adjacent Alberta College building.

In 2012, MacEwan University commissioned their own building condition audit report, which estimated costs for basic structure and building envelope issues (\$3 million) as well as to repair the building, complete required upgrades, and repurpose the building to meet University requirements (\$10 million.)

MacEwan University was interested in partnering with the City to find a long term solution for McDougall United Church, despite the financial challenges. This was demonstrated by a letter of intent in acquiring the McDougall Church building and land if the Church decided to sell.

January 22, 2014: Report Back on \$1 Offer and MacEwan

At the January 22, 2014, Executive Committee meeting Administration presented a report regarding discussions with MacEwan University and also to respond to the Church's request that the City purchase the building for \$1.

At that time, MacEwan University was still interested in discussing a potential partnership; however, by January 2015, financial changes at the University no longer made this option viable and MacEwan University advised it would not be purchasing McDougall United Church or surrounding property.

The January 22, 2014, Sustainable Development report CR_145, addressed the Church's request that the City purchase the building for \$1, as proposed in the July 2013 letter. The report indicated a partnership with the Church:

- would not fit within the City's existing Non-profit Leasing Guidelines; and,
- would require the City to identify a funding source for the church's significant deferred maintenance.

Executive Committee decided not to purchase the church building, but requested that Administration continue to work with the Church to:

- support the Church in applying for designation as a Municipal Historic Resource
- identify possible partnerships and fundraising options to support the preservation and restoration of the church, including proposals for additional uses or Joint Use Agreements that would benefit citizens of Edmonton, and any proposal to use the property as part of MacEwan's Alberta College Campus
- obtain a current estimate of preservation and restoration costs

February 24, 2015: Executive Committee

Administration reported back to Executive Committee on February 24, 2015.

Further discussions with McDougall United Church Council determined that Church Council was still hesitant to pursue designation. In the absence of a long term plan, Church Council saw the building and land as financial assets, which could be leveraged to relocate the congregation if the building became unusable. The Church Council believed designation could negatively impact their ability to leverage these assets.

Administration engaged Compton Fundraising to investigate the feasibility of a foundation to generate funding for building restoration. The resulting Opinion Letter of July 2014 suggested that Church leaders were not optimistic about current volunteer capacity or internal leadership to manage a foundation or fundraising campaign. It also did not appear that fundraising for church restoration would be a philanthropic priority for the community.

Revenue from parking and building rental combined totaled approximately \$200,000 annually, and Compton Fundraising reported that opportunities for further revenues appear limited.

City Administration and the Church Council co-engaged Group 2 Architecture Interior Design Ltd (Group 2) to complete a Building Condition Assessment Report, including a detailed analysis of the costs for the preservation and restoration of the church.

After receiving this report, Council directed Administration to continue to work with the Church and the Presbytery of United Church of Canada by facilitating a community-based committee and preparing an application for designation as a Municipal Historic Resource.