

# Inventory of Historic Properties

**Recommendation:**

That the October 5/6, 2015, Sustainable Development report CR\_2709, be received for information.

**Report Summary**

**This report provides a background on how the Inventory and Register of Historic Resources in Edmonton was created, how it is populated, and what it means for a structure to be included. It also includes information on the potential associated costs for designations of structures on the Inventory.**

**Previous Council/Committee Action**

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

That Administration prepare a report detailing the inventory of current and potential historic properties and any associated costs or designations.

**Report**Background

The roots of the Inventory and Register of Historic Resources in Edmonton extend back to the early 1980s when a handful of significant structures were first identified. In 1981, City Council passed a motion to direct that the Heritage Officer must review development applications before demolition permits are issued for buildings deemed to have historical value. The demolition of the Tegler Block at the southeast corner of 101 Street and 102 Avenue in December 1982 gave rise to a grassroots heritage movement that urged the protection of Edmonton's historic structures.

In 1984, Council created the original Register of Historic Resources in Edmonton, which was only focused on the Downtown area. The Hotel MacDonald was the first official Municipal Historic Resource in Edmonton, also designated in 1984. This designation retained the building and supported its eventual restoration, contributing to the ongoing revitalization of the Downtown.

In 1993, the City undertook the first city-wide inventory of heritage structures in Edmonton. A consultant team was retained for the project, and buildings pre-dating 1930 were identified and evaluated for their historic significance. Due to the scope of the exercise and budget limitations, only 450 buildings were evaluated and subsequently added to what was referred to at that time as the Register of Historic Resources. This represented 450 of the most significant historic resources in Edmonton, but did not necessarily capture all structures of historic significance throughout the city.

In 1995, the Historic Resources Reserve Fund was established to provide a secure source of funding for grants provided for the rehabilitation of historic structures. In 2001, Council increased funding to the reserve fund to meet growing demand and linked funding to construction inflation rates.

In 2004, acknowledging that structures that met basic qualifications to be considered a historic building (i.e. a minimum of 50 years old) had not been reviewed under the 1993 inventory, a city-wide inventory of Modern historic resources was undertaken. A consultant team was retained to review buildings that had been constructed between 1930 and 1959. The Modern inventory focused largely on commercial and other non-residential structures, although a small number of significant residences were also identified. The Modern inventory added another 100 structures to the Register of Historic Resources. Similar to the 1993 inventory, budget limitations and the scope of the exercise limited the findings to a maximum of 100 of the most significant Modern properties.

### Register and Inventory of Historic Resources Today

In 2005, the Register of Historic Resources was amended to create two separate categories as described below:

- 1) The “Register of Historic Resources in Edmonton” is the official list of all resources on the Inventory that have been designated as Municipal Historic Resources. Municipal Historic Resources are legally protected by bylaw from demolition and inappropriate alterations. A structure must first be listed on the Inventory of Historic Resources before it can be considered for designation. The designation bylaw and the associated rehabilitation incentive and maintenance agreement for the structure are registered as an instrument on the title of the subject parcel. The designation process provides financial assistance for rehabilitation and on-going maintenance through the provisions of City Policy C450B – Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton (see Attachment 1). At present, there are 117 designated Municipal Historic Resources in Edmonton. Of these, 49 are single detached dwellings.
- 2) The “Inventory of Historic Resources” is an inventory of historic structures/resources in Edmonton that merit conservation and are eligible for designation as Municipal Historic Resources. Resources are placed on the Inventory because they have historical, architectural or social significance to the development of Edmonton or its neighbourhoods. Historic resources on the Inventory can include single-detached dwellings, multi-unit dwellings, or institutional, commercial or industrial buildings. The Inventory also identifies buildings at Fort Edmonton Park, some landscapes and trees, cemeteries and monuments, street furnishings, and architectural fragments (Attachment 1). Existing zoning, development rights and regulations that may be in place continue to apply to any property identified on the Inventory. Properties on the Inventory are not afforded any protection from demolition. All properties on the

Inventory are considered Edmonton's most historically-significant structures, and all qualify for designation. At present, there are 815 structures or other historic elements identified on the Inventory. Of these, 440 are single detached dwellings, and 304 are commercial, institutional, industrial or multi-family structures. The balance of the Inventory is populated by resources at Fort Edmonton (16), landscape elements, such as trees, groups of trees, or City parks (28), cemeteries or monuments (12), street furnishings (2 listings, which include historic street lights in Glenora and Garneau), and architectural fragments (13).

### Changes to the Inventory

The Inventory is an ever-evolving list of historic structures. There is no specified limit to the number of properties that could be added, as time progresses and buildings continue to age. Every year, additional properties meet the minimum 50-year old requirement to be considered as a historic resource. Attachment 2 outlines the evaluation process that is undertaken for proposed additions to the Inventory.

In addition to the main 1993 and 2004 Inventories, a number of individual neighbourhoods and other areas of the city have had Historic Resource Inventory projects completed. In each case where Historic Resource Inventory projects were undertaken for a neighbourhood, consultants were retained to identify and evaluate potential historic resources and heritage character areas. In most cases, the individual neighbourhood in question requested that the City undertake a historic resources inventory for the community. These neighbourhoods/areas include:

- Oliver (2006) – 40 properties added to the Inventory
- Highlands (2007) – 42 properties added to the Inventory; three potential heritage character areas identified
- Alberta Avenue (2009) – 35 properties added to the Inventory
- Rural Northeast (2009) – nine properties added to the Inventory
- Fort Road (2010) – six properties added to the Inventory
- McCauley/Alberta Avenue (2011) – 46 properties added to the Inventory; three potential heritage character areas identified
- Westmount/Inglewood (2012) – 51 properties added to the Inventory; six potential heritage character areas identified
- Strathcona/Garneau/Hazeldean/Queen Alexandra/Ritchie/McKernan (2013) – 123 properties added to the Inventory
- Newton (2014) – nine properties added to the Inventory
- Calder (2015) – 26 properties added to the Inventory; one potential heritage character area identified

These projects typically have a budget of \$60,000. Depending on the nature of historic resources in a particular neighbourhood, this budget may not be sufficient to identify and evaluate all historic resources that may be present. The approach is to capture the most significant resources within the budget limitations as best as possible. Until 2015 Alberta Culture and Tourism provided a \$30,000 matching grant to assist in the preparation of inventory studies. That grant program was suspended by the Provincial government in March 2015.

Additions to the Inventory can also be initiated by property owners of individual historic structures from anywhere in the city. In these cases, the property is evaluated through the process identified in Attachment 2. Properties brought forward by individual owners may be in neighbourhoods where an inventory project was undertaken previously, but the property in question was not short-listed, or in neighbourhoods where no inventory project has yet been undertaken.

Overall, the additions to the Inventory that were identified through the 1993 and 2004 inventories, and the neighbourhood-focused inventories outlined above tend to reflect the most significant structures evaluated at that particular time. This does not mean that there are no other significant historic resources in Edmonton remaining to be identified.

### Future Additions to and Removals from the Inventory

An inventory project for the Glenora community was initiated in September of 2015 with an expected completion in the summer of 2016. Beyond Glenora, Administration is considering neighbourhood inventories for Beverly Heights and the Jasper Place area, both of which are former towns annexed to Edmonton. With several neighbourhoods in Edmonton reaching an age where properties within them are at least 50 years old, there will likely be additional communities that will benefit from a historic resource evaluation, further adding to the overall Inventory. The scale of these additions is unknown.

In addition to the neighbourhood-focused inventories outlined above, additions to the Inventory continue to be made each year through owner-initiated applications for individual historic structures. Administration typically receives approximately five to ten applications from individual owners annually.

Properties listed on the Inventory of Historic Resources can also be removed from that list, either through applications to demolish buildings, or under circumstances where a building has been largely altered, compromising its historic integrity. In the case of proposed demolitions, the Inventory provides no formal protection of structures. Heritage Management Unit staff engage with owners who are proposing demolition to seek designation of the building instead, and outline financial and zoning incentives that may be provided through designation. If the owner chooses to not designate, the City has the legal opportunity to designate the structure without consent from the owner; however, in this scenario, the *Alberta Historical Resources Act* requires the City to provide the owner with compensation for lost economic value. The City has not designated a structure without the owner's consent in the past. Where an owner proceeds with demolition, they are required to provide a historical and photographic record of the structure, and Administration provides a memo to City Council, advising that the structure will be removed from the Inventory. In some cases, buildings on the Inventory are altered without the City's knowledge, or fall into disrepair, and lose their historic integrity. In those cases, the buildings will be removed from the Inventory. In a typical year, the City removes three to five buildings from the Inventory as the result of requested demolitions by the property owner. In the last two to three years, these numbers have increased due to redevelopment pressures in older, mature neighbourhoods. There can be cases where a structure is demolished without a proper demolition permit being applied for, and the City will not be aware.

With the evolving nature of the Inventory, it is difficult to identify a set number of properties that are listed. It is a living collection of historic resources that is constantly changing over time, through project-oriented additions, participating property owners, demolitions, and a steady increase in eligible properties as time progresses. This evolution reflects the fluid nature of the built environment in Edmonton.

### **Potential Costs to the City**

Since 1998, the City has provided a total of \$9,499,031 in rehabilitation grants for the designated Municipal Historic Resources that are currently on the Register of Historic Resources. In 2009 the City also began to provide maintenance incentive grants to owners of designated Municipal Historic Resources. Since 2009, a total of \$323,868 has been provided in maintenance grants. One factor in the pace of designation of historic resources is time. In 2001, there were 22 structures designated as Municipal Historic Resources. In the past 14 years an additional 95 structures have been designated (an average of six or seven per year), often equally balanced between single detached dwellings and other structures. City Council currently allocates \$1,513,218 per year to the Heritage Reserve Fund, which is used to provide rehabilitation incentive and maintenance grants, among other heritage-related activities.

At present, there are 744 structures included on the Inventory of Historic Resources, all of which could qualify for designation as a Municipal Historic Resource and the associated rehabilitation incentive grants, should the respective property owner wish to initiate this process.

### Future Commitments

When property owners approach the City regarding the designation of a structure on the Inventory, Administration typically provides an initial order of magnitude estimate of the amount of rehabilitation incentive grant that may be available. This is particularly true for commercial, institutional, industrial or multi-family structures, where there is no set maximum for grants, unlike single detached dwellings. This initial commitment is critical to property owners, architects, designers and other contractors, who use this information to develop a scope of rehabilitation work for their projects. The final grant is negotiated with property owners when a detailed cost estimate is provided with the application to designate a structure as a Municipal Historic Resource. At present, based on discussions with property owners regarding potential designations, the City has identified \$1,600,000 in potential grants that may be requested between 2015 and 2018. The Heritage Reserve maintains a contingency of \$1,300,000 to address future unanticipated designation requests, such as the recent commitment of \$500,000 for McDougall United Church.

### Single Detached Dwellings

Of the 744 structures on the Inventory, 440 of these are single detached dwellings. Based on past rehabilitation incentive grants for dwellings, the typical grant ranges from \$25,000 to the maximum allowable \$75,000. As outlined in Attachment 1, these grants are matching grants. Based on the typical number of designations per year outlined above, it could be reasonably assumed that the City could expect to continue to receive an average of five applications per year to designate single detached dwellings on the

## Inventory of Historic Properties

Inventory as Municipal Historic Resources. If this were extended over a 20-year period, and an average of \$25,000 to \$75,000 in matching grants was provided to the owner in each case, the projected potential costs to the City could range between \$125,000 to \$375,000 per year, for a total of \$2,500,000 to \$7,500,000 over 20 years.

This scenario of an average of five designations of single detached dwellings per year over 20 years, would result in a total of 100 designations, still leaving 340 dwellings on the Inventory as potential future designations. This does not take into account on-going additions to the Inventory over that same time period through neighbourhood assessments, individual property owner requests, or other methods of adding to the Inventory.

### Other Structures

Of the 744 structures on the Inventory, 304 of these are buildings such as commercial, institutional, industrial or multi-family structures. Based on past rehabilitation incentive grants for dwellings, the typical grant ranges from \$200,000 to \$500,000. However, there is no identified maximum to grants for non-residential structures, and there have been cases where larger rehabilitation incentive grants have been provided, such as the Kelly Ramsey Building (\$1,700,000) and the Hotel MacDonald (\$1,500,000). As outlined in Attachment 1, these grants are matching grants. Based on the typical number of designations per year outlined above, it could be reasonably assumed that from 2019 onwards, the City could expect to continue to receive an average of five applications per year to designate commercial, institutional, industrial or multi-family structures on the Inventory as Municipal Historic Resources. If this were extended over a 20-year period, and an average of \$200,000 to \$500,000 in matching grants was provided to the owner in each case, the projected potential costs to the City could range between \$1,000,000 to \$2,500,000 per year, for a total of \$20,000,000 to \$50,000,000 over 20 years.

This scenario of an average of five designations of commercial, institutional, industrial or multi-family structures per year over 20 years, would result in a total of 100 designations, still leaving 204 such structures on the Inventory as potential future designations. This does not take into account on-going additions to the Inventory over that same time period through neighbourhood assessments, individual property owner requests, or other methods of adding to the Inventory.

### Maintenance

As outlined in Attachment 1, once a structure is designated as a Municipal Historic Resource, it qualifies for on-going maintenance grants to assist in the upkeep of the building. These grants are offered on a five-year cycle, and provide a maximum of one-third of project costs, to a maximum of \$10,000 for single detached dwellings and \$50,000 for commercial, institutional, industrial or multi-family structures. Not all property owners access these grants on the five-year cycle, and the amounts requested can vary widely. It is therefore difficult to identify a specific range of potential future costs for maintenance grants. To date, a total of \$323,869 has been provided in maintenance grants.



### Policy

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

- 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 archaeological resources.

*Historic Resource Management Plan*:

- Heritage Policy 1 – Register and Inventory of Historic Resources in Edmonton: The City will develop and maintain a comprehensive document, the Register and Inventory of Historic Resources in Edmonton; that identifies all historic resources and areas in the city that are of architectural, social and cultural value.
- Heritage Policy 4 – Historic Areas: the City will recognize, protect, enhance, and promote the character of its historic areas.
- Heritage Policy 5 – Legislation: The City supports efforts to encourage legislative changes at all levels of government that would enable proactive heritage programming.
- Heritage Policy 7 – Research: The City will seek to encourage and facilitate adequate and professional levels of research to be carried out that relate to historic resources on or being nominated to the Register and Inventory of Historic Resources in Edmonton.
- Heritage 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.
- Heritage Policy 11 – Stewardship of City Historic Resources: 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.
- Heritage Policy 12 – Demolition and inappropriate alterations: The City will place a high priority on preventing the demolition of historic resources and any inappropriate alterations.
- Heritage Policy 17 – City Governance: Heritage will be an integral consideration in policy development and in other City incentives and programs.
- Heritage Policy 20 – Maintenance: The City will continue to monitor and implement the maintenance process for its Municipal Historic Resources.

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

### Budget/Financial Implications

The current balance in the Heritage Reserve as of July 10, 2015, is \$3 million. The projections for the reserve using current commitments show an anticipated reserve balance of \$2.4 million at the end of 2018. However, Administration has discussed a

number of potential heritage designations with respective owners for which funds have been earmarked in the reserve. Should all such projects be implemented, the Heritage Reserve will have a limited capacity to support the designation of new, or unanticipated, historic projects.

### **Attachments**

1. Designation as a Municipal Historic Resource
2. Adding a Resource to the Inventory Criteria and Evaluations
3. Summary of Historic Resources Management Program

### **Others Reviewing this Report**

- K. Rozmahel, General Manager, Corporate Services
- T. Burge, Chief Financial Officer and Treasurer
- R. Smyth, Acting General Manager, Community Services