

## **Designation of the West End Telephone Exchange Building as a Municipal Historic Resource**

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### **EXECUTIVE SUMMARY**

The West End Telephone Exchange Building is proposed for designation as a Municipal Historic Resource under Section 26 of the Alberta Historical Resources Act; the property owner has requested this designation.

Designation offers legal protection to an evaluated historic resource, preserving it for the future and making the owner eligible for financial assistance in maintaining the property through existing Municipal and Provincial incentive programs.

### **ADMINISTRATION RECOMMENDATION:**

That the SPC on Planning and Urban Development recommends that Council give three readings to the proposed bylaw to designate the West End Telephone Exchange Building as a Municipal Historic Resource.

### **RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED 2018 FEBRUARY 05:**

That Council give three readings to Bylaw **9M2018** to designate the West End Telephone Exchange Building as a Municipal Historic Resource.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

At the 2008 February 4 Combined Meeting of Council, through LPT2007-64, Council adopted the Calgary Heritage Strategy. The approved content of the Strategy states that significant historic resources “can and should be protected through designation bylaws”.

### **BACKGROUND**

Conserving historic buildings through legal protection is an internationally recognized best-practice in heritage planning, and is supported by the Calgary Heritage Strategy and Calgary Municipal Development Plan. Legal protection in Alberta is achieved through designating sites as Municipal and/or Provincial Historic Resources, enabled by the Alberta Historical Resources Act. The subject of this report concerns Municipal-level designation.

Prior to being designated, a property must be included on Calgary’s Inventory of Evaluated Historic Resources, a growing list of significant local heritage sites. The Inventory is maintained by the Calgary Heritage Authority, a Council-appointed advisory board comprised of members of the public, which evaluates potential Inventory sites and advises Council on heritage-related matters. Properties suggested for inclusion on the Inventory are researched and evaluated according to the Calgary Historic Resource Evaluation System. To date, there are over 800 sites on the Inventory of Evaluated Historic Resources.

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As part of the designation process, the Alberta Historical Resources Act (Section 28[1]) specifies that Municipalities must compensate property owners for any decreased economic value related to designation. To avoid incurring this cost, City of Calgary Heritage Planning only recommends the designation sites as Municipal Historic Resources if the property owner consents and waives any compensation associated with the Act, or if Council has otherwise directed the designation.

Property owners may choose to designate for a variety of reasons, including an interest in preservation. Additionally, a variety of incentives for designation are offered at the Municipal and Provincial level, including heritage conservation grant programs, and incentives through the planning approvals process.

The Beltline Area Redevelopment Plan contains heritage conservation incentive policy that supports the transfer of unused development rights (density) from properties which are designated as Municipal Historic Resources. The designation of the West End Telephone Exchange Building would allow the property owner the opportunity to take advantage of this incentive.

The City of Calgary also operates a heritage conservation grant program, offering matching funds for projects to restore, preserve or rehabilitate character-defining elements of a privately-owned, designated historic resource. The grant program is funded through an existing reserve receiving \$225,000 per year from the Planning & Development budget. Sites designated as Municipal Historic Resources, or those in the process of designation are eligible to apply for grant funding through this program. As of the writing of this report, there are 86 Municipal Historic Resources – 64 of which are privately owned, and given priority for grant funds. Applicants can apply for up to 50% of a conservation project cost, once every five years. Total grants received cannot exceed 15% of the assessed value of the property, determined at the time of application, for a period of 15 years. Additional information is included in Financial Capacity of this report, and full terms and conditions are available through [www.calgary.ca/heritage](http://www.calgary.ca/heritage).

Alberta Culture and Tourism operates a Provincial-level grant program, providing matching funds to owners of historic sites under terms and conditions established by the Alberta Historical Resources Foundation (available online through [www.culturetourism.alberta.ca](http://www.culturetourism.alberta.ca)). The designation of a property as a Municipal Historic Resource qualifies a property owner to apply for up to \$50,000 per year in Provincial matching funds, as opposed to a one-time grant of \$5000 available to non-designated sites.

It is unknown when, or if, a property owner will apply for incentives. Administration provides owners with information about all applicable incentive programs for their properties, and does not guarantee grant funds prior to approving a funding application. Furthermore, owners are made aware that both grant programs are commonly fully-subscribed, and funds may not be available at the time of application.

In the 2017 year, 11 sites were designated as Municipal Historic Resources – exceeding the target established in the 2015-2018 Action Plan.

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### INVESTIGATION: ALTERNATIVES AND ANALYSIS

Built in 1910, and now 108 years old, the West End Telephone Exchange Building, located at 1010 14 AV SW, is being proposed for designation as a Municipal Historic Resource. Using the framework of the Council-approved Historic Resource Evaluation System, the heritage value of the West End Telephone Exchange Building includes:

- Activity Value - The West End Telephone Exchange Building delivered telephone service to the community for more than two decades, playing an important role in the development of the city's telecommunications system. For the next fifty years the building was the home of the American Woman's Club, a significant organization in Calgary for its philanthropic and civic improvement activities.
- Style Value - The West End Telephone Exchange Building is a rare and well maintained example of Romanesque Revival architecture in the community.
- Construction Value - The structure's innovative double-wall construction is also a rare example of how buildings employed new construction methods to meet the needs of emerging technologies.

The property was first added to the Inventory of Evaluated Historic Resources in August 1982, and has been determined as a property of City-wide significance.

The property owner requested designation of the property as a Municipal Historic Resource to protect the property in perpetuity and to make the property eligible for conservation incentives. This is aligned with the 'Protect' principle of the Calgary Heritage Strategy: "Once identified, Calgary's significant historic resources can and should be protected through Designation Bylaws as set out in the Alberta Historical Resources Act.

The proposed bylaw (Attachment 1) provides conditions for treatment of the property. Schedule A visually clarifies the location; Schedule B includes the Statement of Significance from the property's heritage evaluation, and outlines specific 'Regulated Portions' that cannot be removed, altered, or destroyed without approval from the City of Calgary; Schedule C compiles key standards from the *Standards and Guidelines for the Conservation of Historic Places in Canada*, a national best-practice manual.

### Stakeholder Engagement, Research and Communication

The owner of the West End Telephone Exchange Building requested Municipal Historic Resource designation 2017 February 21. Per the Alberta Historical Resources Act, a 'Notice of Intention' to designate the property was received by the property owner 2017 December 21 – satisfying the 60-day notice requirement of the Act.

The owner of the West End Telephone Exchange Building reviewed the proposed designation bylaw and have expressed in writing that they are in agreement with it being presented to the SPC on Planning and Urban Development, and Council (Attachment 2).

The Calgary Heritage Authority has expressed support of this proposed designation as outlined in Attachment 3 to this report.

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### Strategic Alignment

Council priorities outlined in The City's *2015 – 2018 Action Plan* include the fostering of "A city of inspiring neighbourhoods". Historic resources are an integral component of such neighbourhoods and their retention contributes to the diversity and character of their surroundings.

The City of Calgary *Municipal Development Plan* supports the conservation and protection of Calgary's historic resources. The plan identifies historic preservation as part of good city building and community identity, and encourages property owners to conserve Calgary's historic resources.

The City of Calgary *2020 Sustainability Direction* includes an objective for Calgary to become a "diverse and socially inclusive city that respects its heritage and the arts," as well as a strategy to "support the preservation of Calgary's historic resources".

The City's *Calgary Heritage Strategy* (2008) recommends that identified historic resources should be protected by designation bylaws, when possible, to ensure their preservation. This protection prevents demolition, provides appropriate management of physical interventions and is critical to ensuring effective management of historic resources.

### Social, Environmental, Economic (External)

#### Social

Historic resources connect us to our past, our future, and to each other. They provide places of learning and places of understanding for all Canadians. Historic resources are integral to the identity of our community and help to strengthen its distinctiveness. Historic resources add to the beauty, character and visual interest of our urban environment, which contribute to the city's liveability and are sources of community pride.

#### Environmental

The preservation of historic places capitalizes on their embodied energy. Re-using existing resources requires a much smaller expenditure of materials and energy than demolishing and reconstructing a city's building stock.

#### Economic (External)

Historic resources add character and visual interest to a streetscape, increasing the attractiveness of the area to investors. Designation of historic resources ensures these attributes are protected, and the resulting certainty promotes high-quality investment. Additionally, tourists and residents are attracted to areas with historic resources.

### Financial Capacity

#### **Current and Future Operating Budget:**

Designation of the West End Telephone Exchange Building will have no operating budget implications for The City of Calgary.

Designation will make the property eligible to apply to The City of Calgary's Heritage Conservation Grant Program, funded through an existing reserve administered by Heritage

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Planning, which receives \$225,000 per year from the Planning & Development budget. Until 2022, \$85,000 of this total is allocated to an existing grant agreement with the Loughheed Building (FCS2004-20, approved 2004 March 22). The unsubscribed balance is available to eligible applicants on a 'first-come/first-serve' basis. Designated heritage resources may apply to the grant program once every five years (as needed), for matching funds up to 50% of a conservation project cost. Total grants received cannot exceed 15% of the assessed value of the property, determined at the time of application, for a period of 15 years. As of the writing of this report, the grant program reserve is fully subscribed. Applicants may still submit grant requests at any time, which will be held in queue until such time as grant funds become available.

### ***Current and Future Capital Budget:***

Designation of the West End Telephone Exchange Building will have no capital budget implications for The City of Calgary.

### **Risk Assessment**

No risks have been identified in designating the West End Telephone Exchange Building as a Municipal Historic Resource. The property owner is in agreement with the proposed designation, which does not affect activities in the building or on the property, allows the owner to retain all rights to the individual enjoyment of their property, and does not prevent the property from being sold.

The Heritage Conservation Grant Program reserve fund is limited. If the fund does not increase in some proportion to the number of designated properties this may discourage some owners from applying for designation.

### **REASON(S) FOR RECOMMENDATION(S):**

The property is identified on Calgary's Inventory of Evaluated Historic Resources, making it eligible for designation as a Municipal Historic Resource.

The owner of the property has formally requested designation. Protecting Calgary's historic resources is an identified objective of The City.

### **ATTACHMENT(S)**

1. **Attachment 1 –Bylaw 9M2018 to Designate the West End Telephone Exchange Building as a Municipal Historic Resource**
2. Attachment 2 – Bylaw Agreement from Owner
3. Attachment 3 – Calgary Heritage Authority Letter of Support