

Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01

ISC: UNRESTRICTED
PUD2020-0259

Heritage Conservation Tools and Incentives

EXECUTIVE SUMMARY

The content of this report, including the originally planned recommendations, were prepared prior to the current context related to COVID-19 conditions. Administration's pre-COVID-19 recommendations are outlined in Attachment 13. At this time Administration can neither project nor quantify the magnitude of COVID-19's impact on Calgary communities and on The City's implementation and financial capacity, and as result we are seeking support from Council to return with updates on this work by no later than 2020 October 7.

This report presents recommendations for heritage conservation tools and financial incentives.

There is no immediate impact to The City's financial capacity associated with this report. The tools proposed in this report are implemented through other processes, therefore a public hearing is not required for Council to approve the recommendations at this stage, allowing citizens to follow public health protocol and physical distancing.

At the direction of Council (PFC2019-0223), Administration explored new heritage conservation policy tools and financial incentives. Administration worked with external consultant, O2 Planning + Design (O2), to propose policy options for a made-in-Calgary approach to conserving heritage areas in the city. Administration also focused on three financial incentives for further consideration: a residential "tax-back grant", a non-residential "tax credit" and an increase to the city-wide Heritage Conservation Grant Program.

A two year (Q3 2020 – Q3 2022) phased implementation program for the heritage area policy tools through the local area planning process is recommended. It will allow Administration to determine the effectiveness of the tools and identify opportunities for improvements. Through this project, land use redesignations to direct control districts that support heritage conservation will be brought forward for approval as required.

Currently, Administration is not recommending Council approve the financial incentives; rather, Administration recommends that a refined financial incentives package is brought back to the Priorities and Finance Committee no later than Q1 2022. The package will be presented for consideration as part of the 2023-2026 budget cycle.

There is no immediate impact to The City's financial capacity associated with this report; however, the 2023-2026 budget recommendations will require funding sources for operating investments to be identified within future reporting. Administration will evaluate the specific resourcing requirements once direction has been provided on the proposed tools and scoping for next steps has been completed. Administration will seek to support the two-year phased implementation program through reprioritization and will prepare appropriate investment requests for future budget deliberations as necessary pending Council direction.

The tools and incentives envisioned by this report represent a significant enhancement to Calgary's approach to heritage conservation. Administration also views this work as an important part of the Next Generation Planning System – a group of interconnected initiatives

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

including the *Guidebook for Great Communities* – which will improve the way we plan for Calgary’s future, and help us implement and realize the Municipal Development Plan and its policies (Attachment 1).

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Planning and Urban Development recommend that Council:

1. Direct Administration to return to the Standing Policy Committee on Planning and Urban Development no later than 2020 October 7 with any updates on this work, and for further consideration of Administration’s pre-COVID-19 recommendations as outlined in Attachment 13.

PREVIOUS COUNCIL DIRECTION / POLICY

Recognizing the value of heritage conservation to citizens, Council directed that heritage should be better conserved to enrich the sense of place in our communities through the One Calgary 2019-2022 Service Plan and Budgets.

At the 2019 March 5 meeting of the Priorities and Finance Committee, Report PFC2019-0223, the following was approved, as amended:

That the Priorities and Finance Committee direct Administration to conduct further analysis on heritage preservation tools and financial incentives and report back to SPC on Planning and Urban Development no later than Q4 2019.

At the 2019 November 6 meeting of Standing Policy Committee on Planning and Urban Development, Report PFC2019-1359, the following was approved:

5.1.2 Heritage Preservation Tools and Financial Incentives, PUD2019-1359 due Q4 2019 to be moved to no later than April 2020, PFC2019-0223.

BACKGROUND

Directed by the Priorities and Finance Committee in March 2019, Administration evaluated potential new policy tools and financial incentives to increase the conservation of local *heritage sites*. Financial incentives or policy tools that are part of an existing work plan, or are the jurisdiction of provincial or federal governments, have been determined to be out of scope for this report.

As noted in PFC2019-0223, heritage conservation is an important component of sustainable city building. It benefits economic development, environmental sustainability and quality of life for Calgarians. Heritage buildings attract tourism and heritage conservation jobs, supporting our local economy. The reuse of heritage buildings supports environmental sustainability, discouraging the waste of resources by reusing and repurposing buildings. These buildings create a sense of place and identity, showing the development of our city over time. An overview of the benefits and practices of heritage conservation in Calgary is provided in Attachment 2, which also includes a glossary of terms used throughout this report.

Heritage Conservation Tools and Incentives

There is tremendous value to The City of Calgary in conserving heritage; however, despite significant progress, most identified properties on the *Inventory of Evaluated Historic Resources* remain unprotected from significant alteration or demolition. Additionally, many entries on the *Inventory* have become out-dated and require re-assessment and update. Further information on the current procedures for designating (legally protecting) sites on the *Inventory* is contained in Attachment 3. A summary of overall progress towards Calgary's heritage conservation goals can be found in Attachment 4.

In 2019, a visual 'windshield survey' was performed to identify potential heritage assets across 26 communities in Calgary's built-out areas. This approach to rapidly identifying many sites of heritage value is modelled after best-practice examples such as Los Angeles' "SurveyLA" program. The windshield survey resulted in the identification of more than 4,000 *heritage assets* and represents the largest single survey of heritage properties performed in Calgary to date. Maps from the 2019-2020 windshield survey are included as Attachment 5.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

There is no immediate impact to The City's financial capacity associated with this report. The tools proposed in this report are implemented through other processes, therefore a public hearing is not required for Council to approve the recommendations at this stage, allowing citizens to follow public health protocol and physical distancing.

This report investigates financial incentives and policy tools to incentivize heritage conservation. Identified tools and incentives will address and support the conservation of *heritage sites*, while policy and regulatory tools will address *heritage areas*.

Policy Tool Options

Administration retained O2 Planning + Design (O2) to explore and test options for policy tools to support the conservation of Heritage Areas. O2 researched best-practice heritage policy areas from around North America and worked with Administration to develop the recommendations of this report. The following proposed tools were informed by the windshield survey, analysis of year-of-construction data and historic air photographs to identify where policy areas may be beneficial in the city.

Heritage Areas

The policy tools seek to address financial equivalence and physical compatibility. Financial equivalence refers to achieving a state in which it is as financially attractive to retain a building rather than demolishing it to build a new structure. This is typically achieved by implementing restrictions on the massing or development potential of new structures. Physical compatibility refers to a state when the massing, design and placement of new development is complementary and compatible with *heritage assets*. Note that none of the policies proposed by Administration restrict demolition, use, number of dwelling units, or preclude appropriate contemporary designs (e.g. mimicry or faux-historicism is discouraged).

Heritage area policies are intended to apply to low-density residential properties and will not overlap with Main Streets or Activity Centres. The unique physical and economic complexities of each Activity Centre or Main Street and the inherent conflict between The City's strategic growth objectives and heritage conservation means that Main Streets with concentrations of *heritage assets* will require a comprehensive and collaborative policy tool that balances desired

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

outcomes. Administration is seeking Council's direction to explore a coordinated and strategic approach for those areas in the next phase.

The policy tools envisioned by this report represent a significant new approach to Calgary's heritage conservation. They allow us to recognize and incentivize the conservation of more than 4,000 *heritage assets*. Community-specific development guidelines will help protect the integrity of more than 1,500 *heritage assets*. Another 750 will be eligible for a specific land use (direct control district) to provide strong architectural controls, encouraging protection.

Heritage Area Tools

A three-layer system of heritage areas is proposed. The *heritage area* tools apply in portions of a community that merit preservation based on the historic integrity of the area (e.g. percentage of *heritage assets* compared to all other structures). The thresholds required for the various policy layers are explored in Attachment 7.

The layers are as follows:

1. Incentive Areas;
2. Discretionary Guidelines Area; and,
3. Direct Control Heritage Area.

1 – Incentive Areas (addresses financial equivalence only)

To broadly incentivize the conservation of *heritage assets* in the city, this policy tool would offer additional development potential or incentives to developments or projects that retain a *heritage asset* on site. This tool is intended to apply broadly within the built-out area to sites that have identified residential *heritage assets* (through the windshield survey or *Inventory*, currently 4,122 parcels). Like the Bridgeland Character

Home Retention District (DC 273D2017), proposed developments that retain a *heritage asset* are afforded additional development potential above those that do not. Also similar to Bylaw 273D2017, these incentives do not restrict or inhibit development. Proposed incentives for this policy layer explored by O2 Planning + Design are included with Attachment 8.

2 – Discretionary Guideline Area (addresses financial equivalence and physical compatibility, but only through encouragement and mandatory design review)

To incentivize the conservation of *heritage assets* in areas of the city with moderate to high historical integrity (25-49 percent *heritage assets*), this policy tool would build upon the Incentive Areas layer by making all uses (other than those incented by Layer 1) discretionary, and subject to locally-specific heritage design guidelines. These design guidelines address heritage form elements and defining characteristics and apply to all development within the area boundary. This layer would apply to approximately 2,271 *heritage assets* and 2,923 non-heritage buildings (5,194 total structures), representing an area of approximately 350 hectares across the city.

3 – Direct Control Heritage Area (addresses financial equivalence & physical compatibility with specific restrictions and allowances)

To incentivize the conservation of *heritage assets* in areas of the city with the highest historical integrity (greater than 50 percent *heritage assets*), this policy tool is intended to incentivize the conservation of *heritage assets* through specific and thorough architectural controls and limited redevelopment potential. This is likely to be implemented through a direct control district land

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

use redesignation. Currently, there are approximately 745 *heritage assets* and 344 non-heritage buildings (1,089 total structures) on approximately 90 hectares that would qualify for a Direct Control Heritage Area policy.

Stacked or Layered Approach

The policy layers are intended to stack or build upon each other, resulting in increased specificity and control as the concentration and integrity of heritage areas increase. For example, the Discretionary Guideline Area also includes all incentives offered by the incentive areas policy tool. Similarly, where a direct control district is not desired by landowners, Direct Control Heritage Areas would revert to Discretionary Guideline Areas.

Financial Incentive Options

Financial incentives are essential for advancing economic development and heritage preservation. Currently, the only financial incentive provided to property owners by The City is the Historic Resource Conservation Grant Program. It is a city-wide matching grant that considers applicants on a first-come, first-serve basis. Applicants are eligible every 15 years for up to 50 per cent of approved conservation costs, up to 15 per cent of a property's assessed value or \$125,000, whichever is less. The Historic Resource Conservation Grant Program has a yearly reserve budget of \$500,000, which is often unable to provide enough incentive to counter the potential value of selling or redeveloping that resource. Further incentives or regulations are required to increase the likelihood of conservation.

Financial Incentives for Consideration:

Administration will seek to support the two-year phased implementation program through reprioritization and will prepare appropriate investment requests for future budget deliberations as necessary pending Council direction.

Administration will reprioritize existing budget capacity to provide Heritage Calgary with one-time funding of \$300,000 over the two-year phased implementation period to support a review of the existing residential properties on the Inventory of Evaluated Historic Resources to identify outdated entries and Statements Of Significance (SOS) and either update the SOS or remove the property from the Inventory (if the heritage integrity is lost) by Q4 2022.

Administration recommends that Council direct Administration to return to the Priorities and Finance Committee no later than Q1 2022 with refined financial incentives packages for consideration in the 2023-2026 budget deliberations. Attachment 6 provides further detail on these program concepts.

Financial Incentive for the 2023-2026 Budget

Two new financial incentive programs are recommended for further consideration in subsequent budget deliberations.

Residential Tax-Back Grant: to incentivize owners of residential *heritage sites* to legally designate their property, a residential tax-back grant would provide owners of protected buildings with an annual partial municipal property tax reimbursement for up to 15 years. This

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

program could be capped at \$50,000 per property and may not require an owner to perform restoration or rehabilitation work (beyond that required to become a designated property).

Conceptual Program Considerations:

- If 40 percent of the 248 currently-eligible residential properties on the *Inventory of Evaluated Historic Resources* elected to designate based on this incentive, the program would need to provide a tax-back grant to 99 properties. Based on the assessed values of existing sites on the *Inventory*, designated properties would receive an average total amount of \$38,800 over the 15-year term, requiring a program commitment of approximately \$3,850,000.
- There are currently 32 residential properties on the *Inventory* that could be eligible to apply for the proposed tax-back grant. If all properties apply, between \$1.2 and \$1.6 million of the overall program total (nearly a third to half) would go towards sites that are already designated.

Non-Residential Tax Credit: to incentivize owners of non-residential *heritage sites* to legally designate their properties, legally protected properties undergoing conservation work can apply to be reimbursed half of a project cost up to a value of half of their annual municipal taxes to a maximum of \$1,000,000 per year for a 15-year period. The maximum incentive amount available cannot exceed 15 percent of a property's assessed value in combination with any other City of Calgary conservation grant.

Conceptual Program Considerations:

- This program has similarities to the existing Historic Resource Conservation Grant Program but would offer a significantly larger financial incentive than the \$125,000 maximum of that program (potentially twenty-times that value).
- The financial support required to meaningfully assist with the conservation of non-residential heritage sites is substantially larger than what is required for residential heritage sites.
- Because this program is tied to restoration or rehabilitation work, it is more difficult to estimate the program uptake.

Near-term Financial Option

Should Council wish to support financial incentives prior to 2023, or not wish to support a non-residential tax credit, a significant increase to the Heritage Conservation Grant Program could be used in place of other financial incentives.

Increase to Existing Heritage Conservation Grant Program

An increase to the city-wide conservation grant program would allow more or larger projects to make use of the grant. For example, matching the City of Edmonton's equivalent program at \$2,000,000 annually could have significant impact. This option would require a mid-cycle budget request for funding support.

Conceptual Program Considerations:

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

If the city-wide grant program is increased and no other financial incentives are approved, consider reserving \$1.5 million for non-residential projects (enough for one or two annual projects) and \$500,000 (the current program) for residential properties. In this scenario, the structure of the grant program would need to be amended.

Non-Recommended Policy Tools and Financial Incentives

Administration reviewed several other policy tool and financial incentive options for potential implementation in Calgary; however, through cross-departmental consultation, some tools were determined to be out-of-scope or infeasible at this time. Additional detail on each of these tools, including rationale for their exclusion and future opportunities, is included in Attachment 9.

Attachment 9 also provides discussion of density bonusing and density transfer. Administration acknowledges density bonusing and density transfer as a successful tool where it is currently applied in the city, and we recommend continued use in those areas. Further evaluation regarding the broader applicability of this tool is occurring in the context of other initiatives that are investigating potential funding sources for public amenities and infrastructure.

Alternatives to Administration's Recommendations

Given the scope of this report and the identified risks and challenges facing Calgary's heritage resources, it is understood that Council may seek alternate implementation of the explored tools and incentives than what is recommended by Administration. Attachment 10 provides alternate implementation options should Council seek to direct additional resources or faster delivery regarding the proposed tools and incentives.

Stakeholder Engagement, Research and Communication

The following informed this report:

- Through the One Calgary 2019-2022 Service Plan and Budgets engagement conducted in 2018 October, "investing in heritage" was identified by the public as having value.
- The largest single windshield survey of Calgary's *heritage assets* was conducted in 2019 by *Fireweed Consulting* that identified more than 4,000 *heritage assets* across 26 communities in Calgary's built-out areas.
- An online and mail-in questionnaire was conducted with owners of non-designated sites on the *Inventory of Evaluated Historic Resources*. It was done to better understand perspectives regarding legal protection and what financial incentives would be required for property owners to consider heritage designation.
- In-person engagement with select stakeholders in February and October 2019, including heritage advocacy groups, community associations, City Councillors, and members of Calgary's development industry.
- A stakeholder information session was held on 2020 January 29 to share the proposed tools and explore alternatives.
- The project website, www.calgary.ca/heritage, was updated in 2020 February to inform members of the public of the work proposed in this report and to provide maps of *heritage assets* and resources identified by the windshield survey.

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

- Through the ongoing local area planning processes (e.g. North Hill, Heritage Communities, Westbrook, West Elbow), heritage conservation and community identity and place was identified as a primary concern for stakeholders that requires clear direction and tools.
- Administration provided a confidential Calgary Planning Commission workshop on 2020 January 8 to solicit feedback and direction on a draft version of proposed recommendations. The comments from that meeting are summarized in Attachment 11.
- Heritage Calgary was engaged to provide feedback on the proposed recommendations. They have provided a letter of support, included as Attachment 12.

Strategic Alignment

The proposed heritage conservation tools and incentives contribute to advancing the Next Generation Planning System in Calgary (see Attachment 1). They align with other initiatives being delivered as part of this program. Initiatives within this program are part of a systematic change to The City's approach to planning, focused on implementing the Municipal Development Plan and advancing the Citizen Priority of A City of Safe & Inspiring Neighbourhoods. The initiatives within this program deliver on five of the Council Priorities for the City Planning & Policy Service Line for 2020: A. Implementing the Municipal Development Plan/Calgary Transportation Plan; B. City-Wide Growth Strategy; C. Modernized Community Planning; D. Connecting Planning and Investment; and, E. A Renewed Land-Use Bylaw. The tools and incentives will support the Municipal Development Plan and the Calgary Heritage Strategy.

This report supports the 2019-2022 One Calgary Council Directives of a City of Safe & Inspiring Neighbourhoods:

- (N3) Cherishing and protecting our heritage will enrich the sense of place in our communities. We need to ensure that The City's heritage processes are suitable to improve the protection and enhancement of *heritage assets*.
- (N5) Growth of the city needs to be managed in a way that achieves the best possible social, environmental and economic outcomes within financial capacities. The cost of growth needs to be minimized for The City while maximizing housing choice and affordability within these constraints.

This report more specifically aligns with the other Next Generation Planning System initiatives as follows:

- A placeholder section for *heritage area* policy has been created in the Guidebook for Great Communities. Pending Council direction on the *heritage area* policy tool, the Guidebook and other relevant policy or regulatory documents, such as local area plans or the *Land Use Bylaw*, will be updated.
- Until receiving Council direction on proposed heritage area polices, project teams for in-progress Local Area Plans (including the North Hill Communities Local Growth Planning) are using the windshield survey data to manage the planned growth in low-density residential areas with identified high concentrations of *heritage assets*.
- Through consultation with stakeholders, the use of financial programs such as density bonusing and density transfer (benefitting heritage conservation) are being considered through Phase 2 of the Established Areas Growth and Change Strategy (EAGCS).

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

However, this report provides information on the efficacy of these programs where they are currently used to benefit heritage conservation in Attachment 6, and the April 2020 EAGCS Phase 1 report will provide further comments on the use of these tools in a growth context.

Social, Environmental, Economic (External)

There are many external social, environmental and economic impacts of these tools and incentives, which are detailed in Attachment 8.

Financial Capacity

Current and Future Operating Budget:

There is no immediate impact to The City's financial capacity associated with this scoping report; however, 2023-2026 budget recommendations will have impacts and will require funding sources for operating investments to be identified within future reporting.

Administration will evaluate the specific resourcing requirements once direction has been provided on the proposed tools and scoping for next steps has been completed. Administration will seek to support the two-year phased implementation program through reprioritization and will prepare appropriate investment requests for future budget deliberations as necessary pending Council direction.

Current and Future Capital Budget:

There are no current or future capital budget implications associated with this report.

Risk Assessment

As a finite resource, once demolished or significantly altered *heritage assets* cannot be restored or recreated. Failing to provide, or delaying the provision of, effective tools and incentives may result in the loss of *heritage assets* and resources that provide value to Calgary and support the city's culture, identity and sense of place. The proposed tools and incentives mitigate this risk, where possible, in the Calgary context.

The implementation of tools and incentives will require funding. Given the current economic climate and the as-yet-unknown impacts of COVID-19, proposing new tools or incentives that require additional spending represents a risk to The City's objective of reducing the tax burden on Calgarians. Considering additional operational budget impacts as part of future budget (2023) deliberations mitigates this risk.

Heritage and "community character" are among the most prominent concerns identified during the local area planning process for our inner-city communities. If the recommendations of this report are not approved, many of the ongoing and upcoming local area plans (North Hill Communities, West Elbow, Historic East Calgary, and West Hillhurst, Hillhurst/Sunnyside, Hounsfield Heights) will be at risk or face increased opposition due to the high concentration of *heritage assets* in these communities. This risk is mitigated by the proposed recommendations.

There is a risk of timing associated with the breadth and scope-of-work proposed. The development of the guidelines or architectural controls is anticipated to take approximately six to eight months each, during which time individual structures can be demolished. In some cases,

**Planning & Development Report to
SPC on Planning and Urban Development
2020 April 01**

**ISC: UNRESTRICTED
PUD2020-0259**

Heritage Conservation Tools and Incentives

the loss of a single structure could cause an area to no longer meet the threshold to qualify for heritage area policies. As we are unable to prevent demolition in Alberta, unless it is legally protected or designated, to mitigate this risk Administration will seek to roll-out implementation as quickly as possible, without negatively affecting the quality or efficacy of the tools.

This report identified the exceptional needs of non-residential *heritage assets* as well as the acute conflict between development pressures, city-wide growth policies (Municipal Development Plan, Guidebook for Great Communities, Main Streets) and certain heritage main streets. While this report seeks direction to determine a coordinated approach to non-residential heritage areas in Calgary, there remains significant risk of losing valuable *heritage assets* in the interim.

Some communities may try to use the *heritage area* policy tools to attempt to prevent growth or change in their communities. This risk is mitigated by having clear thresholds and requirements to qualify for the tool, and by not regulating use or density through the tools.

REASON(S) FOR RECOMMENDATION(S):

The proposed tools in this report respond not only to Council direction and priorities, but also to significant community interest and common concerns identified through the local areas planning process. As a finite resource, once demolished or significantly altered *heritage assets* cannot be restored or recreated. Failing to provide effective tools and incentives may result in the loss of *heritage assets* and resources that provide value to The City and support the city's culture, identity and sense of place. The tools and incentives envisioned by this report represent a massive boost to Calgary's heritage conservation. They allow us to recognize and incentivize the conservation of more than 4,000 heritage assets. Community-specific development guidelines will help protect the integrity of more than 1,500 heritage assets. Another 750 will be eligible for a specific land use (direct control district) to provide strong architectural controls, encouraging protection.

ATTACHMENT(S)

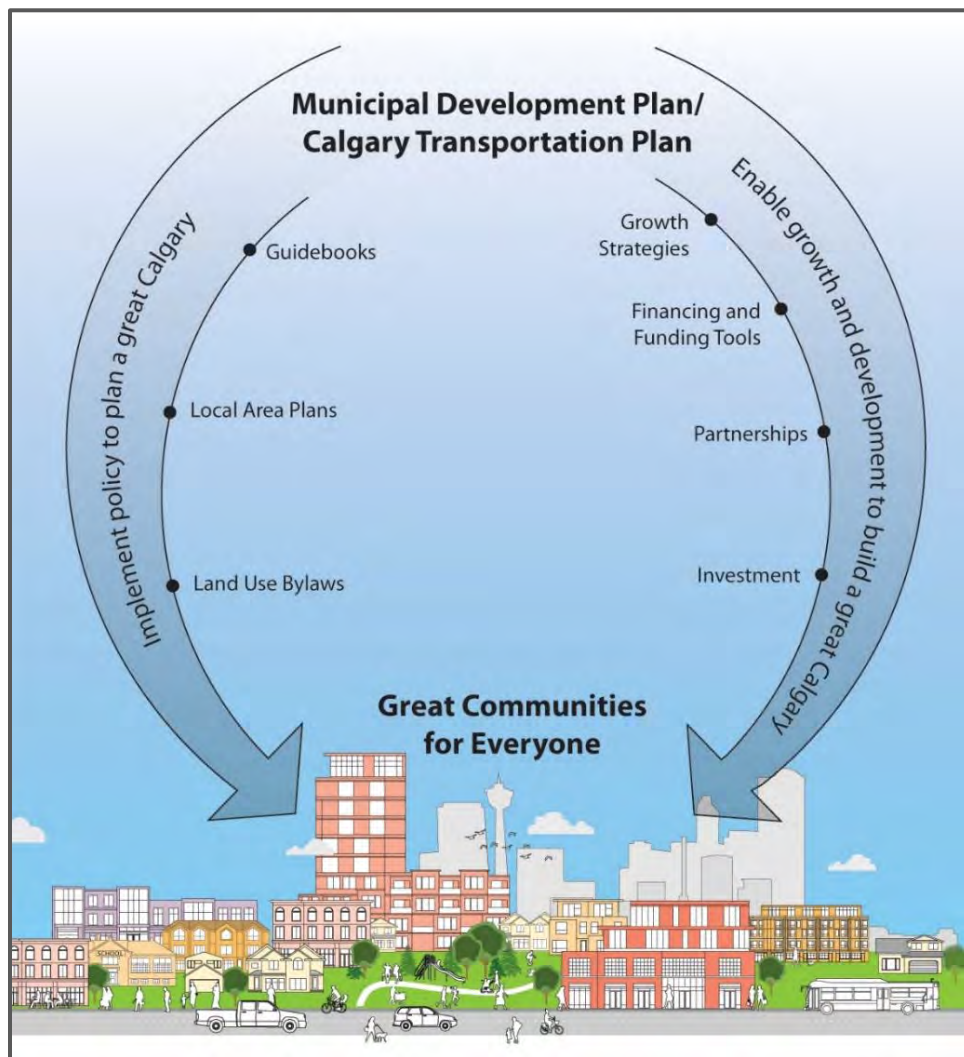
- Attachment 1 – Next Generation Planning System Overview
- Attachment 2 – What is Heritage in Calgary?
- Attachment 3 – Existing Designation Procedures and Incentives
- Attachment 4 – Heritage Conservation in Calgary Progress Snapshot March 2020
- Attachment 5 – Windshield Survey Maps and Conceptual City-wide Maps of Potential Policy Areas
- Attachment 6 – Supporting Financial Analysis
- Attachment 7 – Alternative Heritage Area Policy Tool Thresholds for Consideration
- Attachment 8 – Layer 1 Incentive Recommendations and Precedents Memo from O2 Planning + Design
- Attachment 9 – Summary of Non-Recommended or Out-of-Scope Tools
- Attachment 10 – Alternative Packages of Policy Tools and Financial Incentives
- Attachment 11 – Calgary Planning Commission Member Comments
- Attachment 12 – Heritage Calgary Letter of Support
- Attachment 13 – Administration's pre-COVID-19 recommendations
- Attachment 14 – Public Submissions

Next Generation Planning System Overview

Initiated in 2019, the Next Generation Planning System will improve the way we plan Calgary's future. This systematic approach will help us implement and realize the Municipal Development Plan, which provides the foundation and framework for how we plan our city for citizens who live here now and citizens who will call Calgary home in the future.

Currently made up of nine initiatives, the next generation of planning provides a coordinated and clear planning system for the whole city. It removes outdated and redundant policy, and creates a more robust toolbox to enable development and investment in Calgary

The system combines policies that will allow us to plan a great Calgary with effective programs, strategies and tools, which enable growth and development to continue building a great city. The nine initiatives leverage and inform each other, from a citywide vision to development and construction.



Planning and enabling a great Calgary

Next Generation Planning System

Working with, and building on existing policies, the Next Generation Planning System realizes thriving communities that provide housing, amenity, work and travel choices to everyone. It enables development and investment through clear plans, and strategies and tools that guide and support growth. The Next Generation Planning System consists of the following initiatives, addressing both policy and implementation activities to realize these development and community outcomes.

Municipal Development and Calgary Transportation Plans (MDP and CTP): *update policy*

The MDP and CTP are The City's long-range land use and transportation plans that look upwards of 60 years into the future, when Calgary's population is expected to reach over two million people.

Implement policy to PLAN A GREAT CALGARY.

- **Guidebook for Great Communities:** *new policy*
Ensuring communities in Calgary can offer more housing, shops, work and service choices, while simplifying the planning process with consistent city-wide classifications for the urban form. It will be used to guide and shape Local Area Plans in the new Local Area Plan program.
- **Local Area Plans:** *new program*
Using a multi-community approach to local planning, by grouping communities based on shared connections and physical boundaries. This approach makes stronger connections between communities and to key amenities and infrastructure. It helps to identify common issues and opportunities between communities, while removing duplicate and irrelevant policies and plans.
- **Heritage:** *new policy*
Providing new policy tools and financial incentives to increase conservation of heritage resources.
- **Renewed Land Use Bylaw:** *update policy*
Aligning the Land Use Bylaw with the *Guidebook for Great Communities* and the Local Area Plans so that the final built form accurately reflects the vision for our communities. The renewed Land Use Bylaw will focus on regulating the aspects that impact a person's experience at the street-level.

Enable growth and development to BUILD A GREAT CALGARY.

- **Established Areas Growth and Change Strategy:** *new strategy and implementation plan*
Coordinating public investment, while supporting existing communities through their growth. It links to current policy efforts and supports developers to help build our city.
- **Offsite Levies Review:** *update to policy*
Preparing a new off-site levy bylaw under current legislation, to enable growth-related capital infrastructure in established and new communities.
- **Main Streets:** *next phase of program and implementation/construction*

A continuum that goes from changes to land use that will support development opportunities to a streetscape master plan that is designed to support these changes and can be constructed in a coordinated fashion.

- **Transit-Oriented Development Implementation Strategy:** *next phase*
Carrying out the implementation actions. It supports higher-density, mixed-use buildings and public realm design that prioritizes walking and cycling and maximizes the use of transit services.



What is Heritage in Calgary?

What are Heritage Resources?

Heritage Resources (also called historic resources) may take many forms, but in Calgary are typically buildings, landscapes or features that are valued for their role in telling the story of our place and culture.

While all things have an associated history involving human or natural occurrences, The City of Calgary focuses its heritage initiatives on resources that have been recognized through a formal evaluation process (detailed on page 2).

The multi-disciplinary task of retaining and enhancing heritage resources is broadly referred to as **Heritage Conservation**.

Why conserve?

Heritage resources can unlock triple-bottom-line benefits for municipalities. In addition to the aesthetic, social and educational value of heritage sites, the benefits of conservation include job growth in skilled trades, reduction in construction/demolition waste, economic resiliency during recession periods, positive contribution towards ‘sense of place’ and community identity, avoided environmental impact through reuse of structures, and promotion of a compact urban form.

The importance of heritage conservation is recognized Provincially (Alberta Culture and Tourism), Nationally (Parks Canada), and Internationally (International Council on Monuments and Sites). Thousands of municipalities worldwide have policies or programs designed to help conserve their historic resources.

Calgary City Council has acknowledged the value of heritage conservation through approval of the *Calgary Heritage Strategy* and other city-wide policies, including:

Municipal Development Plan

“Historic preservation is part of good city building and community identity. Heritage buildings and historic districts serve to enhance our perspective, understanding and awareness of our past and help to build a sense of identity and pride in our local communities...Historic preservation also provides tremendous economic and environmental benefits.”

(2.3.3 Heritage and public art)

Guidebook for Great Communities

“Heritage resources are defining characteristics of communities and should be retained or protected while balancing the need for redevelopment.”

(2.1.1 Heritage Resources)

Cultural Plan for Calgary

“Calgarians support the conservation of built heritage which brings character and a sense of place to streets and public spaces.”

(6.0 A Collective Vision for the Future)

One Calgary 2019-2022 Service Plans and Budgets

“Culture, identity and heritage are key aspects of inspiring neighbourhoods”

(Plan Highlights: A City of Safe and Inspiring Neighbourhoods)

Contents

- Page 1: **Overview**
- Page 2: **Calgary’s Approach**
- Page 3: **Conservation Benefits**
- Page 4: **Glossary of Terms**



National Hotel

Circa. 1910 [Glenbow NA-1075-9]
2012—Before restoration
2019—After restoration

“Canada’s historic places are a living legacy for all Canadians. Ensuring a future for these treasures will allow the next generations to use these exceptional places in ways both old and new.”

The Standards and Guidelines for the Conservation of Historic Places in Canada

Alan Latourelle
Former CEO, Parks Canada—Appointed to the Order of Canada



What is Heritage in Calgary?

Identifying Heritage Resources

The City of Calgary recognizes heritage resources through one of the following two processes:

- **Heritage sites:** Buildings, landscapes and features that are at least 25 years-old, and thought to have standalone significance as a **heritage site**, may qualify for listing on the *Inventory of Evaluated Historic Resources (Inventory)*. Potential heritage sites are researched and approved by [Heritage Calgary](#) according to a Council-approved system based on specific tangible and intangible values.
- **Heritage assets:** Buildings constructed prior to 1945 that largely retain their historic appearance and features may be considered **heritage assets**. Unlike heritage sites, assets may not individually qualify for the *Inventory*, but are considered to have broader significance where they are part of a concentrated group of similar assets—described collectively as a **heritage area**. The City of Calgary identifies possible heritage assets by performing a visual assessment of a community, known as a 'windshield survey'. Potential heritage assets must meet survey criteria that considers historic architectural, stylistic, and design elements.



King Edward School (1912)
Example of a [heritage site](#) listed on the *Inventory of Evaluated Historic Resources*

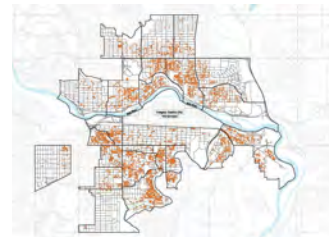


Historic Streetscape, Ramsay
Examples of [heritage assets](#) identified by The City of Calgary

Administration's conservation strategy

To-date, The City of Calgary's approach to heritage conservation has generally focused on [heritage sites](#). Working with Heritage Calgary, over 780 unique sites have been listed on the *Inventory*, over 100 have been granted legal protection. Despite significant progress, Administration has identified challenges with this approach, including:

- The *Inventory of Evaluated Historic Resources* is a growing, non-exhaustive list of heritage sites; research in 2019 indicated nearly 500 more potential sites within 26 of Calgary's inner-city communities
- A majority of identified heritage sites on the *Inventory* (over 85%) remain unprotected, including major Calgary landmarks
- Existing incentives are often unable to match the financial value of selling and/or redeveloping a property containing a heritage resource, creating a conservation *disincentive*
- Beyond a 'pilot program' in Bridgeland-Riverside (Bylaw 273D2017), [heritage assets](#) are almost entirely without mechanisms to encourage conservation



Heritage Asset Windshield Survey
Conducted 2019-2020 in 26 inner-city communities, revealing thousands of heritage assets

In recognition of these challenges, Administration has explored new approaches for heritage conservation, are were included in report PFC2019-0223. The recommendations of this report include a proposed heritage area policy and new financial incentive programs. If-approved, this would represent a significant shift forward in Calgary's heritage conservation strategy.



What is Heritage in Calgary?

Select benefits of conservation: **economic**

- Jobs** The restoration or rehabilitation of historic resources requires the labour-intensive involvement of skilled trades. A PlaceEconomics study (*Good News in Tough Times: Historic Preservation and the Georgia Economy*) found 21% more jobs were created for the same economic activity (cost) in conservation projects vs. new construction.
- Tourism** Statistics Canada reports that 24% of overnight visitors to the Calgary area participate in a cultural activity, with a majority visiting a historic site. Since 2012, spending by 'culture' visitors in Calgary has increased by \$51.9 million (Calgary Heritage Authority, *Economics of Heritage Preservation for Calgary*).
- Competitive Advantage** Calgary Economic Development's *Calgary in the New Economy* strategy identifies 'Place' as a focus area, including a challenge with migration: "Many Canadians do not believe Calgary offers arts and culture comparable to their current home city." All of Calgary's identified 'peer cities' (including Montreal, Toronto, Vancouver) have significant heritage conservation strategies.
- Adaptive Re-use** The size, design, and lower rents typical to historic buildings makes them highly flexible for entrepreneurs and start-up business. "Neighborhoods that include older, smaller buildings house significantly greater concentrations of jobs in the 'innovation economy' than do areas with only larger, newer construction." (Stephanie Meeks, National Trust for Historic Preservation)



McHugh House
 Circa. 1903 [Glenbow LIB-10-114]
 1999—Before relocation
 2019—After relocation

Select benefits: **environmental**

- Avoided Impact** The re-use of existing buildings presents significant carbon savings over the total cost of replacing a city's entire building stock. Historic buildings are said to have "Inherent Sustainability" through their long life-cycle, reparability, and traditional building design (*Building Resilience: Practical Guidelines for the Sustainable Rehabilitation of Buildings in Canada*).
- Diverted Waste** Demolition of buildings in Canada generates approximately 25% of all landfill waste (Canada Green Building Council). Conserving and rehabilitating historic fabric presents a significant opportunity to reduce unnecessary landfill usage and material loss.

Select benefits: **social & cultural**

- Appreciation & Enjoyment** In a telephone survey of 600 Calgarians during development of the *Cultural Plan for Calgary*, respondents rated preserving heritage buildings and spaces as their second highest priority for cultural investment in the next 10 years. The plan concludes: "It is now recognized that historic resources are integral to the cultural viability of a city as an affordable and desirable place to live/work".
- Education & Identity** Historic resources are places of learning and understanding, and are integral to community identity. "Historic places are a source of pride for Canadians. They are part of our collective history and a legacy that we pass on from generation to generation" (*Preserving Canada's Heritage*, Report of the Standing Committee on Environment and Sustainable Development).

"The 'greenest' building is the one that is already built."

Carl Elefante
 President
 American Institute of Architects



What is Heritage in Calgary?

Glossary

The following terms are used throughout this report, and in related City of Calgary documents:

Heritage Resource – Includes historic buildings, bridges, engineering works and other structures; cultural landscapes such as historic parks, gardens or streetscapes, culturally significant areas, indigenous traditional use areas and sites with archaeological or palaeological resources. These can be managed by municipal, provincial or federal authorities.

In Calgary, The City generally classifies heritage resources as heritage sites or heritage assets, depending on their formally-evaluated significance.

Heritage Site— Building, landscape, or feature of standalone heritage significance, determined according to the *Historic Resource Evaluation System*. Potential heritage sites are researched by Heritage Calgary, and placed on the *Inventory of Evaluated Historic Resources*.

Heritage Asset – Privately owned structure, typically constructed before 1945, that significantly retains its original form, scale, massing, window/door pattern and architectural details or materials. Individual heritage assets may not warrant inclusion on the *Inventory* or consideration as a heritage site.

Heritage Area – Concentrated grouping of related heritage assets.

Inventory of Evaluated Historic Resources (*Inventory*) – Growing (non-exhaustive) list of heritage sites that have been assessed by Heritage Calgary according to the Council-approved *Historic Resource Evaluation System*.

Municipal Historic Resource— Heritage site that has been legally protected against demolition or major alterations under the *Alberta Historical Resources Act*.

Windshield Survey— Visual survey of possible heritage assets in an area according to specific criteria of historic architecture and design.



Scarboro United Church and Manse (1929)
Municipally-designated heritage site



Robert and Mary Taylor Residence (1912)
Municipally-designated heritage site



Existing Designation Procedures and Incentives

What is designation?

Conserving historic buildings through legal protection is an internationally recognized best-practice in heritage planning and is supported by the *Calgary Heritage Strategy* and *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*, and performed by a municipality, or Alberta Culture and Tourism, respectively.

Designation by City Council as a Municipal Historic Resource:

- * Prevents a heritage resource from being demolished and requires City approval for alterations to certain historic elements
- * Does not affect the ability to sell or purchase property
- * Does not affect activities in a building or on the property
- * Allows the owner to retain all rights to the individual enjoyment of their property

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 practice has been to designate sites as Municipal Historic Resources only where the property owner consents and waives any compensation associated with the Act, or if Council has otherwise directed the designation.

Which properties are eligible for 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 Council-approved Calgary Historic Resource Evaluation System.

Why do owners choose to designate?

A property owner may choose to designate for a variety of reasons, including an interest in heritage conservation. Additionally, a variety of incentives for designation are offered at the Municipal and Provincial level, including heritage conservation grant programs (discussed on following page), and incentives through the planning approvals process.

Density Transfer is a significant planning incentive available to owners of Municipal Historic Resources in the Downtown, Beltline, and East Village areas. A historic resource can transfer unused development rights (density) to a new development site at a privately negotiated profit—supporting growth, and benefiting heritage conservation. Further information on density transfer can be found in Attachment 9 to this report, and at calgary.ca/heritage.



Blum Residence (built 1963)
Municipal Historic Resource
designated November 2018



West End Telephone Exchange (built 1910)
Municipal Historic Resource
designated February 2018
utilized density transfer program

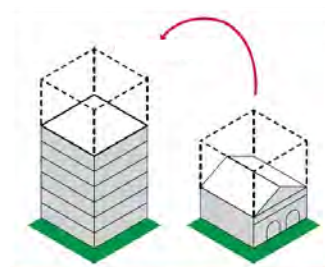


Diagram showing transfer of density from a historic resource to a new development



Existing Designation Procedures and Incentives

Heritage grant programs

City of Calgary *Historic Resource Conservation Grant Program*

The City of Calgary operates a heritage conservation grant program, offering matching funds for projects to restore, preserve or rehabilitate a privately-owned, designated resource.

Sites designated as Municipal Historic Resources, or those in the process of designation are eligible to apply for grant funding through this program. 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, or \$125,000, over a period of 15 years.

The *Historic Resource Conservation Grant Program* is provided through a reserve fund established in 2003, which receives \$225,000 per year from the Planning & Development budget. In 2012, the grant program was restructured through PFC2012-0159, and began issuing grants. Through the *One Calgary 2019-2022 Services Plans and Budgets*, this amount increased to \$500,000 per year beginning in 2020.

Grants supporting 25 Historic Resources have been committed to by The City of Calgary to-date, totalling approximately \$4 million. However, as grants funds are paid at conservation project milestones, the total funds issued to-date total approximately \$2.8 million. Prior to 2020, the average individual grant was approximately \$85K for single residential resources, and approximately \$200K for all other types. Beginning in 2020, a funding cap of \$125,000 was introduced to make the grant reserve available to more applicants.

Prior to the 2020 grant program increase through One Calgary, the annual allocation of \$225,000 was insufficient to accommodate the average of approximately 2 grant applications per year, reducing the grant reserve from the initial endowment and rendering the program fully subscribed through the 2020 year. It is unclear if the grant program allocation increase in 2020 will allow a replenishment of the reserve fund principal (2012), but at minimum it will allow for more grants to be accommodated.

As of this report, 99 sites are designated as Municipal Historic Resources in Calgary, with 72 being privately-owned, and therefore eligible to apply for grant funds. This number is further reduced by the 25 sites having already received grants; while a number of previously-awarded sites have not reached their 15-year funding cap and remain eligible to apply to the program again, the likelihood of requiring additional conservation work is low. As such, there are currently 47 Municipal Historic Resources eligible to apply for their maximum possible grant value as part of a cost-matching conservation project.

Province of Alberta *Heritage Preservation Partnership Program*

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). 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 \$5,000 available to non-designated sites.



Scarboro United Church
(built 1929)
Conservation grant recipient

Average approved matching grant for heritage resources: (approximate)

Single residential home

\$85,000.00

All other resource types

\$200,000.00



Strategic Vision

Through the 2008 *Calgary Heritage Strategy*, Council established a municipal vision “as a Canadian leader in historic preservation” and outlined stakeholders, goals, and actions in achieving that vision. Since the *Strategy’s* adoption, a majority of its 30+ identified action items have been completed, including the following major accomplishments:

- Establishment of the current **Historic Resource Conservation Grant Program** in 2012—systematizing funding for heritage sites
- Approval of the **City-Owned Historic Building Management Strategy** in 2011 (FM) and **Cultural Landscape Strategic Plan** in 2012 (Calgary Parks)
- Creation of the online **Inventory of Evaluated Historic Resources** in 2010—among the best of its kind in North America

Approval of the *Calgary Heritage Strategy* also introduced a set of 3 principles – **Identify, Protect, and Manage** – with the understanding that a successful overall approach to heritage conservation requires attention to all 3. With that in mind, the below information attempts to provide a high-level ‘snapshot’ of current progress towards Calgary’s heritage conservation vision through reporting on each principle.

How is Calgary doing?

“Identify”

- The *Inventory of Evaluated Historic Resources* currently has 866 listings, including 80 demolished resources (786 unique extant sites)
- Heritage Calgary added an average of 40 sites/year to the *Inventory* from 2009-2015, after which a Provincial funding source was eliminated. Subsequently, they add approx. 16 new sites annually
- The *Inventory Evaluation System* moved to a ‘values-based’ model in 2008 (LPT2008-24), and has seen a fuller range of resources added including worker’s cottages, cultural landscapes, etc.
- The distribution of resource age on the *Inventory* is now more broadly reflective of Calgary’s major development periods

“Protect”

- Heritage Planning strives to achieve the designation of 7 historic resources per year. This number was exceeded in 2017 (11 sites) and 2018 (8 sites) - but being owner-driven, is difficult to anticipate
- An additional 10 sites are protected by legal agreements negotiated as part of comprehensive development projects affecting a historic resource
- As of this report, 99 sites have been designated as Municipal Historic Resources, or roughly 12% of the extant *Inventory*
- Including 2019, an average of 4 *Inventory* sites were demolished annually over the past five years. Heritage Planning does not have authority to withhold demolition permits for non-protected resources

“Manage”

- As part of Planning & Development, Heritage Planning has created conservation policy for the Municipal Development Plan, Developed Areas Guidebook, and various Area Plans
- All planning applications impacting historic resources are reviewed by Heritage Planning. Changes to Municipal Historic Resources are assessed and approved prior to permit issuance
- To date, 25 historic resources have received funding through the *Conservation Grant Program*, totaling approx. \$4 million in investment
- The grant program reserve is currently at-capacity for 2019, but will increase in 2020 from \$225K to 500K through *One Calgary*
- Where density transfer policies apply (Downtown, East Village, Beltline), 16 resources have designated and sold unused density

Windshield Survey Maps and Conceptual City-wide Maps of Potential Policy Areas

A. Summary

In 2019, a visual 'windshield survey' was performed to identify potential assets across 26 communities in Calgary's built-out areas. This approach to rapidly identifying many sites of heritage value is modelled after best-practice examples such as Los Angeles' 'SurveyLA' program. The windshield survey resulted in the identification of more than 3000 heritage assets and represents the largest single survey of heritage properties performed in Calgary to date.

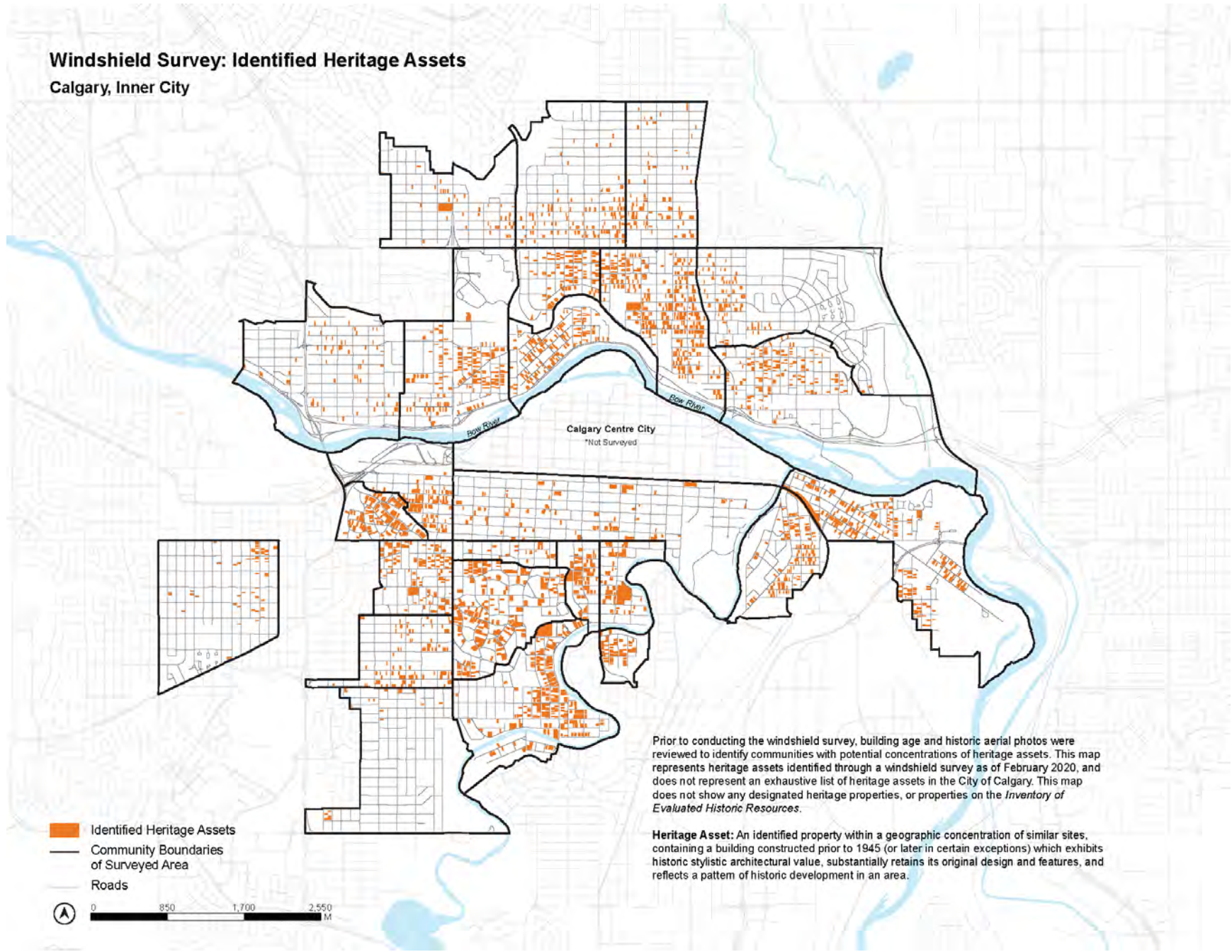
The attached maps shows sites listed on the *Inventory of Evaluated Historic Resources*, designated heritage sites, and properties identified as Heritage Assets during windshield surveys conducted 2019-2020.

Heritage Inventory Parcels have been evaluated by Heritage Calgary according to Council-approved policy. While recognized for their significance on the *Inventory of Evaluated Historic Resources*, they are not subject to development or demolition restrictions unless designated (legally protected) in cooperation with a property owner.

Designated Heritage Parcels have been legally protected under the *Alberta Historical Resources Act*, and have regulation preventing alteration or demolition of their significant features without approval by The City of Calgary or Province of Alberta, depending on their designation.

Heritage Assets are identified properties within a geographic concentration of similar sites, containing a building generally constructed prior to 1945, exhibiting historic stylistic architectural value, substantially retaining their original design and features, and reflecting a pattern of historic development in an area. These sites are not listed on the *Inventory*, and may not qualify for the Inventory as an individual property. Their formally-recognized heritage significance is tied to being part of a geographic concentration of similar sites.

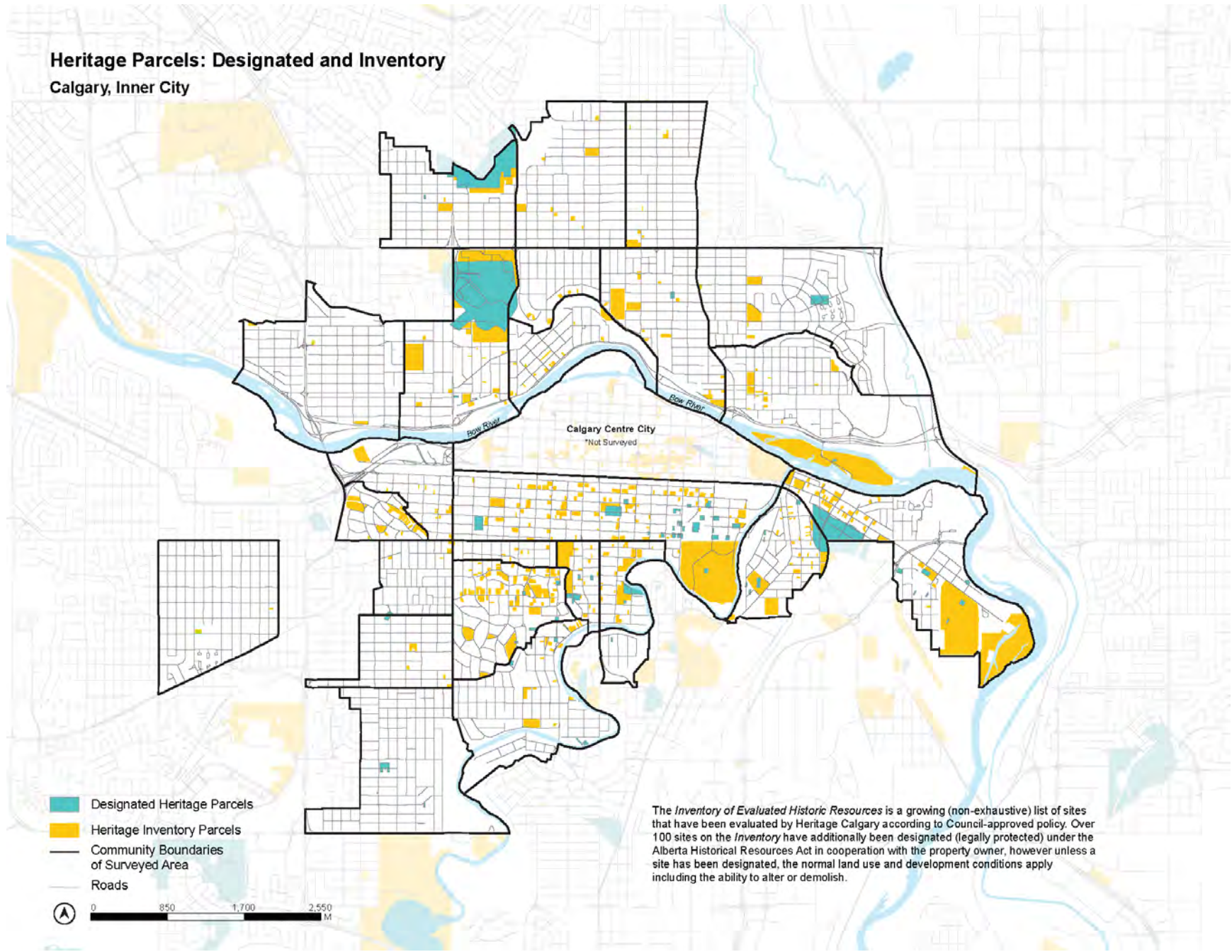
Windshield Survey: Identified Heritage Assets Calgary, Inner City



Prior to conducting the windshield survey, building age and historic aerial photos were reviewed to identify communities with potential concentrations of heritage assets. This map represents heritage assets identified through a windshield survey as of February 2020, and does not represent an exhaustive list of heritage assets in the City of Calgary. This map does not show any designated heritage properties, or properties on the *Inventory of Evaluated Historic Resources*.

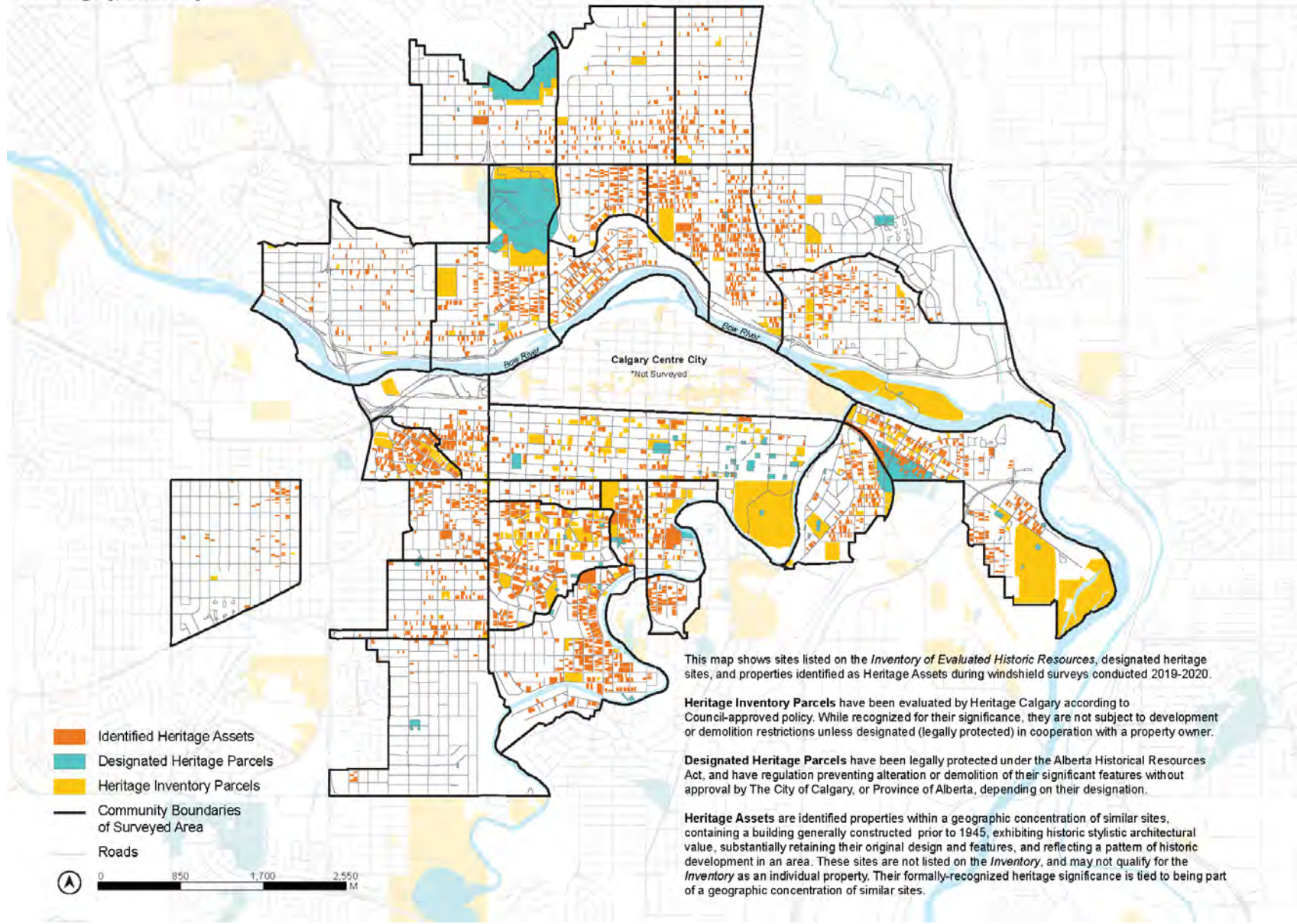
Heritage Asset: An identified property within a geographic concentration of similar sites, containing a building constructed prior to 1945 (or later in certain exceptions) which exhibits historic stylistic architectural value, substantially retains its original design and features, and reflects a pattern of historic development in an area.

Heritage Parcels: Designated and Inventory Calgary, Inner City



The *Inventory of Evaluated Historic Resources* is a growing (non-exhaustive) list of sites that have been evaluated by Heritage Calgary according to Council-approved policy. Over 100 sites on the *Inventory* have additionally been designated (legally protected) under the Alberta Historical Resources Act in cooperation with the property owner, however unless a site has been designated, the normal land use and development conditions apply including the ability to alter or demolish.

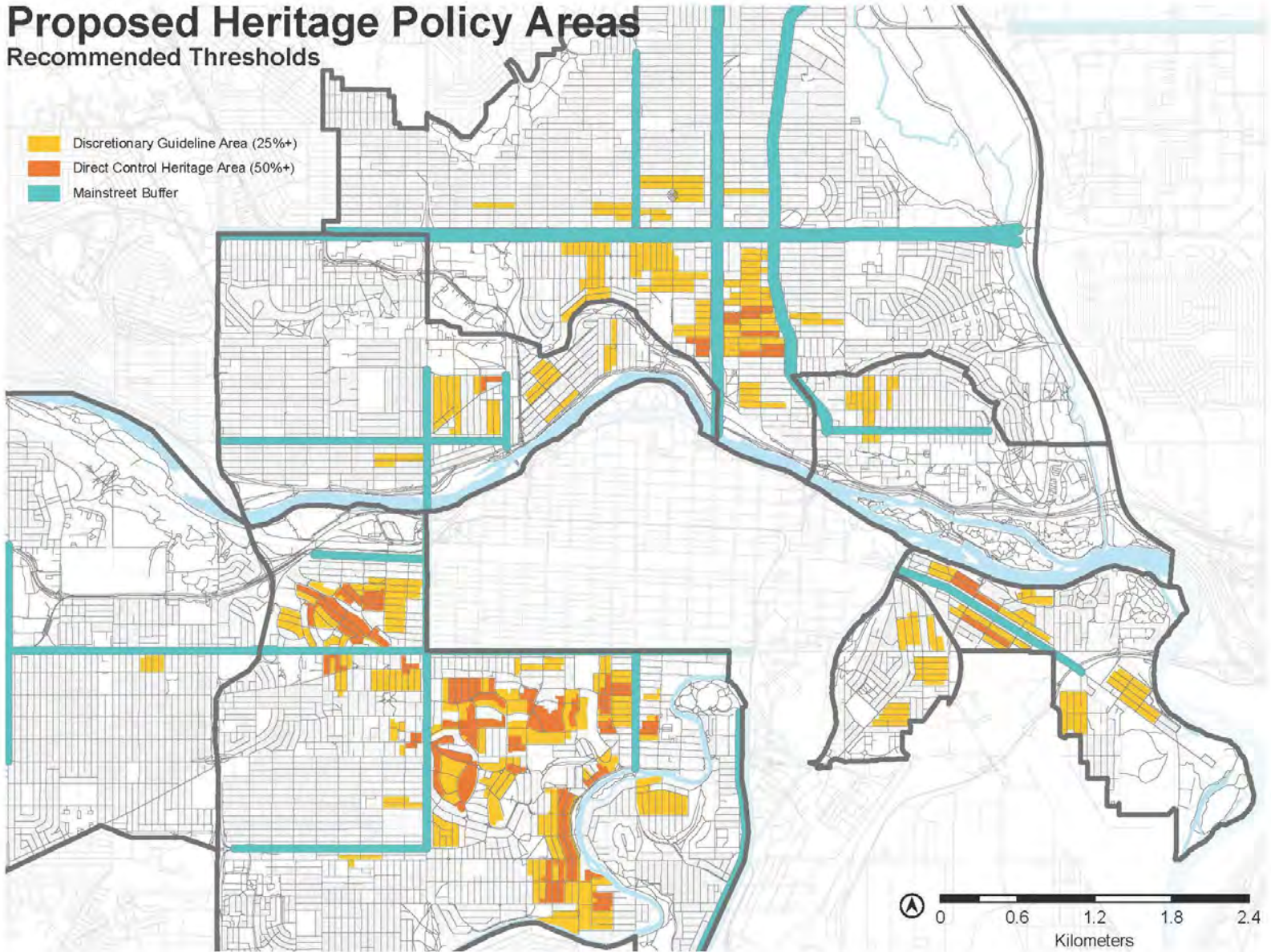
Heritage Parcels: Designated, Inventory, and Heritage Assets Calgary, Inner City



Proposed Heritage Policy Areas

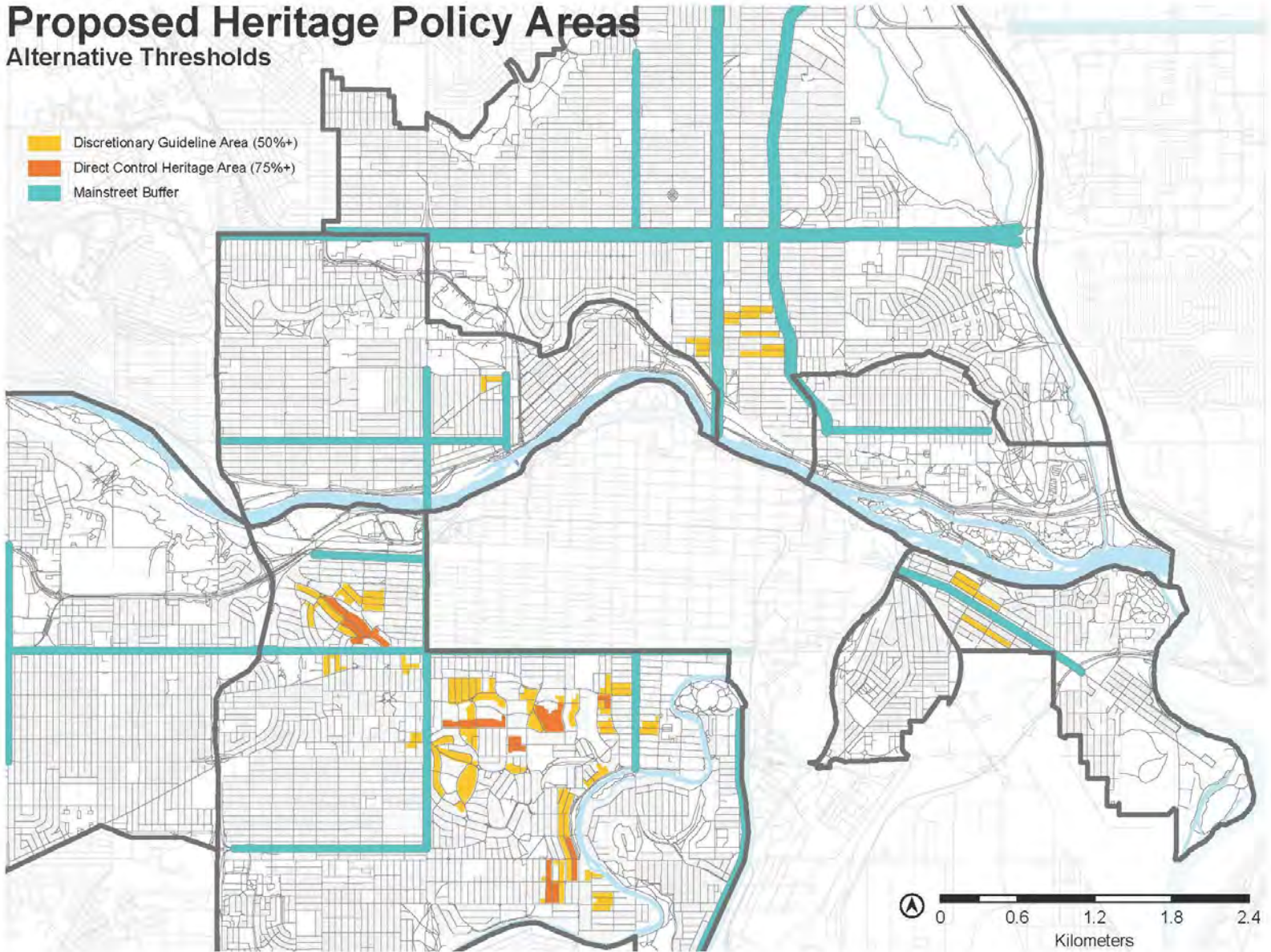
Recommended Thresholds

- Discretionary Guideline Area (25%+)
- Direct Control Heritage Area (50%+)
- Mainstreet Buffer



Proposed Heritage Policy Areas Alternative Thresholds

- Discretionary Guideline Area (50%+)
- Direct Control Heritage Area (75%+)
- Mainstreet Buffer





Overview

This attachment provides background and preliminary analysis for the financial incentives for heritage conservation explored through this report. A brief discussion is also provided on future funding implications for Heritage Calgary related to the proposed tools and incentives.

Unlike the heritage area policies described in this report, the proposed financial incentives are recommended for continued development and analysis, and to return for consideration during the 2023-2026 budget deliberations. As such this attachment is designed to describe the intent of each proposal, and demonstrate the general feasibility that led to Administration prioritizing that incentive for the Calgary context. In essence, to seek Council direction to continue refining the incentive proposals for a future budget allocation, and not as a finalized incentive as-of-this-report.



Colgrove Apartments (1912)
Identified heritage resource— currently
without legal protection preventing
significant alteration or demolition

Background

The financial incentives described in this attachment are intended to encourage owners to designate their properties as Municipal Historic Resources. For an owner to accept this protection involves limiting the total redevelopment potential of their site, forgoing a portion of the economic potential of the property. As such, the financial options discussed in this attachment must provide a sufficient level of benefit to meaningfully incentivize a property owner to designate.

Determining the appropriate level of compensation required for an owner to consider designation is complex and challenging. Considerable variance exists between the economic contexts of heritage sites in Calgary, along a variety of different measures. Assessed property values for sites on the *Inventory of Evaluated Historic Resources* range between hundreds-of-thousands, and tens-of-millions of dollars, and the redevelopment potential of sites is markedly different between residential and non-residential properties.

Altogether, while two financial incentive approaches are proposed through this report for Council's direction, the example terms, details and cost projections represent conceptual models that— while attempting to be as accurate as possible— contain assumptions which allow uncertainty as to the programs' ultimate uptake and success. Administration proposes to mitigate this uncertainty in the following ways:

- The reporting approach undertaken by Administration allows that if Council supports these incentive options, further development towards implementation will refine the proposals and attempt to additionally minimize assumptions and limitations
- The proposed financial incentives are each recommended with limitations and caps to set firm parameters on the level of City investment to be committed. Any variability in the projected outcomes for heritage conservation would not incur additional cost
- As the proposed incentives represent significant new approaches for heritage conservation in Calgary, Administration recommends that the financial incentives be approved with a report-back following the initial implementation to allow for alterations and improvements to be made for future programs



Residential “tax-back grant”

Description

A potential residential tax-back grant would be an annual reimbursement issued by The City of Calgary to owners of designated (legally protected) heritage sites which are taxed as residential properties. The value of the grant would be based on an eligible property’s annual assessed municipal taxes, for a set period of time, or up to a maximum per-property value.

Purpose and benefits

Such a program would be intended to fill a gap in Calgary’s existing designation incentives for residential properties that are not interested in performing the conservation work necessary to use the *Historic Resource Conservation Grant Program*. A program of this type would also lower the designation ‘bar-to-entry’ for owners who do not have the funding necessary to participate in a matching grant incentive program. Most importantly, this type of direct tax-back (or ‘tax-relief’) tool is excellent at providing a straightforward mechanism to offset the incentive to demolish and redevelop a property, which can be significantly increased with development activity otherwise sought by The City of Calgary to meet growth targets through the Municipal Development Plan.

Example of a similar program outside Calgary

Burlington, Ontario

- Tax rebates offered to owners of designated residential heritage properties who make an annual application
- Eligible sites receive a 40% rebate on property taxes, including City, Region and School Board components
- No fixed-term or cap on total amount provided; however, property owners must re-apply annually
- City of Burlington initially offered a lower percent, and approved an increase through a report on the program’s success
- Additional information via By-law [61-2016](#)

Potential City of Calgary program

- Residential properties designated as a Municipal Historic Resource can apply to have 75% of the Municipal portion of their property taxes refunded as a grant for a period of 15 years, or to a maximum refunded value of \$50,000
- An owner would be required to enter into a conservation agreement, with terms designed to ensure a property remains in good condition in addition to being designated. However conservation work is not required like with the Historic Resource Conservation Grant Program
- A property may only qualify for the program one time, to receive the 15-year term or \$50,000
- Properties claiming this funding would not be eligible to apply for other City financial incentives



Wallace Residence (1913)

Identified heritage resource— currently without legal protection preventing significant alteration or demolition

Residential “tax-back grant”

Analysis

A \$50,000 program limit is used as an example of a viable incentive to encourage owners of identified residential heritage resources to consider designation. This figure is designed to respond to the increased use of the “R-CG” or other Multi-Family (more than two units/parcel) Land Use Districts in communities with heritage resources that have previously been limited to one or two units per parcel. The flexibility associated with an increase in Land Use Districts can create redevelopment value that incentivizes owners to demolish an existing heritage resource. Although significant variation exists between communities, analysis in Calgary of the value difference between one/two unit zoning and Multi-Family zoning has indicated a potential square-foot value increase of between 13% and 30% for some areas.

A \$50,000 incentive amounts to 10% of a \$500,000 property, which exceeds the potential value increase of re-zoning to a Multi-Family Land Use District for certain heritage properties, but falls short for others. This number also attempts to balance a sustainable cost for The City of Calgary, offering a moderate incentive to a large number of properties for a comparatively low overall program cost.

When asked in a 2019 online and mail-in survey about a program of similar value to the proposed, approximately 40% of owners of non-designated sites on the *Inventory of Evaluated Historic Resources* indicated that they would “Almost certainly choose to designate” were such a program introduced.

There are currently 248 residential properties on the *Inventory of Evaluated Historic Resources* that would be eligible to apply for a tax-back grant, after agreeing to designate as a Municipal Historic Resource. If a similar percent of owners agreed to designate as indicated in the 2019 survey (“Scenario 1”), the program would need to provide a tax-back grant for 99 properties. Based on the assessed values of existing sites on the *Inventory*, designated heritage resources would receive an average total amount of \$38,858 over the 15-year term, **requiring program funding of \$3.8 million.**

If the percentage of property owners interested in this incentive is higher than the 40% indicated by the 2019 survey, another estimate can be drawn through assuming that all owners who could stand to receive \$50,000 over 15 years would use this incentive. In this model (“Scenario 2”), 122 sites currently on the *Inventory* would reach that grant amount within the 15-year timeframe, based on their annual property taxes. In this case, **program funding required from The City would be \$6.1 million.**

Given these cost scenarios, a program could reasonably scale between \$3 and \$10 million, depending on Council’s direction at the 2023-2026 budget discussions. For the purpose of this report, **\$5 million** is proposed as sufficient for an initial implementation of a tax-back grant incentive, which could be monitored during the 2023-2026 budget cycle for the “real-world” response from owners in designating their properties, to help inform future recommendations to initiate similar or modified programs.

Scenario 1:

40% of currently eligible sites use this incentive

| | |
|--|-------------|
| Number of Sites Projected to Designate | 99 |
| Percent (Designated) of Currently Eligible Sites | 40% |
| Average Total Grant (Per Property) | \$38,858 |
| Total 15-year Program Cost | \$3,846,942 |

Scenario 2:

Property owners eligible for \$50K (over 15 years) use this incentive

| | |
|--|-------------|
| Number of Sites Projected to Designate | 122 |
| Percent (Designated) of Currently Eligible Sites | 49% |
| Average Total Grant (Per Property) | \$50,000 |
| Total 15-year Program Cost | \$6,100,000 |



Residential “tax-back grant”

Analysis (continued)

Due to the variation in residential property values, different tax-back percentage scenarios were also modelled by Administration in order to determine the appropriate annual percent tax-grant to offer. Where Scenario 2 on the previous page assumes that \$50,000 is required for a property owner to designate, the number of sites reaching the required amount over 15 years was based on an annual grant of 75% of municipal property taxes.

The figures below show the same scenario, modelled alongside two alternate tax-back grant percentages. Since the proposed program is capped at \$50,000, the 75% tax-back option was selected to allow heritage resources with a greater range of property values to reach the \$50,000 maximum within 15 years—while remaining more cost-effective for Administration than a 100% scenario.

| 50% Tax-Back Grant | | 75% Tax-Back Grant | | 100% Tax-Back Grant | |
|--|-------------|--|-------------|--|-------------|
| Number of Sites Projected to Designate | 85 | Number of Sites Projected to Designate | 122 | Number of Sites Projected to Designate | 144 |
| Percent (Designated) of Currently Eligible Sites | 34% | Percent (Designated) of Currently Eligible Sites | 49% | Percent (Designated) of Currently Eligible Sites | 58% |
| Total Grant Received (Per Property) | \$50,000 | Total Grant Received (Per Property) | \$50,000 | Total Grant Received (Per Property) | \$50,000 |
| Total 15-year Program Cost | \$4,250,000 | Total 15-year Program Cost | \$6,100,000 | Total 15-year Program Cost | \$7,200,000 |

If Council supports Administration’s recommendation for a “Tax-Back Grant” financial incentive at the 2023-2026 budget discussions, it is recommended that total program funding not be set below \$2 million. There are currently 32 residential properties on the *Inventory of Evaluated Historic Resources* which would be eligible to apply for the proposed tax-back grant. Assuming that all properties apply, this would mean that between \$1.2 and 1.6 million of the overall program total would go towards sites that are already designated, leaving only a small portion of the amount to incentivize new designations in a low overall funding scenario. While this is an unfortunate outcome of a program available to all owners of designated residential properties, precluding owners who have already assumed the financial implications of designation could appear punitive towards the prior actions of citizens that are deemed to have been in the public interest and therefore is not recommended by Administration.



Hickey Residence (1912)
 Identified heritage resource— currently without legal protection preventing significant alteration or demolition



Non-residential “conservation tax credit”

Description

A potential non-residential conservation tax credit incentive would be a new shared funding program for performing improvement work on designated non-residential heritage buildings. The incentive value would be calculated against the site’s annual municipal property taxes. Owners doing City-approved restoration or rehabilitation work would be eligible for a partial tax credit annually for a period of 15 years.

Purpose and benefits

Such a program would have similarities to the existing *Historic Resource Conservation Grant Program*, but would offer a significantly larger financial incentive than the \$125,000 maximum of that program (potentially twenty-times that value). Given that Calgary’s total heritage grant program budget is currently \$500,000, a single conservation project on a non-residential building (church, office tower etc.) can currently exceed that value. This proposed incentive would be a critically-important increase in serving the conservation needs of non-residential heritage resources, and in encouraging buildings to designate that would not see value in the existing grant program.

Example of a similar program outside Calgary

Toronto, Ontario

- Tax rebate structured towards designated commercial and industrial heritage properties, either alone or in a Heritage Conservation District
- Property owner must intend to complete, within a single taxation year, eligible work equivalent to a minimum of 20% of annual property taxes paid
- Rebate of 50% of the conservation costs, up to 50% of annual municipal property taxes paid, with a maximum yearly value of \$250,000

Potential City of Calgary program

- Non-residential properties designated as a Municipal Historic Resource, and undergoing conservation work, can apply to be refunded 50% of a project cost, for up to 50% off the municipal portion of their taxes, annually
- The maximum a property can receive is \$250,000/year, for a duration of up to 15 years (totaling \$3.75 million)
- The maximum incentive amount available cannot exceed 15% of a property’s assessed value, in combination with any other City of Calgary conservation grant.
- Applications can be made every five years, provided that the applicant does not exceed the maximum amount available for the program and the work and tax reductions for any previously awarded application has been completed and ended.
- 50% of the cost of specified work must be completed within 2.5 years of the application being approved or the rebate for the remainder of the work will not be recognized



St. Vladimir's Ukrainian Orthodox Church and Cultural Centre (1977)
Identified heritage resource— currently without legal protection preventing significant alteration or demolition



Non-residential “conservation tax credit”

Analysis

The financial support required to meaningfully assist with the conservation of non-residential heritage sites is substantially larger than with residential. Similarly, non-residential properties that opt to designate as Municipal Historic Resources typically forgo more valuable development potential, based on what may be allowable through a non-residential Land Use District.

For these reasons, the scale of the example program for this incentive is understood to be fundamentally unable to assist a majority, or even a large portion, of heritage sites. The program parameters are proposed in accordance with successful examples in other municipalities (including Toronto and Regina), and in seeking to implement a flexible, scalable program to determine uptake in the Calgary context.

The recommended program commitment for The City through this incentive approach is \$15 million, or a maximum of \$1 million per year for a fifteen-year period. This allows at least four properties to claim the maximum possible tax credit at the annual maximum value. Because of a funding cap at 15% of a property’s total assessed value, this could also serve a larger array of more modest non-residential buildings.

This program **could be scaled to a total program commitment of \$10 million, or \$5 million,** through reducing the funding term from fifteen years to ten or five. However, because one of the primary roles of this financial incentive is to provide a much more substantial benefit for a property owner than the existing conservation grant program, reductions beyond this funding level may undermine its fundamental efficacy.

If Council supports an increased incentive for non-residential heritage sites that is below a \$5 million commitment, Administration recommends **instead supporting the alternate recommendation package described in Attachment 10 as “Recommended Plus”**. This would direct an immediate \$3 million increase to the *Historic Resource Conservation Grant Program* over the 2021-2022 period through a mid-cycle budget adjustment, and include modifications to the existing program terms and conditions:

- Direct the additional \$1.5 million/year exclusively to non-residential properties, leaving the existing \$500,000/year to residential properties (accounting for the value differential)
- Explore restructuring the maximum values to allow non-residential properties to access a larger total grant amount than the current \$125,000



Schuler’s Grocery (1912)

Identified heritage resource—currently without legal protection preventing significant alteration or demolition

As the *Historic Resource Conservation Grant Program* is an established fund through The City of Calgary, there would be lower resourcing impacts on Administration than creation of a new program while still providing some additional incentive for non-residential properties.

Monitoring during the 2021-2022 period would allow new data to be gathered for future program recommendations.

Heritage Calgary—Projected funding requirements

Description

The section discusses the projected future needs of Heritage Calgary if the financial incentives proposed in this report are approved through the 2023-2026 budget. As referenced in Attachment 10, successful delivery of these financial incentives by Administration will require a level of ongoing support from Heritage Calgary in terms of evaluations and re-evaluations for the *Inventory of Evaluated Historic Resources*. This is in addition to the services to Council and citizens that Heritage Calgary provides—for which there is also an opportunity to offer an enhanced level of service should new heritage tools and incentives be supported. Information is provided below for consideration in advance of the November 2022 budget deliberation.

Purpose and benefits

Heritage Calgary (formerly the Calgary Heritage Authority) is a charitable Civic Partner of The City of Calgary, with a mission to identify, preserve and promote Calgary’s diverse heritage for future generations. The Board of Heritage Calgary comprises 12 members who are appointed by City Council on Heritage Calgary’s recommendation, in addition to an Executive Director and two staff positions.

As part of their mandate to Council and Citizens, Heritage Calgary plays an essential role in the ongoing identification of heritage resources through management of the *Inventory of Evaluated Historic Resources*, including the addition of new sites and the re-evaluation of existing sites each year. To accomplish this, Heritage Calgary commits a portion of their annual budget to contracting researchers to perform evaluations/re-evaluations, and providing resources for the Evaluation & Review subcommittee.

Heritage Calgary added one of their two staff positions in 2020 to help manage a portion of the evaluation workload that was previously provided through assistance from City Administration. Heritage Calgary’s newest position directly benefits Administration in taking on that work, which previously required a commitment of approximately 15% of a full-time position. To fund its staff, Heritage Calgary is withdrawing \$150,000 per year from a reserve fund (called the Calgary Heritage Authority Reserve Fund: PFC2012-0159, PFC2015-0917 and PFC2018-1125) until 2023. Heritage Calgary’s reserve fund has a protected balance of \$1,338,000, limiting the ability to withdraw further amounts beyond what has been already committed for the 2020-2023 period. Without a future increase in funding to match or exceed this \$150,000, a funding gap will exist for Heritage Calgary as-of 2023 if the current work program is maintained.

Analysis: Projected future requirements

The recommended implementation timeline of this report means that in 2023, Administration will have sought budget approval for the proposed tax-based financial incentives in this attachment. If approved, the creation of new incentive programs is estimated to increase demand for designation from sites that are not currently listed on the *Inventory*, and accelerate demand to re-evaluate sites with outdated listings. If Heritage Calgary lacks the necessary funding to facilitate these evaluations/re-evaluations, potential new sites and outdated sites will be delayed in achieving designation and making use of the new financial incentives. This creates a risk to providing a consistent level of service to citizens, and ensuring protection of the maximum possible number of heritage resources.

Alternately, Administration could resume their prior arrangement in assisting Heritage Calgary with evaluation work, but this would have implications on delivery of the heritage policy tools, new and existing financial incentives, and all other heritage-related initiatives that Administration is engaged with.

Heritage Calgary—Projected funding requirements

Analysis: Projected future requirements (continued)

Heritage Calgary will seek to have the projected funding shortage addressed through submission to the 2023-2026 budget deliberations. In advance of that date, and supporting this report, a brief comparison is provided below of two possible funding increase scenarios. Scenario 1 examines sustaining the currently-provided level of service through a \$150,000 per year increase. Scenario 2 sees a larger increase of \$450,000 per year to allow a significantly higher overall level of service from Heritage Calgary, including the provision of new programs and a Heritage Calgary-specific financial incentive.

Scenario 1—Sustained funding level

- \$150,000 additional annual funding
- Allows continuation of 2020-2022 Heritage Calgary service levels into the 2023-2026 budget cycle
- Projected outcomes in 2023-2026: 80 new evaluations, 20 re-evaluations, no additional programming or services

Scenario 2—Increased funding level

- \$450,000 additional annual funding
- Allows significant increase to service levels, to help manage potential increased awareness and demand from citizens if proposed tools and incentives are approved through this report
- Projected outcomes in 2023-2026: 150-200 new evaluations, 100-150 re-evaluations; creation of financial incentives for *Inventory* sites without designation (eg. “Paint a Porch” program, etc.), facilitation of further education and awareness programming for citizens, ability to build further financial capacity through fundraising

Alternative Heritage Area Policy Tool Thresholds for Consideration Heritage Conservation Tools and Incentives Report

A. Summary

The tools and incentives envisioned by this report represent a massive boost to Calgary's heritage conservation. They allow us to recognize and incentivize the conservation of more than 4,100 heritage assets. The recommended thresholds in the report would allow community-specific development guidelines to help protect the integrity of more than 1,500 heritage assets, and offer another 750 a specific land use (direct control district) to provide strong architectural controls, encouraging protection.

Using the recommended thresholds, however, results in the capture of more than 3,000 non-heritage assets within a heritage area policy tool over more than 350 hectares of land. This attachment explores an alternate set of thresholds that captures just the highest integrity heritage areas in the city. Using the higher thresholds would result in only 344 non-heritage assets being captured by heritage areas policy tools across just 90 hectares of land.

B. Alternative Thresholds for Consideration

Heritage Area Policies

1 – Incentive Areas (addresses financial equivalence only)

There are no proposed alternative thresholds for incentive area policies.

2 – Discretionary Guideline Area (addresses financial equivalence and physical compatibility, but only through encouragement and mandatory design review)

While the 25-49% threshold allows a broader application of the guidelines within our historic neighbourhoods and a greater number of heritage assets to be addressed, it may capture areas of low historic integrity (i.e. infill redevelopment predominant). In the original scenario, only one property in every four needs to be a heritage asset for the area to qualify.

Administration has also examined an alternative threshold of 50-74% for the Discretionary Guideline Area. In this scenario, at least half the properties must be a *heritage asset* to qualify. This threshold has the same implementation considerations as the lower threshold, but has not yet been presented to stakeholders for feedback or consideration.

Using this higher threshold, the guideline areas would apply to approximately 745 heritage assets and 344 non-heritage buildings (1,089 total structures), representing an area of approximately 90 hectares across the city—just 30% of the area captured in the proposed threshold (25% or greater).

3 – Direct Control Heritage Area (addresses financial equivalence & physical compatibility with specific restrictions and allowances)

While the greater than 50% threshold allows a broader application of the guidelines within our historic neighbourhoods and a greater number of heritage assets to be addressed, it may capture areas of lower historic integrity (i.e. infill redevelopment predominant). In the original scenario, only one property in two needs to be a heritage asset for the area to qualify.

Administration has also examined an alternative threshold of greater than 75% for the Direct Control Heritage Area. In this scenario, at least three properties in every four must be a heritage asset for the

area to qualify. This threshold has the same implementation considerations as the lower threshold, but has not yet been presented to stakeholders for feedback or consideration. Using this threshold, the Direct Control Heritage Area could apply to approximately 160 heritage assets and 34 non-heritage buildings (194 total structures), representing an area of approximately 18 hectares across the City. All 160 heritage assets would be contained within (or overlap with) the Discretionary Guidelines Area). Using this threshold captures just 7 percent of the identified *heritage* assets in the city, though in the highest integrity areas.

Table 1 : Distribution of Heritage Assets Across Thresholds

| | Recommendation | | | | Alternative | | | |
|---|------------------|-----------------------|---------------------------|-------------|------------------|-----------------------|---------------------------|-------------|
| | <i>Threshold</i> | <i>Heritage Asset</i> | <i>Non-Heritage Asset</i> | <i>Area</i> | <i>Threshold</i> | <i>Heritage Asset</i> | <i>Non-Heritage Asset</i> | <i>Area</i> |
| 1 – Incentive Area | N/A | 4,122 | 0 | N/A | N/A | 4,122 | 0 | N/A |
| 2 – Discretionary Guideline Area | 25% – 49% | 2,271 | 2,923 | 350 ha | 50% - 74% | 745 | 344 | 90 ha |
| 3 – Direct Control Heritage Area | 50% - 100% | 745 | 344 | 90 ha | 75% - 100% | 168 | 34 | 18 ha |

Layer 1 Incentive Recommendations and Precedents Memo From O2 Planning + Design

1. Current Approach: Developer-Focused Incentives

Presently, the main approach to incentivize the retention of Character Homes and heritage (small “h”) resources within Bridgeland is to provide the opportunity to redevelop the property through the addition of structural density (in the form of Multi Residential Development). This is the main thrust of Bylaw 273D2017, and it is an incentive that would largely only apply to a potential real estate developer, as opposed to the current owner. To-date, no applications have been received by the City through this incentive program.

It is difficult to isolate a single variable leading to the lack of uptake on the Character Home Retention Incentives within Bridgeland. It is, however, likely that two contributing factors are: (1) the lots that contain the Character Homes are of a relatively small size to accommodate the requisite density to promote redevelopment; and (2) that the structure itself is located centrally in the parcel and is thus difficult to incorporate into an infill design. These factors, combined with the requirement to retain the Character Home structure, create challenging redevelopment scenarios.

Though some minor development permissions within Bylaw 273D2017 do exist (e.g. additions, conversion into multiple dwelling units, relocation of the home on the parcel, Live Work Units), it appears that they do not go far enough to incentivize existing owners.

2. Potential New Approach: Owner-Focused Incentives

As stated, the main thrust of Bylaw 273D2017 is the permission of Multi Residential Development on parcels where Character Homes were being retained. The effectiveness of this incentive may be reduced by future City initiatives and development goals which promote higher density residential forms more broadly across the city. Considering that the main incentive, which was a developer-focused initiative, is now reduced, and that uptake of that incentive was absent over a two-year period, it is clear that a new approach is needed.

Shifting Character Home retention incentives to focus on existing homeowners may be more effective. Promotion of adaptive reuse and context appropriate increases to density represent a more community-oriented approach to Character Home retention.

Potential incentives may be provided in a new or revised Character Home Retention Development Incentives program/Bylaw. This new program could be provided city-wide or tailored to specific neighbourhoods. Incentives are described below, and presented under two separate categories: Planning Tools, and Financial Tools.

2.1 Planning Tools

These incentives include the broadening of potential uses and zoning relaxations that support complete communities and small, incremental, and contextually appropriate development activities. The application of these tools would not result in direct costs to the City. These tools are intended to be in addition to the current provisions within Bylaw 273D2017.

Expand Permitted Uses to Promote Adaptive Reuse and Minor Infill (No Structural Impacts to the Character Home):

- Backyard Suite – provided the Suite meets City design guidelines/regulations;
- Bed and Breakfast;
- Home Occupation – Class 2;
- Additional context appropriate Live Work Unit uses;
 - e.g. Gallery, Café, Catering, Instructional Facility, Neighbourhood Restaurant, etc.
- Context appropriate standalone non-residential uses to support small-scale commercial and retail activities.

Removal of Parking Minimum Standards for:

- All permitted and discretionary uses.

2.2 Financial Tools

Financial incentives are proposed to both further encourage the uptake of Character Home Retention Development activities, and to support the listing of higher value heritage resources on the City's Inventory of Evaluated Historic Resources. The application of these tools would require some financial input from the City, either through direct grants or through the deferral of potential revenue.

Planning and Development-Related Fees

- For applications that include the uptake of Character Home Retention Development, provide a reduction to, or exemption from, the payment of planning and development-related fees that would otherwise be required by the City.

Incremental Tax Exemption

- Provide an exemption to the incremental property tax increase that would otherwise be due to the City as a result of the increase to the appraised property value associated with Character Home Retention Development activities.
 - e.g. Owner establishes a Live Work use and develops a Secondary Suite, while retaining their Character Home. Their property tax is set to increase by 5% from the previous year. The owner would be exempt from paying that 5% incremental increase to their taxes for a defined period of 'x' years.

Grant for the Planning, Restoration and Protection of Character Homes

- For Character Homes that have been identified as having significant Heritage potential by the City (a subset of the windshield survey), provide a grant for the development of a heritage plan and for the listing of the property on the City's Inventory of Evaluated Historic Resources (including municipal designation); and
- For Character Homes that are in the process of being listed on the City's Inventory, provide an additional grant for the restoration and maintenance of the property.

3. Precedent Research

Through a scan of character retention incentive policies across Canada, the vast majority of municipalities appear to focus exclusively on the retention and restoration of existing Registered Heritage buildings. Incentives are typically in the form of grants for direct capital costs associated with restoration and maintenance work to conserve the structure of the Heritage resource in its present form.

Of the surveyed municipalities, only Vancouver offered broader incentives for non-registered/listed heritage assets.

The following briefly summarizes only those incentives from the precedent scan that have informed the recommendations:

3.1 Edmonton

Rehabilitation and Maintenance Incentives:

- Non-Monetary Incentives may be considered, including transfer of land use density, relaxation of parking, loading and amenity requirements to support rehabilitation for buildings registered on the City's Inventory.

3.2 Vancouver

Character Home Retention Incentives Program:

- Provides blanket provisions in all one-family residential zones to retain character homes (housing built before 1940 and considered to have heritage merit by City staff).
- Blanket provisions provide approval for additional infill units through additions and conversions, additional floor area, and relaxation of zoning provisions.
- City has noted that only a modest uptake in the incentive program has been observed, while applications for new single-family houses (many requiring demolition of existing Character Home) far exceeds the rate of uptake of incentives for retention.

Heritage Revitalization Agreements (HRA):

- Legally binding agreement negotiated and entered into by the City and the landowner.
- They are written to suit unique properties and situations (e.g. intention to subdivide a large property with an existing heritage asset).
- The terms supercede the land use regulations and may vary the use, density and siting regulations.
- They are tailored agreements to protect the heritage asset while also enabling the owner to reasonably develop/alter their land.

Heritage House Conservation Program:

- Support for privately owned single/two family buildings, small apartments that are primarily constructed with wood-frame structural assemblies and are otherwise ineligible for incentives under the Heritage Incentive Program.
- Available for buildings listed on the Vancouver Heritage Register or those that are pursuing addition to the Register.

- Applied city-wide.
- Incentives for both planning/study and execution of conservation work.

3.3 Winnipeg

Heritage Conservation Grant Program:

- Incremental tax grants to encourage restoration and rehabilitation of vacant or underutilized listed Heritage properties.
- Grants are in the form of a rebate of 80% of the incremental tax increase of the property value due to restoration and use of the property.

3.4 Ottawa

Community Improvement Plan encouraging restoration and adaptive reuse of designated buildings:

- Reimbursement of incremental increase in property tax for 10 years due to conservation and restoration work completed on designated property.



Summary of Non-Recommended or Out-of-Scope Tools

Overview

Through PFC2019-0223 (2019, March 5), Administration identified eight heritage conservation tools and incentives considered to have applicability to the Calgary context—either as an existing tool with the potential for further exploration, or as a tool used successfully in another jurisdiction and considered to have potential feasibility in Calgary.

After additional review and analysis as directed by Council, two of those tools now form part of the recommendations of this report: **Heritage Area Policies**, and **Tax-Based Incentive Programs**.

The remaining tools and incentives have ultimately been deemed out-of-scope for the purposes of this report, for one-or-more of the following reasons:

- They are being addressed in or are depend on concurrent City of Calgary initiatives
- Implementation is not supported by current direction from Council, and new direction is required to pursue further
- Direct implementation is outside of Calgary’s municipal authority, and must occur at a Provincial/Federal level



Grain Exchange Building (1910)
 Identified heritage resource—currently without legal protection preventing significant alteration or demolition

This attachment includes Administration’s analysis of the six out-of-scope tools and incentives. Each entry describes the financial tool or policy incentive, includes an example of successful application, analysis why it was deemed out-of-scope, and includes any applicable next steps for Council or Administration, in order to have further action on the tool if desired.

The below table summarizes for each of the six remaining tools and incentives: whether it is currently used to support heritage conservation in Calgary, if changes are being actively explored through other City initiatives and the reason(s) for non-recommendation or determination as out-of-scope.

Non-Recommended & Out-of-Scope Tools and Incentives

| Tool or Incentive | Used in Calgary (for Heritage Conservation) | In-Progress through Concurrent City Initiative | Not Supported by Existing Council Direction | Outside Municipal Jurisdiction |
|--|--|--|---|--------------------------------|
| Density Bonusing | | (EAGCS & Growth Strategy) | | |
| Community Investment Funds | | (EAGCS & Growth Strategy) | | |
| Off-Site Levies | | (Offsite Levy Review) | | |
| Demolition Permit Fee Increases | | (Mid-cycle Budget Review) | | |
| Community Revitalization Levies | | | | |
| Federal or Provincial Financial Incentives | | | | |



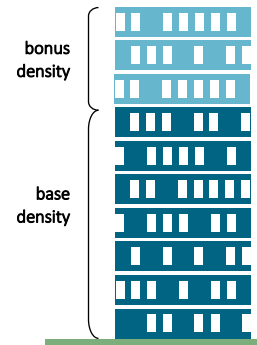
Municipal Density Bonusing Policies

Key Takeaways

- Density bonus policies (supporting heritage conservation) have been successful in protecting heritage resources in Calgary, but only in areas with sufficiently-high densities (Beltline, Downtown, East Village)
- The use of density bonusing in other areas of Calgary must be considered in the context of other policy initiatives that are currently underway, such as the *Established Area Growth and Change Strategy* (EAGCS), the comprehensive Growth Strategy and the development of funding and investment tools; assessing bonus density along with these other initiatives is recommended in order to develop a complete understanding of the cost of development, while avoiding introducing potentially-redundant policy tools
- Administration recommends continued usage of this tool to support heritage conservation where policies currently exist

Description

Density bonusing is a planning practice in which development must provide public amenities to accompany the additional density it is proposing. The municipality establishes a base density that can be developed on all parcels with no need for additional contributions. Developments seeking additional, “bonus” density must, however, provide the contribution. Contributions can take the form of providing physical amenities on-site, such as publicly-accessible open spaces. They can also be in the form of financial contributions to Community Investment Funds (CIFS) that are used to finance public amenities. A further option is to receive bonus density through the conservation of heritage buildings (discussed in further detail on page 4)



Analysis—General Use of Density Bonusing

Density bonusing has been in use in Calgary for decades. One of the most well-known benefits it has provided is the +15 System in the Downtown. Density bonus policies in the Downtown and the Beltline have provided publicly accessible open spaces, public art, enhanced pedestrian areas and the preservation of heritage buildings.

Based on experience gained in Calgary over many years, the following aspects must be considered when contemplating future use of a density bonus policy:

- **Market demand and acceptance for density**
 For density bonusing to be a viable tool in a community, market demand must exist for developments at the determined base, and bonus densities. As the demand for density, and the planning objectives relating to density are not equivalent between communities, density bonus policies are unlikely to have equivalent outcomes.

The additional development density associated with bonusing may also be undesirable to certain communities, with the potential contributions perceived as insufficient to offset the impacts of allowing denser developments (in both Vancouver and Toronto precedent examples, height and shadowing were raised as community concerns).



Municipal Density Bonusing Policies

Analysis—General Use of Density Bonusing (continued)

- **Predictability, consistency, and ease-of-use**

Administration has engaged development industry representatives while developing and refining The City's density bonusing policies. Predictability, consistency and ease-of-use have been identified as key success factors for a bonus density policy. Bonus density systems that provide a clear route to the desired density and that can be consistently factored into the pro forma of the proposed development is critical to the system's use. Bonus density items that can be provided by the development on-site and that directly enhance the site are often preferred. Further, density bonus items that can be achieved without requiring negotiations with other parties and thereby introducing uncertainty are preferable and most commonly used. Marginal density gains—for example under 1.0 Floor Area Ratio—are generally not attractive enough to a development to warrant the extra effort of density bonusing.

Where a variety of density bonusing options are available, the simplicity of making a financial contribution to a Community Investment Fund may be preferable to a development, unless another bonusing option is less expensive or otherwise perceived as beneficial to a project. As a result, the way in which a contribution rate is determined will impact outcomes for the other benefits/amenities that a bonusing policy intends to incentivize.

- **Comprehensive cost of development**

Some amenities provided through a bonus density system may be more intrinsic to a development. In general, however, the additional cost should be commensurate with the provided benefits. The additional cost should also not be considered in isolation of other costs to the development, such as off-site levies and required infrastructure improvements or development standards. Introducing new bonus density systems in Calgary must therefore be considered together with the work Administration is currently undertaking on funding and financing tools and updates to the off-site levies through the *Established Area Growth and Change Strategy*, the comprehensive growth strategy and *Funding and Investment* initiatives.



Oddfellow's Temple (1912)
Transferred density within Calgary's
Downtown

- **Overlapping policy objectives**

Density bonusing systems in Calgary have demonstrated a level of success where there is a market demand for additional density; a meaningful amount of density can be achieved to warrant using density bonusing, and the community is accepting of the higher densities. The *Municipal Development Plan* encourages redevelopment and higher densities in key areas of the city, primarily Activity Centres and Main Streets. Establishing the right base density is key to encouraging the desired development in these areas. Requiring a density bonus contribution for what may be considered as an appropriate "base density" may discourage development and unintentionally undermine The City's vision. Encouraging and allowing a development to exceed the "right" base density may not be supported by the community. If at all, density bonusing may, therefore, only be a viable option on specific, landmark sites in these planning areas.

Overlapping policy objectives play a key role in heritage preservation efforts. While The City's *Municipal Development Plan* vision encourages redevelopment in key areas, it also encourages the preservation of Calgary's heritage. Our city's heritage assets are, however, most commonly found in the areas where there is market demand and redevelopment is being encouraged. Effective heritage preservation tools, such as density transfers, are critical towards mitigating the unintended consequences of these overlapping policy objectives.

- **Economic Value of Density**

Where a variety of density bonusing options are available, the simplicity of making a financial contribution to a Community Investment Fund may be preferable to a development, unless another bonusing option is less expensive or otherwise perceived as beneficial to a project. As a result, the way in which a contribution rate is determined will impact outcomes for the other benefits/amenities that a bonusing policy intends to incentivize.



Municipal Density Bonusing Policies

Analysis—Density Bonusing Supporting Heritage Conservation

In Calgary, density bonus policies that specifically support heritage conservation exist in the Beltline, Downtown, East Village, Hillhurst/Sunnyside and Sunalta. Across these policies, the most effective mechanism for heritage conservation has been the ability to transfer density from heritage to non-heritage sites, in exchange for legal heritage protection.

Density transfer and other heritage-incentive tools supported by density bonusing are briefly described below. Differences in outcomes between policy areas in Calgary are understood as resulting from a combination of factors, including the number of heritage assets in a policy area, willingness of property owners to designate, and features of the underlying density bonus policy (as analyzed in the previous section).

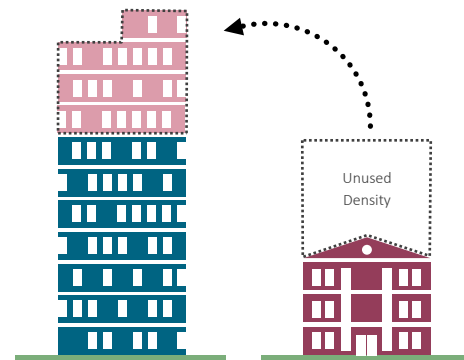
Heritage Designation (Legal Protection) Resulting from Density Transfer in Calgary

| Community | Number of Designated Sites that Transferred Density |
|---------------------|---|
| Beltline | 9 |
| Downtown | 4 |
| East Village | 2 |
| Hillhurst-Sunnyside | 0 |
| Sunalta | 0 |

- Density Transfer (transfer of residual development rights)**

Heritage sites can be given the ability under a density bonusing system to transfer any unused development potential of their property to another site. The new development site can then use the acquired heritage density to reach their maximum bonus size.

The sale and transfer of density provides a financial incentive to the owners of heritage properties to preserve their building rather than redevelopment of the site. The City of Calgary is not involved in the financial transaction between the seller and buyer of the density.



A fundamental principle of density bonusing in Calgary is that the area receiving the additional density should also be the area receiving the amenity benefit. In adherence with this principle, The City limits where density can be transferred to. This principle may affect the viability of density transfer systems, because there may not be enough “receiving sites” within the bonus policy area. The varying development economics between areas may also require consideration because one density transfer could result in a significant density increase to an area that currently has low densities.

- Generation of additional density through conservation work**

Owners of heritage resources that invest in restoring or rehabilitating their properties can earn further bonus density that they are able to transfer and sell to other sites (typically within the same plan area). This method is currently used successfully in the Centre City in Calgary.



Municipal Density Bonusing Policies

Analysis—Density Bonusing Supporting Heritage Conservation (continued)

- **Community Investment Fund contributions benefiting heritage**

When a density bonusing system that employs a community investment fund is established for an area, the financial contributions can be directed towards heritage conservation. This can be facilitated through grant programs or other financial incentives. This method is currently used in the Centre City in Calgary.



Barnhart Apartments (1929)
Transferred density within Calgary's Beltline community

- **On-site heritage resource retention**

If a heritage resource is part of a property that can accommodate a new development on-site, a density bonusing policy can allow the new building to achieve its bonus density in exchange for conserving the existing heritage building—which is often incorporated into the overall site design. This method is currently used in the Centre City in Calgary.

- **Individually-negotiated benefits**

In addition to these mechanisms, municipalities may also enter into individual development benefit agreements, which may include ad-hoc benefits (site-specific uses or relaxations), or contributions to offset impacts such as the loss of heritage assets. This approach is sometimes used in Calgary through a direct-control district. In general, however, The City of Calgary prefers not to employ an ad-hoc approach in favour of tools that can be applied with consistency, predictability, and transparency.

Examples of Density Bonusing Supporting Heritage Conservation

In addition to its use in Calgary, density bonusing is used in a variety of municipalities internationally, and has been demonstrated to provide valuable resourcing for municipalities where successfully applied (Halifax Regional Municipality Density Bonusing Study, 2015).

Bonusing systems that support heritage conservation are more common in the United States than Canada, with examples in New York, Los Angeles, Dallas, San Francisco, Denver, Seattle, Portland, Miami, Atlanta, New Orleans, Pittsburgh, Minneapolis, West Palm Beach, St. Petersburg and Kings County WA. In Canada, Vancouver, Toronto and Calgary are the municipalities that most commonly use density bonusing to support heritage, in addition to other benefit items such as affordable housing, community funding, parks and public art.

Vancouver

969 Burrard Street & 1019-1045 Nelson Street (under construction)

- 2016 application allowing for a 57-storey mixed-use tower in Vancouver’s West End community, which includes a density bonus policy (Rezoning Policy for the West End; adopted 2013)
- Total new floor area of 52,200 m², Floor Area Ratio (FAR) of 10.83
- Contributed \$91.3 million in community benefit for the final approved density, including \$26 million towards on-site heritage resource retention for the **First Baptist Church**



Municipal Density Bonusing Policies

Examples of Density Bonusing Supporting Heritage Conservation (continued)

Toronto

Four Seasons Hotel and Condominiums

- 2005 application allowing for a 46-storey hotel/condominium tower, and a 30-storey mixed-use tower in Toronto’s Yorkville community
- Density bonusing provided through negotiations between the City and Developer under Section 37 of Ontario’s Planning act, allowing municipalities to require a community benefit contribution as a condition of a zoning bylaw agreement
- Total allowable floor area 74,000 m² , Floor Area Ratio (FAR) of 10.69
- Contributed \$5.5 million in community benefit, including \$1.7 million for conservation of the adjacent **historic Toronto Fire Services Station 312** (ad-hoc benefit agreement)

Calgary

Yellowstone (approved) & Redstone developments (under construction)

- 2017-2018 applications for two separate residential high-rise towers in Calgary’s Beltline community (20 and 14 storeys)
- Total allowable floor area 14,467 m² (Yellowstone) and 9,571 m² (Redstone), Floor Area Ratio (FAR) of 7.95 (Yellowstone) and 7.91 (Redstone)
- Bonus density acquired from the **Houlton House (Congress) Apartments, Moxam Apartments, and West End Telephone Exchange Building**—resulting in legal protection for all three heritage resources



Houlton House (Congress) Apartments
(1912)



Moxam Apartments (1912)



West End Telephone Exchange Building
(1910)

Next Steps

Analysis for this report on the use of density bonus mechanisms to support heritage conservation highlights success across municipalities in protecting, restoring and rehabilitating heritage resources. In Calgary, density transfer in particular has shown positive outcomes for heritage within certain contexts. However, in order to support heritage conservation, density bonusing systems need to have overall viability related to the factors discussed in the analysis. The use of density bonusing is complex, impacts a variety of stakeholders in significant ways, and is beyond the scope of heritage conservation alone.

The *Established Area Growth and Change Strategy (EAGCS)* is comprehensively reviewing the costs and tools of redevelopment in Calgary, and is scheduled to report back to Council April 29, 2020. As density bonusing supporting heritage conservation was specifically identified with PFC2019-0223, in advance of the recommendations of the *EAGCS*, Administration recommends that where such bonusing policies currently exist, they continue to be used.

If the findings of overall municipal finance initiatives support the viability of expanded density bonusing in areas where heritage resources exist, Administration will consider the use of bonus mechanisms to incentivize their conservation.



Community Investment Funds (CIF)

Key Takeaways

- Community Investment Funds have been used in Calgary to support area-specific heritage conservation projects, but are reliant on financial contributions through density bonusing policies
- **Future use of Community Investment Funds for heritage conservation is dependent on the findings of Administration’s current work on municipal funding and financing related to density bonusing**

Background

Community Investment Funds (CIF) are financial reserves typically established to help realize desired public realm and amenity improvements in an area, including public art, green spaces, sidewalk improvements and landscaping. Resourcing from a Community Investment Fund can also be used for one-off or ongoing special projects, depending on the Terms Of Reference established for that fund.

To accumulate and sustain a reserve, Community Investment Funds require a persistent revenue source. In Calgary, Community Investment Funds are resourced through density bonusing contributions.

Analysis

In Calgary, Hillhurst/Sunnyside and the Beltline have used density bonusing contributions to establish Community Investment Funds.

In 2012, the Hillhurst/Sunnyside Park Improvement Fund (HSPIF) was created alongside density bonusing policies in the *Hillhurst/Sunnyside Area Redevelopment Plan*, which required payment into the HSPIF to acquire additional density. The sole purpose of this fund was to implement physical improvements associated with the ‘Bow to Bluff’ project. When alternate resourcing through the ENMAX Legacy Fund allowed completion of the Bow to Bluff Project, the HSPIF was renamed to the Hillhurst/Sunnyside Community Amenity Fund (HSCAF), with a new terms of reference (PUD2016-0395) allowing broader application of funds. However, the reserve amount for the HSCAF reserve remains low, and to-date no heritage conservation projects have occurred using the fund.

The Beltline Community Investment Fund (BCIF) has accepted density bonusing contributions since 2006, with approval of the Beltline Area Redevelopment Plan. Alongside options to achieve bonus density through provisions such as incorporation of sustainable building features and heritage density transfer, developers can pay into the BCIF at a specified bonus density rate. Achievements of the Beltline Community Investment Fund include enhancements to the 1 Street SW Underpass, and new pedestrian and transit wayfinding installations. The fund has also allowed completion of several heritage conservation initiatives. The Beltline Community Signal Box Wrap Program provided decorative covering to traffic signal boxes as a graffiti deterrent, and used historic photographs and images pertaining to the particular location—raising awareness of the community’s heritage. Funds also allowed for the relocation of the Historic McHugh House as part of a project to move it from a development site where it was slated for demolition, and rehabilitate it at a new siting in Humpy Hollow Park. The rehabilitated McHugh House Community and Arts Hub serves as home of the Beltline Neighbourhoods Association.

Next Steps

As a tool for heritage conservation, Community Investment Funds can direct resources to projects where heritage resources or heritage awareness are determined as community priorities. However, sustained funding for Community Investment Funds is reliant on contributions from density bonusing. If Administration’s municipal finance initiatives support the viability of expanded density bonusing in areas where heritage resources exist, Administration will consider the use of heritage project funding through Community Investment Funds, alongside heritage density bonusing mechanisms.



Summary of Non-Recommended or Out-of-Scope Tools

Off-Site Levies

Key Takeaways

- In accordance with the Alberta *Municipal Government Act*, off-site levies are used in Calgary to support the capital cost of new or expanded public municipal infrastructure, including for water, roads, and emergency response services—but are not used to support heritage conservation
- A review of Calgary's *Off-Site Levy Bylaw* is currently underway (anticipated 2021); however, changes to the *Municipal Government Act* are not anticipated as resulting from this review; this tool is considered presently out-of-scope

Background

Off-site levies (also known as development levies) are a municipal finance tool commonly used to support the cost of infrastructure expansion associated with growth and development. As part of approval to build in an area, developers are charged a portion of the overall cost to supply that area with essential infrastructure—sharing some of the 'external' costs of development between the municipality and developer.

For municipalities in Alberta, the use of off-site levies is enabled through the *Municipal Government Act*, which allows the creation of local levy bylaws according to certain specified conditions. Calgary's *Off-site Levy Bylaw* (2M2016) was approved by Council on January 11, 2016 (C2016-0023), and amended November 12, 2018 (PFC2018-0973) in response to the approval of 14 new communities by Council on July 30, 2018. Additional details on Calgary's off-site levy can be found through annual reports published by Administration, available on calgary.ca.

Analysis

Sections 648 and 649 of the *Municipal Government Act* establish rules regarding the use of off-site levy bylaws in Alberta, including limiting the use of funds collected through a levy to specific purposes. These purposes do not include items relating to heritage conservation.

In Administration's review for this report, no examples were identified in other municipalities where off-site levies similar to those described in the *Municipal Government Act* are used in support of heritage conservation. In jurisdictions where off-site/development levies are employed, the intention and allowable uses of the levy are typically related to essential infrastructure capital costs in a similar structure to Calgary. Examples of this include Vancouver's *Development Cost Levy Bylaw* (By-Law No. 9755).

However, other forms of levies are used to support heritage conservation in certain municipalities. Examples include:

The Sunshine Coast in Australia employs a Cultural Heritage Levy of \$13 per year, which is applied to all households in the region. The levy funds fund projects and services related to heritage awareness, promotion and conservation, and has a 2019-2020 program budget of over \$1.8 million

The City of Ottawa explored using a special area levy to allow the municipality to purchase and operate one of the city's oldest remaining houses, the Kilmorie House. All residential and commercial property owners in a surrounding catchment area were provided with the option to pay a new annual levy for a defined period to raise funds to acquire the house. A vote was held during February/March 2020, with the levy measure being unsuccessful.

Next Steps

A review of the *Off-Site Levy Bylaw* is currently underway, and is anticipated to for delivery to Council in 2021. Changes to the *Municipal Government Act* are not anticipated as resulting from this review.



Demolition Permit Fee Increases

Key Takeaways

- Demolition Permit Fees are used in certain municipalities as a funding mechanism for heritage conservation programs; in Calgary fees for this permit are cost-recovery
- Administration is currently reviewing permit fees in accordance with the *One Calgary 2019-2022 Service Plans and Budgets* and will report back to Council at the 2020 mid-cycle budget discussions
- **In alignment with supporting a continued and strong economic recovery, Administration does not currently intend to explore a Demolition Permit fee increase in support of heritage conservation**

Background

Demolition permits are approvals required by a municipality to remove an existing building. The fees collected through the permitting process typically cover the cost of associated services provided to the permit-holder, such as administrative reviews and site inspections. The fees may also include surcharges that cover related costs or impacts to a city, including waste or landfill fees, or levies supporting material recycling or carbon reduction.

Analysis

In Calgary, Demolition Permit fees are generally intended as cost-recovery, and do not include sustainability or heritage conservation-related levies. In the current fee schedule, a base fee of \$112 is applied to all permits, as well as an Alberta Safety Codes Council surcharge of 4%. Permits are also charged a rate of \$1.52 per square metre of demolished Building Area (as defined by the Alberta Building Code). Under these rates, demolition of a 140 square metre (1500 square foot) house would have a total permit fee of \$337.79.

Administration explored the potential of increasing demolition permit fees through adding a new surcharge related to heritage conservation. Doing so would create an additional revenue source, which could either be directed towards existing programs such as the *Historic Resource Conservation Grant Program*, new financial incentives proposed in the recommendations of this report, or separate initiatives aimed at salvaging historic materials.

In comparison with other municipalities, Calgary's Demolition Permit fees are less expensive than certain analyzed examples. Demolition of a one-family dwelling in Vancouver is \$1180, and houses subject to the Green Demolition Bylaw have an additional fee of \$350.00. In Montreal, demolitions of a primary building cost \$1,200. However, demolition permit fees in Edmonton are currently less expensive than Calgary, totalling a flat fee of \$205.50.

Next Steps

Permit fees are approved in Calgary as part of budget cycles, and adjusted in response to changes in the local economy. As part of the *One Calgary 2019-2022 Service Plans and Budgets*, planning and building fees were held at 2016 levels for 2018 and 2019. Following this two-year period, permit fees are being reviewed for the November 2020 mid-cycle budget adjustment.

Although the introduction of a heritage conservation surcharge to demolition permits may create benefit for Calgary's heritage resources, this type of fee increase may also present risk to a continued and strong economic recovery in Calgary at this time. As such, Administration does not currently recommend a demolition permit fee increase as a tool for heritage conservation.



Community Revitalization Levies (CRL)

Key Takeaways

- Community Revitalization Levies (CRLS) are enabled in Alberta through the *Municipal Government Act*, and must be approved by the Province of Alberta
- Calgary has one Community Revitalization Levy, the Calgary Rivers District CRL, which was used in the East Village, and offered support for heritage conservation
- **The Province of Alberta has not expressed intention to approve further Community Revitalization Levies at this time; in absence of further Provincial direction, this tool is considered out-of-scope**

Background

Community Revitalization Levies (CRL), often known as Tax Increment Financing (TIF) in the United States, are a tool that allows municipalities to leverage projected future increases in property tax revenue to make strategic investments in a community. As revitalization work such as infrastructure upgrades has a positive impact on overall property values, certain community investments by a municipality can create a sustained tax revenue increase following a period of cost-recovery.

In Alberta, Community Revitalization Levies are enabled by the Ministry of Municipal Affairs through the *Municipal Government Act*. Five CRLs exist in Alberta: Calgary Rivers District CRL (2008), Edmonton Quarters Downtown CRL (2010), Edmonton Belvedere CRL (2010), Cochrane South-Central CRL (2012) and Edmonton Capital City Downtown CRL (2013).

Calgary's Rivers District CRL was created to allow implementation of the *Rivers District Area Redevelopment Plan* (2006), and involved creation of the Calgary Municipal Land Corporation (CMLC), a wholly-owned subsidiary of The City of Calgary, to manage investment.

Analysis

Since 2007, the Calgary Municipal Land Corporation has committed approximately \$396 million in infrastructure and community development investment into the East Village, including \$15.5 million supporting heritage conservation. The Simmons Factory Warehouse, Hillier Block, St. Louis Hotel, and King Edward Hotel all received funding that assisted in the restoration and rehabilitation of these designated heritage resources.

In October 2018, The City of Calgary and CMLC requested an extension on the lifespan of the River District CRL from the original 20, to 40 years to generate sufficient tax revenue to allow for the improvements and initiatives, including an updated Rivers District Revitalization Plan.

Next Steps

Presently, the Province of Alberta has not expressed intention to approve further Community Revitalization Levies than the five that are currently active in the Province. While the Rivers District CRL has achieved positive outcomes for heritage conservation, these outcomes are dependent on a substantial overall commitment from The City of Calgary, and approval from the Province of Alberta in creating a Community Revitalization Levy.



Federal or Provincial financial incentives

Key Takeaways

- Provincial incentives are available for heritage resources in Alberta through the Ministry of Culture, Multiculturalism and the Status of Women, including grants through the *Heritage Preservation Partnership Program* (HPPP); comparable incentive programs are not currently offered by The Government of Canada
- Some of the most significant Federal and Provincial incentives used in the United States and other jurisdictions, such as tax credits or main street rehabilitation programs, are not available for heritage resources in Calgary
- **Where opportunities exist for advocacy to Provincial and Federal authorities (such the defunct Bill C-323), Administration recommends continued action and endorsement**

Background

In addition to heritage conservation incentives offered by municipalities, some jurisdictions have available incentives at the provincial/state and federal levels, including tax-based incentives, historic main street rehabilitation programs, and grants. Particularly in the United States, federal and state programs represent some of the most powerful conservation incentives available to property owners. The United States *Federal Historic Preservation Tax Incentives* program reports being among the nation's most successful and cost-effective community revitalization programs—leveraging over \$102.64 billion in private investment, and preserving over 45,000 historic properties since 1976. In addition to the federal program, over 35 American states have subsequently created their own tax credit incentives.

Analysis

The Province of Alberta's *Heritage Preservation Partnership Program (HPPP)* provides an important incentive for property owners in Calgary to designate their site as a Municipal Historic Resource. The program offers up to 50% matched funding for conservation projects, to a maximum \$50,000 for Municipal Historic Resources and \$100,000 for Provincial Historic Resources. Funding from the HPPP can be combined with Administration's existing grant program. Sustainment or expansion of the HPPP is important in realizing Calgary's heritage conservation goals.

Conservation funding was previously available through the Alberta Main Street Program (AMSP), which supported economic development and heritage rehabilitation across Alberta, however this program was discontinued in 2015.

Federal grants or tax credit programs similar to American examples are not currently available in Canada. Bill C-323 was proposed in 2017 to introduce a tax credit for expenses related to the rehabilitation of a historic property, but was ultimately defeated. Following Bill C-323, a report from the Standing Committee on Environment and Sustainable Development issued a report entitled *Preserving Canada's Heritage: The Foundation for Tomorrow*. The recommendations of that report include items that would significant assist in conserving Calgary's heritage resources.

Next Steps

Limited opportunities exist to directly influence provincial or federal financial incentives. However, Administration continues to built relationships within Alberta and nation-wide, including with colleagues in the Ministry of Culture, Multiculturalism and the Status of Women, and through the National Trust for Canada—a charitable not-for-profit leading advocacy on Canada's historic places. Administration and Heritage Calgary participate in collaborative outreach and advocacy where appropriate.



Alternative Packages of Policy Tools and Financial Incentives

Overview

This attachment provides alternate implementations of the policy tools and financial incentives described in this report, should Council seek to direct additional resources or faster delivery than what is recommended by Administration.

Administration's recommendations to Council are proposed as a practical means to deliver the tools and incentives deemed currently-feasible. The recommendations respond to the needs of heritage assets, while supporting a continued and strong economic recovery.

As-recommended, implementation of the proposed policy tools would occur through in-progress Local Area Plans through to 2022. This offers widespread heritage conservation benefit without requiring adjustments to the *One Calgary 2019-2022 Service Plans and Budgets*. An additional benefit of this implementation is allowing for adjustments in response to lessons-learned following the initial phase. Funding is not currently available to resource and implement the proposed financial incentives without a significant mid-cycle budget adjustment, and Administration recommends returning to Council for funding through the 2023-2026 budget.

However, given the scope of this report, its recommendations and the identified risks and challenges facing Calgary's heritage assets, it is understood that Council may seek alternate implementation of the explored tools and incentives. In the event that this is desired, Administration has prepared two "**packages**" for modified implementation. Each package listed in this attachment includes descriptions of the projected differences in costs and outcomes.

While all policy tool and financial incentives explored in this report were individually analyzed, the required resourcing to implement multiple tools/incentives impacts Administration, Heritage Calgary, and the overall cost and timing of this initiative. Therefore, Administration cautions against modifications to the report recommendations without also addressing the supporting resources considered necessary to effectively implement the tools and incentives.

Key Takeaways

- The recommendations of this report are designed as a practical approach to delivering the explored conservation tools and incentives
- Should Council desire additional financial incentives or more immediate delivery than recommended, Administration has outlined alternative implementation options through this attachment
- Alternative implementation options are described in "packages" of tools, incentives, and related supporting resources deemed necessary for successful outcomes
- Administration advises that if Council does not adopt the recommendations of this report, consideration be given to an alternate implementation package through this attachment to ensure appropriate resourcing of the desired tools and incentives



Garry Theatre (1936)
Identified heritage resource— currently without legal protection preventing significant alteration or demolition



Using this attachment

Two alternate tool and incentive packages are proposed if Council seeks alternate implementation options. “[Recommendation Plus](#)” builds on Administration’s recommendations to deliver an additional \$3 million in more-immediate financial incentive. “[Accelerated Delivery](#)”, would implement all of the proposed tools and incentives (including the added \$3 million) two years earlier than Administration’s recommendation, through a 2020 mid-cycle budget adjustment rather than for 2023-2026.

Below is a summary of the recommended implementation plan and a comparison with the two alternate packages. Pages 3-5 outline the anticipated timelines, considerations and outcomes for each option. Pages 6-8 provide a full overview of each implementation option, divided into budget cycle phases.



Hudson’s Bay Department Store (1913)
Identified heritage resource— currently without legal protection preventing significant alteration or demolition

Administration’s recommendation

- Proposes a balanced approach to implementing the policy tools and financial incentive options deemed currently feasible, with recognition that the *One Calgary Service Plans and Budgets (2019-2022)* is fully funded
- Seeks to strategically create a high degree of positive impact on heritage assets, without new funding required until 2023
- Timeline:
 - 2020-2022**—Implementation of heritage area policy tool through in-progress Local Area Plans; internal City coordination on heritage main streets with delivery of a scoping report; *Inventory* review by Heritage Calgary to enable financial incentive rollout in 2023
 - 2023-2026**—Funding and implementation of refined financial incentives; creation of remaining heritage area policies

Alternate package 1—“Recommendation Plus”

- Includes the same tools, incentives, and implementation timeline as Administration’s Recommendation—but adds \$1.5 million per year (2021-2022) to the *Historic Resource Conservation Grant Program*
- Provides new funding assistance to heritage resources (including heritage main streets) prior to the proposed financial incentives returning for consideration with the 2023-2026 budget; does not require establishment of a new incentive program to achieve this
- Requires a mid-cycle budget adjustment
- Timeline:
 - 2020-2022**—Same as Administration’s Recommendation, with additional one-time increase to heritage grant program
 - 2023-2026**—Same as Administration’s Recommendation

Alternate Package 2—“Accelerated Delivery”

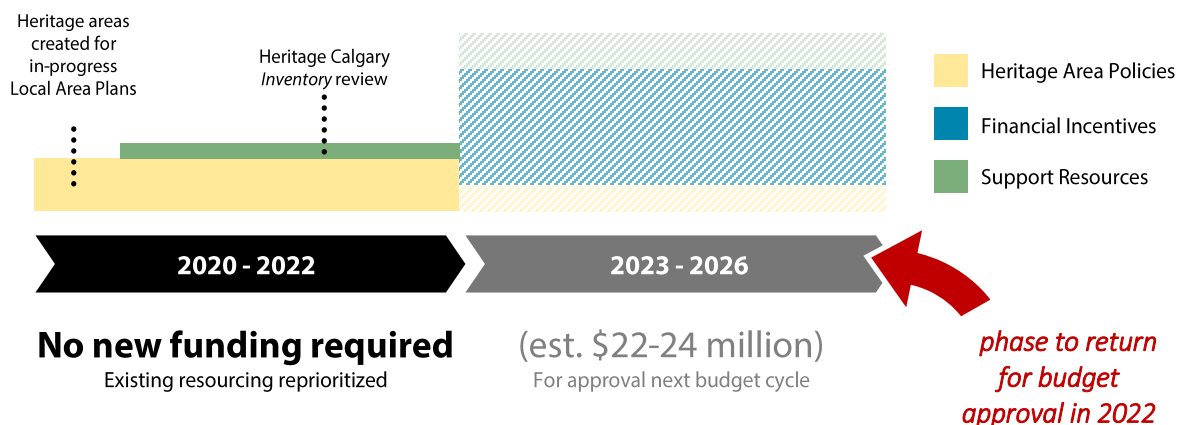
- Moves to implement all proposed tools and incentives as quickly as possible, introducing the financial incentives in 2021 instead of 2023
- Requires a significant mid-cycle budget adjustment to implement all incentives, and additional resourcing required to expedite delivery
- Timeline:
 - 2020-2022**— Expedited implementation of heritage area policy tool through in-progress local area plans; internal City coordination on heritage main streets with delivery of a scoping report; implementation of refined financial incentives through a mid-cycle budget adjustment; ongoing additional resourcing required for Administration and Heritage Calgary
 - 2023-2026**—Continued issuing of financial incentives; facilitation of designations requests; management of protected buildings

Administration's recommendation

Considerations

- This package is the least expensive option of the three presented, both short and long-term
- Administration would not require new staff resources 2020-2022 beyond what can be provided internally and with existing consulting capacity
- If financial incentives are approved for 2023-2026, anticipated increase in designations would create an associated ongoing increase in Heritage Planning workload to manage new protected sites
- An ongoing supporting increase in the Heritage Calgary budget will be presented for consideration in November 2022
- Delivery of heritage area policies through in-progress Local Area Plans allows scaled implementation, while prioritizing many of Calgary's most historic areas (North Hill, Historic East Calgary, West Elbow, Hillhurst-Sunnyside)
- While proposed heritage area policies (Layers 1-3) are expected to help retain heritage assets, designation (legal protection) is understood as tied to financial incentives; without new incentives the 2020-2022 designation rate is anticipated to remain static (avg. 5/yr)
- Administration's recommendations to this report directs a coordinated approach and scoping for heritage main streets to return no later than Q2 2021; financial incentives are considered generally necessary to achieve legal protection for non-residential heritage sites and would not become available until 2023

Implementation timeline (with required resourcing)



Projected Outcomes 2020-2022

| Heritage Sites | Heritage Assets | Heritage Areas | Financial Incentives |
|--|--|--|---|
| 10-15 Total estimated new Designations 2020-2022 | 4000 Estimated Heritage Assets provided with Land Use Bylaw incentives | 20 Estimated communities with one or more Layer 2 discretionary guidelines areas | \$1 million <i>Existing funding for Historic Resource Conservation Grant Program (\$500,000/yr)</i> |
| 15% Estimated percent of extant sites on the Inventory being legally protected | | 1000 Estimated heritage assets covered by a Layer 2 or Layer 3 policy area | |



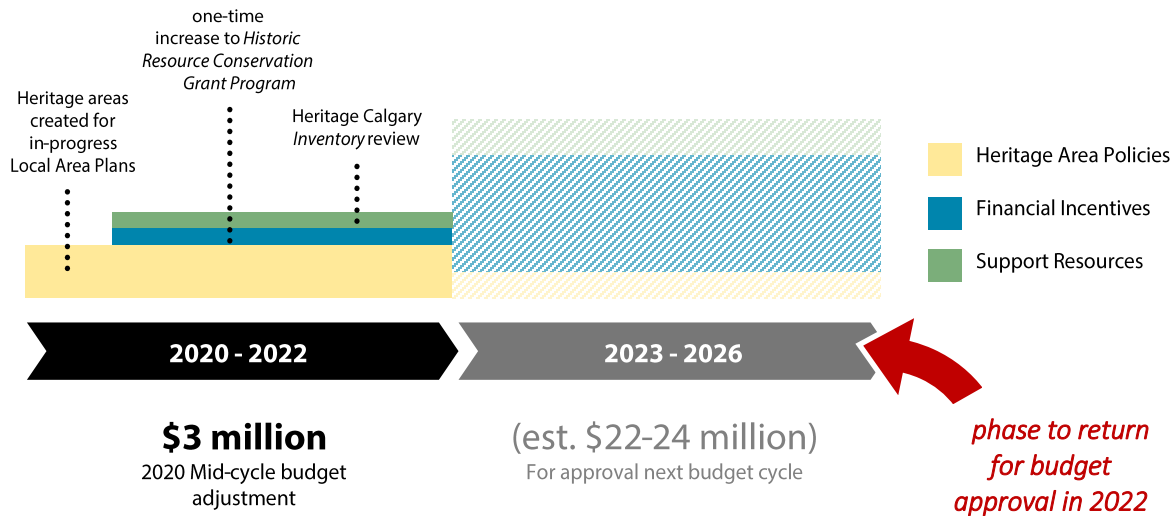
Alternative Packages of Policy Tools and Financial Incentives

Alternate package 1—“Recommendation Plus”

Considerations

- One-time grant program increase is proposed as a “stop-gap” measure until other financial tools are brought for consideration in 2023; additional \$1.5 million/year to be administered through the existing *Historic Resource Conservation Grant Program* (matching grant), requiring minimal resources compared to creating a new program
- Adding a new financial incentive during 2021-2022 period mitigates some of the risk presented to non-residential sites/historic main streets by delaying financial incentive implementation until the 2023-2026 budget; \$1.5 million increase would be earmarked for non-residential sites, with \$500,000 remaining for residential sites
- Projected increases to number of designations and percent of *Inventory* being legally protected—otherwise, no outcome differences anticipated

Implementation timeline (with required resourcing)



Projected Outcomes 2020-2022

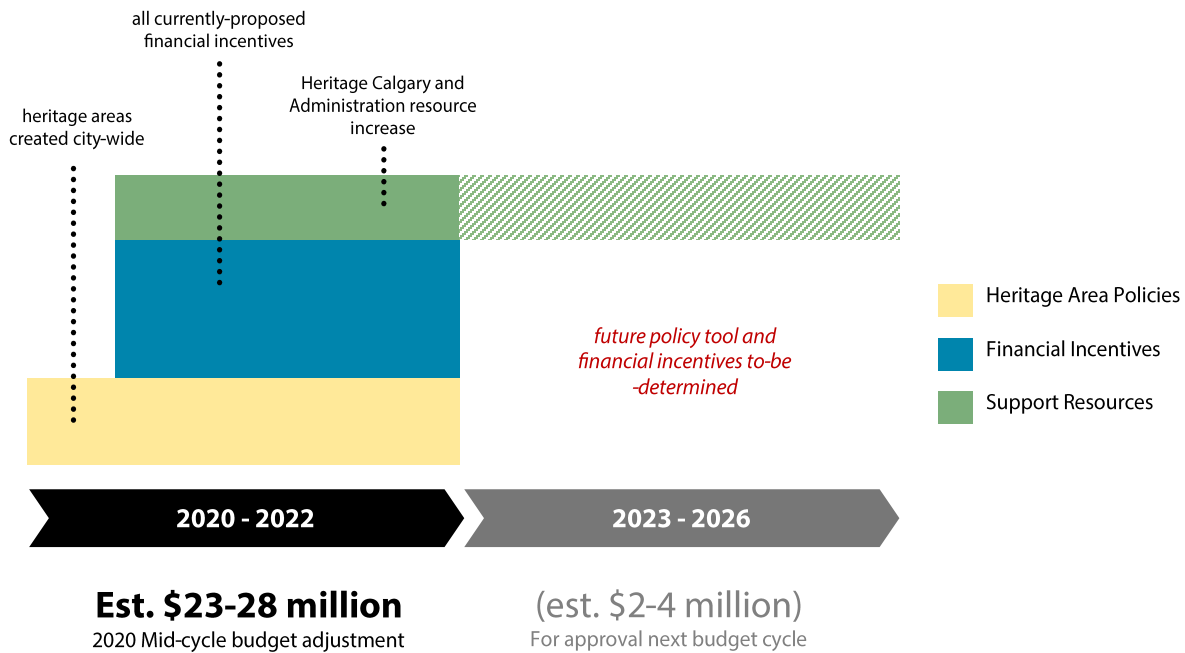
| Heritage Sites | Heritage Assets | Heritage Areas | Financial Incentives |
|---|--|--|---|
| 20-30 Total estimated new Designations 2020-2022 | 4000 Estimated Heritage Assets provided with Land Use Bylaw incentives | 20 Estimated communities with one or more Layer 2 discretionary guidelines areas | \$4 million Additional \$3 million for the <i>Historic Resource Conservation Grant Program</i> : - \$1.5m/yr for non-residential - \$500,000/yr for residential |
| 17% Estimated percent of extant sites on the <i>Inventory</i> being legally protected | | 1000 Estimated heritage assets covered by a Layer 2 or Layer 3 policy area | |

Alternate package 2—“Accelerated Delivery”

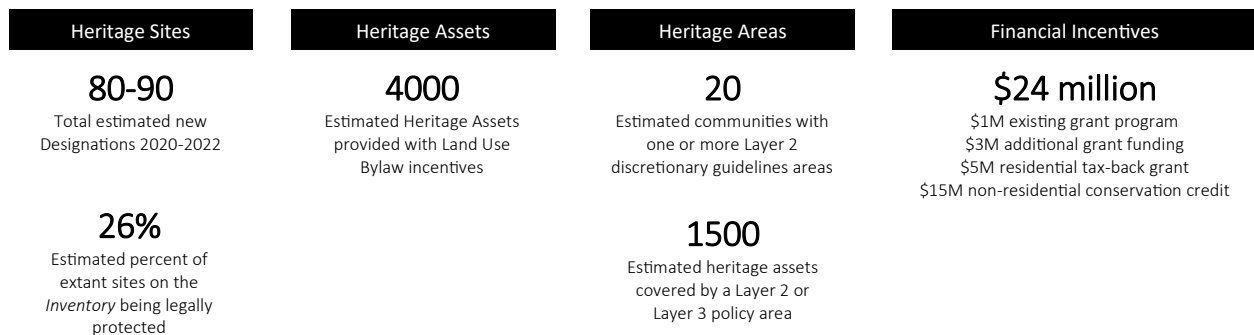
Considerations

- This package is the most expensive option, short and long-term
- Additional Administration staff are required to expedite Layer 2 and Layer 3 heritage area policies, increasing the overall expense; implementation of full financial incentives in 2021 requires new staff to manage ongoing resourcing with designations, that in Recommendation and “Recommendation Plus” is only needed 2023-onward
- More robust funding for Heritage Calgary is included beginning 2021 to enable re-evaluation of outdated *Inventory* entries, new evaluations for potential *Inventory* sites, and expanded public programming (eg. information sessions, etc.)
- Significant projected increases to number of designations for the 2020-2022 period—particularly with residential sites eligible for proposed tax-back grant. Designation outcomes estimated by staff capacity (25-30/yr), rather than anticipated designation interest

Implementation timeline (with required resourcing)



Projected outcomes 2020-2022



Administration's recommendation

phase
for your
direction
today

2020-2022

Policy Tools

Heritage Area Tools

- Application of Layer 1 incentives to all currently-identified heritage assets
- Creation of Layer 2 (Discretionary guidelines) policies for in-progress Local Area Plans where applicable concentrations of heritage assets exist
- Creation of Layer 3 (Direct Control) policies for in-progress Local Area Plans where applicable, and sought by owners

N/A
(existing resourcing reprioritized)

Additional Resourcing Costs

City of Calgary

- 1-2 positions to create Layer 2 and Layer 3 district policies
- Use of existing consulting budget where required

N/A
(existing resourcing reprioritized)

Heritage Calgary

- Review of residential *Inventory* sites to prepare for 2023-2026 project phase

N/A
(existing resourcing reprioritized)

New Costs 2020-2022

N/A

phase
to return
for
approval
in
2022

2023-2026

Policy Tools

Heritage Area Tools

- Layer 2 policies in remaining areas with concentrations of heritage assets
- Layer 3 policies in all remaining areas where applicable, and sought by owners

N/A
(existing resourcing reprioritized)

Financial Incentives

Residential Tax-Back Grant

- 75% reimbursement of annual municipal property taxes over 15 years, to a \$50,000 maximum
- \$5 million program cost (to be refined at November 2022 budget discussions)

\$5 million

Non-Residential Conservation Tax Credit

- 50% reimbursement of conservation project, up to 50% of annual municipal property taxes over 15 years, to a maximum \$250,000 per year, or a total 15% of assessed property value
- \$15 million program cost (to be refined at November 2022 budget discussions)

\$15 million

Additional Resourcing Costs

City of Calgary

- 1-2 full-time employees to manage workload associated with increased designations (including bylaw creation, intervention approvals and grant administration)

\$800,000–
\$1.6 million

Heritage Calgary

- Funding to support City of Calgary workload and expand programming

\$600,000–
\$1.8 million

Projected New Costs (Range) 2020-2022

Est. \$22-24 million

Projected Total New Costs (Range)

Est. \$22-24 million

Alternate package 1—“Recommendation Plus” (major changes dotted)

phase
for your
direction
today

2020-2022

Policy Tools

Heritage Area Tools

- Application of Layer 1 incentives to all currently-identified heritage assets
- Creation of Layer 2 (Discretionary guidelines) policies for in-progress Local Area Plans where concentrations of heritage assets exist
- Creation of Layer 3 (Direct Control) policies for in-progress Local Area Plans where applicable, and sought by owners

N/A
(existing resourcing
reprioritized)

Financial Incentives

Historic Resource Conservation Grant Program

- Strategic one-time increase to existing 50% cost-matching grant program for conservation projects; intended to provide interim funding prior to proposed funding increase 2023-2026
- \$1.5 million annually for 2 years, earmarked specifically for non-residential heritage sites; existing \$500,000 to be used for residential heritage sites only

\$3 million

Additional Resourcing Costs

City of Calgary

- 1-2 positions to create Layer 2 and Layer 3 district policies
- Use of existing consulting budget where required

N/A
(existing resourcing
reprioritized)

Heritage Calgary

- Review of residential *Inventory* sites to prepare for 2023-2026 project phase

N/A
(existing resourcing
reprioritized)

New Costs 2020-2022

\$3 million

phase
to return
for
approval
in
2022

2023-2026

Policy Tools

Heritage Area Tools

- Layer 2 policies in remaining areas with concentrations of heritage assets
- Layer 3 policies in all remaining areas where applicable, and sought by owners

N/A
(existing resourcing
reprioritized)

Financial Incentives

Residential Tax-Back Grant

- 75% reimbursement of annual municipal property taxes over 15 years, to a \$50,000 maximum
- \$5 million program cost (to be refined at November 2022 budget discussions)

\$5 million

Non-Residential Conservation Tax Credit

- 50% reimbursement of conservation project, up to 50% of annual municipal property taxes over 15 years, to a maximum \$250,000 per year, or a total 15% of assessed property value
- \$15 million program cost (to be refined at November 2022 budget discussions)

\$15 million

Additional Resourcing Costs

City of Calgary

- 1-2 full-time employees to manage workload associated with increased designations (including bylaw creation, intervention approvals and grant administration)

\$800,000–
\$1.6 million

Heritage Calgary

- Funding to support City of Calgary workload and expand programming

\$600,000–
\$1.8 million

Projected New Costs (Range) 2020-2022

Est. \$22-24 million

Projected Total New Costs (Range)

Est. \$25-27 million

Alternate package 2—“Accelerated Delivery” (major changes dotted)

| | | | |
|-----------|---|--|--|
| 2020-2022 | Policy Tools | | |
| | Heritage Area Tools | <ul style="list-style-type: none"> Application of Layer 1 incentives to all currently-identified heritage assets Creation of Layer 2 (Discretionary guidelines) policies for all applicable concentrations of heritage assets—requiring 1 new part-time employee and/or consultants (captured under ‘Additional Resourcing Costs’) Creation of Layer 3 (Direct Control) policies where applicable, and sought by owners | N/A (existing resourcing reprioritized) |
| | Financial Incentives | | |
| | Residential Tax-Back Grant | <ul style="list-style-type: none"> 75% reimbursement of annual municipal property taxes over 15 years, to a \$50,000 maximum \$5 million program cost (to be refined at November 2022 budget discussions) | \$5 million |
| | Non-Residential Conservation Tax Credit | <ul style="list-style-type: none"> 50% reimbursement of conservation project cost, up to 50% of annual municipal property taxes over 15 years, to a maximum \$250,000 per year or a total 15% of assessed property value \$15 million program cost (to be refined at November 2022 budget discussions) | \$15 million |
| | Historic Resource Conservation Grant Program | <ul style="list-style-type: none"> Strategic one-time increase to existing 50% cost-matching grant program for conservation projects; in Accelerated Delivery scenario, this offers additional instead of interim financial incentive \$1.5 million annually for 2 years, earmarked specifically for non-residential heritage sites; existing \$500,000 to be used for residential heritage sites only | \$3 million |
| | Additional Resourcing Costs | | |
| | City of Calgary | <ul style="list-style-type: none"> 2-3 positions to create Layer 2 and Layer 3 district policies 1-2 full-time employees to manage workload associated with increased designations (including bylaw creation, intervention approvals and grant administration) | \$1.8 million– \$4 million |
| | Heritage Calgary | <ul style="list-style-type: none"> Accelerated review of Residential Inventory Sites Funding to support City of Calgary workload, and expand programming | \$900,000 |
| | New Costs 2020-2022 | | Est. \$23-28 million |

phase
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2022

| | | | |
|-----------|--|---|-----------------------------|
| 2023-2026 | Additional Resourcing Costs | | |
| | City of Calgary | <ul style="list-style-type: none"> 1-2 full-time employees to manage workload associated with increased designations (including bylaw creation, intervention approvals and grant administration) | \$800,000– \$1.6 million |
| | Heritage Calgary | <ul style="list-style-type: none"> Funding to support City of Calgary workload and expand programming | \$600,000– \$1.8 million |
| | Projected New Costs (Range) 2020-2022 | | Est. \$2-4 million |
| | Projected Total New Costs (Range) | | Est. \$25-32 million |

Calgary Planning Commission Member Comments



The following comments are summarized from a confidential Calgary Planning Commission meeting January 8, 2020 on Administration's forthcoming Heritage Conservation Tools and Incentives report, due to the Standing Policy Committee on Planning and Urban Development April 1, 2020. The draft report responds to direction in PFC2019-0223 that Administration "conduct further analysis on heritage preservation tools and financial incentives", and recommends that Council support continued work and implementation on the following tools/incentives:

- Financial incentives supporting residential and non-residential heritage sites in exchange for designation (legal protection)
- New area-based heritage conservation policy tools, with 3 different 'layers' of regulation focusing on concentrations of identified potential heritage assets:
 - o 'Layer 1' – Policy incentives through the Land Use Bylaw applied only to sites that retain an identified heritage asset
 - o 'Layer 2' – Policy incentives (layer 1) AND discretionary design guidelines for new construction in proximity to concentrated groups of identified heritage assets
 - o 'Layer 3' – Direct Control land use districts applied to small subsets of Layer 2 policy areas which contain very high concentrations of heritage assets
- Specific financial support for Administration to complete the recommended tools/incentives, and increased funding for Heritage Calgary (Civic Partner)

Administration requested Calgary Planning Commission feedback and direction on their draft recommendations, and specifically on the proposed area-based policy tools. **Comments received during this confidential workshop will be verified and supplemented at the February 6, 2020 Calgary Planning Commission meeting.**

Calgary Planning Commission Member Comments

Overall Summary

- Additional tools/incentives for heritage are important.
- Work with stakeholders to ensure the tools and incentives are done properly and implemented effectively.
- Proposed layered approach to area-based heritage conservation policy provides important flexibility; communities have different heritage needs
- The presented tools could provide benefit to Council and increase efficiency in managing discussions on heritage that are currently occurring through Local Area Planning
- Important to align this report with other Next Generation Planning work (incl. Guidebook, renewed Land Use Bylaw) to support increased housing choice city-wide
- Suggested to also lobby the Province of Alberta for increased powers through the Historical Resources Act

Calgary Planning Commission Member Comments

Comments & Feedback

Area-based policy:

- Requiring a sufficient concentration (percent) of heritage assets for area-based policy is important to prevent it from being used inconsistently, however additional work is needed to address the challenges of varied block patterns in communities, oddly-distributed concentrations of heritage assets, and whether a transition area is required, etc.
- Careful exploration should be done on the potential impacts of 'Layer 1' incentives to ensure they are feasible, and all options are considered
- Parameters of 'Layer 2' guidelines will be crucial to avoid creating a false sense of heritage in new development, and need to be specific to each area
- Implementation of 'Layer 2' guidelines needs to be further explored; report should demonstrate how it will work, and add value
- There are not a lot of areas that warrant the 'Layer 3' policies (most regulatory)
- Report needs to indicate what form of 'significant community support' is required to create a 'Layer 3' policy area.
- A statistics-based approach to determining the thresholds allows the tools to be scaled across all areas, regardless of form or geography.

Financial Incentives

- Ensure that report speaks to return on investment – the ability of heritage conservation to create and retain value for municipalities, and tie this to the specific recommendations
- Financial feasibility of proposed incentives should be demonstrated in the April report

Overall

- Report should provide clarity on why main street areas are not addressed through the proposed recommendations, given their importance
- Important to have the interests of various stakeholders represented with these tools/incentives
- A 'litmus test' is needed with the development industry on the area-based policy tools; what are the implications on development, and is there support from industry?

Heritage Calgary Letter of Support



March 24, 2020

Mayor & Council

City of Calgary
PO Box 2100, Str. M, MC 8001
Calgary AB, T2P 2M5

Dear Council:

Subject: Letter of Support for PUD2020-0259

Heritage Calgary is writing in support of PUD2020-0259 Heritage Conservation Tools and Incentives.

We need these measures if we want to preserve our City's heritage and history. The financial incentives will encourage people to designate their property as a Municipal Historic Resource. Heritage areas will help to protect the character of our heritage neighbourhoods. Both measures are needed to help advance heritage preservation.

We support Administration's phased in approach to ensure that the supports needed to fund the heritage incentives and policies for heritage areas are in place. This will also allow Heritage Calgary to update outdated residential listings on the Inventory of Evaluated Historic Resources or to remove them if they no longer have integrity to be on the Inventory.

Sincerely,

A handwritten signature in blue ink that reads 'Josh Traptow'.

Josh Traptow
Executive Director
Heritage Calgary

**Administration's pre-COVID-19 recommendations
For Heritage Conservation Tools and Incentives – PUD2020-0259**

That the Standing Policy Committee on Planning and Urban Development recommend that Council direct Administration to:

1. Undertake a two-year phased implementation program (Q3 2020 – Q3 2022) to implement the heritage area tools through the local area planning process and associated Land Use Bylaw amendments, then return to the Standing Policy Committee for Planning and Urban Development to report on the progress and success of the program, and identify a city-wide implementation strategy;
2. Return to the Priorities and Finance Committee no later than Q1 2022 with refined financial incentives packages for consideration in the 2023-2026 Calgary budget deliberations; and,
3. Develop a scoping report with recommendations for an approach to heritage on main streets and return to Standing Policy Committee for Planning and Urban Development no later than Q2 2021.



THE CALGARY HERITAGE INITIATIVE GIVES CONSENT TO THE CITY OF CALGARY TO PUBLIC DISTRIBUTION OF THIS LETTER AND ATTACHMENTS BY ANY METHOD.

March 19th, 2020

Re: April 1, 2020 City of Calgary SPC on Policy and Urban Development
Heritage Conservation Tools and Financial Incentives Report

Comments Refer to THE 10 Page Summary Report “Heritage Conservation Policy Tools and Financial Incentives Report – April 2020.” <https://www.calgary.ca/PDA/pd/Documents/Heritage-planning/Summary-of-Proposed-Heritage-Conservation-Recommendations.pdf>

Dear Members of PUD

The Calgary Heritage Initiative, known as CHI, is a volunteer society dedicated to the preservation, productive use, and interpretation of buildings and sites of historic and architectural interest in our city. Heritage communities contribute to the economic and environmental sustainability of our city and the social wellbeing of our citizens. They create a sense of place.

Over the past couple of years, CHI actively participated as a heritage stakeholder in the Guidebook for Great Communities and related Heritage Conservation Tools and Incentives Report engagement processes. When the heritage content was pulled from the Guidebook last August, to be addressed in a separate report, stakeholders like CHI were not given an opportunity to comment on the implications. During this time, we have witnessed continued and pending demolition of recognized heritage buildings, and the erosion of streetscapes and mature landscaping, that all contribute to defining community character. This was not the intent of Imagine Calgary or Plan-It. We are now facing an unprecedented public health and economic crisis with great uncertainty. Its time to take a pause until Council’s and the public’s attention can reasonably refocus on long term planning.

At the time of writing, we are assuming that the Heritage Conservation Tools and Financial Incentives Report (Heritage Report) will be heard at PUD on April 1. This letter outlines CHI’s comments on timing issues as well as the draft heritage report. CHI’s address to the March 4th PUD hearing on the Guidebook and North Hill Communities Plan is Attached (A) for reference.

1. Timing of approval of the Heritage Conservation Tools and Financial Incentives Report, Guidebook for Great Communities and North Hill Communities Local Area Plan (April 27, 2020)

In light of the current public health and economic crisis CHI is calling for PUD to recommend a revision to the timing of approval of these items. Arguments about adhering to advertising commitments or Council directed reporting dates should be set aside in these circumstances. These three policy documents go hand in glove and sequencing/timing must be considered together. Forcing them through in April, when the City itself has declared a state of emergency does not serve the interests of Calgarians.

a. Public Hearings on the Heritage Report should be postponed until the current lock down is over, then recommend the Heritage Report for approval report as soon as possible to allow for proper public hearings.

Council, public and media attention is elsewhere right now. There has been no open public engagement on the proposed heritage tools and incentives. The initial workshops, when heritage was included in the Guidebook, were limited to daytime meetings of the stakeholder group. Because heritage was pulled from the Guidebook in August, it was not included in any of the subsequent public engagement on the Guidebook – like the FCC sessions, library kiosk, Home and Garden Show, etc.

The two subsequent info sessions on heritage tools and incentives (Oct 2019 and Jan 2020) were limited to a select group of invited stakeholders – in fact we were told that only one person per stakeholder group could attend. An updated slide deck from the January 29th info session was promised but only an “advance copy, not for distribution”, was provided by administration on Feb 12 when CHI requested it. It has been challenging for volunteer organizations like CHI, the CAs and others to send consistent representation to these meetings on weekday mornings and to communicate effectively to our members. While this approach may have been appropriate for the early stage of development of the heritage report; the sessions were billed as “info sessions/updates” and were not full public “engagement”. Individual stakeholder groups like CHI have been trying their best to communicate to their members. Heritage tools and incentives, the Guidebook, LAPS, LUB revisions to come, Main Streets, Established Area Growth and Change Strategy are all interrelated and hugely complex to communicate.

CHI had lined up Alastair Pollock to speak at our AGM at an open meeting in partnership with the Cliff Bungalow-Mission Community Association on Ap 15th; this has now been cancelled due to covid. We were anticipating 100 in attendance. There has been virtually no media pick up on the heritage report and this is surely at the bottom of media priorities right now. CHI had intended to participate in face to face pre-meetings with the select Councillors prior to PUD on April 1st. This attempt has been called off for now.

Open and accessible public comment is important – but we are obviously distracted. We are not on board with “Council business as usual” with call-in accommodation in place of real public hearings. Some of the unique benefits of in-person public hearings are listening to what everyone else is saying, chatting with them during breaks, engaging through body language and eye contact with the decision makers, using illustrations and distributing written copies to the audience.

CHI recognizes that Council direction is being sought for the approaches in the Heritage Report only and is not, at this time, being asked to approve statutory heritage policy. Therefore while our preference is to delay until a proper in-person public hearing could be held, if members of the stakeholder group who

have been engaged thus far in the development of this report are in agreement, CHI would support a call-in approach to the public hearing. This assumes a protracted state of emergency with social distancing mandates in place for some time. If the Heritage Report receives Council endorsement this approach would allow for Heritage Planning to continue their work on the tools and incentives for insertion into the statutory Guidebook and LAP.

b. Recommend delaying the public hearing of Council (April 27) on the approvals of the Guidebook and North Hill Communities Plan (and any other LAPS underway) until the heritage tools and incentives policies have been completed and inserted into the placeholders. Then hold a proper public hearing on these completed statutory policy documents so that reasoned input and decisions can be made, considering the balance of densification objectives with respect for community heritage character.

Administration is seeking direction from Council on the recommendations in the Heritage report so that they can continue their work on developing the tools, incentives and policies to a point where they can be inserted into the Guidebook and LAP placeholders. This is projected to take a year. A pause in approval of the Guidebook and LAPs will allow this work to occur.

In the meantime, administration has breathing room to work on the following as we are heading for a further slow down/recession and development pressures ease:

- Modification of the population growth projections assumed in the MDP. The letter and presentation from the Community Associations of Developed Calgary (Mar 4 PUD on the Guidebook) put it very well – “why are we doing this?”, referring to blanket densification policies. The numbers referred to in the letter show that existing land use would allow for most of the inner city/established areas density requirements to meet the 50% goal without modifying population projections. Given the reality of the dire economic climate, cancelation of major oil and gas infrastructure projects, and availability of downtown office space that could be repurposed for residential, the expectations for population growth and absorption of density in existing residential areas should be scaled back.
- Other revisions to the MDP and CTP.
- Clarifying where the LUB review is headed with consolidating R1, R2 and row type housing land uses with transparency around implications for the Guidebook and Heritage policy areas.
- Completion of the Established Areas Growth and Change Policy that addresses density bonusing/transfer
- Referencing parking and climate change implications in the Guidebook
- Renaming “The Heritage Communities Local Growth Planning project” that includes the communities of Eagle Ridge, Kelvin Grove, Kingsland, Fairview, Haysboro, Acadia, Southwood, Willow Park, Maple Ridge and Chinook Park. The current name is confusing and implies that these are heritage communities, which they are not.

There is a risk that speculative developers might start picking up properties for land assemblies then demolishing or neglecting properties because of the economic climate. They may do this on the strength of an approved Guidebook but without the Heritage Tools/Incentives and LAPs completed. This is a key reason why these statutory documents should be delayed until the heritage tools and incentives policies are completed.

Remember this whole process is supposed to provide clarity to the planning process and help streamline development approvals. Heritage and land use policies are very uncertain at this time.

2. Comments on the Heritage Conservation Tools and Financial Incentives Report

a. What CHI supports

- The general direction and content of the Heritage Report.
- The approach to layering policy for heritage areas, provided that all three layers are approved because they work together. Layer 2 requires clarity: “guidelines would not preclude row-house, multi family, or other innovative development where compatibly designed.” Other general heritage policy in the Guidebook directs against “mimicking”. An explanation of what is meant by “compatibly designed” is required.
- The general approach to tax-based incentives. Reference the success of the US program as a concrete example. Based on this <https://www.nps.gov/orgs/1207/htc2017.htm> the US program generated \$6.2 billion in GDP and 107,000 jobs in 2017, and over the past 40 years has enabled the preservation and rehabilitation of more than 43,000 historic properties, while generating more than \$144 billion in private investment.
- Financial incentives that may encourage homeowners to designate their heritage asset rather than demolish. Clarification is needed re the tax back grant maximum \$50000/15 years = \$3300 per year or can be based on assessed value?
- The restoration tax credit will encourage maintenance of heritage assets, although the designation bylaw itself may require refreshing from time to time.
- Additional and increased/year funding support to Heritage Calgary and the heritage planning budget. This is essential to implement the tools and incentives and to add to the inventory. Ideally, CHI would like to see dedicated, one-time funding to completing the inventory, given the recent work on identifying properties through the windshield survey and the backlog of properties previously identified for evaluation. It is acknowledged that as the city continues to age the inventory will need updating time to time.
- Clear definitions of Heritage areas, assets and resources. These terms are used in the Heritage Report and referenced in the glossary of the March 2020 proposed Guidebook for Great Communities. The terms acknowledge that heritage includes designated, inventoried and other heritage assets.

b. What should be Enhanced

Heritage Area Policy Tools

- While the street face approach to the three proposed layers is well defined and objective, implementation could result in a piecemeal approach with several mini-areas but no real cohesive heritage area over a contiguous cluster of residential blocks. Better area-based policy is desired, where heritage area bubbles, similar to those illustrated in the North Hill Communities LAP, could be identified for layer 1, 2 or 3. Policy tools and incentives could be based on the 25% or 50% presence of heritage resources and assets combined. These areas should encompass commercial and greenspace/streetscapes and parks and not just privately owned pre 1945 structures as per the “heritage asset” definition, although the percentage thresholds within the area could be based on the asset definition. Please see Attachment B for an illustrated example for layer 3.
- Include provision for developing a “Statement of Significance” for communities within a Local Area Plan that clearly and concisely describes the character and states the vision for each heritage policy area.
- Consider future application of this approach to Oil boom Era (1956-1956) and early Modern Era (1956-late 60s) neighbourhoods where distinctive mid-Century architecture and/or urban planning schemes are largely intact.
- Provide a map scheme, based on page 10 of the report, “Heritage Parcels: Designated, Inventory and Heritage Assets Calgary, Inner City” that illustrates where layers 1, 2 and 3 could apply.

Financial Incentives

- Generally, CHI believes these new financial tools (tax back grant and tax credit programs) may be insufficient on their own to encourage designation and that an increase to the Historic Resource Conservation Grant Program is also required (not instead of the tax programs). These financial incentives are particularly needed to help protect standalone homes in landscapes that face upzoning outside of the heritage policy areas. The increases could be paid for out of heritage density bonusing/transfer payments that actually reflect the value of the increased density approved for new development. Clear direction for heritage density/transfer bonusing formulas (based on FAR, height etc) should be developed.

Other

- Regarding page 3 of the summary report (Project Alignment bullet 3), detail is lacking on effectiveness and enhancements of density/transfer programs.
- The summary report lacks sufficient detail about proposed bylaw relaxations (e.g. parking, laneway housing, secondary suites) that assist in protecting privately owned heritage. See page 4- layer 1.

c. Further Engagement

Page 2 of the summary report outlines engagement to date. Further open public engagement, including fully accessible public hearings, is suggested.

The Calgary Heritage Initiative greatly appreciates being included in the process and encourages PUD to fully support the suggestions and enhancements we have outlined in this letter.

Karen Paul

CHI Communications Director

On behalf of the Calgary Heritage Initiative Society

contact@calgaryheritage.org

Attachment A

CHI Address to PUD March 4, 2020 on the Guidebook for Great Communities 7.4

Members of the Standing Policy Committee on Planning and Urban Development

I am Karen Paul, representing the Calgary Heritage Initiative, known as CHI, a volunteer advocacy society. Heritage communities contribute to the economic and environmental sustainability of our city and the social wellbeing of our citizens. They create a sense of place.

Over the past couple of years, CHI actively participated as a heritage stakeholder in the Guidebook and related Heritage Conservation Tools and Incentives Report engagement processes. When the heritage content was pulled from the Guidebook last August, to be addressed in a separate report, stakeholders like CHI were not given an opportunity to comment on the implications. That said, some very good work is reflected in the Guidebook.

During this time, we have witnessed continued and pending demolition of recognized heritage buildings, and the erosion of streetscapes and mature landscaping, that all contribute to defining community character. This was not the intent of Imagine Calgary or Plan-It.

The Guidebook you are considering today lacks the teeth to protect heritage. At a minimum, it should provide clear, overarching policy around density bonusing or transfer, as well as for preserving heritage areas. Placeholders that require Council's yet-to-be-obtained support for regulating policy on undesignated properties and corresponding financial support for tools and incentives, may or may not be implemented in time for multi-community LAP preparation, if at all. The NorthHill Communities LAP, also before you today, is a case in point.

Roughly quoting from a recent CBC broadcast about Vancouver's Chinatown... "Development without preservation is just as bad as preservation without development"

The proposed system of residential building blocks to increase density is spelled out in the Guidebook; it effectively incentivizes the replacement of R-1 homes, including heritage homes, with higher density housing. That's the development side. But where are the corresponding regulations and incentives to preserve heritage, streetscapes, landscapes and community character?

The fact is that virtually all of Calgary's heritage character neighbourhoods are within the developed areas of the City – exactly where densification pressures are highest. The Heritage Planners can provide the stats – but we are talking about a very small and dwindling percentage of Calgary's total housing stock here – about 1% of our homes are a century or more old, compared to say Winnipeg, that has 9% and has already implemented heritage districts as a tool to direct what should stay and what can go.

That's the residential side – Main Streets, so important for defining heritage character, are excluded from the draft Heritage Report. So even with the heritage placeholders, The Guidebook does not address heritage conservation on Main Streets.

More needs to be done to compel developers, through consistent city-wide policy, to contribute monetarily to the retention of near-by heritage assets or provide for community benefit in exchange for more storeys and higher density. This is a missed opportunity. To date bonusing requirements have been rather ad hoc or voluntary.

The wording related to Heritage (p103) in the Guidebook is very weak - “encourage/discourage and investigate” is not really policy wording. Policy that is written as a "suggestion" may translate into policy that is ignored. The Heritage Area Tools placeholder on pg. 118 is a big unknown in terms of scope and strength of language.

A policy from the DAG that acknowledged that the heritage value and resources of an area include but are not limited to, properties currently listed on the Inventory, was deleted from the Guidebook. This would have captured resources identified through the windshield survey, Main Streets and ARP revisions. Further, certain policies that address design, setbacks, massing, street wall and landscaping only apply to those sites that abut a property on the inventory. What about the rest of the heritage resources, some of which have been researched and submitted by CHI to Heritage Calgary for evaluation.

Now we seem to be stumbling over timing of the Guidebook, the Heritage Report and pending LAPS that are supposed to be informed by the Guidebook. This is backwards. The fact is that if any LAPS proceed without clear heritage policy, there will be no backtracking. Upzoning will have effectively occurred without counter-balancing modifiers to retain worthy heritage through regulation and incentives.

At the last Heritage Conservation Tools and Incentives update meeting on Jan 29, Councillor Carra said that it will be very important to bridge the Guidebook with the Heritage Report. CHI does not believe the placeholder approach is an effective bridge and provides no certainty.

So Chi is here to ask how PUD can reasonably recommend to Council that the guidebook with heritage placeholders be adopted without understanding what those placeholders will contain. How can PUD reasonably evaluate whether this Guidebook will achieve the dual objectives of densification and, in quotes, “respecting and enhancing neighbourhood character” as embedded in the MDP?

CHI asks that at a minimum, PUD’s decision to recommend adoption of the Guidebook and the NorthHills LAP be deferred until the April 1st PUD meeting when the Heritage Conservation Tools and Incentives report will be presented. CHI asks that PUD’s recommendation to Council on April 27 be a joint recommendation that amalgamates defined heritage policy into the Guidebook and LAP placeholders.

Thank you

CHI Address to PUD March 4, 2020 on the North Hill Communities LAP 7.5

Members of the Standing Policy Committee on Planning and Urban Development

I am Rick Williams, representing the Calgary Heritage Initiative, known as CHI, a volunteer, society dedicated to the preservation, productive use, and interpretation of buildings and sites of historic and architectural interest in our city.

The NorthHill Communities plan should not be recommended for Council approval by PUD until it's known what heritage tools and incentives will be adopted by the City. Residents and stakeholders need to evaluate whether they think the tools will be effective enough to retain heritage – and whether the incentives will be enough to offset all of the extra density being ascribed to the area. Otherwise we have a LAP that has supportive policy of upzoning but with no or insufficient tools to offset the density for heritage sites.

The NorthHill Communities plan does not contain provision for implementing heritage density bonusing or transfer. It's a missed opportunity, like giving away density for free, which we know has immense value. It leaves money on the table that could be used for community benefit such as heritage grants or program funding , or to enable a density transfer program for houses, as could have been done for buildings like the Tiegerstadt Block, Hicks Block and others. The modest grants available now and measures like property tax relieve help but are just not enough to really impact heritage retention and we know that City resources to provide community benefit are strained.

The NorthHill Communities LAP has identified some areas of high concentration of heritage sites in section 2.13 and Appendix C. This partially addresses the timing challenge regarding lack of heritage area districting policy. However, there are many resources outside the boundary/ concentration in NorthHills that will be under policy supportive of town houses and row house development. Funds are going to be needed to encourage their owners to retain homes and influence the retention of other heritage resources. Bonusing could supply those funds and give owners of heritage building opportunity to recoup economic value rather than redevelop by allowing them to sell their density.
Thank you

Attachment B

Illustrated Example of Additional Options for Heritage Area Policy, Layer 3

Related to layer 3 an enhanced formula to be adopted at the option of the communities through the LAP process, might be '50% of contiguous properties' (contiguous including being across streets, alleys, and parks), as per the heritage bubble idea. For example in the photo below, if the green area were all heritage assets, none would qualify for layer 3 due to all being maybe 40-45% of block faces.



Or in another example, using the block face criteria only the middle block face would be layer 3 in a scenario where all of the green were heritage assets:





Please use this form to send your comments relating to matters, or other Council and Committee matters, to the City Clerk's Office. In accordance with sections 43 through 45 of Procedure Bylaw 35M2017, as amended. The information provided may be included in written record for Council and Council Committee meetings which are publicly available through www.calgary.ca/ph. Comments that are disrespectful or do not contain required information may not be included.

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

Personal information provided in submissions relating to Matters before Council or Council Committees is collected under the authority of Bylaw 35M2017 and Section 33(c) of the Freedom of Information and Protection of Privacy (FOIP) Act of Alberta, and/or the Municipal Government Act (MGA) Section 636, for the purpose of receiving public participation in municipal decision-making. Your name, contact information and comments will be made publicly available in the Council Agenda. If you have questions regarding the collection and use of your personal information, please contact City Clerk's Legislative Coordinator at 403-268-5861, or City Clerk's Office, 700 Macleod Trail S.E., P.O Box 2100, Postal Station 'M' 8007, Calgary, Alberta, T2P 2M5.

* I have read and understand that my name, contact information and comments will be made publicly available in the Council Agenda.

| | |
|---|---|
| * First name | Ali |
| * Last name | McMillan |
| Email | planning@brcacalgary.org |
| Phone | 5872270607 |
| * Subject | Heritage Conservation Tools and Incentives |
| * Comments - please refrain from providing personal information in this field (maximum 2500 characters) | We strongly support the City's Report on Heritage Conservation Tools and Incentives. As one of Calgary's oldest communities we see high value in the tools being proposed and urge Council to support the recommendations in this report. We would like to see these tools embedded in the Guidebook for Great Communities or applied City-wide as soon as possible so we can start using it. |



SCARBORO COMMUNITY ASSOCIATION
1727 – 14 Avenue SW
Calgary, AB T3C 0W8

March 23, 2020

Standing Policy Committee on Planning & Urban Development
Office of the Councillors
700 Macleod Trail SE,
Calgary, AB T2G 2M3

RE: Heritage Policy Tools & Financial Incentives Report

Dear Madam Chair & Members of the Standing Policy Committee for Planning and Urban Development,

The neighbourhood of Scarboro is a designed district from 1909-10. At the turn of the century, CP Rail's land commissioner worked with **the Olmsted firm**: a renowned landscape architecture firm known for its design of Central Park in New York City, the US Capitol Grounds and Niagara Falls. **Scarboro is ONE of three fully executed Olmsted residential parklands in Canada.** Preservation of Olmsted designs in Canada began in 2018 with the **federal designation of Uplands in Victoria, BC.** Now, Scarboro seeks protections to help celebrate Calgary's history and to support its future growth.

We commend the direction to consider heritage area policies and protections in Calgary. However, the **Heritage Area policy required to protect the historic integrity of Scarboro is NOT included in the report** being considered. The Scarboro Planning Committee requests Councillors to direct Administration to consider protections for **BOTH cultural landscapes and privately owned assets** in Heritage Areas that meet the following criteria:

- **A Heritage Area** unified by a common theme or design principle is eligible for designation.
- A Heritage Area assessed on the basis of **a collection of historic buildings and/or landscapes** that may not qualify for designation as individual historic resources. Heritage significance is attributed to a geographic concentration of historic sites.
- The presence of **25% historic sites in an AREA including parks, streetscapes & buildings** will make it eligible for guidelines that affect **discretionary uses of private property**. The presence of **landscapes** that lend historic significance to the area **will be eligible for designation**. A Master Landscape Plan will be created with The City of Calgary for the Heritage Area in relation to these public spaces.
- The presence of **50% of historic sites in an AREA including parks, streetscapes & buildings** will make it eligible to be regulated as a **direct control district**. The presence of **landscapes** that lend historic significance to the area **will be eligible for designation**. A Master Landscape Plan will be created with The City of Calgary for the Heritage Area as this relates to public spaces.



SCARBORO COMMUNITY ASSOCIATION
1727 – 14 Avenue SW
Calgary, AB T3C 0W8

The example of Scarborough calls for a policy that regulates **areas** including **both private and public lands** that span parks, streetscapes, and properties united by a particular design or theme, which represent a unique achievement in the history of Calgary.

Scarboro's **public green spaces** are integral to John Charles Olmsted's design, and to the future designation of Scarborough as a **Provincial Heritage Area**. The escarpment on the hilltop of Scarborough defines its natural borders. Original lot lines drawn on the topographic map show the design for a residential suburb that remains sensitive to context, **protecting and enhancing natural scenery**. Curvilinear streets carve triangular parklets throughout the neighbourhood. The proximity of the Bow River also lends significance to Scarborough. **The Bow River drew nomadic peoples to its water's edge:** people who followed the migratory patterns of the buffalo. Writings from the turn of the century document **the presence of migratory encampments in Scarborough during the summer months, when indigenous peoples came to collect treaty money**.

In the beginning of the 1910s, City Council had absolute confidence in Calgary's future as a western metropolis: "**Park development was seen as integral to the city's success, not optional.**"¹ During **William Reader's** tenure as Parks Superintendent, **he worked in Scarborough from 1913 to 1942**, to oversee the construction of **playgrounds**, plan **boulevards** and **recommend species of trees, perennials and shrubs** on streetscapes and in parks. **Over 1,000 trees** lie on Scarborough public lands today, with an **estimated value of \$4,566,093** in 2020. This evaluation is based on data collected by Urban Forest Management to calculate estimated replacement cost. Individual mature trees or "**heritage trees**" (**predating 1945**) are very valuable. Within Scarborough, an American Elm carries a value of approximately \$61,000, a Northwest Poplar \$52,000, a Paper Birch \$40,000, and a Manitoba Maple is valued at \$37,000. This Olmsted residential parkland was designed to be **a natural retreat from the metropolis for all Calgarians to enjoy**. Triangle Park (popular for families & dogs) and the island on Shelbourne Street (a perennial garden maintained by residents), have led to numerous community events. These parks are amongst the **18 sites appearing on Calgary's historic inventory of resources**, along with **three heritage streetscapes**.

Following Dr. Nancy Pollock-Ellwand's recommendations (foremost expert of Olmsted designs in Canada), the Scarborough Planning Committee will be seeking to apply for **federal designation** of Scarborough at the same time as it seeks **municipal and provincial protections**. A **provincial designation** can be used to effectively establish **area boundaries** in relation to Alberta's heritage values and the neighbourhood's character-defining elements. The next step would be to use **municipal heritage area policies** (not yet approved), which could help **regulate parks, streetscape and neighbourhood character**. Many residences in Scarborough display original vernacular design and detailing from the 1910s and 1920s, and more recent buildings are of sympathetic design. The George Anderson caveat (part of the 1911 contract of sale) remains intact on almost all land titles in Scarborough, so that development is limited to single-family homes with generous front setbacks.

¹ City of Calgary Parks Dept, *Calgary Celebrating 100 Years of Parks*, Calgary: City of Calgary, 2010: 37.



SCARBORO COMMUNITY ASSOCIATION
1727 - 14 Avenue SW
Calgary, AB T3C 0W8

Neighbourhoods that merit heritage designation are **cultural landscapes** comprised of **both natural and human-made resources**. Please consider this example of “heritage area” as one that can inform the protections needed for other **heritage areas** in Calgary that **include historic green spaces and streetscapes, as well as private property**.

If Councillors wish to protect areas like Scarborough, then Administration must be directed to consider **BOTH public and privately owned historic resources** in defining Heritage Areas. As itemized above, a heritage area defined by a common theme or design principle could be given appropriate protections on the basis of its **historic parks, streetscapes and buildings**. Sites such as streetscapes and parks are **ALREADY** included on the Inventory for Historic Resources. **These public spaces SHOULD BE included in the CRITERIA to assess the heritage value of an area**. In order to preserve the integrity of heritage areas, there is need to recognize both public and private realms.

Respectfully yours,

Tarra Drevet
Chair of Planning & Development
Scarboro Community Association

SCARBORO Community Statistics:

Number of Trees: **1,083**

Estimated Value of trees in this community: **\$4,566,093**

Number of Trees per square km: **2,387**



SCARBORO COMMUNITY ASSOCIATION
1727 – 14 Avenue SW
Calgary, AB T3C 0W8

March 23, 2020

The City of Calgary
P.O. Box 2100, Stn. M
Calgary, Alberta, T2P 2M5

Attention:
Councillor Woolley (Ward 8)
CC: Mayor Nenshi and all City Councillors

RE: POSTPONE Bylaws in Planning & Development; revisions to Municipal Development Plan (MDP)

Dear Councillor Woolley,

Despite all that is going on around us, there is a matter that requires immediate attention. We must **pause and extend the deadlines for new bylaws and MDP revisions** in planning and development.

In this time of overt panic and stress, as residents attempt to protect themselves from the spread of COVID-19, we find ourselves torn between commitments to the Community and commitments to our Families. This is due to the fact that Administration is stating that **Council Meetings will go ahead on their scheduled dates**, including: Guidebook for Great Communities (Council April 27, 2020) and North Hill Local Area Plan (Council April 27, 2020).¹ Furthermore, the **deadline for submitting comments** to the redlined version of the **Municipal Development Plan** is **April 12, 2020**. Changes to this statutory document, pivotal in the hierarchy of Municipal Legal Planning, make it incumbent for residents and Chairs of Planning Committees to provide feedback and give their attention to this matter.

In the midst of a PUBLIC HEALTH CRISIS, members of the Scarborough Community Association are focused on families and seniors. Our Community Association has cancelled its meetings and events. We have developed an action plan with volunteers to help take care of seniors and others in need. The last thing we need to be worrying about is **the Guidebook for Great Communities and the Municipal Development Plan**. We need to focus our energy on what requires our most urgent attention. These planning documents can wait.

The following events and changes to Municipal Planning are diverting our attention from the CRISIS at hand. Residents in our Community are being asked to submit **applications to be part of the Project Team** for local growth planning until **April 19**. The Local Area Plan is to be created using policies from the Guidebook for Great Communities. Hence, **residents are giving feedback on POLICIES** that will **guide future development in Scarborough**. (A survey with residents was recently completed.) **Many residents wish to engage in a Public Hearing about these policies**. Last week, almost 20 Community Associations held an online conference **regarding the Guidebook**. This evening, another online

¹ Cf. <https://mailchi.mp/newsletters/planning-development-dispatch-september-1455009?e=14ad728394>



SCARBORO COMMUNITY ASSOCIATION

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conference will be held for Community Associations in the **Area 2 Local Area Plan**. We have yet to **conduct a thorough reading of the proposed changes to the Municipal Development Plan**, followed by **writing letters to experts in municipal legal planning** (for advice and commentary), followed by **writing letters to our Councillor and all Councillors** about our reticence to consider such changes at this time.

The intent to go ahead with “**online**” Public Hearings falls short of **our Public Participation policy**. The technology used to host such a meeting would only be capable of handling **a certain number of dial-ins**. Callers would be asked to hang up following their presentations. Remote access lines could have people hanging up in frustration. Furthermore, the public participation leading up to an approval of new bylaws has been truncated by COVID-19. Meetings previously scheduled with Councillors have been **cancelled**. Sessions organized by the Federation of Calgary Communities have been **cancelled**. Councillors would be going into a Council meeting on April 27 to make new bylaws **without listening to the public beforehand**.

We beseech you to hit the **PAUSE** button on **all Public Hearings, consideration of new Bylaws and amendments to the Municipal Development Plan** in the coming months, as our public’s attention **MUST** turn to their families and loved ones.

Thank you for your consideration.

With all due respect,

A handwritten signature in black ink that reads "Tarra Drevet". The signature is fluid and cursive, with a large loop at the end.

Tarra Drevet
Chair of Planning
Scarboro Community Association