

Overview

Council directed City Administration to perform a review and analysis of new policy tools and financial incentives to help conserve Calgary's sites of heritage significance. After an [initial report](#) to the 2020 March 5 Priorities and Finance Committee, which identified a [variety of tools and incentives](#) used across many jurisdictions, Administration worked with stakeholders and consultants to develop recommended approaches for the Calgary context, focusing on privately-owned heritage buildings. These approaches include new grant and rebate programs for sites on Calgary's [Inventory of Evaluated Historic Resources \(heritage sites\)](#) in exchange for legal protection. The approaches also include development policies for concentrated groups of historic buildings which may-or-may-not be listed on the *Inventory*, but possess architectural significance and integrity, also known as **heritage assets**.

These proposed tools and incentives represent an important new approach to heritage conservation in Calgary. On 2020 April 1, Administration presented the findings of their analysis on heritage preservation tools and financial incentives for information, due to the impact of COVID-19 on Calgary's communities. Administration was directed to further refine the financial incentives package and return to committee at a later date. We will be presenting recommendations for policy tools and updated financial incentives at the 2020 July 15 Standing Policy Committee on Planning and Urban Development.



Robert and Mary Taylor Residence (1912)
Designated heritage resource

Background

With adoption of the 2008 [Calgary Heritage Strategy](#), Council established a municipal vision for heritage conservation, including the three principles of **Identify, Protect, and Manage** for heritage resources. [Heritage Calgary](#) (a Civic Partner) researches and approves potential sites of significance for the *Inventory of Evaluated Historic Resources*, and City Heritage Planners offer [incentives and programs](#) to property owners who are willing to designate their sites as Municipal Historic Resources under the Alberta [Historical Resources Act](#). Due to the structure and powers of The Act regarding compensation for legal protection, The City of Calgary does not seek to designate privately-owned sites without an owner's explicit agreement. Publicly-owned heritage sites are conserved and managed directly by The City through Calgary Parks and Facilities Management.

This overall approach to conservation has generally focused on individual properties and has seen the *Inventory of Evaluated Historic Resources* grow to identify over 780 unique heritage resources. Over 100 of those identified sites have been [protected](#) through bylaws or legal agreements. City Heritage Planning continues to work with owners to protect additional heritage resources, manage alterations to designated properties, administer a [Conservation Grant Program](#), review development applications, and create community-based and city-wide policies for heritage resources supporting the principles of the *Calgary Heritage Strategy*.

In recognition of the continued challenges facing Calgary's heritage sites, and in particular, motivated by the tragic loss of the historic Enoch Sales Residence to fire in February of 2019, Council directed Administration to conduct analysis of new policy tools and financial incentives for heritage conservation, including the exploration of area-based heritage policies.



Scarboro United Church and Manse (1929)
Designated heritage resource



Anderson Residence (1975)
Designated heritage resource

Challenges & Opportunities

- Despite significant progress, including over 80 newly-protected sites since 2008, a majority of identified properties on the [Inventory of Evaluated Historic Resources](#) remain unprotected from significant alteration or demolition—including major Calgary landmarks.
- The financial incentive available to property owners through Calgary's [Historic Resource Conservation Grant Program](#) is often unable to match the potential value of selling or redeveloping that resource, requiring further incentives or regulations to increase the likelihood of conservation.
- The *Inventory of Evaluated Historic Resources* currently lists over 780 sites of significance. However, Calgary's built-out areas contain thousands of additional historic buildings that are currently without recognition or policy supporting conservation. While many of these heritage assets may not individually qualify for the *Inventory*, collectively, they possess important heritage value.
- Heritage resources and heritage assets play an important role in planning for the future of Calgary's built-out communities. They contribute to an area's identity and place, and support housing choice, economic diversity, and sustainability through opportunities for adaptive re-use and additional dwelling units. New heritage conservation tools and incentives may enhance [Local Area Planning](#) and application of the [Guidebook for Great Communities](#) by helping conserve the most important heritage sites and areas in a community, while enabling necessary growth and change.



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



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

Approach and Engagement

Following an initial policy review of heritage conservation tools and financial incentives used in jurisdictions across Canada and internationally, Administration engaged in research and stakeholder engagement to assist in developing their recommendations to Council, including:

- A visual 'windshield survey' 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 resulting identification of more than 3000 heritage assets represents the largest survey of heritage properties performed in Calgary to-date (further information on pages 7-10).
- An online and mail-in questionnaire conducted with owners of non-designated sites on the *Inventory of Evaluated Historic Resources* to better understand perspectives regarding legal protection, and what incentive would be required to consider designation.
- Engagement with a select group of diverse stakeholders in February and October 2019, including heritage advocacy groups, Community Associations, City Councillors and members of Calgary's development industry.
- Analysis of the windshield survey data by a planning consultant (O2 Planning + Design) to determine how appropriate boundaries could be set for heritage area policies, as well as consider the proposed extent and implication of regulations.
- Following the 2020 April 1 Standing Policy Committee on Planning and Urban Development, Administration engaged 20 student and teacher volunteers from the University of Calgary and Southern Alberta Institute of Technology to perform independent testing on elements of the proposed heritage area policy tool.

Heritage conservation

Policy tools & financial incentives report — July 2020

Timeline

Administration’s report process enables Council to consider and provide necessary direction on the proposed policy tools and financial incentives. In July 2020, Administration will present their recommended policy tools and financial incentives to the Standing Policy Committee on Planning and Urban Development, and then City Council for their consideration. Pending Council’s direction, any supported tools and incentives will be further developed and implemented through subsequent reports 2021-2023, including additional stakeholder feedback where appropriate.



Project Alignment

The July 2020 heritage tools and incentives report is occurring alongside other City Planning initiatives that are responding to existing Council Direction and priorities—including [Local Area Planning](#), development of the [Guidebook for Great Communities](#), and work on the City-wide [Established Areas Growth and Change Strategy](#). Given the potential impacts of these projects on one-another, Administration is working to integrate them in the following ways:

- 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 will be updated.
- Until receiving Council direction on proposed heritage area policies, 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 possessing high concentrations of heritage assets.
- Continued and expanded use of financial incentives such as density bonusing and density transfer (benefiting heritage conservation) are considered through work on the city-wide **Established Area Growth and Change Strategy**. Future reporting from Phase 2 of the Established Area Growth and Change Strategy, no later than 2022 November, is anticipated to provide further comments on the use of these tools in a growth context.

Recommendations to Council

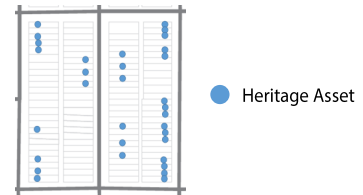
The following policy tool and financial incentive options are proposed for recommendation to Council through the July 2020 report. These particular tools and incentives were selected from Administration’s broader study of available options as the best feasible approach to managing the challenges facing heritage conservation in Calgary.

Some details are provided to illustrate the overall intended function and impact of each tool or incentive, but these details may be subject to change with Council direction. Additional stakeholder feedback may be used to further develop Council-supported policy and financial options.

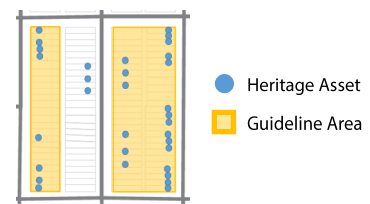
Policy Tools

The main policy tool proposed for recommendation to Council is new ‘heritage area’ incentives and regulations to support the retention of concentrated heritage assets. While many municipalities have some form of area-based heritage conservation policy, key differences in Calgary’s governing legislation and urban development patterns necessitates a unique local approach. A three-layer system of heritage areas is proposed and will 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 layers, intended to stack or build upon each other resulting in increased specificity and control as the concentration and integrity of heritage areas increase, are as follows:

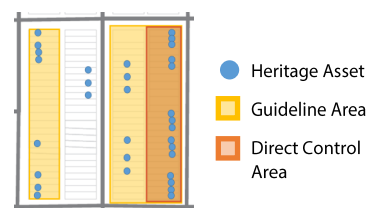
1— Incentive Areas apply to all heritage assets, regardless of concentration. These policies provide incentives to properties that retain a heritage asset, and would not regulate development on the heritage asset site, or for adjacent properties. Incentives may include additional allowable uses (ex. light commercial) and increased flexibility for compatible development (ex. Backyard Suites). The Incentive Areas tools would be implemented through a separate City-initiated *Land Use Bylaw* amendment.



2 — Discretionary Guideline Area policies add discretionary design guidelines for new development in areas with moderate (25-49 percent) concentrations of heritage assets. Boundaries for a Discretionary Guideline Area apply only where city blocks contain a required percentage of heritage assets as a total of all properties. New development would follow a discretionary application process within the Discretionary Guideline Area. Unique design guidelines will be created for each policy area to reflect important features of the historic form—however, guidelines would not preclude row-house, multi-family, or other compatible innovative development. The Discretionary Guideline Areas would be implemented through the Local Area Plan process and associated land use re-designation(s).



3 — Direct Control Heritage Area policies apply to areas with very high concentrations of heritage assets (greater than 50 percent). This policy tool is intended to incentivize the conservation of heritage assets through specific architectural controls and limited redevelopment potential and will be implemented through a direct control district land use re-designation.



Recommendations to Council (cont.)

Financial Incentives

The following new and expanded financial incentives are considered essential for advancing a balanced approach to economic development and heritage conservation:

Residential Tax Credit

The proposed residential tax credit would provide owners of protected buildings with an annual credit on their municipal property tax levy for up to 15 years equal to 75 percent of each year's municipal property taxes.

An alternative mechanism to a tax credit would be the creation of a residential heritage tax sub-class for designated sites with an associated lower tax rate. The proposed tax credit has been refined since April (moving from a tax-back grant system) to achieve additional benefits as opposed to a differential tax class. As City tax systems are upgraded, future opportunities for a differential tax class should be revisited.

Non-Residential Tax Credit Program

At the 2020 April 1 Standing Policy Committee on Planning and Urban Development, a proposal was introduced for a non-residential conservation tax credit program. Additional analysis since April 1 indicates that a structured yearly increase to the existing city-wide grant program may have a similar or stronger impact. Providing increased incentive for non-residential resources through the existing grant program is also considered a more efficient approach to financial stimulus, without the upstart costs and challenges of introducing a new program.

Structured Increase to the City-wide Conservation Grant Program

In lieu of the non-residential tax credit, Administration recommends an increase to the existing Historic Resource Conservation Grant Program. The city-wide grant program would be increased from \$500,000 to \$2.5 million annually and the structure and terms of the grant program be amended to reserve \$2.0 million for non-residential projects and focus the existing \$500,000 on residential properties. For non-residential resources, the maximum matching grant amount would be increased from \$125,000 to \$1 million, supporting a much greater range of projects and types of heritage resources.

Project Scope

Additional to what has been described, certain parameters and limitations have been determined for this project based on a variety of factors, including alignment with the city-wide goals of the [Municipal Development Plan](#):

- All proposed tools and incentives focus on **built heritage** on **privately-owned sites**. Publicly-owned heritage buildings, streetscapes/boulevards, parks and cultural landscapes have existing mechanisms for protection and management, and changes are not in the scope of this project.
- Proposed heritage area policies do not attempt to restrict the allowable **use/activities** or **number of dwelling units** on a property.
- Heritage area policies are intended to apply to primarily low-density residential properties, and area boundaries will not overlap with Main Streets (identified as 'corridors' in the Municipal Development Plan). The unique physical and economic complexities of each mixed-use commercial corridor require planning initiatives distinct from the heritage area policies proposed in this project.

Financial incentives, existing and proposed with this report, would be available to legally-protected heritage resources along Main Streets.



18 Avenue SE, Ramsay

Heritage assets—currently without policy to incentivize retention, or promote specific compatibility from adjacent development

Next Steps

- The Public Hearing for the heritage conservation policy tools & financial incentives report will occur at the July 15, 2020 Standing Policy Committee on Planning and Urban Development.
- More information about the [Guidebook for Great Communities, Local Area Planning](#), or [Established Areas Growth and Change Strategy](#) is available through those project pages.
- For additional questions, or to provide direct feedback to the project team, please contact:

Project Lead

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[Left to right]
Blow Block (1909), and Dougall Block (1910)
Identified heritage resources— currently without legal protection preventing significant alteration or demolition



Windshield Survey Process & Criteria

The following pages of this report summary contain maps showing results of the 2019-2020 heritage asset windshield survey.

Windshield surveys are a commonly-used way to visually identify sites of heritage value within a large area, and refer to the typical method of a researcher evaluating properties from a vehicle on the adjacent street. Unlike research for the [Inventory of Evaluated Historic Resources](#), a windshield survey only captures visible heritage elements such as architectural style and design, and not [intangible values](#) such as significant people or events connected with a historic place.

The criteria and extent for the 2019-2020 Calgary windshield survey was established to prioritize certain areas and ages of historic buildings understood to have the greatest present need for conservation.

26 communities were selected for the survey, based on:

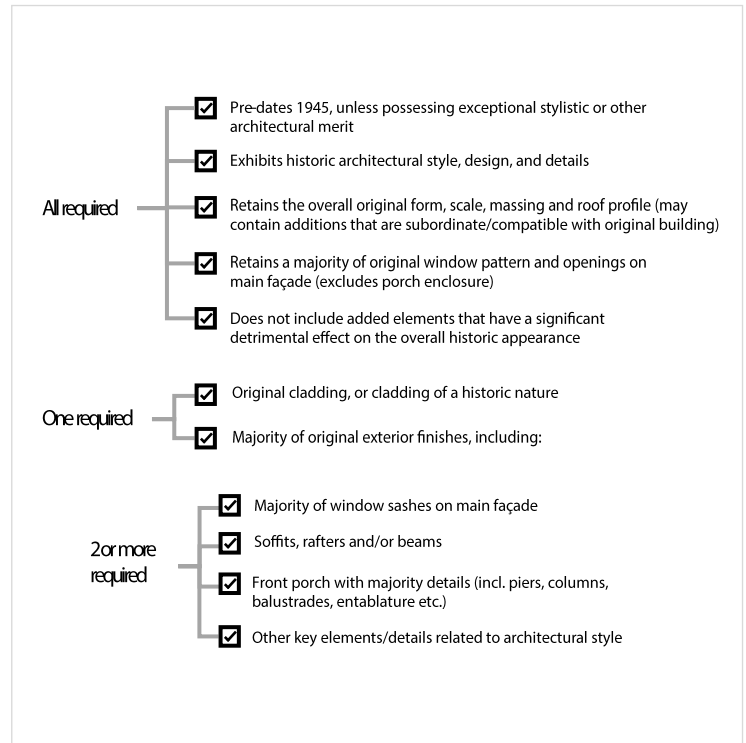
- Original development patterns observed in historic aerial photography
- City of Calgary building data showing the age of existing buildings within communities
- The likelihood of a particular community to experience significant growth and change within the near-future

Criteria for the survey was developed to identify buildings generally constructed prior to 1945, and substantially retaining identifiable historic architectural style, design and details. This pre-war period of historic buildings was determined as having particular merit for conservation at this time for the following reasons:

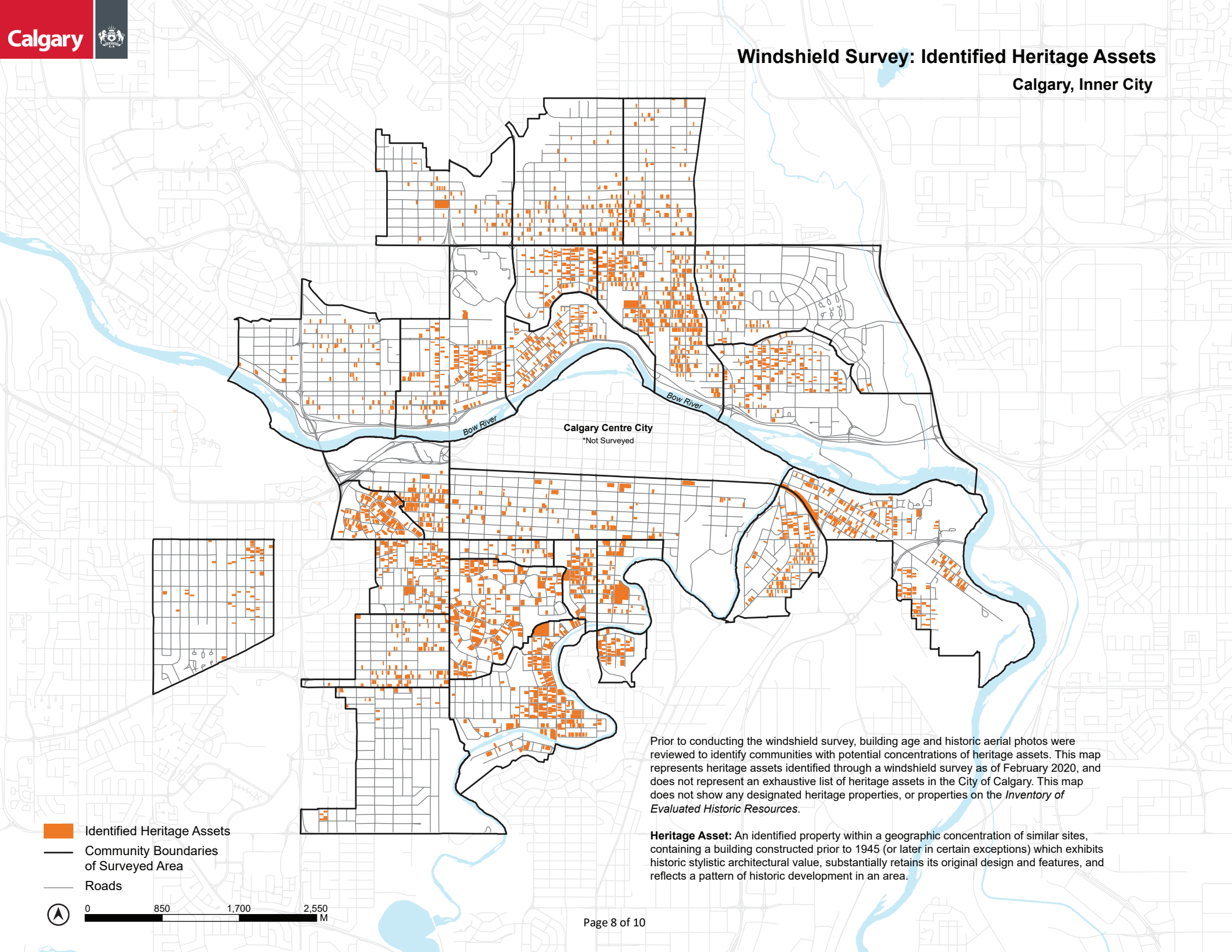
- Buildings of this period were generally constructed of high-quality and often irreplaceable materials such as old-growth lumber or locally-quarried stone
- Pre-war houses are typically smaller in size than comparable buildings of later eras, and have a greater likelihood of not being retained
- A significant number of buildings from this era have already been demolished, and only a limited sample remains in Calgary

Sites constructed after the 1945 cut-off date for the survey could be included as heritage assets only if determined to have exceptional stylistic or other architectural merit. Those sites, or other potential sites of significance not identified on the survey may be suggested to [Heritage Calgary](#) as candidates for the *Inventory of Evaluated Historic Resources*. If placed on the *Inventory*, these sites would become eligible for the widest array of conservation tools and incentives.




Windshield survey data continues to be monitored to account for changes resulting from demolition and redevelopment.



Heritage Asset Identification Criteria



Calgary Centre City
*Not Surveyed

-  Identified Heritage Assets
-  Community Boundaries of Surveyed Area
-  Roads



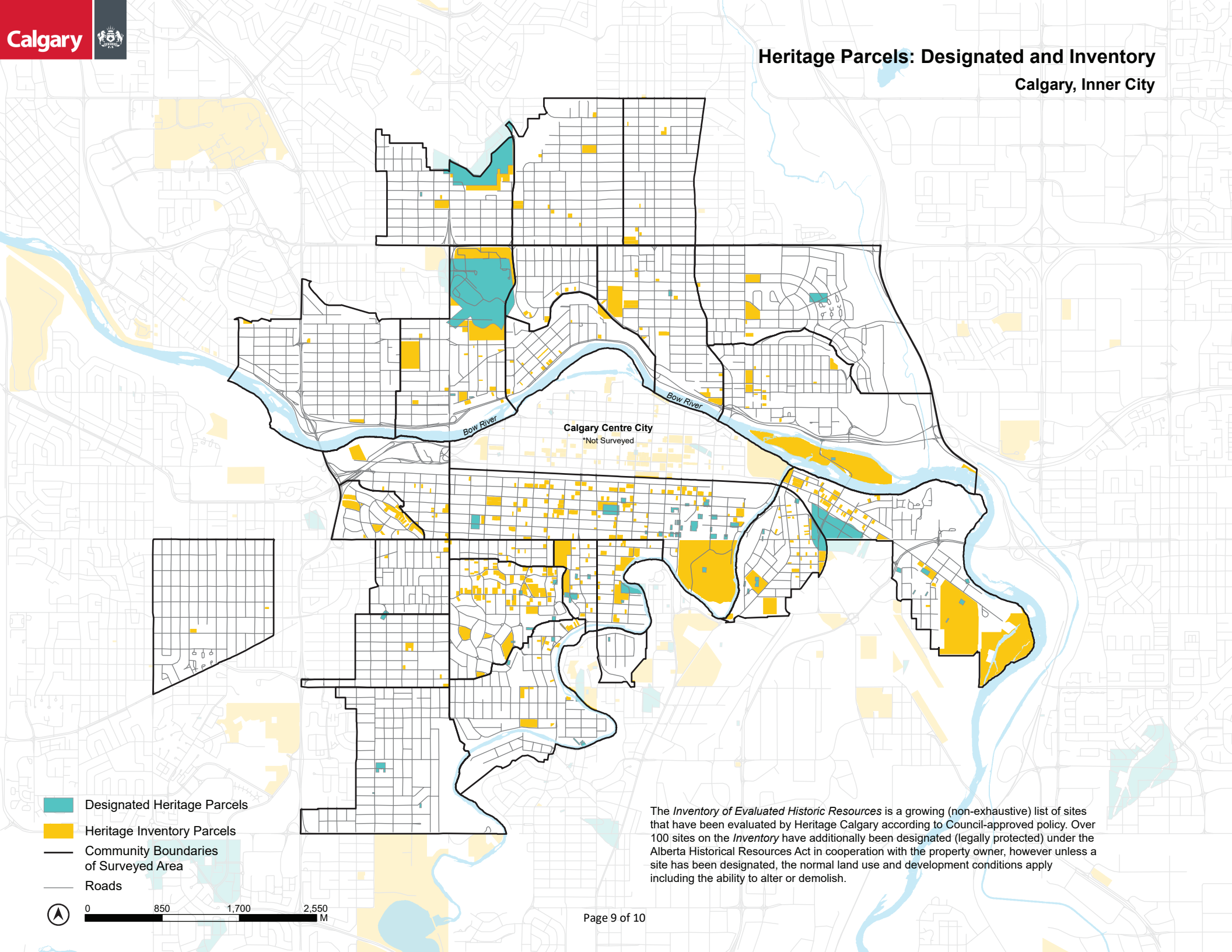
Prior to conducting the windshield survey, building age and historic aerial photos were reviewed to identify communities with potential concentrations of heritage assets. This map represents heritage assets identified through a windshield survey as of February 2020, and does not represent an exhaustive 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



- Designated Heritage Parcels
- Heritage Inventory Parcels
- Community Boundaries of Surveyed Area
- Roads

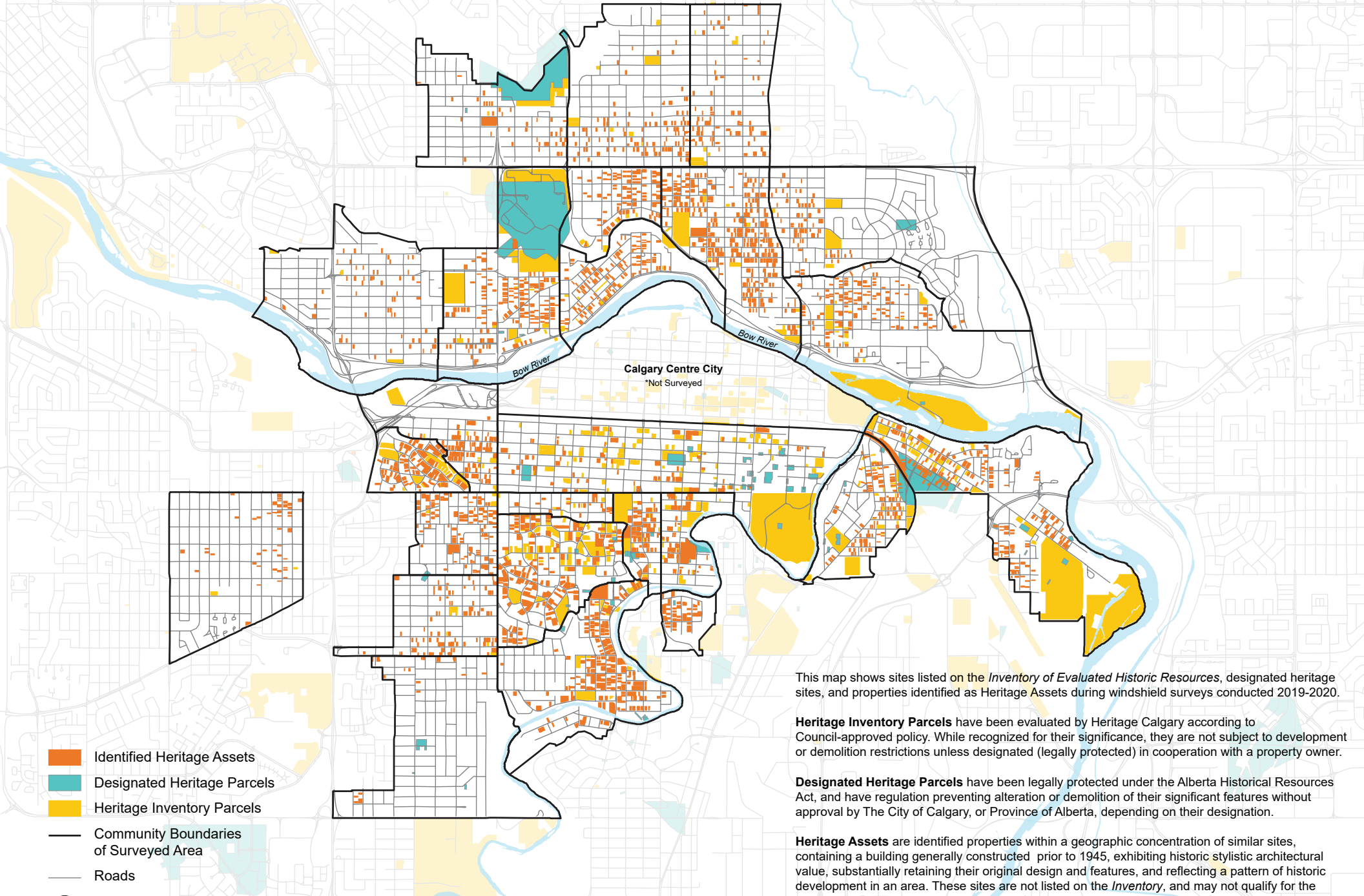


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The *Inventory of Evaluated Historic Resources* is a growing (non-exhaustive) list of sites that have been evaluated by Heritage Calgary according to Council-approved policy. Over 100 sites on the *Inventory* have additionally been designated (legally 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



This map 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, 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.