



Committee of the Whole Report

For the Meeting of January 24, 2019

To: Committee of the Whole **Date:** January 10, 2019
From: Andrea Hudson, Acting Director, Sustainable Planning and Community Development
Subject: **Citizen-Led Heritage Conservation Areas Policy**

RECOMMENDATIONS

That Council:

1. Adopt the Citizen-Led Heritage Conservation Areas Policy appended to this report as Attachment A.
2. Direct staff to report back on the policy's effectiveness after two years.
3. Direct staff to form a working group comprised of Community Association Land Use Committee (CALUC) members, citizen representatives and heritage advocates to develop recommendations for improvements to the City's heritage program and strategies for increasing awareness, comprehension and appreciation of heritage conservation in the City of Victoria.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations on a proposed new Citizen-Led Heritage Conservation Areas (HCA) Policy, which establishes a standardized process for the identification and evaluation of new HCAs in the City of Victoria. Under the proposed policy, the City will rely primarily on citizen nominations to identify new HCAs, independent of neighbourhood planning or other initiatives.

The new policy invites local citizens and heritage advocates to identify new HCAs using a nomination form the City has prepared. City Staff would assess the heritage merits of nominations and subsequently work closely with the nominators to consult the property owners who would be affected. After receiving a nomination, City staff will evaluate the borders of the proposed new HCA, present the nomination to the local Community Association Land Use Committee (CALUC), assist the nominator in leading a community consultation event, and administer a survey to affected property owners to determine the level of community support. City Staff will then bring the survey results and HCA nomination to Council for authorization to study the area as a potential HCA. If Council determines that there is sufficient community support and concurs with the preliminary heritage rationale, staff will proceed to study the HCA in detail with the involvement of the nominator. Once a draft HCA bylaw is prepared, staff will convene a second consultation meeting focused on the proposed protected features, guidelines and exemptions and make the bylaw available online for comment. The new HCA bylaw would be brought to the Heritage Advisory Panel for review and then to City Council for adoption and inclusion in the *Official Community Plan* (OCP).

Though the new policy emphasizes community initiative, it preserves the City's ability to proactively identify HCAs in unique cases. The draft policy also identifies a range of alterations that would be automatically exempt from the heritage alteration permit process, such as interior renovations, the construction of small rear additions on non-corner lots, rear yard garden suites, exterior painting, roof replacement, landscaping, rear deck construction and routine maintenance.

The policy fulfills a May 10, 2018 motion from Council directing staff to use the experience of working with the Robert Street residents in Victoria West to develop a city-wide policy on citizen-led HCAs.

PURPOSE

The purpose of this report is to present Council with information, analysis and recommendations on a proposed new Heritage Conservation Areas Policy, and to update Council on the progress of the Robert Street HCA.

BACKGROUND

On May 10, 2018, Council passed the following motion concerning the Victoria West Neighbourhood Plan:

That the following bylaw be adopted:

1. Official Community Plan Bylaw, 2012, Amendment Bylaw (No. 25) No. 18-056 with the following amendment:

Remove the properties on the east side of Robert Street from Traditional Residential Sub-Area 2 (South of Esquimalt Road) and re-designate them as Traditional Residential Sub-Area 6 (General Areas).

That Council approve the Victoria West Neighbourhood Plan, 2018, and rescind the Victoria West Neighbourhood Community Plan (1988).

Direct staff to work with residents of Robert Street in the creation of a heritage conservation area, and to use the information and experience from the Robert Street process to inform a city-wide policy.

The proposed new Citizen-led Heritage Conservation Areas Policy is a direct outcome of this Council motion.

Provincial Legislation

Heritage Conservation Areas (HCAs) are a planning tool available to municipalities under section 614 of the *Local Government Act* (LGA) for the purpose of protecting, preserving or enhancing the *heritage value* or *heritage character* of a group of related properties that have collective historical significance. *Heritage value* is defined in the LGA as the historical, cultural, aesthetic, scientific or educational worth or usefulness of property or an area. *Heritage character* is the overall effect produced by traits or features which give property or an area a distinctive quality or appearance. HCAs are designated through a bylaw within the OCP. Included in the designation is a heritage rationale, conservation objectives, and guidelines for achieving the conservation objectives.

When an owner proposes to subdivide land, start construction of a building, alter a building, structure or land or alter a feature that is protected under the bylaw, the work will require a heritage alteration permit. The City is also able to specify exemptions from the permit requirements.

Like a bylaw designating an individual property, a bylaw designating an area as an HCA must contain a description of the features that justify the establishment of a Heritage Conservation Area. This would take the form of a Statement of Significance with an accompanying list of character-defining elements that determine the conservation priorities for the area.

The LGA requires that the City hold a public hearing prior to the adoption of the bylaw and that affected owners be notified at least 10 days in advance.

Provincial Guidelines

The provincial document *Heritage Conservation: A Community Guide* encourages municipalities to rely on local communities to identify new HCAs. It also states that municipalities should consult with property owners when considering a new HCA and consult on the control mechanisms in the bylaw.

Fairfield and Gonzales Neighbourhood Planning

Staff identified several potential HCAs during the Fairfield and Gonzales Neighbourhood Planning exercises; however many residents were alarmed over what they interpreted to be a top-down approach to creating new HCAs. Citizens were concerned with the unknown effects of heritage protection on property values and home insurance. This experience has also informed some of the considerations for this policy initiative.

ISSUES AND ANALYSIS

A new Citizen-Led Heritage Conservation Areas (HCA) Policy is proposed (Attachment A), which establishes a standardized process for the identification and evaluation of new HCAs in the City of Victoria. Under the proposed policy, the City will rely primarily on citizen nominations to identify new HCAs, independent of neighbourhood planning or other initiatives. Also attached to this report are the nomination form (Attachment B), survey template (Attachment C), property owner fact sheet (Attachment D), and property evaluation checklist (Attachment E). The following analysis and issues informed the policy content.

1. Assessment Criteria for New HCAs

The new HCA policy proposes several criteria for assessing its heritage merit. In developing the assessment criteria, staff reviewed conservation practices in other cities, including Portland, San Francisco, Toronto, Montreal, Halifax, Vancouver and New Westminster. All proposed criteria are consistent with the definitions of *heritage value* and *heritage character* under the LGA, and consistent with conservation best practices in cities across North America. The proposed criteria include the following:

- a. A proposed heritage conservation area should consist of multiple contiguous properties, preferably including properties on both sides of a public street
- b. A majority of properties in an HCA should have a shared heritage value or set of heritage values
- c. A majority of properties within an HCA should have cohesive heritage character, embodied in a set of shared traits or features that give the area a distinctive quality or appearance.

The above criteria propose that in order to qualify as an HCA, an area should include multiple historic resources close together so that a viewer recognizes them as a cohesive group. An HCA with heritage properties on both sides of the street will appear more complete. The majority of properties that surround a viewer should also have recognizable heritage characteristics in common to qualify.

In order to evaluate whether an individual property within the proposed HCA qualifies as having heritage value, staff are proposing an intuitive points-based evaluation, included as Attachment E. The template establishes a points-based system for buildings and non-architectural features. If a building or other heritage feature first appeared during the area's "period of significance", the time frame in which the majority of significant buildings or features appeared, it is awarded an automatic number of points. The property is then assessed for the number of original characteristics it displays. Based on the outcome of this assessment of integrity, a property will be deemed either a "contributing" or "non-contributing" status. Non-contributing buildings would be exempt from heritage alteration permits until such time as they are demolished and a new building proposed.

2. Minimum Required Level of Community Consultation

The proposed new HCA policy exceeds the minimum consultation requirements under the LGA, and conforms to the recommended municipal procedure for designating new HCAs under the provincial document *Heritage Conservation: A Community Guide*.

Under the new policy, citizens would be responsible for identifying new HCAs. They would be encouraged to engage with their neighbours when developing the nomination. After receiving a nomination, the City would proactively hold a consultation and information forum with property owners, well before a bylaw is prepared and the statutory public hearing is held. Following initial consultation, City staff would administer a survey to determine community support. Survey results and preliminary research would be presented to Council for their consideration in deciding whether or not to initiate the HCA research process. If approved, staff would develop the HCA bylaw and hold a second consultation meeting prior to bringing the draft bylaw to the Heritage Advisory Panel for their recommendations, and then to Council for final approval.

Staff sent draft versions of the new HCA procedure to CALUC leaders in August 2018 for comment, and hosted a consultation meeting at City Hall on September 17, 2018. Participants commended the City for initiating a community dialogue about the heritage program and for using civic engagement as the foundation for the new HCA procedure. Similar to the feedback received from affected property owners during neighbourhood planning in Fairfield and Gonzales, participants were concerned that HCAs negatively impact property values; however, none of the numerous Canadian studies investigating this issue support the claim. Participants also raised concerns about the heritage thematic framework and *Standards and Guidelines for the Conservation of Historic Places in Canada*, which are outside the scope of this procedure. In response to some of the wider concerns about the City's heritage program, however, staff suggest forming a working group to examine the issue of heritage literacy and develop strategies to improve the heritage program and improve public perceptions of heritage in the City. Staff are also working on improvements to the website to provide information on the relationship between conservation and property values and will solicit feedback on this issue from the proposed working group.

In direct response to comments at the September meeting, staff have increased the level of consultation under the proposed procedure to include a second consultation meeting once the draft HCA bylaw and guidelines are prepared, and to require that the draft HCA bylaw and guidelines be posted on the City website before the second consultation meeting for comment. Staff presented the revised policy to the CALUCs a second time on November 29, 2018. CALUC members approved of the revisions and did not request further changes.

3. Update on Robert Street HCA Pilot

Staff worked with the leading proponent of the proposed Robert Street HCA on the development of the HCA nomination form and the development of the policy itself. An early version of the policy required a minimum percentage of residents on a public street to support an HCA in order for it to move forward. Feedback from the Robert Street residents resulted in the removal of this requirement.

The nominator of the Robert Street HCA organized a walking tour of the street on August 8, 2018 for all affected residents. Most residents were present. Staff attended this walking tour and provided information about HCAs at the time. Residents did not express concern or opposition to a potential HCA on Robert Street. A follow-up meeting took place on September 23, 2018, where staff delivered a more comprehensive overview of the proposed HCA, including the preliminary rationale and the potential implications of an HCA bylaw for homeowners. Residents were broadly supportive at this meeting as well. On December 3rd, staff sent out a survey to all affected homeowners and will report on the final outcome when requesting permission to study the street as a potential HCA.

Preliminary research suggests the street could be significant because of the relationship between key properties on the street and the Muirhead family, founders of the Victoria Planing Mill in 1875. It also has numerous, representative examples of wartime and Queen Anne Style housing.

4. Consultation with the Heritage Advisory Panel

Staff reviewed the draft policy with the Heritage Advisory Panel at their meeting of August 14, 2018 (minutes provided in Attachment F) and again on September 11, 2018. Panel members made the following comments:

- The new policy should not capitulate or reflect unsuccessful past HCA initiatives.
- Ensure that properties that do not fit the heritage character of the district are exempt from permit requirements from most alterations except demolition and construction of a new building.
- Develop a promotional strategy for the new policy.
- Remove requirement for a minimum level of support in order for an HCA to proceed.
- Preserve the City's ability to proactively identify HCAs.
- The heritage character evaluation template should not exclusively focus on architectural criteria or pre-modernist buildings.
- Do not distinguish between heritage and non-heritage properties using a chronological or "period of significance" approach. Some neighbourhoods may include properties with features that appeared outside of the period of significance of the majority of other properties, but that are still historically significant.
- Enable regulation of exterior painting of single detached houses where it is a character-defining element.

The current version of the heritage policy incorporates the majority of feedback received from Panel members. The Panel was concerned that a chronological or "period of significance" approach would exclude potentially significant features that are still part of the neighbourhood character, but were built at a different time than the remainder of properties. Staff altered the policy to allow for multiple periods of significance, anticipating circumstances in which more than one era of development is significant in the history of a neighbourhood. Despite the Panel's concerns over chronology, it is staff's opinion that clearly establishing a period of significance is critical to help

residents and decision-makers prioritize and distinguish heritage features of a neighbourhood from non-heritage features.

Staff intend to develop a promotional strategy for the new policy should Council endorse the policy.

OPTIONS AND IMPACTS

Option 1 (Recommended): That Council approve the staff recommendations. This option would provide clear procedures for citizens to follow and would facilitate a citizen-initiated approach to heritage conservation in which citizens would take on a leadership role.

Option 2: That Council decline the staff recommendations. This option is not recommended because it would mean that interested citizens would not have clear direction on how to pursue potential HCA's, or on how the City intends to pursue them in future.

2015 - 2018 Strategic Plan

The City of Victoria's Strategic Plan 2015-2018 identified citizen-led heritage conservation areas as a 2018 priority under Objective 3: Strive for Excellence in Planning and Land Use:

Citizens are aware of opportunities for heritage registration and for the development of citizen-led Heritage Conservation Areas, and are supported and guided by City staff

Adoption of the proposed new Heritage Conservation Areas Policy in conjunction with the subsequent communication strategy will achieve this objective.

Impacts to Financial Plan

Implementation of the new policy is unlikely to impact the existing financial plan. Existing traditional residential HCAs in the City of Victoria consist of a small number of properties. Staff expect new residential HCAs to fit this pattern, and should be able to manage the additional workload of assisting residents with research and formulating the Statement of Significance. In unusual circumstances or in the case of a large nomination, staff may recommend hiring a consultant. The cost implications would be presented to Council when staff request Council authorization to study the area.

Official Community Plan Consistency Statement

The OCP specifies its broad objectives for heritage conservation under Section 8: Placemaking - Urban Design and Heritage:

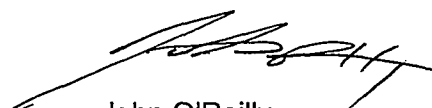
- 8 (i) That heritage values are considered in land management at every scale from sites to local areas
- 8 (j) That heritage property is conserved as resources with value for present and future generations
- 8 (k) That streetscape improvements include art in public places and reflect the culture and heritage of Victoria
- 8 (l) That heritage and cultural values are identified, celebrated, and retained through community engagement.

The new policy is consistent with these objectives, in particular policy 8(l).

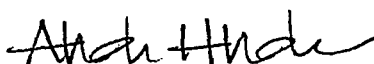
CONCLUSIONS

The proposed new HCA policy conforms to provincial legislation, to the provincial document *Heritage Conservation: A Community Guide* and to the OCP heritage policies. It establishes a standard procedure staff can use to process new requests for HCAs in Victoria. Approval of the new HCA policy fulfills one of the City of Victoria's 2018 target outcomes under the Strategic Plan 2015-2018 under Objective 3: Strive for Excellence in Planning and Land Use. Approval of the policy also fulfills a Council motion originating from the Victoria West Neighbourhood Planning Process. Staff therefore recommend that City Council approve the new Heritage Conservation Areas Policy.

Respectfully submitted,

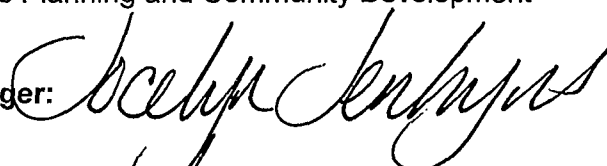


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Report accepted and recommended by the City Manager:



Date:

Jan 17, 2019

List of Attachments

- Attachment A: Heritage Conservation Areas Policy
- Attachment B: Heritage Conservation Areas Nomination Form
- Attachment C: Heritage Conservation Areas Survey Template
- Attachment D: Heritage Conservation Areas Fact Sheet
- Attachment E: Draft Heritage Conservation Areas Property Evaluation Checklist
- Attachment F: Heritage Advisory Panel Meeting Minutes, August 14, 2018.