

APPENDIX E

September 10, 2020

Susanne Thompson
Director of Finance
City of Victoria
#1 Centennial Square
Victoria, BC V8W 1P6

Re: 2021 Grant Funding Request

Dear Ms. Thompson,

The Victoria Heritage Foundation (VHF) respectfully submits our 2021 direct-award funding request as approved by our Board of Directors on August 25, 2020. VHF's 2021 request is the same as 2020 plus a **1.5%** (BC Stats for Victoria BC, July 2019-July 2020) cost of living increase. If approved, this increase of **\$3,402** would bring our annual funding from the City to **\$230,212**. This amount funds VHF grants to homeowners, education awareness projects and our operating costs. Construction costs for heritage conservation work have continued to increase significantly. Skilled trades shortages, building code and seismic requirements and hazardous material abatement contribute to rising costs.

Victoria has long recognized that heritage conservation is critical to maintaining its image as a vibrant city of distinctive neighbourhoods. The City of Victoria established the Victoria Heritage Foundation in 1983 to administer a financial grant program to support the conservation of Heritage-designated houses and encourage additional designations. The program has been successful for 37 years, with 89% of the City's 422 designated houses receiving at least one grant towards restoration, enhancement, and vital maintenance. Continued support for the grant program upholds the City's Official Community Plan policy commitment to enable and support heritage conservation through incentives.

Attached is the list of grants approved in March 2020, at which time, we allotted all available funds towards approved house grant applications. We currently have a waiting list for a possible September intake. VHF funded 50% of project costs to a maximum of \$25,000 although several projects exceed this maximum with the owners bearing the full cost. 2020 grant funding thus far has leveraged at least **\$217,242** in private investment. Grants were approved for houses in nine of Victoria's

neighbourhoods. VHF's incentives invest in community, small business and keep locals working.

VHF's 2019 Annual Report includes Financial Statements that document our yearly expenditures and budget allocations. The Annual Report is also available to view on our website.

In 2019, members and volunteers contributed over 2,100 volunteer hours towards the success of the Victoria Heritage Foundation. VHF undertakes educational projects including our comprehensive website, neighbourhood heritage walking tour brochures and the award-winning four-volume series *This Old House: Victoria's Heritage Neighbourhoods*, furthering knowledge and awareness of Victoria's built heritage. Our nine walking tour brochures are reprinted annually as required. VHF also assists the City's planning department with research for potential new designations when requested.

The Victoria Heritage Foundation is appreciative of the continued support from the City of Victoria. We would be pleased discuss this request at any time. Thank you for your consideration.

Respectfully,



Theresa McFarland,
Board President



Chris Hoggarth,
Treasurer



Brigitte Clark,
Executive Director

cc: Karen Hoese, Director, Sustainable Planning & Community Development
Andrea Hudson, Assistant Director, Sustainable Planning & Community Development
John O'Reilly, Senior Heritage Planner, VHF Board
Sarah Potts, Council Liaison, VHF Board

2020 VHF HOUSE GRANTS			
ADDRESS		PROJECT	GRANT
110	Medana	re-roof	\$12,500
27	Olympia	woodwork repairs east (back) wall	\$3,456
126	South Turner	gutters & downspouts	\$1,090
1209	Yukon	woodwork repairs	\$12,500
1310	Topaz	sleeping porch restoration	\$9,844
1421	Grant	paint west and south sides, MPDA	\$6,956
212	Raynor	window	\$1,374
1448	Pembroke St	12 new windows/repairs	\$6,486
1141	Fort St	window repairs, 11 storms	\$6,697
642	Battery St	part prep & paint, MPDA	\$3,989
953	Empress	8 basement storms	\$1,297
1320	Rockland	window repairs, storms	\$11,450
2131	Montrose	shingle siding, windows	\$12,500
1449	Elford	re-roof, storms	\$12,500
2645	Fernwood	19 storms including paint	\$5,919
242	Robert	woodwork repairs, paint west side, MPDA	\$6,925
155	Rendall	prep & paint, MPDA	\$13,231
252	Memorial	woodwork repairs	\$2,940
1140	Arthur Currie	window repair	\$3,938
1857-59	Fern	storms, door jamb	\$9,022
614	Seaforth	prep & paint main level, MPDA	\$9,402
1449	Pembroke	re-roof main	\$7,534
1260	Denman	chimney, prep & paint, MPDA	\$9,024
1270	Balmoral	front porch restoration, front seismic	\$9,918
435	Kipling	front door repair, 3 storms & install	\$1,249
25 GRANTS		@ 50% FUNDING	\$181,741

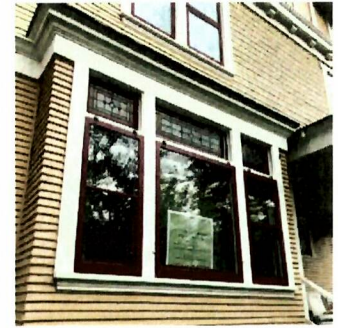
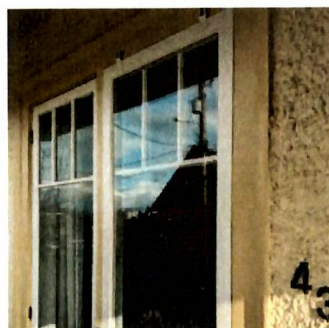
- Grants as of August 2020
- Second intake of applications September 2020 are not included



VICTORIA
HERITAGE
FOUNDATION

2019

ANNUAL
REPORT



circa 1880s



photo: BCAA-02793

1261-63 Richardson St
Oak Cottage, The Laurels, Green Gables

built: c.1874;
moved 1889 from Rockland Av

for: Joseph MacKay or
Robert & Mary Ward

Heritage-designated: 1990



VHF Grants

1994	prep & paint	\$4,796
2007	prep & paint, door repairs	\$4,227
2018	re-roof	\$10,000
2019	prep & paint	\$13,512



1977

photo: Hallmark Heritage Society Archives



1990

photo: Hallmark Heritage Society Archives



2019

photo: VHF House Grants files



2019

photo: VHF House Grants files



**2019 REPORT FROM
VICTORIA HERITAGE FOUNDATION PRESIDENT
Theresa McFarland**

The Victoria Heritage Foundation (VHF) has been responsible for administering the City of Victoria's residential grant program for heritage-designated houses since 1983. The economic incentives residents receive assist with the appropriate maintenance, repairs and rehabilitation of heritage homes. As a result, the City of Victoria is known for its charming and distinct heritage neighbourhoods and streetscapes.

In 2019, the VHF successfully increased the amount homeowners received for their grants, bringing the percentage up to 50%, and provided grants to 25 heritage conservation projects helping to preserve the City's heritage resources.

The Board would like to thank its council liaison, Councilor Sarah Potts, and Senior Heritage Planner, John O'Reilly, for their continued support.

The work of the House Grants and Education Committees are fundamental to the functioning, decision-making and administration of the VHF. These committees are only possible because of the generosity of the many volunteers who dedicate their valuable time, expertise and enthusiasm to the organization. On behalf of the Board, I would like to sincerely thank you for your contribution.

A handwritten signature in black ink, appearing to read "Theresa McFarland". The signature is stylized with a large, sweeping initial "T" and a long horizontal line extending to the right.

A BRIEF HISTORY OF THE VICTORIA HERITAGE FOUNDATION

The Victoria Heritage Foundation (VHF) is a not-for-profit organization under the Societies Act that supports owners of Heritage Designated buildings in the City of Victoria which were originally intended as single-family houses.

In 1978 the City of Victoria began allotting direct grants to heritage homeowners, through a system of tax rebates. In 1982 it was learned that the Municipal Act did not allow for such grants to be given directly to private individuals. The City then became the first municipality in BC to establish an arms-length, not-for-profit society, to administer City grant funds for Heritage Designated buildings. The Victoria Heritage Foundation was established in May 1983 to act on the City's behalf, using annual funds provided by the City, to disperse grants to owners of Heritage Designated residences towards rehabilitation costs.

The original 1983 Purposes of the Society, which just mandated the conservation of Heritage Designated houses, were amended by City Council to read:

- a) To promote, at the discretion of the Foundation, the conservation of buildings originally intended as single family or duplex residences, including ancillary buildings, which are protected heritage properties, situated within the boundaries of the City of Victoria, in the Province of British Columbia; and.*
- b) To undertake projects as defined by the Board of Directors of an educational nature for the promotion of the conservation of built heritage.*
- c) To raise funds to fulfill the objectives of the society.*

VHF began by sharing a space in the Carr House with the Hallmark Society. The office was then moved briefly to space at the University of Victoria. In January 1987 the VHF office was located on the top floor of the St. Ann's Academy building until 1988 when rehabilitation initiatives at St. Ann's began. Since then VHF has operated from the home offices of the Executive Director.

HOUSE GRANTS PROGRAM

In 1983 the Victoria Heritage Foundation assumed responsibility for administering the City's funding program to promote the conservation of Victoria's built heritage through the House Grants Program, husbanded carefully by the House Grants Committee.

This was the first such funding program in the Province of British Columbia, and it is still the most comprehensive program for houses. VHF's House Grants Program allocates grants on a priority basis for: structural work such as foundations and seismic upgrading, roofs, chimneys, gutters and drainage systems, exterior rehabilitation including preparation and painting, woodwork, windows and doors. Outbuildings, fences, gates and masonry walls, and specific interior features may be eligible if they are also designated and funding is available.

Between 1978 and 1982, under the City's direct tax rebate system, the reimbursement was up to 100%, depending on the cost of the work. From 1983 to 1990, the ratio was 50% for the most part. The rate then declined steadily, due to the increase in new house designations and applications, with no corresponding increases in the City grant until 2000. This resulted in a considerable reduction over the years in the actual ratio of grant to cost.

Grants are a percentage of total project costs and can vary from year to year based on the number of applications, cost of projects and the grant VHF receives from the City. In 2019 the grants were set at 50% of a maximum annual project cost of \$25,000 and \$25,000 of grant funds per 10 years per house. In 41 years, VHF and the City of Victoria have contributed to 1,389 projects for the rehabilitation and maintenance of 375 Heritage Designated and Covenant houses.

EDUCATION PROGRAM

The Education Committee became active in 1985. In 1997, at the request of the Education Committee, the Board sought permission from the City to look at the building plans stored in the City Hall attic, in order to produce a more fully researched update of our 1991 "James Bay Neighbourhood Heritage Walking Tour" brochure. These plans had never been catalogued and were found to contain a wealth of valuable historical information. Cataloguing of the building plans started in January 2000 with a great number of volunteers. The plans were completed in 2006 and volunteers continued to catalogue plumbing, water or building permits.

In 1999 the VHF's Education Committee began updating of the City's *This Old House* book, first published in 1978, and reprinted in 1984 and 1991. The Committee began by cataloguing the residential building plans, with the help of a \$15,000 grant from BC Heritage Trust. Work on *This Old House* began in 1999 with a student grant from Heritage Canada Foundation. VHF's Education Committee members and volunteers began their concentrated efforts towards this book in 2000. By 2003, it was realized that the new book would require several volumes to cover the then-600 buildings on the City's Heritage Register in the residential neighbourhoods, including churches, schools, commercial, institutional and apartment buildings (this number has now climbed to over 717). The fourth and final volume of *This Old House* was published in late 2009. The series has received four awards for outstanding achievement in Heritage Advocacy. The Victoria Heritage Foundation has on ongoing goal to update all four volumes as they sell out and new designations are added to the Heritage Register.

In 2002, VHF agreed with the City of Victoria's Heritage Planner to undertake the research for the new Heritage Designation and Register requests to the City, as the work also needed to be done for the *This Old House* project. Two separate contracts from the City for doing Statements of Significance on 28 houses also ensued in later years.

The first "Neighbourhood Heritage Walking Tour" brochure was initiated in 1991. To date there are nine "Neighbourhood Heritage Walking Tour" brochures, covering sections of Fairfield, Fernwood, James Bay (2), North Park, Hillside-Quadra, Burnside, Vic West and Oaklands.

VHF's do-it-yourself brochures were named "Your Old House" at the suggestion of heritage consultant and founding VHF Board Member Don Luxton. The first four were written and produced in 2000 in collaboration with the Heritage Society of BC (now Heritage BC) and with funding from BC Heritage Trust (now Heritage Legacy Fund). The Vancouver Heritage Foundation joined as a later partner in the process.

A series of lectures began through collaboration with Historic Seattle in 1998. Originally the Craftsmen Bungalow Society of Victoria took the major initiative for this, but VHF picked it up after four years, and the Craftsmen Bungalow Society of Victoria, an unincorporated group of Arts & Crafts enthusiasts, donated their residual profits to the VHF Education Committee.

"Your Old House Rehabilitation Workshops" have been coordinated in various ways since 1990, and since 1996, VHF has partnered with the Saanich Heritage Foundation.

This history of the Victoria Heritage Foundation is based on a report written in 2009 by Jennifer Nell Barr, Executive Director of VHF from 1986-2008.

ORGANIZATION

Board of Directors

The VHF Board of Directors is comprised of up to 15 members including the City's Heritage Planner and a representative from City Council. The Board meets one evening per month at City Hall to oversee the work of its Committees and to administer its programs. Board members should be informed of the programs and projects of the Board, as well as those of its Committees and other complementary organizations. They promote the Victoria Heritage Foundation in the community, demonstrate leadership and look for opportunities, while maintaining a long-range outlook.

House Grants Committee

House Grants Committee members are appointed by the Board. The Committee consists of volunteer inspectors that include professionals, trades people, homeowners and other interested persons, who have house construction, rehabilitation or related experience. House Grant Committee members meet one evening a month to draft policies and review grants. They provide the essential function of House Grant Inspectors, guiding both the homeowner and the Board regarding appropriate rehabilitation work. Inspectors make site visits before, during and after project completion. From February to April, new grant applications are reviewed and the yearly list of accepted projects is established. Members perform on-site inspections to ensure the work is being done according to the approved application. Upon project completion, inspectors provide reports to the Committee, Executive Director and the Board. VHF has established clear guidelines and priorities for approving applications. The House Grants Committee annually reviews policy issues and the program's "Application Guidelines & Conditions", and "Rehabilitation Requirements".

Education Committee

Education Committee members are appointed by the Board. The Education Committee promotes the preservation and public awareness of built heritage in Victoria. Projects to date have included: the production of educational booklets entitled "Your Old House" for rehabilitation and maintenance of elements of old houses; the development of "Neighbourhood Heritage Walking Tour" brochures; the cataloguing the City of Victoria's house plans & permits, and historical research and architectural descriptions on properties requesting Heritage Designation or Registration. The Committee has also produced and updated the four volumes of *This Old House*, detailing properties in the residential neighbourhoods on Victoria's Heritage Register. The Education Committee has sponsored special events such as lectures by renowned experts and Your Old House Workshops.

Administration

The administration and day-to-day operations of VHF are carried out by the Executive Director. This is a part-time contract position. While the VHF's mailing address is at Victoria City Hall, the Executive Director operates from a home office.

Volunteers

Volunteers are the backbone of this organization. Board members, Committee members and other volunteers continue to donate many hours to the work of VHF. Some volunteers work on specific or ongoing projects, while others volunteer as needed for special events. Volunteers are not required to attend meetings, although they are occasionally invited to meet Committee members and report on their projects. New volunteers and ideas for promoting the work of the Victoria Heritage Foundation in the community are always welcome.

2019 BOARD & COMMITTEE MEMBERS, CITY OF VICTORIA LIAISON, STAFF & VOLUNTEERS

Board of Directors

Theresa McFarland, VHF President, BC Govt, provincial heritage registrar
 Andrew Rushforth, VHF Vice-President, House Grants Committee co-chair, structural engineer
 Kim Peters, VHF Treasurer, chartered professional accountant (resigned December 2019)
 Stephen Lyons, VHF Legal Advisor, lawyer
 Colin Gareau, VHF Director, realtor
 Maggie Graham-Bell, VHF Director, conservator consultant
 Ben Schweitzer, VHF Director & House Grants Committee co-chair, project manager
 Keith Thomas, VHF Director & Education Committee chair, researcher
 Jeff Sheldrake, VHF Director, BC Govt, executive director
 Pamela Madoff, VHF Director, heritage advocate, retired City Councilor
 Sarah Potts, VHF Director, Council liaison
 Merinda Conley, VHF Director, senior heritage planner (resigned June 2019)
 John O'Reilly, VHF Director, senior heritage planner

House Grants Committee

Christine Belzile, joiner RSE
 Graham Leavett-Brown, retired structural technician (resigned December 2019)
 Veronica McEllister, architectural technologist
 Davyd McMinn, carpenter/woodworker
 Sean Nowak, joiner/woodworker
 Lee Ottewell, licensed building inspector
 Andrew Rushforth, structural engineer
 Ben Schweitzer, project manager

Education Committee

Jennifer Barr, retired heritage consultant
 Jackie Krismer, retired teacher
 Audrey Prendergast, retired librarian
 Keith Thomas, researcher
 John Veillette, retired museum collections manager

VHF Contract Staff

Brigitte Clark, executive director

Other Volunteers

John Adams	Mark Aitken	Colin Barr
Ron Greene	Russell Fuller	Robert Hill
Donald Luxton	Dorothy Mindenhall	Heather Morgan
Margaret Narain	Susan Nickum	Sherri Robinson
Nick Russell	Sharon Russell	Stuart Stark
Janet Stevens	Leona Taylor	Drew Waveryn
Greg Windwick	Jim Wolf	

2019 HOUSE GRANTS PROGRAM

Heritage buildings contribute to neighbourhood livability and quality of life. Heritage conservation provides environmental benefits - construction waste represents 20% of materials that go into landfills. In addition, well maintained heritage buildings give the City an economic boost from heritage tourism.

The Victoria Heritage Foundation's house grants help to offset the higher costs of rehabilitating and maintaining a heritage-designated property. VHF grants encourage homeowners to undertake appropriate rehabilitation of their property's character-defining elements. The grants help to ensure that the work is compatible with the character and era of the property and follows the *Standards and Guidelines for the Conservation of Historic Places in Canada*. These standards of heritage conservation aim to sustain heritage places for the long term, along with the many benefits they offer the community.

In recent years VHF has helped to fund many traditional exterior wood storm windows. Storms windows are sustainable retrofits that reduce carbon emissions and improve building performance while preserving the character-defining historic windows.

2019 was the second year in which VHF paint projects were inspected by the Master Painters and Decorators Association. This non-profit quality assurance company provided painters with detailed specifications for painting heritage houses and followed up with site visits and written reports before signing off on completed projects. The superior paint results are expected to last longer. Participating homeowners expressed appreciation for the professional oversight.

The grant percentage in 2019 was 50%. This was the funding percentage for many years after VHF was created in 1983. Since then grant percentages have decreased as demand outpaced the funding received from the City. It is hoped that the matching grants can be maintained in future years to assist with the significant increases in construction costs in recent years.

VHF and heritage homeowners are fortunate to benefit from the practical knowledge and commitment of our volunteer house grants inspectors. Their continued participation is valued and greatly appreciated.

The following page lists 2019 completed grants. A summary of statistics of the City of Victoria's funding assistance program for protected heritage houses over the past 41 years can be found on the last page of this report.

2019 HOUSE GRANTS



1231 Montrose Av
shingle siding repairs



602 Gorge Rd
structural seismic bracing

2019 HOUSE GRANTS

ADDRESS		PROJECT	GRANT \$
27	Olympia Av	5 windows & storms, woodwork repairs	\$12,500
1135	Catherine St	re-roof	\$12,500
1320	Rockland Av	58 storms	\$12,500
643-45	Niagara St	chimney, re-roof	\$9,342
2744	Avebury Av	repair 2 chimneys	\$4,410
135	Medana St	windows, storms	\$3,972
1964	Fairfield Rd	conservation report	\$1,500
1260	Denman St	re-roof	\$6,248
1052	Amphion St	prep + paint, original colours, MPDA	\$13,739
629	Niagara St	rebuild chimney	\$2,615
1444-48	Pembroke St	window repairs	\$1,322
1261-63	Richardson St	prep + paint, MPDA	\$13,512
1270	Balmoral Rd	restore front façade, engineer	\$12,933
1857-59	Fern St	window repairs	\$1,419
1231	Montrose Av	shingle repairs, original colour consult	\$4,455
1924-26	Belmont Av	prep + paint, MPDA inspection	\$13,635
1001	Terrace Av	window, door repairs	\$1,082
601	Trutch St	1 storm, shingles, stucco	\$2,542
43	Lewis St	7 storms	\$1,666
1490	Fairfield Rd	4 storms	\$1,079
2251	Lydia St	re-roof	\$5,775
865	Academy Close	stone wall repairs	\$1,916
2645	Fernwood Rd	2 sets new windows, 6 storms	\$9,778
602	Gorge Rd E	structural bracing & shoring	\$7,361
24 GRANTS		@ 50% FUNDING	\$157,801

- 28% of projects exceeded the VHF \$25,000 annual maximum project cost
- MPDA – Master Painters & Decorators Assoc.
- Grant amounts updated to June 2020

In 2019:

- 24 projects completed totaling \$157,801 in grants
- homeowners invested a minimum of \$407,628
- grants were 50% of project costs
- maximum eligible project cost was \$25,000
- average grant was \$6,575
- grants were approved in 9 neighbourhoods

2019 EDUCATION PROGRAM

The Victoria Heritage Foundation's Education Committee's mandate is, "to undertake projects of an educational nature for the promotion of the conservation of built heritage."

In 2019 VHF participated in community events that included the popular guided heritage walking tours of the Fernwood neighbourhood at their annual Fernfest. We always look forward to being part of Ross Bay Villa's BC Confederation Day event in their heritage garden.

This Old House

The last of the VHF's four volume award-winning *This Old House* series was completed in 2009. Since then, Volumes 1-3 have been updated several times as they sold out. Over 8,175 copies of *This Old House* have been sold to date.

In 2018 Volume Two - James Bay was updated and revised. The addition of archival images and descriptions of over 200 demolished buildings highlighted what the neighbourhood has lost over the years. This year work continued on updating and revising of Volume Three - Rockland, Burnside, Harris Green Hillside-Quadra, North Park & Oaklands. In 2019, dedicated volunteers spent over 1,650 hours working on *This Old House*.

Neighbourhood Heritage Walking Tour Brochures

In 2019 work was underway on VHF's tenth heritage walking tour brochure for the northern part of the Gonzales neighbourhood. Every year several thousand brochures are reprinted and distributed through Tourism Victoria's Visitor Centre, City Hall, the Central Branch of the Victoria Public Library and locations throughout the neighbourhoods. Online web map versions include photos of all the properties.

Website & GIS Map

The VHF website is often the first point of contact for those interested in Victoria's heritage. The website extends our reach well beyond the City of Victoria to those interested in historic architecture or social history. The text of VHF's *This Old House* volumes is accessible online through our award-winning GIS (Geographic Information System) map, combining locations with descriptions of the properties on the City of Victoria's Heritage Register.

Volunteers

In 2019 VHF members & volunteers contributed over **2,100 hours** towards the work of the Victoria Heritage Foundation.

Their commitment, time and expertise stretches our resources and promotes relationships that support heritage conservation. We are grateful for the continued support of our members and volunteers, without whom we could not have delivered our programs in 2019.

This Old House Volumes

1. Fernwood & Vic West (2013)
2. James Bay (2018)
3. Rockland, Burnside, Harris Green, Hillside-Quadra, North Park, Oaklands (2014)
4. Fairfield (2009)

Neighbourhood Heritage Walking Tours

1. James Bay № 1 - Emily Carr Walk
2. James Bay № 2 - Ogden Pt-Inner Harbour
3. Fernwood - Fernwood Village
4. Hillside-Quadra - Smith Hill
5. North Park - Central Park
6. Fairfield - Southwest Fairfield
7. Burnside - Burnside-Gorge
8. Vic West - Vic West-Gorge
9. Oaklands - Oaklands Rise
10. Gonzales - North Gonzales (2020)

Frequently Asked Questions Brochure

In 2019 VHF produced a FAQ brochure that was distributed to heritage homeowners, posted on the VHF website and displayed at events. An abbreviated version of the highlights is included here.

What's the difference between heritage-registered and heritage-designated?

Heritage properties within the City of Victoria are listed on an inventory called the Heritage Register. There are three main types:

Heritage-Designated

- property is legally protected through a bylaw
- designation is generally limited to the building exterior
- alterations to significant identified elements require approval through a Heritage Alteration Permit (HAP)

Heritage-Registered

- property is not legally protected, but recognized as having heritage value
- in the event of a redevelopment or demolition application, the City will make best efforts to encourage the owner to conserve the resource
- owner does not require a HAP, unless located within a Heritage Conservation Area

Heritage Conservation Area (HCA)

- property does not need to be heritage-registered or heritage-designated to be included
- in most cases, changes to a property in Heritage Conservation Areas require approval through a HAP

How does a property become designated?

- designation is almost always at the request of the homeowner
- the BC Local Government Act empowers municipal councils to designate properties through a bylaw registered on the title held with the provincial Land Titles Office

How does heritage conservation contribute to sustainable development?

- retention is the sustainable choice over demolition and replacement
- the greenest building is the one already built
- it takes at least 30 years before energy savings will be realized by building a new house rather than rehabilitating an old one

May I replace the original windows?

- traditional wood windows can be repaired and if maintained, have a lifespan of 200 years

- historic windows are often an important character defining element specifically identified in the property's SOS and in such cases, their replacement should be a last resort
- if replacement of any part of the window is deemed necessary, a Heritage Alteration Permit is required

What is the role of the Victoria Heritage Foundation?

- the Victoria Heritage Foundation (VHF) was established in 1983 as a City-funded, arm's-length not-for-profit society
- VHF administers the grant program for heritage-designated houses that were originally detached single-family or duplex

What type of projects can be funded by VHF?

Eligible projects may include, but are not limited to:

- structural work, foundation repair and seismic upgrading
- repair or restoration of original features including windows, doors, siding
- re-roofing
- exterior painting in historic colours
- masonry repointing and repair
- wood storm windows

Does VHF have a say in the paint colour if I get funding for a paint job?

- in general, both the colours and their placement are relevant to a funding decision
- funding for painting is contingent on the paint colours being appropriate to the design, age, style and locale of the building

What is the average percentage of funding provided by VHF?

- grants are a percentage of a maximum \$25,000 project cost per year
- VHF aims to fund up to 50% of the cost of rehabilitation

How often can I apply for a grant?

- homeowners can apply multiple years
- grants for any one house are generally limited to \$30,000 every 10 years

VICTORIA HERITAGE FOUNDATION

Financial Statements

For the year ended December 31, 2019

(Unaudited)

Anthony R. Lobmeier

Chartered Professional Accountant

REVIEW ENGAGEMENT REPORT

To The Board of Directors of Victoria Heritage Foundation

I have reviewed the accompanying financial statements of Victoria Heritage Foundation (the "Foundation") that comprises the statement of financial position as at December 31, 2019 and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which requires me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Victoria Heritage Foundation as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Victoria, BC
June 8, 2020

Chartered Professional Accountant



VICTORIA HERITAGE FOUNDATION
STATEMENT OF FINANCIAL POSITION

As at December 31, 2019

(Unaudited)

	2019	2018
ASSETS		
Current		
Cash (Note 2c)	\$ 146,720	\$ 139,390
Account receivable	972	1,900
GST receivable	1,513	2,937
Prepaid expenses	2,945	2,773
Inventory (Note 2d)	<u>1,773</u>	<u>3,495</u>
	<u>\$ 153,923</u>	<u>\$ 150,495</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 3,264	\$ 3,378
Grants payable	54,714	49,804
Deferred revenue (Note 3)	<u>-</u>	<u>298</u>
	57,978	53,480
NET ASSETS		
Net assets		
Unrestricted net assets	<u>95,945</u>	<u>97,015</u>
	<u>\$ 153,923</u>	<u>\$ 150,495</u>

On behalf of the board:

 Director
 Director

The accompanying notes are an integral part of
these financial statements

VICTORIA HERITAGE FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31, 2019

(Unaudited)

	2019	2018
Revenues		
Grant - City of Victoria	\$ 220,841	\$ 220,841
Publication revenue	1,860	5,144
Interest income	<u>1,317</u>	<u>983</u>
	224,018	226,968
Grants For Heritage House Restoration	<u>156,688</u>	<u>168,190</u>
	<u>67,330</u>	<u>58,778</u>
Expenditures		
Insurance	3,238	3,173
Memberships and dues	256	256
Office	2,753	2,704
Professional fees	2,921	2,921
Education Committee	810	495
Publication costs	1,740	4,375
Sub-contracts	56,169	54,882
Telephone	<u>513</u>	<u>503</u>
	<u>68,400</u>	<u>69,309</u>
Deficiency of revenues over expenditures	(1,070)	(10,531)
Unrestricted net assets, beginning of year	<u>97,015</u>	<u>107,546</u>
Unrestricted net assets, end of year	<u>\$ 95,945</u>	<u>\$ 97,015</u>

**The accompanying notes are an integral part of
these financial statements**

VICTORIA HERITAGE FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended December 31, 2019

(Unaudited)

	2019	2018
Cash flows from operating activities		
Excess (deficiency) of revenues over expenditures	\$ (1,070)	\$ (10,531)
Changes in non-cash working capital		
Accounts receivable	928	(1,085)
Inventory	1,722	(1,760)
Prepaid expenses	(172)	(41)
Accounts payable and accrued liabilities	(114)	583
Grants payable	4,910	14,238
Due from government agencies	1424	(1,488)
Deferred revenue	<u>(298)</u>	<u>(544)</u>
Cash flows from operating activities	<u>7,330</u>	<u>(628)</u>
Net increase (decrease) in cash	7,330	(628)
Cash, beginning of year	<u>139,390</u>	<u>140,018</u>
Cash, end of year	<u><u>\$ 146,720</u></u>	<u><u>\$ 139,390</u></u>

**The accompanying notes are an integral part of
these financial statements**

VICTORIA HERITAGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

(Unaudited)

1. Purpose of the organization

The Victoria Heritage Foundation ("the Foundation") was incorporated June 9, 1983 under the Society Act of British Columbia. The Foundation administers the City of Victoria's funding program for heritage houses. The purpose of the Foundation is to promote the conservation of buildings originally intended as single family or duplex residences, including ancillary buildings, which are protected heritage properties, situated within the boundaries of the City of Victoria, in the Province of British Columbia and to undertake projects of an educational nature for the promotion of the conservation of built heritage. The Foundation is a non-profit organization as described in paragraph 149(1)(l) of the Income Tax Act and therefore is not subject to either federal or provincial income taxes.

2. Significant Accounting Policies

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies:

a. Revenue Recognition

(i) Grants

The annual operating grant from the City of Victoria is recognized in revenue once the City advises the Foundation of the expected operating grant for the year.

Publication grants are recognized when the related publications are printed and available for distribution to the public.

(ii) Publications and services

Revenue is recognized at the time of shipment or when the service is rendered.

(iii) Interest income

Interest income derived from a cash savings account is recognized as received and from a redeemable guaranteed investment certificate accrued monthly.

b. Donated Services

The work of the Victoria Heritage Foundation is dependent on volunteer services. The value of donated services is not recognized in these statements.

c. Cash

Cash consists of bank deposits and short-term investments with maturity or redemption dates of less than 90 days. The short-term investment consists of a redeemable guaranteed investment certificate which is recorded at amortized cost, which approximates current market value.

d. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

e. Use of Estimates

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Actual results could differ from these estimates.

VICTORIA HERITAGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

(Unaudited)

3. Deferred Revenue

Deferred revenue represents grants received from the City of Victoria that will be spent in a subsequent year. Deferred revenue is outlined as follows:

	2019	2018
Grant - City of Victoria - This Old House Volume 1	<u>-</u>	<u>298</u>

4. Economic Dependence

The Foundation is economically dependent on an operating grant from the City of Victoria representing 98.6% of total revenue (2018- 97.3%).

5. Financial Instruments

Under the standards for recognizing and measuring financial instruments, all financial assets are classified into one of the following four categories: held for trading, held to maturity, loans and receivables or available for sale. All financial liabilities are classified into one of the following two categories: held for trading or other financial liabilities.

The Foundation's financial assets and liabilities are classified and measured as follows:

Asset/ Liability	Category	Measurement
Cash	Held for trading	Fair value
Accounts receivable	Loans and receivable	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Grants payable	Other financial liabilities	Amortized cost

Financial instruments measured at amortized cost are initially recognized at fair market value and then subsequently at amortized cost with gains and losses recognized in the statement of operations in the period in which the gain or loss occurs.

a. Fair Value of Financial Instruments

The fair value of a financial instrument is the estimated amount the Foundation would receive or pay to settle a financial asset or financial liability as at the reporting date.

The fair values of amounts receivable, accounts payable and accrued liabilities and grants payable approximate their carrying values due to their nature or capacity for prompt liquidation.

b. Risks and Concentrations

The Foundation is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Foundation's risk exposure at the balance sheet date.

VICTORIA HERITAGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

(Unaudited)

5. Financial Instruments (continued)

b. Risks and concentrations (continued)

(i) Cash flow risk

The Foundation is exposed to cash flow risk resulting from the possibility that future cash flows associated with a monetary financial instrument will fluctuate in amount. The exposure to cash flow risk arises from its deposits with a major credit union which earns interest at market rates. The Foundation has no interest bearing liabilities.

(ii) Credit risk

Credit risk is the possibility that other parties may default on their financial obligations. At year end, the maximum exposure of the Foundation to credit risk in cash was \$146,720 (2018-\$139,390). This risk is minimized by ensuring that the Foundation's funds are held in major financial institutions.

(iii) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to fund its obligations as they come due, including being able to liquidate assets in a timely manner at a reasonable price. The Foundation monitors forecasts of cash flows from operations and maintains its financial assets in the form of cash. Investment income is not a primary source of revenue. The Foundation has not entered into any derivative transactions.

(iv) Price risk

The Foundation is not exposed to significant price risks in the form of currency risk, interest rate risk or market risk as it has no material financial assets other than cash.

6. Remuneration

On November 28, 2016, the British Columbia Societies Act came into force. Included in the new Act is a requirement to disclose remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, the Foundation paid no remuneration to the Board of Directors, had no employees and had no contractors whose remuneration was in excess of \$75,000.

1978 - 2019 FUNDING FOR PROTECTED HERITAGE HOUSES

Year	No. of New Designated Houses	Total Designated Houses	City Funding \$	Administration & Education Costs \$	¹ Total House Grants Paid \$	Admin/Ed. & House Grants Spent \$	No. of House Grants	No. of 1 st -time House Grants	House Grant %	Minimum Paid by Designated Homeowners \$
1974	3	3								
1976	8	11								
1977	53	64								
<i>City of Victoria grant program for heritage-designated houses instituted 1978; funded by tax rebates</i>										
1978	11	75	48,866		48,866	48,866	19	18	100	
1979	7	82	55,470		55,470	55,470	27	25	100	
1980	7	89	81,198		81,198	81,198	36	17	100	
1981	3	92	92,591		92,591	92,591	30	7	100	
1982	2	94	35,942		35,942	35,942	12	6	100	
<i>Victoria Heritage Foundation created by Victoria City Council May 1983; City funds VHF through annual grant</i>										
1983	2	96	65,972	3,038	60,584	63,622	23	4	50	60,584
1984	10	106	73,081	20,833	41,849	62,682	21	8	50	41,849
1985	16	122	64,141	² 30,000	49,494	79,494	26	8	50-75	45,000
1986	16	138	62,404	7,000	49,273	56,273	22	4	50	49,273
1987	11	149	60,000	7,622	52,224	59,846	27	10	50	52,224
1988	8	157	77,000	7,559	68,190	75,749	24	7	50	68,190
1989	12	169	80,000	11,265	68,577	79,842	26	9	50	68,577
1990	8	177	80,000	10,380	74,751	85,131	29	15	50	74,751
1991	15	192	80,000	8,815	74,576	83,391	27	12	40	111,864
1992	6	198	80,000	9,748	65,897	75,645	27	10	30	153,760
1993	8	206	80,100	10,847	71,562	82,409	30	6	33	143,124
1994	6	212	80,100	8,634	74,483	83,117	24	9	45	91,035
1995	10	222	80,100	9,564	69,225	78,789	28	13	35	128,561
1996	9	231	80,100	10,823	73,449	84,272	31	7	35	136,405
1997	9	240	80,100	14,870	65,203	80,073	35	9	25	199,617
1998	5	245	80,100	14,592	62,491	77,083	33	8	25	204,303
1999	20	265	80,100	20,990	58,736	79,726	31	6	25	196,812
2000	16	281	105,000	34,607	70,309	104,916	34	9	25	281,236
2001	18	299	118,000	39,187	78,255	117,442	39	14	29	269,875
2002	14	313	125,000	56,831	71,311	128,142	38	16	25	285,244
2003	12	325	125,000	43,043	73,957	117,000	34	7	25	295,828
2004	9	334	128,775	38,546	74,777	113,323	37	7	20	373,885
2005	7	341	136,351	82,200	83,811	166,011	49	12	20	419,055
2006	6	347	151,059	50,164	91,397	141,561	45	13	25	365,588
2007	11	358	168,746	103,043	123,770	226,813	51	9	27	422,607
2008	11	369	175,809	65,484	114,344	179,828	52	12	23	497,148
2009	5	374	196,139	124,836	98,900	223,736	42	10	25	395,600
2010	8	382	194,452	63,149	85,603	148,752	36	7	25	342,412
2011	6	388	189,368	62,990	135,378	198,368	38	2	30	451,260
2012	8	396	189,368	69,077	157,341	226,418	50	7	30	524,470
2013	8	404	193,931	62,729	181,023	243,752	53	11	35	517,209
2014	6	410	191,734	63,399	172,243	235,642	48	7	35	505,456
2015	1	411	189,368	63,579	131,277	194,856	39	3	35	375,077
2016	7	418	205,000	65,905	143,599	209,504	36	9	34	422,350
2017	0	418	210,125	63,034	124,677	187,711	25	0	38	328,097
2018	2	420	220,841	69,309	166,404	235,713	31	1	40	416,010
2019	1	421	220,841	68,400	157,801	226,201	24	1	50	407,628
Totals	421	421	\$5,041,272	\$1,796,092	\$3,730,808	\$5,226,900	1,389	375		\$9,721,964

¹ House Grant figures differ from Financial Statements, which show House Grants approved for the year, minus cancellations.

circa 1880s



photo: BCAA-02793

1261-63 Richardson St
Oak Cottage, The Laurels, Green Gables

built: c.1874;
moved 1889 from Rockland Av

for: Joseph MacKay or
Robert & Mary Ward

Heritage-designated: 1990



VHF Grants

1994	prep & paint	\$4,796
2007	prep & paint, door repairs	\$4,227
2018	re-roof	\$10,000
2019	prep & paint	\$13,512



1977

photo: Hallmark Heritage Society Archives



1990

photo: Hallmark Heritage Society Archives



2019

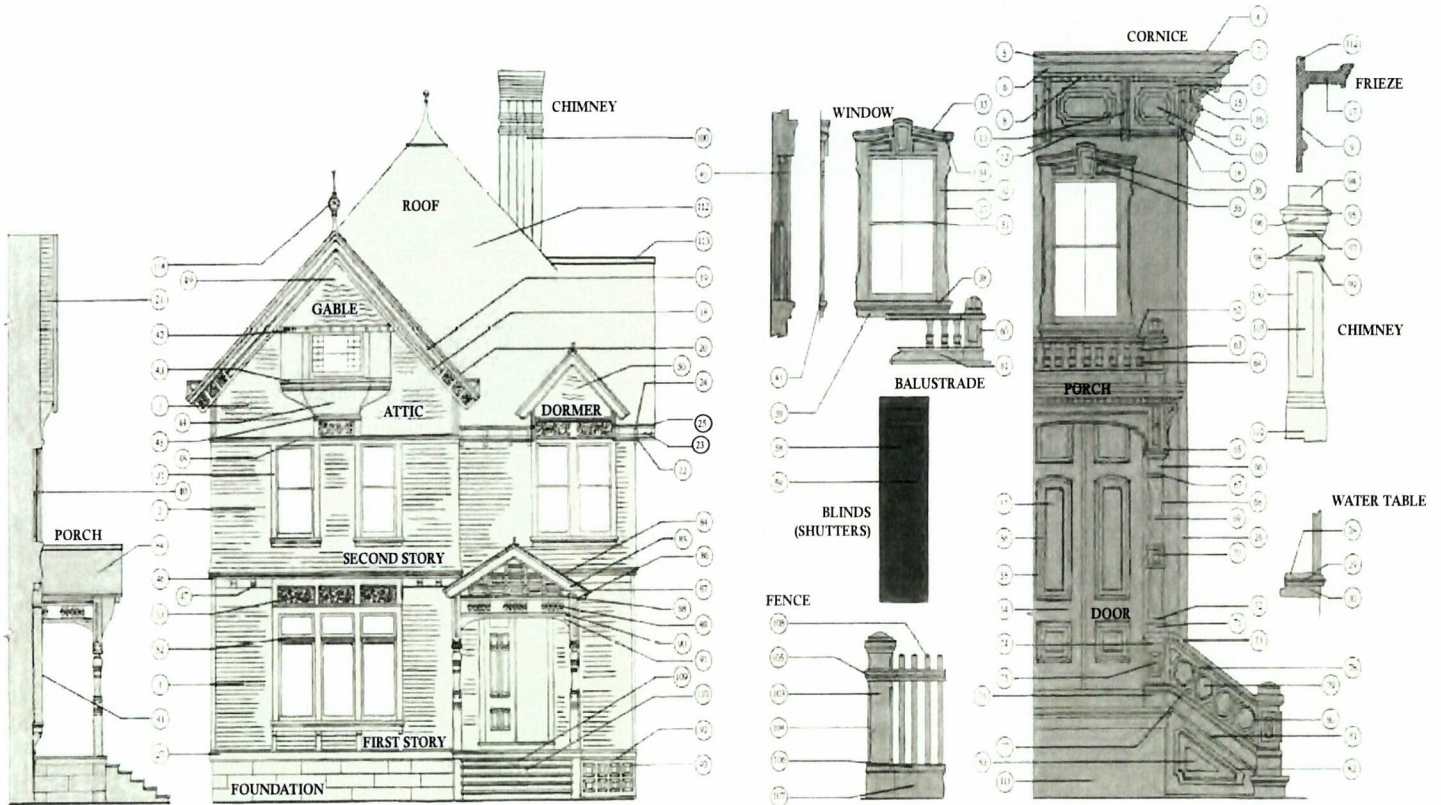
photo: VHF House Grants files



2019

photo: VHF House Grants files

ILLUSTRATED ARCHITECTURAL TERMS



for larger version, see VHF website

BODY

1. First story
2. Second story
3. Attic

CORNICE

4. Edge of crown mould
5. Crown
6. Fascia
7. Bed Mould
8. Dentils
9. Frieze
10. Panel Mould
11. Panel
12. Architrave
13. Sunk face of bracket
14. Raised face of bracket
15. Bracket panel
16. Bracket margin
17. Bed
18. Face rafter margin
19. Face rafter mould
20. Eaves mould
21. Soffit
22. Foot pieces
23. Gutter pieces
24. Gutter face
25. Gutter cap
26. CORNER BOARD

27. WATER TABLE

28. Slope
29. Edge
30. Face
31. WINDOW FRAME OR CASING
32. Face
33. Cap Filler
34. Cap mould
35. Cap panel
36. Keystone
37. Chamfer
38. Sill
39. Apron
40. Reveal
41. Edge
42. Cornice
43. Sill Mould
44. Cove
45. Base Mould
46. BELT COURSE
47. BEAM ENDS
48. MOULD UNDER ATTIC
49. GABLE OVER ATTIC WINDOW
50. DORMER GABLE

51. WINDOW SASH

52. WINDOW TRANSOM
53. CUT WORK
54. Stiles and Rails
55. Mould
56. Receding part of panel
57. Projecting part of panel
58. Slats
59. Frame
60. Balustrade post
61. Balustrade base
62. Balustrade rail
63. Receding part of baluster
64. Projecting part of baluster
65. Abacus
66. Capital
67. Neck mould
68. Chamfer
69. Shaft flutings
70. Rosette
71. Plinth
72. Plinth mould
73. Rail
74. Dado
75. Dado panel

76. Base

77. Base mould
78. Ornamental rail
79. Ornamental panel
80. Ornamental chamfer
81. Bead below steps
82. Panel mould below steps
83. Panel below steps
84. Roof
85. Face rafter
86. Gable rail
87. Gable panels
88. Plate
89. Cornice balusters
90. Cornice rail
91. Cornice curve
92. Rails below
93. Panels below
94. Top of cap
95. Crown mould (corbelling)
96. Fascia (corbelling)
97. Bed mould (corbelling)
98. Frieze of cap
99. Architrave

100. Shaft

101. Panels
102. Base
103. Post
104. Post chamfer
105. Upper rail
106. Lower rail
107. Base
108. Pickets
109. Tread mould
110. Riser
111. FOUNDATION
112. ROOF
113. Cresting
114. Finial



Victoria
**CIVIC
HERITAGE
TRUST**

Mayor and Council
City of Victoria
1 Centennial Square
Victoria BC V8W 1P6

12 October 2020

**Victoria Civic Heritage Trust
2021 Capital and Operating Direct-Award Funding Requests**

Dear Mayor Helps and Council Members:

As requested by the department of Sustainable Planning and Community Development, the Victoria Civic Heritage Trust (VCHT) respectfully submits our **2021 Expenditure Budget**, approved by our Board of Directors on 5 October 2020. The 2021 Capital request is for **\$920,000.00**, the same amount as received in 2020. The 2021 Operating request is for **\$118,850.00**, the same as 2020 plus a 2% cost of living increase.

We appreciate that Council faces difficult budget decisions. This letter provides a summary of 2020 projects, a plan in 2021 to contribute to the pandemic economic recovery of downtown, multi-year projections for 2021 and 2022, direct-award requests, and background information. We look forward to making a presentation soon.

The VCHT Board of Directors is very pleased to continue to work with Councillors Jeremy Loveday and Charlayne Thornton-Joe, both of whom provide excellent advice and strong support for Victoria's heritage.

2020 REPORT TO DATE: High Demand and Owner Confidence

The VCHT Board is very grateful to Council for approving an increase in Capital funds to the Building Incentive Program (BIP) in 2020. This proved to be a prescient move and especially important in this most challenging year caused by the pandemic and its impact on downtown businesses. Demand for heritage incentive funds has never been higher, even during the pandemic lockdown and its aftermath. Owners of downtown heritage properties have expressed continued confidence to proceed despite uncertain times.

During the pandemic the Board and staff have felt an even greater urgency to keep the high demand for applications moving forward as quickly and smoothly as possible for the benefit of downtown and heritage property owners. 2020 has been an exceptionally busy year, seeing an increase in applications and funds awarded. Funding in 2020 for BIP and the Parapet Incentive Program (PIP - for seismic upgrading) represents a range of heritage projects in various locations in and around the downtown core – see attached project list.

Total funds expected to be awarded in 2020 is approximately **\$1,056,000.00**, which exceeds the 2020 Capital direct-award funding of **\$920,000.00** provided by the City of Victoria. By September 2020, **\$622,059.66** was already awarded through **twenty-two applications** processed under BIP and PIP, plus an estimated **\$434,000.00** in more BIP and PIP funding projected to be awarded by the end of 2020.

Of special note is work approved in early 2020 and completed during the pandemic on the three buildings comprising the Adelphi Block at the corner of Yates and Government Streets. Heritage conservation work was funded by BIP; voluntary seismic upgrading of parapets and wall-to-floor connections to improve life safety was funded by PIP. This project was an immediate success with high impact on a prominent corner, resulting in full occupancy of new rental residential units and ground level commercial spaces.

PLAN FOR 2021: Contribute to Pandemic Economic Recovery of Downtown

In previous presentations the VCHT has demonstrated how heritage incentive funding is directly related to economic development in the context of building a thriving and diverse local downtown business community, creating mixed types of downtown residential living, upgrading existing buildings for improved safety and sustainability, and enhancing the city's unique heritage character for local residents and visitors alike.

The plan for 2021 is twofold: 1) approve funds on heritage conservation projects to help downtown regain its vitality and recover economically from effects of the pandemic; 2) meet demand in order not to lose the opportunity to continue the important work of quality heritage conservation and voluntary seismic upgrading.

MULTI-YEAR PROJECTIONS: Capital funds for 2021 and 2022

We anticipate continued high demand in 2021 and 2022 based on enquiries to the VCHT and the City's Senior Heritage Planner. In 2021 the VCHT projects **\$1,749,062.50** in funding awards based on approximately twenty-one applications. In 2022 a further **\$1,548,500.00** is projected for approximately sixteen applications. Potential projects for 2021 and 2022 are listed on pages 2-3 of the attached 2021 Expenditure Budget. This list includes heritage buildings located in various neighbourhoods in the city.

The intent of presenting the multi-year projections is to submit the same direct-award Capital fund request of **\$920,000.00** in each of the next two years to meet demand and to maintain a workable balance in the BIP fund. Projected applications in 2021 would leave a BIP fund balance next year-end of \$578,564.24, which would be carried into 2022 toward the anticipated demand of approximately \$1,548,500.00.

2021 CAPITAL REQUEST

We respectfully submit our **2021 Capital** direct-award funding request of **\$920,000.00** for the purposes of BIP and PIP, and to assist with the City of Victoria's Heritage Tax Incentive Program. The direct-award funding request is the same amount as received in 2020.

2021 OPERATING REQUEST

We respectfully submit our **2021 Operating** direct-award funding request of **\$118,850.00**, which is the amount received in 2020 plus a 2% cost of living adjustment, as per 2020 and previous years. Note: with the amount requested, the VCHT will continue to operate on a deficit basis as it has for a number of years.

BACKGROUND

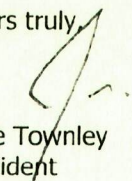
The VCHT was established by the City of Victoria in 1989 as a civic vehicle to administer Building Incentive Program funding, and subsequently to assist with the City's Tax Incentive Program, for the conservation and rehabilitation of downtown heritage buildings and to preserve Victoria's community heritage. Modeled on Civic Trusts in Britain that are financially supported by the local municipality, the VCHT is a nationally recognized organization that has produced impressive results for the City of Victoria that would not have been otherwise achieved without these programs. To date some of these accomplishments include:

- **\$165.59 million** in private investment in **157 eligible heritage buildings** through **\$7,322,156.46** in **335 Building Incentive Program** awards provided by City Capital funds;
- Average factor of **\$22.61 private investment** for every **\$1** in BIP funds awarded;
- **89 Heritage Designations** directly related to funding applications, resulting in significantly increased protection of heritage buildings and an improved downtown environment;
- Awards including: **Pinnacle Award** to City of Victoria/VCHT by the International Downtown Association for the Tax Incentive Program; **Gold CARE Award** to City of Victoria/VCHT by Canadian Home Builders' Association for the Tax Incentive Program; **Prince of Wales Prize** to City of Victoria for its heritage conservation programs; **Outstanding Achievement Award** from Heritage BC and **Communication Award** from Hallmark Society for **Test of Time**; **BCBIA "Best in the West" Award** for the Downtown Heritage Building Lighting Program; **Outstanding Achievement Award** from BC Heritage Trust for the Broad & Yates Street rehabilitation area.

The VCHT is very proud of our strong relationship with the City of Victoria and our long record of distinguished service on behalf of the City and its residents. We look forward to continuing to work with the City of Victoria to further its strategic goals through incentive programs administered by the VCHT which successfully deal with significant community issues on multiple levels using highly cost-effective resources.

On behalf the Board, I'd like to express again our gratitude to the City for its ongoing financial commitment to Victoria's exceptional heritage programs. It is because of Council's foresight and consistent support that the City of Victoria continues to be widely recognized as a leader in municipal heritage conservation in Canada.

Yours truly,


Clive Townley
President

attachments

Building Incentive Program

Des	#	Bldg	PROJECT	Type	No	DATE APPROVED	BIP FUNDS APPROVED	EST'D TOTAL PROJECT COST	EST'D HERITAGE COST
305			626 Blanshard Street Church of Our Lord	DAG	77	20-Jan-20	\$2,900.00	\$5,800.00	\$5,800.00
306			626 Blanshard Street Cridge Memorial Hall	DAG	78	20-Jan-20	\$950.00	\$1,900.00	\$1,900.00
311			578 Yates Street	BIP	208	26-Feb-20	\$21,913.05	\$750,000.00	\$43,826.10
312			1300-1304 Government Street Adelphi Building	BIP	209	26-Feb-20	\$78,020.78	\$0.00	\$156,041.55
313			1306 Government Street Palace Cigar Store Building	BIP	210	26-Feb-20	\$37,594.08	\$0.00	\$75,188.15
317			888 Government Street Customs House (1914)	DAG	79	16-Mar-20	\$3,000.00	\$6,000.00	\$6,000.00
318			1600-1602 Quadra Street First Baptist Church / The Palladian	BIP	211	11-May-20	\$53,662.00	\$107,324.00	\$107,324.00
320			888 Government Street Customs House (1914)	BIP	212	15-Jun-20	\$100,000.00	\$2,230,000.00	\$1,124,786.24
321	157		1009 Southgate Street Residential Flats Building	DAG	80	15-Jun-20	\$750.00	\$1,500.00	\$1,500.00
322			649 Gorge Rd E / 612 David St Centennial United Church	BIP	213	20-Jul-20	\$5,365.00	\$10,730.00	\$10,730.00
333			626 Blanshard Street Church of Our Lord-Church Building	BIP	214	20-Jul-20	\$79,275.00	\$158,550.00	\$158,550.00
334			1009 Southgate Street Residential Flats Building	BIP	215	20-Jul-20	\$30,550.00	\$61,100.00	\$61,100.00
335			550-552 Yates Street Oriental Hotel	DAG 2	81	20-Jul-20	\$2,600.00	\$5,200.00	\$5,200.00

2020 BIP Total: Year to Date**\$416,579.91****\$3,338,104.00****\$1,757,946.04**

2020 DAG (5)	\$10,200.00
2020 BIP (8)	\$406,379.91
	<u>\$416,579.91</u>

Parapet Incentive Program

Des	#	Bldg	PROJECT	Type	No	DATE APPROVED	PIP FUNDS APPROVED	EST'D TOTAL PROJECT COST	EST'D HERITAGE COST
	304		2110 Store Street National Electric Tramway & Light Co Powerhouse Building	PIP	6	20-Jan-20	\$64,875.00	\$86,500.00	\$86,500.00
87	307		539-541½ Fisgard Street Sheam Tip & Low Yan San Bldg #1	PIP-DAG	10	20-Jan-20	\$1,875.00	\$2,500.00	\$2,500.00
	308		543-545½ Fisgard Street Lee Mong Kow Bldg #2	PIP-DAG	11	20-Jan-20	\$2,175.00	\$2,900.00	\$2,900.00
88	309	156	16-20 Fan Tan Alley Bldg #3	PIP-DAG	12	20-Jan-20	\$1,687.50	\$2,250.00	\$2,250.00
	310		550-554 Johnson Street Strand Hotel	PIP-DAG Suppl	13	26-Feb-20	\$1,125.00	\$1,500.00	\$1,500.00
	314		578 Yates Street	PIP	7	26-Feb-20	\$16,995.00	\$22,660.00	\$22,660.00
	315		1300-1304 Government Street Adelphi Building	PIP	8	26-Feb-20	\$63,606.75	\$84,809.00	\$84,809.00
	316		1306 Government Street Palace Cigar Store Building	PIP	9	26-Feb-20	\$26,236.50	\$34,982.00	\$34,982.00
	319		1300-1304 Government Street Adelphi Building	PIP 2	10	11-May-20	\$26,904.00	\$35,872.00	\$35,872.00
2020 PIP Total: Year to Date							\$205,479.75	\$273,973.00	\$273,973.00
							PIP-DAG (4)	\$6,862.50	
							PIP (5)	\$198,617.25	
								<u>\$205,479.75</u>	

TOTAL BIP + PIP: Year to Date**\$622,059.66****\$3,612,077.00****\$2,031,919.04**

2021 EXPENDITURE BUDGET
VICTORIA CIVIC HERITAGE TRUST

Approved by VCHT Board
5 October 2020

EXPENDITURES				REVENUE	
BUDGET ITEM	EXPENDITURE BUDGET			CITY OF VICTORIA	
	Priority / Explanatory Notes	APPROVED 2020 BUDGET	APPROVED 2021 BUDGET	OPERATING FUNDS 2% COL Increase	CAPITAL FUNDS
TOTAL BREAKDOWN		1,590,785.00	1,040,200.00	118,850.00	920,000.00
CORE OPERATIONS					
Board Management Contract (50%)	Contract	55,900.00	47,465.00	47,465.00	
ACC Management Contract (50%)	Contract	37,165.00	47,460.00	47,460.00	
Office & Equipment Rent	Contract	11,900.00	12,140.00	12,140.00	
Office Expenses	Contract	4,500.00	4,500.00	4,500.00	
Telephone / Internet	Core	840.00	840.00	840.00	
Computer / Communications / MS Teams	Core	1,200.00	1,560.00	1,560.00	
Catering & Meeting Costs	Core	4,000.00	2,000.00	2,000.00	
Insurance	Core	2,100.00	2,325.00	2,325.00	
Audit Fees	Core	5,900.00	5,600.00		
Bank Charges	Core	30.00	60.00	60.00	
Reserve for Projects / Covid-19 Expenses	Core	6,000.00	10,000.00		
Travel	Core	500.00	0.00		
Miscellaneous Costs	Core	500.00	500.00		
INTERPRETATION PROJECTS					
Interpretation Committee	2	0.00	0.00		
Heritage Directory Website	2	500.00	500.00	500.00	
Subtotal for Core Operations		131,035.00	134,950.00	118,850.00	
MANAGEMENT REVENUE / EXPENSES					
Interest Earned	Core	-20,000.00	-25,000.00		
5% GST Cost Estimated	Core	7,500.00	8,500.00		
50% GST Rebate Estimated	Core	-3,750.00	-4,250.00		
OTHER PROJECTS					
Special Projects/Events/as approved by Board	2	1,000.00	1,000.00		
Cost Consultant Study/as approved by Board	2	5,000.00	5,000.00		
Total Core Operations + Mgmt + Projects		120,785.00	120,200.00		
CAPITAL INCENTIVE PROGRAMS					
Projected BIP Project Balance 31 Dec 2020	1,297,626.74				
2021 City Capital Contribution for BIP	920,000.00				
2020 Seismic Upgrade Fund Contribution*	150,000.00				
*Still to be received as of 30 Sept 2020					
2021 Potential BIP Project Applications page 2	-1,749,062.50				
2021 Program Expenses See below	-40,000.00				
Projected BIP Balance 31 Dec 2021	578,564.24				
BUILDING INCENTIVE PROGRAM					
2021 Building Incentive Program Funds	Core	960,000.00	665,000.00		880,000.00
BIP Brochure / Banners	Core	4,000.00	4,000.00		4,000.00
2021 Seismic Upgrade Fund Contribution*		150,000.00			
*Still to be received as of 30 Sept 2020					
2021 Seismic PIP Budget = \$360,000	Core				
PIP & PIP-DAG Applications	Core	320,000.00	215,000.00		
Program Management / Expenses	Core	16,000.00	16,000.00		16,000.00
Seismic/Downtrn Promotion/Communications	Core	8,047.94	8,047.94		
Donation for Seismic/DT Promotion/Comm		-8,047.94	-8,047.94		
TAX INCENTIVE PROGRAM	Core	16,000.00	16,000.00		16,000.00
BIP/TIP Promotion / Communications	Core	4,000.00	4,000.00		4,000.00
TOTAL Capital Incentive Programs		1,470,000.00	920,000.00		920,000.00
GRAND TOTALS		1,590,785.00	1,040,200.00	118,850.00	920,000.00
CITY DIRECT-AWARD REQUEST				1,038,850.00	

BIP CASH PROJECTION: 2021

page 2

BIP PROJECTED BALANCE 30 Sept 2020	1,732,031.34	
1308-1312 Douglas St Lange Block / Victoria House	-3,000.00	DAG
612 1/2 Fisgard St Shon Yee Benevolent Assoc	-4,500.00	PIP-DAG
612 1/2 Fisgard St Shon Yee Benevolent Assoc	-3,000.00	DAG
614 Fisgard Street Lee's Benevolent Assoc	-4,500.00	PIP-DAG
614 Fisgard Street Lee's Benevolent Assoc	-3,000.00	DAG
823-825 Broughton St Mellor Building	-5,000.00	BIP
649 Gorge Rd Centennial United Church	-20,000.00	BIP
543-545 1/2 Fisgard Street Building #2	-85,404.60	BIP
16-18 1/2 Fisgard Street Building #3	-100,000.00	BIP
2621 Douglas Street Times Colonist Building	-103,000.00	BIP+TIP
727 Yates Street	-103,000.00	BIP+TIP?
Sept-Dec 2020 Projects Subtotal	-434,404.60	

CoV Capital Request 2008-2020	\$420,000.00
CoV Capital Request 2020	
BIP	\$1,000,000.00
SUF (PIP)	\$150,000.00
Total	\$1,150,000.00

CoV Capital Funds 2020 Actual Received	
BIP	\$420,000.00
Additional	\$500,000.00
Total	\$920,000.00

PROJECTED BIP BALANCE 31 Dec 2020 **1,297,626.74** carry to page 1

2021 PROJECTED BIP PROJECTS

1308-1312 Douglas St Lange Block / Victoria House	-78,000.00	DAG+BIP
550 Yates Street Oriental Hotel	-100,000.00	BIP
560 Yates Street FR Stewart & Company	-25,000.00	BIP
1114 Blanshard Street Montrose Building	-103,000.00	BIP
1114 Blanshard Street Montrose Building	-104,500.00	PIP
550-554 Johnson St Strand Hotel	-100,000.00	PIP
159 Cook St Hampton Court	-3,000.00	DAG
159 Cook St Hampton Court	-81,562.50	BIP
Fisgard Street Buildings #1, #2, #3	-300,000.00	PIP
Fisgard Street Building #1	-100,000.00	BIP
554-562 Fisgard St CCBA Building	-75,000.00	BIP
923 Burdett St Mt St Angela	-50,000.00	BIP
612 1/2 Fisgard St Shon Yee Benevolent Assoc	-30,000.00	BIP
612 1/2 Fisgard St Shon Yee Benevolent Assoc	-30,000.00	PIP
614 Fisgard Street Lee's Benevolent Assoc	-30,000.00	BIP
614 Fisgard Street Lee's Benevolent Assoc	-30,000.00	PIP
1244-1252 Wharf St Yates Block	-103,000.00	BIP+TIP
1400 Vancouver / 952 Johnson St McCall's Chapel	-103,000.00	BIP+TIP
710 Fort St Ritz Hotel	-103,000.00	BIP+TIP
Unknown Applicants	-200,000.00	BIP
2021 Projects Subtotal	-1,749,062.50	carry to page 1

Other Projects in 2021 - Pending TIP Eligibility

1314-1324 Douglas/645-651 Johnson St Morgan Blk	TIP?
1314-1324 Douglas/645-651 Johnson St Morgan Blk	TIP?
1314-1322 Broad St Duck Block	TIP?
1058 Pandora Ave Wellburns	TIP?
2659 Douglas St Scott Building	TIP?
1314 Wharf St Caire & Gracini Whs/Northern Junk	TIP?
1316-18 Wharf St Fraser Whs/Northern Junk	TIP?

2022 POTENTIAL BIP PROJECTS

251-253 Esquimalt Rd Roundhouse	-103,000.00	BIP+TIP?
251-253 Esquimalt Rd Car Shop	-103,000.00	BIP+TIP?
251-253 Esquimalt Rd Stores Building	-103,000.00	BIP+TIP?
251-253 Esquimalt Rd Backshop Building	-103,000.00	BIP+TIP?
251-253 Esquimalt Rd Turntable	-103,000.00	BIP+TIP?
1829-1831 Fern St Victoria Friends Meeting House	-5,000.00	BIP
1618-1628 Govt / 565 Fisgard St Lee Block	-103,000.00	BIP+TIP

continued

546 Pandora Ave	Macdonald Building	-103,000.00	BIP
546 Pandora Ave	Macdonald Building	-104,500.00	PIP or TIP
3 Fan Tan Alley	Lim Ging Building	-103,000.00	BIP
3 Fan Tan Alley	Lim Ging Building	-104,500.00	PIP or TIP
1713 Government St	Yen Wo Society Building	-103,000.00	BIP
1713 Government St	Yen Wo Society Building	-104,500.00	PIP
1316-28 Government / 589 Johnson St		-103,000.00	BIP+TIP
Unknown Applicants		-200,000.00	
2022 Projects Subtotal		-1,548,500.00	

August 18, 2020

FAO Mayor and Council
City of Victoria
Legislative Services, 1 Centennial Square
Victoria, BC V8W 1P6

Dear Mayor Helps, Councillor Marianne Alto, Councillor Sharmarke Dubow, Councillor Ben Isitt, Councillor Jeremy Loveday, Councillor Sarah Potts, Councillor Charlayne Thornton-Joe, and Councillor Geoff Young,

We appreciate the time and interest you gave to SIPP's presentation to Mayor and Council on July 2nd, 2020. Following on from the presentation, we wish to present the request for a five-year funding agreement as per the updated funding model below. Last week, SIPP's Municipal Partners Committee unanimously agreed on this new formula for a five-year term to give the organization stability and allow it to continue to lead the important economic recovery initiatives launched through the Rising Economy Taskforce. This Taskforce is a group of 120+ stakeholders representing a diversity of sectors, all dedicated to collaboratively building back our economy stronger, more resilient and more inclusive than it was before.

The next invoices will be sent on April 1, 2021 for the 2021-2022 fiscal year. A revised summary of funding from City of Victoria to date, as well as the percentage of municipal contributions to the total budget, can be found below:

South Island Prosperity Partnership Revised Funding Model					CPI Increase				
					2.50%	2.50%	2.50%	2.50%	2.50%
					YR1	YR2	YR3	YR4	YR5
					CURRENT	PROPOSED			
					2016 Census + 2018 Tax Blend	Percentage contribution	\$ Based on Percentage	2022	2023
					Amount			2.5% increase year over year (2019 CPI%)	2024
									2025
Municipality									
1 Saanich	\$	199,600	28.88%	\$	179,562	\$	179,562	\$	184,051
2 Victoria	\$	243,397	35.22%	\$	218,962	\$	218,962	\$	224,436
3 Oak Bay	\$	48,936	7.08%	\$	44,024	\$	44,024	\$	45,124
4 Esquimalt	\$	38,170	5.52%	\$	34,338	\$	34,338	\$	35,197
5 Colwood	\$	36,968	5.35%	\$	33,257	\$	33,257	\$	34,088
6 C Saanich	\$	28,383	4.11%	\$	25,534	\$	25,534	\$	26,172
7 Sooke	\$	18,524	2.68%	\$	16,664	\$	16,664	\$	17,081
8 Sidney	\$	29,045	4.20%	\$	26,129	\$	26,129	\$	26,782
9 N Saanich	\$	20,073	2.90%	\$	18,058	\$	18,058	\$	18,509
10 View Royal	\$	23,071	3.34%	\$	20,755	\$	20,755	\$	21,274
11 Highlands	\$	4,913	0.71%	\$	4,419	\$	4,419	\$	4,530
Total	\$	691,081	100.00%	\$	621,701	\$	621,701	\$	637,244
								\$	653,175
								\$	669,504
								\$	686,242

Upon SIPP's inception in 2016, members developed a funding model based on their principles of equity, fairness, collaboration, accountability and affordability. The model is a combination of population and taxation levels for each municipality using population data from the 2011 census and the 2014 tax year. To update the model, as was agreed upon in 2016, SIPP is now presenting figures that use the 2016 census data and the 2018 tax year to reflect changes that have occurred throughout the metropolitan region.

In light of this year's fiscal constraints on municipal governments caused by the pandemic, SIPP proposes that the updated five-year model use the current funding level for 2021-2022 as a baseline (using the updated data to inform a slightly adjusted amount that reflects population and taxation trends in the region).

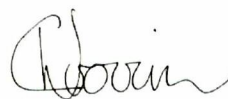
This new baseline would then increase slightly over the five-year duration of the renewed agreement based on a standard inflation increase. This approach puts less financial pressure on SIPP's municipal government members while allowing SIPP to plan for the future.

We thank you for the opportunity to present to your Council to make this funding request, and for your ongoing support. We are proud of the work we've undertaken together and look forward to building on the unprecedented level of collaboration that exists in the South Island – a shift that is not only garnering attention in B.C. but in Canada and the Pacific North West region.

Respectfully yours,



Emilie de Rosenroll
Chief Executive Officer
South Island Prosperity Partnership
901-747 Fort Street, Victoria, V8W 3E9



Craig Norris
Chair of the Board
South Island Prosperity Partnership