



COMMONWEALTH

A HERITAGE STRATEGIC PLAN FOR THE CITY OF VICTORIA

REPORT

PREPARED FOR
PLANNING AND DEVELOPMENT DEPARTMENT

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1. INTRODUCTION

1.1 'AN EXEMPLARY COMMITMENT TO THE PRESERVATION OF BUILT HERITAGE'

In October 2001, the City of Victoria was awarded the Heritage Canada Foundation's Prince of Wales Prize, which honours a municipal government for exemplary commitment to the preservation of built heritage within its boundaries. The prize recognized Victoria's distinguished 40-year record of municipal leadership in heritage conservation. HRH the Prince of Wales, patron of the prize, praised 'the long record of achievement by the City of Victoria in preserving its heritage buildings and historic districts,' and noted that 'the jury particularly commended Victoria for the sustained, continuing development of its historic programs and its efforts to make historic preservation part of its overall planning strategy.' (An article by Heritage Planner Steve Barber celebrating the Prince of Wales Prize and the Heritage Program is reproduced in the Appendix.)

Many Victorians acknowledge the success of their conservation program. 'We've almost conquered the "Don't knock it down" issue. If [a building] can be salvaged, we do it,' remarked one heritage stakeholder interviewed for the present study. Another said much the same: 'It is no longer necessary to convince people that heritage is a good thing. There is close to 100 per cent buy-in.' And a third stated: 'Citizens have an overall feeling of pride in a historic place.' Other stakeholders were quick to praise City Council for its commitment to the Heritage Program and to commend staff and volunteers for their dedicated work.

Rather than rest on its laurels, the City of Victoria decided in 2001 to commission a Heritage Strategic Plan. The City is continuing its proactive ways by taking an objective look at its conservation program, identifying its successes and its priorities, and charting a course for the future. All this is to be achieved in a manner that does not increase the City's financial commitment to the program.

This document is the Report of the Heritage Strategic Plan, prepared for the Planning and Development Department by Commonwealth Historic Resource Management Limited.

'It is no longer necessary to convince people that heritage is a good thing. There is close to 100 per cent buy-in.'

1.2 SCOPE AND METHOD

The purpose of the Heritage Strategic Plan, as stated in the Request for Proposal, is to ‘define a mission, vision and goals for the future and to determine the resources required to meet these goals. The process will involve consultation with key stakeholders and the public.’ Specific items to be addressed include:

- Statement of task
- Mandate and governance
- Mission
- Vision
- Review and analysis of the current situation
- Priorities
- Options for action
- Goals
- Resource allocation
- Program review

The consultants’ method included a program of community consultation.

These tasks are drawn from *An Outline for a Heritage Strategic Plan for the British Columbia Heritage Trust’s Heritage Management Program*. The present Heritage Strategic Plan accepts this purpose and addresses all these components, although not always in the same order or with the same titles.

The consultants’ method comprised a combination of:

- **Review of a broad range of documentation** on the Victoria program, including (but not limited to)
 - descriptions of the heritage conservation program
 - municipal plans and by-laws
 - press clippings
 - a review of the City of Victoria Downtown Heritage Management Plan (1989)
- **Review of heritage conservation programs** in other jurisdictions
- **Program of community consultation**, including:
 - personal interviews with 18 stakeholders
 - separate workshop sessions with City Council (which focussed on general priorities); and with 29 invited members of the heritage, downtown business, and neighbourhood communities, including two Councillors and four municipal staff (which focussed on the vision and goals)

- a meeting with the Community Association Network
- a brainstorming session with municipal staff
- a call for public input on the City's web site
- posting of the Strategic Framework on the web site, with an invitation to comment
- **Analysis**, leading to the development of the recommendations in this plan.

The principal tasks and their dates of completion (or scheduled dates) are:

- Review Heritage Program (March-April 2002)
- Stakeholder Interviews (April)
- Council Workshop (2 May)
- Strategic Framework (June)
- Community Workshop (12 June)
- **Draft Heritage Strategic Plan** (this document)
- Public Open House (4 December)
- Final Heritage Strategic Plan (December)

The challenge throughout the project has been to balance Council's direction, the community's preferences, and the consultants' professional experience.

2. HERITAGE CONSERVATION IN VICTORIA

2.1 COMPONENTS OF THE HERITAGE PROGRAM

The City of Victoria's Heritage Program is remarkably varied and comprehensive. This section lists its principal components. This program forms the baseline for the Heritage Strategic Plan.

Organizations

The City of Victoria's Heritage Program is remarkably varied and comprehensive.

Planning and Development Department

- Planning Division has a Heritage Planner responsible for the Heritage Program.

Victoria Heritage Foundation

- Established in 1983 as a City-owned arm's-length agency to manage the disbursement of City funds for the restoration of heritage residential properties
- Operates educational programs separately through 1843 Heritage Society

Victoria Civic Heritage Trust

- Established in 1989 as a City-owned arm's-length agency. Mission in 1991 was stated as 'in cooperation with the City and heritage groups to develop, administer and financially support programs that preserve, promote, interpret and enhance the cultural and natural heritage resources of the City of Victoria and its environs.'

Heritage Advisory Committee

- Appointed by Council, advises Council on heritage matters, monitors the heritage register, reviews significant building and heritage alteration permit applications, recommends buildings for designation.
- Performs the duties of a Community Heritage Commission as defined in the *Local Government Act*.

Hallmark Society

- Volunteer society dedicated to the preservation of structural, natural, cultural, and horticultural heritage of the Capital Regional District. Activities include education, public speaking, tours, and exhibitions. Maintains a research collection, presents the annual Hallmark Awards, publishes a quarterly newsletter, and holds regular meetings

Victoria Historical Society

- Volunteer society that promotes interest in the history of Victoria and British Columbia. Funds scholarships for history students, installs historic markers, provides field trips for members, publishes a bimonthly newsletter.

Old Cemeteries Society

- Volunteer society that promotes the history and preservation of Victoria-area cemeteries. Offers guided tours of cemeteries, encourages documentation of cemeteries, hold meetings for the membership, undertakes special projects (e.g. the restoration of Ross Bay Cemetery, with several community partners).

Guidelines and Procedures

Rehabilitation Guidelines

- *Rehabilitation Principles and Guidelines*, BC Heritage Trust Technical Manual

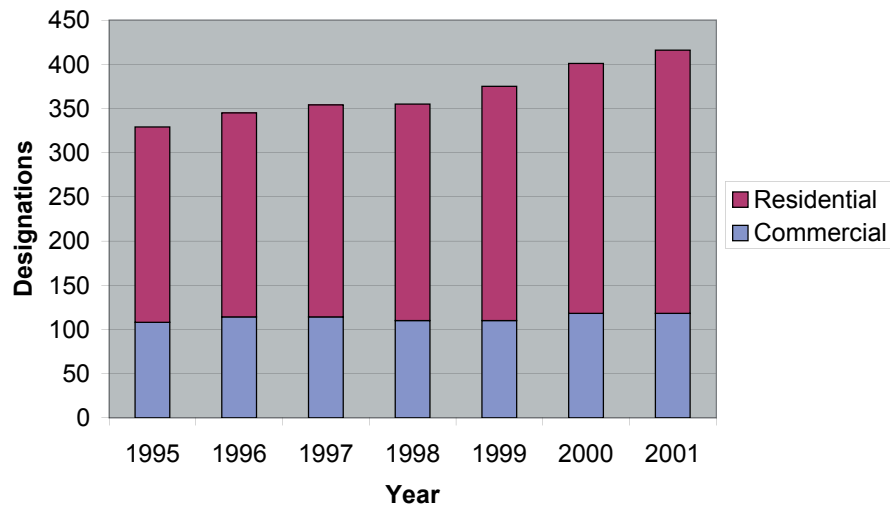
*Advisory Design Guidelines**Chinatown Design Guidelines**Heritage Conservation Areas (Development Permit Areas)*

- 3 Heritage Conservation Areas and 7 dual Development Permit / Heritage Conservation Areas
- Most types of exterior changes to heritage-registry buildings located in Heritage Conservation Areas require approval by Council

Heritage Designation

- Official legal designation given to a property through a municipal heritage bylaw

Designated Properties, 1995-2001



Heritage Registry

- Created by a resolution of Council on 18 November 1980; adopted under the new heritage legislation by a resolution of Council on 19 January 1995
- Official list of properties deemed worthy of preservation
- Used to facilitate review and management
- Is the equivalent of a Community Heritage Register as defined in the *Local Government Act*.

Heritage Inventory

- Includes designated and registry properties
- Some neighbourhood plans have identified buildings having heritage interest, but without any status or protection

Heritage Property Minimum Maintenance Standards

- Bylaw No. 01-18, adopted by Council on 22 February 2001
- Covers general maintenance, weather and infestation, exterior finish, structural integrity, extended periods of misuse, and graffiti removal
- Applies to designated properties and properties within a heritage conservation area

Heritage Plaques

- Presented to owners of heritage-designated buildings as a symbol of the City's pride in its past

Tree Protection Program

- Applies to native Garry oaks, dogwoods, and arbutus trees
- Established in 1998
- Administered jointly by the Planning and Parks Departments

Other tools, used less frequently, are not listed here.

Grant and Incentive Programs*House Grants Program*

- Administered by the Victoria Heritage Foundation
- Promotes preservation of designated residences and houses covered by heritage covenants by assisting owners with costs of restoration and repair; applies to any designated heritage building that was once a single family residence
- Provides small emergency grants
- Funds supplied by the City and program administered by the Foundation

Building Incentive Program (BIP): Commercial or Institutional Buildings

- Administered by the Victoria Civic Heritage Trust
- Provides financial assistance with facade restoration, structural improvements, upgrading required by building codes, and other rehabilitation costs
- Grants may cover up to 50% of the of eligible work up to \$50,000
- Established in 1989 with \$700,000 from the Downtown Incentive Fund. Since 1994, it has been funded with an annual municipal capital grant.

Tax Incentive Program (TIP) for Downtown Heritage Buildings

- Adopted by Council by bylaw
- Administered by the Heritage Planner in cooperation with the Victoria Civic Heritage Trust; Council makes decisions

The Heritage Program includes four programs of grants and incentives.

- Applies to designated Downtown commercial buildings that convert upper floors to residential use
- Exemptions from property taxes for up to 10 years based on the cost of seismic upgrading
- Began in 1998

Design Assistance Grants

- Administered by Victoria Civic Heritage Trust
- For owners of designated heritage commercial and institutional buildings
- One-time matching grants of up to \$1,000 for professional services to prepare a BIP application

Education Programs, 1997 to Present

Publications

BC Transit Passes and The Buzzer

- Victoria Civic Heritage Trust partnered with BC Transit to present a series of notes on Greater Victoria heritage buildings in *The Buzzer* and on transit passes (1996-1998)

Do-it-Yourself Brochures

- VHF and several community partners prepared and published five brochures (wood siding, wood windows, paint, masonry, and true colours)
- Began in 1997

Walking Tours

- Research for *North Park Heritage Walking Tour* sponsored by VHF and North Park Neighbourhood Association
- *James Bay Heritage Walking Tours* brochures revamped (1999)

Promotions

- VHF did a mail-out with utility bills in 2000, promoting the Heritage Program and the VHF's education programs

Conferences

- Hosted Heritage Society of BC's 22nd Annual Conference in May 2000 (VCHT formal host)
- Hosted meeting of municipal planners, heritage advocates and planners 'Downtown Revitalization Heritage Programs, Heritage and Legacy.'

Street Theatre / Walking Tour, 1997

- Walking tours sponsored by VCHT as summer program (1997)

Special Projects, 1997 to Present

Broad Street Revitalization, 2000

- Streetscape improvement project, completed in 2000

Cataloguing City of Victoria Historic House Plans, 2000

- VHF catalogues house plans stored in the attic vault at City Hall, begun in 2000

Downtown Victoria Heritage Building Lighting Program, 1998-

- VCHT partners with BIA and Tourism Victoria, with funding from the Canada/BC Infrastructure Works Program
- Program to implement some of the recommendations from 1996 report on lighting; focussed on 800-1300 blocks of Government Street.

Ross Bay Cemetery Management Plan and Design Guidelines, 1998

- In the process of being implemented.

Pioneer Square Restoration, 1997

- Restoration of Pritchard Monument (partnership of VCHT and Old Cemeteries Society)

‘Everything in the Heritage Program is based on good will. People make a conscious effort to work together.’

Observations

Victoria’s Heritage Program works well for a number of reasons. It is made up of components that have been well conceived to meet a community need, it has benefited from a long-term commitment from Council, it is managed by competent and dedicated staff, and it is monitored and assisted by articulate and devoted volunteers. Most important is a spirit of cooperation among the various players. One stakeholder summed it up well: ‘Everything in the Heritage Program is based on good will. People make a conscious effort to work together.’

2.2 EXPENDITURES AND RETURN ON INVESTMENT

In 2002 the City of Victoria spent \$524,111 on its Heritage Program. Only 22 per cent went to municipal staff salaries and benefits, which comprise 1.5 full-time equivalent (FTE) positions. The remaining 78 per cent was transferred to the Victoria Heritage Foundation and the Victoria Civic Heritage Trust for them to distribute as part of the granting and incentive programs and for their administration, which includes four part-time personnel who represent approximately 2 FTEs. The VCHT’s Architectural Conservation Committee and the VHF’s board devote many volunteer hours to reviewing grant applications.

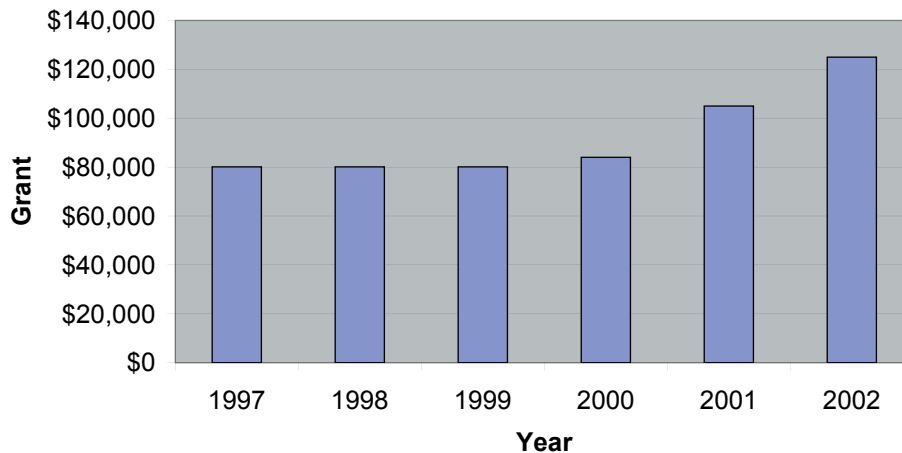
Members of the Heritage Advisory Committee volunteer their time. The only cost to the City is staff support.

| Spending on Heritage Programs, 2002 | | |
|--------------------------------------|------------------|-------------|
| Municipal Staff | | |
| Heritage Planner, Secretary | \$114,611 | 22% |
| Victoria Heritage Foundation | | |
| Grant | \$125,000 | 24% |
| Victoria Civic Heritage Trust | | |
| Operating Grant | \$91,000 | |
| Capital Grant | \$193,500 | |
| | <u>\$284,500</u> | <u>54%</u> |
| Total Municipal Spending | \$524,111 | 100% |

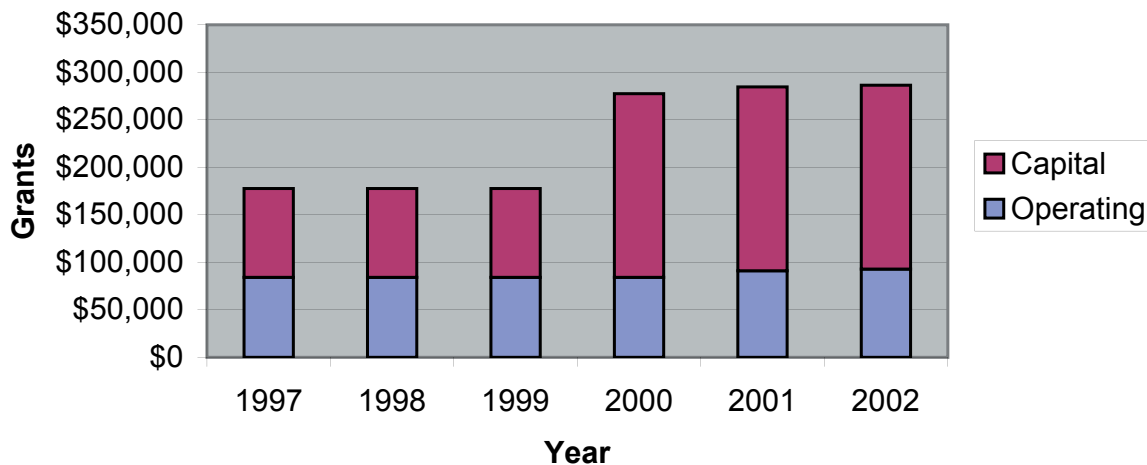
The City has devolved significant responsibilities for aspects of its Heritage Program to its arm’s-length foundations, which nevertheless remain accountable to Council. This is a well-working arrangement with which Council, municipal staff, and the foundations are all comfortable.

The grants to the VHF and the VCHT have increased significantly in the last few years. The two charts that follow show the increases:

Grants to Victoria Heritage Foundation 1997-2002



Grants to Victoria Civic Heritage Trust 1997-2002



Between 1997 and 2002 (six years):

- Grants to the VHF increased 56% (9.3% annually on average)
- Grants to the VCHT increased 62% (10.3% annually on average)
- Expenditures on municipal heritage staff increased 14% (2.9% annually on average) with no new positions created
- Heritage designations increased 21% (3.5% annually on average; for 1996-2001)

There has been a clear trend towards increasing heritage spending. Council has indicated that it does not intend to continue this trend, and the present Heritage Strategic Plan should assume no increases in municipal expenditures in the short term, possibly not until the City begins to receive returns on the tax incentive program (i.e. after the first of the ten-year tax exemptions – granted in 1999 – have expired).

Heritage designations have increased 3.5% annually, and will likely continue to increase – particularly if the Heritage Registry is updated, as many stakeholders have urged. A concern is that there will be a point at which existing staff resources will not be able to manage the ever-expanding Registry and designations.

Much of the funding for heritage conservation work comes from the City of Victoria, but this investment in turn leverages additional funds.

Much of the funding for heritage conservation work comes from the City of Victoria, but this investment in turn leverages additional funds. Several partner agencies and programs have contributed financial and/or other resources to heritage initiatives. These include:

- Canada / BC Infrastructure Works Program
- Federal job-creation programs
- BC Heritage Trust
- Tourism Victoria
- The Old Cemeteries Society
- The former Downtown Victoria BIA
- The former BC Rental Conversion Program

A further \$1.9 million was invested in downtown, much of it for heritage projects, from the former Downtown Incentive Fund, which was created as part of the agreement to develop the Eaton Centre. Concern has been voiced at the loss of some of these sources, and at the potential loss of the BC Heritage Trust, as the provincial government reduces its heritage conservation program.

The City's investment in heritage conservation has yielded many tangible paybacks:

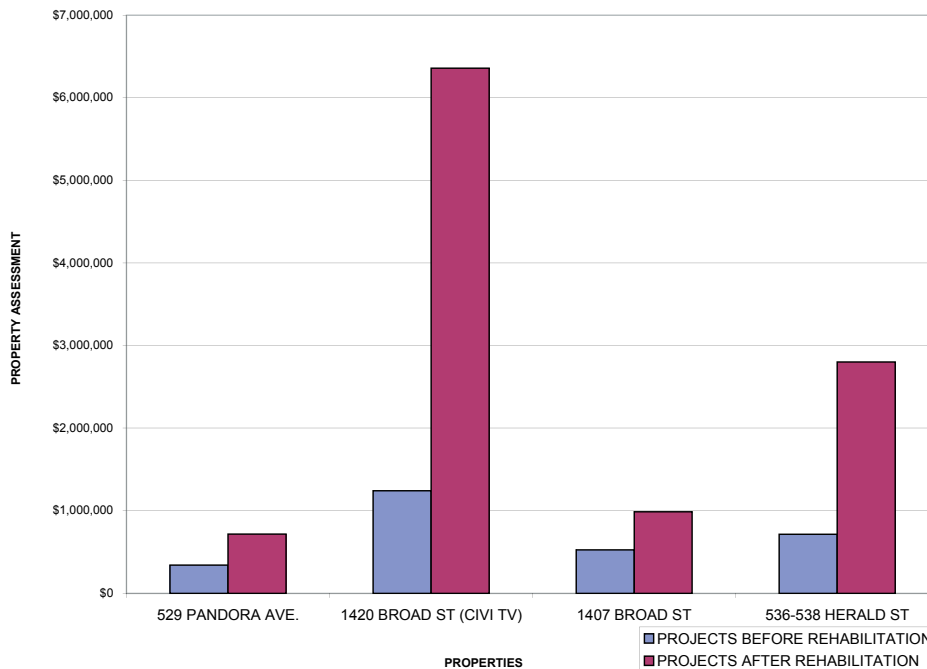
- The Building Incentive Program grants leverage \$13.70 in private investment for every \$1.00 in grant funds.
- More than \$20 million in private investment has been committed to 55 commercial buildings through the Building Incentive Program grants.
- The Tax Incentive Program has generated 98 new residential units downtown.
- The Tax Incentive Program has enabled seismic retrofit for 10 buildings.

- The House Grants Program has helped improve more than 200 houses and leveraged \$1.8 million in private investment.
- Improvements to the heritage building stock is recognized as a major contributor to attracting tourism and its economic benefits. (Some 3.65 million overnight visitors to Victoria spent more than \$1 billion in 2000.)
- The tax base is being raised through assessment increases attributable to investments in heritage.

The City's investment in heritage conservation has yielded many tangible paybacks.

The following chart, prepared by the VCHT, illustrates the assessment increases on four specific downtown properties in which work was enabled by the Tax Incentive Program.

ASSESSMENT INCREASES FROM TAX INCENTIVE PROJECTS



In summary, the City of Victoria makes a considerable investment in heritage conservation. The return on this investment is seen in additional resources leveraged from the private sector and from other agencies and programs, in property assessment increases, in improvements to the building stock, in attracting tourists and tourism spending, and most important, in the improvement of the quality of life for Victorians.

2.3 WEAKNESSES IN THE HERITAGE PROGRAM

Not all the news about Victoria's Heritage Program is positive. Research and interviews identified a number of weaknesses and gaps in, as well as threats to, heritage conservation. Some are new trends, such as:

- The reduction in applications to the tax incentive program
- The increasing number of downtown vacancies arising from Provincial government downsizing
- The potential loss of the British Columbia Heritage Trust as a capital funding agency
- Municipal policies focussing future development on the Harbour Commission properties and at Harris Green, rather than reinforcing conservation initiatives (Note: These initiatives could ultimately benefit Downtown by removing development pressures, but it is too soon to tell.)

Other issues may be more perceptual than real, including opinions that the Victoria Heritage Foundation and the Victoria Civic Heritage Trust are underfunded and the fear that the dissolution of the Downtown Victoria BIA leaves Downtown vulnerable to change.

The various weaknesses – real and perceived – are addressed in Chapter 4, as a part of the presentation of the Objectives and Actions.

3. POLICY, MISSION, AND GOALS

3.1 CURRENT HERITAGE POLICY

The City currently has a significant body of Council-approved heritage policy. These policy statements are found in:

- *Victoria Official Community Plan* (adopted by Council 27 July 1995, with subsequent amendments)
- *City of Victoria Downtown Heritage Management Plan* (adopted by Council 27 September 1990)
- Individual Neighbourhood Plans (adopted by Council individually, at various times)

Over-arching heritage policy is contained in portions of the first two documents: for the City as a whole in the Environmental / Heritage section of the *Official Community Plan* (OCP); and for Downtown in the initial Goals section of the *Downtown Heritage Management Plan* (HMP). Even though the latter are directed at Downtown, the goals are generally applicable to the City at large, and some were subsequently included in the OCP. We quote those sections in full.

*Over-arching
heritage policy is
contained in the
Official Community
Plan and the
Downtown Heritage
Management Plan.*

Official Community Plan: Toward an Environmentally Sound Community

Heritage

Objectives

- (a) To encourage the preservation and conservation of those sites, buildings and structures which are of architectural and historical significance.
- (b) To provide, in cooperation with local heritage agencies, financial and other incentives which will encourage the conservation of heritage resources.
- (c) To maintain and develop regulatory controls which will assist in the conservation of natural and built heritage resources, including view corridors. ...
- (d) To promote a public awareness, understanding and appreciation of heritage resources and a commitment to their conservation.
- (e) To maintain and develop principles and guidelines for the rehabilitation of heritage resources.

- (f) To maintain, develop and utilize comprehensive heritage management plans for the protection and revitalization of individual heritage resources and heritage areas.

The City should:

- i. Maintain and develop programs for the identification of significant heritage resources, including the Community Heritage Registry; to review and update the Registry where required; and to publicize this information through information pamphlets and publications.
- ii. Maintain and develop regulatory controls such as heritage designation, Development Permit Areas, Heritage Conservation Areas, temporary heritage protection orders and other mechanisms, including view corridor designations, for the protection of significant heritage resources and areas.
- iii. Maintain, develop and provide financial incentives for heritage conservation in cooperation with the Victoria Heritage Foundation and the Victoria Civic Heritage Trust; and to utilize senior government programs where available.
- iv. Provide other economic incentives, such as use and parking relaxations and density bonuses consistent with heritage conservation standards or transfers to assist in the revitalization of heritage resources.
- v. Consider planning policies that advance heritage conservation objectives for each neighbourhood.
- vi. To provide established design guidelines and rehabilitation principles and guidelines according to recognized professional standards, to assist in the regulation of rehabilitation and restoration of heritage buildings and to guide new development in heritage conservation areas.

The City and Local Heritage Groups should:

- vii. Promote public awareness of heritage conservation in cooperation with other local heritage groups through publications, walking tours, displays, awards programs, interpretive programs, educational programs and presentations, or other means.

The City, School Board, Capital Regional District (CRD), Government Bodies and Senior Levels of Government should:

- viii. Seek the cooperation of senior levels of government to encourage the identification, protection and rehabilitation of heritage resources owned by them and their Crown corporations, including the CRD, the British Columbia Buildings Corporation and the Provincial Capital

Commission and other semi-autonomous quasi-governmental agencies such as school boards, hospitals, etc.

Downtown Heritage Management Plan

1. Recommendations

1.1 Goals of the Heritage Program

The goals for the Downtown Heritage Management Plan should be:

- The Preservation of Victoria's Heritage Resources.

To enable Victoria's heritage resources to contribute effectively to the City's prosperity and quality of life for her citizens.

- Heritage Incentives.

To develop and implement incentives which will encourage the conservation of heritage resources.

- Regulatory Controls.

To identify and correct existing municipal regulations which act as disincentives to heritage conservation and to implement new regulatory controls which will assist in the conservation of heritage resources.

- On-going Monitoring and Maintenance.

To review the progress of the City of Victoria's Heritage Program and to ensure that the Management Plan and the Heritage Registry are updated as necessary.

- Public Awareness and Education.

To promote a public awareness and understanding and appreciation of heritage resources and a commitment to their conservation.

3.2 MISSION AND GOALS

Mission

One task of this Heritage Strategic Plan is to propose a mission statement for the City of Victoria's Heritage Program. Goals and objectives follow from a mission statement. However, because the goals and objectives of the Heritage Program have been defined in the two policy documents cited above, the mission statement must work backwards from the pre-existing statements.

The consultants proposed a mission statement in the Strategic Directions report, which was debated at the community workshop. Three of the five breakaway groups suggested revisions. The following is a synthesis of the various versions.

The mission of the City of Victoria's heritage program is to conserve its significant heritage resources in all its diverse neighbourhoods in order to enhance the quality of life for all Victorians, contribute to Victoria's distinctive sense of place, and provide social and economic benefits for present and future generations.

Goals

The City may retain the existing policy documents as its goals, or it may choose to adopt a new (and compatible) set of goals. If the latter approach is taken, the following goals are recommended for adoption:

The City of Victoria's Heritage Program will:

- Conserve a broad range of heritage resources, including sites, buildings, structures, landscapes, cultural landscapes, clusters, and neighbourhoods, employing a variety of regulatory, fiscal, technical, administrative, design, and educational tools;
- Embrace a broad definition of 'heritage' for the purposes of education, seeking opportunities to make connections between the tangible heritage resources that are conserved and the human and natural history of Victoria;

-
- Forge links between heritage conservation and other civic initiatives;
 - Work effectively with partner groups, including civic agencies, neighbourhood and community groups, not-for-profit societies, businesses, other municipalities in the Capital Regional District, and senior levels of government to achieve its mission;
 - Be relevant and accessible to a broad range of Victorians, including those who own property and those who do not;
 - Educate Victorians and visitors to Victoria about the Heritage Program and heritage conservation, and encourage their participation in heritage activities; and
 - Create a culture of conservation within City Hall, with the City being a recognized leader and innovator in heritage conservation for its staff, citizens, and other municipalities.

4. OBJECTIVES AND POTENTIAL ACTIONS

This chapter collects the results of the research and community consultation and uses them as the basis for objectives and potential actions. It takes all the components of the Heritage Program and organizes them under four program areas:

- Planning and Development
- Education and Public Awareness
- Program Delivery
- Grants, Incentives, and Funding

Within each program area, the material is treated in five sections:

- Current Situation
- Stakeholder Input
- Threats
- Other Communities
- Objectives and Potential Actions

The potential actions would be implementable in an ideal world without budget constraints. For each action, an indication is given of the entity(s) that may be responsible for implementation; the priority (high, medium, or low); and the ideal timeframe for implementation. If unlimited resources were available, 'short term' would refer to a two-year window, 'medium term' to five years, and 'long term' to beyond five years.

Staff and financial resources are, however, severely limited. It is not feasible for all, or even many, of the potential actions to be implemented at this time. It is necessary instead to take a strategic approach to recommending what is feasible and sustainable. This is done in Chapter 5. The list of objectives and actions in this chapter should be considered rather as a comprehensive reference list (or 'wish list') that is drawn from research, community consultation, and the consultants' experience. This list can guide the growth of the Heritage Program over the years.

Readers who are interested in the full reference list of objectives and potential actions should continue with this chapter. Other readers may skip directly to the strategic approach in Chapter 5.

The Heritage Registry is generally recognized as being out of date and limited in scope.

4.1 PLANNING AND DEVELOPMENT

Current Situation

The Heritage Program is situated within the City's Planning and Development Department and is managed by a full-time Heritage Planner. Many components of the program are managed and delivered directly by the Planning and Development Department, whereas some grant programs and support services are delivered by arm's-length municipal agencies (this is addressed in Section 4.3).

The core document that identifies the City's heritage resources is the Heritage Registry, which is maintained by the Planning and Development Department. It was created in stages over a period of time and, while an essential tool, is generally recognized as being out of date and limited in scope. The Registry addresses buildings and heritage conservation areas, but not other aspects of the built environment; it focusses on certain building types (commercial and institutional buildings Downtown, residential buildings in the neighbourhoods); and it is generally limited to buildings erected before 1950, particularly those pre-dating 1920.

Many programs focus on Downtown, but there is an increasing interest in extending heritage programs to Victoria's neighbourhoods.

The City generally utilizes a number of the planning 'tools' enabled by the *Heritage Conservation Act*, including designation, heritage conservation areas, and enforcing minimum maintenance standards. It has tried some others – e.g., bonus density was given to 'Y' lot in response to the conservation of St. Ann's Academy by BC Buildings Corporation – but many City officials see the tools that enable new or transferred density as being somewhat irrelevant to a city that is not looking to increase overall density.

The planners have been innovative in linking the Heritage Program to other municipal initiatives. The Tax Incentive Program, for example, assists policies to increase residential units Downtown, increase security, and facilitate seismic upgrading. Development ventures, on the other hand, are rarely linked to the Heritage Program. A number of current initiatives are encouraging new commercial development on the fringe of, or beyond, the downtown core, and the City is considering new, rather than rehabilitated, buildings for upgrading several civic facilities.

A number of special projects have been carried out over the years, as funding opportunities have become available. These include the Broad Street Revitalization, the Downtown Victoria Heritage Buildings Lighting Program, and the Restoration of Pritchard Monument in Pioneer Square.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

Stakeholder Input

- The Heritage Program should be more concerned with neighbourhoods, and not so focussed on Downtown.
- Think regionally, with Victoria at the core.
- The Registry should include buildings that are 25 or more years old.
- The Registry should have no cut-off date.
- Address industrial heritage.
- At present the Heritage Program addresses ‘nothing that grows’; it should be expanded.
- Adding heritage interiors would be a good idea, but would take a great deal of cooperation with property owners.
- Look at ‘heritage clusters’ around the City.
- Everybody prospers from there being more residential units Downtown.
- Review the zoning in Old Town and consider admitting more land uses.
- Having an attractive urban core with residents is critical to the whole region.
- It is essential to hear the community’s concerns by consulting community associations on a regular, systemic basis.
- Make better use of conservation ‘tools’ enabled by the legislation: e.g. heritage revitalization agreements, density bonuses, density transfers.
- Density transfers do not work well for Victoria, because additional density would be harmful.
- Link the Heritage Program with other municipal policies and issues; otherwise heritage conservation will be perceived as a stand-alone luxury.
- Link the Heritage Program to quality of life and economics.
- Link the Heritage Program to environmental issues and the forthcoming Green Building Policy.
- It is important to upgrade the Heritage Registry.
- Include upgrading the Heritage Registry as a part of neighbourhood plans.
- Use the Heritage Program as a tool to strengthen individual neighbourhoods.
- The Heritage Program should encouraging housing the elderly Downtown.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

- It is not good to link the Heritage Program with affordable housing; programs should distinguish between heritage and social engineering.
- Encourage the University of Victoria to open a Downtown campus and use historic buildings.
- The proposed Inner Harbour development could be either an opportunity or a threat to Old Town.
- The Historic Places Initiative (a new federal government initiative currently in the late planning stages) may provide an opportunity for Victoria. However, it may also comprise a threat, if Victoria does not have the capacity to administer it.

Threats

- The present focus on single-family residential, commercial, and institutional buildings may be perceived as being elitist and non-inclusive.
- The present focus of many aspects of the Heritage Program on Downtown is seen by some as being insensitive to the needs of neighbourhoods.
- Current public planning policy and private development initiatives focus on new development, rather than reinforcing conservation initiatives. For example, much future development will focus on the Harbour Commission properties and Harris Green, rather than reinforcing conservation initiatives.
- Many major amenities in Victoria (some owned by the City, some by other entities) need renewal: e.g. arena, performing arts centre, public library, marine terminal, bus terminal. Many are planned or on the drawing board. None directly addresses the rehabilitation of a heritage building.
- Some important historic buildings are currently conservation issues, including the Hudson's Bay Company store and the Royal Theatre (to which the CRD has committed \$3 million).
- Many businesses are moving away from downtown, particularly to Docksider and Selkirk.
- The Provincial government's downsizing is closing many downtown government offices, which is causing commercial vacancies in historic buildings. BC Buildings Corporation estimates that it will vacate 500,000 square feet of space within four years.
- Permitting additional density, breaking through the defined building envelope, and 'façadism' all comprise threats to heritage conservation.

- Seismic issues damage heritage buildings three ways: Before the earthquake (code issues pose threats to conservation), during the quake (buildings and their occupants may be lost), and after the quake (threat of immediate demolition). The post-earthquake study is not sufficient to address this.
- Many Downtown property owners are not committed to the heritage vision and see the Heritage Program as a constraint to return on investment. With the loss of the Downtown BIA, there is a perception that a key voice for conservation and a source of vigilance have been lost.
- There are no design guidelines for new buildings in Old Town.
- If the Heritage Program is not linked to other civic initiatives, it will be dismissed as elitist.
- The Heritage Program needs champions in the private sector.

Other Communities

Victoria has a leadership role in the sophistication of its heritage planning system. Nevertheless, some other jurisdictions have programs from which Victoria might benefit.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

Several BC communities (e.g. District of North Vancouver, Delta, Kelowna) have undertaken comprehensive updates of their heritage inventories. Others (e.g. Vancouver) add to their inventory incrementally through public nominations, staff initiatives, and new programs (e.g. recent landmarks, which admit resources 15 or more years old).

The heritage conservation programs in Vancouver and some other cities use a broad range of planning tools as non-financial incentives to achieve its objectives (e.g., bonus density, density transfers, zoning relaxations, heritage revitalization agreements). Several of these are density-driven and so are seen by some people as not being very relevant to Victoria. However, there is scope for Victoria's broadening its arsenal of tools. Moreover, the present consultants maintain that there is value in considering bonus density and the transfer of density rights in certain situations.

Federal policy requires that government-owned buildings deemed to be of high heritage value by the Federal Heritage Buildings Review Office (FHBRO) must be conserved, and that those of moderate value should be given serious consideration for re-use. Likewise, in the US the General Services Administration, which administers government real estate assets, is required to give serious consideration to the adaptive re-use of historic buildings in meeting its facility needs.

The Federal Government will soon inaugurate the Historic Places Initiative (HPI), in which Victoria will participate. Participation in HPI will include making the Victoria Heritage Registry a part of the Canadian Register of Historic Places (CRHP) and certifying the appropriateness of rehabilitation work. This program will have a significant impact on Victoria's Heritage Program, although the nature and extent of that impact cannot yet be anticipated. It is important that all new heritage planning initiatives be HPI-compatible. To assist with this process, the BC Heritage Trust recently announced the Community Heritage Register Program, which provides up to \$15,000 in matching funds to support 'the development of community heritage registers by local government consistent with the documentation standards of the Canadian Register of Historic Places for inclusion in the Provincial Heritage Register and subsequent adoption into the CRHP.'

Objectives and Potential Actions

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|------------------|--------------|--|
| Objective | 4.1.1 | Adopt a policy that enables in principle an expansion of the scope of the Heritage Registry, which in turn will broaden the scope of the Heritage Program. |
| Action | 4.1.1 (i) | <p>Enable expansion of the scope of the Heritage Registry. Obtain an opinion from the Director of Planning and Development and/or the City Solicitor as to whether it is necessary to adopt a by-law or an OCP ammendment to do this. If required, draft a by-law. The policy should enable the Heritage Registry to include:</p> <ul style="list-style-type: none"> • all building-types, including both exterior and interior components; • all types of heritage resources, including (but not limited to) landscapes, cultural landscapes, and clusters of buildings; • heritage resources produced up to 15 years before being added to the Registry. <p><i>Priority:</i> High <i>Responsibility:</i> Heritage Planner <i>Timeline:</i> Short term</p> |
| Action | 4.1.1 (ii) | <p>Produce a set of standard criteria for inclusion in the Heritage Registry and for protection by designation. These criteria should address all resource-types included in the Registry policy and should be consistent with the requirements of the Historic Places Initiative.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Heritage Planner <i>Timeline:</i> Short term</p> |

Objective 4.1.2 Produce a long-range plan to update and expand the Heritage Registry and then implement the plan. Make the update (i.e. a review of existing listings) and the expansion (i.e. expansion in accordance with the previous objective) equal in priority. Include provision to conform to the requirements of the Historic Places Initiative (e.g. including statements of significance). Allow for incremental additions or revisions to the Heritage Registry at any time, including as part of neighbourhood plans (see next Objective). Systemic expansion should occur according to the following priorities:

1. the full range of building-types
2. post-1950 buildings
3. landscape resources
4. heritage interiors
5. any other resource-types or resource groups

Action 4.1.2 (i) Update and expand the Registry as resources allow.

Priority: Medium

Responsibility: Planning and Development Department

Timeline: Medium term and ongoing

Action 4.1.2 (ii) As the Heritage Registry is expanded to include additional resource-types, expand the scope of eligibility for all grant and incentive programs accordingly.

Priority: Medium

Responsibility: Planning and Development Department, VHF, VCHF

Timeline: Medium term and ongoing

Action 4.1.2 (iii) Add what documentation may be necessary to make the Heritage Registry compatible with the Canadian Register of Historic Places. Consider accessing the new BC Heritage Trust funding program established for this purpose.

Priority: High

Responsibility: Planning and Development Department

Timeline: Short term and ongoing

Objective 4.1.3 Include Heritage as a consideration within all future neighbourhood plans. Make an update of the Heritage Registry a requirement of all neighbourhood plans, including addressing any expansion to its scope that may have been approved as policy.

Action 4.1.3 (i) Include a study similar to the Jubilee Neighbourhood Heritage Resource Review as an integral part of future neighbourhood plans undertaken by the Planning and Development Department. Fund the heritage resource review from the budget for the neighbourhood plan and from external sources where available.

Priority: Medium

Responsibility: Planning and Development Department

Timeline: Short term and ongoing

| | | |
|------------------|------------------|---|
| Objective | 4.1.4 | Broaden the range of heritage planning tools used routinely as part of the Heritage Program. |
| Action | 4.1.4 (i) | <p>Where appropriate, introduce zoning relaxations (e.g., non-conforming uses, setbacks, parking requirements) as incentives to encourage heritage conservation initiatives in neighbourhoods other than Downtown. Give consideration to using heritage revitalization agreements (generally in conjunction with designation) for complex developments that include a conservation component. Consider using the transfer of density and bonus density (cited in the OCP), including the transfer of density from one neighbourhood to another, as options in selected situations where the added density would not be harmful. Identify pilot projects with which to test the tools.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Planning and Development Department <i>Timeline:</i> Short term and ongoing</p> |
| Objective | 4.1.5 | Seek opportunities for additional linkages between the Heritage Program and other activities of the Planning and Development Department and other civic departments. |
| Action | 4.1.5 (i) | <p>Explore linkages with environmental programs and the proposed Green Buildings Policy, based on arguments such as the landfill and embodied energy costs of demolition. Explore linkages with civic initiatives to increase the stock of affordable housing and other social programs.</p> <p><i>Priority:</i> Low <i>Responsibility:</i> Planning and Development Department and other municipal departments <i>Timeline:</i> Medium term</p> |
| Objective | 4.1.6 | Adopt municipal policy that would make the rehabilitation of Registered City-owned buildings a priority in upgrading civic facilities. |
| Action | 4.1.6 (i) | <p>Promote upgrading the Royal Theatre (by the CRD) to provide an appropriate venue for the proposed performing arts centre.</p> <p><i>Priority:</i> Low <i>Responsibility:</i> CRD, Royal and McPherson Theatres Society associated organizations <i>Timeline:</i> Short term</p> |

Objective 4.1.7 Continue to undertake research and policy development related to the threats to heritage resources posed by earthquakes.

Action 4.1.7 (i) Carry out the recommendations in *City of Victoria: Post Earthquake Policy for Heritage Buildings* (1996).

Priority: Low

Responsibility: Various civic departments and agencies

Timeline: Medium term

Objective 4.1.8 Encourage businesses to move or expand Downtown, to fill space in historic buildings being vacated by BC Buildings Corporation and the Provincial Government.

Action 4.1.8 (i) Undertake a campaign of attracting businesses and institutions, including tourism-oriented businesses and educational institutions, to take space in Downtown heritage buildings. Devise a package of non-financial incentives (e.g. zoning relaxations, bonus density) as an enticement.

Priority: Low

Responsibility: Mayor's Office, Economic Development Commission, Chamber of Commerce, Tourism Victoria

Timeline: Short term and ongoing

Action 4.1.8 (ii) Consult with the University of Victoria to encourage and facilitate it to expand its a Downtown campus, in accordance with its statement that this option is under active consideration. If the University agrees, encourage it to run the Cultural Resource Management Program from this Downtown campus.

Priority: Low

Responsibility: Economic Development Commission, Chamber of Commerce, University of Victoria

Timeline: Short term

Objective 4.1.9 Develop design guidelines for new construction Downtown.

Action 4.1.9 (i) Produce design guidelines to assist architects and property owners to make new Downtown buildings compatible with the existing urban character.

Priority: Medium

Responsibility: Planning and Development Department

Timeline: Medium

4.2 EDUCATION AND PUBLIC AWARENESS

Current Situation

The City of Victoria, its arm's-length foundations, and Victoria's volunteer societies combine to manage an active program of education (i.e., increasing the community's knowledge of Victoria's heritage resources) and public awareness (i.e., increasing awareness of the City's Heritage Program). The City has been instrumental in heritage educational programs for decades. Two early reports, *This Old Town: City of Victoria Central Area Heritage Conservation Report* (1975, later revisions) and *This Old House: An Inventory of Residential Heritage* (c. 1979), are City-published classics that opened Victorians' eyes to their city's heritage treasures.

A number of recent educational programs are listed in Chapter 2. They have been produced by the municipal foundations and volunteer organizations, some in partnership with non-heritage organizations. Educational endeavours include pamphlets for self-guided walking tours (by the VHF) and short articles on old buildings in *The Buzzer*, which is distributed on buses (a partnership of the VCHT and BC Transit). The Hallmark Society has a research collection of files and slides (although it would like to have a permanent resource centre to facilitate their use) and has a highly respected heritage awards program, which is supported by the City. The Old Cemeteries Society offers cemetery tours, conducted by volunteers. The VCHT formerly gave walking tours of Downtown, conducted by summer students. The Victoria Historical Society funds scholarships for history students and installs historic markers. Many of the activities described above and others, such as a VHF mail-out that was sent with utility bills, also contribute to raising public awareness of the heritage program.

These initiatives continue. The VHF, for example, is undertaking research that will lead to a new edition of *This Old House*. The Foundation also continues to prepare walking tour pamphlets. The Planning and Development Department does not at present have the human resources to contribute to educational programs, although of course it funds the VHF and VCHT.

Some educational institutions, most notably the University of Victoria's program in Cultural Resource Management, provide courses in heritage resource management. Nevertheless there is an opportunity for other institutions, such as Camosun College, to provide heritage-related courses.

*Two reports are
City-published
classics that opened
Victorians' eyes to
their city's heritage
treasures.*

The City does participate actively in public awareness programs. The article by Heritage Planner Steve Barber reproduced in the Appendix is one example. The City's web site informs the public about heritage activities (including soliciting public input for this Heritage Strategic Plan and making the Strategic Framework available as a downloadable file). Nevertheless, every opportunity should be taken to inform the business community and the general public about what the Heritage Program is doing for the City.

Stakeholder Input

- Most people don't know how much preservation costs or who pays for it.
- The development and building management communities do not have enough information on the Heritage Program. Need education and communication.
- Bring the development community together, perhaps through a series of workshops.
- There should be an ongoing program of education for property owners and managers. (Maybe offer through Camosun College, UVic.)
- Heritage is seen as the 'bad guy that costs too much and screws up deeds.' Important to get out the message that heritage is a positive activity.
- The Heritage Program needs higher profile, more promotion as being a driver of quality of life and economics.
- Most people think of the Heritage Program as addressing Downtown only.
- Lack of familiarity with Heritage Program among some interviewees who represent the business community.
- *Note: The consultants were impressed that many of the stakeholders and many at the community workshop emphasized the importance of expanding education and public awareness.*

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

Threats

- The education and awareness programs, while substantial, reach a relatively limited audience. Many people outside the heritage community are not familiar with the Heritage Program.
- For Council to continue its strong support of the Heritage Program, it is necessary that residents should appreciate the benefits of the program and express this sentiment.

Other Communities

Looking at education and public awareness programs elsewhere may help Victoria's institutions gain inspiration for their own programming. A small selection is cited here.

Simon Fraser University includes a considerable amount of heritage content in its successful City Program, run from its Downtown Vancouver campus. Several courses are instructed by heritage planners at the municipal, provincial, and federal levels. The University of Victoria's Cultural Resource Management Program might contribute more to public awareness of heritage issues if it were to emanate from a Downtown campus, because portions of the program might attract more of a general audience. At a different educational level, Algonquin College in Perth, Ontario, has a preservation program that focusses on teaching traditional building skills to carpenters, masons, and other trades.

Many American not-for-profit heritage organizations have developed active and innovative educational programs. Greater Portland (Maine) Landmarks is one of many communities the scale of Victoria that has a full schedule of walking tours, home and garden tours, cemetery tours, lectures, and museum special events.

Several American programs focus on elementary schools. Maine Preservation provides programs and publications targeted at all age groups 'teaching about the values of historic preservation.' These include education grants to elementary schools to enable students to research and develop projects. The Center for Understanding the Built Environment in Prairie Village, Kansas, encourages schoolchildren to prepare a public exhibit, which helps others to understand the role that their school plays in the neighbourhood. The National Park Service's Teaching with Historic Places program provides resources to enable schools to use historic places as educational venues, based on the recognition that the sites 'have powerful and provocative stories to tell.'

Texas Folklife Resources' Community Residency Program 'encourages community members to celebrate and continue the traditional art forms in their community' by funding artists to conduct educational presentations and lead workshops during a one-week residency. While that program focusses on music, the concept could be used to host heritage specialists, from practitioners of traditional building methods to designers or storytellers.

Objectives and Potential Actions

| | | |
|------------------|--------------|---|
| Objective | 4.2.1 | Develop a plan for education, public awareness, and communication for the Heritage Program, with clear and measurable objectives. |
| Action | 4.2.1 (i) | <p>Undertake a heritage communications plan, which makes specific recommendations and provides clear and measurable objectives.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Perhaps VHF or VHCT <i>Timeline:</i> Short term</p> |
| Action | 4.2.1 (ii) | <p>Communicate information about the Heritage Program, particularly to the business community, property owners and managers, the design and development industries, and those in the general public not generally associated with the heritage community. Use a variety of media, including (but not limited to) media releases, speaking engagements with relevant organizations, broad-based initiatives such as a utility bill mail-out, displays, and the City's web site. Keep it simple!</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> Corporate Communications <i>Timeline:</i> Short term and ongoing</p> |
| Action | 4.2.1 (iii) | <p>Increase knowledge of the City's built heritage among both Victorians and visitors. Use a variety of media and techniques, including continuing those that are already a part of the Heritage Program. Provide information and 'fam tours' to tour operators.</p> <p><i>Priority:</i> High <i>Responsibility:</i> VHF, VCHT, Tourism Victoria, volunteer societies, and other existing and potential partners <i>Timeline:</i> Ongoing</p> |
| Action | 4.2.1 (iv) | <p>Encourage the delivery of heritage education programs (including both conservation management and conservation technology) by established educational providers. Partners might include the School Board, Camosun College, Royal Roads University, and the University of Victoria. (UVic already has a mature program.) Leverage programs where opportunities are available, such as through the Heritage Society of BC and the Architectural Institute of BC.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> VHF, VHCT, Educational providers <i>Timeline:</i> Medium term</p> |

Objective 4.2.2 Increase Victorians' engagement with their City's heritage as part of community-building. This might include a wide range of community-based projects, involving partnerships with organizations and institutions such as community centres, Victoria Public Library, and performing and visual arts groups.

Action 4.2.2 (i) Include this as part of the scope of the work for the heritage communications plan recommended as Action 4.2.1 (i).

Priority: Medium

Responsibility: Perhaps VHF or VCHT

Timeline: Medium term

Objective 4.2.3 Continue to encourage and facilitate public awareness programs, making a particular effort to reach people outside the heritage community.

Action 4.2.3 (i) Promote the message that the City receives a return on its investment in conservation, in terms of enhanced quality of life, meeting the objectives of other civic policies, and revenues from tourism and future taxes.

Priority: Medium

Responsibility: All heritage agencies

Timeline: Short term

Action 4.2.3 (ii) Expand the use of the City's web site to publicize and promote the Heritage Program.

Priority: High

Responsibility: Heritage Planner, Corporate Communications

Timeline: Short term and ongoing

Action 4.2.3 (iii) Increase the scope and visibility of awards programs, to give recognition to people and organizations that excel in heritage conservation.

Priority: Medium

Responsibility: Hallmark Society, other business and heritage organizations

Timeline: Medium term

4.3 PROGRAM DELIVERY

Current Situation

The formal components of the City's Heritage Program are delivered jointly by municipal staff in the Planning and Development Department and by the City-funded Victoria Heritage Foundation (VHF) and Victoria Civic Heritage Trust (VCHT). The City has found it more cost-effective and administratively less burdensome to share responsibilities with the two foundations in this way.

The Heritage Planner (a Planner III in the Planning and Development Department) is responsible for:

- Responding to external requests for information on the Heritage Program
- Responding to applications for heritage designation
- Responding to applications for heritage alternation permits
- Responding to applications for the Tax Incentive Program
- Serving the Heritage Advisory Committee
- Liaison with the VHF and the VCHT
- Providing internal input to City staff concerning the Heritage Program
- Developing heritage planning policy
- Providing back-up to the urban design planner
- General administrative work

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

The staff and boards of the VHF and VCHT manage the Heritage Grants Program (VHF) and the Building Incentive Program and Design Assistance Grants (VCHT). In addition, they both have administered educational programs, which were described in Section 4.2. The Tax Incentive Program is administered by the Heritage Planner in cooperation with the VCHT. The VCHT has undertaken other programs in the past; for example, it ran the Broad and Yates Street Heritage Area Revitalization Program, which received \$300,000 from the BC Heritage Trust in 1992.

City staff consists of a full-time Heritage Planner and a half-time administrative assistant, as it has for more than a decade, during a time of considerable program expansion. The VHF and VCHT each has a part-time coordinator / director and part-time support staff. Together they have about 4 full-time-equivalent (FTE) positions. The City's Heritage Program is therefore administered by a total of about 5.5 FTEs. It is widely agreed that demands exceed resources.

Demands on staff will increase even more with the introduction of the federal Historic Places Initiative. This will likely create applications for the new federal tax incentives. It will also require that heritage values be defined, requiring more detailed staff-prepared designation reports. This additional effort will be balanced by a new ‘pay-back’, namely federal tax incentives and rehabilitation standards that will encourage additional and appropriate conservation of the historic building stock.

The Heritage Advisory Committee (HAC) is an important player in the operation of the Heritage Program, but its Council-appointed volunteer members do not participate in program delivery. The HAC is a Community Heritage Commission under the provisions of the Local Government Act, and therefore it is empowered to ‘operate services of the local government’ (176 (1) (g)) – in other words, it can participate in the delivery of the Heritage Program. There are many opportunities for the HAC to participate in delivering public awareness programs (addressed in Section 4.2) and other programs as well.

Special projects have been delivered in a number of ways. The Downtown Victoria Heritage Building Lighting Program is a project of the VCHT, which accesses federal and provincial infrastructure funding and partnered with Tourism Victoria and the former BIA. The Broad Street Revitalization Project was administered by the Planning and Development Department. The restoration of the Pritchard Monument in Pioneer Square was a joint project of VCHT and the Old Cemeteries Society.

The volunteer organizations deliver their own programs, some of which are listed in Section 2.1. Many complement the City-directed Heritage Program. The Hallmark Society’s awards program, for example, recognizes many beneficiaries of municipal grants and incentives, and the Old Cemeteries Society’s tours complement those organized by the VHF. Courses offered by UVic Continuing Education’s Cultural Resource Management Program are attended by some people who are active in the Victoria heritage community, but educational programs offered by UVic or other educational institutions are not delivered specifically to this market.

Victoria’s many heritage attractions deliver yet another kind of service, providing hands-on experiences in historic buildings to residents and visitors alike. Some, such as Craigdarroch Castle, are owned and operated by not-for-profit societies. Others, such as the Richard Carr House, are among the many heritage properties that the BC Government intends to devolve. Time will tell whether the devolved BC heritage properties will flourish or languish under new management.

Demands on staff will increase even more with the introduction of the federal Historic Places Initiative.

The number of registered and designated buildings is increasing, but the capacity to administer them is not.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

Stakeholder Input

- Overwhelming support for services being delivered partly by City staff and partly by arm's-length not-for-profit societies.
- Balancing this is a voiced concern about the devolution of responsibilities to arm's-length agencies, and a belief that more should be done by City Hall and City Hall committees to ensure accountability.
- The Heritage Advisory Committee (HAC) mostly addresses design issues; perhaps it should be involved in economic and other issues as well.
- Revive the role of the Downtown Advisory Committee as a voice for Downtown, to fill the void left by the dissolution of the Downtown BIA.
- Encourage the Chamber of Commerce to fill this void (recognizing that the Chamber of Commerce is a regional organization that represents a much larger area than Downtown Victoria).
- VCHT should form a partnership with a business organization, so that it would have three 'legs': not-for-profit society, City, and business community.
- The VHF has non-Victoria members, but since it administers the City of Victoria's funds, perhaps its membership should comprise only residents of Victoria.

Threats

- The number of registered and designated buildings is increasing, but the capacity to administer them is not. The Heritage Planner, Victoria Heritage Foundation (VHF), and Victoria Civic Heritage Trust (VCHT), who are the prime delivery agents for municipal heritage services, seem to be worked to capacity and have little prospect of expanding staff, yet their work load will continue to increase.
- The dissolution of the Downtown Business Improvement Association (BIA) was the loss not only of a voice for Downtown, but also of a program delivery agent.
- The former BC Heritage Area Revitalization Program (HARP) has not been replaced and is missed.
- The devolution of Provincially-owned heritage properties by the BC Government may threaten the presentation and heritage integrity of heritage attractions such as the Carr House.
- As the number of properties eligible for grants and incentives increases with the expanding scope of the Heritage Register, more demands will be placed on staff.
- The federal Historic Places Initiative, which will be implemented soon, requires that heritage values be defined, placing demands on staff to write more detailed designation reports.

Other Communities

It is difficult to assess the effectiveness of the relative heritage staffing strengths of Victoria and other BC municipalities, since a fair comparison would consider not only population and the number of registered and designated properties, but also the activity and responsibilities within the Heritage Program. The two most active heritage programs in BC are in Victoria and Vancouver. Victoria, as noted above, has about 5.5 FTEs (1.5 in the Planning Department) for a municipal population of 75,000 and 580 registered properties (of which 422 are designated). Vancouver has 8 FTEs (7 in the Planning Department) dedicated to heritage planning for a municipal population of 560,000 and about 2,200 registered properties (of which about 350 are designated, not including all buildings in Gastown and Chinatown).

The two most active heritage programs in BC are in Victoria and Vancouver.

The pressures on the two staffs are much more difficult to quantify. Policy-related work in the two cities is presumably more equivalent in the demands it makes on staff time than the populations would suggest.

Objectives and Potential Actions

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| Objective | 4.3.1 | Increase the number of heritage-dedicated staff in the Planning and Development Department, in order to allow the Department to meet the many and increasing demands on its resources. |
| Action | 4.3.1 (i) | Create the position of Assistant Heritage Planner, to be staffed by a Planner I with heritage experience. The position should be full-time, but if necessary could begin as a half-time position. <i>Priority:</i> High <i>Responsibility:</i> Planning and Development Department <i>Timeline:</i> Short term |
| Action | 4.3.1 (ii) | Increase the administrative assistant to full-time for the Heritage Program. <i>Priority:</i> Low <i>Responsibility:</i> Planning and Development Department <i>Timeline:</i> Medium term; to be done after the previous appointment |
| Action | 4.3.1 (iii) | Seek opportunities for planning internships to provide assistance to the Heritage Planner and to the VHF and the VCHT. If feasible, take advantage of external internship programs that will cover the part or all of the costs of the intern(s). <i>Priority:</i> Medium <i>Responsibility:</i> Planning and Development Department, VHF, VCHT <i>Timeline:</i> Short term and ongoing |

| | | |
|------------------|--------------|--|
| Objective | 4.3.2 | Review the Terms of Reference for the Heritage Advisory Committee, to make them consistent with the responsibilities and duties of a Community Heritage Commission, as provided for in the Local Government Act. |
| Action | 4.3.2 (i) | <p>Consider changing the name of the Heritage Advisory Committee to the Victoria Heritage Commission, consistent with the <i>Local Government Act</i>.</p> <p><i>Priority:</i> Low <i>Responsibility:</i> Council, Planning and Development Department <i>Timeline:</i> Short term</p> |
| Action | 4.3.2 (ii) | <p>Define a more active role to the Heritage Advisory Committee in the delivery of the Heritage Program, to take advantage of the availability of volunteers with an interest and expertise in heritage conservation.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Planning and Development Department, Heritage Advisory Committee <i>Timeline:</i> Short term</p> |
| Action | 4.3.2 (iii) | <p>Encourage members of the Heritage Advisory Committee to become ‘ambassadors’ of the Heritage Program and participate in increasing public awareness. (See Section 4.2)</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> Heritage Advisory Committee <i>Timeline:</i> Short term</p> |
| Objective | 4.3.3 | Include a representative of the Community Association Network on the Heritage Advisory Committee in order to give neighbourhoods greater participation in the Heritage Program. |
| Action | 4.3.3 (i) | <p>Make the procedural change to ensure that a representative of the Community Association Network is appointed to the HAC on an ongoing basis.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> City Manager, Heritage Advisory Committee <i>Timeline:</i> Medium term</p> |
| Objective | 4.3.4 | Ensure that there is a representative and authoritative community voice for Downtown, as a replacement for the former BIA. |
| Action | 4.3.4 (i) | <p>Either reconstitute the Downtown Advisory Committee or encourage the Chamber of Commerce to form a Downtown Victoria Committee, to represent Downtown interests and to partner in the delivery of Heritage Programs that serve Downtown.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> City Manager, Chamber of Commerce <i>Timeline:</i> Medium term</p> |

4.4 GRANTS, INCENTIVES, AND FUNDING

Current Situation

Victoria's grant and incentive programs are described in Section 2.1. The many economic and non-economic benefits to Victoria are cited in Section 2.2. Taken together, the VHF's House Grants Program, the VCHT's Building Incentive Program and Design Assistance Grants, and the City's Tax Incentive Program offer an impressive array of funding assistance. Nevertheless, while recipients express their appreciation of the programs, many say that they are insufficient to meet the conservation industry's needs. As discussed in Section 2.2, Council has increased grants to the VHF and VCHT by 56% and 62% respectively over the last five years, and Councillors have indicated that these increases will likely not continue in the short term.

The Heritage Program does not benefit from any dedicated funding sources as do, for example, public art and new parks. There are no levies, taxes, or user fees dedicated to the Heritage Program in the way that building permit application fees are seen as supporting building-related activities of the Planning and Development Department or the hotel tax supports Tourism Victoria. (This report uses the term 'dedicated funding' to refer to funds that are perceived as being allocated to a specific program, even if the funds go into general revenues and are then disbursed to the program.)

An exception is seen in that some specific heritage-related programs have been funded in part by local improvement levies. This was the situation with the Broad Street Revitalization Project.

The supply of funds from other sources are drying up. The Downtown Incentive Fund was depleted nearly a decade ago, and the BC Heritage Area Revitalization Program and Rental Conversion Program have been discontinued. The BC Heritage Trust has had its resources severely cut and appears to be threatened entirely as the Provincial Government devolves and discontinues its heritage activities. A share of Lottery revenues once went to heritage, but not for some time. Yet demand is growing, as the number of eligible (i.e. designated and registered) properties is increasing, as are construction costs, and a new interest is being shown in expanding Downtown-based heritage programs to the neighbourhoods.

The heritage community does some fundraising. The 1843 Heritage Society, an arm of the Victoria Heritage Foundation, raises funds for educational projects. None of the organizations has a fundraising specialist on staff or a development committee of its board.

The Heritage Program does not benefit from any dedicated funding sources as do, for example, public art and new parks.

It is evident that new sources of non-municipal and non-provincial funding must be secured. Possible sources include grants from foundations, leveraging assistance from the corporate sector, securing loans from the financial sector, public fundraising, and establishing a revolving fund. In addition, additional incentives should be sought. An income tax incentive for approved conservation work on designated buildings is anticipated within the next year or two with the introduction of the Federal Government's Historic Places Initiative, a program in whose planning BC and Victoria have been actively involved.

Stakeholder Input

- It is justifiable to fund the Heritage Program from the general tax base. (Some say fully, some say partly.)
- Conservation funding for Old Town should come from the Downtown tax base.
- The Heritage Program should be funded by a combination of the general tax base and specific funds.
- Structures for administering funds must involve communities.
- The heritage program's focus on incentives is good.
- Tax incentives have had a significant good impact on conservation.
- Grant and incentive programs make money to the city by means of assessment increases and eventual tax revenues.
- Grant and incentive programs should have more flexibility, to account for the scale of development, uses, benefits to the City, etc.
- The amount of money and incentives provided by VCHT programs is not enough to cover developers' exposure.
- Do more with existing resources: e.g. make the Executive Director of VCHT full-time, rather than half-time with 3/4-time assistant.
- The Tax Incentive Program should expand beyond existing constraints, by being applicable to areas other than Old Town and to building types other than commercial (e.g. apartment buildings that need seismic upgrading).
- The Tax Incentive Program was applied inconsistently at the CIVI Building, which was unfair to other property owners.
- The former BC Rental Conversion Program provided funds for rehabilitating old buildings and is missed.
- Re-establish the Downtown Incentive Fund.
- Consider dedicating a percentage of development fees / development cost charges to the Heritage Program (similar to the 1% going to public art)
- Sell some of the City's land assets to fund the Heritage Program.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

- Dedicate some money from business licenses for the Heritage Program (this source paid for Conference Centre and may go to the arena).
- Continue to use federal employment grants to support heritage work.
- Sponsorships are acceptable, if tastefully done.
- VHF and VCHT should undertake fundraising and build trust / endowment funds.
- VHF and VCHT should not undertake fundraising, as this could exhaust their human resources.

Threats

- Applications for the Tax Incentive Program have decreased.
- The Tax Incentive Program requires front-end financing, with the benefits realized in subsequent years. Not all would-be beneficiaries can afford to finance their projects.
- The \$50,000 grant cap for the Building Incentive Program is seen as being inadequate in many situations.
- Many stakeholders see the VHF and VCHT as being ‘underfunded’.
- Banks are reluctant to lend more than 60-75% of the cost of a heritage project, providing a need for considerable front-end financing.
- Some building-types, such as apartment houses, are not eligible for grants or incentives.
- Only houses are eligible for grants outside Downtown, and they are not eligible for tax incentives.
- City Council’s budget constraints preclude further resources for the Heritage Program.
- The pending loss of the BC Heritage Trust as a funding agency will reduce the availability of public funds for conservation projects and programs, and will create a significant vacuum.

It is evident that new sources of non-municipal and non-provincial funding must be secured.

Some other communities have tapped sources of funding that Victoria has not.

Other Communities

Victoria is not alone in facing a financial crunch; indeed, Victoria's grant and incentive programs seem to be more generous than in many other places. However, some other communities have tapped sources of funding that Victoria has not. For example, the Vancouver Heritage Foundation is building an endowment by means of fundraising and planned giving. It has attracted corporate sponsorships in a mutually beneficial way. Benjamin Moore Paints and other firms sponsor the True Colours program, and many organizations sponsor the annual Heritage and Antiques Fair, a major fundraising event that is enabled by an intense volunteer effort. In three years the Foundation has accumulated about \$500,000, and has a goal of reaching \$2 million by 2005. The City of Vancouver's Heritage Conservation Program generates money for projects through the transfer of density rights. The Town of Sidney devotes one-half of the funds collected from building demolition permits (i.e. one-half of 5% of the assessed building value) to the renewal and preservation of heritage buildings.

Ontario has a new incentive program that enables property tax reductions in return for conservation easements. Several Canadian cities have accessed funding from private foundations, such as the Strathcona Porch Program in Vancouver, which received funds from the Samuel and Saidye Bronfman Family Foundation.

COMPONENTS

- 4.1 Planning and Development
- 4.2 Education and Public Awareness
- 4.3 Program Delivery
- 4.4 Grants, Incentives, and Funding

In the US, the well-established Pittsburgh History and Landmarks Foundation established a revolving fund in the 1960s. The fund's successor, the Preservation Loan Fund, provided \$4 million in loans between 1996 and 2001. (In Canada, the St. John's Heritage Foundation managed a successful revolving fund in the 1970s, but it fell on hard times a decade later.) The Pittsburgh Foundation also has a planned giving program and a Named Endowment Fund Program, which gives recognition to donors. Some American communities have encouraged local banks to provide loans and mortgages to preservation projects at preferred rates, drawing on funds deposited with special low-interest preservation accounts.

Objectives and Potential Actions

| | | |
|------------------|--------------|--|
| Objective | 4.4.1 | Identify new sources of funding, preferably ‘dedicated’ funding, to support the Heritage Program. |
| Action | 4.4.1 (i) | <p>Determine the feasibility of accessing new municipal funding sources to supplement the funds currently used for the Heritage Program. Consideration could be given to dedicating a fixed percentage of development permit fees, development cost charges, demolition permit fees, business licenses, hotel taxes, and/or other revenue streams to the Heritage Program. This would be justified as being a user fee. Recommend the best methods and take appropriate action.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Planning and Development Department, VHF, VCHT, Finance Department <i>Timeline:</i> Short to medium term</p> |
| Action | 4.4.1 (ii) | <p>Determine the feasibility of accessing potential non-municipal funding sources to supplement the municipal funds currently used for the Heritage Program and/or to build an endowment fund; and also to determine which existing or new heritage organization(s) should be the repository(s) for the funds. Consideration could be given to seeking private foundation support, professional fundraising (perhaps on a commission basis), encouraging planned giving, and other means and sources. Recommend the best methods and take appropriate action.</p> <p><i>Priority:</i> High <i>Responsibility:</i> VHF, VCHT, Hallmark Society, other organizations <i>Timeline:</i> Short to medium term</p> |
| Action | 4.4.1 (iii) | <p>Determine the feasibility of expanding the operations of the VHF and/or the VCHT, or forming a new not-for-profit organization, to institute and manage a revolving fund that would be used to acquire and rehabilitate historic properties and then sell them on the market to recapture the investment. Perhaps learn from the method of the Land Conservancy of BC. Identify the source(s) of start-up capital. Recommend the best methods and take appropriate action.</p> <p><i>Priority:</i> Low <i>Responsibility:</i> VHF, VCHT, business community <i>Timeline:</i> Long term</p> |

| | |
|------------------------|--|
| Objective 4.4.2 | Encourage the business community to participate more actively in the Heritage Program by means of sponsorships, corporate donations, low-interest loans and mortgages, promotion, and other means. Help the business community recognize the economic benefits of conservation to the community-at-large and the consequent financial benefits to themselves. |
| Action 4.4.2 (i) | <p>Involve the Chamber of Commerce, Real Estate Board, Tourism Victoria, and other business organizations in this initiative. Encourage them to recruit businesses to participate more actively in the Heritage Program.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Mayor's Office, Chamber of Commerce, Real Estate Board, Tourism Victoria <i>Timeline:</i> Medium term</p> |
| Action 4.4.2 (ii) | <p>Develop guidelines for sponsorships, determining how businesses may identify themselves with heritage activities in a manner that is tasteful, is beneficial to the objectives of the Heritage Program, and benefits the sponsor.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> Planning and Development Department, Chamber of Commerce <i>Timeline:</i> Medium term</p> |

| | | |
|------------------|-------------|---|
| Objective | 4.4.3 | Make the maximum grant for the Building Incentive Program more flexible, to enable some grants to exceed the \$50,000 limit where warranted by the circumstances. If possible, find a second source that will match the VCHT's grant of up to \$50,000; in extraordinary situations, consider increasing the VCHT's contribution. |
| Action | 4.4.3 (i) | <p>Conduct discussions with foundations and corporations having goals compatible with the Heritage Program, to attempt to identify one or more that will agree to match the VCHT's Building Incentive Program grants. Identify one or more pilot projects with which to test the expanded program.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> VCHT, Mayor's Office, Cooperating Foundation(s) and Corporation(s) <i>Timeline:</i> Short to medium term</p> |
| Action | 4.4.3 (ii) | <p>Expand the Building Incentive Program beyond Downtown to enable applications from other neighbourhoods.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> VCHT <i>Timeline:</i> Short to medium term</p> |
| Action | 4.4.3 (iii) | <p>Eliminate the Design Assistance Grants, because they consume too much administration time for the small benefit. Use the freed-up staff time for the additional applications anticipated for the Building Incentive Program.</p> <p><i>Priority:</i> High <i>Responsibility:</i> VCHT <i>Timeline:</i> Short term</p> |

Objective 4.4.4 Make the eligibility requirements for the Tax Incentive Program more flexible, in order that it may benefit a wider variety of projects and encourage more take-up by property owners.

Action 4.4.4 (i) Expand the program beyond the requirement to convert space to provide new residential units by allowing applications for projects that would benefit Victoria in ways other than providing new residential units Downtown. This might be done initially on a pilot project basis (as was done with the CIVI building), ultimately leading to a change in policy.

Priority: High

Responsibility: Planning and Development Department, VCHT

Timeline: Short term

Action 4.4.4 (ii) Expand the program beyond Downtown to enable applications from other neighbourhoods.

Priority: Medium

Responsibility: Planning and Development Department, VCHT

Timeline: Medium term

Objective 4.4.5 Make the eligibility requirements for the House Grants Program more flexible, to include buildings that were originally multi-family residences.

Action 4.4.5 (i) Expand the program beyond buildings that were originally single-family residences to include heritage apartment buildings. Consider a different scale of grants (perhaps based on the number of units).

Priority: High

Responsibility: VHF

Timeline: Short to medium term

| | | |
|------------------|------------------|--|
| Objective | 4.4.6 | Provide loan guarantees for heritage projects where additional financing beyond banks' usual limits for old buildings are necessary to make a project viable. |
| Action | 4.4.6 (i) | <p>Conduct discussions with one or more banks, encouraging them to partner with the City to provide more than 60-75% financing for heritage projects, with the City and/or participating businesses and foundations guaranteeing the incremental amount. Seek assistance from businesses and foundations to share the risk with the City or assume full responsibility for some guarantees. Identify one or more pilot projects to test the expanded program and determine eligibility criteria.</p> <p><i>Priority:</i> Medium <i>Responsibility:</i> Planning and Development Department, Finance Department, Cooperating Bank(s), Cooperating Foundation(s), Cooperating Corporations <i>Timeline:</i> Short to medium term</p> |
| Objective | 4.4.7 | Expand the eligibility requirements for all grant and incentive programs to correspond with the scope of the Heritage Register as it is broadened. (See Section 4.1) |
| Action | 4.4.7 (i) | <p>Ensure that the eligibility for VHF and VCHT grant programs and for the Tax Incentive Programs continues to correspond with eligibility for the Heritage Registry.</p> <p><i>Priority:</i> High <i>Responsibility:</i> Heritage Planner, VHF, VCHT <i>Timeline:</i> Ongoing</p> |

5. STRATEGIES FOR THE HERITAGE PROGRAM

5.1 THREE ALTERNATIVE STRATEGIES

The consultants were instructed by the Planning and Development Department to develop strategies for improving the City of Victoria's Heritage Program while observing Council's notice that municipal funding levels may not be increased in the near future. The assumptions that follow from this are that any new initiatives must be balanced by reducing some existing activities and/or that new, non-municipal funds must be accessed to fund new initiatives.

The *Strategic Framework* proposed four options for consolidation, expansion, or reduction of the Heritage Program. The four are not mutually exclusive.

1. Update and improve existing programs
 - (a) Update existing documents (e.g. the *Heritage Registry*); and/or
 - (b) Expand the *tools* used for heritage conservation without expanding the *scope* of the program; and/or
 - (c) Make existing programs more effective and/or efficient.

2. Expand into new program areas, where:
 - (a) City policy has not been met; and/or
 - (b) the City will get the best return for its investment; and/or
 - (c) particular program areas have been identified by the community and/or staff as being important.

3. Eliminate or reduce program areas that are:
 - (a) not / no longer effective; and/or
 - (b) not cost-effective; and/or
 - (c) do not further City policy.

Participants at the Community Workshop favoured updating and improving existing programs.

4. Prepare for the Historic Places Initiative (HPI) and its impact

The Federal Government is expected to launch its far-ranging Historic Places Initiative in 2003. Victoria is participating in pilot projects to fine-tune the program. The HPI may have a significant impact on heritage conservation programs in all Canadian municipalities.

Participants at the Community Workshop discussed these options. They favoured the first – updating and improving existing programs – without indicating a preference for any of the three sub-options. The consultants agree with this direction. The workshop participants did not argue for new programs, nor did they identify any program areas that might be reduced or eliminated.

The Community Workshop did not argue for maintaining the *status quo*. Indeed, the *status quo* is not sustainable, since the demands of the Heritage Program continue to increase while staffing levels remain unchanged. Most stakeholders supported modest improvements to the program, particularly updating the Heritage Registry and including adding additional resource-types, and this would further increase demands on the program.

Chapter 4 of this Heritage Strategy identifies 23 objectives and 42 potential actions for developing and improving the Heritage Program over time. As stated there, that comprises a reference list (or ‘wish list’). This chapter proposes realistic strategies, which are developed from the reference list.

Three alternative strategies for a sustainable Heritage Program are proposed:

1. *Planning for Constraint*: Constrain additional growth to keep the program at a level that is sustainable with existing funding, but will not grow or develop.
2. *Balancing Growth and Reduction*: Reduce some program components in the short term in order to enable long-term growth that will allow the program to meet anticipated demands and changes.
3. *Planning for Modest Growth*. Allow modest program growth, afforded in part with additional municipal funds, which would be justified on the basis of economic and quality-of-life returns as well as prospects of long-term financial return.

Each approach is described separately as a series of actions, which are cross-referenced to Chapter 4 where applicable. Cost savings and cost increases are estimated.

The status quo is not sustainable, since the demands of the Heritage Program continue to increase while staffing levels remain unchanged.

1

Planning for Constraint

Two principles followed here require explanation:

- Cost savings that balance cost increases do not necessarily come from the same municipal account. For example, a savings might affect grants to the VHF or the VCHT, while a balancing expense might affect staff salaries. Nevertheless, all are considered here to be costs of the heritage program, as indicated in the table in Section 2.2.
- The strategies address new ‘dedicated funding’ for heritage. We recognize that technically no funds are truly dedicated, since any new revenues would go into general revenues, from which they would be disbursed to the Heritage Program. Nevertheless, new sources of funds that are earmarked for heritage are considered here to be dedicated.

STRATEGY 1: PLANNING FOR CONSTRAINT

This approach constrains the growth inherent in the Heritage Program and reduces some components in order to achieve sustainability. In this scenario, most potential actions in Chapter 4 would not be undertaken.

Highlights of Strategy 1:

- Create no new staff positions
- Offset increasing staff salaries and benefits with a 1% reduction in grant funding to the VHF and VCHT
- Cap new heritage designations at 3% per year and discourage additions to the Registry
- Eliminate Design Assistance Grants
- Expand non-financial incentives for conservation
- Secure new sources of non-municipal and municipal funding for the Heritage Program

For each part of the strategy, an indication is given of the impact on staff (including City, VHF, and VCHT staff) and financial resources:

- + Additional staff time / additional financial resources
(funding implications for Year 1 are estimated where feasible)
- N Neutral impact on resources
- Reduced staff time / reduced financial resources (funding implications for Year 1 are estimated where feasible)

The following actions would be implemented as essential components of Strategy 1:

| | Program Constraints | Staff | Funds |
|------|---|-----------|------------------------|
| 1.1 | Accept that staff salaries and benefits will continue to increase at about 3% per year. | N | + \$3,500 |
| 1.2 | Reduce funding to the grant programs of the VHF and VCHT by 1% per year to compensate for increasing staff costs. This will increase competition for increasingly limited funds, which may have the beneficial effect of raising the quality of conservation work. | N | - \$4,000 |
| 1.3 | Cap new heritage designations at 3% per year, which is less than the 3.5% annual growth. Do not actively seek new additions to the Heritage Registry. | - | N |
| 1.4 | Continue to identify heritage resources in new Neighbourhood Plans [4.1.3 (i)]. Take action on the recommendations for additions to the Heritage Registry and for designation only if the designations can be accommodated within the 3% cap. Make the additions to the Registry and seek the designations after the cap has been lifted. | N | N |
| 1.5 | Expand eligibility requirements for the Tax Incentive Program [4.4.4 (i)], making the likelihood of a large increase in property assessment a criterion for approval. The long-term impact will be to raise property taxes significantly after the ten-year tax holidays have expired. | + (minor) | N + long-term |
| 1.6 | Eliminate the Design Assistance Grants [4.4.3 (iii)]. | - | - \$4,000 |
| 1.7 | Expand non-financial incentives for conservation by broadening the range of heritage planning tools [4.1.4 (i)] as staff resources may permit. The long-term impact will be to increase heritage conservation activity without requiring additional financial resources. | + | N |
| | Extend Funding and Participation | | |
| 1.8 | Secure new non-municipal funding. Many potential sources are identified in 4.4.1 (ii). Those that are the most likely to succeed should be targeted and sought. | + | - medium- or long-term |
| 1.9 | Secure new municipal funding sources that can be justifiably financed through increased fees, levies, or taxes. Potential sources are identified in 4.4.1 (i). | + | - medium- or long-term |
| 1.10 | Forgive less than 100% of taxes on assessment increases in the Tax Incentive Program. | N | - |
| 1.11 | Identify organizations to match Building Incentive Program Grants [4.4.3 (i)]. | + | - medium- or long-term |
| 1.12 | Attract business to take space in Downtown heritage buildings [4.1.8 (i)]. The long-term effect would be to reduce Downtown vacancies and increase applications for participation in BIP and TIP, which in turn would increase Downtown tax assessments. | + | - medium- or long-term |
| 1.13 | Recruit business to participate more actively in the Heritage Program [4.4.2 (i)]. | + | - medium- or long-term |
| | Education and Public Awareness | | |
| 1.14 | Improve programs in education and public awareness [4.2], but only when this would not put a significant additional burden on staff, but would be undertaken in cooperation with other organizations. | + minor | N |

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Planning for Constraint

Short-term Impacts: This strategy makes few changes to the Heritage Programs. Its short-term consequences will be financially neutral (i.e. sustainable), given an ongoing commitment to current levels of funding, which, at the Council Workshop, Council indicated is its intention. The minor reductions in funding to the VHF and VCHT would have no noticeable impact on programs, but it might have a demoralizing effect on staff and volunteers. Actions 1.4 and 1.7 would improve existing programs, which was the direction favoured by the Community Workshop. Action 1.6 would eliminate a program that is seen as being not particularly effective.

Accessing new funding sources (Actions 1.8-1.11 of Strategy 1) will require a short-term investment of time from volunteers, staff, and/or elected officials, but the outcome will be a long-term increase in funds available for the Heritage Program.

Long-term Impacts: The long-term effect of following this program of constraint would be a gradual shrinking of the Heritage Program relative to its potential to shape the future of the City. If continued over the long term, which is not recommended here, this program of constraint could inflict grave consequences on the Heritage Program, because awareness and interest in the program would be lessened while new-development initiatives would continue to increase, eventually marginalizing heritage planning.

Estimated Life of Constraints: Without an increase in funding allocations to the Heritage Program, it would likely be necessary to continue the constraints for about five years. By then it is anticipated that sustainable modest expansion to the Heritage Program could be supported by new external funding and non-financial incentives. The impact of increased municipal property tax revenues generated by the Tax Incentive Program will begin to occur in seven years (i.e., ten years after the first tax reduction in 1999). That would be the sunset date for lifting the constraints in response to the increased revenues derived from heritage activity. This responds to the Council Workshop, which indicated a willingness to consider additional heritage funding at that time.

STRATEGY 2: BALANCING GROWTH AND REDUCTION

This strategy makes short-term but significant cuts to the Heritage Program in order to balance the cost of an action that will produce a significant medium- and long-term benefit to the program. This might be the most beneficial strategy over the long run.

Highlights of Strategy 2:

- Hire an Assistant Heritage Planner half-time
- Reduce funding to the grant programs of the VHF and VCHT by 10%
- Undertake all actions recommended for Strategy 1 other than the cap on designations and Registry listings

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*Balancing Growth
and Reduction*

The following actions would be implemented as components of Strategy 2:

| | Program Adjustments | Staff | Funds |
|------|--|-----------|------------------|
| 2.1 | Hire an Assistant Heritage Planner half-time | + | + \$35,000± |
| 2.2 | Accept that staff costs will continue to increase at about 3% per year. | N | + \$4,500 |
| 2.3 | Reduce funding to the grant programs of the VHF and VCHT by 10% | N | - \$41,000 |
| 2.4 | Implement improvements and expansion to Heritage Program (see below) | + | N |
| 2.5 | Continue to identify heritage resources in new Neighbourhood Plans [4.1.3 (i)]. Make the additions to the Registry and seek the designations as may be recommended in the neighbourhood plans. | N | N |
| 2.6 | Expand eligibility requirements for the Tax Incentive Program [4.4.4 (i)], making the likelihood of a large increase in property assessment a criterion for approval. The long-term impact will be to raise property taxes significantly after the ten-year tax holidays have expired. | + (minor) | N + long-term |
| 2.7 | Eliminate the Design Assistance Grants [4.4.3 (iii)]. | - | - \$4,000 |
| 2.8 | Expand non-financial incentives for conservation by broadening the range of heritage planning tools [4.1.4 (i)]. The long-term impact will be to increase heritage conservation activity without requiring additional financial resources. | + | N |
| 2.9 | Secure additional funding as described in 1.8 - 1.13 above | + | - |
| 2.10 | Improve programs in education and public awareness [4.2]. | + | N |

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Balancing Growth and Reduction

The Assistant Heritage Planner will increase professional heritage planning staff from 1 to 1.5 FTEs. The savings from the decrease in funding to the VHF and the VCHT will cover the new salary and benefits as well as the ongoing increases. The increased staff component will allow the Planning Department to implement many of the potential actions identified in Chapter 4. Collectively these will update, improve, and expand the Heritage Program, allowing Victoria to continue to be a national leader in heritage management.

The additional planners' time will initially be devoted to the high-priority items that require staff time but not additional funds:

| Additional High-Priority Actions Enabled by Strategy 2 | |
|--|---|
| 4.1.1 (i) | Enable the expansion of the Heritage Registry |
| 4.1.1 (ii) | Produce criteria for inclusion in the Heritage Registry. |
| 4.1.2 (iii) | Make the Heritage Registry compatible with the Canadian Register of Historic Places. |
| 4.1.3 (i) | Include Heritage in future neighbourhood plans. |
| 4.1.4 (i) | Introduce additional heritage planning tools. |
| 4.2.1 (i) | Undertake a heritage communications plan. |
| 4.2.1 (ii) | Communicate information about the Heritage Program to the business community. |
| 4.2.3 (ii) | Expand the City's web site to publicize the Heritage Program. |
| 4.3.2. (ii) | Define a more active role for the Heritage Advisory Committee. |
| 4.4.2 (i) | Recruit businesses to participate more actively in the Heritage Program. |
| 4.4.4 (i) | Expand eligibility requirements for the Tax Incentive Program. |
| 4.4.5 (i) | Expand eligibility requirements for the House Grants Program. |
| 4.4.7 (i) | Expand eligibility requirements for grant and incentive programs to correspond with expansion of the Heritage Registry. |

Short-term Impacts: The 10% reductions to the VHF and VCHT funding programs would have a negative impact on the Heritage Program. The impact could be mitigated somewhat by taking a strategic approach to cuts. Rather than making cuts across the board, priority might be given to certain building-types, neighbourhoods, dates of construction, or other discrete categories. Another way to mitigate the effect of the reductions would be to find an organization(s) that will match BIP grants (see Action 1.11 above).

Long-Term Impacts: Having an Assistant Heritage Planner in place will enable the Heritage Planner to initiate a number of tasks that will strengthen the Heritage Program. This will address both the first and

second options proposed in the Strategic Framework, and will include introducing new tools for heritage conservation, making existing programs more effective and expanding into new program areas that are generally seen as being important. The additional staff will also help to ensure that Victoria will be able to respond to the demands of the Historic Places Initiative – demands that cannot at present be quantified.

Estimated Life of Constraints: Without an increase in funding allocations to the Heritage Program, it should be necessary to continue the reduction to the granting programs for about five years. By that time, the anticipated new funding sources described above with Strategy 1 will likely enable present funding levels to be resumed and increased.

STRATEGY 3: PLANNING FOR MODEST GROWTH

3

Planning for Modest Growth

A third option would be to hire the Assistant Heritage Planner, as in Strategy 2, without the reductions to the granting program. This would require that the salary and benefits of the Assistant Heritage Planner and the annual salary increases be assumed as additional expenses to the City. This could be justified, and made sustainable, only with a concerted fundraising effort and a long-term commitment from Council to continue to build the Heritage Program.

Highlights of Strategy 3:

- Hire an Assistant Heritage Planner half-time
- Maintain current funding to the VHF and VCHT
- Undertake all actions recommended for Strategy 2
- Ultimately undertake all actions described in Chapter 4

The following actions would be implemented as components of Strategy 3:

| | Program Adjustments | Staff | Funds |
|-----|--|-------|-------------|
| 3.1 | Hire an Assistant Heritage Planner half-time | + | + \$35,000± |
| 3.2 | Budget for staff costs to increase at about 3% per year. | N | + \$4,500 |
| 3.3 | Implement improvements and expansion to Heritage Program | + | N |
| 3.4 | Secure additional funding as described in Actions 1.8 - 1.13 above | + | - |
| 3.5 | Improve programs in education and public awareness [4.2]. | + | N |

Impacts: This would have positive impacts on the Heritage Program. However, it would require increased funding from Council, a situation which the Council Workshop made clear is not likely to occur. Nevertheless, if Strategy 3 were possible, it would be the most beneficial to the Heritage Program.

5.2 CONCLUSIONS

The City of Victoria manages a sophisticated and successful Heritage Program. The City commits substantial expenditures on the program – more than \$500,000 in 2002 – and this leverages millions of dollars in private investment, helps make Victoria a billion-dollar-a-year tourism destination, increases property tax assessments, and contributes to several non-heritage policy objectives.

This Heritage Strategic Plan was commissioned to define goals for the future of the Heritage Program. The consultants have heard City Council's instructions to propose strategies that would require no additional commitments of staff or expenditures. After undertaking an objective program review, a research initiative, and a campaign of public consultation, we have recognized that the program as it currently operates is not sustainable; yet stakeholders from the heritage, business, and neighbourhood communities are all calling for the City to update and improve existing programming.

The Commonwealth team has attempted to reconcile these circumstances by proposing three alternative strategies for managing the Heritage Program:

- **Strategy 1** would achieve financial sustainability by constraining growth. The short-term impacts would be minor, but over the long term such a course of action could marginalize heritage. This potentially catastrophic outcome would be avoided by resuming or increasing current levels of funding as new sources of funding (including taxes deferred under the TIP) begin to be realized, likely within 5 to 8 years.
- **Strategy 2** would make significant short-term reductions to heritage grants in order to hire a half-time Assistant Heritage Planner. This additional staff would enable the Planning and Development Department to bring in a series of updates and expansions of the heritage program. Current funding levels would be resumed or increase with the realization of new funds, as in Strategy 1.
- **Strategy 3** would allow both the hiring of an Assistant Heritage Planner and the maintenance of current funding to heritage grants. This would require an additional allocation of 0.5 FTE (about \$35,000 per year), plus small annual increases to cover rising staff salaries and benefits. This strategy disregards Council's stated intention to hold current funding levels. It would be achievable only with a change in direction from Council or with the faster-than-anticipated arrival of new funding sources.

The City commits substantial expenditures on the program and this leverages millions of dollars in private investment, helps make Victoria a billion-dollar-a-year tourism destination, increases property tax assessments, and contributes to several non-heritage policy objectives.

The consultants recommend Strategy 2 as the most viable of the three options. It balances short-term pain for long-term gain and follows the direction requested by Council.

If Victoria wants to maintain its pre-eminent status as Canada's leader in heritage conservation, which was recognized by the Prince of Wales Prize, then it must continue its commitment to maintain an outstanding Heritage Program over the long term. Which of these three strategies to follow over the short term requires consideration by City Council.

APPENDIXES

APPENDIX A - PEOPLE CONSULTED

A.1 Stakeholder Interviews

Jennifer Nell Barr, Executive Coordinator, Vancouver Heritage Foundation (VHF); Member, Heritage Advisory Committee (HAC)

Brenda Bolwyn, Director, Victoria Chapter, Building Owners and Managers Association (BOMA); Board member, Victoria Civic Heritage Trust (VCHT); Chair, Downtown Advisory Committee

Laurene Clark, CEO, Greater Victoria Chamber of Commerce

John Edwards, Chair, Hallmark Society; Member, HAC

Gary Gilchrist, Principal, Aral Construction; Board member, VCHT; active member, Victoria Branch, Urban Development Institute

Rick Goodacre, Chair, HAC; Executive Director, Heritage Society of BC

Richard Holmes, Heritage building owner / developer; formerly principal, Pemberton Holmes

Alastair Kerr, Senior Heritage Planner, BC Heritage Branch

Elizabeth Low, Downtown Coordinator, City of Victoria

Pamela Madoff, Councillor, City of Victoria

Melissa McLean, Director of Operations and Communications, Tourism Victoria

Tom Moore, Moore Paterson Architects; Co-chair, Advisory Design Panel

Bill Patterson, Città Construction Ltd

Doug Pletsch, Director, Victoria District, BC Buildings Corporation; Board member, Victoria Chapter, BOMA

Martin Segger, University of Victoria; former Councillor; Member, Harbour Commission

Roberta Tower, President, Victoria Chapter, BOMA

David Turner, Chair of Community Association Network, former Mayor of Victoria

Catherine Umland, Executive Director, VCHT

A.2 Participants at Community Workshop, 12 June 2002

Facilitator/Consultant: Harold Kalman, Commonwealth Historic Resource Management Limited

Participants:

Steve Barber, Heritage Planner, City of Victoria
Jennifer Barr, Executive Coordinator, Victoria Heritage Foundation (VHF)
Colin Barr, North Park Neighbourhood Association
Jack Basey, Director, Planning and Development Department, City of Victoria
Robert Baxter, President, Victoria Civic Heritage Trust (VCHT); Chair VHF; Member, Heritage Advisory Committee (HAC)
Brenda Bolwyn, Chair, Downtown Advisory Committee
Terry Calvey, Oaklands Community Association
Bob Cross, Victoria Chamber of Commerce
Shelby Donald, Equitex Realty & Management
John Edwards, President, Hallmark Society; Member, HAC
Helen Edwards, Past President, Heritage Society of BC (HSBC)
Kate Forster, Burnside Gorge Community Association
Dean Fortin, Executive Director, Burnside Community Centre; Burnside Gorge Community Association
Rick Goodacre, Chair, Heritage Advisory Committee; Executive Director HSBC
Michael Hadfield, Equitex Realty & Management
Don Hamilton, Rockland Neighbourhood Association
Doug Koch, Manager, City Planning Division, City of Victoria
Cornelia Lange, Fairfield Community Association
Chris LeFevre, Owner 532-538 Herald Street
Elizabeth Low, Downtown Coordinator, City of Victoria
Jane Lunt, Councillor, City of Victoria
Pamela Madoff, Councillor, City of Victoria
Pat Parker, Victoria Real Estate Board
Bill Patterson, Città Construction Ltd.
Doug Rhodes, Hillside-Quadra Neighbourhood Action Group
Donna Sanford, Chair, Shoreline Advisory Committee
Martin Segger, University of Victoria; former Councillor; Victoria Harbour Society
Catherine Umland, Executive Director, VCHT
Joan Waller, North Park Neighbourhood Association

A.3 Participants at Staff Brainstorming Session, 12 June 2002

Steve Barber, Heritage Planner, Chair

Dennis Carlsen, Economic Development

Mickey Lam, Urban Designer

Allison Meyer, Development Planner

Brian Sikstrom, Development Planner

A.4 Additional Consultations

Randy Humble, Director of Planning, Town of Sidney

Gerry McGeough, Heritage Planner, City of Vancouver

Diane Switzer, Executive Director, Vancouver Heritage Foundation

A.5 Steering Committee

Councillor Pamela Madoff

Steve Barber

Rick Goodacre

Alastair Kerr

Doug Koch

APPENDIX B – INTERVIEW GUIDE

What are some important heritage issues facing Victoria?

For this Strategic Plan to succeed, what must it address?

Who should benefit from the Heritage Program?

Who should pay for the Heritage Program?

Are the resources Victoria devotes to the Heritage Program too little / just right / too much?

Does your organization's members use the Heritage Program?

- If yes, what is the most accessible and useful current heritage initiative to your organization?

Do the grants and tax incentives make a difference to your organization?

- If yes, which specific grants and initiatives? What changes would you like to see?
- If no, what would make a difference?

Would you support the following new heritage initiatives?

- Designation and protection of heritage interiors?
- Designation and protection of post-1950 buildings?
- Educational programming?
- Extending the program from a focus on individual properties to neighbourhood conservation and urban design?
- Using heritage incentives to address the issue of affordable housing?

*APPENDIX C***Checklist of Recommendations from Downtown Heritage Management Plan (1989)**

This table lists the principal recommendations from the City of Victoria Downtown Heritage Management Plan (1989) and indicates whether or not it each has been implemented.

| Recommendations | Status | Notes |
|--|----------------|---|
| Administrative Policy | | |
| All City-owned buildings included on the Heritage Registry should receive municipal heritage designation. | Implemented | |
| The City should adopt a policy of acquiring and rehabilitating heritage buildings for City-generated uses. | Not done | |
| All City-owned heritage buildings should be restored according to recognized conservation standards. | Not done | Some conservation work has occurred |
| The City should use its own buildings to demonstrate a creative approach to achieving seismic and life safety codes without jeopardizing heritage characteristics. | ? | |
| The City should develop an interpretive plaque and signage program. | Not done | |
| The City should augment the appearance of historic areas through the use of appropriate street furnishings. | Not done | Downtown Beautification Committee has selected appropriate street furnishings for future implementation |
| The City should enhance historic urban features through the development of a comprehensive pedestrian network. | Partially done | Done at Waddington Alley and Bastion Square |
| Development of Incentives and Heritage Support Programs | | |
| Financial incentives | Implemented | Building Incentive Program, Tax Incentive Program, Design Assistance Grant |
| Development incentives | Implemented | Downtown Plan/Bonus Density |
| Administrative incentives | Not done | Not required |
| Seismic upgrading | Implemented | Study completed |
| Heritage marketing and awareness | Implemented | Education and public awareness programs in place, but more are needed |

| Regulatory Controls | | |
|--|-------------------------|--|
| All owners should be notified of the fact they have property that has been added to the Heritage Registry. | Implemented | |
| Develop a policy for the heritage designation of individual buildings. | Implemented | |
| All publicly-owned buildings on the Heritage Registry should receive heritage designation. | Partially done | Addressed on a case-by-case basis |
| Zoning changes should be made. | Implemented | CA-3C Zone expanded |
| Pass minimum maintenance or anti-neglect laws to prevent 'demolition by neglect'. | Implemented | Heritage Property Minimum Maintenance Standards approved |
| Recommendations for Future Actions | | |
| Develop conservation principles, conservation standards, and development guidelines. | Effectively implemented | BC Heritage Trust standards are applicable |
| Undertake a comprehensive study of views and view corridors. | Not done | |
| Review the Heritage Registry for all areas of Victoria, including commercial structures in residential neighbourhoods. | Partially implemented | The Registry has been increased incrementally, and not by a concerted initiative. Heritage was considered in the Jubilee Neighbourhood Plan. |

APPENDIX D - VICTORIA CAPTURES PRESTIGIOUS PRIZE

Barber, Steve. "Victoria Captures Prestigious Prize." *Heritage*, Spring 2002, pp. 23-26

Will be reproduced in final report.