

INFORMATION REPORT

Heritage Conservation Program – Reserve Sufficiency Update**ISSUE**

This report provides information related to pending or expected applications for funding from the Heritage Reserve and options available to ensure there is sufficient funding in the Reserve to keep up with demand.

BACKGROUND

When considering the Third Avenue United Church funding request report, the Standing Policy Committee on Planning, Development and Community Services, at its September 14, 2020 meeting, resolved that Administration report back on pending/expected applications for the Heritage Reserve (Reserve) and options for ensuring there is sufficient funding in the Reserve to keep up with demand.

Information contained within this report was received by the Municipal Heritage Advisory Committee at its March 3, 2021 meeting.

CURRENT STATUS

The City of Saskatoon's (City) Heritage Conservation Program (Program) was created in 1996, under Policy C10-020, Civic Heritage Policy (Civic Heritage Policy). The purpose of the Program is to support and facilitate the conservation, management and interpretation of heritage resources in a planned, selective and cost-feasible manner for the benefit of current and future generations of Saskatoon's residents and visitors.

The last review of the Program occurred in 2012, through the Heritage Policy and Program Review. During the course of that work, several key weaknesses of the program were identified, including the following:

- 1) There are very few heritage sites that have any form of legal protection;
- 2) The level of conservation achieved on heritage projects has been inconsistent; and
- 3) the City's heritage incentives are inadequate to achieve the stated goals of the Program.

As a response to the Heritage Policy and Program Review, the City updated the Civic Heritage Policy in March 2014, and brought forward a Heritage Plan in June 2014. Both the updated Civic Heritage Policy and the Heritage Plan outlined measures to increase support for heritage properties, programming, research and education initiatives. However, since that time, key weaknesses identified with the Program in 2012 continue to exist. These weaknesses can be attributed, in part, to the fact that the amount of annual funding for incentives under the Program has not received a significant increase since its creation 25 years ago.

In June 2019, Administration brought forward a report outlining a recommendation for a reallocation of funding from the Research/Heritage Awareness Programming section to the Heritage Reserve section within the Heritage Fund. This was, in part, to help address some of the ongoing requests being made for heritage conservation projects. Further, the report outlined the need for additional annual funding to better meet the goals and objectives outlined in the Civic Heritage Policy. In follow up to this report, a request to increase the budget for the Heritage Reserve was included in the Business Plan and Budget Options as part of the City Council 2020/2021 Multi-Year Preliminary Corporate Business Plan and Budget. The request for a \$100,000 increase, over two years, was not approved.

DISCUSSION/ANALYSIS

The Program is funded through the mill rate. The Heritage Reserve receives \$60,000 annually and has been distributed as follows for the 2021 year:

- a) Heritage Reserve (financial incentives for Municipal Heritage Properties and Heritage Plaques): \$38,000;
- b) Research/Heritage Awareness Programming (Doors Open Event): \$12,000; and
- c) Façade Conservation and Enhancement Program: \$10,000.

Most of the funds dedicated to the three sections noted above go toward funding existing programming and heritage conservation projects. The Table below outlines the current funding amounts available for heritage conservation projects over a five-year period.

Year	Available Funding at Year End (includes annual contribution of \$38,000)
2020	\$41,650.79
2021	\$ 7,683.14
2022	\$11,283.42
2023	\$20,181.81
2024	\$29,080.30

As it currently stands, going forward, the Heritage Reserve has very little capacity to provide funding for new heritage conservation projects and to meet goals outlined in the Civic Heritage Policy and Heritage Plan. There are no financial incentives available to encourage heritage designation for eligible properties and there is very limited ability to provide financial support to existing property owners of Municipal Heritage Properties.

There are no pending applications at this time; however, multiple requests are typically received throughout the year with an average of \$58,000 spent annually on various heritage conservation projects. Administration has received several inquiries from interested property owners about Municipal Heritage Designation and available funding over the past several years. Those parties have been advised there are limited financial incentives at this time, which may have had implications on their decision to not go forward with heritage designation.

OPTIONS

Administration will redirect \$20,000 from the Research/Heritage Awareness Programming section of the Heritage Reserve to support Program grant applications for 2021. This transfer will not impact the ability to fund the Doors Open event.

To address funding issues with the Program, an operating budget contribution increase to the Heritage Reserve is required. Administration is in the process of determining priority actions to further the Program and will include a request in the 2022-2023 Business Plan and Budget.

REPORT APPROVAL

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