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Item No. 2
Halifax Regional Council
December 4, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Sharon Bond
Sharon Bond, Acting Director of Community Development

DATE: November 2, 2007

SUBJECT: Barrington Street Historic District Revitalization Plan

INFORMATION REPORT

ORIGIN

- Council's referral of the plan to staff for review (status sheet item 9.4.1 - January 10, 2006)
- Award of Contract for Financial Incentives Implementation Study.

BACKGROUND

The draft Barrington Street Historic District Revitalization Plan was presented to Council in January, 2006. At that time, Council referred the plan to staff for review of a number of key issues including the cost of the proposed financial incentives and the implications and cost of the proposed public realm improvements.

The staff review has taken some time due to the complex nature of these issues. In addition, over the course of the review, it has become increasingly clear that the plan for the historic district must be aligned with the HRM By Design project.

The purpose of this report is to update Council on progress in these three key areas.

DISCUSSION

Financial Incentives

The draft plan, presented by the Barrington Street Steering Committee in January 2006, called for a combination of grants and tax incentives to stimulate investment in restoration and rehabilitation of Barrington Street's historic buildings. The Committee recommended \$1.45 million in grants funding, over a five-year period, for needed improvements to storefronts, signs, awnings, and upper facades, plus a ten-year tax freeze to stimulate larger-scale investments.

The draft plan presented staff with three key questions to answer:

- 1) How should the incentives best be structured to trigger needed private investment?
- 2) What level of incentive is required to induce investment activity on Barrington Street?
- 3) What are the appropriate sources of funding for the grants and tax incentives?

Structure and Level of Incentives

Staff are in favour of the grants approach for storefront and facade improvements and are investigating funding sources for this program. With regard to the tax incentive, as an alternative to the unconditional tax freeze proposed by the Committee, staff recommend that the tax incentive be conditional on desired work being carried out.

Based on a review of tax incentive programs across Canada, staff concluded that a "tax credit" approach, similar to that used in Winnipeg and Regina, is best suited to the Barrington Street context. Staff has proposed two variations on the approach, where the level of the credit could vary based on: 1) on the size of the project (i.e. larger investment could have a higher rate of tax credit) or 2) on the type of work (e.g. exterior restoration could have a higher rate of tax credit than structural work or interior modernization).

To assist staff in the effectiveness of the "tax credit" approach and to better identify the level of incentives required, a consultant (Halifax Global Inc.) has been engaged to conduct a building-by-building study and provide advice regarding:

- the type of work needed and level of investment required for restoration of each building in the district;
- the impediments faced by owners in financing and undertaking restoration projects;
- the projected effectiveness of the proposed grant and tax incentive options in resolving financing gaps and leveraging needed restoration work;
- the projected level of participation, based on consultation with building owners;
- recommended changes or refinements to proposed options; and
- preferred option or options.

The contract for this study (the Barrington Street Historic District Financial Incentives Implementation Study) was approved on October 17, 2007 and the project is now underway, with

expected completion in early December 2007. The results of the study will enable staff to recommend an effective financial incentives package to Council as part of the final draft of the Barrington Historic District Revitalization Plan, for consideration and possible adoption in 2008.

Sources of Funding

Although the Barrington plan suggests medium and longer-term cultural and economic benefits, there are short and medium-term costs for both the grants and tax incentive. Staff is investigating the cost and cash-flow implications of the incentives, as well as funding options.

Relative to grants, staff has identified probable funding for the first two years of the five-year program, by reallocating existing funds. The exact amounts of these allocations will depend on the timing of the official adoption of the plan in relation to the annual budgeting process, either for fiscal 2008/09 or 2009/10, and will be brought forward to Council as part of the budget process.

Public Realm Improvements

The draft plan also made suggestions for significant improvements to the infrastructure of Barrington Street itself, which included:

- new, wider sidewalks with streetscaping;
- mid-block pedestrian amenity areas / transit bus bulbs;
- new street trees and furnishings;
- improved lighting;
- parking and loading rationalization; and
- re-routing of some bus routes and consolidation of bus stops.

Council referred these proposals back to staff for a detailed review of their implications and costs. The staff review has involved a lengthy negotiation of the multiple interests that this project would entail, including Metro Transit, Public Works, Transportation Planning, Traffic, Urban Forestry, Landscape Design, parking, commercial loading, pedestrian amenity, and business access. It has also overlapped with the Grand Parade/Province House Public Lands Study, which was completed in spring 2007 and the ongoing public consultation under HRM By Design.

Over the past months, staff have considered various options and arrived at a Functional Design that satisfies the many technical interests and would result in the following changes to the street:

- broader sidewalk amenity areas combined with bus stops at certain locations;
- a slightly serpentine re-alignment of the street travelled way;
- potential elimination of on-street parking (there are currently very few spaces);
- re-location of commercial loading to designated spaces.

While the roadway would be narrower than at present, the potential removal of on-street parking and relocation of loading areas would improve efficiency in transit and traffic movement. Bus routes would remain the same as at present with no re-routing. Street trees and new street furnishings would be integrated into the re-designed streetscape.

Currently, the Functional Design has been included in a draft RFP for consulting services for the preparation of a more detailed schematic design, cost estimates, and phasing plan. This will also involve further consultation with key stakeholders, including property owners and businesses before the scheme is formalized for approval by Council, included in the final plan for the Historic District, and budgeted for through the normal HRM business planning and capital budgeting process.

This more detailed study will take place over the coming months and, depending on progress and outcome, may be recommended for implementation either in the 2008/09 or 2009/10 business cycle.

Integration with HRM By Design

The draft Barrington Street Historic District Revitalization Plan includes design guidelines which are predicated on existing heritage and design-related policies and regulations contained in the Municipal Planning Strategy and Land Use Bylaw (MPS & LUB). However, since the draft plan was developed in 2005, the HRM By Design exercise has made significant progress.

A key deliverable of HRM By Design will be a “form-based code” for urban design (including protection of heritage resources) that will potentially replace the existing design-related policies and regulations of the MPS & LUB. It has therefore become necessary to reformulate the Barrington Street design guidelines so that they align with the form-based code.

The form-based code is currently being developed through public consultation. So far, through four public forums, HRM By Design has articulated a Vision, Principles, and Guiding Frameworks (for Neighbourhoods and Districts and for an Urban Character Structure Plan). Most recently, Forum 4 focussed on the Downtown and considered three scenarios for future built form and development potential, all of which include direction to establish heritage conservation districts and related design controls. It is understood that these will be refined and expanded upon over the coming months, with the project due for completion in spring 2008.

With these changes to the Downtown MPS & LUB anticipated in the near future, the opportunity exists to integrate the Barrington Street design guidelines into the new planning framework being developed through HRM By Design. Accordingly, staff will prepare a final draft of the Barrington Street Historic District Revitalization Plan in parallel with HRM By Design and present this to Council for consideration and possible adoption at about the same time, in spring 2008.

BUDGET IMPLICATIONS

The Barrington Street Financial Incentives Implementation Study is valued at \$20,000 and is funded by HRM's Community Development account CDV00738 Centre Plans/Design.

The RFP for Schematic Design, Cost Estimates and Phasing of the Public Realm Improvements is valued at \$50,000 and will be funded through Transportation & Public Works Account CBT00432 (Bus Stop Accessibility). The larger budget implications of the improvements will be determined following completion of detailed cost estimates.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

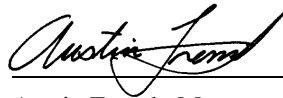
ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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