


**TO:** Mayor Kelly and Members of Regional Council

**SUBMITTED BY:**   
Stephen Terauds, Chair, Heritage Advisory Committee

**DATE:** January 29, 2010

**SUBJECT:** Heritage Incentives: Barrington Street Heritage District

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**ORIGIN**

Staff report and presentation to the Heritage Advisory Committee meeting on January 27, 2010.

**RECOMMENDATION:**

**The Heritage Advisory Committee recommend that Regional Council:**

1. Approve a grant of no more than \$96,878 and a tax credit of no more than \$203,033 for the Freemasons Hall building, located at 1533, Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.
2. Approve a grant of no more than \$96,878 and a tax credit of no more than \$488,020 for the Green Lantern building, located at 1585 Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.

3. Approve a grant of no more than \$6,244 and a tax credit of no more than \$5,085 for the Colwell building, located at 1673 Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.
4. Approve the transfer of any unused grant funds from the 2009 Barrington Street Heritage Conservation District Incentives Program budget of \$200,000 (account C310-8004 Planning & Application-Grants) to the Heritage & Cultural Tourism reserve account Q312.

#### **BACKGROUND:**

At the January 27, 2010 Heritage Advisory Committee meeting, staff presented a report on the first three applications received under the new Barrington Street Heritage District Incentives Program.

#### **DISCUSSION:**

During the presentation, staff noted that a revised recommendation had been prepared. The Committee was advised that, subsequent to the sign-off process of the staff report, and based on advice from HRM Legal Services, recommendations # 1 and #3 in the December 7, 2009 staff report were reformatted into three separate recommendations dealing with the specific recommended grants, tax credits, and conditions of payment for each of the three applications.

The Heritage Advisory Committee reviewed and discussed the presentation, and passed a motion approving the recommendation as noted above.

#### **BUDGET IMPLICATIONS:**

Please refer to the attached staff report dated December 7, 2009 for Budget Implications.

#### **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.

#### **ALTERNATIVES:**

The Heritage Advisory Committee has not recommended any alternatives. Please refer to the

attached staff report dated December 7, 2009 for Alternatives.

**ATTACHMENTS:**

Attachment 'A': Staff report dated December 7, 2009.

Attachment 'B': Revised Recommendation to the December 7, 2009 staff report

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208
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PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Heritage Advisory Committee  
January 27, 2010

**TO:** Chair and Members of the Heritage Advisory Committee

**SUBMITTED BY:**

A handwritten signature in dark ink, appearing to read "Paul Dunphy".

Paul Dunphy, Director of Community Development

**DATE:** December 7, 2009

**SUBJECT:** Heritage Incentives: Barrington Street Heritage District

### **ORIGIN**

This report originates with a call for applications under HRM's Barrington Street Heritage Conservation District Incentive Program.

### **RECOMMENDATION**

**It is recommended that the Heritage Advisory Committee recommend that Regional Council:**

1. Approve incentive grants and tax credits of \$200,000 and \$696,138, respectively, for restoration and renovation work on buildings located at 1533, 1585, and 1673 Barrington Street as described in this report;
2. Approve the transfer of any unused grant funds from the 2009 Barrington Street Heritage Conservation District Incentives Program budget of \$200,000 (account C310-8004 Planning & Application-Grants) to the Heritage & Cultural Tourism reserve account Q312; and
3. Enter into agreements with the three property owners on the financial incentives for the approved projects.

**EXECUTIVE SUMMARY**

This report recommends approval of grants and tax credits for the first three applications received under the new Barrington Street Heritage District Incentives Program, as follows. Each approval would be executed through customized agreements with building owners.

<b>Building</b>	<b>Grants</b>	<b>Tax Credits</b>
<b>Freemasons Hall</b> - exterior restoration & complete interior renovation and upgrading for conversion to office use.	\$96,878	\$203,033
<b>Green Lantern Building</b> - front facade restoration and complete interior renovation and upgrading for conversion to mixed commercial & residential use.	\$96,878	\$488,020
<b>Colwell Building</b> - storefront restoration and new heating system.	\$6,244	\$5,085
Total	\$200,000	\$696,138

Due to the late start of the program, two of the projects will not be completed within the 2009-10 fiscal year, so staff recommend that grant funding for these be carried over in a reserve account (Q312 Heritage & Cultural Reserve) for expenditure in fiscal 2010-11.

**BACKGROUND**

On June 16, 2009 Regional Council adopted the Barrington Street Heritage Conservation District (HCD) Plan which includes a financial incentives program to encourage exterior restoration and interior upgrading of buildings within the HCD. The Plan received Ministerial approval on October 16, 2009 and came into effect on October 24, 2009. Council had earlier, on May 26, 2009, included \$200,000 in the 2009 municipal budget for grants in the heritage district, based on the understanding that once the Plan came into effect there would be a number of large projects ready to be carried out using the incentives. The financial incentives include:

- 50% matching grants up to \$100,000 for exterior restoration costs up to \$200,000.
- Tax credits for 15% of exterior restoration costs over \$200,000.
- Tax credits for 15% of costs for interior improvement to common areas (lobbies, stairs, elevators, etc.), and upgrades to HVAC, plumbing, and electrical systems, etc.
- Waiver of building permit application fees.

Following adoption of the HCD Plan, staff established an application deadline of August 1, 2009 for projects to be undertaken within the 2009-10 fiscal year. Three applications were submitted and, now that the HCD Plan is in effect, Regional Council is in a position to consider these applications. The applications are summarized below and illustrated in detail in Attachments A, B, C, and D. In each case, staff have reviewed the plans and estimated costs in consultation with the property owners and their consultants to confirm the eligibility of the work for which funding is applied for, in accordance with the approved program guidelines.

**DISCUSSION****1. Freemasons Hall, 1533 Barrington Street (Owner: Ruby LLP/Steve Caryi)**

The former Freemasons Hall, built in 1924 and located at the corner of Barrington, Salter, and Granville Streets, was sold in 2008 after the Freemasons Lodge determined that they could no longer afford to own and maintain the historic building. Under new ownership, the building is now being converted into a mixed of retail and office use, with commercial spaces at street level on Barrington, Salter and Granville Streets, and office space on the three upper floors. Interior spaces are largely being maintained in their original configuration and the exterior is being restored and cleaned, with minor modification of windows and doors to accommodate new commercial uses. All plumbing, electrical, and HVAC systems are being upgraded. The application before Council is for a grant and tax credit for eligible work as follows (also see Attachments A and B):

*Exterior*

- Masonry stabilization, restoration and cleaning of the Barrington, Salter, and Granville Street facades, including complete replacement of failed brick areas at the roof parapets and building corners, and chimney repair.
- Replacement of street level windows on the Granville Street frontage.
- New doors at the Salter Street and Granville Street entrances.

Total estimated cost of exterior restoration .....	\$ 410,840
Grant request for exterior restoration (50% of first \$200,000) .....	\$ 100,000
Tax credit request for exterior restoration (15% of remainder) .....	\$ 31,626

*Interior*

- Restoration of lobbies, stairs, hallways and installation of new common area washrooms.
- Elevator cab upgrade and new lift control system.
- Plumbing, heating, ventilation, and air conditioning system repairs and upgrades.
- Electrical system upgrades to accommodate increased load for new HVAC systems, stairway and common area lighting, emergency lighting, fire alarms, and security systems.

Total estimated cost of interior work .....	\$ 1,136,472
Tax credit request for interior work .....	\$ 170,471

***Total Grant & Tax Credit Request***

• Total grant request .....	\$ 100,000
• Total tax credit request .....	\$ 202,097

**2. Green Lantern Building, 1585 Barrington Street (Owner: A.R. Webber Properties)**

The Green Lantern building, built in 1896, was extensively damaged by Hurricane Juan in 2003 and its upper floors have been vacant since that time, pending development of suitable plans for adaptive re-use. These plans have now been prepared and have been submitted for approval in parallel with this incentive application. The project will see complete refurbishment of the building for a mix of

commercial, office, and residential uses, with retail and entertainment spaces at street level, three leasable office spaces on the 2<sup>nd</sup> floor, and thirteen apartments on the three upper floors. The application is for a grant and tax credit for the following eligible work (also see Attachment C)

#### *Exterior*

- Restoration of the building's remarkable four storey brick and terra cotta front facade facing Barrington Street, including restoration of historic masonry elements at street level which have been hidden for decades behind inappropriate storefront renovations.
- Restoration of the Barrington storefronts in traditional style, with display windows, transoms, sign bands, awnings, and wooden doors.
- New windows throughout the building.
- New roof.

Total estimated cost of exterior restoration .....	\$ 942,696
Grant request for exterior restoration (50% of first \$200,000) .....	\$ 100,000
Tax credit request for exterior restoration (15% of remainder) .....	\$ 111,404

#### *Interior*

- Structural repair and reinforcement.
- Re-organization of entrances and exits for the basement and ground floor commercial assembly spaces (Tribeca, Frigate, and Pogue Fado) for code compliance.
- New common hallways, lobbies, and stairs to serve new office units on the second floor and 13 new apartment units on the upper floors.
- New (second) elevator and elevator shaft to facilitate access to upper floors from both Barrington and Granville Streets.
- Installation of new HVAC, plumbing, electrical, fire alarm, and sprinkler systems;
- Insulation.

Total estimated cost of interior work .....	\$ 2,504,527
Tax credit request for interior work .....	\$ 375,679

#### ***Total Grant & Tax Credit Request***

- Total Grant request .....
  - Total tax credit request .....
- |  |            |
|--|------------|
|  | \$ 100,000 |
|  | \$ 487,083 |

### **3. Colwell Building, 1673 Barrington St. (Owner: 3218200 NS Ltd./Andrew Childs)**

Built in 1871, and after more than 100 years of continuous ownership by the Colwell family, the Colwell Building was sold into new ownership in 2008. In that same year, the new owners repaired and repainted the stuccoed upper facade and installed new windows, at a cost of approximately \$85,000. The current application is for a grant and tax credit for the following additional eligible work (see also Attachment D):

*Exterior*

- Restoration of street level storefronts, including masonry (sandstone columns), metalwork (storefront base panels) and woodwork (storefront cornice and signband).

Total estimated cost of exterior restoration ..... \$ 12,891

Grant request for exterior restoration (50% of first \$200,000) ..... \$ 6,445

*Interior*

- Energy efficiency improvements - removal of old, asbestos covered, oil-fired furnace, and replacement with new, natural gas fired boiler.

Total estimated cost of interior work ..... \$ 33,495

Tax credit request for interior work ..... \$ 5,024

**Total Grant & Tax Credit Request**

- Total Grant request ..... \$ 6,445
- Total tax credit request ..... \$ 5,024

**Budget Limitation: Adjustment of Grants and Tax Credits**

The three applications add up to a total grant request of \$206,445, which exceeds the available grant budget for 2009 by \$6,445. Due to this budget limitation, and because all three applications meet the program criteria and are of equal merit, staff recommend that for each request, the value of work eligible for grant be reduced proportionately (by 3.1%) to meet the \$200,000 budget and the tax credit be adjusted to include 15% of the value of work not covered by the reduced grant, as shown in the following chart.

Project	Value of work	Requested Grant	Total Requested Tax Credit	Recommended Adjusted Grant*	Recommended Adjusted Tax Credit
Freemasons Hall	\$1,547,313	\$100,000 <i>(\$200,000 value of work)</i>	\$2072,097 <i>(\$1,347,313 value of work)</i>	\$96,878 <i>(\$193,756 adjusted value of work)</i>	\$203,033 <i>(\$1,353,557 adjusted value of work)</i>
Green Lantern	\$3,447,220	\$100,000 <i>(\$200,000 value of work)</i>	\$487,083 <i>(\$3,247,220 value of work)</i>	\$96,878 <i>(\$193,756 adjusted value of work)</i>	\$488,020 <i>(\$3,253,464 adjusted value of work)</i>
Colwell	\$46,383	\$ 6,445 <i>(\$12,890 value of work)</i>	\$5,024 <i>(\$33,493 value of work)</i>	\$6,244 <i>(\$12,488 adjusted value of work)</i>	\$ 5,085 <i>(\$33,896 adjusted value of work)</i>
<b>Total</b>	<b>\$5,040,916</b>	<b>\$206,445</b> <i>(\$412,890 value of work)</i> <b>Over Budget</b>	<b>\$694,205</b>	<b>\$200,000</b> <i>(\$400,00 adjusted value of work)</i> <b>On Budget</b>	<b>\$696,138</b>

\* (3.1% reduction in value of work)



**Carry over of Grant Funds**

HRM grant programs, such as the Community Grants Program and the existing Heritage Incentives Program, are budget dependent and require that all grant assisted projects be completed and all funds be expended within the fiscal year for which they are approved. Under the new Barrington Street HCD Heritage Incentives Program, however, it is expected that some approved projects may not always be able to meet fiscal year deadlines because of the scale of the projects and the inherent, time consuming nature of heritage restoration and renovation work. For this reason, staff recommend that the program be set up to enable any approved but unexpended grant funds to be carried over into the subsequent fiscal year.

Of the three applications received for fiscal 2009-10, only one - the Freemasons Hall project - is anticipated to be completed by year end. In the case of the Green Lantern and Colwell buildings, the lateness of the program start and grant approval process, as well as the onset of cold weather, has deterred the owners from commencing exterior restoration work in 2009, and it is now expected that work will commence in 2010.

For these reasons, staff recommend that any grant funds approved from the 2009 budget, but unused within fiscal 2009-10, be carried over in a reserve account (Q312 Heritage & Cultural Tourism) for expenditure in fiscal 2010-11, once the approved projects are completed. This will enable the projects to commence work without being dependent on 2010-11 incentives budget approval. It will also enable these projects to proceed without cutting into budget funds that will be needed for other restoration projects that are expected to come on stream in fiscal 2010-11. Further, the program Terms & Conditions require that carry-over of approved grant funds requires an agreement with each building owner regarding the work to be completed and the amount of grant funds to be expended into the subsequent fiscal year. These agreements would be prepared by staff before the end of the fiscal year and indicate that any further extension would require the approval of Regional Council.

**Permit Fee Waivers**

Under amendments to HRM's Building By-law (B-201) which came into effect on October 24, 2009 in parallel with the Barrington Street HCD Plan & Bylaw, building permit applications in the Barrington HCD are now exempt from application fees, to encourage private investment and encourage revitalization in the district. Permits for the Freemasons Hall project were applied for before B-201 was amended, so fees have already been paid and are not applicable to the present discussion. In the case of the Green Lantern and Colwell projects, where permit applications are pending, fees of approximately \$18,900 and \$200 respectively will not be collected.<sup>1</sup>

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<sup>1</sup> These figures are approximations based on \$5.50 per \$1000 of the total estimated costs submitted by grant applicants. Actual permit fees may be less, as they are based on standardized "Building Valuation System" calculations, floor area calculations, and industry standard unit costs rather than actual estimated costs.

**Total Financial Incentives 2009**

Total estimated financial incentives, including grants, tax credits and fee waivers are as follows:

- Freemasons Hall       \$ 299,911
- Green Lantern       \$ 603,798
- Colwell               \$ 10,309

**Barrington Street Heritage Incentives Program Terms and Conditions**

This report represents the first three applications for funding under this Barrington Street Heritage Incentives Program. Through the processing of these applications, Staff has become aware that certain aspects of the “Terms and Conditions” of the Program need to be clarified or enhanced. Staff intend to prepare a separate report on these aspects for Council’s approval, early in the new year, to ensure applications in 2010 are processed more efficiently and the process is clear for applicants.

**BUDGET IMPLICATIONS**

This report recommends approval of \$200,000 in Heritage Incentives Grants for the 2009-10 fiscal year. The funding for these expenditures exists within the Council approved 2009-10 Operating Budget for Community Development in account C310-8004. Any unused budget will be transferred to the Heritage & Cultural Tourism Reserve account Q312 to be applied in the 2010-11 fiscal year.

Starting in 2010-11, the projected tax credits of \$696,138 will be applied to the respective property tax accounts. For larger projects, the credits will apply to several years' taxes. With work on the Freemasons Hall project expected to be completed by the end of March 2010, the tax credit for this project will be applicable starting in fiscal 2010-11, while those for the Green Lantern and Colwell projects are not expected to apply prior to fiscal 2011-12. Tax revenue estimates for 2010-11 and subsequent fiscal years will be adjusted to reflect these impacts. The 2009-10 accrual of the \$203,033 Freemason's Hall tax credit (assuming work is completed by the end of March 2010) was not included in the planned Tax Exemptions budget, but will be covered by a similar-sized projected savings in Fiscal Services this year.

Similarly, permit revenue estimates for 2010-11 will be adjusted to account for the projected waiver of approximately \$19,000 in application fees attributable to the Green Lantern and Colwell projects. The amount waived represents a small fraction of HRM’s total revenue from permit application fees and will be absorbed through account C430-4903 Permits & Inspections.

**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.

**ALTERNATIVES**

1. Heritage Advisory Committee could recommend the proposed grants and tax credits. This is the recommended course of action.
2. Heritage Advisory Committee could recommend the proposed grants and tax credits with changes.
3. Heritage Advisory Committee could refuse to recommend the proposed grants and tax credits. This is not recommended as the applications meet the criteria of the Council approved Barrington Street Heritage Incentives Program.

**ATTACHMENTS**

Map 1 Location map

Attachment A: Details of the Freemasons Hall Application

Attachment B: Details of the Green Lantern Building Application

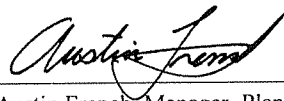
Attachment C: Details of the Colwell Building Application

Attachment D: Excerpts from the Terms and Conditions for the Barrington Street HCD Heritage Incentives Program

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

Report Prepared by: Bill Plaskett, Heritage Planner, 490-4663

Report Approved by:

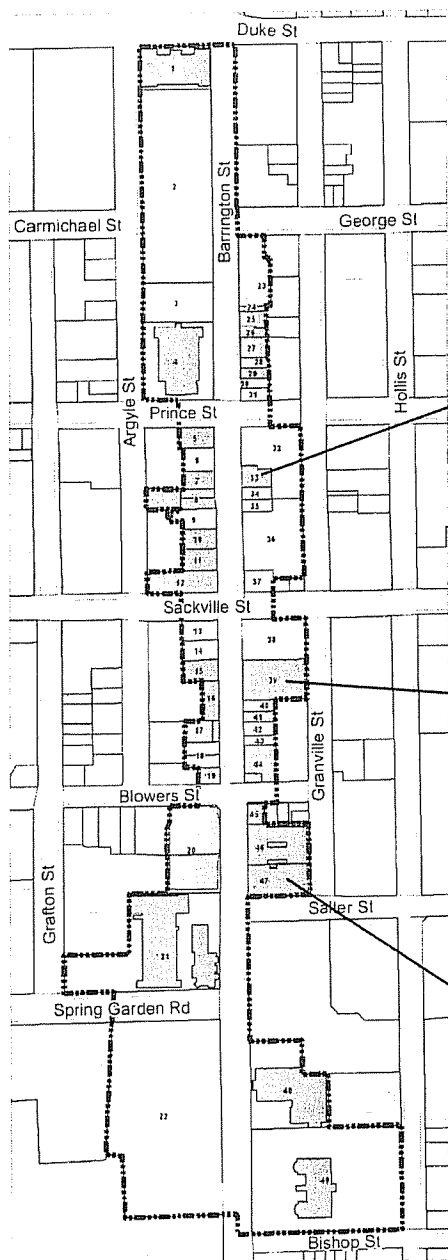









Austin French, Manager, Planning Services, 490-6717

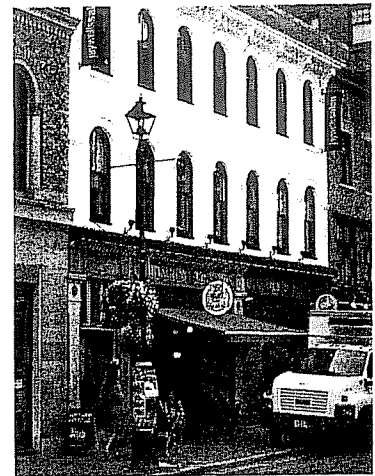
Financial Approval by:



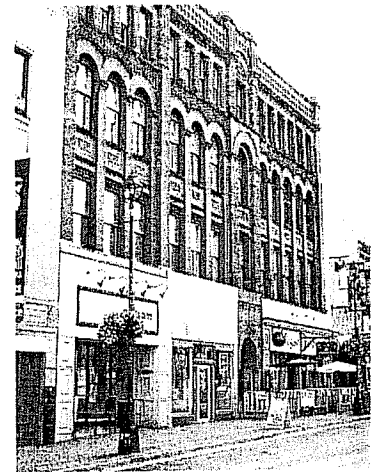
Cathie O'Toole, CGA, Director of Finance, 490-6308



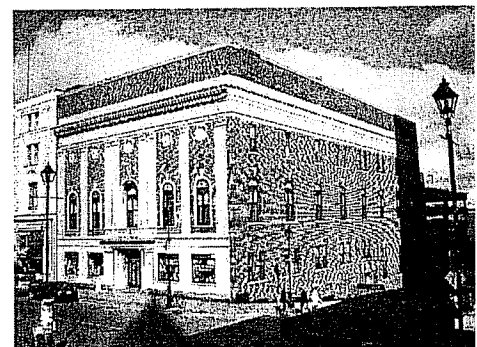
-  Heritage Conservation District
-  Registered heritage building
-  Other historic building (to 1940s)
-  1950s-1960s building
-  1970s-90s building
-  Vacant site
-  Open space



Colwell Building



Green Lantern Building



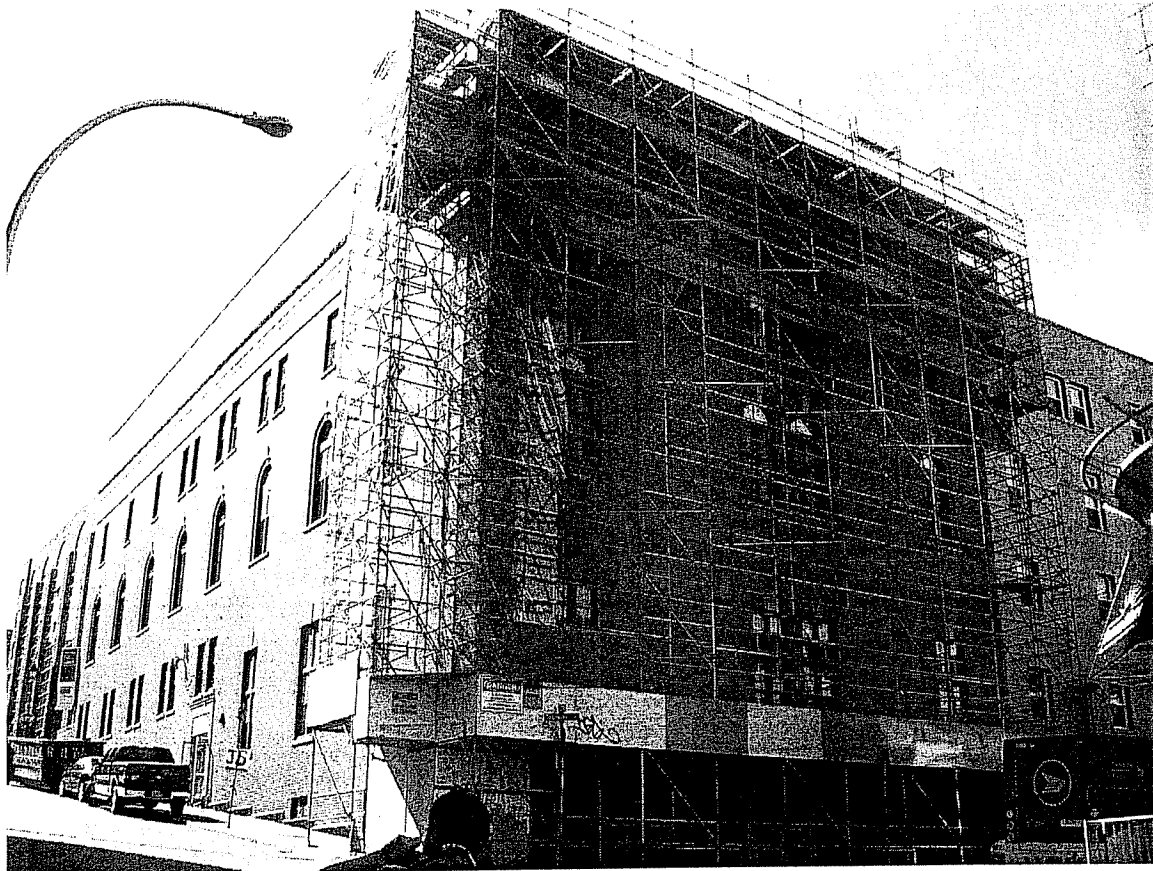
Freemasons Hall

## Map 1 Location of Applications

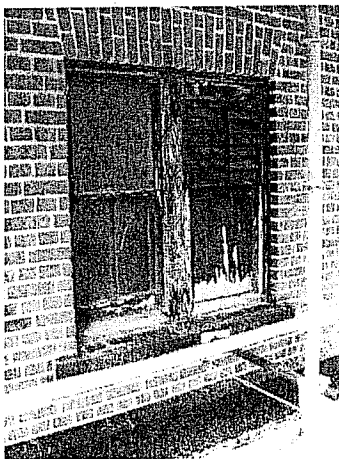
**HALIFAX**  
REGIONAL MUNICIPALITY  
COMMUNITY DEVELOPMENT  
PLANNING SERVICES

Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "A"

FREEMASONS HALL



October, 2009. Areas of complete masonry replacement on building corners and roof parapet on rear (Granville Street) and side (Salter Street) facades.



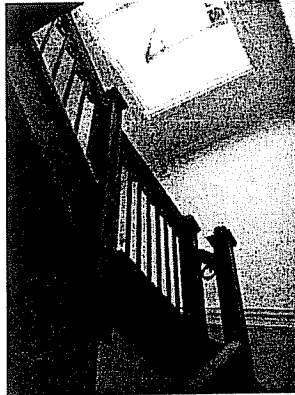
Deteriorated windows and doors on Granville Street frontage require replacement

Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "A"

FREEMASONS HALL



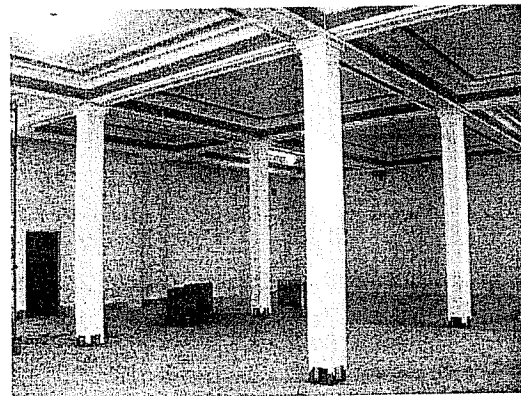
Restoration of main lobby



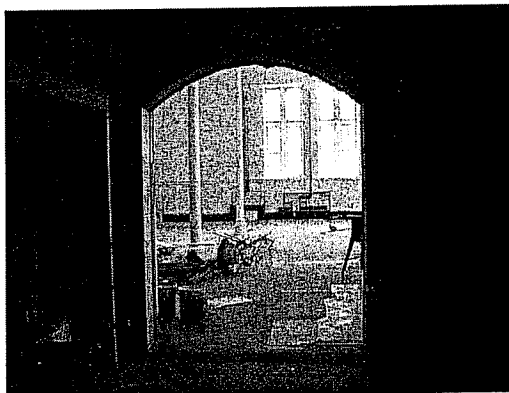
Restoration of stairs



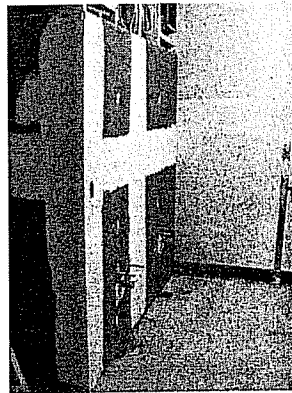
Restoration of Grand Lodge Meeting Room



Restoration of Lodge meeting room for new office



Refurbishment of common areas, hallways, and meeting rooms for new office use



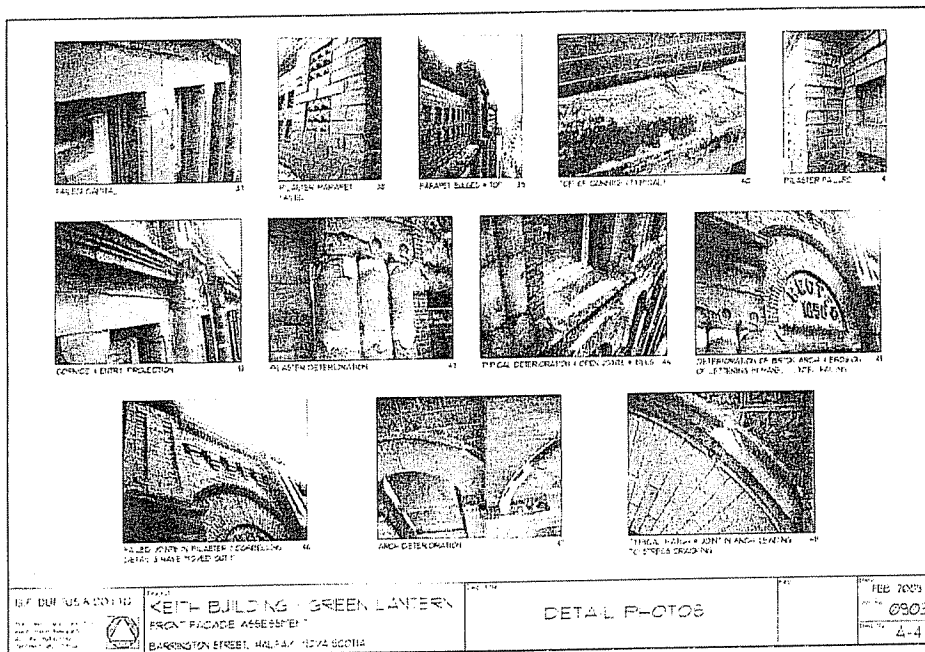
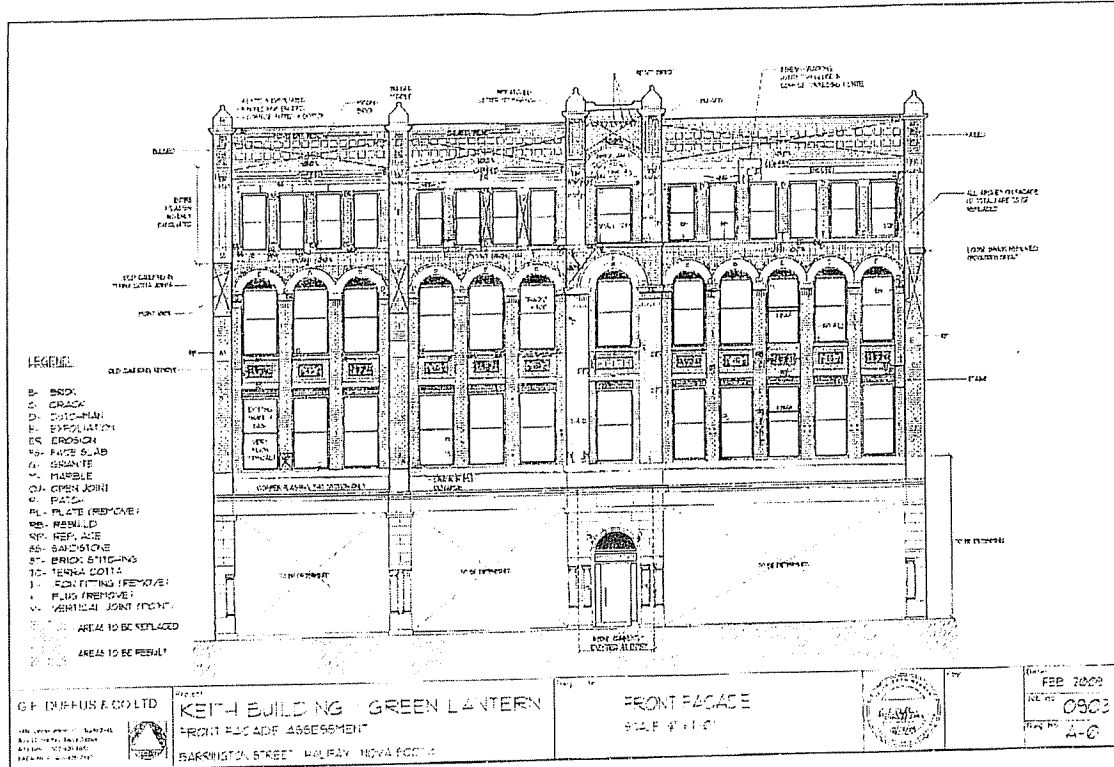
New common washrooms



Replacement of antiquated lift control mechanism

Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "B"

GREEN LANTERN BUILDING



Excerpt from  
Green Lantern Front  
Facade Masonry  
Conservation Plan  
illustrating typical  
details of existing  
condition and work to  
be done

Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "B"

GREEN LANTERN BUILDING



Existing storefronts

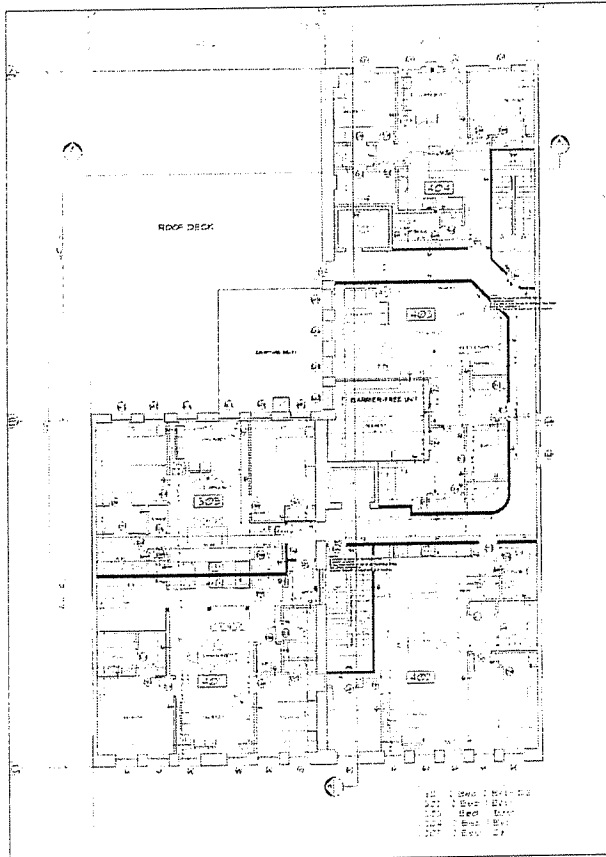


Restoration plan for storefronts and entrances

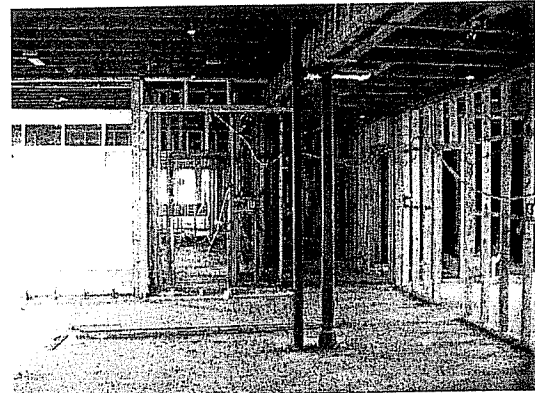


Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "B"

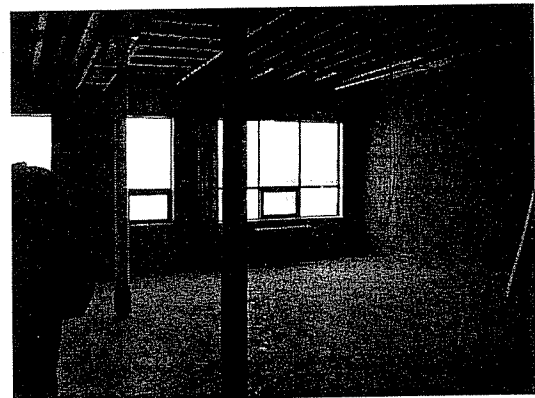
GREEN LANTERN BUILDING



5<sup>th</sup> Floor - five proposed apartments



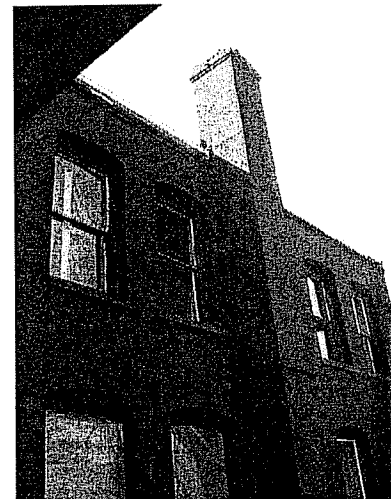
Existing interior condition - upper floors



Existing condition - upper floors



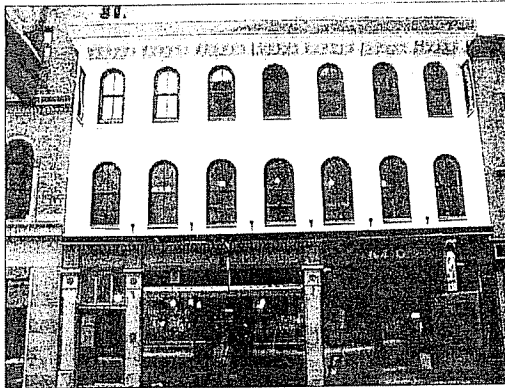
Roof and parapet in need of repair



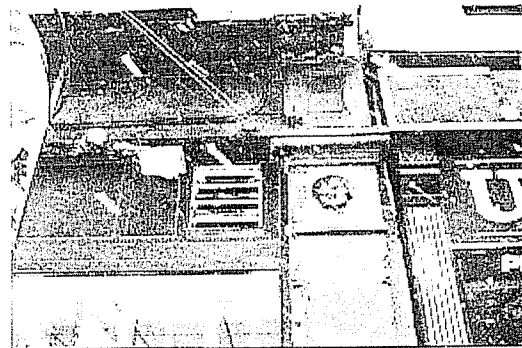
Rear windows need replacing

Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "C"

COLWELL BUILDING



Storefronts need restoration



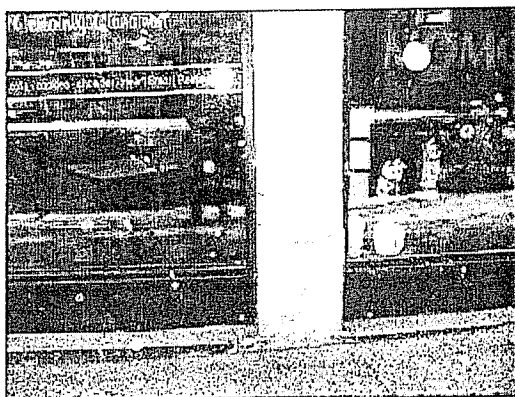
Crown moulding needs retoration



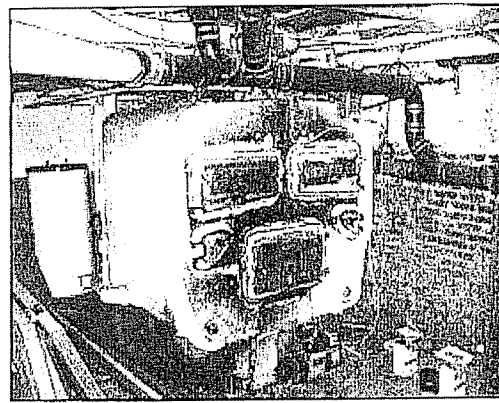
Sign band needs restoration



Exfoliating sandstone pilaster need restoration



Damaged metal base panels need repair



Furnace needs replacement

**Heritage Incentives  
Barrington Street Heritage Conservation District  
ATTACHMENT "D"  
EXCERPT FROM TERMS AND CONDITIONS**

**GENERAL CONDITIONS**

**Program Aim**

The Barrington Street Heritage Incentives Program (the Program) is administered by the Heritage Property Program (Community Development Department) to encourage restoration and renovation of buildings in the Barrington Street Heritage Conservation District. Within the limits of the annual approved budget, the Program provides:

- matching grants (up to \$100,000) for exterior restoration work up to \$200,000 in value, excluding HST;
- tax credits for exterior restoration work over \$200,000 in value, excluding HST;
- tax credits for interior restoration or renovation work that contributes to the ongoing functional viability of the building; and
- waiver of application fees for building permits and sign permits.

**GRANTS**

Grants may be made for exterior work on the following building components:

- Storefronts and street level facades.
- Upper facades.
- Exterior walls (front, side, and rear, excluding party walls).  
(Note: repairs to party wall are eligible for tax credits, see below).
- Roofs, including chimneys.
- Foundations.
- Signs.
- Awnings.

**Eligible Work & Materials**

- Projects which restore exterior architectural elements significant to the heritage character of the building, including any of the following:
  - **Preservation** of existing exterior architectural elements. This includes repair (including structural repair) of deteriorated walls (front, side, or rear), cladding, masonry, windows and doors, lintels and sills, storefronts, roofs, roofing, chimneys, foundation, cornices, mouldings, parapets, architectural trim, and other significant features.
  - **Replacement** of exterior architectural features which exist but which are beyond preservation or repair. This includes replacement in kind of deteriorated walls (front, side, or rear), cladding, masonry, windows and doors\*, lintels and sills, storefronts, roofs, roofing, chimneys, foundation, cornices, mouldings, parapets, architectural trim, and other significant features, using accurate reconstruction and materials, sizes, and configurations that match the original.
  - **Restoration** of significant architectural features which have been lost but for which the appearance can be clearly determined from physical evidence or documentary sources such as historic drawings or photographs.
  - Projects must use traditional materials (wood, stone, brick, etc.) and traditional design.
- Painting.
- Signs.
- Awnings.

\* Note: In order to qualify for grants, replacement windows and doors at street level must be of traditional materials (typically wooden windows and doors); however, on upper storeys, aluminum clad windows are acceptable).

#### **Ineligible Work & Materials**

- Modern materials such as vinyl windows, steel doors, vinyl siding, or EFIS cladding.
- Short-term, routine maintenance, including minor repairs to non-original siding or roofing.
- Poor or defective work.
- Work carried out prior to submission of the application (except by special arrangement).
- Owner Labour.

#### **Project Evaluation**

Projects will be evaluated under the *HRM Heritage Building Conservation Standards* and the *Heritage Design Guidelines of the Downtown Halifax Land Use Bylaw Design Manual*.

#### **Priority Criteria**

- Preference given to preservation and restoration of historic structural and weatherproofing elements than to cosmetic improvements, e.g., restoration of masonry, cladding, windows, doors, or roof has greater priority than painting.
- Preference given to restoration of publicly visible features, e.g., an application for restoration of a front facade would have higher priority than a facade facing an interior light well or rear yard.
- Preference given to registered heritage buildings.
- Preference given to buildings in poor condition and at greatest risk of deterioration or loss.

#### **Maximum & Minimum Grants & Multiple Applications**

- Grants are awarded on a 50% cost-sharing, matching grant basis.
- The maximum overall grant: \$100,000 per property.
- Maximum grant per storefront: \$15,000 (buildings with more than one storefront may receive more than one grant).
- Maximum grant for storefront signs: \$3000 per storefront.
- Maximum grant for awnings: \$1000 per storefront
- Minimum grant: \$1000.
- The number of grants per property is limited to one per year and two in the five-year time frame of the Program.

#### **Conditions of Approval & Payment of Grant**

- Projects must be completed within the fiscal year for which they are approved except by special agreement.
- Grant payment is conditional on satisfactory completion of approved work, photographic documentation of completed work, site review by HRM staff, and submission of receipts and paid invoices.
- Deadline for submission of receipts and paid invoices is March 15<sup>th</sup>. This is necessary to enable grant payments to be processed by end of fiscal year.
- Grant funding for projects not completed by the end of the fiscal year will be forfeited except by specific agreement on a case by case basis.
- Grants are tied to specific approved work. Additional work not approved will not be funded.
- The applicant shall notify HRM of any changes to the approved work prior to it being undertaken and shall not proceed with the work without supplementary approval by staff.

Work that deviates from the approved work without a supplementary approval may not be eligible for funding and, at the discretion of HRM, such funding may be withheld and re-allocated to another property in the heritage conservation district.

- Grants over \$10,000 are conditional on the owner entering an agreement with HRM to maintain the building and not apply for demolition for twenty years. The agreement runs with the land and shall be filed at the Land Registration Office/Registry of Deeds.

## **TAX CREDITS**

Where an application includes both exterior restoration and interior rehabilitation, tax credits may be approved for the following types of work :

### **Exterior Work Eligible for Tax Credit**

- Exterior restoration work on an existing building which meets the eligibility requirements for grants (see above) but which exceeds \$200,000 in value.
- Exterior elements on new rooftop additions including cladding and trim, windows, doors, and roofing but excluding structural components. This may include contemporary design and materials approved under applicable Design Guidelines.

### **Interior Work Eligible for Tax Credit**

- Renovations needed to meet building code and fire safety requirements.
- Renovation of common interior circulation areas including lobbies, hallways, staircases, washrooms, elevators and lift devices.
- Structural repairs, including repairs to party walls and structural improvements to the existing building required for support of approved rooftop additions.
- Renovation of central building systems in the existing building including plumbing, heating, ventilation, and air conditioning (HVAC), electrical or telecommunication systems and associated service rooms, and sprinkler systems.
- Energy efficiency improvements including renovations to building envelope.
- Restoration of historic interior features or finishes located in common, publicly accessible circulation areas.
- Restoration of historic interior features or finishes located in spaces outside common areas (e.g. leased spaces) in special cases.

### **Ineligible Work**

- Fixtures, finishes and demising walls in spaces outside common areas, e.g. improvements to leased spaces, condominium units, or storage areas.
- Distribution of central building systems outside common areas, beyond open area requirements.
- Any interior work within rooftop additions, including structural, plumbing, HVAC, electrical or telecommunication systems.
- Interior work on projects without adequate exterior restoration.

### **Calculation and Payout of Tax Credits**

- Tax credits will be calculated on the basis of 15% of the value of eligible work.

- All Tax Credits will require approval by Regional Council.
- For minor projects, tax credits will be applied against taxes due in the fiscal year following completion of eligible work.
- For multi-year projects, tax credits will be calculated (and applied against taxes due) based on the amount of eligible work completed in the prior year.
- When requested, tax credits will be paid out to the property owner in the form of a grant equivalent following payment in full of all applicable taxes
- All tax credits are conditional on owner entering an agreement with HRM to maintain the building and not apply for demolition for twenty years. The agreement runs with the land and shall be filed at the Land Registration Office/Registry of Deeds..

#### **Maximum and Minimum Tax Credits**

- There is no specific maximum tax credit, however, the annual payout cannot exceed the municipal portion of taxes (the general rate) due in that year.
- When required, i.e., for large projects, the balance of tax credits earned is carried forward until the total tax credits applied to taxes equal the total tax credits earned.
- Minimum tax credit: \$1000, i.e., eligible work of \$6700 or greater.

#### **PERMIT FEE WAIVERS**

- Fees for any building permit or sign permit application submitted within five years of the adoption of this Plan, shall be waived for any property within the Barrington Street Heritage Conservation District.
- This waiver shall not apply to other construction related fees such as plumbing fees, encroachment fees, sidewalk café rental fees, SANS deposits, future settlement fees, and sewer redevelopment charges, and shall not apply to application fees for demolition or deregistration of a building in the Barrington Street Heritage Conservation District.

**HERITAGE INCENTIVES: BARRINGTON STREET HERITAGE DISTRICT**  
**Staff report to Heritage Advisory Committee, January 27, 2010**  
**Amended Recommendations**

As a result of further review, staff recommend the following changes to the recommendations:

**It is recommended that the Heritage Advisory Committee recommend that Regional Council:**

1. Approve a grant of no more than \$96,878 and a tax credit of no more than \$203,033 for the Freemasons Hall building, located at 1533, Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.
2. Approve a grant of no more than \$96,878 and a tax credit of no more than \$488,020 for the Green Lantern building, located at 1585 Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.
3. Approve a grant of no more than \$6,244 and a tax credit of no more than \$5,085 for the Colwell building, located at 1673 Barrington Street, as set out in the staff report dated December 7, 2009. The approval of this grant and tax credit is conditional upon, and payment to the applicant shall not be made until, the applicant has:
  - a) completed the work as set out in the application to the satisfaction of the municipality,
  - b) provided receipts and invoices to support the total amount approved, and
  - c) executed and registered at the Registry of Deeds/Land Registration Office an agreement that they will not apply to demolish, nor will they demolish, the property for 20 years from the date of the agreement.
4. Approve the transfer of any unused grant funds from the 2009 Barrington Street Heritage Conservation District Incentives Program budget of \$200,000 (account C310-8004 Planning & Application-Grants) to the Heritage & Cultural Tourism reserve account Q312.