



CITY OF KINGSTON
REPORT TO MUNICIPAL HERITAGE
COMMITTEE

Report No.: MHC-13-011

TO: Chair and Members of Municipal Heritage Committee
FROM: Cynthia Beach, Commissioner, Sustainability and Growth
RESOURCE STAFF: Carola Bomfim Lima, Manager, Project Development
DATE OF MEETING: June 24, 2013
SUBJECT: 19-23 Queen Street, 29 Queen Street and Block 4 Development

EXECUTIVE SUMMARY:

This Report is provided as an update on the progress of preparing Block 4 of the North Block for sale through a two stage Request for Proposal process and to have the Municipal Heritage Committee provide comments regarding the City's consideration of the property's designation while preparing 19-23 Queen Street for redevelopment. The properties at 19-23 Queen Street are designated pursuant to By-Law 95-255.

This report also provides information regarding 29 Queen Street because it is a designated building. The City's Policy for the Sale and Acquisition of Real Property directs consultation with the Municipal Heritage Committee prior to declaring the properties surplus. There are no changes in use intended for 29 Queen Street as it is a sub-station occupied by Kingston Hydro. This report is being provided for consultation with the Municipal Heritage Committee prior to the transfer of this property to Kingston Hydro.

On August 4, 2009, Council adopted the recommendations of the North Block District Community & Business Enhancement Opportunities Report (2009 Report) and moved that the next steps be undertaken for the redevelopment of the City-owned property, based on the recommendations in the Report.

In a subsequent report to Council on November 20, 2012, a proposed action plan and next steps for preparation and issuance of a Request for Proposals to Developers for the Block 4 portion of the North Block were provided, and accepted by Council.

Council has recommended the incorporation of the designated properties into the future redevelopment on the block to meet a number of objectives that benefit the community.

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All the buildings in the 19-23 Queen Street grouping have an independent degree of cultural and heritage significance which derives from:

- a. being one of Kingston's most important surviving mid-19th century industrial building sites;
- b. playing a major role in the modernization and development of the City with key civic and domestic improvements such as the illumination of City streets, buildings and homes by gas and later by electricity;
- c. being one of the oldest Gasworks in Ontario (Toronto is the only earlier one); and
- d. being a building complex representative of the evolution of the Gasworks architecture/lay-out from approximately 1848 to 1925.

The additional investigation of these properties also warrants updating the designations of the properties which will be done prior to final sale of the property. With respect to the heritage buildings on Block 4, the City has engaged a heritage consultant to outline specific requirements with regard to 19-23 Queen Street on Block 4. This work will include an Inventory Report, Preservation and New Building Design Integration Guidelines, as well as Technical Conservation Guidelines. These requirements will be included as a part of the City requirements for the Block 4 development proposals. The first portion of this work has been completed, and the remainder of the work is anticipated to be complete by July, 2013.

Block 4 currently houses a Kingston Hydro sub-station (29 Queen Street) and the commercial buildings (19-23 Queen Street) as well as a parking lot and other structures. The properties are designated under Part IV of the *Ontario Heritage Act*. In compliance with the Policy for the Sale and Acquisition of Real Property (Report AP-06-016), the Municipal Heritage Committee is being consulted upon the recommendation to declare the 19-23 Queen Street and 29 Queen Street properties surplus.

RECOMMENDATION:

THAT the Municipal Heritage Committee receive report MCH-13-011 with an update on the proposed process for the incorporation of the designated heritage properties at 19-23 Queen street into the Request for Proposals from purchaser/developer for Block 4; and

THAT the City staff prepare amendments to the heritage designations based on the comprehensive research prepared for the redevelopment of the Block 4 of the North Block and that staff prepare a heritage easement for the property prior to the sale of the property.

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AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY COMMISSIONER Cynthia Beach, P.Eng, MCIP, RPP, Commissioner, Sustainability & Growth Group
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER Gerard Hunt, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Lanie Hurdle, <i>Community Services</i>	N/R
Denis Leger, <i>Transportation, Properties & Emergency Services</i>	√
Jim Keech, <i>President and CEO, Utilities Kingston</i>	N/R

OPTIONS/DISCUSSION:

Background:

On August 4, 2009, Council adopted the recommendations of the North Block District Community & Business Enhancement Opportunities Report (2009) and the next steps to be undertaken for the redevelopment of the City-owned property, based on the recommendations in Report No. 09-165.

Subsequently, on November 20, 2012 Council received Report 12-369, outlining progress to date on addressing the next steps outlined in the North Block District Community and Business Enhancement Opportunities Report, as well as a proposed action plan going forward. Council passed the following motions at this meeting:

***THAT** Staff initiate the process of declaring the Block 4 lands surplus; and*

***THAT** Staff proceeds with the process as outlined in this report (Report 12-369) to prepare the City owned property referred to as Block 4 for eventual sale and redevelopment.*

CARRIED

The process outlined in Report 12-369 consisted of several main tasks:

- Building on previous reports and studies, as well as updating information with regard to market conditions, environmental issues, heritage considerations and Kingston’s development objectives, develop several scenarios for development of Block 4.

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- Sharing these scenarios with the public and stakeholders, through a public meeting as well as on the City website
 - Reporting to Council on the feedback received from the community, as well as the information from the technical team, and seek Council's direction regarding the development requirements for Block 4
 - Proceeding with the two stage Request for Proposal process

A public meeting was held on March 28, 2013. On April 3, 2013 in Report 2013-10, Council were presented with several choices with respect to development of Block 4. As a result, the following motions that are of particular relevance to the Municipal Heritage Committee were passed:

Item 5 – Heritage building preservation

THAT Council require that development proposals include developer ownership and restoration of the heritage buildings at 19-23 Queen Street.

CARRIED

Item 8 – Proceed with obtaining necessary statutory approvals

THAT staff be authorized to prepare the necessary background studies and reports for the approval of these options including requirements under the Municipal Act, Planning Act and Heritage Act for Council to provide approvals through the statutory approvals process and that a final report be prepared for Council to approve the terms of reference for the redevelopment of the property.

CARRIED

As a result of the above motions and in accordance with the City's Policy for the Sale and Acquisition of Real Property, City staff is bringing report MHC-13-011 to the Municipal Heritage Committee to consult with the Committee as outlined in the City's Policy for the Sale and Acquisition of Real Property to declare the designated properties surplus under the *Municipal Act*.

1. Heritage Building Preservation

The process with regard to how 19-23 Queen St. would be addressed in the Request for Proposal was set out in Council Report 12-369:

“Staff will engage consultants to outline specific requirements with regard to the heritage buildings of 19, 21 and 23 Queen Street. This would include mandatory requirements related to retention, restoration, and incorporation of these heritage structures, as well as outlining desirable features that would be considered enhancements to development proposals. The requirements will include architectural, structural and geotechnical considerations, and outline several options for restoring and/or maintaining the building envelopes. The requirements will

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then be provided as a part of the City requirements for the Block 4 development in the Request for Proposals. The requirements will also be reviewed by the Municipal Heritage Committee and be endorsed by Council. Simultaneously, staff would initiate the process to declare 19, 21 and 23 Queen Street properties surplus.”

The incorporation of the buildings into a larger redevelopment will:

1. Facilitate the remediation of the property which was a former coal gasification plant. The remediation of the property will also be guided by the schedules to preserve the buildings.
2. Allow the design of the block to include and be sympathetic to the heritage buildings.
3. Allow a private developer to incorporate costs into an application for brownfield redevelopment rather than the municipality paying upfront for costs.
4. Facilitate the ability to find a long-term tenant for the building which will not require long-term subsidization by municipal tax financing.
5. Allow more flexibility with future uses of the buildings rather than having the City maintain them as standalone buildings. The guidelines for heritage preservation have prioritized the investment required for the conservation and preservation of the buildings.

A heritage consultant has been engaged and the first part of the work has been completed. This consists of an inventory of the building elements (heritage attributes), providing both an overview statement about the buildings, as well as addressing specific elements of the buildings. Following are key excerpts from the Block 4 – Heritage Preservation Component report:

Heritage attributes, also sometimes referred to as character defining elements, are those aspects and features of a site which most deeply manifest the reason(s) for its cultural value. The list of heritage attributes for the 19-23 Queen Street buildings has been prioritized into categories according to their level of importance to the heritage character of the building and hence for preservation.

Category ‘A’:

*These attributes **must be preserved** in any development scenario. If commitment to the preservation of these attributes is not acknowledged in the proposal the proposal will be considered ‘incomplete’ and rejected. Note: The listing of ‘macro’ components, such as “full elevations”, does not necessarily mean that absolutely no modification can occur. However the range of potentially acceptable modifications will be delineated under the **Preservation Design Guidelines**.*

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Category 'B':

*These attributes are also important and **should be preserved**. Where the proponent feels that extenuating circumstances and/or other critical aspects of the total design preclude the preservation of any of the attributes in this category they may make that argument within their proposal. Lack of retention of these attributes may result in a 'markdown' within the proposal evaluation matrix. Note: The listing of 'macro' components, such as full elevations does not necessarily mean that absolutely no modifications can occur. However the range of potentially acceptable modifications will be covered under the **Preservation Design Guidelines**.*

Category 'C':

These attributes, while contributing to the heritage character of the property, are not as essential as those listed within Category A or B. While they are still considered worthy of preservation there will be no penalty if the proposal indicates that they cannot be preserved. However retention of these attributes may be subject to 'bonus points' within the proposal evaluation matrix.

Next Steps:

Work is nearing completion on the New Building Design Integration Guidelines and Technical Conservation Guidelines. The intent is that these documents will be utilized to develop specific requirements that will form part of the Request for Proposal, and will also provide the basis for some of the proposal evaluation criteria. These requirements and evaluation criteria will be presented to Council for endorsement after consultation with the Municipal Heritage Committee.

The full Report (including the Inventory, New Building Design Integration Guidelines and Technical Conservation Guidelines) will be shared with to the Municipal Heritage Committee at future meeting.

A full assessment is also being prepared to delineate the property boundary for 29 Queen Street as the buildings share a common wall which expresses a variety of eras in the block's development. All of the hydro substation and a laneway will be transferred to Kingston Hydro to allow the building to operating separately as a part of the hydroelectric infrastructure in the downtown area.

Municipalities can also subdivide property boundaries without requiring consents through a severance process. A report will be prepared for Council to subdivide the properties to include heritage buildings listed as significant within the property boundaries for the designated properties. As part of that process, the lot lines for *Ontario Heritage Act* purposes will be defined in accordance with the current footprint of the buildings.

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Statutory Approvals

The existing Block 4 shown in Appendix A of the report consists of three distinct uses:

- 1) 29 Queen St. – the Kingston Hydro substation and the adjacent laneway
- 2) 19-23 Queen St. – the commercial buildings
- 3) Adjacent properties that are currently not designated and have no heritage attributes.

29 Queen Street

The 29 Queen Street property, built in 1904 is an integral part of Kingston Hydro's infrastructure. As with other properties in the City dedicated to Kingston Hydro's infrastructure, it is desirable that Kingston Hydro owns this property. The process to legally transfer ownership has commenced. As with any designated heritage property, protective measures, such as placing of an easement, may be required. The use of the property is not recommended to change as the substation will be required to meet current and future needs for electric infrastructure.

19-23 Queen Street

The range of buildings known as 19-23 Queen Street was included in Volume IV of the Buildings of Architectural and Historic Significance (BAHS), 1977 and was originally officially designated under the *Ontario Heritage Act* (OHA) in 1995. Following further research and in conformity with changes to the *Ontario Heritage Act* in 2005, the designation by-law was revised in 2009 by By-Law No. 2009-15.

The building now known as 23 Queen Street, has been represented continuously in mapping and noted in land records from 1798 and likely originates in part prior to 1800. The row of 19-23 Queen Street was entered in the Canadian Register of Historic Buildings in 2006. The heritage designation bylaw will be reviewed and updated as necessary by Heritage staff to reflect the updated research for these buildings to capture the cultural significance of these properties.

The 19-23 Queen St. properties have undergone several conditions analyses and assessments over the last few years. In general, the findings were that the buildings required a substantial investment simply for preservation purposes. In addition, even though the interiors of the buildings have undergone significant modifications over the life of the buildings, it is likely that adjacent development of Block 4 would precipitate a full interior renovation of these buildings as well. There are several advantages to including the 19-23 Queen St. buildings in the Request for Proposal process for sale and development of Block 4.

It was the determination of Council on April 3, 2013 that:

Item 5 – Heritage building preservation

THAT Council require that development proposals include developer ownership and restoration of the heritage buildings at 19-23 Queen Street.

CARRIED

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EXISTING POLICY/BY LAW:

The City of Kingston Policy for the Sale and Acquisition of Real Property requires that staff consult with the Municipal Heritage Committee in regards to any designated or listed property being considered for declaration as surplus, and, before any action is taken, will consult with Municipal Heritage Committee regarding the future of the property. Protective measures, over and above designation, may include easements as well as opportunities for restoration and adaptive re-use.

NOTICE PROVISIONS:

N/A

ACCESSIBILITY CONSIDERATIONS:

Alternative formats of this report and the Exhibits are available on request.

FINANCIAL CONSIDERATIONS:

N/A

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Shirley Bailey, Manager, Heritage & Urban Design
Grant Bain, Director, Planning & Development
Jim Miller, Utilities Kingston
Alan McLeod, Senior Legal Counsel, Legal Services

EXHIBITS ATTACHED:

Exhibit A: Block by block ownership

