

Historic Fire Hall #1 & North-West Travellers

Expression of Interest (“EOI”)

Background

The North-West Travellers (“NWT”) and Historic Fire Hall #1 (“HFH1”) buildings are two City-owned, legally protected, federally and provincially designated heritage assets. The two properties are located adjacent to one another on the corner of 1st Street SE and 6th Avenue SE in Calgary’s downtown core, forming a unique historical niche in downtown Calgary. Both properties are currently vacant and have been earmarked by The City of Calgary for the development of affordable lease space to support the under-served Arts & Culture communities in Calgary. This prime location is within the vicinity of popular downtown destinations like Stephen Avenue, Bow Tower, Arts Commons, Glenbow Museum, Central Library, East Village, the Riverwalk and Olympic Plaza.

Project Vision

HFH1 and NWT present a rare opportunity to add vibrancy to Calgary’s downtown core. The unique character, quality, identity and scale of the buildings, coupled with their prime location, results in an immense potential for adaptive re-use. Re-purposing these buildings for arts and culture, and food and beverage-based uses will create a new iconic destination. This project will support and enhance Calgary’s vibrant cultural ecosystem, contributing to how all Calgarians think, feel, and experience our city.

Our vision is for an arts and culture “hub” with complementary commercial components. We are seeking one or more proponents who can create a fiscally sustainable operating model. We encourage partnerships and collaborations between arts and culture organizations and private market uses.

The City would like to create a “destination” that will be active most times of the day and evening that will provide opportunities for gathering and for enjoying art and culture.

While this EOI is geared to lease proposals, we are interested to hear from proponents about alternative forms of agreement that will result in arts and culture activations of the site. The City is open to innovative models to achieving the Project Vision including a potential sale to the right purchaser.

Project Goals

- Support Calgary’s arts and culture community with a unique, affordable and accessible downtown arts and culture hub.
- Improve the area’s vibrancy and connectivity through site activation.
- Build social, cultural and economic resiliency downtown.
- Improve opportunities for local artists to have local studio/work space (to retain talent in Calgary).
- Improve opportunities for artists to exhibit artwork, from temporary to permanent, reflecting a variety of mediums and art practices.

- Improve opportunities for artists at all stages of their careers, e.g., youth, student, emerging, mid-career and established.
- Attract private sector investment and diversification.
- Conserve historic Calgary landmarks.
- Fulfill a cultural space commitment in alignment with Council’s 2016 intention for North-West Travellers to develop as an ‘arts and cultural hub.’
- Strive for sustainability and climate risk adaptation (i.e. LEED, Passivhaus certification standards).
- To promote social diversity and inclusivity through the project as an important civic asset in Calgary’s downtown.

Property Information

- Combined Site Area: Approximately 2600 m² (27,986 SF)
- Existing Building Gross Floor Area:
 - Historic Fire Hall #1: Approximately 1272.50 m² (13,697 SF)
 - North-West Travellers building: Approximately 2700 m² (29,063 SF)
 - Garage: Approximately 200 m² (2,153 SF)

Historic Fire Hall #1 (“HFH1”)

- Address: 140 6th Avenue SE, Calgary, Alberta
- Year of Construction: 1911
- Year of Renovation: 1989 (by tenant)
- Number of storeys: 2
- Potential new uses: Conversion to a food and beverage use (i.e. brewery, coffee shop, restaurant food hall); a theatre with rehearsal space, meeting rooms, rental event space etc.
- Accessory Garage:
 - Year of Construction: 1952
 - Year of Renovation: 1989
 - Number of storeys: 1
 - Potential new use: event space that could be rented out for short term use (i.e. hourly, daily).

North-West Travellers (“NWT”)

- Address: 515 1st Street SE
- Year of Construction: 1912
- Year of Renovation: 1989
- Number of storeys: 4
- Potential new uses: Mix of retail at-grade and rental residential or studio uses above; an Arts & Culture “Hub” conversion to artist studios or live-work units and offices.

Arts & Culture Needs/Gaps

Arts & Culture Needs Assessment, City of Calgary, 2020

In 2020, The City of Calgary completed an Arts & Culture Needs Assessment that included targeted engagement of relevant groups in the arts and culture community to identify space needs and amenity gaps in downtown Calgary, and to determine how to connect artists and cultural groups to HFH1 and NWT. The following are the gaps/needs for arts & culture spaces in the downtown core, with an emphasis on affordability and accessibility:

- A youth arts and culture space
- A small recording/rehearsal space
- Theatre space
- Small and mid-sized studios/workspace with commercial opportunities
- Shared "incubator" workspaces with shared common areas
- Flexible arts and culture space for exhibitions, events, and other programming
- Small and mid-sized spaces for culturally-focused groups

HFH1 and NWT Arts & Culture Hub Master Plan and Technical Feasibility Study, City of Calgary, 2022

In 2022, the City of Calgary completed a Master Plan and Technical Feasibility Study that vetted the key findings from the Arts & Culture Needs Assessment and further identified other potential arts and culture uses for the properties which included:

- Event/theatre space (200-300 person)
- Affordable live-work units for artists

Positioning Strategy

Colliers conducted a Positioning Strategy Report in 2022 for the City of Calgary, which was comprised of a market analysis, case study review and market sounding.

Key Findings:

- Affordability was a strong theme in market sounding conversations with developers and the arts and culture community. When asked to define affordability, the answer was *free* or *nominal* rent space for arts & culture uses.
- Programming should be curated to create a symbiotic ecosystem with the community. It is noted that this is more crucial than necessarily focusing solely on arts and culture spaces.
- The arts and culture hub should combine revenue generating uses with below-market tenancies to balance the need for operating revenue and the provision of arts and culture space.
- HFH1 is the ideal candidate to be the anchor revenue generator with NWT to house subsidized arts and culture programming.
- Multi-use & flexible event spaces can generate bookings and ticket sales which are critical to funding salaries, upgrades, and expansion, as well as subsidizing other uses.
- Artist live-work units are rare; however, they are highly desirable and will likely experience significant demand and quick absorption in the Calgary market.

- A number of organizations currently operating in Calgary may benefit from and/or require a new facility for their continued or expanded operations.

Historic Preservation

With both buildings being protected heritage resources, any renovation contemplated for these structures must be done in consideration of the identified character-defining elements documented in the Statement of Significance detailed reports produced for The City. Any renovations or upgrades are required to follow the benchmark for heritage conservation as documented in the “Standards and Guidelines for the Conservation of Historic Places in Canada.”

<https://www.historicplaces.ca/en/pages/standards-normes.aspx>

Outdoor Activation

The Historic Fire Hall #1 ‘Courtyard’ provides a great opportunity for outdoor uses. We encourage respondents to consider how this outdoor space could be utilized to deliver the greatest benefits to the community.

Facility Capital Costs

The Property will be leased “as-is.” The successful applicant will be responsible for the ongoing maintenance and repair of the Property as well as for any other capital development work, including improvements required to change the function of the building while adhering to the “Standards and Guidelines for the Conservation of Historic Places in Canada.”

Facility Operating Costs

The successful applicant will assume direct responsibility for all taxes, utilities, and fees associated with the operation of the building(s).

Contact Information Required Fields are marked with an asterisk (*)

| | |
|--|--|
| * Date | |
| * Proponent Name | |
| * Contact Name <i>(if different from Lessee Name)</i> | |
| * Contact Phone Number | |
| * Contact E-mail Address | |
| Address | |
| City | |
| Province/State | |
| Country | |
| Postal/Zip Code | |

What annual Base Rent are you prepared to pay?

| | | |
|------------------|--|----|
| * Annual Rent | \$ | |
| Security Deposit | Equivalent to 2 months’ rent plus GST (annual rent ÷ 12x2x1.05) | \$ |

Note: “Base Rent” does not include operating costs, taxes, utilities etc.

Preferred Lease Commencement Date

| | |
|--------------|--|
| * MM/DD/YYYY | |
|--------------|--|

Real Estate Agent Involvement

| | |
|---|--|
| Is there a Real Estate Agent involved? ** | Yes/No (if “yes” complete the information below) |
| Real Estate Agent Name | |
| Agent’s Phone Number | |
| Agent’s E-Mail | |
| Real Estate Brokerage | |

** If you are using a real estate agent, all negotiations must take place through your Agent.

Information Required with Application

A Business Case:

General description of your business; years of operation, ownership, organizational structure, corporate vision and/or mission; current business plan and existing locations (if applicable).

Proof of Financial Stability:

Please describe/include the following:

- Projected Operational Budget
- Projected Capital Budget
- Audited financial statements for the past 3 years, if available
- Bank Statements for all accounts, not more than 30 days old

Alternate Form Proposal:

Please describe/include all relevant details and suggestions to Lease alternatives. We are focused on creating a cultural hub with citizen centric benefits – please express how your proposal will achieve the Project Vision.

References:

Include Letters of Support from past and/or present Landlords (subject to alternatives for new enterprises).

The City reserves the right to contact these references without prior notification to the Proponent. The City also reserves the right to contact any previous or current user of the Proponent’s products or services, including The City's own personnel.

Evaluation Criteria and Weighting

The evaluation committee will ensure compliance with criteria and evaluate and numerically score each EOI. The evaluation will be restricted to the criteria contained in this section.

Please respond to this Expression of Interest by January 12, 2024

| Criteria | Weighting (subject to change) |
|--|--|
| Arts & Culture space provision <i>Preference will be given to affordable/low rent, live/work, studio space</i> | /30 |
| Complementary Uses <i>Preference will be given to commercial uses that will support viability of the Arts & Culture space provision</i> | /20 |
| Business Case | /15 |
| Financial Stability/Sustainability | /15 |
| Affordability, Accessibility, Diversity & Inclusivity | /10 |
| Partnerships with Arts & Culture organizations | /5 |
| References and Experience | /5 |
| TOTAL: | /100 |