



MacEwan University West Campus Preliminary Business Case

NOVEMBER 5, 2012





EXECUTIVE SUMMARY

MacEwan University is consolidating its programs at its main downtown campus and plans to vacate the campus in west Edmonton by 2015. The City of Edmonton is considering the purchase of this west campus to meet the space needs of the arts, multicultural, and not-for-profit communities.

To help inform the purchase decision, the City commissioned the completion of this preliminary business case. It is important to note that subsequent to a City decision regarding the purchase further work will need to be undertaken in order to specifically identify tenants, potential partners, specific funding sources as well as detailed design and operations.

The potential acquisition of the MacEwan facility is supported broadly in a number of City strategic documents including *The Way Ahead*, *The Way We Live*, and *The Art of Living*. There is broad community support for the City's purchase of the facility as well. Through three community visioning sessions and interviews with seventeen key stakeholders both the need for the space and the desire for its repurposing from an educational institution were expressed.

The program **proposed** for the facility is an arts, multi-cultural, and not-for-profit hub. This will see office and creative space provided for the various communities while facilitating synergies between the tenants. The hub will also include some retail / commercial space as well as enhanced public space to help ensure the building is alive and active. It is recommended that the facility be City owned and partnership operated.

The facility will require an annual operating subsidy ranging from approximately **\$140K to \$680K** depending upon the degree of subsidization of lease space. Including budgeted amounts for facility maintenance and facility lifecycle funds the annual subsidy would exceed \$3.3M.

The acquisition of MacEwan's West Campus by the City of Edmonton **provides** a great opportunity to help meet the space needs of the arts community as well as multicultural groups and other not-for-profits. It also strengthens the revitalization efforts in the area.



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MAC EWAN

John A. MacEwan
Theatre

1.0

INTRODUCTION

Located along Stony Plain Road in west Edmonton, MacEwan University (formerly Grant MacEwan Community College) delivers programs from the Arts and Communications Centre campus. This facility was built in 1981 and comprises approximately 257,000 ft² sitting on 3.51 acres (The parkade accounts for an additional 55,000 ft².) Through its programs the campus attracts students from the local area, from throughout Alberta, and beyond. The facility itself has served as an anchor in the area and its presence is valued by members of the surrounding community. The University has been taking steps to consolidate its operations at its main campus in downtown Edmonton however. Towards this end it plans to bring the programs and resources from this west end location into its city centre campus. To date the communications program has moved downtown; the other programs will follow in the next few years. The University's goal is to vacate this west end campus by August 2015.

This move by the University is timely for the City of Edmonton. Members of the arts community in

Edmonton have expressed a desire for the provision of collaborative space in which artistic synergies, sharing, and cooperation could occur. The Mayor's Arts Visioning Committee developed a number of recommendations related to strengthening the arts in Edmonton including one related directly to the MacEwan campus.

"The City of Edmonton acquire and convert MacEwan University's west campus, the Centre for the Arts and Communications, into a multi-use, multicultural and City operated arts incubator."

With the availability of the space and the expressed need for space articulated, the City has proceeded with the development of a preliminary business case. The business case will help determine a vision for the facility and will develop an operating model along with an operating budget. The business case will also delineate the City's role in the facility's operation. Ultimately, the business case will be used by City Council to inform its purchase decision in conjunction with facility assessment reports.



2.0

PROJECT CONTEXT

2.1. The Facility

MacEwan University's west campus is located on 156 Street just south of Stony Plain Road in west Edmonton.

Taking up the majority of the block (3.51 acres), the campus includes approximately 257,000 ft² of classrooms, offices, arts specific facilities (e.g. theatre, music studios, etc), and other spaces. The building has an orange cladding and includes a multitude of ceiling windows which brings natural light into the building. Noteworthy spaces in the building include the following.

- » A 363 seat theatre
- » Wood working shop
- » Cafeteria (including kitchen facilities)
- » Dance studios
- » Recording studio
- » Photography labs and design studios

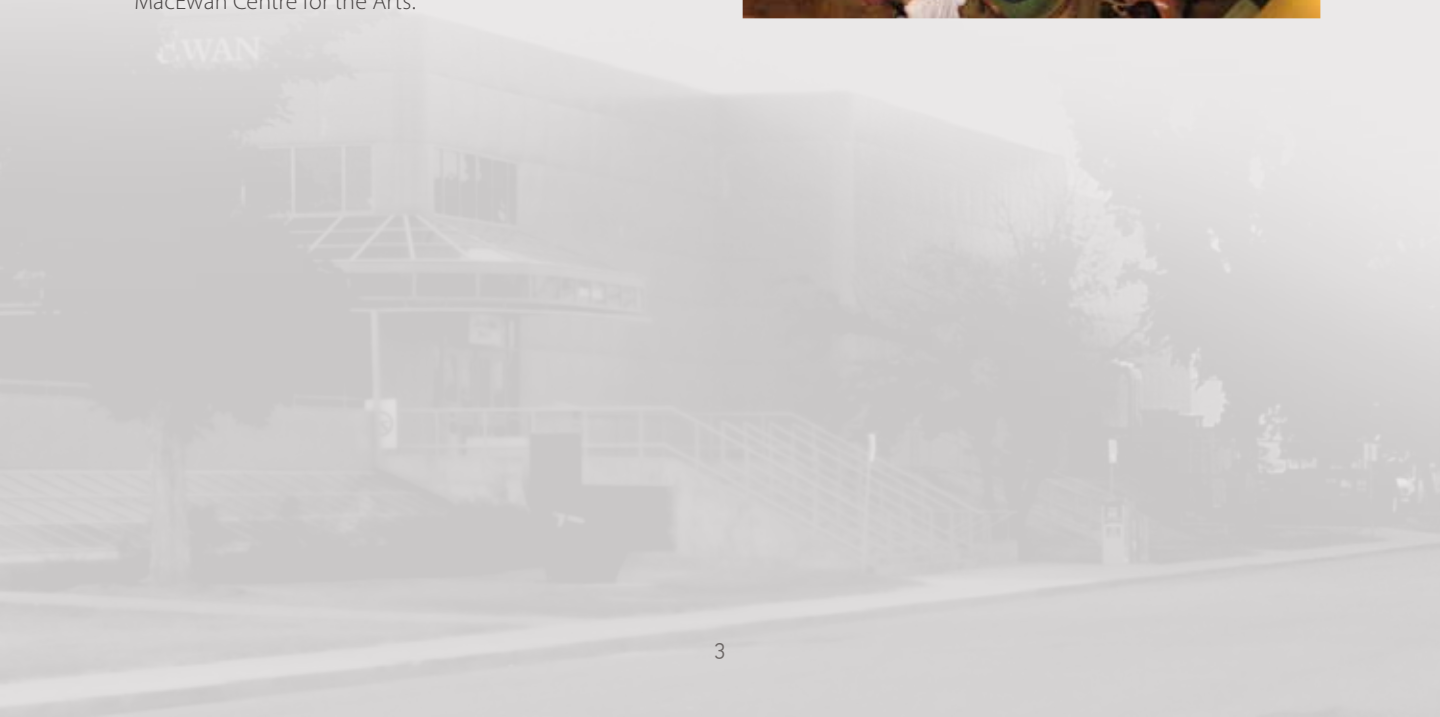
**See Appendix A for facility floor plans*

As a university campus, the building has admirably fulfilled its function in providing program space and amenities for students and staff. The broader community has made some use of the facility through specific use of the specialty spaces (e.g. dance recitals in the theatre), through room rentals, or through any public events hosted by the University. For the most part, however, there has been little direct interaction between the neighbourhood and the campus facility. This purpose built facility is uniquely suited to a re-envisioned use as an arts incubator .

2.2. The Local Community

The building sits in the middle of the neighbourhoods of Britannia Youngstown, Canora, Glenwood, and West Jasper Place (See the map on the following page). Each neighbourhood abuts Stony Plain Road. Together this area is known as Jasper Place — it is the focus of a City initiative known as the Jasper Place Revitalization Strategy.

This Strategy was initiated in 2006 as a City Council Special Initiative. The Strategy focuses on improving the quality of life of residents using a community building approach that is neighbourhood driven and inclusive. The Strategy refers to redesigning Stony Plain Road and specifically speaks about expanding the presence of the arts by leveraging the presence, commitment, and involvement of the MacEwan Centre for the Arts.





Neighbourhood	2006 population	2009 population	3 year growth	Annual growth (average)
Britannia Youngstown	4,520	4,497	-0.5%	-0.2%
Canora	3,305	3,335	0.9%	0.3%
Glenwood	4,460	4,921	10.3%	3.4%
West Jasper Place	3,175	3,055	-3.8%	-1.3%
Total	15,460	15,808	2.3%	0.8%



2.3. The Neighbourhood

Including staffing, the City of Edmonton has allocated significant resources to this revitalization project. Working with the community leagues of the four neighbourhoods, the Stony Plain Road Business Association, and other community stakeholders, improvements are being made. The potential purchase and repurposing of the MacEwan campus is considered a significant initiative in the revitalization of the area.

Another project that will have a significant impact on the area is the expansion of the LRT system. Current plans show the alignment of the route west along Stony Plain Road turning south at 156th Street. This route will see the LRT pass immediately to the west of the MacEwan campus building. It will also require removal of part or all of the existing parkade on the north west corner of the campus. While the exact timing of this LRT system expansion is not defined, the importance of this enhanced transportation system in enabling people to access the MacEwan campus is extraordinary. (See Appendix B for the concept plan.)

This broader Jasper Place neighbourhood has a total population (2009) of 15,808 which accounts for 2.0% of the entire city's population. The area has experienced an annual average growth rate of 0.8%, which can be attributed to the sizeable growth rate (3.4%) Glenwood has experienced. Canora's population has remained relatively stable as has Britannia Youngstown although the former has seen a slight increase and the latter a slight decrease. West Jasper Place has experienced a greater decline. (See the table on page four.)

These four mature neighbourhoods are comprised of a higher proportion of rental dwellings compared to the City average. On average approximately 28% of dwellings are rental units. The rate in Britannia Youngstown is 60%, Canora 68%, and Glenwood 53%. Figures were not available for West Jasper Place.

The Jasper Place neighbourhood is composed of people representing a variety of ethnicities in similar proportions to the city as a whole. The proportion of the population identified as of Aboriginal heritage is approximately double the city average (2006 census); the proportion in the Jasper Place neighbourhood is 10.3% compared to the city proportion of 5.3%. The median household income in the area is lower than the city average (\$57,085)¹ ranging from \$35,035 to \$40,011. (See the chart on page four.)

¹ 2010 Neighbourhood Indicators, City of Edmonton

3.0

STRATEGIC ALIGNMENT

A number of pertinent plans and reports authored and utilized by the City have been reviewed. The intent of this research is to review the plans and documents to see if broader, overriding City strategies are congruent with the potential acquisition of the facility.

THE WAY AHEAD — Strategic Plan 2009 – 2018 (Updated in 2011)

The plan was established by City Council in 2008. It provides the City's vision for Edmonton in 2040 and establishes six 10-year strategic goals. The plan's vision speaks to Edmonton being "an arts City" in which people "enjoy the museums, galleries, clubs and theatres."

A number of the strategic goals and corporate outcomes pertain to the potential purchase of the west campus.

Strategic goal: Transform Edmonton's Urban Form

Corporate outcome:

Edmonton has sustainable infrastructure that fosters and supports civic and community needs.

Strategic goal: Improve Edmonton's Livability

Corporate outcomes:

Citizens use city infrastructure and participate in service and programs that provide enjoyment and personal health benefits.

Complete collaborative communities that are accessible, strong and inclusive with access to a full range of services.

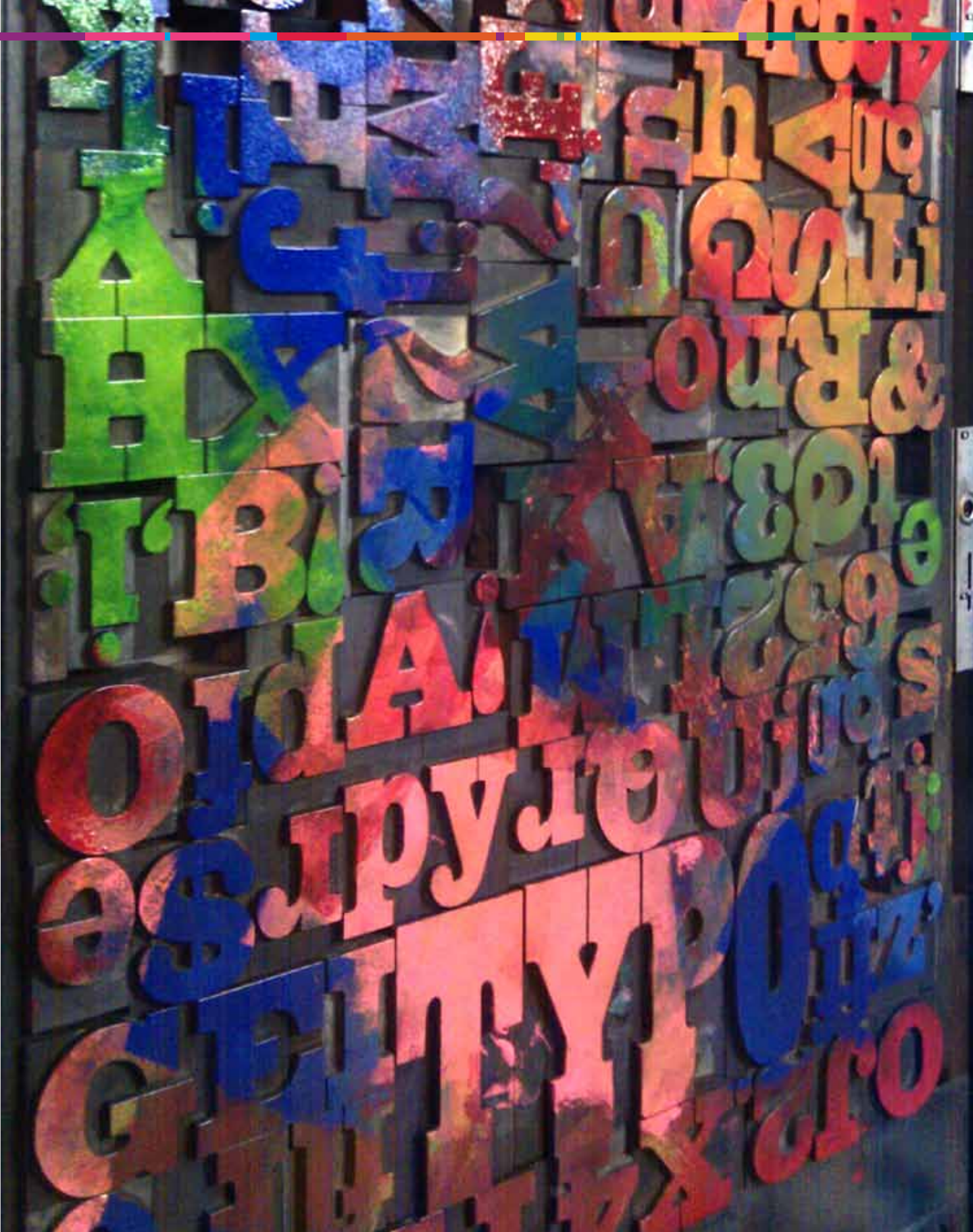
THE WAY WE LIVE — Edmonton's People Plan (2010)

Approved by City Council in 2010, the plan provides residents, community stakeholders and the City with a blueprint for the coordination and delivery of people services to meet the City's 10-year goal of improving Edmonton's livability. It is the City's first plan focusing on people services and quality of life issues. The plan has six goals each with several objectives. Those of particular pertinence are noted on the next page.

Goal 1: Edmonton is a vibrant, connected, engaging and welcoming City

Objectives:

- 1.1 *The City of Edmonton provides opportunities in neighbourhoods, community and public spaces to connect people and build vibrant communities.*
- 1.2 *The City of Edmonton uses its social physical infrastructure at the neighbourhood, city, regional and global level to create connections.*
- 1.4 *The City of Edmonton connects individuals, families, groups, cultures and communities to the services they need to thrive and realize their potential.*





Goal 2: Edmonton celebrates life!

Objectives:

- 2.2 The City of Edmonton provides for the well-being of its citizens through outstanding use of its parks, natural green and public spaces.*
- 2.3 The City of Edmonton is a diverse, creative city with a rich and vibrant arts and culture community.*
- 2.5 The City of Edmonton promotes the celebration of diversity, milestones, achievements, and festivals.*

Goal 3: Edmonton is a caring, inclusive and affordable community.

Objective:

- 3.1 The City of Edmonton nurtures a caring and inclusive society.*

Goal 4: Edmonton is an attractive city

Objectives:

- 5.2 The City of Edmonton showcases its vibrant arts, culture, entertainment, sports and retail districts.*
- 5.4 The City of Edmonton honours and preserves the unique character and heritage of all neighbourhoods.*

ART OF LIVING — Implementation Plan 2008 – 2018

This plan was funded by Edmonton City Council in 2006 who saw a need for a unified and wide ranging cultural plan for the City. This plan for securing the future of arts and heritage in the City of Edmonton was developed by a steering committee of the Edmonton Arts Council in 2008. Its vision is...

"...a city where arts and heritage are valued and celebrated as an integral part of life. This is expressed through enthusiastic participation of all citizens, the centrality of arts and heritage to education, and the support of arts and heritage by business and government."

The Plan includes seventeen arts recommendations. While the argument could be made that several of them are relevant to the potential arts incubator one in particular resonates.

#16 — Establish neighbourhood arts awareness programs and sites city-wide — this is a notion in which artists are connected with local communities and neighbourhoods. Individual communities take pride in being associated with successful resident artists.


ELEVATE — THE REPORT OF THE COMMUNITY SUSTAINABILITY TASK FORCE (February 2012)

This Mayor's task force was struck to examine the challenge of retaining vitality as communities mature and change, and to create recommendations that address the changing roles and relationships between the city, school boards and the province to ensure ongoing vibrancy. A number of recommendations are worthy of mention.

Focus Area B: Employ Community Driven Approaches to Strengthen Neighbourhoods

Recommendation 3 — Create a template for the development of an asset based development plan for every mature neighbourhood, to understand strengths and areas of need, to engage the community directly, and to ensure that community goals and input are prioritized, particularly when development is being pursued and / or advocated.

Action 3.5. Encourage all development plans to include public space, so that streetscaping contains a variety of walking destinations and encourages safety, community interconnectivity, and multi-modal transportation. Beautification and public are also encouraged.



Focus Area C: Promote Life Long Learning

Recommendation 8 — Recognize that education is the foundation of a successful future for both communities and individuals, and that lifelong learning is a foundation for community sustainability. Ensure that all community driven plans include the delivery of lifelong learning for all.

Action 8.5. Examine partnerships with diverse groups (art organizations, social service organizations, volunteer organizations, other not-for-profits) to collaborate on maximizing a school or community building's potential, focusing not just on the program, but also on finding areas of policy convergence so that future partnerships are simple.

JASPER PLACE REVITALIZATION STRATEGY (2008)

This strategy was started in 2006 and was a City Council Special Initiative. The strategy is focused on improving the quality of life using a community building approach that is neighbourhood driven and inclusive.

Under 'Goal 2 — Connecting Our Community' there is a short term action of particular relevance.

"Support existing or new opportunities to connect through community events / celebrations and to improve neighbour friendly connections."

Redesigning Stony Plain Road is addressed in the Strategy. A goal for this redesign speaks about expanding the presence of the arts by leveraging the presence, commitment and involvement of the MacEwan Centre for the Arts.

EDMONTON ARTS 2040: PROSPERITY WITH CREATIVITY (November 2011)

This document is a product of the Mayor's Arts Visioning Committee. Its intent was to look beyond the ten year vision of the *Art of Living*. In this document the Committee identified a number of recommendations that referred to raising the profile of the arts in Edmonton through partnerships between the arts and business communities. There are twelve recommendations that are organized into four groups: space opportunities; community commitment; civic leadership; and business and institutional relationships.

One of the recommendations specifically mentioned MacEwan's west campus.

"The City of Edmonton acquire and convert MacEwan west into a multi-use, multicultural arts incubator."

The consultation undertaken through the work of the Committee spoke about collaborative workspace and multicultural artists. The concept of creation, rehearsal, and exhibit space was discussed. The facility itself was considered something that could uplift the Edmonton arts sector and contribute to the revitalization of Stony Plain Road.

CITY OF EDMONTON IMMIGRATION & SETTLEMENT SPECIAL INITIATIVE — Report to Steering Committee (2006)

This document was prepared by the Multicultural Health Brokers Co-op on behalf of the Community Services Department. It followed an earlier report, Priority Recommendations of the Special Initiative on Immigration and Settlement (Report 2006CLR002), produced by the City of Edmonton. This specific document examined further three of the priority recommendations, including a multicultural facility.

Marginalized and emerging communities are most in need of consistently reliable and affordable meeting space. Recently formed and emerging communities may be arriving in Canada following a conflict situation in their country or origin. They most likely do not have a pre-established support network and must often rely on government assistance. Having access to free or low cost space that meets their needs for cultural bonding will make a considerable difference in the adjustment process.

4.0

ANALYSIS OF NEED

In order for Council to make a decision about the purchase of the west campus, an examination of the need for the facility must be undertaken. There are innumerable organizations and initiatives that have done in-depth research into the need for space. It is not the intent of this preliminary business case to redo this work. Rather the primary research undertaken in the development of this business case is to augment the previously completed work. Because of its import however the findings from these other organizations and initiatives are referenced.

4.1. Secondary Research

4.1.1. Arts Habitat Association of Edmonton

The **Arts Habitat Association of Edmonton** is a non-profit enterprise engaged in finding, managing, and developing space for the arts. The organization has worked on a number of projects and is currently working with the City of Edmonton on the Artist Quarters in the Quarters Downtown area. This project addresses affordable, appropriate and sustainable work space, taking into account the need for affordable housing options for professional artists. It is important to note that while there are a number

of projects that have and will address the needs of the Arts community, Arts Habitat Association of Edmonton **continues to see an un-met need** for affordable, appropriate, and sustainable space for the arts community.

4.1.2. Mayor's Arts Visioning Committee

The Mayor's Arts Visioning Committee has been referenced previously in this business case. The Committee was created by Mayor Mandel in 2011 and was asked to investigate new opportunities, especially in partnerships between Edmonton's arts and business communities. During this process a significant amount of stakeholder consultation was undertaken. Consultation efforts included:

- » A broad community "think tank" with over 200 delegates from business and the creative community;
- » Small group sessions with business representatives, the Aboriginal community, multicultural groups, the festivals leadership, amateur arts groups, City administration, and flagship arts organizations; and,
- » Individual interviews with community leaders, practicing artists, local philanthropists, and young business leaders.

Through all of these efforts the Committee identified a number of needs including that of collaborative work-space for the arts. The MacEwan campus was specifically identified as an attractive and **suitable solution to some of the needs**. This significant research undertaken by the Committee cannot be ignored.

4.1.3. The Multicultural Health Brokers Co-op

The **Multicultural Health Brokers Co-op** is a group of over 50 professionals that represent twenty-two different cultural and linguistic communities in Edmonton. The Co-op is not a settlement agency but works to bridge the divide between cultural communities and the health, social services, education, justice, immigration, and employment support systems. The Co-op does offer some direct service provision (many of the organization's professionals are social workers); they also provide community development efforts within the multicultural communities they serve. The Co-op speaks about the needs for space, particularly among emerging cultural groups. Space is seen as critical for these groups, helping them strengthen relationships within the group, between groups, and between themselves and those in position of wealth and status. The work of the Co-op suggests there is a desperate **need for space** for multicultural organizations.

4.1.4. The Edmonton Chamber of Voluntary Organizations

The Edmonton Chamber of Voluntary Organizations (ECVO) serves as an advocacy organization and an information source for the hundreds of non profits in Edmonton. With a membership of 84 organizations and 43 individuals ECVO has an excellent appreciation for the needs of the non-profit sector. ECVO manages Edmonton SpaceFinder, an online tool to help match peoples or organizations with available space. As a collaboration with Arts Habitat Association, the Multicultural Coalition for Equity in Health and Wellbeing, and the City of Edmonton, SpaceFinder indicates there is **a small supply of art making studios and offices** available.

4.1.5. The City of Edmonton

The City of Edmonton keeps a contact list of non-profit organizations looking for space. The list includes small recreational and leisure organizations, multicultural groups, social agencies, service clubs, etc. There are in excess of fifty agencies on the list.



4.2. Primary Research

A program of primary research was undertaken in the completion of this business case. This research encompassed two main consultation activities — interviews with key stakeholders and three community visioning sessions. The details and outcomes from this consultation program are presented under a separate cover¹. A summary is included below.

4.2.1. Stakeholder Interviews

Interviews were conducted with seventeen individuals representing a range of organizations and interests including:

- » Edmonton Arts Council
- » Mayor's Arts Visioning Committee
- » Arts Habitat Edmonton
- » City of Edmonton
- » Stony Plain Road Business Association
- » Jasper Place Revitalization Project
- » Multicultural groups
- » Arts organizations

During the interviews, subjects discussed the City's potential purchase of the west campus as well as issues inherent with a City purchase. A number of statements serve to summarize the interviews.

- » There is support for the City's purchase of the facility.
- » The facility should be managed by an entity other than the City.
- » The facility should address the needs of the multicultural community but should emphasize the arts — particularly because of the purpose built space.
- » It is critical to ensure that space is affordable.
- » A City purchase of the facility represents strong support for the arts community. The city community as a whole benefits from this.
- » The facility needs to be open to facilitate interaction with the broader community.
- » It is important to have programming to draw people into the facility.

¹. MacEwan University West Campus Business Case — Consultation Report. July 2012



4.2.2. Visioning Sessions

Three visioning sessions were convened in June. Notice of the three sessions was extended to the broader arts and cultural community, the multicultural community, as well as to the neighbourhood community associations and to the local business association.

Some specific organizations participating in the sessions included:

- » Bent Arrow Traditional Healing Society
- » Centre for Race and Culture
- » Edmonton Arts Council
- » Edmonton Community Foundation
- » Edmonton Northlands
- » Fringe Theatre
- » Polish Canadian Society
- » Society of Northern Alberta Print-Artists
- » Stony Plain Road Business Association
- » West Jasper Place Community League

The three sessions were attended in total by approximately 130 participants. The sessions themselves were convened at MacEwan's west campus. The following list of key ideas from the sessions closely echoes the points listed previously from the stakeholders interviews.

- » Support was expressed for the City's purchase of the facility.
- » An entity other than the City should manage the facility.
- » The facility should have an arts focus but should address the space needs of multicultural groups.
- » The local community should benefit from the facility through programs, services, and public space.
- » The space needs to be affordable.



4.3. Edmonton Facilities — The Market Place

It is important to consider the other facilities in Edmonton that offer similar amenities. The amenities offered by MacEwan's campus can serve a city wide need. Considering theatre space, 61 facilities are listed on the Edmonton SpaceFinder database with a capacity of approximately 250 persons or larger. However most of them are places of worship, community league halls, or convention centres and are **not** dedicated performance spaces. There are eighteen facilities that could seriously be considered as purpose built performance space / rehearsal space. (See Appendix C.)

Even with this supply of performance / rehearsal space in the Edmonton area, officials at MacEwan University indicated that their bookings exceeded 275 annually.

Considering art making studios, Edmonton SpaceFinder identifies a small number of spaces (114th Street Art Lofts and Expressions Café). While identifying available art making studios would prove to be a difficult task, this lack of space corroborates the need for this type of space articulated previously in this report.

A similar dynamic exists when considering office space. Seven sites were identified in a search of Edmonton SpaceFinder. With the office vacancy rate declining in Edmonton² the availability of space suitably priced for the arts, multicultural and not for profit groups would certainly not be expanding. Again this minimal amount of available space supports the assertion made by organizations and individuals documented earlier in this report.

There are several community facilities in the neighbourhood surrounding the MacEwan campus. These facilities offer recreation and leisure space, some of which could be used for performance and rehearsal space. These include a number of community league halls (Britannia Youngstown, Canora, Glenwood, West Jasper / Sherwood), the Jasper Place Fitness & Leisure Centre / Jasper Place Annex, and the St. Francis Xavier Sports Centre.

4.3.1. Other Facilities

Aside from the potential purchase of the MacEwan west campus by the City of Edmonton, there are a number of enterprises underway in Edmonton that will positively impact the arts community. It is not the intent of this document to identify all of them. Rather it is important to acknowledge a number of them, and realize their complementary purpose. The City of Edmonton is considering involvement in gallery space with Enterprise Square, formerly the temporary home for the Art Gallery of Alberta. Efforts are underway for a Performing Arts Centre downtown. The planned repurposing of the Rosedale Site is underway. Finally the Artist Quarters are being developed in the Quarters downtown area. While this list of projects may seem to render the MacEwan project redundant, these projects do not adequately address the need for performance, collaborative, office and meeting space for the myriad of not-for-profit organizations. None of these other initiatives provide the affordable creative incubator space that the MacEwan campus will.

2. Cushman & Wakefield report, June 18, 2012

4.4. Comparable Facilities

While the opportunity presenting itself through the purchase of the MacEwan west campus is unique, there are numerous other facilities and developments that can be examined in order to glean some factors for success or to provide inspiration. Several are noted below. (See Appendix D for research gathered on several of these facilities.)

The City Arts Centre is a City of Edmonton facility located in the Garneau neighbourhood near both Whyte Avenue and the University of Alberta. Once a community league building, the Centre provides introductory programs in many arts disciplines. Courses are available and delivered by individual artists under the direction of the Arts Centre staff. Programs deal with the performing and visual arts as well as the literary and culinary arts. The facility itself includes a number of multipurpose space, although some retrofits have been completed to accommodate specific uses (i.e. air handling equipment in a basement lab). The facility does rent out some of its space and delivers programs. Offices are for Centre staff only. Individual artist workspace is absent.

The Mercer Warehouse (104th Avenue and 104th Street) is a 42,000 ft² warehouse that houses a tavern, coffee bar, and other businesses. It is also the home of **Startup Edmonton**. Startup Edmonton workspace (assigned desks and locked storage) is available to “creators and

entrepreneurs, artists and geeks, designers and engineers” all intermixed. Their mission is to “amplify creative innovation and activate start-ups”³. This is accomplished by encouraging the cross pollination of ideas between tenants and bringing creative people in touch with the business community. This recently developed facility does provide space for start-ups and offers space for creativity and collaboration. It does not, however, provide individual private creative space for artists nor is it designed to house multicultural groups or other not-for-profits. Unstructured public space is missing as well.

Wychwood Barns (Toronto) is a development that transformed some Toronto Transit Commission barns. The development is approximately 60,000 ft² and includes visual artists work space and exhibition space, including a gallery. There are two dozen live / work spaces for artists and approximately ten companies and not-for-profit organizations have offices there. There are retail spaces and the facility includes public spontaneous use space.

The Khyber Institute of Contemporary Art (Halifax) is a repurposed three story building. The facility does not have business offices but does include exhibition and theatre space. Art exhibitions, performances, lectures, and cinema are delivered in this facility.

3. Startup Edmonton. www.startupedmonton.com/about





Torpedo Factory Art Centre (Virginia) is a three story building that houses a number of different types of amenities. There are 82 artist studios along with six galleries to exhibit and sell works of art. The facility houses a museum and, set up as an indoor mall, provides significant public space. There is no public performance space.

The Distillery District (Toronto) is a village of brick-lined streets and restored industrial buildings. The development includes approximately 22 galleries as well as workspace for approximately 50 artists. There is a theatre in the complex and numerous offices. Fifteen companies have offices there as well as seventeen performing arts companies. There are approximately two dozen retail spaces there including cafés / restaurants / bars. There is a policy of excluding chain or franchise businesses.

Great Northern Way (Vancouver) is a project jointly owned by the University of British Columbia, Simon Fraser University, British Columbia Institute of Technology, and Emily Carr University. It began with a gift from corporate giant Finning. The development will combine teaching and research with artist studios, live / work housing, office space and public buildings. The project is about bringing together businesses, academia, and the general community into an emerging district for the digital and creative sectors. This project is marrying many different sectors and has a sizeable proportion for retail and commercial space.

The Roundhouse Community Arts & Recreation Centre (Vancouver) is a collection of buildings that originally were used to house and service steam locomotives. After years of neglect, the facility was designed to be an arts oriented community centre that would serve the residents of the area and the citizens of Vancouver. The facility features a black box performance centre, exhibition hall, woodworking, pottery and dance studios, a full size gymnasium, a café area, and various multipurpose spaces.

Flashpoint (Washington D.C.) includes artist work space and three rehearsal spaces. There is a gallery in the facility as well. There is also a business incubator space that houses up to five organizations at any one time. This area includes desk space, conference rooms, and internet.

These facilities serve as examples that illustrate the ability to provide space for the arts community in a collective manner and in combination with the not-for-profit community. These examples also point to the possibilities of combining creative, exhibition and display space with retail and commercial ventures and office space.

5.0

ALTERNATIVES



There are a number of alternatives that can be considered for the disposition of the MacEwan west facility. For the purposes of this preliminary business case it is assumed that the City will purchase the campus. Regardless of this, there are innumerable options for facility program and operations. This section delineates a number of options.

5.1. Program

The MacEwan west campus offers a variety of opportunities due to its size and to the plethora of office, meeting / program rooms, and specialty arts space. As such the options for development are innumerable. It can be assumed that, while the disposition of the space within the facility is highly varied, the specialized, purpose built space (e.g. theatre, music studio, etc) will be kept for the purposes for which they were designed.

The range of programming that could be included in the facility can be described on a continuum. On one end of the spectrum the facility could predominantly provide performance / work space for the arts community along with space for multicultural organizations and other not-for-profits. There is little space dedicated for direct interaction with the public (e.g. performance, display space). At the other end of the spectrum the facility would accommodate a broader mix that would see less space for the arts and the multicultural / not-for-profit community but would include instead the private sector, and more public space.

ARTS FACILITY

SPACE MIX

- 95% Arts and Multicultural space
- 5% Public Space
- 0% Private business

POTENTIAL

- Requires significant public support
- Program / Support for arts and multicultural groups only

The general program that is being proposed includes a focus on the arts with the inclusion of multicultural and not-for-profit organizations. Specific program uses that have been included are:

- » Specialty space rentals for performing arts, musical arts and visual arts (existing speciality areas).
- » Meeting / program space rentals (existing meeting and classroom spaces).
- » Retail lease (potentially to include food services, complimentary space such as supplies and galleries, or quasi-related commercial spaces such as clothing retailers, specialty foods, etc...).
- » Art making studios.
- » Office / administrative space for multicultural and not-for-profit organizations, emerging / independent artists, and for profit ventures.

COMPLETELY MIXED USE

SPACE MIX

- 30% Arts and Multicultural space
- 30% Public
- 40% Private sector

POTENTIAL

- Approaching “sustainability”
- Program / Support for arts and multicultural groups
- Anchor for district revitalization
- Public, private and non-profit partnership

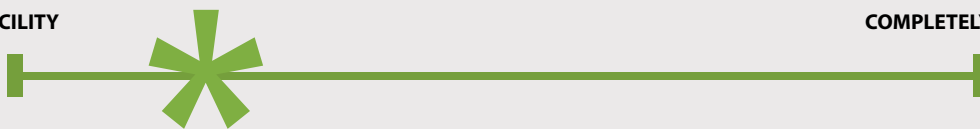
The two alternatives that are being proposed that represent two points along the spectrum.

- » **Model One:** Arts, Multicultural, and Not-for-Profit Incubator
- » **Model Two:** Arts, Multicultural, and Not-for-Profit Hub



ARTS FACILITY

COMPLETELY MIXED USE



5.1.1. Model One: Arts, Multicultural, and Not-for-Profit Incubator

The facility will provide creative space for artists (individuals and groups) as well as administrative and program space for multicultural groups and other not-for-profit organizations. Public use will be structured through rental use with minimal spontaneous public space and limited public circulation. In this model the entrance and signage will be rehabilitated to enhance the openness of the facility to the community. (See Appendix E for a conceptual approach to this renovation.)

The program space will be allocated as follows:

- » Specialty space — rental
- » Meeting / program rooms — rental
- » Retail lease (minimal)
- » Office / studio space lease
 - » Not-for-profit 60%
 - » Emerging / independent artists space 30%
 - » For profit 10%

EVALUATION

While ensuring there is some retail space in the facility, the need to provide space to arts, multicultural groups, and the not-for-profit groups / individuals is high. An extremely high proportion of the office space is devoted to the three sectors.

Public exposure is fair with the space being occupied by a plethora of arts, multicultural, and not-for-profit entities. These tenants will be coming and going from the facility resulting in some unplanned public exposure to the arts. The public will also get exposed to the tenants and the arts through the public's involvement with the multicultural and not-for-profit groups and through public structured use of the space.

This model will have an impact on revitalization in the area due to the use of the facility by a large array of tenants. The level of use in the facility on a year round basis will enhance the neighbourhood. It is anticipated as well that artists with creative space in the facility may relocate to the area (if not already living there).



ARTS FACILITY

COMPLETELY MIXED USE

5.1.2. Model Two: Arts, Multicultural, and Not-for-Profit Hub

In this model the facility will provide creative space for artists, multicultural and not-for-profit groups. As well there will be a larger proportion of retail and commercial space than included in the first model. Public space will be included to facilitate gatherings and markets. The facility will become a hub for the arts, multicultural, and the not-for-profit communities and for district revitalization. An internal reallocation of space will see the broad corridor passing east to west through the facility enhanced. The removal of some rooms and offices and a raising of the ceiling will occur. The entrance and signage enhancements portrayed for Model One are also elements in this model. (See Appendices E and F for a conceptual plan for these improvements. Improvements made to the entry ways and façade will be included in this model as well.)

The program space will be allocated as follows:

- » Specialty space — rental
- » Meeting / program rooms — rental
- » Retail lease (increased 3x)
- » Office / studio space lease
 - » Not-for-profit 60%
 - » Emerging / independent artists space 30%
 - » For profit 10%

EVALUATION

The increase in retail and commercial space compared with model one lessens the amount of space that can be allocated to individuals and organizations.

The exposure to the public is very high with this model. The amount of public space in the facility will ensure that the public will be exposed to the arts in the facility. This is much improved compared with the first model. The inclusion of the retail may also mean that people come for these opportunities and stay for the others. This model actively draws people in for more spontaneous opportunities.

The area revitalization will be high with this model. The public will be drawn to the facility with its public spaces and the increase in retail spaces. Activity within the building will be a benefit to the area. Due to the increased visitation to the facility by the public (from the local neighbourhoods but also from beyond), more traffic will be drawn to the area. This can benefit businesses in the area.



5.2. Operations & Management

The future ownership and operating structure of the MacEwan University west campus facility could be realized in a number of ways. Based upon the research conducted and models observed in other similar applications, the following five potential options have been identified. Each option has been filtered through a decision making framework. It is important to note that these options are based upon the information available at the time of the development of this business case. If new information becomes available, such as the potential for private sector ownership, revisiting the assessment could be warranted. It is also important to remember that the intent of this analysis is to arrive at a recommended ownership and operating model, of the five presented, for the facility upon which the business case can be based. Where subjective comments are made about each model, they are in relation to the other models measured.

1. City owned and operated

- a. Assumes complete ownership and operating responsibility assumed by the City of Edmonton.
- b. Ensures the highest level of “public sector” operational control.
- c. Has the highest expected public operational costs.
- d. Enables facility operations to access fundraising and sponsorship options.
- e. Does not facilitate non-profit interaction and capacity building in ownership and operations.

2. City owned, non-profit operated

- a. Assumes City ownership of the facility with an operating agreement in place with a non-profit group.
- b. Ensure a “minimal level” of public sector operational control.
- c. Is not significantly different than option #1 in terms of public operational costs.
- d. Enables facility operations to access fundraising and sponsorship options as well as operating grants from external groups.
- e. Facilitates non-profit interaction and capacity building in ownership and operations.

3. City owned, partnership operated

- a. Assumes City ownership of the facility with an operating agreement in place with a partnership body, comprised of the City of Edmonton and other key facility stakeholders (or a single organization).
- b. Ensure a “moderate level” of public sector operational control.
- c. Is not significantly different than option #1 in terms of public operational costs.
- d. Enables facility operations to access fundraising and sponsorship options.
- e. Facilitates non-profit interaction and capacity building in ownership and operations.

4. City owned, privately operated

- a. Assumes City ownership of the facility with an operating agreement in place with a private (for profit) organization.
- b. Ensure a “low level” of public sector operational control.
- c. Is not significantly different than option #1 in terms of public operational costs.
- d. Enables facility operations to access fundraising and sponsorship options.
- e. Does not facilitate non-profit interaction and capacity building in ownership and operations.

5. Partnership owned, partnership operated

- a. Assumes a partnership body, likely comprised of the City and other key facility stakeholders, would own and operate the facility.
- b. Ensure a “low level” of public sector operational control.
- c. Has the lowest expected public operational costs.
- d. Enables facility operations to access fundraising and sponsorship options.
- e. Facilitates non-profit interaction and capacity building in ownership and operations.

In reviewing each of the potential models, a prioritization framework was utilized to score each model in relation to the others proposed. The following chart explains the scoring metrics:

PRIORITIZATION FRAMEWORK

Criteria	Ranking Criteria				Weighting	Rank	Weight X Rank
Expected financial costs	3 points for no expected public costs	2 points for low expected public costs	1 point for med expected public costs <i>*must be more than 25% higher than "low"</i>	0 points for high expected public costs <i>*must be more than 50% higher than "low"</i>	2		
Level of public operational control	3 points for complete public operational control	2 points for sig-nificant public operational control	1 point for joint public and partner operational control	0 points for no public operational control	3		
Ability to access grants and external funding sources	3 points for the option with all external funding source options (inc. operating grants)	2 points for the potential to access fund-raising and sponsorship	N / A	0 points for no external funding options	2		
Community development impact	3 points for options that com-pletely engage and empower non-profit groups	2 points for options that somewhat engage and empower non-profit groups	1 points for options that provide support and spaces for non-profit groups	0 points for options that does not engage , empower or support non-profit groups	1		

Each potential model was reviewed and scored using the approach presented (based on the information available at the time of the development of this business case). The following chart outlines the scoring for each model.

Operational Model	Criteria				
	Expected costs	Level of public operational control	Ability to access grants and external funding sources	Community development impact	Score
City owned and operated	1	3	2	1	16
City owned, non-profit operated	1	1	3	3	14
City owned, partnership operated	1	2	3	3	17
City owned, privately operated	1	1	1	1	8
Partnership owned, partnership operated	2	1	2	2	13

Utilizing the framework provided, the recommended ownership and operating model is **City owned and partnership operated**. In this manner the City can accrue the benefits inherent in Model Two (City owned, non-profit operated) but at the same time maintain some influence and control over the facility's operations. With such a significant investment, ensuring this level of influence is prudent.



6.0

RECOMMENDED APPROACH

A recommended facility model is presented in this section. This model describes the program and its implication for some facility renovations. A recommended approach to operations is identified as well.

6.1. Program

The recommended approach is **Model 2: Arts, Multicultural, and Not-for-Profit Hub**.

This approach with its office and creative space for the arts community, multicultural and not-for profit groups does provide needed space and facilitates synergies between individuals and groups. The inclusion of a variety of creative individuals and organizations in proximity to one another provides the environment in which idea creation and learning can occur (incubation space).

The inclusion of retail and commercial space as the enhanced public space will help ensure the building is alive and active. By bringing together the variety of perspectives along with the public (from near and far) the creation of a hub — a magnet for activity and gatherings — can occur. These spaces definitely help increase the visibility of artists and arts organizations within the broader community and can prove invaluable in building and strengthening the audience for

some individuals and groups. Through some interpretive elements (i.e. signage), the history of the facility and the area can be presented.

6.1.1. Facility Vision

The Arts, Multicultural, and Not-for-Profit Hub will...

"...be a beacon for creative and cultural communities in Edmonton. The lively space will be a hub of activity with artists creating and exhibiting their works, teaching and interacting with the public. Edmontonians will be drawn to the facility to discover new cultures and to make new and revisit old acquaintances. A visit to the hub will see neighbours meeting for coffee; people browsing shops resplendent with treasures; people spilling out of the theatre after a dance recital; neighbourhood youth learning about their own and their neighbours' cultures; and community organizations discussing common challenges. Members of Edmonton's multicultural community will be meeting and interacting with each other all the while building and strengthening their own community"

The Hub will provide sustainable and affordable space for the arts, multicultural and not-for-profit communities.

6.1.2. Principles

There are a number of principles by which the Hub will be operated. These principles speak to the intent and purpose of the facility.

- » **Rooted in community** — the hub will not be an elitist facility or a closed off campus. It will provide space and opportunity to those from the community and will welcome others to use the space or interact with those already there.
- » **Local** — the hub will provide opportunities and serve as a destination for the surrounding neighbourhoods. It will be a welcome addition to the neighbourhood and help further the revitalization efforts. The facility will also reflect the heritage and history of the surrounding neighbourhoods including the old Town of Jasper Place. This would be manifest in a variety of ways including murals.
- » **Giving back to the community** — it is important that the tenants reach out to the community. While the exact nature of this may vary, active outreach is important. The hub as an entity and the tenants themselves will actively look for opportunities to enrich the community, locally and more broadly.
- » **Accessible and affordable** — the facility provides space to the arts, multicultural and not-for-profit communities. That in itself is not sufficient; the space needs to be accessible and affordable to the emerging individuals and groups. The hours of operation need to address the needs of the tenants. Access to studio space may require extended hours as might performance space. Some aspects of the building may not be fully accessible to the general public in the same manner as office towers attached to shopping malls.
- » **Kids and family friendly** — to adequately serve the community and fulfill its vision, the facility needs to be welcoming to all, including families and youth.
- » **Balance of space** — it is important that there are public spaces, events and programs to bring in the community. The facility does however need to provide creative space for artists and office / administrative space for organizations. These spaces need to allow individuals and groups to work in a secure space.
- » **Creativity is a hallmark** — certainly creativity accompanies the arts community. This is beyond that. Creativity flows from how the various and seemingly disparate groups interact. Creativity is evident in how the hub and its tenants interact with the neighbourhood and the broader community.
- » **Connection to the corporate community** — through some available space and through rentals of rooms, the business community has an active role in the facility. Opportunities to provide services to tenants and training / mentoring are also important. Partnerships should be emphasized.
- » **Active programming** — while the tenants themselves and the mix of tenants are crucial in the success of the facility, the programming is critical. The programming refers to ensuring the link between the facility, its tenants, and the community. It also refers to efforts between the tenants themselves.

6.2. Operations & Management

As determined in section 5.2, the recommended facility ownership and operating model is **City Owned and Partnership Operated**. Because of its significant investment in the facility, the City should be involved in the management of the facility. There are entities however that have the skills, aptitude, and experience that would help the facility achieve its vision. Due to these dynamics the partnership model is recommended. Should new information become available, such as private sector willingness to pay for (and own) the facility or the identification of potential operating partners that can offer lower public cost impacts, the analysis should be revisited.

6.3. Operational Plan

A detailed operational plan will need to be developed as further planning occurs with the facility. At this point of the planning process it is premature to develop a detailed operating plan, however the following elements need to be addressed.

Hours of operation — the hours of operation will be different for different parts of the building. Artist studio space needs to be more regularly accessible than does the public gathering space. Zones should be developed to help manage the flow of traffic through the building.

For example through the use of card swipes, artist creative space could be accessible at all hours. Organizational office space may be abbreviated hours, and public gathering spaces, unless scheduled, may be limited as well.

Lease arrangements — because of the emphasis in the recommended model on the public interaction, lease agreements with the tenants should include mechanisms by which they will reach out to the public.

Programming / Group & Public Facilitation — the vision of the facility requires an entity to ensure the facility is an active space with programming and events. Management and monitoring of any lease agreements that speak to public outreach needs to be undertaken. It is also important that there is some facilitation to ensure interaction between the tenants themselves.

Allocation of space — a mechanism needs to be developed to solicit tenants and to adjudicate applications for space. This may be accomplished through an advisory committee composed of representatives from the tenants type of organizations. This group will determine how the space will be allocated (what person / group gets which space).

6.4. Operational Budget

Based upon the recommended approach to ownership and operations and proceeding with Model 2: Arts Hub, the following operational budget projections have been developed. The expected revenues and expenses presented have been developed upon existing cost structure observed at the facility and in other City facilities as well as expected levels of usage. It is assumed that although rentable spaces will be consumed to some degree through rental agreements, when spaces are not rented they would be made available to artists and groups at a highly subsidized rate.

Two operating scenarios have been analyzed. These scenarios are labeled:

1. Subsidized

- a. Indicating operational cost recovery (not including capital costs) for arts and multicultural groups use of administrative spaces and program areas.

2. Market

- a. Indicating user fees set at rates comparable to other similar facility spaces in the local market area.



	1. Subsidized	2. Market	Assumption
Revenues			
Office lease: Non-profit	\$ 78,840	\$ 210,240	60% of the 14,600 sq.ft. of office space is for non-profit organizations. \$9 / sq.ft. is the subsidized rate, \$24 / sq.ft. is the market rate
Office lease: Emerging / independent	\$ 21,900	\$ 43,800	30% of the office space is for emerging / independent artists. \$5 / sq.ft. is the subsidized rate; \$10 / sq.ft. is the market rate.
Office lease: Profit	\$ 35,040	\$ 35,040	10% of the office space is allocated to for-profit organizations. \$24 / sq.ft. is the rate
Retail lease	\$ 360,000	\$ 360,000	15,000 sq.ft. @ \$24 / sq.ft
Meeting room rentals	\$ 80,000	\$ 120,000	Average 5 bookings per week per room, 40 weeks per year, (\$20, \$30) per room, 20 rooms, <i>*assumes "dead time" available to emerging for free</i>
Main theatre rental (1)	\$ 150,000	\$ 150,000	Average \$1,000 per day (\$2,000 performance, \$500 practice, 1:2), 150 days per year, <i>*assumes "dead time" available to emerging for free</i>
Black box theatre rental (1)	\$ 15,000	\$ 20,000	Average 5 bookings per week, 40 weeks per year, (\$75, \$100) per booking, <i>*assumes "dead time" available to emerging for free</i>
Musical specialty area rentals	\$ 120,000	\$ 180,000	Average 5 bookings per week, 40 weeks per year, 15 rooms, (\$40, \$60) per booking, <i>*assumes "dead time" available to emerging for free</i>
Visual specialty area rentals	\$ 136,000	\$ 204,000	Average 5 bookings per week, 40 weeks per year, 17 rooms, (\$40, \$60) per booking, <i>*assumes "dead time" available to emerging for free</i>
Performing support specialty area rentals	\$ 56,000	\$ 84,000	Average 5 bookings per week, 40 weeks per year, 7 rooms, (\$40, \$60) per booking, <i>*assumes "dead time" available to emerging for free</i>
Dance studio rentals	\$ 64,000	\$ 96,000	Average 10 bookings per week, 40 weeks per year, 4 studios, (\$40, \$60) per booking, <i>*assumes "dead time" available to emerging for free</i>
Computer lab usage	\$ 75,600	\$ 226,800	Average 10 stations per room, 3 hours per station per day, 360 days per year, 7 labs, (\$1, \$3) per hour, <i>*assumes "dead time" available to emerging for free</i>
Sponsorship	\$ –	\$ –	N / A <i>*assumed to be attributed to capital costs</i>
Other	\$ –	\$ –	
Total revenues	\$ 1,192,380	\$ 1,729,880	

	1. Subsidized	2. Market	Assumption
Expenses			
Facility manager	\$ 75,000	\$ 75,000	*1 FTE @ \$75,000 / — 2011 actual 0 FTE
Marketing	\$ 50,000	\$ 50,000	*1 FTE @ \$50,000 / — 2011 actual 0 FTE
Scheduling	\$ 40,000	\$ 40,000	*1 FTE @ \$40,000 / — 2011 actual 0 FTE
Programmer	\$ 80,000	\$ 80,000	*2 FTE @ \$40,000 / — 2011 actual 0 FTE
Custodial	\$ 360,000	\$ 360,000	*9 FTE @ \$40,000 / — 2011 actual 8.5 FTE "Custodial"
Operator	\$ 180,000	\$ 180,000	*3 FTE @ \$60,000 / — 2011 actual 2.0 FTE "General"
Security	\$ 200,000	\$ 200,000	*4 FTE @ \$50,000 / — 2011 actual 2.9 FTE "Security"
Benefits	\$ 197,000	\$ 197,000	*20% of wages
Marketing and promotions	\$ 50,000	\$ 50,000	*Estimated amount for promotional items, advertising, etc.
Security other	\$ 190,000	\$ 190,000	*2011 actual (rounded)
Office supplies	\$ 10,000	\$ 10,000	*Estimate
Cleaning supplies	\$ 10,000	\$ 10,000	*Estimate
Insurance	\$ 20,000	\$ 20,000	*2011 actual (rounded)
Utilities	\$ 390,000	\$ 390,000	*2011 actual (rounded)
Grounds and Snow Removal	\$ 18,500	\$ 18,500	*2011 actual (rounded)
Total expenses	\$ 1,870,500	\$ 1,870,500	
Total net (before life cycle and maintenance)	\$ (678,120)	\$ (140,620)	
Facility maintenance	\$ 1,593,920	\$ 1,593,920	*2% of capital of replacement value (replacement value was calculated at the cost of \$375 per ft ² for 212,523 ft ²)
Facility lifecycle	\$ 1,593,920	\$ 1,593,920	*2% of capital of replacement value

Due to the nature of facility users, the intent of the City in treating all groups equitably, and in balancing the need to lessen the public operating burden while maximizing facility usage, a "Subsidized" approach is recommended. Utilizing this approach to user fees, the facility is expected to require annual operational subsidization of \$720,800 (estimated) before facility maintenance and lifecycle budgeting (estimated to be an additional \$1.6M annually, each respectively).

6.4.1. Capital Improvements

There are a number of studies regarding the physical state of the facility and the upgrades required simply to sustain existing facility services. These studies have been provided by MacEwan and although they are a detailed assessment of the facility, it is recommended that the City undergo detailed facility engineering assessment prior to facility purchase.

Although the required upgrades are necessary in order to give the facility the best chance of operational success there are other suggested improvements to the facility. As the original intent of the facility was to be a post-secondary institute, the facility is not laid out internally to maximize public traffic flow, create cross-pollination of activities, or facilitate public social gathering. Without having internal spaces laid out so that members of the public can “accidentally” be exposed to arts and multi-cultural activities, the facility will not achieve its full intended operating principles.

Once the facility changes ownership, an enhanced facility entrance and façade would somewhat “re-brand” the facility and make it more welcoming to the public. As well, internal reallocation of spaces on the third and fourth floors would catalyze public accessibility in the facility without significantly compromising facility arts and multicultural programming. (See Appendices E and F for the conceptual drawings.)

Capital Cost Summary	
Purchase price	
Required upgrades	
Entrance and façade	
Internal reallocation	
Total	

7.0

FUNDING STRATEGY

7.1. Strategies to Generate Capital Funds

Capital funding for the project is expected to come from a combination of public funding (City and other levels of government), fundraising and sponsorship — all of which entail some level of partnership with organizations external to the City.

Partnerships in the development and operations of public arts and multicultural facilities can occur with a number of stakeholders. Partnerships with users, funding agencies, operators and lease hold tenants can all contribute to minimizing the effect of facility operations on the local tax base.

In contemplating, negotiating and sustaining facility partnerships, it is important to recognize and continually consider the following three fundamentals of successful partnerships:

1. Mutual benefit is a major success factor in a successful and long term partnership. There must be a benefit to all parties involved, either tangible or intangible, so that there is motivation to maintain and strengthen the relationship as it matures. This is important in capitalizing on the successes of a partnership arrangement but also in mitigate issues that could arise during the term of an agreement.

2. Communication between all partners is very important in ensuring that all parties are “on the same page” and in dealing with issues / conflicts that might surface throughout the term of an agreement.
3. All parties must have trust in each other to ensure that proper communication channels are utilized and to ensure that broader facility program goals can be met. This trust must exist in the individuals involved in “face to face communication” as well as in broader organization-wide ideals.

If any of the above three fundamentals is lacking in a partnership the chances of the partnership being sustainable and fruitful for all parties involved are greatly depreciated.

7.1.1. Funding Breakdown

Capital funds resourcing for a facility concept as proposed can be a difficult and complex task. Funds must come from a number of internal (taxes and reserves) and external (government grants, philanthropy, cost sharing, corporate sponsorship, etc) sources. The following proposed funding breakdown has been developed as a goal for the facility project and has yet to be fully “tested” in the marketplace.



Source	% of Total
Internal sources (City sources)	65%
External sources:	
» Government grants	15%
» Corporate / non-profit sponsorship	10%
» Philanthropy / events	10%
Total	100%

Internal sources can include borrowing through debenture and using existing reserves. A typical approach for internal fund resourcing for major public recreation facility development entails a municipality borrowing capital funds required for development from the Alberta Municipal Finance Corporation (which provides favorable lending rates to Alberta municipalities). This approach requires ongoing debenture servicing (payments) but spreads out the impact on the tax base over a number of years, thereby having future generations pay for facilities that they utilize.

Municipalities have limitations on the amount of money that they can borrow for any municipal purpose. The funding breakdown above assumes that the City is able to borrow enough capital to pay its proportionate share of facility capital costs.

The City will likely have to commit to internal funding levels prior to getting major investment from external sources.

External sources can include **government grants** from the Province of Alberta and Government of Canada. The **Province** has a number of grants available for municipalities some being for overall municipal purposes (Municipal Sustainability Initiative funding, etc) as well as some specific to arts facility development (although there are none specific to facilities and municipalities currently being administered). These grants are available but are in high demand and not easily accessible. Another dynamic currently at play in Province of Alberta government grants is the deliberate reallocation of grants traditionally available to municipalities for community infrastructure (i.e. Community Facility Enhancement Program and Community Initiatives Program) to grassroots non-profit organizations. As this is the case, it may be necessary for the City to partner with a non-profit group in order to access some existing grant programs.

The **federal** government also provides grant funding for community facility projects, such as the recently announced Community Infrastructure Improvement Fund (CIIF). This project would be eligible for this grant. The CIIF program is currently the only federal program specific to these types of facilities and since it is aimed at enhancing existing infrastructure, the MacEwan project would be an ideal candidate. The program is scheduled for two years and will allocate \$150 million across Canada. The first intake of applications is August 2, 2012.


When contemplating corporate / non-profit **sponsorship** and facility fundraising it is important to understand the nature of the sponsorship market. Fundraising campaigns must provide access for all budgets however prominence must be given to those groups that contribute the most. Sponsorship occurs to accomplish greater good in a community and to promote / affiliate an organization with the intentions and image of a certain resource. In the case of a public arts, multicultural and not-for-profit facility, the case for contribution to quality of life and creative, healthy lifestyles is straight forward and the affiliation is easy to make.

Typically one-third of corporate fundraising comes from the top two or three sponsors, the next one-third comes from the next 10 – 15 contributors and the remaining one-third comes from a variety of sources including smaller corporate donations, non-profit contributions and individual donations.

As the facility concept sits, there are a number of recognition opportunities available for corporate / non-profit sponsorship. Potential opportunities include:

- » Overall Facility Naming
- » Theatre Naming
- » Specialty Room Naming

It is important to note that the City already has a policy on facility sponsorship (#C477A) which should be used to guide further contemplation of facility sponsorship.



Once sponsorship opportunities are outlined, a decision must be made regarding the administration of a fundraising campaign. A campaign can be administered through a grass roots volunteer approach, with the municipality providing assistance and guidance but actual “asks” being conducted by community volunteers. This approach requires volunteer dedication and can necessitate third party assistance in asset valuation, volunteer training and promotional package development. The costs associated with this approach are minimal as much of the leg work is done by community volunteers.

Conversely, a campaign can be administered by a professional fundraising firm. Professional fundraising firms can be very useful as they usually have strong connections to the corporate sector (prospective sponsors) and understand the requirements and intentions of large sponsorship arrangements. The cost of hiring a professional firm to manage a sponsorship campaign is higher than that of a volunteer approach.

Individual donations and **philanthropy** are quite often smaller in magnitude than large corporate / non-profit sponsorships but nonetheless have a positive impact on the fundraising campaign. As well they help build momentum, community support and buy-in and excitement about a community facility. A strong individual donation program and high levels of support indicate to prospective sponsors and the public that the community is behind the project and willing to pay for it. Due to the size of the Edmonton market and the appeal of the potential programming in this facility, philanthropy could be a significant source of capital funds.

7.2. Strategies for Lifecycle Maintenance

Life cycle planning for public facilities is important as the concept requires major capital maintenance to be allocated to annual operating budgets. Proper life cycle management suggests that facilities could be offered in perpetuity as ongoing investment and upgrades would be planned for and completed, avoiding overall facility deterioration. A proper life cycle maintenance program would ensure that large capital investment required would not have to entail capital injection and that reserve funds built up over time would cover said items.

In some cases, a percentage of overall capital value is applied on an annual basis and held in a reserve for future upgrades and / or enhancements. As community art facilities are becoming more dynamic, it is suggested that necessary repairs should be incorporated, but so too should potential reprogramming of spaces and amenity refresh.



7.3. Strategies to Ensure Operational Sustainability

The City is currently developing a policy related to lifecycle maintenance and major capital replacement. The philosophy behind the policy is that 2% of replacement value should be applied to annual operating budgets for annual maintenance and an additional 2% of replacement value should be applied to major capital repair and maintenance. In the MacEwan West facility application, these two figures could equate to an additional \$3M (approximately \$1.5M each annually) in annual operating budget allocation.



The operational projections outlined herein assume a level of use and ability to pay consistent with the findings of the research to date as a snapshot in time. That being said, the ability to increase facility utilization and user fees may materialize over time. At a minimum, it is recommended that user fees increase to reflect inflation every year.

Although increasing facility utilization will improve operational sustainability, so too will bringing more general public traffic through the facility. Increased facility traffic will increase enrollment to programs, make the facility more attractive for retail lease space (which, if structured in commission based agreement would directly improve facility revenues), and improve the overall community impact associated with the facility.

As the facility is not expected to operationally break even, the true benefit to the facility being operated as an arts, multicultural, and not-for-profit hub is in the social benefit accrued from operations. Establishing a means to quantify this social benefit would pay tribute to the true rationale for the project and would create ongoing benchmarking for the operation and its associated level of effectiveness. While it may not be significant in terms of amount, some costs may be minimized through contributions from tenants in some operational areas. While these may be limited, any contributions reflect the spirit that the facility is attempting to generate.

8.0

CONCLUSIONS

In summarizing the overall project intent, research program and business case analysis, the following conclusions can be made:

- » The repurposing of the west campus is **supported** in many of the **City's strategic plans**.
- » There are similar **examples** elsewhere that speak to the **validity of the concept** being purposed herein.
- » The MacEwan west campus provides a **great opportunity** to help meet the space needs of the **arts community** (creative, exhibition / display) as well as **multicultural groups** and **other not-for-profits**.
- » The space could serve as a **hub** for these three communities to create and work.
- » The facility has the potential to become a **destination for the public to interact** with each other and with the tenants.
- » There is a **high level of support** from the public for the City's acquisition of the MacEwan west campus.
- » The recommended vision for the facility as a public space is of an **arts, multicultural, and not-for-profit community hub**.
- » The recommended ownership model for the facility is that it will be **City owned**.
- » The recommended management approach for the facility is under the **guidance and control of a partnership group** which would include the City of Edmonton as well as other key arts and multicultural stakeholders (to be defined).
- » The recommended approach to setting user fees and facility rentals rates is through a **subsidized approach**. Achieving the level of usage outlined herein, this approach would yield a required annual subsidy of approximately \$700,000, assumed to be generated through the efforts of the partnership operating group. Considering the City's approach to facility maintenance and facility lifecycle expenses the annual required subsidy climbs to \$3.9M.
- » The repurposing of the west campus, while requiring ongoing financial support, will provide a social return on investment through the support of the arts, multicultural, and not-for-profit communities and through the integration of the public into the facility.

9.0

NEXT STEPS

Should a decision be made to pursue the purchase in 2015 (upon receipt of more defined facility assessment of the west campus from MacEwan University) a number of steps need to be undertaken. These steps include:

- » Developing an Expression of Interest so interested individuals and groups will identify themselves as in need of the space available and / or as potential overall facility operational partners. This will help quantify the commitment for space and further define the potential for the operational model identified (Please refer to Appendices G & H for discussion on facility users and partnership solicitation process).
- » Once operational and potential user partnerships are identified, on behalf of both the City (as a facility owner) and the broader partnership group (as facility operator):
 - » Develop a detailed business / operational plan. This will include more detailed revenue and expense statements, identification of partnership and associated partner commitment and other pertinent information.

- » Develop detailed facility renovation design drawings including the schematic design and design development stages of the project.
- » Formulate and initiate a funding campaign based on the funding model provided including all elements identified (grant application, sponsorship, philanthropy, etc).
- » Consult further with the arts, multicultural, and not-for-profit communities, as well as the surrounding communities regarding the facility concept and operations.

Once funding is secured:

- » Complete design process
- » Construct / renovate facility
- » Further refine operational plan, finalizing space allocation to users / tenants



A dark, atmospheric photograph of a stage. In the foreground, a large, glowing, curved object, possibly a piece of art or a stage set, is illuminated. In the background, a large, faint logo is visible on the wall. The overall mood is mysterious and dramatic.

APPENDICES



Appendix A: Facility Floor Plans

Appendix B: LRT Concept Plan

Appendix C: Edmonton Facilities — The Market

Appendix D: Research — Selected Facilities

Appendix E: Model 1 Architectural Concept — Entrance and Facade

Appendix F: Model 2 Architectural Concept — Interior Reallocation

Appendix G: Facility User Discussion

Appendix H: Partnership Solicitation Discussion

APPENDIX A: FACILITY FLOOR PLANS

FLOOR 1 (lower basement)



Floor 1 breakdown

- Office space: 127 sm
- Meeting rooms (classroom or meeting room): 216.5 sm
- Visual specialty areas (Art + Design): 1,692.6 sm
- Dance studio space: 172.9 sm
- Computer labs: 89.7 sm
- Music specialty areas: 422.2 sm
- Performing specialty areas: 296.5 sm
- Blackbox theatre: —
- Theatre space: —
- Circulation
- Mechanical

TOTAL FACILITY breakdown

- Office space: 1,362.6 sm
- Meeting rooms (classroom or meeting room): 1,583 sm
- Visual specialty areas (Art + Design): 2,589.6 sm
- Dance studio space: 519.5 sm
- Computer labs: 756.2 sm
- Music specialty areas: 804.9 sm
- Performing specialty areas: 1,649.9 sm
- Blackbox theatre: 26.9 sm
- Theatre space: 1163.2 sm
- Circulation
- Mechanical

FLOOR 2 (upper basement)



Floor 2 breakdown

- Office space: 561.2 sm
- Meeting rooms (classroom or meeting room): 630.2 sm
- Visual specialty areas (Art + Design): 201.2 sm
- Dance studio space: 241 sm
- Computer labs: 358.2 sm
- Music specialty areas: 300.8 sm
- Performing specialty areas: 244.5 sm
- Blackbox theatre: —
- Theatre space: 7.6 sm
- Circulation
- Mechanical

FLOOR 3 (ground floor)

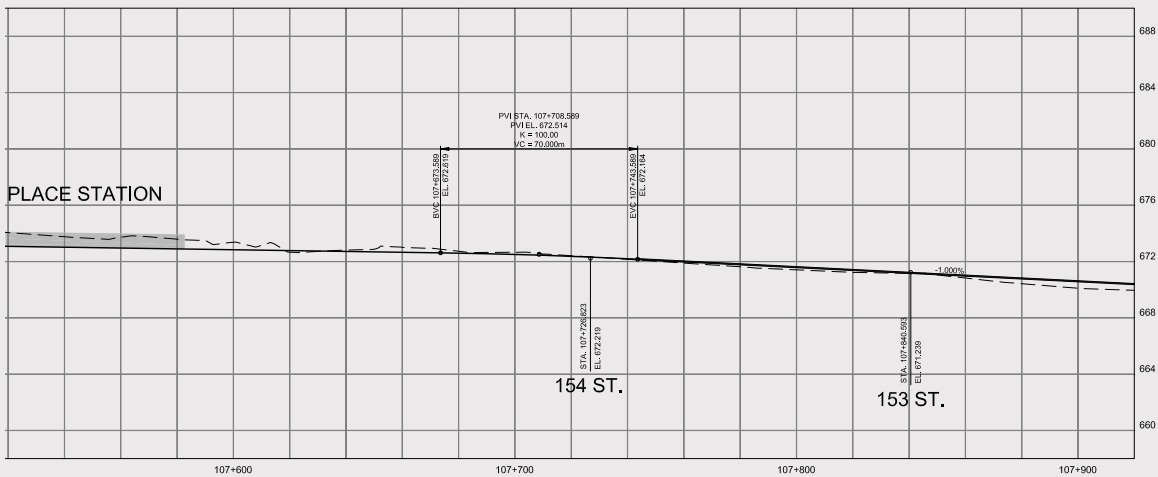
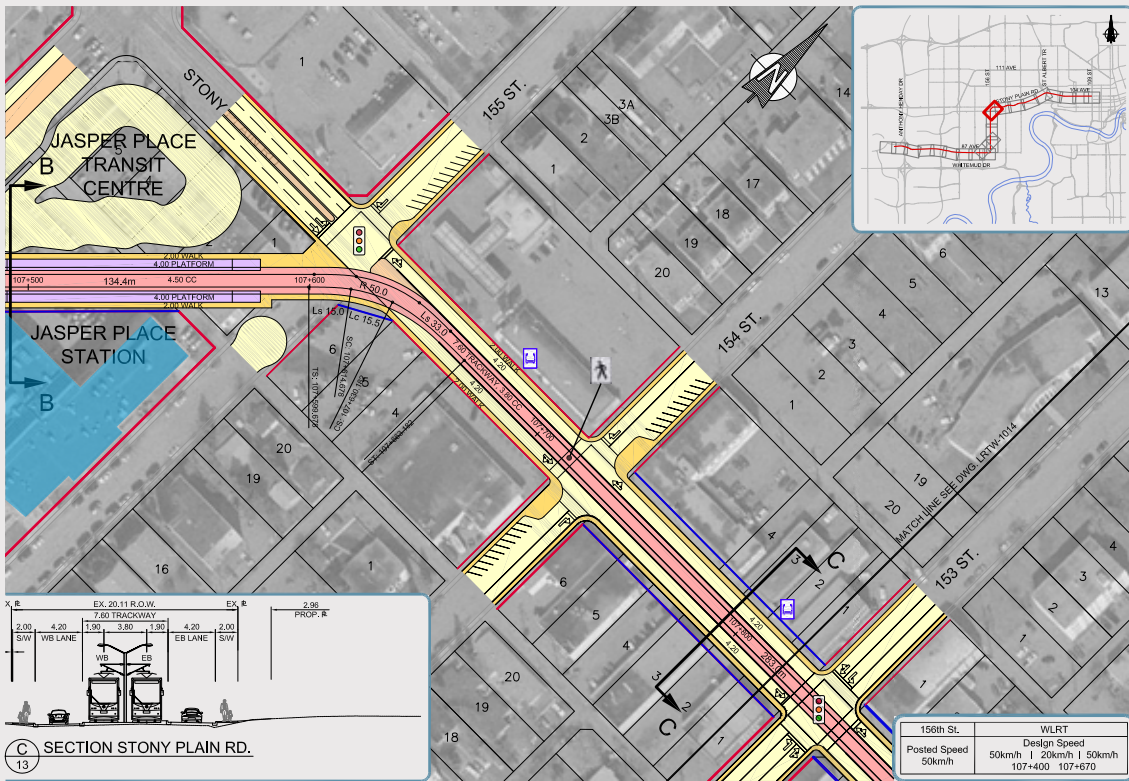


FLOOR 4



APPENDIX B: LRT CONCEPT PLAN





NOTES

- Coordinate system is NAD83 3TM - 114W
- Design based on City of Edmonton (CoE) provided mapping data.
- Property Requirements are conceptual only and are subject to confirmation in Preliminary Design.
- Existing Utility locations are from CoE mapping data.
- "Alberta One-Call" to be contacted to verify location and depth of cover for existing utilities shown.



PERMIT TO PRACTICE
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The Association of Professional Engineers
Geologists and Geophysicists of Alberta
PERMIT TO PRACTICE

Director, Light Rail Transit

Director, Facility and Capital Planning

Manager, Transportation Planning

Edmonton TRANSPORTATION

CONCEPT PLAN - SUBJECT TO PRELIMINARY DESIGN

PROJECT: **West LRT Conceptual Engineering**

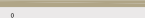
STATION 107+220 TO STATION 107+820

PLAN AND PROFILE

HORIZONTAL SCALE



VERTICAL SCALE



PLAN NO.

LRTW-1013

DRAWN BY

K. PERSON

DATE:

2011-01

APPENDIX C: EDMONTON FACILITIES — THE MARKET

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
1	Alberta Avenue Community Centre	499 for stand-up event / 433 seating capacity / 342 with tables and chairs	Central (9210 118 Avenue)	Community league hall	www.albertaave.org/rentals.html
2	All Saints' Anglican Cathedral	550 capacity	Central (10035 103 Street)	Place of worship	www.allsaintscathedral.com
3	Al Shamal Shriners Hall	500 concert seating / 310 seating with tables and chairs	West (14510 – 142 Street)	Service / social club hall	www.alshamalshriners.org/index.php?page=rental/index.php
4*	Art Gallery of Alberta: Ledcor Theatre	500 capacity (150 seating)	Central (2 Sir Winston Churchill Square)	Public art gallery / exhibit space	www.youraga.ca/about-us/the-building
5*	Avenue Theatre	600 stand-up capacity	Central (9030 118 Ave)	Performing arts facility	www.avenuetheatre.ca
6	Bellevue Hall	300 capacity (250 seating)	North (7308 – 112 Avenue)	Community league hall	www.efcl.org/LeagueDirectory/LeaguePages/tabid/121/Leagues/BellevueCommunityLeague/Default.aspx
7	Bonnie Doon Hall	300 capacity	Central (9240 93 Street)	Community league hall	www.bonniedoon.ca/hall-rental.html
8	Campus Saint-Jean	250 capacity	Central (8406 Marie-Anne-Gaboury Street)	Post secondary institution	www.csj.ualberta.ca
9	Central Lions Seniors Recreation Centre	250 capacity	Central (11113 – 113 Street)	Service / social club hall	www.clsa2.com/new_page_1.htm
10	Concordia College — Robert Tegler Student Centre	350 capacity	East (7128 Ada Boulevard)	Post secondary institution	
11*	Convocation Hall — University of Alberta Arts Building	426 seating capacity	Central (University of Alberta)	Post secondary institution	www.music.ualberta.ca/Facilities/ConHall.aspx

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
12	Crowne Plaza Ballroom	1000 capacity	Central (10111 Bellamy Hill Rd)	Hotel and conference centre	www.crowneplaza.com/hotels/us/en/reservation?sicreative=12789195080&dp=true&siccontent=0&sitrackingid=394688856&siclientid=1863
13	Delta Edmonton South: Grande Ballroom	1000 capacity	South (4404 Calgary Trail)	Hotel and conference centre	www.deltahotels.com/en/hotels/hotelinfo.html?categoryId=4&hotelId=11
14*	Dow Centennial Centre — Shell Theatre	550 seating	Fort Saskatchewan	Performing arts facility	www.footsask.ca/RentalFacilities/DowCentennialCentre
15	Edmonton Moravian Church	400 seating	Central (9540 83 Avenue)	Place of worship	www.edmontonmoravian.com
16	Edmonton Queen Riverboat	315 capacity	Central	Boat	www.edmontonqueen.com
17	Ellerslie Road Baptist Church	1000 capacity	South (10603 Ellerslie Road SW)	Place of worship	www.erbcc.ca
18*	Eva O. Howard Theatre — Victoria School for the Performing Arts	691 seating	Central (10210 – 108 Avenue)	High school	www.victoria-school.ca/index.php?option=com_content&view=article&id=120&Itemid=133
19*	Festival Place	400 capacity	Sherwood Park	Performing arts facility	www.festivalplace.ab.ca/festivalplace/seatingplans.php
20	First Baptist Church	300 capacity	Central (10031 109 Street)	Place of worship	www.fbcedmonton.ca
21	Hellenic Canadian Community Centre	250 capacity	Central (10450 116 Street)	Cultural group community facility	www.edmontonhellenic.com
22*	Heritage Ampitheatre	1100 seating	Central (Hawrelak Park)	Outdoor theatre	www.edmonton.ca/attractions_recreation/attractions/heritage-amphitheatre.aspx

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
23	Holy Trinity Anglican Church	300 capacity	Central (10037 84 Avenue)	Place of worship	www.holytrinity.ab.ca
24	Knox-Metropolitan United Church	450 capacity	Central (8307 109 Street)	Place of worship	www.knox-met.org/
25*	La Cite (Theatre)	240 capacity	Central (8527 Marie-Anne Gaboury St)	Cultural group community facility	www.lacitefranco.ca
26*	Maclab Centre for the Performing Arts	460 seating	Leduc	Performing arts facility	www.maclabcentre.com/About/index.html
27	Maharaja Banquet Hall	500 capacity	South (9257 – 34A Avenue)	Cultural group community facility	www.maharajahall.com
28	Masonic Order Freemason's Hall: Temple Theatre	300 capacity	Central (10318 100 Avenue)	Service / social club hall	www.freemasons.ab.ca/efh.html
29	Mayfield Trade Centre	500 capacity	West (16615 – 109 Avenue)	Hotel and conference centre	www.mayfieldinneedmonton.com/meeting-events/trade-centre.aspx
30	McClure United Church	1000 capacity	North (13708 74 Street)	Place of worship	www.mcclureucedmonton.ca
31	McDougall United Church	1000 seating	Central (10025 101 Street)	Place of worship	www.mcdougallunited.com/rentals.html#mainsanctuary
32	Muttart Hall	254 seating	Central (10050 Macdonald Drive)	Post secondary institution	www.macewan.ca/wcm/CampusServices/AlbertaCollegeConservatoryofMusic/Facilities/index.htm
33*	Myer Horowitz Theatre — University of Alberta	680 seating	Central (University of Alberta)	Post secondary institution (Students Union)	www.su.ualberta.ca/eventsvenues/horowitz

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
34*	Northern Alberta Jubilee Auditorium	2500 seating	Central (University of Alberta)	Major performing arts facility	www.jubileeauditorium.com
35	Northgate Lions Seniors Recreation Centre	400 capacity	North (7524 139 Avenue)	City recreation and activity facility	www.edmonton.ca/attractions_recreation/sport_recreation/northgate-lions-seniors-recreation-centre.aspx
36	Northlands: Edmonton Expo Centre		Central (7515 118 Ave)	Events, trade show, and conferencing facility	www.edmontonexpocentre.com
37	Norwood Legion	500 capacity	Central (11150 82 Street)	Service / social club hall	www.rcledmonton.com/norwood/map.html
38	Oasis Edmonton Conference Centre	500 capacity	West (10930 177 St)	Events, trade show, and conferencing facility	www.oasiscentre.com
39	Parkdale-Cromdale Community League	500 capacity	Central (11335 85 Street)	Community league hall	www.parkdalecromdale.org
40	Polish Hall	1500 capacity	Central (10960 104 Street)	Cultural group community facility	www.polishhall.ca/Home/AboutUs
41	Ramada Hotel and Conference Centre	500 capacity	Central (11834 Kingsway)	Hotel and conference centre	
42	River Cree Resort and Casino: Marriott Hotel Ballroom	250 capacity	West (Enoch)	Hotel and conference centre	
43	Robertson Wesley United Church	800 capacity	Central (10209 123 Street)	Place of worship	www.rwuc.org
44*	Royal Alberta Museum Theatre	417 seating	Central (12845 102 Avenue)	Public art gallery / exhibit space	www.royalalbertamuseum.ca/general/facility.htm

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
45	Sacred Heart Catholic Church of the First Peoples	250 capacity	Central (10821 – 96 street)	Place of worship	www.sacredpeoples.com/contact-us
46	Saint Andrew's United Church	1000 capacity	West (9915 148 Street)	Place of worship	www.saintandrewsunited.com/site
47	Saint Basil's Cultural Centre	500 capacity	Central (10819 71 Ave)	Cultural group community facility	www.stbasilchurch.com/culturalcentre.html
48	Saint Timothy's Anglican Church	300 capacity	West (8420 145 Street)	Place of worship	www.sttimothy-edm.ca
49	Shaw Conference Centre	4000 capacity	Central (9797 Jasper Avenue)	Events, trade show, and conferencing facility	www.edmonton.com/shaw-conference-centre
50	Stanley A. Milner Library Theatre	247 seating capacity	Central (7 Sir Winston Churchill Square)	Library	www.epl.ca/services/bookings/room-bookings-form-sam?id=3
51	St. John's Cultural Centre	300 capacity	Central (10611 110 Ave)	Place of worship	www.uocc-stjohn.ca
52	Sutton Place Hotel	1000 capacity	Central (10235 – 101 Street)	Hotel and conference centre	www.suttonplace.com/default.htm
53*	The Arden Theatre	500 capacity	St. Albert	Performing arts facility	www.ardentheatre.com
54*	The Citadel Theatre	Maclab Theatre (686 seating) Shoctor Theatre (685 seating) Zeidler Hall (240 seating)	Central (9828 101A Avenue)	Major performing arts facility	www.citadeltheatre.com
55*	Timms Centre for the Arts: Main Stage	289 seating	Central (University of Alberta)	Post secondary institution	www.timmscentre.ca/timms967/spaces/timms-main-stage

#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
56*	TransAlta Arts Barns: Westbury Theatre	370 seating	Central (10330 84 Avenue)	Performing arts facility	www.fringetheatre.ca/tab.php
57	Trinity United Church	500 capacity	West (8810 Meadowlark Road)	Place of worship	
58	West End Christian Reformed Church	1100 capacity	West (10015 149 Street)	Place of worship	www.westendcrc.ca
59	Westin Hotel	350 capacity	Central (10135 100 Street)	Hotel and conference centre	www.thewestinedmonton.com
60*	Winspear Centre for the Arts	Enmax Hall (1932 seating) The Studio (250 capacity) Main Lobby (350 capacity)	Central (4 Sir Winston Churchill Square)	Major performing arts facility	www.winspearcentre.com
#	Name of Venue	Capacity / Seating	Location	Type of Venue	Website
Other					
1*	Capital Theatre	243 seats	South (Fort Edmonton Park)	Public art gallery / exhibit space	www.fortedmontonpark.ca/plan-your-trip/attractions/capitol-theatre.aspx

* Denotes purpose built performance area / rehearsal space

APPENDIX D: RESEARCH — SELECTED FACILITIES

	General Description									
	Artist Space								Other Spaces	
Name, Location, Year Established	Visual Artist Work Spaces? (Y / N)	If Yes, How Many?	Rehearsal Spaces? (Y / N)	If Y, How many?	Exhibition Space? (Y / N)a	If Y, Dedicated Galleries?	Performance Spaces (for public audience)? (Y / N)	If Y, How many seats?	Artists Live / Work Space? (Y / N)	If Y, How many units?
Wychwood Barns Toronto, ON, 2008	Yes	15	Yes	2 (the Community Barn & Christie Studio)	Yes	It hosts a Community Gallery	Yes	The 100 seat Wychwood Theatre	Yes	26
Distillery District Toronto, ON, 2003	Yes	46	Yes		Yes	"There are 22 Galleries at the Distillery, including Arta Gallery, Art Doll Gallery, The Blue Dot Gallery, Clark & Faria, Corkin Gallery, David Brown, Deaf Culture Centre, distill, Dish Gallery and Studio, Engine Gallery, Gallery, Hastens, Hag Atelier, Julie M. Gallery, Labo, Pikto, PROOF Studio Gallery, Redeye Studio Gallery, Shao Design, The SPORT Gallery, Studio Fuse, Thompson Landry Gallery, Thompson Landry Cooperage Space"	Yes		No	"• 4 residential condominiums have been built at The Distillery (the most recent was Pure Spirits Condominium) • 40 storey — Clear spirits Condominium is under construction • 37 storey — Gooderham Condominium construction is scheduled to commence in the fall of 2010 • There are more than 1600 residential units approved for the District and more than 2100 people will eventually call the Distillery District home"

General Description							
Other Spaces		Public Spaces					
Business offices (creative industry or non-creative industry)? (Y / N)	If Y, How many offices / cubicles?	Public Community Space? (Y / N)	If Y, Describe.	Public retail space? (Y / N)	If Y, Please describe.	Public classroom space? (Y / N)	If Y, Describe.
Yes	8 – 9 companies / non-profits have offices there	Yes	The Covered Street Barn (7,680 sq.ft.) provides affordable community use space, including year-round access for community events.	Yes	The Covered Street Barn (7,680 sq.ft.) provides an area for vendors to create a hub of economic activity in the neighbourhood while the artist studios and community groups in the adjacent barns have their entrances open onto the space.	Yes	The Green Barn is operated by The Stop Community Food Centre (www.thestop.org) and houses a year-round temperate greenhouse, sustainable food education centre, sheltered garden, outdoor bake oven and compost demonstration site. Children and community members of all ages will learn about ecological growing practices and healthy eating through classroom visits, workshops, community kitchens and volunteering in the year round temperate greenhouse and sheltered gardens.
Yes	There are currently 15 companies that have offices in the Distillery District. The Distillery is also home to 17 performing arts companies, including The CanDance Network, Canadian Dance Assembly, Dance District: Social Dance Studio, Dancemakers, Dance Ontario, DanceWorks, DVxT Theatre Company, Expect Theatre / Spark Productions, George Brown College, Native Earth Performing Arts, Necessary Angel Theatre Company, Nightwood Theatre, Queen of Puddings, Soulpepper Theatre Company, Tapestry New Opera Works, Theatre Museum Canada, Volcano, and Young Centre for the Performing Arts	Yes	The Distillery and its 40+ buildings have been transformed into a pedestrian — only village entirely dedicated to arts, culture and entertainment	Yes	There are approx. 28 retail spaces. The property owners refused to lease any of the retail and restaurant space to chains or franchises, and accordingly, the majority of the buildings are occupied with unique boutiques, art galleries, restaurants, jewelry stores, cafés, and coffeehouses, including a well-known micro brewery, the Mill Street Brewery. 18 retail stores and boutiques, including Akroyd Furniture, Artemide, Bergo Designs, Corktown Design, distill, DOMtoronto, Elizabeth Munro Design, Hastens, Jonesy Charismatic Stationary, Leif Benner, Lileo, Pikto, Segway of Ontario, Sound Designs, Sport at the Distillery, Tenacious, Vintage Gardener, and TANK Jewelry & Beads. Five cafes and seven restaurants, including A Taste of Quebec, Balzac's Coffee, Brick Street Bakery, SOMA chocolate, The Sweet Escape, The Boiler House, Archeo, The Cannery Room, Café Uno, Mill Street Brew Pub, Pure Spirits Oyster House & Grill, and Tappo Wine Bar & Restaurant	Yes	"There are 4 educational facilities on site including George Brown's theatre school, voice intermediate school and The Distillery Early Learning Centre. The Distillery District Early Learning Centre — a preschool Centre designed to accommodate infants, toddlers and preschoolers. The Centre is to enable children to experience early learning in a safe and nurturing environment. Voice Intermediate School is a day school for grades 4 – 8. It offers academics, the performing arts, a dynamic sports program and an issues-based curriculum.

	General Description											
	Artist Space								Other Spaces			
Name, Location, Year Established	Visual Artist Work Spaces? (Y / N)	If Yes, How Many?	Rehearsal Spaces? (Y / N)	If Y, How many?	Exhibition Space? (Y / N)a	If Y, Dedicated Galleries?	Performance Spaces (for public audience)? (Y / N)	If Y, How many seats?	Artists Live / Work Space? (Y / N)	If Y, How many units?	Business offices (creative industry or non-creative industry)? (Y / N)	If Y, How many offices / cubicles?
<i>Khyber Institute of Contemporary Art</i> <i>Halifax, NS, 1995</i>	No		No		Yes		Yes		No		No	
<i>Torpedo Factory Art Center</i> <i>Alexandria, VA, 1974</i>	Yes	82 working artist studios			Yes	6 Galleries	No					
<i>Flashpoint</i> <i>Washington DC, 1998</i>	Yes		Yes	3 Rehearsal spaces: Dance Space; Theater; and Gallery	Yes	Gallery (900 sq.ft.) — Solicit proposals. 8 – 10 shows, about a month. Also provides mentoring, and business train- ing. When art is sold, a % goes to Flashpoint.	Yes	60 seats	Yes		Yes	Business incuba- tor space — 3 – 5 organizations at one time. Learn professional skills. The space provides a desk. Internet, confer- ence rooms.

General Description					
Public Spaces					
Public Community Space? (Y / N)	If Y, Describe.	Public retail space? (Y / N)	If Y, Please describe.	Public classroom space? (Y / N)	If Y, Describe.
				Yes	
Yes	The factory is laid out as an indoor mall with access to all the studio spaces as well as the Art League and the Archaeology Museum		No traditional retail spaces as such, artists studios that also sell their work. The remaining space is leased to the Art League and the Alexandria Archaeology Museum.	Yes	<p>The Art League offers classes and workshops for all skill levels, in virtually all of the fine arts, to students of all ages. Anyone can take classes at The Art League School. Each year, nearly 7,000 students enroll, filling over 10,000 seats in classes. Professional, highly qualified artist instructors, many from DC-area colleges and universities, teach all of our classes and workshops. Travel workshops are offered domestically and internationally to exciting locales with our talented faculty.</p> <p>The Art League School is non-accredited and open to both members and non-members. A full selection of day, evening, and weekend courses are offered in virtually all of the fine arts and a wide variety of fine crafts.</p> <p>The Art League offers classes for children ages 5 and up in areas such as introduction to art, art fundamentals (exploring texture, line, shape, and color), drawing, colored pencil, painting, jewelry, photography, sculpture, animation, cartooning, and clay.</p> <p>(ages 5 – 8, ages 8 – 11, and ages 12 & up):</p> <p>Weeklong summer art camps are offered from mid-June through August. Children explore a new medium or begin a new project each day, focusing on drawing, painting, printmaking, and sculpture. The syllabus is different each week the camp is offered. Specialty camps are also available, where children concentrate on a specific medium, such as ceramics, cartooning, or jewelry making.</p>

Name / Location	Space Specifications					Rates — Artist Sp	Rates — Non-Artist Sp
	Total Square Feet	% Sq Feet for Artist Uses (ie Studios, rehearsal space, exhibitions)	% Sq Feet for Non-Artist Spaces (incl Admin, Housing, Business Offices)	% Total Sq Ft Leased	% Total Sq Ft Sold		
Wychwood Barns — devel- oped and oper- ated Artscape Toronto, ON	60,000 sf	They do not have the breakdown in percentages of the space use at the Wychwood Barns. They rent out space for events and artists studios. All the space is rented to artists is social housing, affordable housing for artist with rents set according to the City's rules for social housing. The only non-artist spaces is the office that Artscape has on site to manage the building.		They only lease space at this location	No ownership	Rates are set according to the City of Toronto's affordable housing rules, meaning that they can only charge a certain % of the income of the person renting	N / A
Distillery District Toronto, ON	610,000 (14 acres)						

		Revenue				Expenses					
Other Rates (please specify)	Total Annual Budget	% Budget from Rents	% Budget from Contributions and Non-Govt Grants	% Govt Grants	% Other (specify)	% Gen'l Admin	% Mktg	% Maintenance	% Salaries	% Contracts	% Other (specify)
<p>"Rates for renting the Community Gallery (780 sq.ft.): 1 Day — \$125 / 1 Week — \$630 / 2 Week Exhibition — \$1,155 / 4 Week Exhibition — \$2,100 *These rates apply to artists and community groups / residents. Corporate Rates apply to all other bookings.</p> <p>— A \$20 cleaning fee will be added to the total cost of every booking.</p> <p>— A \$50 Patch & Paint charge will be added to any rentals that will require this service to repair the walls.</p> <p>— A \$150 security deposit is required for the key.</p> <p>Covered Street Barn (7,680 sq.ft.)"</p>											

Name / Location	Space Specifications							Other Rates (please specify)	Total Annual Budget
	Total Square Feet	% Sq Feet for Artist Uses (ie Studios, rehearsal space, exhibitions)	% Sq Feet for Non-Artist Spaces (incl Admin, Housing, Business Offices)	% Total Sq Ft Leased	% Total Sq Ft Sold	Rates — Artist Sp	Rates — Non-Artist Sp		
Khyber Institute of Contemporary Art Halifax, NS									"Expenses: CAD\$103,804 (2011) Revenue: CAD\$103,621"
Torpedo Factory Art Center Alexandria, VA	76,000	Total of 63.2% (48,005sq. ft.) split accordingly: the Art League 10.2% (7,758sq. ft.); and TFAA 53.0% (40,247sq. ft.)	Total of 36.8% (27,995 sq.ft.) split accordingly: the Archaeology Museum 4.2% (3,200 sq.ft.); Office Management 0.4% (300 sq.ft.); and Common / Circulation 32.2% (24,495 sq.ft.)	47,450	N / A				\$909,121 (2009)
Flashpoint — part of Cultural DC (formerly Cultural Development Corporation) Washington, DC								"Private Rental rates Gallery at Flashpoint — 100 standing 75 seated (classroom style) / \$1,300 per event (\$260 / hr) / security deposit \$500 Mead Theatre Lab — 75 thrust 40 – 60 proscenium / \$2,000 per events (\$400 / hr) / security deposit \$500 Gallery & Mead Theatre — 175 standing / \$3,300 per event / security deposit \$1,000 Coors Dance Studio — 20 standing / \$500 per event / security deposit \$250 Full Facility — \$5,000 per event / security deposit \$2,250 **Equipment provided by CuDC is subject to additional fees."	\$1.7M

Revenue				Expenses					
% Budget from Rents	% Budget from Contributions and Non-Govt Grants	% Govt Grants	% Other (specify)	% Gen'l Admin	% Mktg	% Maintenance	% Salaries	% Contracts	% Other (specify)
CAD \$4,754 (4.5%)	CAD \$1,498 (1.5%)	CAD \$65,200 (63%)	"Memberships, dues and associations fees: CAD\$290 (0.2%) Total non tax-receipted revenue from fundraising: CAD\$31,879 (30.8%)"	"Total CAD\$3,356 (3.2%) (travel & vehicle expenses \$73 + interest & bank charges \$1,632 + licenses, memberships, & dues \$305 + office supplies & expenses \$1,346)"	CAD\$1,559 (1.5%) advertising and promotion	CAD \$21,288 (20.5%) occupancy costs	CAD \$32,482 (31.3%) total expenditure on all compensation		"Total cost of all purchased supplies and assets CAD\$352 (0.3%) Amortization of capitalized assets CAD\$350 (0.3%) Other expenditures not included in the amounts above (excluding gifts to qualified donees) CAD\$44,416 (42.8%)"
Special events rental income \$192,800 artists and organizations pay \$486,171 rents as tenants		City provides reduced land and building rent (estimated opportunity cost of \$1.7 million)	Information desk sales \$64,153		Information desk expenses \$67,934	Utilities \$174,905	Staffing \$347,290		
<p>"Financial Statement of Activities & Changes in net assets for Cultural DC Year ending Sep. 30, 2011: SUPPORT & REVENUE Grants & Contributions \$707,706 Earned Revenue from Programs — Consulting \$37,297 / Artist Housing \$17,828 / Flashpoint \$105,567 / Festival \$24,083 / Source \$204,860 / Other program revenue \$82 — Total Support & Revenue \$1,304,121"</p>				<p>"EXPENSES Program Services — Consulting \$137,189 / Artist Housing \$59,442 / Flashpoint \$725,356 / Festival \$131,433 / Source \$307,153 / Communications \$99,506 / Creative Community Fund \$41,967 — Total Program Services \$1,502,046 Management & General \$43,132 / Fundraising \$167,805 — Total Expenses \$1,712,983"</p>					

APPENDIX E: MODEL 1 ARCHITECTURAL CONCEPT — ENTRANCE AND FACADE



Existing Entry Condition



Building Signage



Entry Feature + Glazing



Color and Interest



Street Level Program Information

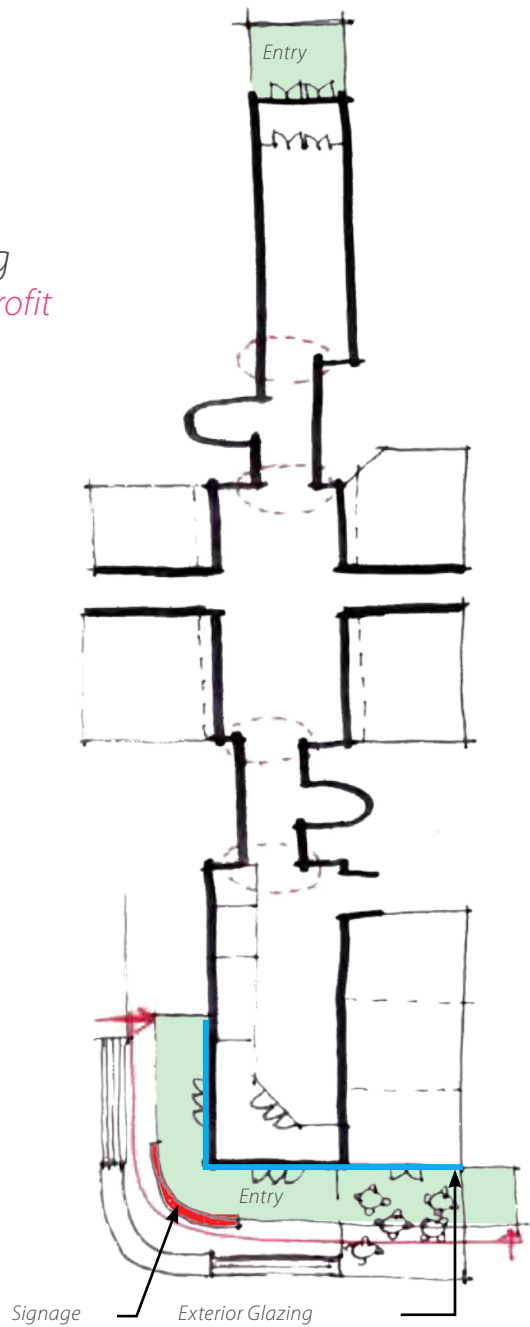


Entrance Feature / Canopy

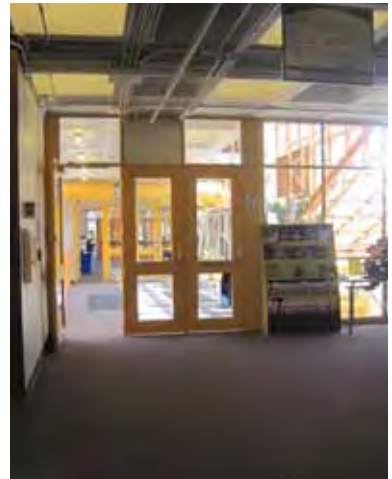
Entryway

MacEwan Centre for the Arts Building
*Model 1: Arts, Multicultural, and Not-for-Profit
Incubator (Upgrade)*

July 12, 2012



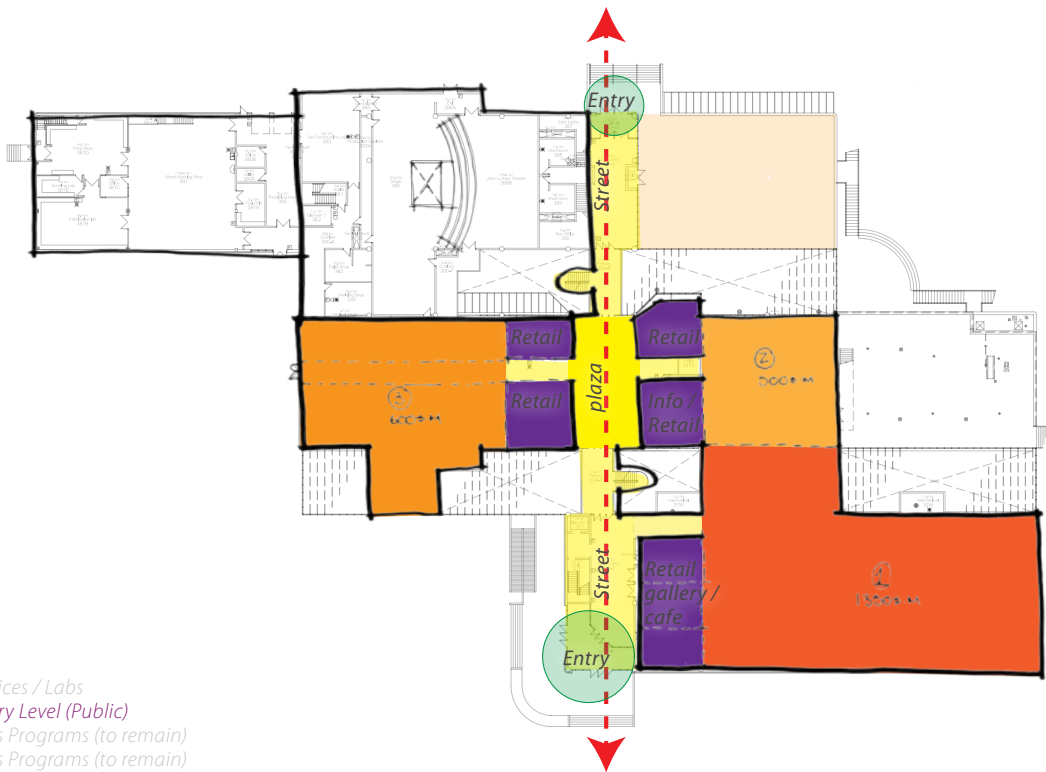
APPENDIX F: MODEL 2 ARCHITECTURAL CONCEPT — INTERIOR REALLOCATION



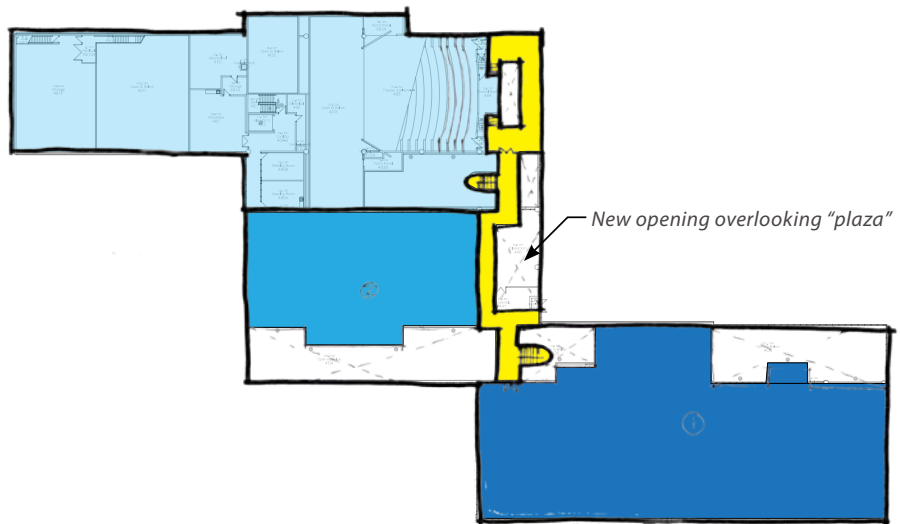
The building is intended as a social hub not just a place to house art making but as a building that is part of a wider plan to generate community. As such, the building must open up, and draw the public into and through the unique architecture and activity inside.

MacEwan Centre for the Arts Building *Model 2: Arts, Multicultural, and Not-for-Profit Hub* *(Major Upgrade)*

July 12, 2012



Level 4 — Offices / Labs
 Level 3 — Entry Level (Public)
 Level 2 — Arts Programs (to remain)
 Level 1 — Arts Programs (to remain)



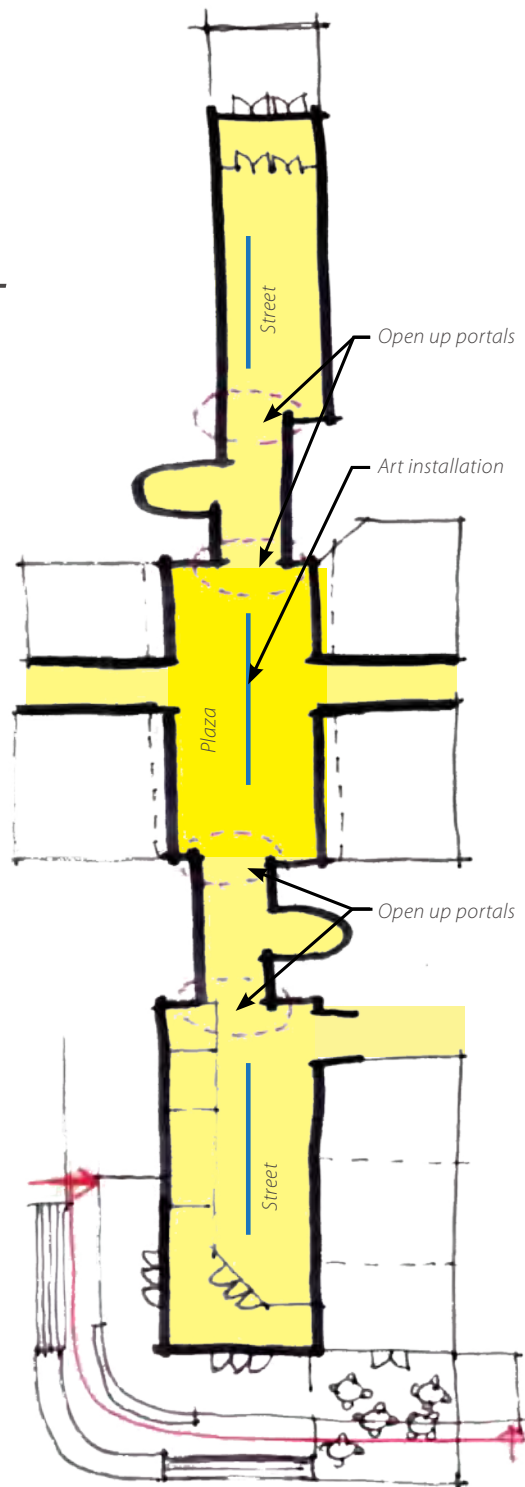
Level 4 — Offices / Labs
 Level 3 — Entry Level (Public)
 Level 2 — Arts Programs (to remain)
 Level 1 — Arts Programs (to remain)

1. Arts Street

*MacEwan Centre for the
Arts Building*

*Model 2: Arts, Multicultural,
and Not-for-Profit Hub
(Major Upgrade)*

July 12, 2012





Art Walk — (Winter Venue)



Mixed Market



Interior street / plaza
 — Materiality
 — Vegetation
 — Seating areas



Way-finding signage

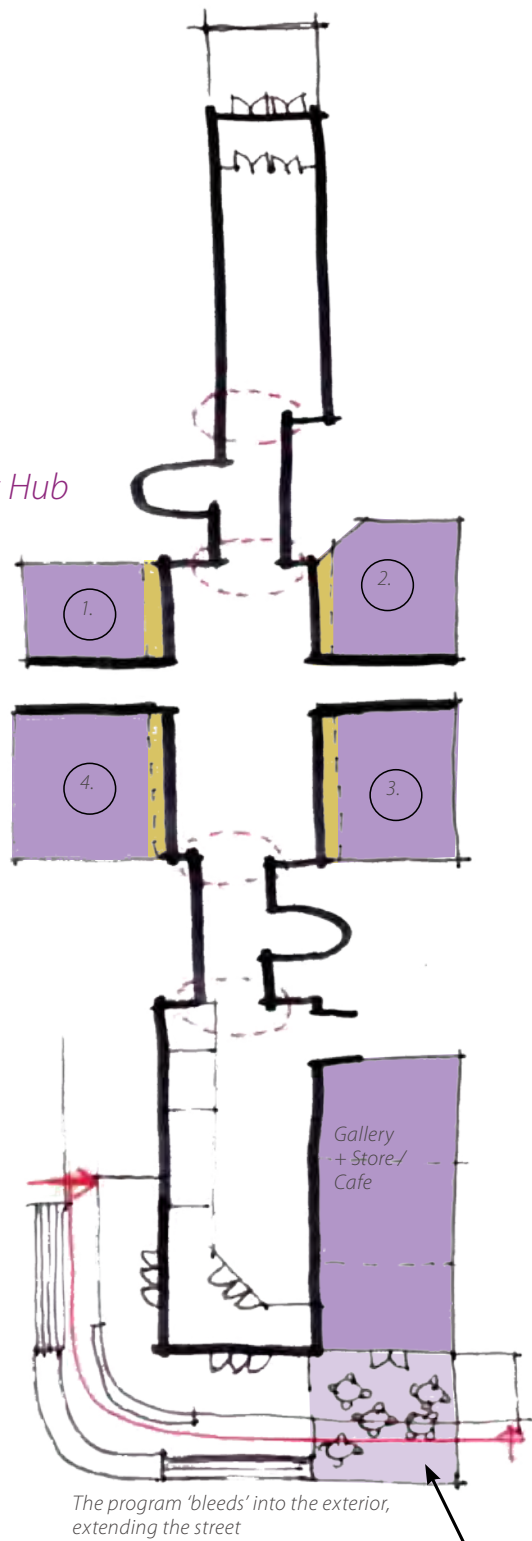
2. Program

MacEwan Centre for the Arts Building

Model 2: Arts, Multicultural, and Not-for-Profit Hub

(Major Upgrade)

July 12, 2012





Gallery and storefront



Cafe with outdoor seating area



Interior street / plaza with retail and food tenants

APPENDIX G: FACILITY USER DISCUSSION

PARTNERSHIPS WITH USERS

User partnerships are potentially the most important of all as they lead to user fees which ultimately offset operating costs of facilities and further sustainability agendas. User partnerships can exist for the rental of programmed spaces, the sale of facility passes and programming of spaces within the facility.

In the case of the MacEwan west campus project, a number of potential user partnerships have been identified and / or are expected to materialize with multicultural groups, arts groups and artists. Although it is much too early in the process to define arrangements with certain groups, the following key considerations relate to users in the facility:

- » Arts and multicultural groups and artists are limited in their ability to pay, therefore capital cost recovery through user fees is not viable and operational cost recovery is limited.
- » There needs to be a transparent process established to select users / tenants of the facility.
- » It is expected that when facility spaces and program areas are not rented, they would be made available to groups and artists.
- » There should be consideration given to allocating office and support spaces to arts and multicultural groups, private sector affiliates and artists based on a desired mix and ability to pay.

LEASEHOLD PARTNERSHIPS

Potential facility lease spaces have been included in the facility program to date and the idea of leasing space in public arts facilities has proven successful in a number of applications. Typical lease tenants in public arts facilities include:

- » Food and beverage services, such as restaurant and lounge areas, concession areas and sandwich / juice shops; and
- » Related retail areas, such as art galleries, supply shops, and clothing sales. It is too early to identify a specific use for the lease space identified in the floor plan. With the realization that the layout and the fitting of the lease space cannot be finalized yet, the City will have to administer a process that would allow all potential leasehold tenants to propose through a fair and transparent process. This "request for proposals" would have to occur once a decision is made by the City to proceed with purchase of the facility and would be open to potential user partners, lease hold tenants, and facility operating partners.

APPENDIX H: PARTNERSHIP SOLICITATION DISCUSSION

PARTNERSHIP SELECTION PROCESS

As public institutions, municipalities provide transparent and equitable access to public programs and infrastructure where at all possible. Therefore, the selection of any of the aforementioned partnerships (users or leasehold tenants) should be conducted in a fashion that allows equal access and opportunity for all interested parties.

Although the competition process would have to be open to any and all types of users and businesses to ensure a fair and transparent process, a number of criteria should be proposed to ensure that the candidates have

operational goals congruent to those of the repurposed MacEwan West facility; that the group or user has a sound business plan; and that the group or user understands that dynamics of becoming part of a public facility. The City has recently undertaken a similar approach at the south Edmonton multi-purpose sports site.

The following diagram outlines a prudent partnership solicitation process for a municipality contemplating partnerships in the development of a public recreation facility.

