

MCHUGH HOUSE UPDATE REPORT

EXECUTIVE SUMMARY

The McHugh House is an historic building listed on The City of Calgary's Inventory of Historic Resources as a City Wide Historic Resource (Attachment). The previous owner applied to demolish the house but offered The City an opportunity to move the house to ensure the long term conservation of the building. The house was moved from the original site to Humpy Hollow Park and is now owned by The City. The house has been placed on a permanent foundation and water, gas, power and sewer services to the building have been established. Parks is continuing to pursue a long term tenancy agreement with a local organization and is in discussions with the community association and local Business Revitalization Zones (BRZ). The plan to reimburse the \$300,000 from the Fiscal Stability Reserve (FSR) is expected to be implemented over a long term period and will be linked directly to the revenues generated from a future lease and rental of the McHugh House. Securing a user that will ensure public and community use of the building, and complement its location in a park is essential.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Community and Protective Services recommends that Council:

1. Receive this report for information; and
2. Direct Administration to report back with a building use and lease proposal when appropriate or no later than 2017 Quarter 02.

RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, DATED 2015 DECEMBER 02:

That the Administration Recommendations contained in Report CPS2015-0893 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 December 15, Council approved C2014-0972 as follows: That Council:

1. Receive this report for information; and
2. Direct Administration to report back with a building use and lease proposal to address disposal and loan repayment no later than 2015 December.

On 2014 November 3, Council approved PUD2014-0708 as follows: That Council:

1. Endorse the recommendation of the Beltline Community Investment Fund (BCIF) Committee to commit \$250,000 from the BCIF capital deposit to contribute to the capital costs of the permanent relocation of the McHugh House and;
2. Approve capital budget and appropriation of \$250,000 in 2014 for Program 500: Funded from the BCIF capital deposit.

On 2014 February 24, Council approved C2014-0188 as follows: That Council:

1. Direct Administration to move the McHugh House to a temporary location at Humpy Hollow Park (17 Avenue SW and Centre Street) until it can be placed on a permanent foundation at Humpy Hollow Park;
2. Endorse the recommendation of the Beltline Community Investment Fund (BCIF) Committee, to fund up to \$150,000 from the BCIF towards the cost to move the McHugh

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- House from its current location. The cost and funding to flow through Operating Program 616 – Land Use Planning & Policy, and
3. Authorize a loan of up to \$300,000 from the Fiscal Stability Reserve (FSR) to fulfill the project; and
 4. Develop a long term strategy for the permanent siting and disposition of the McHugh House and Humpy Hollow Park and the repayment of the FSR monies and report back to Council by 2014 December; and further that the In Camera discussions remain confidential pursuant to Section 28(a) of the *Freedom of Information and Protection of Privacy Act*.

On 2014 January 27, Council directed Administration through a Green Sheet Motion Re: McHugh House to “explore options and tools to preserve the McHugh House including but not limited to:

- a. Purchase of the land and/or building;
- b. Relocation of the building; and
- c. Identify a potential source of funds to accomplish preservation. And report back to Council no later than 2014 February.”

BACKGROUND

In 2013, the owner of the McHugh House (The Roman Catholic Bishop of the Diocese of Calgary) applied for a permit to demolish the house. Built in 1896, the house is the sixth oldest in Calgary and is listed on the City’s Inventory of Historic Resources as a City Wide Historic Resource (Attachment).

In early 2014, Administration determined the house could be moved onto Humpy Hollow Park to ensure it was retained and utilized as a valuable piece of Calgary’s heritage. The project secured \$150,000 from the Beltline Community Investment Fund (BCIF), a \$300,000 commitment from the Fiscal Stability Reserve, and \$150,000 from Parks which was directed to support the temporary relocation of the house to the park. The house was physically moved onto the new foundation on 2014 June 06. In 2014 November, an application for BCIF funding of \$250,000 was approved by Council to ensure a permanent location within Humpy Hollow Park. This funding secured the permanent foundation and the water, sewer, power, and gas services to the building that were completed in 2015 March. The site is currently fenced and the house will be heated, monitored, and maintained by Parks staff until a tenant is secured.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

In 2015, Administration continued discussions with the Beltline Communities of Victoria and Connaught Associations and the Victoria Park BRZ to secure a long term tenancy for the house. Complications arose with the feasibility of the community association leasing the space in the organization’s current form, but discussions with the Victoria Park BRZ continue. If terms of use cannot be reached with these organizations or if they decline tenancy in the house, the search will be widened to encompass a more formal process which could include park ancillary uses such as food service. The \$300,000 FSR loan repayment will occur over a long term 15 year period and will be linked to the use of the building, the tenant, and the terms of the lease.

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Stakeholder Engagement, Research and Communication

In 2014, Administration staff met with stakeholders including the Executive Director of the Victoria Park Business Revitalization Zone, the President of the Beltline Communities of Victoria and Connaught Association and the Chair of the Mission/Cliff Bungalow Community Association Heritage Committee to gain their support for preserving the McHugh House through temporary relocation to the Humpy Hollow Park site. In 2015, Administration continued discussions with the Beltline Communities of Victoria and Connaught Associations and the Victoria Park BRZ.

Strategic Alignment

The City of Calgary *Municipal Development Plan* supports the conservation and protection of Calgary's historic resources. The plan identifies historic preservation as part of good city building and community identity, and encourages property owners to conserve Calgary's historic resources.

The City of Calgary *2020 Sustainability Direction* sets forth an objective for Calgary to become a "diverse and socially inclusivity that respects its heritage and the arts," as well as a strategy to "support the preservation of Calgary's historic resources."

The City's *Cultural Landscape Strategic Plan (2012)* states: "The City will be a leader in preserving and enlivening historic resources".

Social, Environmental, Economic (External)

Social

Historic resources connect us to our past, our future, and to each other. They are integral to the identity of our community and provide context for the development of our city. Historic resources add to the beauty, character and visual interest of our urban environment which contributes to the city's liveability and are sources of community pride. The McHugh House will add visual interest and, through new community uses, bring vitality to an under-used park site.

Environmental

The preservation of historic places capitalizes on the energy investment in the original structures, preventing unnecessary new resource use and reducing the pressure on landfill sites from demolition.

Economic (External)

The McHugh House will add character and visual interest to the streetscape; new uses housed within the restored house will attract community users, residents and tourists.

Financial Capacity

Current and Future Operating Budget:

Current operating costs are being absorbed by Parks as part of the Humpy Hollow Parks budget until a tenant for the house is secured. The future operating budget will be determined by the nature of the future tenants and the structure of the lease.

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Current and Future Capital Budget:

The future capital budget, including the interior renovations, will be determined by the future use and the structure of the lease(s).

Risk Assessment

Securing tenancy for the house ensures regular use which deters vandalism that can occur to vacant buildings.

REASON(S) FOR RECOMMENDATION(S):

Protecting Calgary's historic resources is an identified objective of The City. Council directed Administration to explore relocating the McHugh House in order to conserve its heritage value. Further work is needed in 2016 to secure the appropriate tenant(s) for the long term sustainability of this historic City-owned asset and repayment of the Fiscal Stability Reserve (FSR) funds.

ATTACHMENT(S)

Statement of Significance for McHugh House