

MCHUGH HOUSE UPDATE

EXECUTIVE SUMMARY

The McHugh House is a historic building listed on The City of Calgary's Inventory of Historic Resources as a City Wide Historic Resource. The previous owner had 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 has been 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 services (water, gas, power and sewer) to the building have been established. Parks is now working on securing long term tenancy for the house and has had discussions with the local community associations and local Business Revitalization Zones (BRZ). Tenants have not been secured at this time and, as a result, the loan from the Fiscal Stability Reserve (FSR) remains outstanding.

ADMINISTRATION RECOMMENDATION(S)

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.

PREVIOUS COUNCIL DIRECTION / POLICY

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 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, through a Notice of Motion, directed Administration 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

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- c. Identify a potential source of funds to accomplish preservation. And report back to Council no later than 2014 February.”

BACKGROUND

Built in 1896, the house is the 6th oldest house in Calgary and is listed on the City of Calgary Inventory of Historic Resources as a City Wide Historic Resource due to its' significance to the city as a whole (Attachment 1).

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. On-going discussions between the owner's representative, Administration and Provincial Heritage staff sought to identify options to conserve the McHugh House. On 2014 February 4, the Mayor's office received correspondence from the Catholic Diocese agreeing to delay demolition until 2014 April 6.

In early 2014, Administration researched City owned land in the vicinity where the house might be moved immediately. Humpy Hollow Park located one block north of the original McHugh site at the corner of 17th Avenue and Centre Street South was identified as a site large enough to store the McHugh House on a temporary basis until a permanent location was identified.

In 2014 February, the project secured \$150,000 from the BCIF, a \$300,000 loan from the Fiscal FSR, and \$150,000 from Parks. This funding supported the temporary relocation of the house to Humpy Hollow Park.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

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 along with water, sewer, power, and gas services to the building.

In 2014 fall, Administration initiated discussions with the Beltline Communities of Victoria and Connaught Associations and the Victoria Park BRZ with the objective of securing long term tenancy for the house. Should these organizations ultimately not see a future tenancy in the house, the search will be widened encompass a more formal process which could include park ancillary uses such as food service. The \$300,000 FSR loan remains outstanding and repayment will respond to the use of the building, the tenant, and the terms of the lease.

The land use on the Humpy Hollow site is Special Purpose – Community Service (S-CS) with limited permitted uses. Discretionary uses include: child care service, community recreation facility, indoor recreation facility, library, museum, school and service organization. This would include uses such as a community association or social recreation organization(s) for the McHugh House. Parks is not investigating the disposal of Humpy Hollow Park at this time.

Stakeholder Engagement, Research and Communication

In early 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

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relocation to the Humpy Hollow Park site. In 2014 fall, Administration began discussions with the Beltline Communities of Victoria and Connaught Association and the Victoria Park BRZ with the objective of securing long term tenants for the house.

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 help to strengthen its distinctiveness. 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 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. The future operating budget will be determined by the nature of the future tenants and the structure of the lease.

Current and Future Capital Budget:

Partial capital budget has been secured and has been used for the house move, the permanent foundation, and the site services. This work is 95% complete. At this point, repayment of the FSR loan of \$300,000 is still outstanding. The future capital budget, including the interior renovations, will be determined by the future use and the structure of the lease(s).

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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 2015 to ascertain the right tenant(s) for the long term sustainability of this historic owned asset and repayment of the FSR funds.

ATTACHMENT(S)

Statement of Historic Significance