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Item No. 10.1.1

Halifax Regional Council
September 23, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

SUBMITTED BY: _____
Wayne Anstey, Acting Chief Administrative Officer

DATE: July 31, 2008

SUBJECT: Proposed Strategy for 1588 Barrington Street

ORIGIN

- July 31, 2007 Halifax Regional Council directed staff to issue an RFP for a study on the feasibility of a creative arts cluster at 1588 Barrington Street, Alderney Landing and Peace Pavilion.
- On December 19, 2007 the RFP closed without any response.

RECOMMENDATION

It is recommended that Halifax Regional Council:

- a) direct staff not to proceed with the reissuing of Request for Proposals, Creative Cluster Concept and Feasibility Study for the development of a creative arts cluster at 1588 Barrington Street, Alderney Landing and Peace Pavilion; and
- b) provide a \$30,000 grant to the Khyber Arts Society in order to develop a business/strategic plan for the establishment of a contemporary art centre at 1588 Barrington Street.

BACKGROUND

Request for Proposals 07-435, Creative Cluster Concept and Feasibility Study was issued on November 21, 2007 to undertake a feasibility study in consideration of developing 1588 Barrington Street, Alderney Landing, Alderney Landing Plaza and Peace Pavilion as a creative cultural cluster. The RFP closed on December 19, 2007 with no proposals received.

The History of 1588 Barrington Street:

1588 Barrington Street, known to some as the Khyber building, was built in 1888 for the Church of England Institute. It is one of a trio of freestanding, 19th century buildings that contribute to Barrington Street's late Victorian architectural ambience. The building's exterior has not been altered significantly and is one of the more intact historic buildings in the proposed Barrington Street Heritage Conservation District.

Beyond its important connection to the church, most residents likely remember the building as Wormwood's Theatre, which closed in the mid 1990s.

In 1997, HRM leased the building to the Khyber Arts Society (KAS). KAS has since operated as a gallery, studio space, lecture hall, performance space, rehearsal space, café and cultural administrative offices. In addition, the Nova Scotia Heritage Trust Society has been located in the building for several years. Both of these organizations currently maintain month-to-month rental leases.

In 2005, the lease agreement with Khyber Arts Society was amended by HRM eliminating the rehearsal space, café, and performance space. This was in response to the financial difficulty of KAS who could not meet the terms of the lease. Therefore, approximately 35% of the available space is currently occupied. The vacant space has not been actively marketed by HRM given the uncertainty of the building's future use.

Capital Investment:

Capital investment in the building has been ongoing since 1997. The building has undergone major roof strengthening to accommodate increased snow loads resulting from the adjacent Neptune expansion, as well as a major interior refit to meet fire codes and building standards for public use. Capital improvements have also included replacements of the skylight, aesthetic updates, and sprinkler upgrades totalling \$60,353.00 in 2007-2008 budget year. Capital improvements planned for 2008-2009 budget include restoration of exterior windows and replacement of the furnace.

Khyber Arts Society: Organizational History:

The Khyber Arts Society was established in 1995 by a group of artists. The artists occupied the building for over a year as a makeshift artist collective. Upon approval of the 1997 rental agreement, the collective of artists registered as a Society and began to operate the building as an artist-run centre with a focus on the work of emerging artists.

The Society has produced many exhibitions and educational programs, gaining them

international acclaim. The works of many well-known and award winning artists including Gillian Wearing, Daniel Barrow, JD Bureau, and Lucie Chan have been exhibited.

The Khyber Arts Society also fosters strong relationships with the local arts community and has built a reputation for cutting edge emerging work. In June 2006, the National Post named the Khyber Arts Society one of the top seven arts groups in Canada. The Society offers a forum for critical discourse and interaction among peers, including members who have established themselves firmly in their artistic practice as well as providing a support network to aid new and emerging artists early in their careers.

Chronology of Cultural Planning Activities

In the fall of 2007, a Request for Proposals was issued to explore and assess the feasibility of developing 1588 Barrington Street as a creative cultural cluster. The RFP also required an assessment of Alderney Landing's potential as a cultural centre.

On December 19, 2007, the RFP closed without any response. Feedback from potential proponents indicated insufficient funding for the scope of work required as the primary reason for the lack of response.

Alderney Landing

Shortly thereafter, the Alderney Landing Board entered discussions with staff regarding the future use of Alderney Landing. These initial meetings were positively received, and the Board has continued to define and explore its future vision and role. As such, any further action on staff's part would be premature at this stage and should be deferred until the Board has had an opportunity to explore and define its future plans.

1588 Barrington

With respect to 1588 Barrington Street, not long after the RFP closed, the Khyber Arts Society approached HRM and expressed a desire to expand its role and use of the building. Staff did not commit given that a clear understanding of the building's potential use was needed before long term commitments could be made. Moreover, given the history with KAS, and the uncertainty with their business acumen, there was some reluctance to entertain a long term or expanded lease.

Subsequently, a well-established, financially secure arts organization approached HRM expressing their interest in possibility operating 1588 Barrington Street. The association proposed a vision that includes training for local artists, arts administrative offices and rental spaces, and a museum/library celebrating HRM's local musicians.

While this proposal was very enticing, the association did not want to move forward if they would be the cause for displacing KAS. In fact, they acknowledged the importance and contribution of Khyber Arts Society to HRM's local emerging arts community. The Khyber Art Society has requested that HRM provide them with an opportunity to develop a "business/strategic plan" for managing the building. Additionally, KAS has requested that HRM

support this endeavour with a grant of \$30,000 to secure a local art consultant to develop the business and strategic plans.

DISCUSSION

The Khyber Arts Society has been a tremendous cultural asset to HRM since its inception in the 1990s. Over the last decade the Society has become known as a leading contemporary arts organization. The Society has fostered countless numbers of emerging and established artists and opportunities for Canadian and International artists to perform and exhibit their work.

The Society has requested financial support from HRM to continue this work. In addition, the Society has been awarded a small Flying Squad Grant toward the overall cost of this exercise. Funding would be directed toward the development of a long term strategic plan.

While the last few years have had its challenges, staff believe the Khyber Arts Society has made a concerted effort to work with HRM. Most notably, the Society has paid its outstanding debt to HRM. Moreover, the Society has assembled a new Board comprising well-known and experienced artists and administrators. The Board's maturity and clarity of vision will ensure the Society remains relevant to HRM's cultural community.

It is with this context that staff recommends providing \$30,000 to assist with the development of a strategic/business plan. Should Council support this initiative, following the completion of the strategic plan, and assuming a positive financial strategy, HRM would likely enter a long-term management agreement with the Society.

Alternatively, Council may choose a different approach. Although the Society has had a long-standing presence in the building, Council may feel it is time for change and renewal. Specifically, Council may prefer to pursue other arts organizations as tenants. As noted in the background, other arts organizations are interested in the facility.

This alternative would require a call for an expression of interest for qualified not-for-profit arts organizations. HRM would negotiate a management agreement with the successful proponent.

CONCLUSION

The Cultural Plan identifies HRM's potential as a "creative city" and emphasizes the concept of fostering creative spaces. The proposed Barrington Street Heritage Conservation District and abutting neighbourhoods loosely define a precinct that has tremendous potential as an important hub for creativity and creative spaces.

While the size of 1588 Barrington Street would prevent it from being a "cultural cluster" in the truest sense of the definition, it is nonetheless positioned to address a gap in affordable cultural space. Specifically, the building has proven to be conducive to a wide range of cultural activities.

Both the Khyber Arts Society or an alternative arts organization demonstrates merit. Therefore, this report seeks Council's decision on a preferred tenancy.

BUDGET IMPLICATIONS

Funds currently identified through the Heritage Reserve earmarked to complete the feasibility study of the 1588 Barrington Street building and Cultural Cluster Study which would result from Request for Proposals 07-435, Creative Cluster Concept and Feasibility Study, will be released.

Should Council approve option 1. financial support in the amount of \$30,000 for the development of a strategic/business plan would be required and be accessed through Heritage Reserve capital project account #CDG00992. Additional monies may be required for operating and capital costs. At present this is unknown, but any such costs would be identified for councils consideration upon approval of a management agreement and lease.

Budget Summary: CDG00992, Arts Cluster Program

Cumulative Unspent Budget	\$ 0
Add: Funds reserved for 07-435	\$ 50,000
Less: Cost to Develop Strategic Businesss Plan	<u>\$ 30,000</u>
Balance	\$ 20,000

Budget costs will not be required to pursue Option 2. However, additional monies may be required for capital costs which are unknown at this time, but any such costs would be identified for councils consideration.

Adequate funds are available through Heritage Reserve (#CDG00992) to support this grant by releasing those committed in the original Request for Proposals 07-435, Creative Cluster Concept and Feasibility Study.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

Alternative 1: Provide a \$30,000 grant to the Khyber Arts Society in order to develop a business/strategic plan for the establishment of a contemporary art centre at 1588 Barrington Street

Alternative 2: Council could choose to call for an expression of interest to local arts organizations, as generally described in the discussion.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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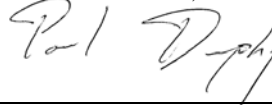
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