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Item No. 08
Halifax Regional Council
October 27, 2015

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by Director

Jane Fraser, Director Operations Support

DATE: October 13, 2015

SUBJECT: 1588 Barrington Street – Building Proposed Redevelopment

INFORMATION REPORT

ORIGIN

Halifax Regional Council Motion:

MOTION: That Regional Council request that staff work in support of Neptune Theatre, the Khyber Arts Society and other parties as identified in their letter of March 25, 2015, in the creation of a proposal for a 'Renovation Plan and Operating Strategy' for 1588 Barrington Street with clear financial implications, including and not limited to: 1. access to required building schematics, BMR and other engineering reports, CAD drawings and limited and supervised access to the building. 2. staff support within Parks and Recreation and Finance to work with the parties during the formation and review of this Operating Strategy. 3. a continued moratorium on the municipal sale or demolition of the Khyber Building, and when complete, a staff report be presented by October 2015 for consideration by Regional Council.

LEGISLATIVE AUTHORITY

The Municipality's powers with regard to real property are under Sections 61, 63 and 64 of the HRM Charter.

BACKGROUND

The building located at 1588 Barrington Street, Halifax, was designed by architect Henry Busch and constructed as the Church of England Institute in 1888. The building was recognized as a Municipal Heritage Property under the Heritage Property Act on September 30, 1981.

On February 12, 2015, staff provided a facility condition update to Regional Council on the building. This update included an outline of the state of accessibility, functionality and calculated the cost of renovations.

Following the April 14, 2015, Regional Council meeting, staff provided the Khyber Arts Society building schematics, engineering reports and access to the building to their consultants and representatives from Neptune Theater.

DISCUSSION

In August 2014, a public campaign began to save the Khyber building under the auspices of the Friends of the Khyber. In November 2014, arts community representatives, members of the Friends of Khyber, the Khyber Arts Society and the LGBTQ community, and recognized architectural and real estate planning consultants began meeting to discuss the future of the Khyber Building.

In recognition of the Halifax Regional Municipality's concerns over the potential renovation costs and the long-term financial viability of the Khyber building, the group dedicated itself to creating a sustainable operating and governance model for the facility, centered on a cost-effective renovation plan that maximizes available space, while preserving the building's original character and iconic place within the streetscape of downtown Halifax.

This process has fostered the completion of the Khyber Building Operating, Renovation and Fundraising Plan. It has also served as the impetus for the formation of a new not-for-profit society, the 1588 Barrington Street Building Preservation Society.

The plan outlines an operating model that draws upon enhanced use of the facility by a range of visual and performing arts groups, community service and youth support organizations, members of the LGBTQ community, and commercial retailers. The plan, creates community space within the regional core, and proposes to generate operating revenues to be sustained through a combination of not-for-profit and commercial tenants.

The governance model for the building calls for representation on the 1588 Barrington Street Building Preservation Society from future tenants and informed community and arts leaders who can provide expertise in building management, accounting, strategic planning and other areas crucial to the ongoing success of the facility.

The renovation plan demonstrates effective use of the existing space, and introduces three new elements into the building design. The addition of an elevator, a fourth floor, and access to the Neptune Barrington Street fire exit stairway that will contribute to the Khyber Building's accessibility, its utility as a vibrant arts incubation and community space, and its financial sustainability.

The fundraising plan, an estimated \$3,175,200 in renovation costs is addressed through a combination of proposed public sector, corporate and public supports.

Staff received a first draft of the proposal The Khyber Building Operation, Renovation and Fundraising Plan on September 1, 2015. Letters of Support and Expressions of Interest were submitted on September 4, 2015, and a graphic designed amended plan was submitted on October 1, 2015. The group have indicated that until they have prepared a final edit incorporating, or responding to, questions of clarification from HRM, the final document will not be submitted for consideration. Staff met with members of the steering committee on October 15, 2015, to clarify details of the submission regarding:

- Ownership
- Governance Model
- Operating Plan
- Funding Model
- Renovation Plan
- Cost Estimates

Since its receipt staff from Finance, Parks & Recreation, and Operations Support have been reviewing the information provided in the draft proposal. Once the final plan has been submitted and clarification on issues has been provided, staff can complete a thorough assessment of the risks and benefits of the

proposal for the consideration of Regional Council. It is anticipated that the Report will be ready for Regional Council by the end of January 2016.

FINANCIAL IMPLICATIONS

Financial considerations of possible future alternative action to declaring the property surplus to municipal needs have been addressed in previous reports to Regional Council.

COMMUNITY ENGAGEMENT

Not applicable.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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