

**PROPOSED ACQUISITION – (DOWNTOWN EAST VILLAGE) – WARD 07  
(ALD. DRUH FARRELL) FILE NO: 401 4 AV SE (DMB)**

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**SUMMARY/ISSUE**

The purchase is required for a parking and multi use development.

**PREVIOUS COUNCIL DIRECTION/POLICY**

None.

**ADMINISTRATION RECOMMENDATIONS:**

That the Land and Asset Strategy Committee recommend that Council:

1. Authorize the acquisition recommendations as outlined in Attachment 2;
2. Approve an appropriation advancement of \$10.9 Million in Transportation Infrastructure Program 851 from 2010 to 2009 to facilitate this acquisition;
3. Direct that Report LAS2008-188 be forwarded as an item of urgent business to the in camera session of the 2008 December 15 Regular Meeting of Council;
4. Direct that the Report, Attachments and Recommendations remain confidential until the conclusion of the in camera discussion pursuant to Sections 23(1)(b), 24(1)(a), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act*.

**INVESTIGATION**

In the spring of 2008, the Calgary Parking Authority undertook planning for new parking and multi-use opportunities within the east end of downtown. The study conducted by the CPA on future requirements in the area recommended the development of up to three geographically separated parking facilities, of which the Cecil Hotel site was one.

The Calgary Parking Authority Board approved CPA 2008-05 recommending the acquisition of the Cecil Hotel site for a parking and multi-use development. The property was on the market with Cushman Wakefield with no list price and The City of Calgary presented an offer but was not successful. Given this, an independent appraisal of the property was undertaken and negotiations recommenced with the owner and have successfully resulted in a proposal that can now be presented to Council.

The hotel currently has 57 rooms of which 9 are rented on a monthly basis, 21 on a weekly basis with the balance (27) on a daily basis. There are no written leases in place. The former beer/liquor store is in use for storage of construction materials. In discussions with the owner, the full property will be vacant by the end of February as five or six of the long term monthly residents will be relocated to other properties owned by the vendor.

Although the Cecil Hotel is a category B site on the inventory of evaluated Historic Resources, the Hotel has been consistently altered. At some point in its history the second and third floors with the recessed balconies were filled in. The majority of the windows and door openings that originally existed on the main floor have also been removed. After a fire in 1982, the hotel was renovated and was returned to something closer to its original appearance, although portions of the brick exterior are now clad in stucco. The interior has also been significantly altered.

**IMPLICATIONS**

**General**

The acquisition will provide for much needed parking and multi-use facilities within the East Downtown area, given that the Municipal

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parkade adjacent to Bow Valley College will soon be demolished.

**Social**

Redevelopment of the site will enhance the future development of the East Village area.

**Environmental**

The property has been reviewed in accordance with The City of Calgary's Sales, Acquisitions and Leases Environmental (S.A.L.E.) Policy. No concerns were identified.

**Economic (External)**

The redevelopment will create a financial benefit to the City.

**BUSINESS PLAN/BUDGET IMPLICATIONS**

Funds are available from Transportation Infrastructure Program 851.

**RISKS**

If this site is not acquired at this time it could potentially be purchased by another party for another use which would not compliment the Calgary Parking Authority's requirement for parking in this area.

**VALUATION**

The negotiated price of the Property was based on an external valuation and has been approved by Corporate Properties and Buildings Valuations Committee comprised of accredited appraisers. The comparable sales analyzed are included in Attachment 4.

**ATTACHMENTS**

1. Site Map
2. Recommendations
3. Summary of Additional Property Information
4. Comparable Data Chart Land Sales