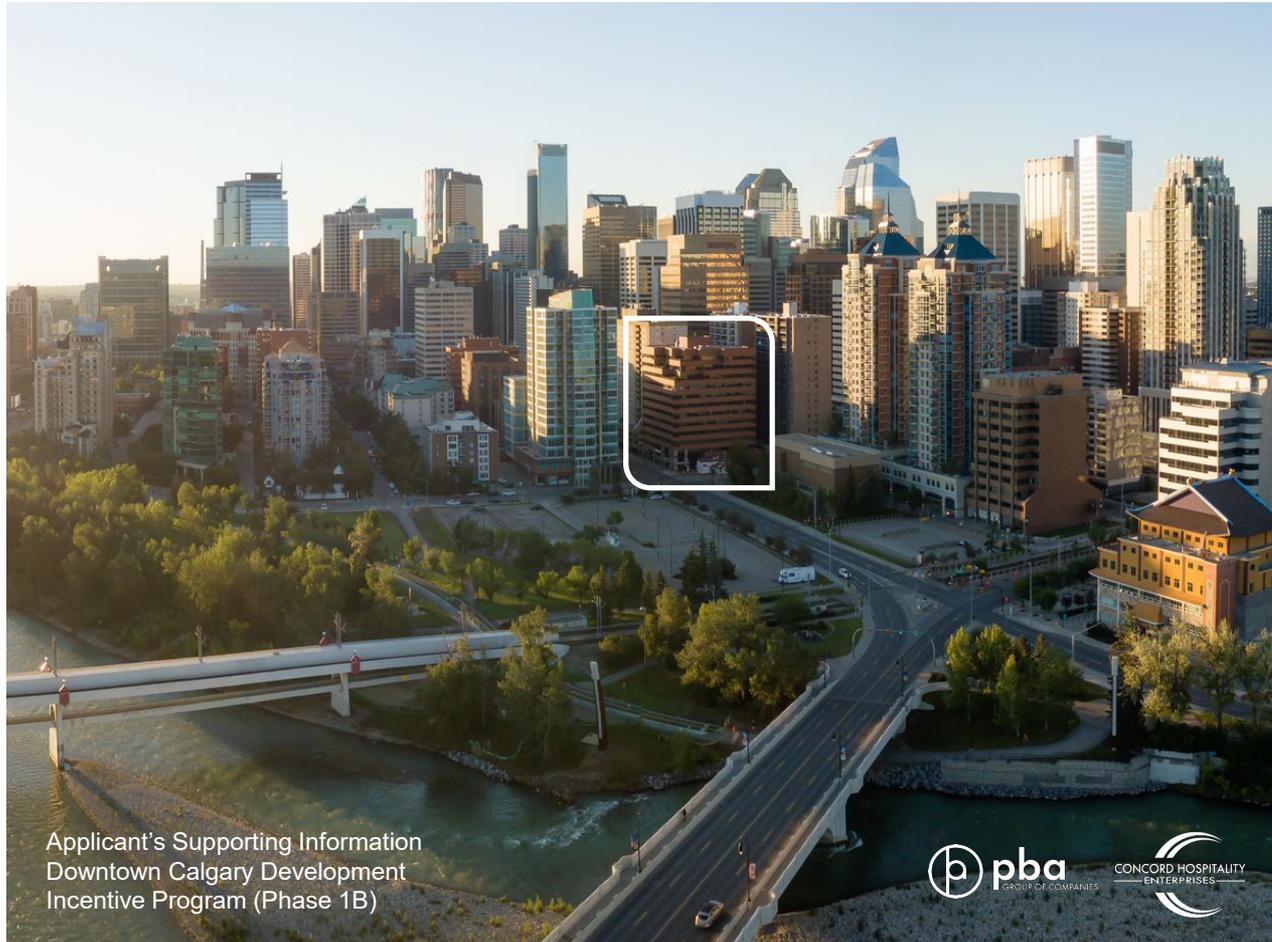


For Public Release

Date: 2023-12-28
Dept: Planning & Development Services



Applicant's Supporting Information
Downtown Calgary Development
Incentive Program (Phase 1B)



Project Introduction

This application to the Phase 1 Downtown Calgary Development Incentive Program is to support a residential conversion of the “Canadian Centre” building, located on a west downtown gateway site at 833-4th Avenue SW. This corner location in combination with the building’s significant vacancy represents a strategic opportunity for conversion to an active residential rental use on the west side of downtown in close proximity to the Bow River open space and multi-use pathway network, 7th Street cycle track, and the 8th Street urban improvement corridor.

Canadian Centre is a 12-floor, 167,755 sq ft (15,585 sq m) +/- GFA office building constructed in 1985. As a Class B office building with a typical 12,748 sq ft (1,184 sq m) floorplate, the project team believes this building represents a very strong candidate for residential conversion, both structurally and in terms of interior layout and exterior details, most notably the red brick façade and multi-level exterior corner terraces at the upper floors, as well as the covered entry area at-grade on 4th Avenue SW, all of which will be retained and incorporated as elements of the proposed conversion.

The intent is to convert most of the 167,755 sq ft GFA of existing office space and common areas to approximately 226 dwelling units, which will be offered as a combination of furnished Tier 1 Short Term Rental (“STR”) units on the lower floors, and rental apartments on the upper floors, all of which will offer options for flexible rental terms.

This unique combination of furnished flex-stay apartments and STR units in one building is intended to provide a range in choice of flexible housing options to support Calgary’s greater economic transition and bring a mix of new people to the downtown core. Calgary is leading Alberta’s economic evolution, and provision of flexible housing options to service the technology, health care, post-secondary education and energy sectors through workforce housing supports businesses and individuals as these sectors continue to grow.



(Canadian Centre – 4th Avenue & 8th Street SW, looking east)

Project Introduction



(View from 12th floor terrace – looking west; Louise Bridge / Kensington in middle ground, right)

In addition to the core residential conversion, the project will incorporate a series of amenity and service spaces designed to enhance the living experience of future building residents while promoting street-level activity and interest through adaptive re-use of the ground floor. Interior building amenity spaces will be complemented by provision of outdoor amenity spaces on the upper floors through re-use of existing terraces into common and private outdoor spaces that take advantage of views and vistas to the north and west from the upper levels.

An outdoor patio facing 4th Avenue is proposed at grade in conjunction with the proposed café in order to activate the northwest corner and add visual interest. Details such as new street furniture, class 2 bicycle parking and an exterior lighting program are planned to further create interest and activation of the building's exterior.

The project team seeks to maximize the building's unique locational advantages offered by proximity to the Bow River pathway system and 10th Street (Louise) bridge, the 3rd Avenue and 7th Street cycle track systems, existing high-frequency bus and LRT transit service, and its adjacency to planned streetscape improvements along 8th Street.

The project's mobility strategy will emphasize active modes through incorporation of Class 1 bicycle storage above bylaw requirements and a bicycle repair room on the main floor, emphasis on street-level pedestrian and cyclist details, and reduced emphasis on private vehicle use and parking.

Location & Context



Downtown gateway location

<400m to 8 Street W LRT platform

Close to high-frequency bus transit

7 Street SW & 3 Avenue SW cycle tracks nearby

Bow River pathway proximity

Walk score 94, bike score 96

20 restaurants and other service uses within walking distance

5 to 10-minute walk to Kensington Village

Adjacent to 8 Street SW improvement corridor

Eau Claire Fire Station No. 6



The Conversion Project – At a Glance

Floors 2-12 Core Residential Conversion:

- 226 +/- Flex-Stay residential rental units
- 800 sq m interior amenity spaces
- On-floor storage
- 250 sq m re-purposed outdoor amenity space

Floor 2 Amenities & Support Uses:

- Fitness studio
- Lounge
- Food service
- Future Plus 15 access

Ground Floor :

- Restaurant / Café with new patio
- Class 1 bicycle storage
- Street furniture
- Class 2 bicycle parking

Parkade P1:

- EV retrofits (under review)



Residential Conversion

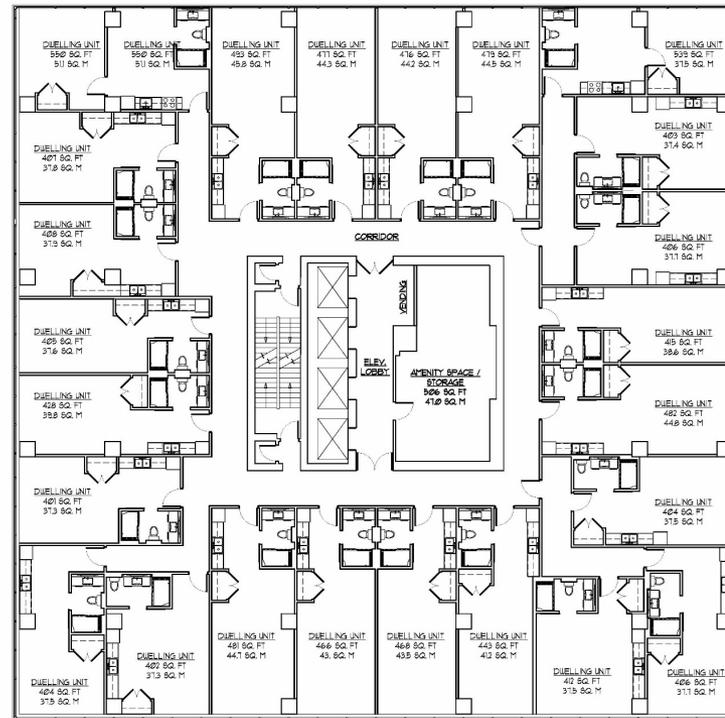
Residential Flex-Stay Rental Program

The Canadian Centre conversion program seeks to maximize the residential potential of the building by converting 100% of the office space on floors two through 12 to approximately 226 dwelling units and associated amenity and support spaces. Of the 167,755 square feet (15,585 sq m) GFA of building area, approximately 163,000 square feet (15,143 sq m) GFA will be converted for residential and residential amenity / support uses.

The residential program is intended to deliver predominantly one-bedroom or studio apartment units with sizes ranging from 405 to 575+ square feet, and a typical / average unit size of just under 500 square feet. The dwellings are intended to be operated as 'flex-stay' rental units of a size suitable for rentals of a week or two to several months, servicing a market need for flexible, easy to rent units. The variable rental blocks will be ideal for anyone seeking flexible housing options in a good quality, well-managed building, whose needs can't be met by traditional lease-based rental models or a hotel.

Based on similar flex-stay products common elsewhere in North America, these units will meet a unique need for people traveling for longer term stays including new immigrants, new entrants to the workforce or more experienced workers relocating to Calgary, traveling for medical or business purposes, and families and individuals managing transitional life situations.

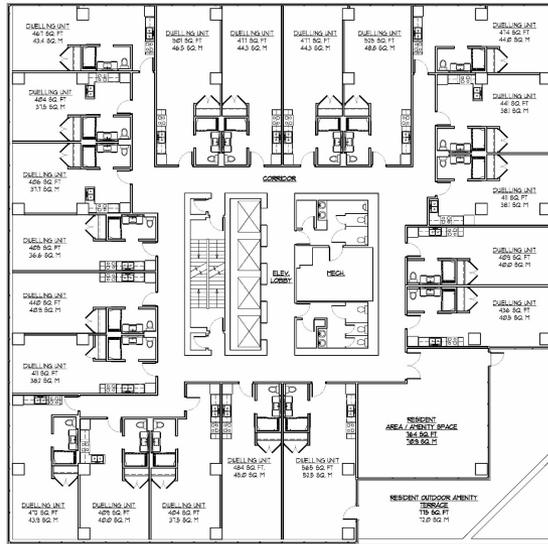
Units proposed in the conversion would also appeal to term-workers (for example two week on/off rotations to remote work locations) and the growing segment of contract and 'nomadic' workers such as travel nurses, specialists (for example in the high-technology or oil and gas sectors), educators, and project-based or start-up employment situations that require varying and flexible accommodation arrangements.



② THIRD-NINTH FLOOR SCHEMATIC PLAN
SCALE: 1/8"=1'-0"
24 UNITS



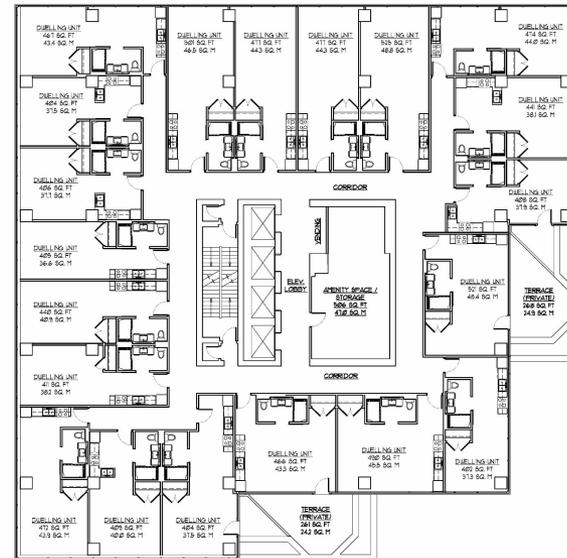
Residential Conversion



TENTH FLOOR SCHEMATIC PLAN
SCALE: 1/8"=1'-0"
12 UNITS

Units will be operated as a combination of Tier 1 Short Term Rental ("STR") units as defined in the Calgary Land Use Bylaw, and traditional apartment rental units. This allows many of the units to be rented out without the lease, damage deposit, or credit approval and reference check requirements that typically accompany a traditional residential rental, thereby lowering the barrier to entry to access rental accommodation.

Units are fully furnished and equipped, eliminating, or significantly reducing many costs for new market entrants. Depending on rental terms, it can be possible to adapt rent payments to an individual's pay period to assist with cashflow management for longer term rentals. In the latter case, these units can benefit workers in periods of transition where household income is above the threshold for non-market or subsidized housing but commuting and other costs of living in new communities are unviable. The pricing model employed in this sector tends to encourage weekly and monthly stays as opposed to nightly stays.



ELEVENTH FLOOR SCHEMATIC PLAN
SCALE: 1/8"=1'-0"
12 UNITS



Residential Conversion

The design team is investigating additional opportunities for façade improvements along 4th Avenue SW to improve visual interest and interface with the public realm, such as signage, improved illumination and feature lighting in order to improve legibility, visual interest and safety after dark, Class 2 bicycle parking and street furniture such as seating and planters.

All main entrances will maintain barrier-free path of travel options, which will extend through the lobby to the plus 15 level on the second floor. The parkade does not currently enjoy existing elevator access from the main floor, however barrier-free parking will be incorporated into the at-grade parking areas at the rear of the building.

The main floor will also contain a large Class 1 bicycle storage facility and dedicated bicycle repair facility available to building residents. These elements are discussed in greater detail in the Sustainability section.



(Existing 4th Avenue entrance – approx. location for Class 2 bike parking & Streetscape improvements)



(Existing 4th Avenue façade & canopy – location for café and patio with new entrance)

Sustainability

The project team recognizes that conversion of the Canadian Centre building – while accomplishing GHG reduction and landfill diversion through repurposing – also provides good opportunities to incorporate additional GHG-reduction techniques in the conversion design.

The building's proximity to the Bow River pathway, 7th Street / 3rd Avenue cycle tracks and planned 8th Street SW pedestrian realm improvements create an excellent opportunity to promote non-motorized travel modes. Elements that form part of the design at this stage include Class 1 bicycle storage above bylaw requirements and a bicycle repair / maintenance facility on the main floor through conversion of an existing auditorium space. The bicycle repair / maintenance room will be available to building residents. This location was selected to provide convenient access to the building's exterior and avoid locating Class 1 bicycle parking in the underground parkade, which does not have elevator access.

The project team is also investigating the potential to offer a bicycle rental service available to short-term renters in the building. In addition, the design team is investigating the feasibility of retrofitting EV charging stations into the first level of the underground parkade. Review of electrical supply and loading demands for the overall building and parkade are ongoing to determine the feasibility and details of EV charging.



(7th Street cycle track near Canadian Centre. Source: Flickr)

Class 2 bicycle parking is proposed in two locations near the main building entrance on 4th Avenue.

Opportunities for sustainable design as part of the proposed Canadian Centre conversion exist in the heating, venting and air conditioning (HVAC) systems retrofit, lighting systems, and plumbing, particularly in cases where equipment is life-cycling out.

The conversion will utilize low energy technologies in lighting (LED), and low-flow plumbing fixtures for bathrooms and kitchens.

Project Team / Experience

The Canadian Centre property is owned by a development partnership between PBA Group of Companies / PBA Land Development Ltd. (“PBA”) and Concord Hospitality Co. (“Concord”). PBA and Concord are currently working together on development of the \$110,000,000, 27-storey “Dorian” hotel at 525-5th Avenue SW, which will open as a dual-flag Marriott (Courtyard and Autograph Collection) in July. PBA will lead the Canadian Centre project as the local developer with decades of experience and history in the Calgary market.

As a team, Concord and PBA delivers a full package of investment, project delivery and property management leadership through a proven track record of profitability and growth, ethical and transparent investment approach, and a deep local market presence combined with North America-wide experience.

Based in Calgary, PBA Group of Companies / PBA Land & Development (<https://www.pbaland.com/>) is a second-generation family owned and female-led mid-size commercial real estate business, now its 57th year of continuous operation. PBA employs 20 people in Calgary, offering services in land development and management, vertical and mixed-use development, and in-house leasing and property management expertise.



(Hyatt House – Jersey City: \$113,816,887USD addition / conversion)



(Residence Inn – Columbus: \$26,168,618USD conversion)



(Dorian Hotel – Calgary; \$110,000,000CAD)

Concord Hospitality Enterprises Company (<https://www.concordhotels.com/>) is a hotel development and management company based in Raleigh, NC for 36 years. One of the top 100 largest hotel companies globally, Concord manages over 20,000 hotel rooms in 19 states and two provinces. In addition to operating the future Dorian hotel in Calgary, Concord currently manages the Downtown Marriott Courtyard hotel in Edmonton.

Significant conversion and major renovation developer experience for the project is provided primarily by Concord. Examples of significant conversion and renovation projects completed by Concord range in value from \$5,000,000 USD to over \$113,000,000 USD and includes the adaptive re-use of historic structures, with more than 50,000 room conversions and renovations.



