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City plan kick starts Medicine Hat's downtown redevelopment

When Medicine Hat's downtown heritage building Beveridge Landmark opens in June as a new events centre, it will signal another plank in the city's downtown redevelopment plan which calls for \$26 million in new infrastructure and encourages private investment to develop century-old buildings in an area that was fading.

Medicine Hat engineer Pat McNally took the under-utilized Beveridge building, a 100-year-old structure, and transformed it into the city events centre with the support of the city's redevelopment plan.

The difficulty Medicine Hat faced was similar to other small towns; retail and commercial fringe development was drawing people away from its downtown core.

"Downtown was not the best place it could be. There were a lot of empty stores and tired streetscapes," said Kent Snyder, general manager, planning and development for the city. "Downtown had to reinvent itself."

That translated into encouraging more residential construction downtown, he said, reactivating unused buildings or repurposing structures. The area included in the 2009-initiated plan was a four-by four-and-a-half block core.

There were two challenges: the city's aging downtown infrastructure and convincing building owners to invest in 100-year-old buildings.

The Beveridge Landmark, with metal ceiling tiles, classic stairways, maple flooring and craftsmanship of a bygone era has now become the latest building convert.

Opened in 1915 as a furniture outlet for the Beveridge family, it changed hands a number of times before sitting idle.

It was purchased by local engineer Pat McNally, whose engineering firm P.H. McNally Associates Ltd. has been involved in converting Medicine Hat heritage structures as well as other town projects.

"Older buildings don't terrify us," said McNally, who decided to take on the ownership through Cambridge Investments Ltd., a family company, and work with the city's revitalization plan.

McNally had been advising the previous owner on infrastructure, realizing that a water connection was undersized when he became struck by the building's potential.

"It was such a beautiful building," he said.

It could serve as an events facility but needed updating.

The basement had only a seven foot head room and to turn it in to a cellar-bar facility, McNally had to tear up the existing concrete floor and dig.

"We took out one foot of dirt by hand," he said, as men from Western Foundation and Construction Service Inc. pushed wheelbarrows of dirt to a conveyor which took the material outside to a bobcat loader.

The building had a footprint which was 5,000 square feet.

McNally's company served as his own general contractor, updated the building's utilities, placed a new roof on the building, planed and re-installed maple flooring, imported chandeliers from the Murano, a series of Italian islands near Venice that has led European glass-making for centuries, installed kitchens on the various floors, a sound system and engineered the floors to prevent sound transmission and also sustain increased loads.

Companies that worked on the project included Shoemaker Drywall Supplies, Alta-Wide Builders Supplies, Saxon Plumbing & Heating Services, Pad-Car Mechanical Ltd., Peerless Building Products, Pahl Fire Protection Ltd., Elhart's Electric Ltd. and Susan Knight Interior Design.

McNally hired 60 to 70 per cent tradesmen on an hourly basis.

"We have found that no one can accurately estimate these old buildings very well," he said, but used

contractors for straight-forward jobs such as the roof, sprinkler system and windows.

McNally credits the city's revitalization plan as an impetus for restoring the century-old structure.

"The program helped developers overcome onerous costs and services," said McNally of the council initiative.

Rekindling downtown buildings required the city to upgrade its infrastructure with water and sewer going to 10-inch lines, new storm sewers, enhanced landscaping, coloured concrete, new road surfacing, and LED street lights at a project cost of \$26 million, said Jamie McLeod, construction superintendent for the city's environmental utilities department. Within the four blocks downtown there are two southeastern streets (Second and Third) involved. By the end of 2016, McLeod said he is hoping to see the completion of the three blocks that make up the Second Street Revitalization project.

"Our biggest challenges have been construction efficiencies as we are trying not to impact businesses and also giving the contractor enough working room," he said. The Third Street portion of work is scheduled to start in 2019, after businesses are given a break.

The city's greater challenge was stimulating private building owners to refurbish their structures when the program started.

"We talked to property owners and investors and asked what was holding them back?" said Keith Crush, the city's development officer.

"They didn't know what was behind the walls," he said, as investigations by engineers and architects would be costly and on older sites the banks, if lending funds, would want an environmental assessment report on the land.

The city devised an incentive program which provided grant money available to owners who were willing to tackle the problems. The funds ranged from an environmental assessment that could be taken to the bank or engineering evaluations or similar related costs that spurred development. Since the plan began it has earmarked \$2.2 million for grant funding. This year's grant allocation of \$200,000 was subscribed in four hours.

"We have had 74 properties that have received these grants," said Crush, adding they range from \$5,000 topping out to \$80,000 to \$100,000 on an investment by an owner of \$1 million.

The plan, which is one-third complete with a number of downtown buildings now updated, has given grant preference to projects that develop more downtown housing, in a bid to repopulate the downtown core. It has also waived 90 per cent of the off-site development fees for construction in the downtown area.

"It is a great program," said Hugh Bice, president of the Medicine Hat Construction Association. "Owners were reluctant to invest in 100 year old buildings."

It has brought work to some of his association members. Bice and Sons Drywall has undertaken several projects in the area as grant dollars kick-started projects. Another benefit has been the preservation of older heritage buildings and the city's heritage downtown.

In the 1970-80s, Bice said, Medicine Hat lost many of the older buildings because the local taxes dropped substantially and building owners demolished unused older structures. Buildings are now being put back into service.

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