

# BALFOUR ESTATE CITY OF HAMILTON

CARDUS

# CARDUS TODAY

185 Young Street  
Hamilton





## CHALLENGE:

- Due to a previous agreement City of Hamilton manages and maintains a property owned by the Ontario Heritage Trust
- 1830s property is underused and no long term adaptive re-use plan has been approved by Council
- Significant long term liability obligation to the city - through 2039
- Occupied only by single individuals since 1979, currently a City of Hamilton intern
- Heritage property largely inaccessible to the community of Hamilton

### Current estimated City of Hamilton liability 2019-2039:

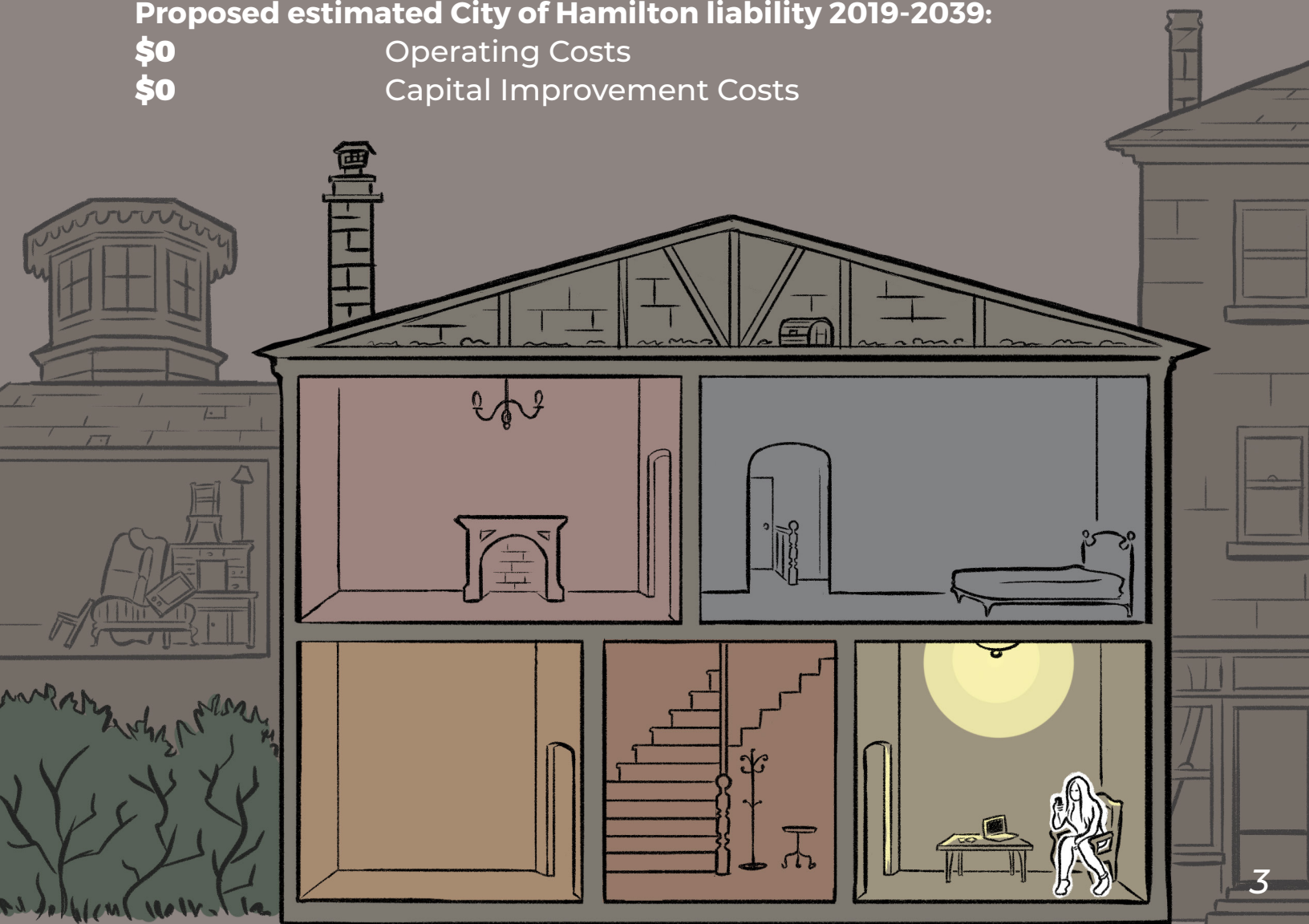
<b>\$500,000</b>	Operating Costs (over 20 years, including inflation)
<b>\$1,000,000</b>	Capital Improvement Costs

## OPPORTUNITY:

- Cardus restoration and adaptive re-use proposal for Balfour: viable, sustainable
- Cardus proposes retreat facility which combines offices, small meeting spaces, and short-term accommodations for visiting scholars
- Cardus covers operational expenses AND capital costs, without any cost to the taxpayer of Hamilton
- Cardus usage would accomplish three of the City's four adaptive reuse 2014 proposals, through mixed residential and institutional tenancy
- Cardus would honour the Heritage character of the Balfour property, reintroducing a renewed Balfour House to the public, through Doors Open, Hamilton Employment Crawl, and more

### Proposed estimated City of Hamilton liability 2019-2039:

<b>\$0</b>	Operating Costs
<b>\$0</b>	Capital Improvement Costs

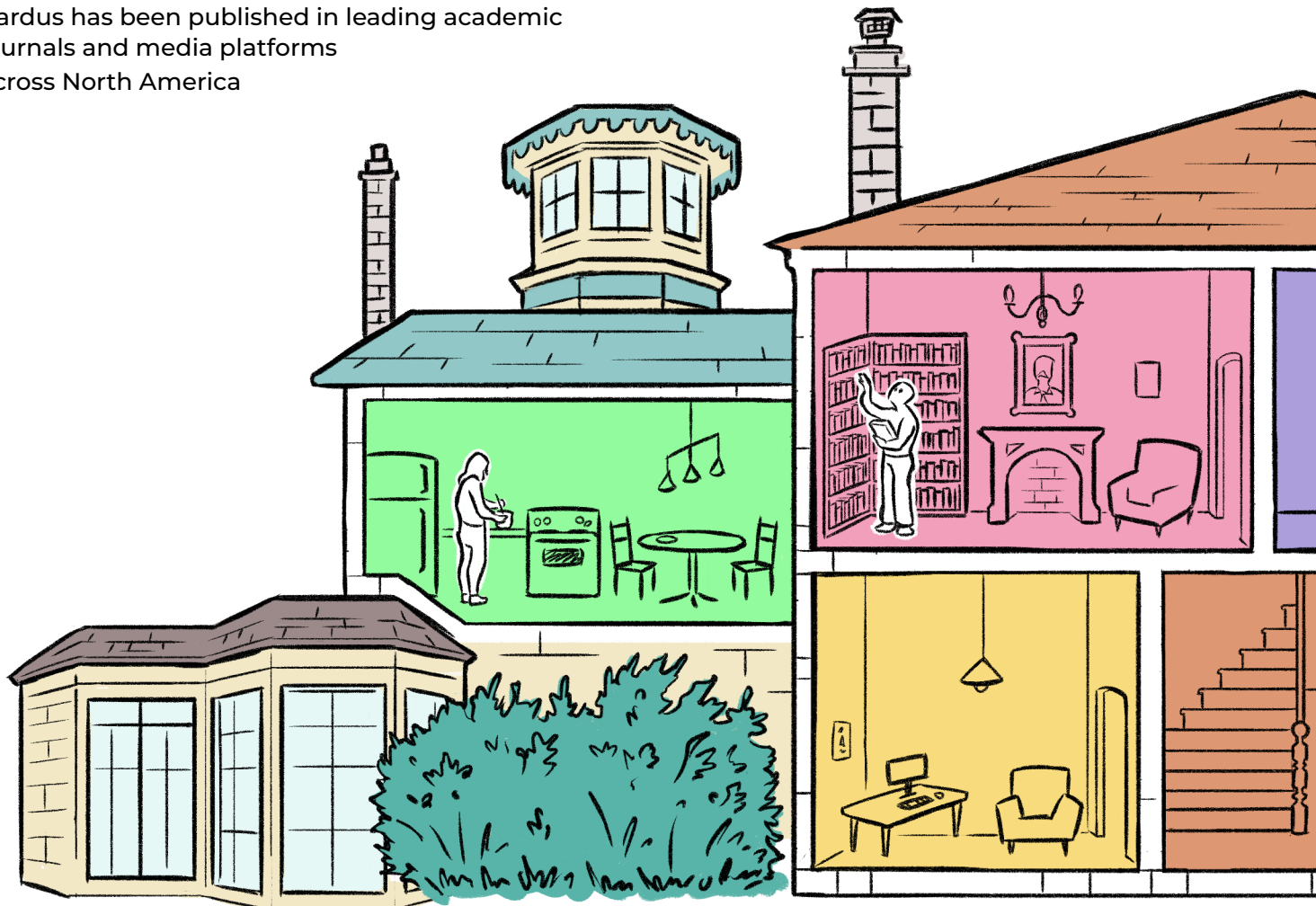


## CARDUS IS FINANCIALLY SOUND:

- Cardus has credible equity on balance sheet due to proper organizational stewardship over the last 10 years
- Cardus already owns heritage Hamilton property with significant equity
- Cardus has deeply committed community of philanthropists who will fund the restoration of Balfour
- Balfour requires up to \$30,000 annual operating costs from the City through 2039
- Escalating maintenance needs will require major restoration and repairs in short term
- A properly restored Balfour is in the public interest, but the public has so far not shown financial interest and ability
- The City of Hamilton now has an opportunity for a win-win with a well-established Hamilton institution
- Cardus is both willing and able to meet the heritage intent of Balfour, and the long-term capital costs for which the City seeks a solution
- Cardus is prepared to provide term guarantee to ensure restoration commitments

## CARDUS IS A WELCOMING PARTNER:

- Cardus was founded in 1974 - five years before Balfour was donated to OHT
- Cardus means "Main Street" - we work to support the "middle" institutions that all citizens need to live well together
- Many years of partnership with Redeemer University College
- Regular internships from institutions of higher learning
- Annual participant in Hamilton Doors Open
- Invited by Hamilton Employment Crawl 2019
- Cardus is a registered charity (Canada) and 501(c)(3) (United States)
- Cardus creates dozens of competitive and desirable Hamilton jobs
- Median age of Cardus staff is under 40: long-term taxpaying citizens
- Cardus has published 140 research reports and over 3,000 articles, all online for the public
- Cardus has been published in leading academic journals and media platforms across North America



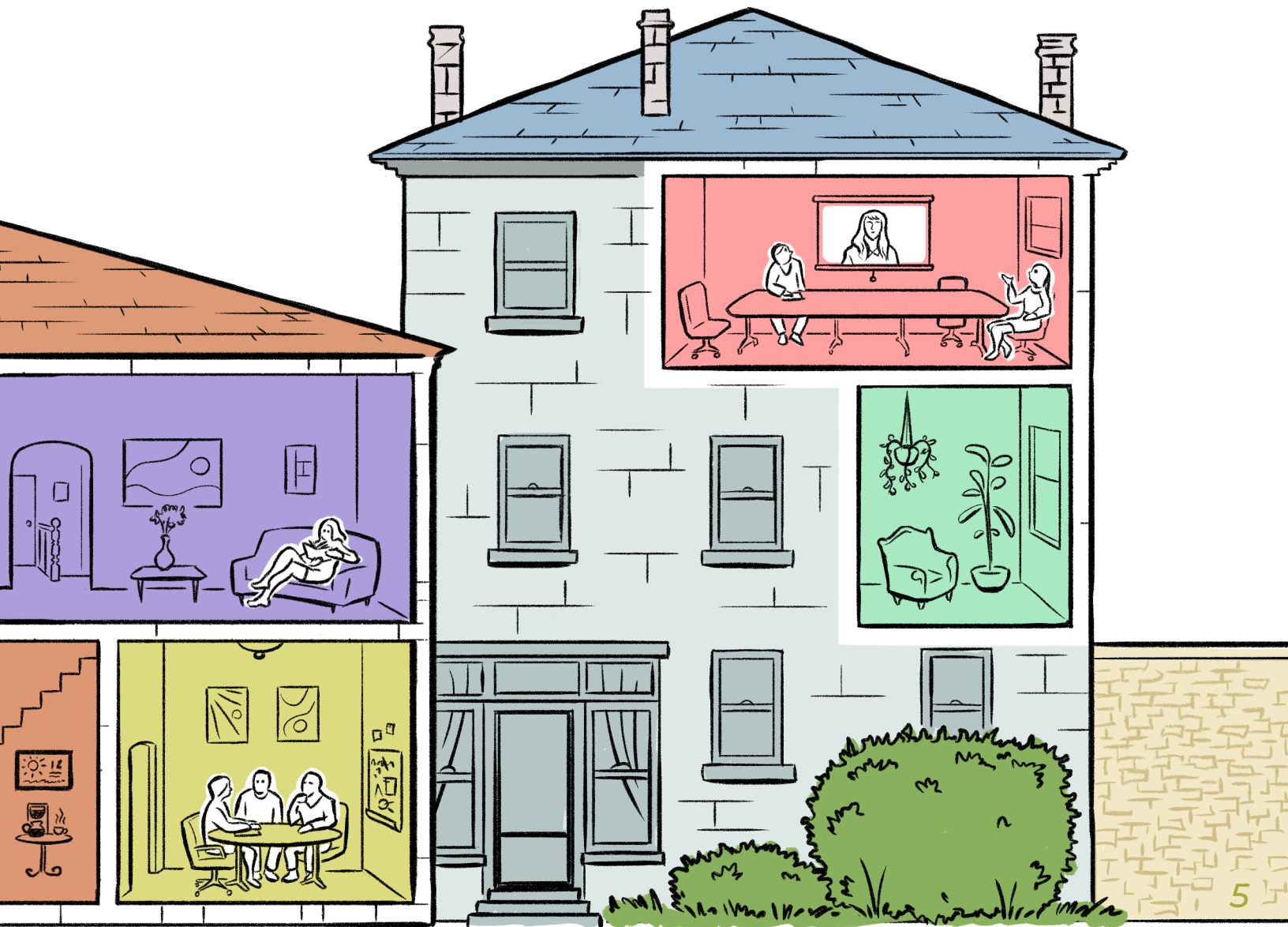


## CARDUS DOES EDUCATIONAL RESEARCH:

- Cardus is an institution of learning, regularly featuring lectures and paper presentations on social trends in education, city planning, families, religion, and health
- Many Cardus staff are current or former professors and lecturers
- All Cardus Senior Fellows are active educators with terminal degrees in their respective disciplines

## CARDUS DOES RELIGIOUS FORMATION:

- First charitable purpose (object) is religious formation: the study and refinement of the Christian faith and how it applies to social trends
- Second charitable purpose is education: educational programs, online products and meetings open to the public addressing social trends
- Cardus staff include Catholic and Protestant clergy and scholars



## CARDUS HONOURS BALFOUR HOUSE:

- Balfour is zoned "B" District allowing residential, institutional, public, commercial, and farm uses
- After initial consultation, Cardus is confident that our planned uses can be verified under the present zoning
- After initial consultation, Cardus is confident that the intensity of our use will honour the physical structure of this heritage building and not require undermining any heritage elements
- Cardus work consists of independent research, scholarship, and formation promoting a flourishing society—what the City of Hamilton calls "A Prosperous & Healthy Community"
- Cardus helps Canadians live together well despite their differences, enlarging public conversation on key policy issues: see [cardus.ca](http://cardus.ca)
- Cardus already uses downtown heritage building (Corktown) for reading rooms, offices, library, small meeting spaces for colloquia and roundtables
- Proposed Balfour retreat facility adds short-term residential lodging for visiting Fellows, scholars, and employees
- Cardus will honour history of Balfour's chapel with contemplative space

## RESTORATION AND REPAIRS:

- Cardus will retain a respected Hamilton architectural firm with expertise and experience in the adaptive re-use of heritage buildings, to review existing building and property assessment and prepare construction drawings
- Prior to commencing work, Cardus and the City will reach joint agreement with the Ontario Heritage Trust, owners of the property, to assign to Cardus sublease control of the property through 2039.
- Cardus has reviewed in detail existing reports on the condition of the property, engineering estimates on costs, proposals for various adaptive uses, etc. Cardus will restore the Balfour property without any cost to the City of Hamilton
- Cardus is not proposing an intensive use and thus no additional parking is required. The Cardus team regularly at the Balfour will range from 10 – 14 members. Based on previous Cardus activity we estimate 2 colloquia per month averaging from 12 – 24 scholars/students.
- No significant changes required to grounds or building envelope. The grounds will be meticulously maintained
- Cardus has four sources of funds to manage the capital cost of the Balfour restoration. 1) Existing Balance Sheet Equity 2) Using equity in present 185 Young Street property 3) Existing Bank Line of Credit, 4) Promissory notes from Long term supporters.
- Cardus does not plan to use any of these sources as our expectation is that the capital investment will be funded by donations
- The increased cost of Balfour operations (maintenance and ongoing repair) is not material to our existing \$5M annual budget and would not be considered a financial risk by our BOD Audit and Risk Management Committee

## STEPS TOWARD MEMORANDUM OF UNDERSTANDING:

- Cardus usage will comply with existing residential, institutional, and public zoned uses, and be consistent with the historic use of the property and the heritage values/resources identified in the OHT Statement of Significance
- Cardus has internal expertise on planning and building matters. It will retain a leading construction management company to oversee restoration
- Cardus believes there are no significant engineering barriers, Building Code compliance issues, or heritage elements that cannot be overcome
- Cardus plan is supported by the City of Hamilton's Official Plan

Upon signed MOU between Cardus and the City, Cardus will engage with the Balfour neighbours and with the Municipal Heritage Committee, and is committed to curating a storied heritage public property for the enjoyment of the community of Hamilton and beyond.



# **CARDUS TOMORROW**

## Balfour Estate



cardus.ca