

We appreciate the time and effort that City staff have invested in reviewing our proposal for the Community Artspace. We value our ongoing collaboration and are committed to ensuring that all communications between our organizations are clear, accurate, and constructive.

After a thorough review of the recent City staff report, we have identified a few points that we believe may have been misrepresented or contain technical inaccuracies. Our intent in addressing these issues is not to disparage or criticize the work of City staff but rather to ensure that all stakeholders have the correct information.

**ISSUE 1 - City staff report states:** "There was no appetite to explore combining the proposals."

**Clarification:** There was a proactive desire and exploration involving both parties to collaborate on the potential shared use of the facility prior to the proposal submission. This was further discussed with City staff and the Business Hub proponents on March 27, 2024. However, due to uncertainties regarding accessibility issues and engineering specifications for assembly uses on the third floor, which could result in a 33% reduction of available floor space, committing to a joint proposal was impractical at this point. Both proponents committed to revisiting this potential collaboration once these uncertainties are resolved.

Further details

- Appendix E - Phase One Deliverables
- Endorsements - Letter of support from the Chamber of Commerce.

**ISSUE 2 - City staff report states:** "The Guelph Centre for Visual Arts has confirmed their interest; however, their proposal identifies significant funding support for capital investment and ongoing operational support."

**Clarification:** We are not seeking ongoing operational support. Our proposal projects that the Community Artspace will achieve operational sustainability within a five-year timeframe, as outlined in the Proposal Executive Summary.

Additional details

- Appendix G - Phase Three Preliminary Operations Plan
- Appendix I - Financial Pro Forma.

**ISSUE 3 - City staff report states:** "In addition, there is no revenue identified by the group for the City to recover capital or operational costs."

**Clarification:** Our proposed agreement outlines that the Guelph Centre for Visual Art will develop a collaborative community non-profit business model to ensure the long-term viability of the Drill Hall as a Community Artspace. This includes revenue streams such as membership fees, rental income from space and facilities, grants, sponsorships, donations, sales, and commissions.

Identified Income Streams

- Appendix G - Phase Three Preliminary Operations Plan

**ISSUE 4 - City staff report states:** "The proponents ... did not identify revenue that would make the City whole from any further investment. No lease payments or debt repayment was proposed."

**Clarification:** Our proposed agreement includes a revenue-based rent formula, where Guelph Centre for Visual Art will pay rent to the City based on a percentage of the revenue generated. The formula is as follows:

- No percentage paid on the first \$100,000
- \$100,001 – \$200,000 = 5%
- \$200,001 - \$300,000 = 10%
- \$300,001 - \$400,000 = 15%

**ISSUE 5 - City staff report states:** "Significant capital and operational funding is required from the City to provide for a community use of the site; it is recommended that the City sell the property. Purchasers will be responsible for resolving:

- the estimated costs to bring the building to an occupiable state;
- the impacts of the Metrolinx setback guidelines from the rail track; and
- the zoning regulations and heritage designation."

**Clarification:** GuelphCVA has indicated our willingness to consider a purchase arrangement. We have provided a workplan to bring the building to an occupiable state (building envelope) and for the completion of the interior of the building for adaptive reuse.

#### Details

- Appendix X - Alternative Proposal (Property Transfer)
- Appendix E - Phase One Deliverables
- Appendix F - Phase Two Preliminary Scope of Work

Additionally, a proposed Zoning Amendment was included as part of our proposal.

- Appendix H - Proposed Permitted Uses

The impacts of the Metrolinx setback guidelines were discussed and resolved early in the process for a Community Artspace in the Drill Hall on February 2, 2024.

**ISSUE 6 - City staff report states:** "No use has been identified for this structure that is in alignment with the Future Guelph Strategic Plan."

**Clarification:** The proposed Community Artspace aligns with and actively advances Guelph's Strategic Plan, including the vision of inclusivity and connection, economic prosperity and community building, environmental stewardship and cultural preservation, promoting inclusivity and learning, collaboration and engagement, place-making and well-being, and community engagement and dialogue.

#### Further details

- Appendix A - Policy Alignment (Future Guelph - Strategic Plan 2024–2027).

In closing, we believe that addressing these points will contribute to a more accurate understanding of our proposal and foster a more productive discussion moving forward. Please feel free to contact me at [your phone number] or [your email address] if you require any further information or wish to arrange a meeting to discuss these matters in detail.

Thank you for your attention to this matter. We look forward to continuing our positive working relationship with the City of Guelph.

Yours sincerely,

Mike Salisbury  
On behalf of the GuelphCVA working group.

**Guelph Centre for Visual Art**

*Empowering Sustainable Artistic Practice.*

[www.GuelphCVA.org](http://www.GuelphCVA.org)