

kLARP – kwartzlab Location Alternatives Research Project 2010

Executive Summary

A research project to assess alternative locations for kwartzlab was proposed and undertaken by Darin White as approved by the kwartzlab Board of Directors November 25, 2010. The goal of the study was to inform a decision on capital expenditures on kwartzlab's current location to improve power, lighting, and ventilation infrastructure. Forty hours of effort were directed to this project across 4 weeks with no financial cost to the membership.

Four properties were assessed:

- Globe Studios, 141 Whitney Place, Kitchener
- LCBO site, 42 Erb E, Waterloo
- 310 Louisa St., Kitchener
- The Tannery, 151 Charles St. W., Kitchener

All properties visited represented total costs of rental that were **multiples** of the current sub-\$5/sqft cost of the current kwartzlab location. Any feasible move would require:

- (a) Concession to smaller floorspace, or
- (b) Increase to funds currently allocated to rent, or
- (c) Significant support from an external partner

The information within this report is submitted to the membership and board of directors for consideration along with a **recommendation to pursue or close off further discussions with the property owners/representatives no later than January 30, 2010.**

Ben Brown, Gus Gissing, and James Bastow should be recognized for their contributions to this report by way of property visits, site photography, discussion, and associated information gathering.

Several unexpected benefits of conducting this study were observed and included:

- The opportunity to extended and deepen kwartzlab relationships within the community
- The recognition of kwartzlab within the community
- The observation that our greatest asset is the project/event work that we do that gets blogged or otherwise promoted within the community

Recommendations for further action are included later in this report.

Overview

The framework and criteria for this study is roughly the same as the initial kwartzlab space search conducted in July and August of 2009. The principles outlined in the original [space search presentation](#) were followed and the [Site Evaluation Template](#) was considered during site visits where possible.

Three primary issues motivated this study:

1. Lack of consistent heat in current location – beginning in April of 2010 the current location suffered intermittent heating outages. This makes working in the lab difficult during winter months.
2. Criminal element in the common areas of the current location – observations of drug use, prostitution, domestic violence, and vagrancy are commonplace at the current location
3. Anticipation of future gentrification of current location – the purchase of the tract of land south of the train tracks by the Region of Waterloo for a major transit hub in 2 years raises a concern of possible gentrification of our current location, making it potentially unaffordable in the future. The area within 1km of King and Victoria streets has seen unprecedented revival with the construction of The Tannery (including Google's imminent tenancy), UW School of Pharmacy, Kaufmann Loft's, The Breithaupt Block (Phase 1 slated to start August 2011).

Studied properties were selected based on leads that were available in the very compressed timeframe for this report. Consider the parameters of kwartzlab's current location:

Current kwartzlab Location: former Boehmer Box, 283 Duke St. W, Kitchener

[Map](#)

Pics: [Event](#)

Cost: 3000 sqft (1600 non-toolroom, 1400 toolroom) for \$1300 (incl tx and util) or \$5.20/sqft all in

Notes:

- This location requires upgrades to power/lighting/ventilation
- This building is unsecured in the common areas

The data and methodology of this report can serve as a basis for future space searches as required.

Locations Assessed

Globe Studios, 141 Whitney Place, Kitchener

[Map](#)

Pics: none

Cost: largest unit is 980 sqft for \$934.58 (incl tx and util) or \$11.44/sqft all in

Notes:

- we viewed Globe back in Aug 2009 on our first space search
- no units likely big enough for kwartzlab
- this location is geographically south of the centre of KW and on limited transit service
- a detailed per-unit breakdown is available on the Globe Studio [website](#)

Next Steps: none

LCBO site, 42 Erb E, Waterloo



[Map](#)

Pics: [DW](#), [Ben](#)

Cost: \$10/sqft main floor, \$5/sqft basement, size is variable at our discretion

Rough equivalent of 1600 sqft mainfloor workroom + 1400 sqft toolroom => \$1916/month + util

Notes:

- this space will be demolished in 2 years to make way for commercial/residential space
- equivalent market value in this location is \$16-18/sqft – Waterloo Tech Capital is offering a serious concession in rental rates to kwartzlab to support our work
- would need to move tools down stairwell to basement, brakepress could be supported on main floor
- Jacqui Murphy (Art Allies) connected me with Andrew Abouchar (Waterloo Tech Capital) who is in the process of purchasing the property to be redeveloped in 2 years. In the interim, his idea is to outfit the space as a multi-tenant space for the arts.
- Ben and DW toured the space on Mon 2010-12-06
- Andrew and his construction partners Mike and Brian would demise walls as required
- great neighbourhood, great transit access, great parking, great building

Next Steps: respond to Andrew Abouchar of Waterloo Tech Capital with our intent by January 30, 2010

310 Louisa St., Kitchener



[Map](#)

Pics: [DW](#), [James](#)

Cost: purchase price \$213,000 – requires \$20,000 environmental assessment

Notes:

- Gus, James, and I toured the space on Wed 2010-12-08
- space is divided into 1/4 office space and 3/4 shop floor, 6000 sqft in all
- best natural light I have ever seen (love for lighting, hate for heating)
- good parking
- this is a former light industrial building on the market as power-of-sale (previous occupant defaulted on the mortgage)
- this has been identified as a potential "brownfield" property (potentially contaminated site - it was formerly a dry cleaning business and adjacent to a chemical/paint plant that burned to the ground in the past decade)
- to purchase this property, the City requires a secondary environmental assessment which will require drilling of sampling wells at \$20K, which explains why this awesome looking building has been empty for 2 years. The vendor will not pay, so the buyer would have to ante up.
- [Additional documents](#) on this property

Next Steps: respond to real estate agent with our intent by January 30, 2010

The Tannery, 151 Charles St. W., Kitchener



[Map](#)

Pics: [DW](#)

Cost:

- unit c211 (1331 sqft) - \$6/sqft base rent + \$4.36 additional rent + tax => \$1142/mo
- unit c309 (1581 sqft) - \$6/sqft base rent + \$4.36 additional rent + tax => \$1357/mo
- unit c304 (1800 sqft) - \$6/sqft base rent + \$4.36 additional rent + tax => \$1500/mo but may be more based on windowed portion shown above

Notes:

- Rod Regier from the city connected me with Lana Sherman of Cadan (Tannery building manager)
- Lana connected me with Todd Cooney who is the local CBE Richards rep for the Tannery
- Ben, James, and I toured the site Fri 2010-12-17
- In-suite hydro costs would be extra
- Building features a working freight elevator
- 24x7 access is ok
- Parking in corner lot during kwartzlab core hours is ok
- Windowed units start at a base rent rate of \$8.95/sqft (vs \$6 for non-windowed)
- Units outside of artisan's wing, near Google, start at \$16/sqft + \$8 additional rent

Next Steps: respond to real estate agent with our intent by January 30, 2010

Recommendations

1. kwartzlab should pursue or close off further discussion with property representatives by January 30, 2010
2. kwartzlab should review location options on a regular basis
3. kwartzlab should continue to build relationships within the community
4. kwartzlab should continue to build its greatest asset of blogged project/event work

Observations

Community connections developed in the course of this study include:

- Cheryl York, Coordinator, Arts & Culture, City of Kitchener
- Rod Regier, Executive Director, Economic Development, City of Kitchener
- Jacqui Murphy, Art Allies
- Roger Farwell, Chair, Waterloo Region Prosperity Council's Task Force on Creative Enterprise
- Cathy Farwell, my sensei
- Andrew Abouchar, Waterloo Tech Capital
- Hilary Abel and friends

Important things to consider:

If we want more consistent heat, better infrastructure, and a more secure building in the near term, we're going to have to be flexible on either price or floorspace. We're paying a rock-bottom price of around \$5 per square foot per year (which is how commercial space is discussed). This is less than half (and sometimes a quarter) the cost of space in an actively managed building in good repair with reasonable infrastructure.

The best way people can contribute to the lab's success is to continue making their personal projects or hold events or actively participate in TON. **And then blog about it.** Everywhere I go, doing outreach, establishing connections, the most compelling collateral I have about who we are and what we do are the pictures, videos, and blog postings.

Our best hope for an optimal location likely will leverage a partnership to secure the amount of floorspace we desire at a price we can afford. Those partnerships will almost certainly come out of our core mission: we make stuff.