



Rendering courtesy Aspen Properties

MARIO TONEGUZZI  
CALGARY HERALD

When the Husky Tower was completed in June 1968, it immediately became Calgary's landmark, soaring 190.8 metres to the heavens. It was a gentle giant that towered over the downtown landscape. The project took 15 months to construct at a total cost of \$3.5 million. It was a joint venture between **Marathon Realty Company Limited** and **Husky Oil**, which were both establishing head offices in Calgary, and it was built to encourage a return of business to the downtown core, as part of a Calgary urban renewal program. It was also built to honour Canada's Centennial. Rod Sykes, former Calgary mayor, who at the time was in charge of building the project for Marathon, says the intent was for a "spectacular attraction because we were in the blighted area. "The city itself was blighted from 1st Street west going east," he recalls. "It would have to be the highest in the Western Hemisphere. It was the best I could do because we were not building a telecommunications tower. So that's what we developed ... It was ... until Toronto, the tallest in the Western Hemisphere." In November 1971, the Husky Tower was officially renamed the Calgary Tower as a tribute to the city's citizens.

Over the years, as the city grew, especially with new office towers reaching for the sky — the Petro-Canada Centre and Bankers Hall actually taller — the Calgary Tower always remained a focal point with numerous renovations to the structure taking place.

"What we did was produce a first-class project in the blighted area," says Sykes.

Now, **Aspen Properties**, of Calgary, has huge plans to

radically transform the block that houses the iconic landmark at the heart of the city.

Scott Hutcheson, president and CEO of the company, says development will include an 18-storey, 300,000-square-foot building called Palliser South on the southeast corner of the block at 10th Avenue.

"The design's quite unique and it overhangs a little bit on the street and gives a real entrance to the downtown on 10th Avenue," says Hutcheson.

The new office structure is targeted for completion in May 2009.

Hutcheson says some tenants have to be moved in Tower Centre, which is at the base of the Calgary Tower, in order to commence construction on the planned Palliser West, a 20-storey, 420,000-square-foot office structure beside the Tower.

"Palliser South kicks off Palliser West hopefully," says Hutcheson. "And then Palliser East (another 20-storey, 420,000 square foot office building) will be the third new tower. And we have plans to put a new facade on One Palliser Square so the whole complex will match each other and complement each other with the cladding and the glazing and the upgraded look."

Palliser West is likely to begin construction in about a year and will take three years to construct. Depending on the demand from office tenants, Palliser East would follow a year to two later.

There are also plans for about 100,000 square feet of retail at the base level of the Calgary Tower connecting the buildings.

"Today, we feel we'll leave the icon alone," says Hutcheson of the Tower, "but we do often think about creative thoughts. And we haven't got our head around that yet. If we were to ever touch it in any way, shape or form, it's an important element to Calgary so we would canvas people that want that to happen with us which would be

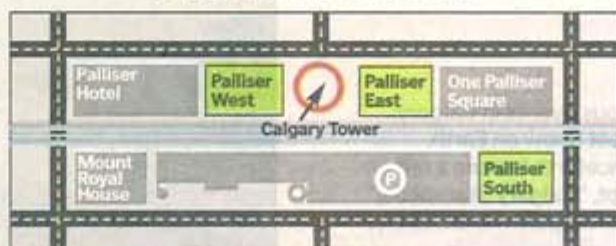
## REDEFINING CALGARY'S TOWER OF POWER



Mikael Kjellström, Calgary Herald

Scott Hutcheson is CEO of Aspen Properties Ltd., which has big plans to transform the block that houses the Calgary Tower at the heart of the city.

### DEVELOPMENT SITE



Source: Avison Young, Calgary Herald Graphic

the city. We aren't there yet. "But some day we would love to be able to assist to make the icon as strong as it should be."

In the near future, Ruth's Chris Steak House — "probably the highest-end steak house in Canada these days" — will open Dec. 1 at the second level at the base of the

Calgary Tower. Construction has started.

Aspen is a privately owned company with three partners — Hutcheson, Veronica Bouvier, senior vice-president, accounting and administration, and Greg Guatto, chief operating officer — owning the majority of the company. It has about \$900

million in assets including two million square feet of office space in Calgary and 1.1 million square feet in Edmonton.

When asked about the cost to build the Palliser project, Hutcheson says: "Approximately today you can assume \$400 to \$500 a square foot for construction and that includes all the costs of every nature ... If you pro forma two years out, that cost will go up. Today construction costs are escalating at about two per cent a month ... You could assume 15 to 17 per cent well into the future in Alberta — like multiple years into the future."

# FROM THE FRONT

BUSINESS ON SUNDAY

## FROM DI TOWER:

### 'It's a new lease on life'

Hutcheson says the area near the block is undergoing a renaissance with hotel and office construction nearby and condominium towers sprouting up in the Calgary skyline in the Beltline area south of the Tower. Combined with the Stampede hotel and casino expansion a few blocks to the south and east, it's creating a "completely new neighbourhood in the surrounding area."

Bruce Graham, president and CEO of Calgary Economic Development, says Calgarians will see a "whole upgraded product" on the Tower block and once more office space is added as well as more utilization of that area it's going to bring more people there. The retail amenities will also create a focal point for the Tower.

"It's a new lease on life for the Tower by virtue of the activity that they're planning in and around it," says Graham. "It will increase the quality of the whole project with what I've seen in their plans.

"They're going to be moving a lower-class product to a much higher class particularly as they

re-fit up the existing space. It's going to add greater quality to the east-end of the marketplace. That will complement what we're already seeing with the Germain Group building a boutique hotel that's serving a higher-end market. The EnCana project is going to be a class AAA product. So it's a flight to quality is what's being recognized and significant."

EnCana's project, which includes the 58-storey The Bow tower, is a billion-dollar development at Centre Street and 7th Avenue.

A \$110-million boutique hotel/office/luxury condo project by Le Groupe Germain is planned for the northwest corner of 9th Avenue and Centre Street South — directly across from the Calgary Tower.

Richard White, former executive director of the Calgary Downtown Association and a current member of the Calgary Planning Commission, says the Calgary Tower has had a number of different owners over the years.

"There's a real history on that project — who's owned it," he

says. "Everybody kind of thought that they could take it and densify it and capitalize on it. It was part of our first wave at urban renewal which was really the Glenbow (Museum), the Convention Centre and then the Palliser Square. The wave of late 1960's, early 1970's urban renewal."

More office space on that block would attract more retail and that would be the key because it would help unite the cultural district north of 9th Avenue, says White.

For many Calgarians 9th Avenue is how people experience downtown and if that roadway can be turned into a kind of grand boulevard with more sense of place it will be an attraction for people, he adds. Along 9th Avenue there is going to be five or six new major office tower projects in the next few years.

"It will be the revitalization of 9th Avenue. And 9th Avenue to a large extent has basically been a parking lot. Surface parking. People come in, park on the surface and walk over to Stephen Avenue," says White. "Now 9th Avenue is going to take its own prominence as a grand boulevard coming in from the west with signature buildings."

Including the revitalized Calgary Tower/Palliser massive re-development.



The Aspen team: From left to right, Greg Guatto, chief operating officer, Veronica Bouvier, senior VP, accounting & administration and Scott Hutcheson, president & CEO.

Mikael Kjellström, Calgary Herald