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City nearing deal to buy Cecil

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The City of Calgary has reached a tentative deal to buy the notorious Cecil Hotel, sources said Monday.

City staff will present the multimillion-dollar proposal to a civic committee today, the first step in a process that could see the city take over the downtown property that has attracted scrutiny as a hot spot for crime.

The tentative deal reached with Sam Silberman, the owner of the hotel and tavern, would still have to be approved by the committee and council. It is expected to go to city council Monday.

If approved, the deal would likely mark the beginning of the end for the hotel at 3rd Street and 4th Avenue S. E.

The city has been in talks with Silberman for at least three months over the property, seen as a potential key to the East Village redevelopment already underway.

Silberman wouldn't confirm or deny the tentative deal.

"It's not something I'm talking about," he said of negotiations.

The proposed sale comes as the city contemplates revoking the tavern's business licence in a separate hearing unrelated to the deal. A decision on that hearing, prompted by complaints from police and residents, is slated to come later this week.

Ald. Druh Farrell also declined to discuss any talks with Silberman or the specifics of a deal, but said a sale of the property to the city would be a "great benefit" to the area.

"The existing operations of the Cecil have been very detrimental to the city," she said, adding police visited the site 1,700 times last year.

Farrell hopes that if the city buys the property, it will replace the hotel with a mixed-use development that includes retail space.

"It's a signature site and it needs a signature building," she said.

Built in 1912, the Cecil Hotel for many years provided lodging for labourers who arrived at the train station in the East Village. These days, however, it is associated with the homeless, fights, drug deals and prostitution. There were renewed calls to shut it down in October when Derrick Lee Four Horns was found dead in the hotel after he had been stabbed.

Not everyone on council backs the idea of buying the hotel.

Ald. Diane Colley-Urquhart said the city is taking the right steps by considering

revoking the tavern's licence but has no reason to acquire the property.

"Now we're getting into a large acquisition just to get rid of a social problem," she said.

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