

# Downtown Means Business

*Private sector investment boosts confidence, optimism.*

By Laurie Nealin



**W**hen Manfred Boehm surveys the scene downtown these days, he likes what he sees.

Everywhere the co-owner of the Ramada Marlborough looks, downtown Winnipeg is booming with new construction megaprojects and major building refurbishments, including his own \$2-million renovation and expansion of the landmark Smith Street hotel.

Thanks to businesspeople like Boehm and partner Ted Bloomer, downtown is in the midst of a resurgence as developers begin writing a new chapter in the city's history.

In early May, construction began on the five-storey, \$15-million head office for Credit Union Central of Manitoba and its information technology arm, Celero Solutions Inc.

The 90,000-square-foot building will rise on the site where the Capitol Theatre once stood on Donald Street, north of Portage and adjacent to Mountain Equipment Co-op, a frontrunner in the revitalization of Winnipeg's main thoroughfare.

South of Portage on Kennedy Street, law firm Pullan

Kammerloch Frohlinger will move into its new, \$3-million-plus, 30,000-square-foot office building in October, reaffirming the firm's preference for doing business downtown.

"The big developments downtown provide an opportunity for everyone. We're in great proximity to these projects that are beginning to take shape – Credit Union Central, Manitoba Hydro, MTS Centre," says Boehm, overseer of the Marlborough redevelopment which began mid-February.

"The MTS Centre won't fix everything, but it will generate traffic in downtown Winnipeg after five o'clock and that's critical. It will also offer some great opportunities for those with the entrepreneurial spirit – the mom-and-pops interested in opening a little shop in a vacant building. I look forward to those things spurring more investment and growth," he adds.

Boehm and Bloomer earmarked their investment for the makeover of all 148 guest rooms, a facelift for the building's ornate facade and construction of high-tech conference facilities, entertainment space and a pool with waterslide in what was formerly the Garrick Theatre's quadplex cinema.

The former theatre will be linked to the hotel proper by a walkway over the lane which separates them. When the connection is complete in June, the Marlborough will boast 40,000 square feet of meeting space and the first, kid-friendly pool-waterslide amenity downtown.

"The private sector is making a difference. They recognize the promise downtown holds and are willing to promote change by investing in downtown development," says Ron Margolis, president and CEO of CentreVenture Development Corporation, the private sector-driven, city agency established to foster investment and development downtown.

"Private sector projects – expansions, refurbishments and new construction – are acting as a catalyst, sparking the interest of other investors and developers in downtown," Margolis adds.

CentreVenture's job is to make it easier to do business downtown by removing some of the barriers developers face.

"With the Credit Union project, we were able to complete the land assembly to give Shindico Realty a site they could market to a private-sector tenant," Margolis says in reference to the Capitol Theatre property which came under CentreVenture control due to a tax sale.

Under its unique Asset Agreement with the City, CentreVenture has been vested with control of non-performing, surplus, City-owned downtown properties. The goal is to get these properties back on the tax rolls by selling or leasing them for redevelopment.

CentreVenture is not involved in the Pullan Kammerloch Frohlinger venture, although the project did benefit from CentreVenture's push for a streamlined City approval process for downtown development. The law firm's building plan was the first to be approved by the newly-created Downtown Standing Committee of City Council, a one-stop shop for project approval.

Lawyer Tom Frohlinger, an experienced investor in downtown projects including a warehouse-to-lofts conversion in The Exchange, describes any move to expedite downtown development as "a step in the right direction."

When Frohlinger's firm, with 21 staff and counting, outgrew its current leased premises, the partners decided to invest in their own building.

With its 80-year history as a downtown firm, a desire to be close to judicial, government and commercial centres, and worthwhile investment opportunities available, it made sense to stay downtown, Frohlinger says.

Pullan Kammerloch Frohlinger will occupy the top floor of its three-storey building, while the first floor will be leased as commercial space, the second as offices.

The 200 employees at Credit Union Central and Celero Solutions will occupy the lion's share of their new building when it opens next year. The top floor will be leased out.

"We're very excited about it. We've made the decision to invest in downtown Winnipeg. It's a private sector tenant with a private sector landlord using private sector funds. It's a good news story," says Shindico Realty's development manager, Bob Downs.

Much has been achieved towards CentreVenture's vision that Winnipeggers will be drawn to a rejuvenated downtown to live, work, learn and play. Still, more must be done to sustain the momentum.

More storefronts must be occupied, more residential options – from affordable housing to high-end condos – must be available to increase downtown's full-time population, Margolis points out. The consensus is there must be more pedestrian, street-level activity along Portage Avenue and Main Street, especially in the evening.

Downs points out that another critical piece in downtown Winnipeg's rebirth is attracting more people and new businesses to the city. Margolis concurs, but believes that continued success in revitalizing downtown can help make that happen.

"As we become a more attractive place, more businesses and investors are going to be sold on Winnipeg," he suggests. "That will accelerate the turnaround."



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