

Winnipeg Free Press - PRINT EDITION

\$180-M convention centre upgrade quietly gets underway

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Posted: 07/16/2011 1:00 AM | [Comments: 0 \(including replies\)](#)

The Winnipeg Convention Centre's expansion is forging ahead without the customary splashy announcement, as the Selinger government can't publicize funding commitments this close to a provincial election.

On Friday, the non-profit convention centre began a formal search for construction firms interested in taking on the estimated \$180-million task of adding 250,000 square feet of space to the downtown facility by expanding south across York Avenue.

If all goes well, work will begin this fall and wind up in early 2015, said Winnipeg Convention Centre president and CEO Klaus Lahr, who declined to disclose the project's precise price tag.

"We aren't going to get into the numbers because the tender results may be affected," Lahr said in an interview.

Built in 1974 at 132,000 square feet, the Winnipeg Convention Centre was once the largest building of its kind in Canada. But its elite status disappeared after 15 other Canadian cities built similar convention centres or expanded existing facilities.

Convention centre directors started warning politicians in 2001 about the potential loss of hotel and convention business if the building is not expanded. In June, all three levels of government agreed in principle to fund an expansion that will create a new wing with 65,000 square feet of additional exhibition space and 30,000 square feet of additional meeting space.

The plan calls for the Winnipeg Convention Centre to cover about 10 per cent of the cost, with the city, province and Ottawa splitting the remaining 90 per cent, Lahr said.

The city will cover its end of the project with proceeds from the five per cent accommodations tax, which generates a total of about \$8 million a year. The provincial and federal governments expect to recoup their contributions through new taxes flowing from the project construction as well as future events.

The province is not permitted to publicize the funding, as announcements of new projects are not allowed within three months of elections. Manitoba voters go to the polls on Oct. 4.

A spokesman for the premier confirmed there is an agreement in principle to proceed with the project.

Winnipeg Mayor Sam Katz, meanwhile, said the city has been ready to proceed since June.

The city and province also have agreed in principle to place the Winnipeg Convention Centre within the boundaries of a new sports, hospitality and entertainment district, or SHED, which would encompass 11 blocks of downtown Winnipeg. The district would also include the MTS Centre, the ALT hotel slated for the north side of Portage Avenue, the Burton Cummings Theatre and the Metropolitan Theatre.

Under the SHED plan, some of the new property taxes flowing from improvements within this zone would be reinvested in the immediate vicinity. But the money would not be returned to private property owners as grants.

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