## **Winnipeg Free Press**



## Winnipeg Free Press - PRINT EDITION Government has new life for old Brick's

Heritage gem to become office space

By: Murray McNeill

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Enlarge Image

WAYNE GLOWACKI / WINNIPEG FREE PRESS Leasing agent Joe Diner and Barbara Lapointe of United Equities Group inside 111 Lombard. Both believe heritage buildings, properly renovated, are in a class of their own and will draw tenants.

A prominent downtown heritage building is finally getting a new lease on life as an energy-efficient office complex after the owners landed a provincial government department as an anchor tenant.

The former Brick's Fine Furniture retail/warehouse at 111 Lombard Ave. is undergoing a \$25-million, top-to-bottom makeover preparing for the Entrepreneurship, Training and Trade Department moving in next year.



**Enlarge Image** 

Front view of completed 111 Lombard, to serve as government office space.



Enlarge Image

NUMBER TEN ARCHITECTURAL GROUP An artist �s conception of the rear of the renovated former Brick �s Fine Furniture. The century-old building near Waterfront Drive is the fourth older building within the last year to be getting a multimillion-dollar makeover after landing a new government tenant.

The others are the century-old Canada Building at 352 Donald St., a 55-year-old office building at 287 Broadway and a four-storey office building just west of downtown at 777 Portage Ave.

CentreVenture Development Corp. CEO Ross McGowan said after the Canada Building deal was announced last October, the project was another important piece in the ongoing efforts to revitalize Winnipeg's downtown.

The Entrepreneurship, Training and Trade Department is only leasing the equivalent of a little more than one floor -- about 19,800 square feet -- in the 120,000-square-foot, six-storey Lombard Avenue building.

That leaves about 100,000 square feet still to be filled, and it took the building's owner -- Winnipeg-based United Equities Group -- more than two years to find this first tenant. Bids on at least four other major leasing deals -- three government and one private-sector -- all failed to land UEG the anchor tenant it needed to proceed with the project.

But that doesn't worry either the building's leasing agent, Joe Diner, or UEG property manager Barbara Lapointe.

Lapointe and Diner, a commercial leasing specialist with CBRE Ltd. Winnipeg, said the biggest challenge is landing that first tenant, because many prospective tenants have difficulty

visualizing what an old, vacant building will look like after it's been redeveloped. But once the new ETT offices are finished, that won't be an issue.

"They will see and understand how beautiful it can be," Diner said. Lapointe said UEG officials are also willing to be patient.

"We're committed to the downtown and we're committed to the area," she said, noting UEG has its offices in the heritage building next door at 93 Lombard, which it also owns and redeveloped in 1975. "It's a spectacular location."

The provincial government said it received several bids for the contract, but it didn't say why it chose 111 Lombard.

It said ETT hopes to take possession of its space in early 2013, and that will serve as a new storefront

location for Apprenticeship Manitoba and the counselling functions of Employment Manitoba. It will also offer some services from Industry Workforce Development.

About 100 people will be working in the office, it said.

This is the third downtown building UEG, a property management and development firm, has redeveloped since 1975. In addition to 93 Lombard, it also redeveloped the Century Plaza office building at 1 Wesley Ave. in 1983.

UEG also built and is part-owner of the former Wellington West Capital Inc. four-storey headquarters (now National Bank Financial) at Lombard and Waterfront Drive.

Lapointe and Diner estimated it will cost roughly \$200 a square foot to redevelop 111 Lombard, which UEG purchased in 2008 from Fred and Cynthia Brick. The Bricks had owned it since 1976 and spent about \$200,000 to have the exterior brickwork re-mortared and the roof replaced not long before UEG acquired it.

Diner said the cost is likely similar to the cost of new construction, although he and Lapointe maintained the end product will be superior to anything new that could be built for that price.

She said the inside of 111 Lombard is essentially being gutted. They'll be installing new insulation, windows, flooring, elevators and heating, cooling, plumbing and electrical systems. They'll also be filling in a large, vacant space at the back of the U-shaped building with a new glass-walled addition.

Know of any newsworthy or interesting trends or developments in the local office, retail, or industrial real estate sectors? Let real estate reporter Murray McNeill know at the email address below, or at 697-7254.

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Heritage blocks

for public sector

Here are three other recent examples of older buildings in or near the downtown undergoing extensive renovations after landing a government department as an anchor tenant:

"ô The century-old, seven-storey Canada Building at 352 Donald St. The 84,000-square-foot office building is getting an \$8-million-plus makeover after scoring a 20-year deal to provide Manitoba Housing and Community Development with 71,100 square feet of space. The department and its 340 employees are expected to move in early next year.

"ô Inlett Properties' 55-year-old, six-storey office building at 287 Broadway. The 65,000-square-foot building is undergoing a complete makeover, inside and out, after Legal Aid Manitoba leased 20,000 square feet. The cost of the redevelopment has not been disclosed.

"ô A four-storey office building at 777 Portage Ave. It's also undergoing extensive renovations, as well as getting an 8,000-square-foot addition. The redevelopment was launched after the provincial Family Services and Consumer Affairs Department signed a 20-year lease for 38,000 square feet of space. The department hopes to take possession in the final quarter of next year. The cost of that project has not

been disclosed.
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