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Investing in street culture

CentreVenture to spend \$8.3M on facelift around MTS Centre

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Downtown development agency CentreVenture plans to spend \$8.3 million on upgrading downtown streetscapes, as envisioned in this drawing.

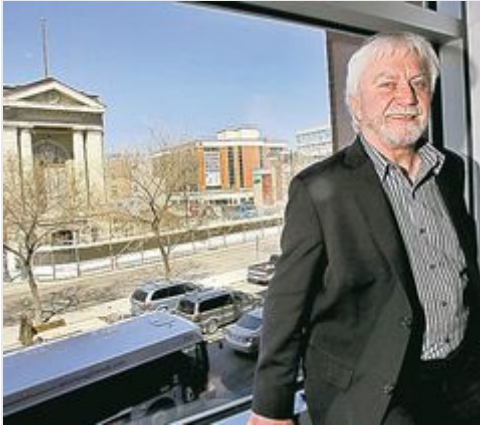
Downtown development agency CentreVenture plans to spend \$8.3 million on new sidewalks, lighting and decor around the MTS Centre over the next two years by tapping into property taxes from a hotel-and-office complex under construction across the street.

The move is intended to improve the safety and appearance of several blocks of downtown surrounding the home of the Winnipeg Jets and the \$75-million 311 Portage at Centrepont complex, two separate Chipman family developments.



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A drawing of the vision for the new Sports Hospitality Entertainment District



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Ross McGowan's agency will use property taxes. (WAYNE GLOWACKI / WINNIPEG FREE PRESS)

FUN WITH FUNNELATORS

The official word on CentreVenture's choice of downtown decor:

'It's an iconic architectural feature. It's a little whimsical. It's unique.'

-- Ross McGowan, CentreVenture's president and CEO

'I only heard of it recently. It's a very

It's also the first concrete facet of a city-provincial plan to funnel revenue from new developments in an 11-block stretch of downtown dubbed the sports, hospitality and entertainment district, or SHED, back into the same area. This funding mechanism works on the principle that any private investment in a blighted area should be rewarded by more public investment in the same vicinity.

"We're not spending a nickel until we know the developments are there," said Mayor Sam Katz, who stood side by side with Premier Greg Selinger to formally announce the creation of the tax-increment financing zone, which CentreVenture has been pushing for since 2010.

Up to \$25 million may be spent in the tax-incentive zone over the next five years, using new property-tax revenue from the Centrepont complex, a future development on the Manitoba Public Insurance surface lot west of Cityplace mall and the expansion of the Winnipeg Convention Centre, Katz and Selinger said.

Any new tax revenue from existing buildings, such as the Cityplace mall, will not be plowed back into streetscaping in the SHED.

The first physical improvements will be new sidewalks, lighting, branding and the installation of decorative devices called "funnelators" on several blocks around the MTS Centre, said CentreVenture president and CEO Ross McGowan.

His agency plans to borrow against \$1 million worth of new annual property taxes expected to flow from the Centrepont complex, which will include an Alt Hotel, office space for consulting firm Stantec and a parkade. A maximum of 80 per cent of the new property taxes will be directed back into streetscaping, McGowan said.

This sort of tax-increment financing differs from a city-provincial downtown residential tax-incentive program, where the developers get to keep the additional property taxes that flow from new condo or apartment buildings.

Physical improvements give private investors confidence, Katz explained.

"If you're making a \$75-million investment, you want to make sure everybody is doing everything they can to make sure that investment is safe and secure," the mayor said. "The whole thing is to create an environment where people gather and come on a regular basis and, most importantly, don't have the perception something is not safe."

unique method of lighting.'

-- Mayor Sam Katz

'I'm not weighing in on the funnelator.'

-- Premier Greg Selinger

In essence, the streetscaping is designed to ensure people who venture downtown at night feel safe. Lighting can improve downtown safety, especially in combination with policing and patrol initiatives, Selinger said.

The premier and mayor said they were dismayed by a 28 per cent spike in reported crimes downtown during the first three months of 2012 compared to the same period in 2011. The

Downtown Winnipeg Business Improvement Zone compiled the numbers, using Winnipeg Police Service statistics.

Katz, however, cautioned Winnipeggers not to be too concerned about a three-month sample.

"It may not be the wisest to look at the numbers over a short period of time," he said.

The city and province are also continuing to explore the possibility of purchasing some downtown hotels in an effort to reduce public intoxication, Selinger said.

Also still to come, according to McGowan: a snappier name for the SHED.

-- with files from Jen Skerritt

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Watch a tour of the S.H.E.D. district from November 18, 2011.

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