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City, province still want hotel buyouts

Committed to idea as part of SHED plan

By: **Bartley Kives**

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THE city and province are still pursuing the idea of purchasing some downtown hotels as part of a long-term effort to reduce public intoxication and improve safety along Portage Avenue and in the 11-block "SHED," or sports, hospitality and entertainment district.

Downtown development agency CentreVenture, in conjunction with the Selinger government, is exploring the idea of purchasing "four or five" hotels, Mayor Sam Katz said earlier this week.

This process began in 2010, when the city and province approved CentreVenture's development strategy for Portage Avenue, which called for the agency to "work closely with hotel (and) vendor owners and the MLCC to resolve the impact of off-site liquor sales" along the downtown portion of the street.

The development strategy also called for the expansion of the Winnipeg Convention Centre and the enactment of a tax-increment-financing zone that would fund street-level improvements around the MTS Centre.

All three levels of government have now committed a combined \$149 million toward a convention-centre expansion that will cost \$180 million to \$200 million, while property taxes flowing from the Longboat Development Corporation's 311 Portage at Centrepoint hotel-and-office complex will fund \$8.3 million worth of street-level improvements over the next two years.

Hotel buyouts may follow, as discussions are now underway, Katz said earlier this week, noting a major obstacle is the revenue generated by alcohol sales and VLT revenues.

While revoking liquor licences for downtown hotels would drive down the purchase price, the Manitoba Liquor Control Commission is not involved in the buyout process, spokeswoman Diana Soroka said.

That places the province in the driver's seat. But Manitoba Premier Greg Selinger declined to comment on the buyouts or identify which hotels the city and province have in mind.

"When it's done, we'll tell you. We won't speculate ahead of time," he said. "When we have a specific announcement, we'll make it."

CentreVenture president and CEO Ross McGowan also declined to comment, noting the identification of potential buyout targets may cause stress for existing hotel staff, who could fear job losses as a result.

McGowan has said the city learned from experience with previous hotel buyouts and now knows such moves should be accompanied by housing plans for former residents. An earlier round of hotel buyouts

on the Main Street strip displaced low-income people and simply moved public-intoxication trouble spots around.

"They just got pushed further along Main Street. It's not a good idea," said Wins Bridgman, an architect and business owner who has advocated for people displaced from former Main Street hotels.

The conversion of the Bell Hotel to supportive housing marked an attempt by all three levels of government to return some low-income units to the Main Street strip. It's unclear whether a new round of buyouts would lead to similar conversions, redevelopments or both.

bartley.kives@freepress.mb.ca

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