

 Click to Print

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Winnipeg Free Press - PRINT EDITION

Developers hail downtown housing aid

\$20-million program to boost residential developments in core

By: Murray McNeill

26/03/2010 1:00 AM | [Comments: 0](#)



[Enlarge Image](#)

The Avenue Building (KEN GIGLIOTTI / WINNIPEG FREE PRESS)



[Enlarge Image](#)

The Canada Building (KEN GIGLIOTTI / WINNIPEG FREE PRESS)

DEVELOPERS say they got much of what they were hoping for in the announcement of new incentives for downtown residential projects Thursday -- including one who is keen on building a new apartment complex near Waterfront Drive.

Mark Penner, CEO of Green Seed Development Corp., said the new \$20-million incentive program unveiled Thursday by the city and the province should provide developers with the financial boost they need to make apartment projects economically feasible.

"When I read about it... I thought, 'Yeah, that's perfect. That's great,' " Penner said of the long-awaited Downtown Residential Development Grant Program, which provides tax increment financing (TIF) grants to developers of new or existing apartment blocks, condos or mixed-used buildings in downtown Winnipeg.

Penner said Green Seed is in the process of acquiring a parcel of land near its You Cube condo development at the northern end of Waterfront Drive for another residential development. Only this time, he'd like to do apartments instead of condos.

"There is a need for more housing downtown, but there is an even bigger need for more rental housing downtown. It always comes down to making the numbers work, but this should definitely help."

The head of the city agency that will administer new program -- CentreVenture Development Corp. -- hopes the incentives will also pave the way for a number of high-profile projects to proceed, including the redevelopment of the Avenue Building on Portage Avenue and the Penthouse Furniture building on Princess Street.

Ross McGowan said CentreVenture officials are negotiating with a local developer who wants to convert office space in the long-vacant Avenue Building into affordable rental units. And TIF grants are one of the things needed to make that project work.

He's also hoping they'll convince the owners of the seven-storey Canada Building on Donald Street to resurrect an earlier proposal to convert that office space into "market affordable" apartments or condos. He defined those as condos priced at between \$180,000 and \$225,000 and apartments that rent for between \$800 and \$1,100 per month.

Officials representing the Canada Building's owners, which successfully converted the Lindsay Building on Notre Dame Avenue into apartment units, could not be reached for comment Thursday.

Alberta-based Taurean Global Properties announced earlier this month it plans to convert the former Penthouse Furniture Building into 60 condo units that will likely be priced at between \$165,000 and \$275,000.

"It's still in the formative stages," McGowan said of that project. "But we're optimistic the (new program) will help put that over the top."

The promise of a new joint TIF program was enough to convince the province's biggest homebuilders -- The Qualico Group of Companies -- to proceed last month with its first downtown residential development project.

The group's Streetside Development Corp. purchased seven heritage buildings in the East Exchange District and plans to spend \$20 million over the next several years converting them into 150 moderately priced condos.

Streetside manager Marty Maykut said Streetside proceeded with the deal on the understanding the TIF financing would be forthcoming.

He predicted the new incentives, which provide grants of up to \$40,000 for each new unit that's built, will also prompt other developers to tackle new downtown residential projects.

"It just makes your project budget work, Maykut said.

"These are substantial amounts of money," he said. "I think it's definitely going to bring more condos to the downtown and even more so, it might bring more residential units to the downtown."

Maykut said he likes the fact developers will be able to deal with a single agency when applying for the incentives.

"I always like simple and this one appears to be transparent and open and fair to all."

Most of the developers interviewed Thursday said while the new incentive program will help stimulate new downtown developments, it won't lead to a flood of new projects.

"It's not significant enough in the total picture," said Shelter Canadian Properties Ltd. CEO Arni Thorsteinson.

"It's a positive step, but not a cure-all."

"I hope the program will be extended," Maykut added.

murray.mcneill@freepress.mb.ca

Find this article at:

<http://www.winnipegfreepress.com/business/developers-hail-downtown-housing-aid-89252827.html>

 **Click to Print**

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.