Agenda – Council – October 19, 2011

Report – Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – October 3, 2011

Item No. 1 Historical Buildings By-law No. 1474/77 – Delisting of 311 Portage Avenue

STANDING COMMITTEE RECOMMENDATION:

On October 12, 2011, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management, did not concur in the recommendation of the Historical Buildings Committee, and submits the following to Council:

1. That the A&B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, be removed from the Buildings Conservation List to allow the owners to undertake a multi-million dollar development.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – October 3, 2011

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 12, 2011, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management, did not concur in the recommendation of the Historical Buildings Committee, and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On October 3, 2011, the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management, did not concur in the recommendation of the Historical Buildings Committee, concurred in the recommendation of the Winnipeg Public Service, and submitted the following to the Executive Policy Committee and Council:

1. That the A&B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, be removed from the Buildings Conservation List to allow the owners to undertake a multi-million dollar development.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: To consider an application to delist and demolish the A& B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, which is on the Buildings Conservation List under the terms of the Historical Buildings Bylaw No. 1474/77 (as amended)

Critical Path: Standing Policy Committee on Downtown Development, Heritage and Riverbank Management - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
P.Regan/ B. Thorgrimson	D. Joshi	N/A	Alex Robinson Deputy CAO

RECOMMENDATIONS

That the A&B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, be removed from the Buildings Conservation List to allow the owners to undertake a multi million dollar development.

REASON FOR THE REPORT

Under the terms of the Historical Buildings Bylaw 1474/77 (as amended) requests to demolish a heritage property require the approval of Council if the Historical Buildings Committee does not support such a request by an owner.

IMPLICATIONS OF THE RECOMMENDATIONS

- The current owner of the A& B Sound Building (formerly the Clarendon Block) is CentreVenture Development Corporation. They are proposing to sell the property to Longboat Development Corporation, who in turn will construct a $40 Million development consisting of a 154 room hotel, along with a retail and office complex. Total proposed development is over 200,000 sq. ft, of which office space comprises 85,000 sq ft. The main floor will be comprised of commercial/ retail/ hotel lobby utilizing 15,000 sq. ft. The opening is scheduled for September 2013.

- This will be the first private sector investment of this magnitude on Portage Avenue in many years, and it is expected that this development will be the catalyst for the Sports Hospitality and Entertainment District (SHED) and the revitalization of downtown Portage Avenue and surrounding blocks.

- The Historical Buildings Committee originally evaluated this vacant property in June 1999 when it was known as the Portage Village Inn, and recommended that it be placed on the Buildings Conservation List as a Grade III building. At the request of the owner, CentreVenture Development Corporation, the Committee re-evaluated the property in May 2011 and because nothing had significantly changed in the building based on its history or architectural significance, the Grade III status is being recommended to remain.

- It should be noted that that it has been the practice of the Department to not support the delisting of properties from the Buildings Conservation List but in this circumstance the long term public benefit clearly outweighs the need to retain this building.

HISTORY

- On July 22, 1998, Council authorized the acquisition of the former Portage Village Inn property. The building was secured and remained vacant.

- On February 22, 1999 the City received an offer from A&B Sound to purchase the property for use as a retail electronic, computer and music store.

- At the request of the Public Service, the Historical Buildings Committee evaluated the property on March 18, 1999 and recommended that Council place it on the Buildings Conservation List as a Grade III structure. On June 1, 1999 the building was added.

- On July 19, 2000 Council awarded the A&B Sound a Heritage Conservation Tax Credit of $835,000 to be used up over a ten year period subject to the new owners spending $2.5 million to undertake work to re-purpose the building for a retail use.

- At that time surrounding buildings like the Eaton's Department Store, the Metropolitan Theatre and the Capitol Theatre were all vacant.

- The redevelopment of the property positively increased interest on Portage Avenue and did contribute to the outstanding development of the MTS Centre, the neighbouring developments of the Credit Union Central of Manitoba Building and Mountain Equipment Co-op Building.

- CentreVenture Development Corporation has requested a delisting of the building in order to provide certainty to the new owner that their proposed development can go forward.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 27, 2011

Project Name:

To consider an application to delist and demolish the A& B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, which is on the Buildings Conservation List under the terms of the Historical Buildings Bylaw No. 1474/77 (as amended)

COMMENTS:

The recommendation contained in this report is that the A&B Sound Building (formerly the Clarendon Block), 311 Portage Avenue, be removed from the Buildings Conservation List to allow the owners to undertake a multi-million dollar development.

There are no direct financial implications associated with this recommendation.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

The Historical Buildings Committee
CentreVenture Development Corporation

SUBMITTED BY

Department: Planning, Property and Development
Division: Planning and Land Use, Economic Development
Prepared by: Giles Bugailiskis /David Houle
Date June 27, 2011
File No. O:\Reports Directive\Planning and Land Use\Heritage\2011 Reports\RIS A&B SOUNDDelisting 2011.doc

centreventure
development corporation

Board of Directors
Jim Ludlow
Chairperson
Curt Vossen
Vice Chair
Richard Olfert
Secretary/Treasurer
Rick Bachalo
Kevin McGarry
Sandy Riley
Ashleigh Everett
Dr. David Barnard
Scott Stirton
Mayor Sam Katz
Honourary Chairperson
Ross McGowan
President & CEO

April 26, 2011

Mr. Giles Bugailiskis
Senior Planner, Heritage Planning
City of Winnipeg
Planning Property and Development
Department
65 Garry Street
Winnipeg MB

Dear Giles,

Re: 311 Portage Ave – Request for Delisting

Please accept this letter as our formal request for the delisting of 311 Portage Avenue commonly known as the A&B Sound building. As you are aware, this site and the Mitchell Copp property at 315 Portage Avenue are slated for redevelopment and it is our understanding that the proposed development will require removal of the A&B structure.

I would be pleased to meet with you, at your convenience, to share the conceptual development plans for the property and to respond to any concerns that may result from our request.

Thank you for your consideration and we look forward to your favorable response. Should you have any questions, or require clarification, please call.

Yours truly,

Ross McGowan,
President and CEO
CentreVenture Development Corporation

cc: Barry Thorgrimson
Phil Sheegl

492 Main Street
Winnipeg, MB R3B 1B7
t: 204.954.7733
f: 204.954.7739
www.centreventure.com