

NEWS RELEASE  
August 24, 2007



**REVITALIZATION OF MAIN STREET EXPECTED WITH  
CENTREVENTURE'S STRATEGIC PURCHASE OF BELL HOTEL PROPERTIES**  
*Neighbourhood Business Owners Applaud Downtown Development Agency's Action, Vision*

**WINNIPEG** -- CentreVenture Development Corporation today announced it has concluded a deal to purchase the Bell Hotel property and the former Bell Hardware building in the 600 block of Main Street. The downtown development agency's strategic move will pave the way for private sector redevelopment of those properties and CentreVenture will work with neighbouring property owners to promote the redevelopment of the boarded-up buildings that surround these properties.

"When the Bell Hotel came up for sale, we were delighted it was not being offered for sale as a going business concern. CentreVenture saw this as a tremendous opportunity to acquire the properties which would enable us to seek out opportunities for redevelopment that would have a positive impact on the neighbourhood," CentreVenture's CEO Ross McGowan said.

"Recently, so many good things have been happening in this area of Main Street including: the redevelopment of the Dominion Bank Building by Wins Bridgman; the Neon Factory moving to Main; the Neeginan Development Corporation's initiatives; and, of course, Richard Walls' creation of The Edge Artist Village and Red Road Lodge, which resulted from the transformation of the New Occidental Hotel into an alcohol-free residential and community arts facility," McGowan added.

"We recognized the significance of The Bell Hotel property in the area and felt, if we could facilitate its redevelopment, it could well be the catalyst that would kick-start a grand redevelopment of an entire neighbourhood," McGowan continued.

"We know there is interest by various private-sector developers in this property and CentreVenture will ensure it is developed in a way that will be conducive to additional redevelopment in the area and complementary to existing businesses," McGowan concluded, noting that CentreVenture will be encouraging a redevelopment plan that includes a residential component.

Sympathetic to the fact that the residential tenants of the Bell Hotel would have to move, CentreVenture had requested, through its intermediaries, that the closing date of the sale be such that adequate notice could be given to the tenants so they would have sufficient time to find alternative accommodation. Those tenants in need of assistance to find new residences were able to contact their provincial social assistance case workers for help.

Although unable to confirm the numbers at the time of this release, CentreVenture understands that the majority of tenants have already been able to find new residences, McGowan said.

The environmental assessment, which CentreVenture commissioned in its evaluation of the property, identified various health and safety issues, including the existence of mould in the

hotel. The major clean-up dictated by these findings ultimately would have required the building be vacated prior to undertaking remediation work. Still, the century-old hotel is structurally sound and demolition of this historic Winnipeg building is not under consideration.

Jim Ludlow, chair of the CentreVenture board, said, "This area of Main Street was identified in our Heart of Gold Plan as one of the clusters that is in serious need of attention. When the Bell came up for sale, we decided that it was a strategic property to control in terms of facilitating future economic growth in the neighbourhood.

"In recent years, CentreVenture has received numerous complaints from area businesses regarding the negative effect the activities related to the liquor sales in the beverage room and beer vendor was having on their ability to conduct business," Ludlow added.

In fact, several businesses in the vicinity of these types of establishments told CentreVenture that they are seriously considering relocating from the area for safety and nuisance reasons. CentreVenture's mandate is to attract business and residential development to the downtown, not to sit idly by while negative activity causes an exodus.

Now, CentreVenture is optimistic that Bell Hotel-area business owners will feel confident in deciding to remain in the neighbourhood and moving forward with their own development plans.

Susan Feldman, president of Priority Realty Inc. and the owner of a commercial building on King Street directly behind the Bell, is pleased with the opportunities the sale of the hotel property presents for achieving full occupancy of her property. To date, that has not been possible in light of the issues associated with the Bell's beverage room and vendor operations.

"I am a believer in the work CentreVenture does, especially their commitment to seeing benefits flow to property owners near any redevelopments that they are involved with," Feldman said.

Wins Bridgman, principal of Bridgman Collaborative Architecture (which recently relocated its offices to 678 Main Street), is enthusiastic about the Bell Hotel redevelopment. He stated, "This is a very, very positive development and will do a great deal to strengthen the revitalization of north Main Street. I heartily applaud CentreVenture's willingness to step in when needed and when opportunities arise. CentreVenture is undertaking strategic interventions at a time when the revitalization of north Main is urgent, not only for the sustainability of the area, but also to heighten appreciation of the area's historic importance to Winnipeg."

How CentreVenture will market the Bell properties for private sector development will be announced in the near future. The agency will consult with neighbouring property owners and community groups to ensure that whatever the final development plan is for the building, it will complement what others have planned for the area and fit with the overall "big picture" redevelopment plan for north Main, as outlined in the City's CentrePlan Development Framework.

This area of Main Street was once the thriving nucleus of our city and CentreVenture hopes it can assist in returning this area to some semblance of what it looked like in its glory years.

CentreVenture, whose mandate is to create a dynamic, prosperous city centre, has been an advocate and catalyst for business investment and development in Winnipeg's downtown since

1999. The arms-length city agency recently launched The Heart of Gold Plan – a three-year revitalization strategy focusing on Portage and Main, the city’s signature streets. CentreVenture has succeeded in selling numerous parcels of surplus, city-owned properties and attracting private sector investment required to put these non-performing assets back on the tax rolls. CentreVenture, working in partnership with the City of Winnipeg, the Province of Manitoba, and in concert with the private sector, has enjoyed considerable success in brokering deals for redevelopment of privately-owned properties, facilitating the rejuvenation of heritage buildings, and in fostering residential growth downtown.