



**The True North Arena: Downtown Revitalization and
Decision-Making in Winnipeg**

Student Paper 20

Martine August

Institute of Urban Studies

2004

PUBLICATION DATA

August, Martine

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Student Paper 20

ISBN: 1-894858-09-3

I. The University of Winnipeg. Institute of Urban Studies. II. Title. III. Series: Student Paper (The University of Winnipeg, Institute of Urban Studies); 20.

This publication was funded by the Institute of Urban Studies but the views expressed are the personal views of the author(s). The Institute accepts no responsibility for them.

Published by:

Institute of Urban Studies
The University of Winnipeg
Suite 103-520 Portage Avenue
Winnipeg, Manitoba
R3C 0G2

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The True North Arena: Downtown Revitalization and Decision-Making in Winnipeg

Martine August*

Abstract

In 2001, Winnipeg's City Council approved the demolition of the 96 year-old Eaton's building to make way for a new sports arena in the heart of the city's downtown. In spite of a growing body of research showing that sports facilities do not act as generators of economic activity in failing downtown centres, the project was touted as a catalyst for downtown revitalization. A group of citizens organized to stop the arena deal, and instead put forth an alternate, mixed-use proposal for the Eaton's site known as *Eaton Square*. This paper examines both the *Eaton Square* and *True North* arena concepts in light of the City of Winnipeg's own long-term policy goals, as well as findings in the scholarly literature, in order to evaluate which of these proposals would have been more likely to have a beneficial and rejuvenating effect on the downtown. The paper concludes that Winnipeg had little to gain by building the arena downtown, and in light of this finding, asks why City Council would have chosen to make what appears to be the wrong decision. Two trends in the city's political history offer a clue: Historically, Winnipeg decision-makers have been dominated by a corporate elite, and citizen involvement in the political processes concerning controversial development projects (such as the True North Arena) has often been suppressed.

Introduction

Failing downtown centers are a common characteristic of North American cities. Local governments and academics alike are constantly looking for the ever-elusive solution to the downtown problem. One strategy for downtown revitalization that is popular with local governments is the construction of sports facilities, with hopes that it will have the effect of stimulating the local economy and bringing jobs and people back downtown. Extensive evidence has been compiled showing that this strategy does not work (Noll and Zimbalist 1997, Rosentraub 1997a, Hudson 2000, Baade and Sanderson 1997). Despite this research, showing a multitude of failed downtown arenas, city governments continue to push through such development initiatives. Winnipeg is one such city.

The following paper is organized into three sections. The first section examines the decision in Winnipeg to build a downtown hockey arena on the site of a recently vacated Eaton's department store. Two development proposals were made for the Eaton's site. The proposal made by the True North Project Group to build an arena (now called the *MTS Centre*) on the site was met with a mixed public response. This proposal and the case made by opponents to the arena is discussed, followed by a discussion of the

*Martine August is the winner of the Institute of Urban Studies Student Paper Award, 2003.

second proposal for the Eaton's site, a mixed-use project called Eaton Square. Throughout the discussion, the controversial nature of the City's decision-making process will be illustrated.

The second section analyzes the two proposals for the Eaton's site to discover which will most likely contribute to the revitalization of downtown Winnipeg. First, two methods of downtown revitalization are discussed - the common *project planning* method, and the lesser used method of *incremental change*. Second, a review of who reaps the benefits of development in both cases is undertaken. Finally the two proposals for the Eaton's site are analyzed to see which best aligns itself with Winnipeg's long range policy goals, as set out in *Plan Winnipeg 2020 Vision*. A conclusion summarizes the analysis undertaken in this section.

The third section looks at two trends in Winnipeg city politics that lead to faulty decision-making. The first trend is the dominance of the city by a corporate elite and the second trend, deriving from the first, is the suppression of democracy by the local government and the business elite, aided by the media.

The Eaton's building story: Two proposals and a side of controversy

The True North Proposal

In the fall of 1999 the Eaton's department store in downtown Winnipeg closed its doors for the last time. It was the end of an era for Winnipeg. Eaton's had been a socially significant meeting place, shopping centre, and focal point for the city for 96 years. Built in 1905, the department store served as a backdrop for Winnipeg life throughout the century. In the 1920s, Eaton's had 140 horses to make free deliveries on any purchase, no matter how small. Children could play supervised in a rooftop play area while their parents shopped in the 1950s. During the 1950s flood, employees were paid to help sandbag, and when a blizzard hit in 1966, shoppers slept overnight in the store, where they watched television and received free food. As one of the city's largest employers in the early century, Eaton's was central in the lives of many Winnipeggers (Rochon 2001, Sawatsky 2003).

In its passing, Eaton's left behind an enormous empty store on Winnipeg's main thoroughfare, adding a large symbol of decline to the already failing downtown. Portage Avenue, the one-time bustling commercial strip, was lined with empty buildings and the addition of a nine-story, 800 000 ft² empty department store to the street was like a nail in downtown's coffin. With the future of downtown appearing ever more grim, the question on everyone's mind was, what is to become of Eaton's?

On May 14th, 2001 “the city’s business and political elite turned out to applaud” a new project proposed by a local group of businesses (Santin 2001b). The True North Project Group planned to level the Eaton’s building and replace it with an arena, or “entertainment complex”. Members of True North had procured the site from the previous owner for the cost of one dollar in December of 1999. In return, the previous owner, Osmington Inc., was promised the right to develop retail and restaurants in the new complex. By February of 2000, the True North Group had struck a deal with the provincial NDP government featuring \$38.5 million in public funds (from three levels of government), and \$86 million to be put up by the True North Group. The public fund breakdown included \$12 million from Ottawa, \$13 million from the province, and \$13.5 million from the city. The public committed further to the subsidization of the arena via a number of tax concessions, and the installation of 50 video lottery terminals (VLTs) to the site. Unlike most operators who may only keep 20% of VLT revenue, the True North group was promised 75% of the VLT revenue on their site, amounting to a maximum of \$1.5 million annually (Santin 2001a). The city promised tax breaks (on property, entertainment and business taxes) of \$6.9 million annually, for 25 years, which will amount to \$172.5 million in additional subsidy by the end of that period (Canadian Taxpayers Federation 2001).

The True North group promised great things for Winnipeg. The proposed centre was marketed as *a catalyst for revitalizing downtown*. According to the group’s website, the 15,000 seat arena promises to (among other things): help to stimulate a downtown renaissance, bring hundreds of thousands downtown on a more regular basis, provide an economic generator for a coming decade, create a magnet for local tourism making Winnipeg an entertainment destination, and enhance Winnipeg’s quality of life (True North Entertainment Centre Inc 2003).

Other features of True North’s proposal included connections to the existing skywalk system, proximity to 8400 parking spaces, club seats, 46 private suites, a restaurant, bar, lounge, and Manitoba Moose team store. True North could guarantee 130 events per year for Moose hockey games, concerts, and other events.

On May 9th 2001, True North presented their business proposal to the Winnipeg City Council. Obviously impressed by the True North Group’s “visionary project” and promise to “energize the city center”, they voted in favour of the proposal and also voted to demolish Eaton’s 14 days later.

Opposition to the True North Proposal

Two weeks after the City’s quick approval of the True North development proposal, a group of concerned citizens formed the Save the Eaton’s Building Coalition (SEBC). The coalition was opposed to the

City's decision to demolish the historically significant and architecturally sound Eaton's building. They doubted the claims of the True North group and charged that the city had okayed the proposal in an undemocratic fashion (Save the Eaton's Building Coalition 2002).

The SEBC also argued that the city had allocated public funds behind closed doors and in a secretive, hurried manner. In their haste, the city overlooked problems in the True North proposal "for the sake of concluding the deal with a minimum of public debate and scrutiny" (Lettner, 2001). The project was presented to the public as a done deal, with public discussion focussing on insignificant design issues, not the broader issue of whether or not an arena was right for Portage avenue, and whether or not the True North's proposal to build it was sound.

SEBC was particularly outraged that the City Council had voted against granting heritage status to Eaton's, after they had already voted to demolish the building. In doing this, Council ignored a city by-law requiring that heritage claims be reviewed before a demolition vote. If the Council had followed its own by-laws it is very possible that Eaton's would have been granted Heritage Status, making demolition illegal. Heritage Canada had recommended that the building be reviewed for national heritage significance, and experts in both the City's own planning department and the provincial Heritage Resources Branch had advised that the building be preserved because of its architectural and historical significance. (Canadian Association of Professional Heritage Consultants 2002)

Before the vote to demolish Eaton's had taken place, a report had been produced recommending Eaton's receive the second-highest level of Heritage designation. On April 23rd 2001, the city's heritage planner, Giles Bugailiskis, learned of the True North Group's plan to demolish Eaton's and he attempted to schedule a meeting of the Historical Buildings Committee on May 10th to designate status according to the report. Bugailiskis was asked by the Executive Policy Committee secretariat to delay the meeting until June, which meant that the heritage decision would be made after the scheduled May 23rd demolition vote (O'Brien 2001a). William Neville, the chair of the Manitoba Heritage Council, stepped down from his position in protest, frustrated by City Council's handling of the matter.

Continuing in this vein, the city reported that the Eaton's building was not suitable for redevelopment and that no other viable alternatives had been proposed, and then suspended a public servant for publicly opposing the arena project (Neville 2001, O'Brien 2001b). Mayor Glen Murray defended the city's decision to demolish Eaton's on the grounds that reusing the building would be prohibitively costly, because of its wood frame construction. An architectural historian's report, however, asserted that Eaton's had a steel frame construction and that it hadn't shifted more than an inch in 96 years. Furthermore, this type of building has been identified as the type that is most adaptable to re-use (Neville 2001. See footnote¹).

Despite the claims of the Mayor, other viable alternatives such as Eaton Square (discussed below), had indeed been proposed, even though the city was not encouraging alternate proposals. William Neville, an opponent to the arena deal, claims that the city created an environment that was entirely hostile to new proposals. Before the May 9th 2001 public announcement of the True North proposal, alternative proposals were not being “solicited or considered” by the city, and once the True North arena was announced as a done deal, it was clear that new proposals were not welcome (Neville 2001).

The SEBC began a legal battle against the city in June of 2001, with the intent of stopping the demolition of the Eaton’s building. After the Coalition’s complaints were dismissed by the Manitoba Queen’s Courts and the Manitoba Court of Appeal, they were similarly dismissed by the Supreme Court of Canada. The group argued that the city had acted in ‘bad faith’ by failing to properly amend zoning by-laws with the intention of avoiding a public hearing on the issue (O’Brien 2001a). The Coalition also went to the Federal Court of Canada, attempting to stop the federal government from funding the project on the basis that the approval of the True North’s Environmental Protection Plan was flawed (True North Entertainment Centre Inc. 2003). The Coalition was ultimately unsuccessful, serving only to delay the building’s demolition, which began in February of 2002.

Before they had begun the demolition, the True North Group encountered financial difficulties which they blamed partially on the delays that SEBC’s legal attack had caused. William Neville’s previous claim that an ‘unstated political reality would entail that public monies would be called upon’ to cover True North’s overruns was prophetic – the city and provincial government handed over an additional \$2 Million on January 30th, 2002 (Neville 2001).

Eaton Square: An alternate proposal

At the heart of the SEBC argument was the belief that there was a better alternative to the demolition of Eaton’s and the construction of an arena. Opposed to city and media claims that no viable alternatives to True North existed, the coalition put together a proposal, attracted a developer, and within three months unveiled their concept, Eaton Square.

Eaton Square was to be a mixed-use facility, combining residential units, retail space, and commercial space in a ‘vibrant year round activity center’. Costing only \$65 million with no public subsidy, the development would use the structurally sound Eaton’s building, but would open out an atrium to provide light. The multi-use facility would inject a much-needed residential component into downtown by providing a diverse mix of residential space. The facility would be used around the clock, 365 days per year, with annual revenues estimated at \$5.5

million. SEBC was able to attract Winnipeg's Lakeview Group and Dynasty Group developers to the project laying to rest "the unsubstantiated claims . . . that there are no viable proposals or interested parties." (Save the Eaton's Building Coalition 2002).

The city and the media's response to this alternate proposal was hardly cordial. The SEBC was not taken seriously by either institution, and was characterized by the *Winnipeg Free Press* as flaky, "airy-fairy . . . opponents of progress who feared change" (Canadian Association of Professional Heritage Consultants 2001). The media reinforced the message that the deal was done, and that there were no alternatives.² They repeated True North's optimistic forecasts of a brave new Winnipeg, and warned of the impending doom, which could be narrowly averted *only* by quickly putting up the arena.

Analysis of the Proposals

Downtown Revitalization

Project Planning: the arena solution

When cities do not know how to revitalize their failing downtowns, or aren't willing to look into creative solutions, they often resort to the old formula of building a sports facility or other mega-project. Roberta Brandes Gratz, author of *Cities back from the Edge*, calls this method "project planning", and warns that it is bad for downtown despite the widely touted claims that sports facilities are 'engines for local economic development' that can revitalize downtown (Gratz 1998: 336).

Contrary to this claim, economists Roger G. Noll and Andrew Zimbalist have found that the local economic effects of sports facilities are "between nonexistent and extremely modest" (Noll and Zimbalist 1997: 25). Economists Robert Baade and Allen Sanderson have discovered that not only are sports facilities "not a major catalyst for economic development", but also that there is "no positive correlation between professional sports facilities and job creation" (Baade and Sanderson 1997: 114, 113). An arena downtown is therefore not likely to catalyze economic development or create jobs.

In spite of the overwhelming and consistent findings that sports facilities are not local economic engines, these developments are often marketed with the promise that they will renew a central business district, and this was certainly the case with the proposed arena. The True North president Jim Ludlow was quoted as saying that he expected the True North arena to have a "halo effect" on the area, creating around it a ring of coffee shops, bars, and other uses (O'Brien 2003). The bad news for both Ludlow and Winnipeg is that this simply does not occur. Research conducted by Mark Rosentraub has shown that with or without the addition of sports facilities, failing downtown regions continue along their path of decline (Rosentraub 1997b: 183).

Rosentraub explains that because sports facilities generate such small-scale economic development, they will not stimulate a rebound in a declining area.

A few exceptions have been noted. Ian Hudson notes that downtown sports facilities in Cleveland, Baltimore, and Indianapolis have made small, but measurable impacts on economic activity. These projects were, however, components of comprehensive downtown redevelopment strategies. Hudson argues that, “Overall, a new arena has to be part of a carefully conceived, much broader, downtown development strategy. Simply putting up an arena to which people drive, park, watch the game drive home will do nothing for downtown.”(Hudson 2000: 4). Rosentraub’s research confirms this. He found that positive effects occurred only in cities with a “balanced urban redevelopment plan that included many projects other than sports facilities” (Rosentraub 1997b, 206).

Despite the optimism of project planners, the research has shown that installing a heavily-subsidized sports facility in a declining central business district will not reverse the spiral of decay. The claims made by Jim Ludlow and municipal boosters that a downtown arena will usher in a vibrant street life in Winnipeg are thus highly suspect. The True North Centre will, after all, only be used two nights a week and for a few hours at a time. The rest of the time it will be as empty as the abandoned Eaton’s building was. The lights may be on, but they will only serve to illuminate the path of rare passers-by, on their hurry elsewhere.

According to Jane Jacobs, the author of *The Death and Life of Great American Cities*, city streets are exciting if they are populated with a diverse group of people, crossing paths on a diverse set of missions at all times throughout the day. To attain this vibrancy and excitement, the *uses* on a city street must draw people to populate this way. The uses themselves must therefore be diverse, catering to different income-levels and tastes, and must be intermingled in a fine-grain mixture.

Project planning does not foster the vibrant and exciting street life that Jacobs promotes. It ignores the intricate processes that lead to fine grain diversity, and where such diversity already exists, project planning often thoughtlessly replaces it. Large influxes of what Jacobs calls “cataclysmic money” from the government or private sector lead to drastic changes in a “concentrated form” (Jacobs 1961: 293). To properly nurture diversity and mixing in cities, the process of change must be *gradual* rather than cataclysmic.

Incremental Change: An ‘Organic’ Solution

Roberta Brandes Gratz is convinced that the revitalization of downtown involves a slow, evolutionary process of incremental change. This form of development is often referred to as ‘organic’, as it reflects the

natural process of city change. Rather than pouring money into large projects, Gratz suggests looking at actual solutions to the problems faced in downtown areas. This involves taking into account the idea that downtown areas are part of a complex whole, and thus cannot be dealt with by developing isolated mega-projects. Jane Jacobs also argues that gradual changes are the key to successful city building, and to the evolution of a complex and diverse urban matrix. “All city building that retains staying power”, she argues, “requires a myriad of gradual, constant, close-grained changes” (Jacobs 1961: 294).

There is no magic bullet for creating successful urban areas, and no single project that will change the fate of a declining neighbourhood. Change must occur in a gradual and thoughtful process. Gratz emphasizes that in this process, the input and wisdom of citizens must be taken seriously, and that historical significance and sense of place must be respected. The swift, large-scale changes of project planning often ignore citizen input and “erase local character”, destroying the identity and existing assets of the area that it is meant to revitalize (Gratz 1998:4, 336).

The combination of wishful thinking and a new arena will not revitalize downtown Winnipeg. Winnipeg city officials have been quick to apply project-planning solutions to complex urban problems in the past. Portage Place mall and the Trizec redevelopment of Portage and Main are two examples of failed mega-projects.³ Both projects were sold on the promise that they would revitalize the central business district, and the evidence that they have failed categorically echoes through the deserted streets of downtown every day of the week.

Winnipeg city officials should look past the quick fix solutions of developers and address the structural problems that lead to inner-city decay, such as suburban sprawl. Although it is more *difficult* to tackle the root of a problem, this is the necessary approach a city must take if it is serious about revitalization. The city must nurture gradual changes that will lead to increased diversity in the downtown area, and must address the factors that are contributing to the continuous abandonment of the downtown. Section three will take a closer look at why decision makers are opposed to this method of change.

Who Benefits?

In assessing the merit of an urban development proposal, it is useful to determine who will benefit from its implementation. The best proposal for a city is one that will benefit the most people and will have a lasting positive effect on the community.

Who benefits from a downtown arena deal? In *Thin Ice*, Jim Silver points to private sector club owners, developers, architects, contractors, lawyers, and corporate executives as the beneficiaries of

arena building (Silver 1996: 77). Gratz also points to the private sector, noting that project planning development ensures the involvement of big players (developers, investors, and so on) and their procurement of public funds. Project planning is also preferred over incremental development by politicians, who get to look like legacy builders (Gratz 1998: 335).

The groups that do not benefit from arena deals include minorities and low-income segments of the population (Zimmerman 1997: 142). The public at large does not benefit, as funds that could have been better spent on public services instead line the pockets of the private sector elite. Finally, the downtown area does not benefit. Not only does it get an unproductive new arena, but also it has lost the opportunity for a better deal.

Downtown revitalization, when pursued using an incremental approach distributes its benefits to society in a wider fashion. There is no one major developer, no enormous profits to be made, and so there is presumably less scandal and corruption. The process of gradual change welcomes and values citizen input, and so revitalization implemented using this method is more likely to reflect the desires of the urban citizenry, rather than the desires of corporate heavyweights who stand to gain from project planning mega-projects. The pace of gradual change, less urgent and frenetic than that of project planning, will likely yield changes that are more appropriate and fine-tuned to suit the area undergoing revitalization.

Of the two proposals for Portage Avenue, Eaton Square would have likely distributed its benefits more evenly into the community. Eaton Square would have contributed sorely needed residents to populate the streets downtown. As a mixed-income concept, these residents would have been a diverse group. The proposed retail and office space in the complex would have added some fine-grain diversity to the streetscape, giving residents and visitors a few more reasons to criss-cross the area. The nature of the building would have been less 'cataclysmic' than an arena, as it was more flexible to changes as time went on, be it to the retail space, office space, or characteristics of the residential suites within. Finally, the Eaton Square concept was designed to respect the historical significance of the Eaton's building, by retaining its essential external features.

As a backdrop to Winnipeg life for a century, the Eaton's building contributed strongly to the downtown identity and sense of place. Adapting the building to reuse, rather than demolishing it, would have been a show of confidence and pride in the city.

Jane Jacobs' criteria of diversity and fine-grain mixture are more likely to have been satisfied with the Eaton Square proposal than the True north arena proposal. Eaton Square would therefore have been more likely to contribute to the effective revitalization of downtown Winnipeg.

Concurrence with Plan Winnipeg

Plan Winnipeg 2020 is the long-range policy plan of Winnipeg's Council. The document articulates that "no undertaking or development shall be inconsistent with a Plan Winnipeg by-law." (City of Winnipeg 2001). Thus, it is useful to assess the True North group and SEBC proposals for concurrence with this plan.

Plan Winnipeg includes a commitment to "encouraging and supporting the adaptive reuse of heritage buildings" and "encouraging mixed-use residential development that integrates retail, service business, and institutions needed by downtown residents" (City of Winnipeg 2001: 1A-01 iii, 1A-02 iii). Unlike the arena proposal, the SEBC's Eaton Square proposal falls nicely in line with these goals.

Statement 1A-04.iii of the plan recommends "acting to ensure the downtown is the location of choice for major ... entertainment amenities". However, if the entertainment amenity will have a negative effect on downtown (as downtown arenas in numerous other cities have⁴), then it violates the greater vision of *Plan Winnipeg* to create a "revitalized downtown where people want to live, work, and invest" (City of Winnipeg 2001:11).

Although, this has hardly been an exhaustive study of the city plan, a scan of the document will reveal the goals above to be the most pertinent with respect to this debate. From this, it appears as though the SEBC Eaton Square Proposal is in better agreement with Council's long-term goals than is the True North centre proposal.

Analysis conclusions

From the evidence presented, it is obvious that putting an arena in downtown Winnipeg is not a good idea, for three reasons. First, there is convincing evidence that an arena will not revitalize downtown. Since the city's main reason for approving the True North plan was the hope for central revitalization, this is a very important conclusion. Second, arena building has been shown to benefit only a select few, namely the city's corporate elite. Third, building an arena in downtown Winnipeg does not align with the long term policy goals for downtown set out in *Plan Winnipeg 2020 Vision*.

Although the Eaton Square proposal is certainly not flawless, it is the better of the two proposals. It would cost the city nothing (as no public subsidy is required), and there is evidence that such adaptive reuse conversions have been highly successful in other cities (Save the Eaton's Building Coalition).

Ideally, what would be required of both proposals would be a careful analysis of the business plans, a look at the viability of such initiatives in other cities, and a healthy quantity of citizen input and debate. If this had been the case in Winnipeg, it is likely that Eaton Square would have been the preferred proposal, or that (more likely) another, even better proposal might have come forward.

Why did City Council make the wrong decision?

The most obvious question that comes to mind when studying this issue, is 'what was the city government thinking?' Why would they heavily subsidize a project that showed little potential for success? Why would they approve a project without carefully investigating the effects it might have? Why would they ignore the failure of countless similar projects in other cities? Why would they do all of this in a tremendous hurry, behind closed doors, and without attempting to properly inform or engage the public?

The answer is due to a combination of two trends that are evident in Winnipeg's urban development decision-making history.

Domination of decision making by corporate elite

As was discussed in the 'Who benefits?' section above, it is a certain segment of the population that stands to benefit from land development deals, and the bigger the deal, the bigger the prospective profit. Logan and Molotch observe that "the people who use their time and money to participate in local affairs are the ones who... have the most to gain or lose in land decisions" (Logan and Molotch 1987:62).

Logan and Molotch (1987: 51) point out that most cities are hungry, even desperate for growth and development. Winnipeg, too, has an obsession with growth, yet it is growing slowly, and this has been the source of a serious inferiority complex for citizens and politicians alike. (Silver 1996: 177). As Christopher Leo put it "[in Winnipeg], economic development efforts are undertaken in a mood akin to that of an addicted gambler, simultaneously desperate and hopeful" (Leo and Brown 2000: 10).

The combination of a highly-motivated, profit seeking corporate elite and a development-hungry local government leads to a negotiating situation weighted in favour of the private sector. The city predictably bends over backwards to accommodate developers. Sensing this desperation, the developers manipulate the

government to make ever more outrageous concessions to satisfy them. In Winnipeg, the local government follows a trend of being dominated by a corporate elite (Leo 1995: 4, Leo and Brown 2000).

This group of local business elites that effectively control the public agenda are referred to as the “second face of power” or the “invisible government” (Logan and Molotch 1987: 62-64, Gratz 1998: 335). It is no surprise that Winnipeg’s ‘business and political elite’ were the ones who applauded the True North development proposal. They were the ones who stood to gain from the deal, and the odds were in favour of their gains being realized.

The suppression of democracy

An undemocratic decision making process is the second recurring theme in Winnipeg’s history of urban development. In the early 1990s, the city and the province were sharply criticized for the techniques they used to push through an arena project in an attempt to keep the Jets hockey franchise (Silver 1996). The city attempted “to avoid opposition to a publicly funded arena by finalizing the deal before making it public...they treated central questions as already asked and answered, unveiling the project as a *fait accompli*” (Scarth and Silver 2002). This might as well be describing the True North saga, for its remarkable similarity.

Curbing democratic involvement in development decisions is in the interest of both the local government and the corporate elite of a city. In order for the two to work out mutually beneficial negotiations (exchanging promise of development for subsidized approvals of major projects) they often see it as beneficial to minimize the disruptive effect of a concerned citizenry.

The media plays a crucial role here. Heavily influenced and usually owned by the corporate elite, the media is used to trumpet the causes of developers and to mock or even vilify opponents to the deal.⁵ These are all efforts to thwart citizen involvement in decision making. The practical effect of this is often quite negative, for the wisdom and input of citizens, consistently undervalued, is a crucial part of sound public policy decisions.

Conclusion

In May of 2001, Winnipeg city council had to choose between “two futures” for the Eaton’s site and an ailing downtown. The decision was either a “680 000 square foot multi-use complex... or a derelict building” (Angus 2001). There was however, another future that was not reported in the media, or ever seriously considered by council. The third future would involve an open-minded approach, the consideration of many options, much public debate and input, and a view of change as a slow, evolutionary process. This future may have included the Eaton Square development proposal, or something like it... or something totally different.

This paper has looked at the controversial and even scandalous method of making decisions regarding land use development in Winnipeg, focusing on the recent Eaton's building story. While the principal concern of the City Council in this saga has been the plight of downtown, this analysis of the two proposals for the Eaton's site provides compelling reasons to doubt that an arena would in fact be positive for downtown. Specifically, this analysis of relevant literature and policy reveals that there would likely be no positive economic benefits from an arena and no rejuvenation effects. It showed also that the benefits of an arena downtown would contribute not to the greater good of the city and its people, but would be conferred onto a small corporate elite. The arena plan was also shown to be out of step with the city's long-term policy goals.

Despite the overwhelming evidence that a downtown arena would leave Winnipeg with another "ill-conceived legacy" (Lettner 2001: 2), the city stubbornly pushed the deal through, in keeping with their tendency to choose the one-development fits-all project planning method of development.

The reason behind the city's baffling decision making can be traced back to political trends. Winnipeg's city council is heavily influenced by a powerful business elite. Developers call the shots in our city, and the local government bends over backwards to meet their demands, often throwing public money at them in the process. With the help of the corporate owned media, the local government and the corporate elite often resort to crafty means to suppress democratic involvement in decision-making processes.

At this writing, the opening of the MTS Centre is still some months away, so it remains to be seen if the project will either live up to the optimistic promises of its proponents, or the deleterious impacts warned of by its detractors. However, in the past the muffled cries of the ignored, undervalued, and overlooked citizens of Winnipeg were in time seen to be prophetic. If the claims of the arena's opponents hold any clue to the future, then the outlook for downtown is bleak.

Notes

¹ Successful adaptations of former department store buildings were undertaken in Minneapolis, San Francisco, Vancouver, and Chicago (Canadian Association of Professional Heritage Consultants 1998). In *Cities Back from the Edge*, Roberta Brandes Gratz discusses other successful adaptations, such as the Denver Dry Goods building (page 160).

² This is illustrated in the following article, even from the title alone: David Angus, "Eaton's site has two Futures." *Winnipeg Free Press*. 15 Nov. 2001: A1.

³ Scarth and Silver 2002: 2. See also, David C. Walker. *The Great Winnipeg Dream: The redevelopment of Portage and Main*. Oakville: Mosaic Press, 1979.

⁴ See pages 6-7 above.

⁵ This was particularly evident in the 1990s Jets/arena scandal, described in Silver's *Thin Ice*.

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