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### **Inching toward a renaissance**

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By JIM CHAPMAN

Some time ago I interviewed downtown landlord Shmuel Farhi for my radio show. There was quite a battle raging over the future of the Capitol Theatre and Bowles Lunch buildings, gutted shells that could barely hold themselves up.

Still, Farhi was clear he didn't want to bulldoze them. If someone had a workable idea to renovate and utilize them, he was willing to listen.

That someone eventually turned out to be London city council, which last February authorized negotiations to rent municipal office space in them, providing they were restored and the 1920's era facades designated heritage.

It was a real challenge. Long abandoned, these were among the most run-down structures in the core. But they occupied a strategic position downtown, they had unique external features, and would leave a gaping hole on Dundas were they to fall to the wrecker's ball.

Council knew the cost would be significant. The city had purchased the former TD Bank building at Wellington and Dundas for a nominal \$2, then spent \$5 million more restoring and renovating it.

But preserving our architectural history is about more than money. So Council agreed to partner with Farhi and I started working with him on the project shortly after, having been an outspoken supporter of downtown revitalization for many years.

When all the calculations were complete the cost of this restoration came up significantly less per square foot than the TD Bank, even though it was a much more extensive rebuild. But it was still so expensive the numbers just didn't work for city finance head Vic Cote.

He knew it shouldn't be viewed entirely as an expenditure, but also as an investment like the Covent Garden Market and John Labatt Centre. They've had a dramatic positive effect on our downtown, encouraging the opening of many new restaurants, businesses and residential buildings. But there was only so far Cote thought council should be asked to go to support this venture.

In a series of meetings, he, his staff and our people from Farhi Holdings worked together to arrive at a solution that would allow the project to proceed. In the end, it was a dramatic decision by Mr. Farhi to actually subsidize the lease payments by more than one million dollars over the twenty-year term that moved city staff to endorse the deal. He also guaranteed to pay any cost over-runs himself.

Like them, and like the members of Board of Control who voted in favour of the lease package on Wednesday, Farhi recognizes investing in our downtown now will pay dividends in the future.

Cote, always a careful man with public money, called it "a very fair deal for both parties". Controller Hume called it "a good business plan". Controller Polhill said he sees it as "a catalyst for further development". And Deputy mayor Tom Gosnell summed it up very well when he said "let's make sure we lever it for more opportunities."

That is exactly the purpose of the venture, to inspire others to undertake renovation projects large and small and help move our downtown farther towards a commercial, residential and retail renaissance. It's a smart investment that will yield real benefits for all Londoners through increased tax revenues and the kind of downtown revitalization we all want to see.