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## Medicine for the Hat's downtown

Medicine Hat revitalized its downtown by giving \$1.5 million to entrepreneurs, who turned it into \$10 million in investment

Jul 6, 2015  
by Elizabeth Hames



Photograph Bryce Meyer

Medicine Hat's downtown wasn't always depressed.

At the beginning of the 19th century, it was the centre of life in the city. Residents flocked there to do their shopping or go to work. Even on Sundays when businesses shut down, the streets were lively. "Many of the churches were close to downtown, and on Sunday evenings there were band concerts in Riverside Park, which is right downtown," says Philip Pye, archivist at the Esplanade Arts and Heritage Centre.

But all that started to change in the 1950s and 1960s, when chains like Safeway set up shop further from the core, and ran the mom-and-pop grocers out of business. Medicine Hat got its first mall in the mid-1970s, and then Medicine Hat Mall in the

It was the destruction of several heritage buildings

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1980s, which drew even more traffic from the core. “So a lot of that day-to-day shopping moved out of the core and what was left were a few boutique and specialty stores,” Pype says.

that helped spur interest in revitalizing the downtown.

By 2011, Medicine Hat’s core had gone the way of so many small downtowns: The streets were bare on weekends, and investment in the downtown was stagnant. Many of the city’s 100-year-old brick buildings were sitting empty – and more than a few were lost to fire or neglect.



**By 2011, Medicine Hat’s core was empty on weekends and investment was stagnant.**  
Photograph Bryce Meyer

But it was the demise of those heritage buildings that helped spur interest in revitalizing the downtown. “People became quite passionate about, ‘Let’s not lose any more of these old buildings,’” says Keith Crush, business development officer with the city’s business support office.

So in 2010, the city devised a vision for downtown revitalization, and it turned to Crush to help realize it.

It was evident to everyone that simply beautifying the streets and replacing old infrastructure wasn’t going to attract investment to the core, Crush says. He needed to figure out what was keeping property owners from redeveloping those old, empty buildings, or investors from snapping up a heritage site and transforming it into a viable property. If he could solve that riddle, he could supply developers with enough cash to push them over the edge.

So Crush and his team went directly to the property owners and developers themselves. “We said, ‘What’s holding you up?’” Crush says. “‘What’s keeping you from either reinvesting or attracting a partner, or doing more with your building than what you are?’” It wasn’t the scale of the development that deterred them, it turns out, but all the administrative details needed to get the project off the ground: an environmental assessment or an inspection to determine if the structure is sound and if the utilities are up to code. All this needed to happen before they could secure a development permit, or even a bank loan.

It was the tipping point Crush was looking for. “These were expenses that someone would have to put cash into without even having the first board ripped off the wall,” Crush says. “And so it was certainly holding those property owners back from doing anything. So we said, ‘Let’s set up a grant program to help people with that.’”

But when the city launched the \$1.5-million, four-year program in 2011, few accepted the offer of no-strings cash. “At that point, of course, the economy had not come back out of the recession,” Crush says. “Medicine Hat as a community wasn’t really bad but it wasn’t great. People were

apprehensive about investing more money, whether it was in a brand new building or an older building.”

But the city managed to entice a few “brave souls” to take its money. And once they proved the program could work, the applications started rolling in. “When they saw what was happening with these buildings, people got really excited,” Crush says. “We got to the point where we had more applications than we had money for.”



**The city's downtown stagnancy has been turned around with the help of a grant program.**

Photograph Bryce Meyer

Aaron Burkhardt managed to get in before the money dried up last September, three months ahead of schedule. He recently bought a 100-year-old building downtown, which he's redeveloping into commercial on the ground floor, residential on top. The money he's received through the program only covers about 15 per cent of his costs, but he says he wouldn't have started the project if it weren't for the grants. “I always say it's just enough to get you in trouble,” he says.

He's not alone. In April, Crush toured five of the biggest developments to have accessed the grant program. “They're the folks who have the most skin in the game,” Crush says. “And very clearly, all of them said, ‘I would not have done this had it not been for the grant money coming from the City of Medicine Hat.’”

That's why Crush confidently says the program's initial budget of \$1.5 million has brought 10 times that amount in investment to the downtown. The program is closing in on 80 projects funded so far, and council has voted to contribute another \$300,000 to extend the program into 2015 and 2016.

## Too successful?

John Devine has owned an empty lot downtown for four years. He wasn't going to develop it until he retired, but plans changed when his wife proposed they build a garden centre on it.

Devine talked with the city about securing a beautification grant under the Downtown Development Incentive Program to help cover the costs of fencing and a gazebo. He left the meeting with the understanding the grant could cover about half the \$40,000 bill, so he opted for a gazebo and fencing that were “a little more better looking than what I might have been able to afford.”

The only problem was that, by the time he got his receipts together, all the grant money was spoken for. So Devine was left to pay the entire bill. He says he probably would have gone ahead with the project, even if he didn't believe he was going to get help from the DDIP. “But I probably

wouldn't have made the fence quite so fancy," he says.

"I wouldn't have got quite such a nice gazebo."

But even Devine, a man with a legitimate gripe with the program – can't lavish enough praise on it. "In every other way it was tremendously helpful and encouraging," he says. Devine says his garden centre has been more successful than he imagined – both financially and in terms of its social benefit. The business is attracting so much life downtown on the weekends, the coffee shop across the street is considering opening on Sundays.

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Brian Quinn says:

[July 8, 2015 at 5:09 am](#)

Get the CPR to move their rail yard to Dunmore and free up that downtown land for development. Then watch what happens.

Judith Brooke says:

[July 8, 2015 at 7:07 am](#)

The changes in the downtown core are exciting. I am looking forward to more changes to create an invitation for residents to enjoy going 'downtown' again. Great work people and thank you for your initiative

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