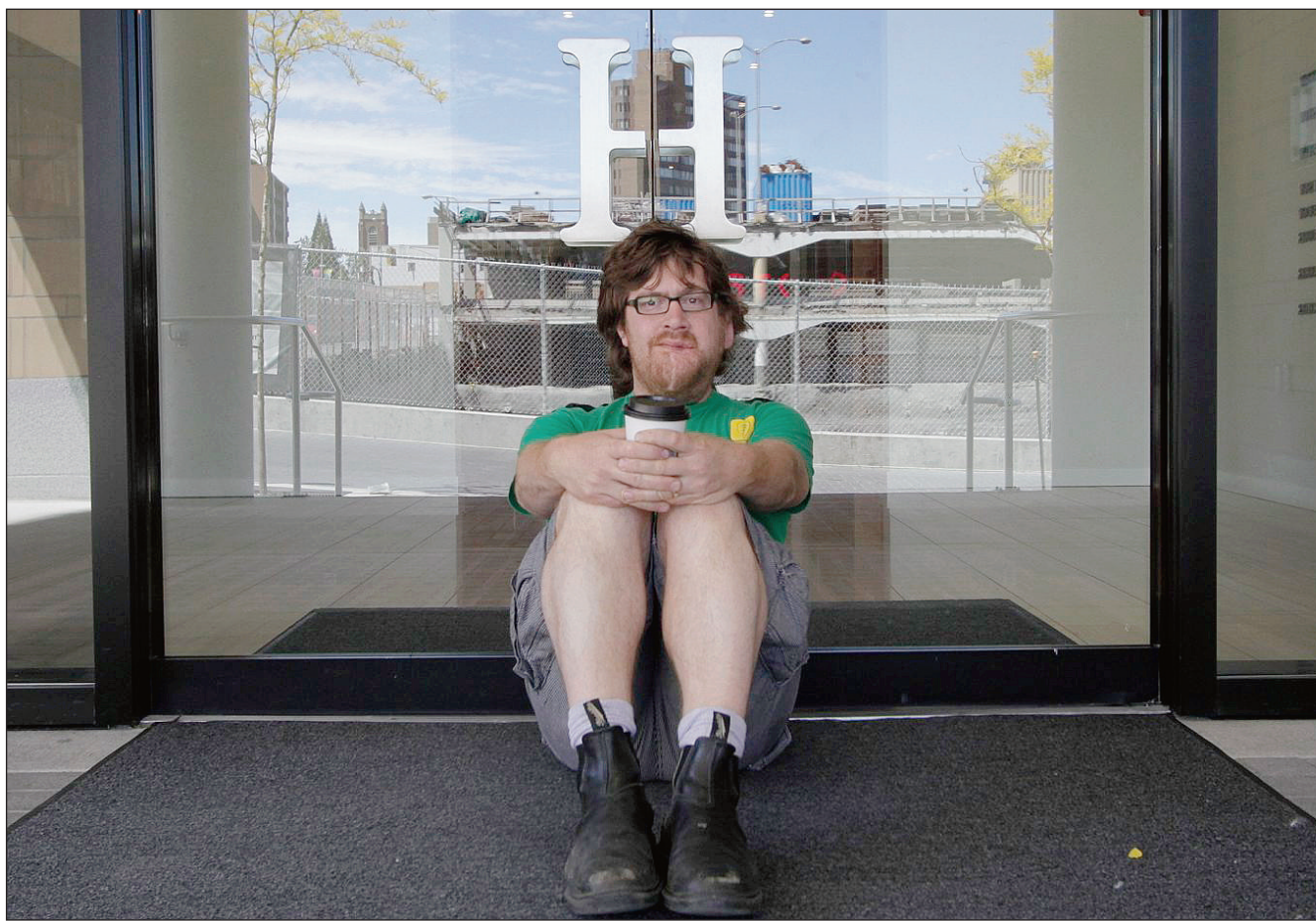


BUSINESS

SPORTS

Shamrocks, Maple Ridge battle at the Bear >B11

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LYLE STAFFORD, TIMES COLONIST

Sam Jones at the future home of his new coffee shop at the Hudson in Victoria.

Coffee guru books into Hudson

Sam Jones of 2% Jazz is the latest commercial client for Bay building

DARRON KLOSTER
Times Colonist

Fifteen years after he started serving coffee from a humble shack at a bus stop on Douglas Street, Sam Jones is moving into one of the city's most prominent landmarks.

The owner of 2% Jazz Coffee signed a lease this week for commercial space in the Hudson condominium building.

It's a big move for Jones, one of the region's coffee pioneers, as he plans to bring roasting operations and a 40-seat café into the redevelopment of the historic Hudson Bay building on Douglas Street.

"It's my anniversary, so it's a coming-of-age gift to myself and family," said Jones, a 38-year-old father of three who's ground out

legions of fans and an impressive list of commercial clients over the years.

Jones is the second business signed in as many months for Vancouver-based Townline Group, the Hudson's developer. Ken Hueston, another local who started his Langford-based Smoked Bones Cookshack from scratch, is expected to open a new 4,000-square-foot restaurant at the corner of Douglas and Herald streets on Dec. 1 — the same time as 2% Jazz.

Jones said he will keep his café in Ross Place near the *Times Colonist* open, but move his roastery from Langford into the Hudson. His new space at the back corner of Figgard Street has two floors — each at 1,400 square feet — and will feature roasting operations above the café serviced by

a mechanical lift.

Although design plans are preliminary at this point, he envisions 40 seats inside and another 20 on a patio.

Townline will begin roughing in plumbing and other features in the coming months and will work with Jones on designs to reflect the history of the HBC building. "There will be modern elements, but a big part will be respecting the history of the Hudson Bay Company," said Jones. "I feel privileged to be in the building. It's been such a big part of Canadian and Victoria's history, and I'm very proud to be part of that."

Townline vice-president Bob Pearce said other commercial deals are in the works. He said the company is currently in negotiations with four grocery store operators and expects to make an announcement next month. The boutique grocery will take between

15,000 to 20,000 square feet — about half of the commercial space available.

"Everyone we are talking to are quite serious and are asking us to keep it quiet for the moment," said Pearce. "There's lots of interest and frankly we are thrilled how things are coming together."

He noted there is interest from both local and national commercial brands for the space.

Condominium sales have also gained traction after the recession cramped interest in the development. Pearce said 95 of the 152 units have been sold and interest is picking up after a slow start to the year.

Jones supplies beans and ground coffee to several high-profile commercial clients, including Matt MacNeil's Victoria Pub Co., as well as noted eateries like Cafe Brio and Oak Bay Marina.

Check Jones's blog at 2percentjazz.com

Extension riles coastal shipbuilders

B.C., Nova Scotia say bidders should stick to July 7 deadline

CARLA WILSON
and **ROB SHAW**
Times Colonist

B.C. Premier Christy Clark and Nova Scotia Premier Darrell Dexter are backing shipbuilding companies in their provinces, which are fighting a two-month bid extension request from competitors vying for lucrative federal work.

"We fully support playing by the established rules that set July 7 as the deadline for bids for the National Shipbuilding Procurement Strategy," Clark said in a release Friday.

"All the companies have known the deadline and changing the rules now would send the wrong message."

North Vancouver-based Seaspan, owner of Victoria Shipyards, Vancouver Shipyards and Vancouver Drydock, and Irving Shipbuilding of Halifax, are against moving the deadline to Sept. 12. The other two companies shortlisted to bid on two packages worth \$33 billion in total are the insolvent Davie Yards, of Levis, Que., and Upper Lakes Industrial Marine, with a yard in St. Catharines, Ont. One package is for combat vessels, the other for non-combat ships.

"We support the federal government's decision to take the politics [out] of the bidding process and allow the bids to stand on their own merit," Clark said. "We're confident the B.C. bid will be extremely competitive and oppose any changes to the submission deadline."

Clark, who promoted B.C.'s shipbuilding industry in a meeting this week with Prime Minister Stephen Harper, is sending a letter to Ottawa arguing in favour of the current deadline.

Jonathan Whitworth, Seaspan CEO, said the date has been "set in stone for a long time and we at Seaspan personally don't believe that it needs to be extended."

Seaspan is spending millions on the bid and staff have been working late nights and through weekends to get it ready on time, he said.

"We have been striving toward and spending a tremendous amount of time, energy and money in producing that. Any time something is delayed, it is going to incur more costs."

Dexter has written Ottawa to urge that the deadline remain as is. "A further extension at this time could create the impression that the process is being adjusted to favour some bidders over others."

Steve Durrell, Irving president, said the deadline has been moved once and no further extensions are warranted. "We have

invested significantly — in terms of both human and financial resources — to prepare detailed bids in compliance with the deadline. Preparing the bid is a major undertaking.

"The submission of the non-combatant NSPS package alone will be transported by eight banker's boxes."

Since June 2010, shortlisted shipyards have "been well aware of, and given equal opportunity, to meet the established timelines and criteria [including financial strength and stability]," Durrell wrote.

The decision whether to grant the extension rests with the NSPS Deputy Ministers' Governance Committee. "Given the current stage of the procurement process, the decision will be made as expeditiously as possible," said a federal release.

Requests for bid extensions are not unusual or extraordinary, particularly for complex requirements, and each case is examined on its own merits, it said.

Michael Prince, Lansdowne Professor of Social Policy at the University of Victoria, said the deadline extension request has "all sorts of warning signs blinking."

The safest route, both administratively and politically, is to stick with the existing deadline, he said.

Davie Yards won approval in Quebec Superior Court last week for its creditor protection to be extended to July 14, from July 7.

That was done in the hopes of finalizing the yard's sale to Italy's Fincantieri and DRS Technologies Canada, Marie-Christine St-Pierre, Davie spokeswoman, said earlier this week.

The court also approved a further \$1.7-million loan from Investissement Quebec, a government agency, to Davie, St-Pierre said. Quebec has loaned Davie about \$6 million to continue operations and to prepare its bid.

Davie's creditors list shows \$62.3 million owed. The company laid off 1,700 workers last year and no building is underway, St-Pierre said.

A NSPS package would provide 3,000 direct jobs, about half at the shipyard and the rest with subcontractor and suppliers, she said.

Quebec recently announced it would give contracts to build two ferries to Davie, without going to tender, if the sale is completed.

Those contracts are designed to meet federal requirements that bidders be financially stable.

Spokespersons for Davie and Upper Lakes could not be reached.

Condos to fill Yates Street hole

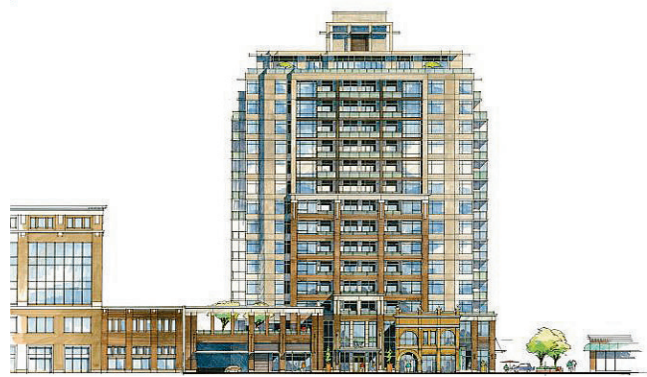
BILL CLEVERLEY
Times Colonist

A hole in the 700 block of Yates Street is to be filled with a 15-storey condo tower.

Vancouver-based Concert Properties, which had the site at 726-746 Yates rezoned last year to build a 12-storey office tower with ground-floor commercial units, has been given a development permit to instead build a 157-unit condominium over ground level commercial units.

"That block of our downtown has suffered enough having that big, empty hole there and they can't get moving fast enough for me to bring more life and vitality back to that block," said Mayor Dean Fortin.

A variance was necessary to reduce the number of parking stalls by six to 104 instead of the required 110. It will have storage for 163 bicycles.



Rendering of 157-unit condo at 726-746 Yates St. HANDOUT

As with the previous development proposal for the site, Concert is planning expansion and widening of the existing mid-block, city-owned walkway known as Millie's Lane, with an even wider stretch where it meets Yates. The lane will be resurfaced, landscaped and have improved lighting. Retail space will wrap around the corner into the lane.

As well, the facade and some of the side walls of

the existing building at 738-740 Yates, constructed in 1905 and now partly occupied by the English Sweet Shop, will be preserved and incorporated into the new building.

Richard Henry, of Richard Henry Architect Inc. said the design incorporates "a comfy home" for the heritage facade.

The improvements to Millie's Lane will make it more inviting, he said.

"There will now be a view right through to Johnson Street, which should encourage people to use it," he said.

Fortin said it would be "fantastic" if the city could work with neighbours to perhaps make some improvements on Johnson Street and put in some public art. "The city needs to take some responsibility for its parkade. What can we do?" Fortin said.

Concert Properties has developed the Marriott Hotel, Astoria and Belvedere condos in the Humboldt Valley, as well as the Chelsea in Fairfield and 365 Waterfront along the Selkirk waterway.

The Yates Street property has been long vacant. In 2005, real estate agent Eric Charman won approval for a \$14.5-million condominium building on the site at 726-728 Yates St. Due to market conditions, that project never took flight.

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