



Land sale next to Olympic oval raises \$141 million

Windfall eliminates risk of tax hikes to pay for Games' facility

Derrick Penner

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The City of Richmond will get \$141 million from the sale of land adjacent to the Olympic speed skating oval, more than triple the expected amount, Mayor Malcolm Brodie said Monday.

The city had expected the sale to contribute \$43-million to help finance construction of the oval, but had faced the risk of having to use taxpayer dollars as the cost of the Games' most-expensive facility jumped from \$155 million in 2004 to \$178 million today.

Some councillors have warned that the final figure could go higher and had worried city taxpayers could end up paying.

But Brodie told a news conference Monday that the dramatically higher price for the land means the city can live up to its promise to build the oval without raising property taxes or borrowing money.

The sale and lease agreement, which involves 7.4 hectares of riverfront property, is with Aspac Developments Ltd. Aspac will build Richmond's largest planned community with up to 2,000 housing units and 4,000 residents, in a development that could cost up to \$1 billion to build over the next 10 to 12 years.

Brodie attributed the higher-than-expected sales figure on both the "very strong" real-estate market and the "planning work" that went into the request for proposals for the land.

The city was already getting money from several sources for the Oval: a \$60-million contribution from Olympic organizers, \$50 million from municipal casino revenues and \$12.6 million from development-cost charges and other sources.

Brodie added that, with the Olympic oval's existing funding sources, and now revenue from Aspac's purchase, the city has eliminated the risk of having to hit taxpayers for any additional money.

Brodie said Aspac, developers of the Coal Harbour community on Vancouver's downtown waterfront, was the winning bid from among five developers that responded to Richmond's requests for proposals to develop the site. Three of

them proposed plans for the entire 7.4-hectare site.

The site Richmond is selling comprises the remainder of the 219-hectare Brighthouse Estates property, the farm of Richmond pioneer Samuel Brighthouse that the city purchased for \$1.45-million in 1962.

It lies on the Fraser River's south bank between the No. 2 Road Bridge and Hollybridge Way.

John Ryan, Aspac's vice-president for development, said the agreement allows for construction of 207,000 square metres, or 2.2 million square feet, of residential and commercial buildings spread over the 7.4 hectare site, which will include up to 2,000 housing units and up to 12 mid-rise towers.

Ryan added that Aspac jumped on the opportunity to bid for the land because it is so near to the waterfront and has views to the North Shore

"There are very few quality waterfront [land] opportunities left," Ryan said. "Coal Harbour was one, Concorde Pacific [lands on False Creek] was another. We think this is another of those exceptional opportunities."

Ryan said Aspac is still in the midst of its planning and it is too soon to say what unit prices it would be charging for homes in the development.

He added that units will be sized in a way that will create a range of prices and choices for units in the development.

"We have the ability to build retail uses, restaurant uses, hotel and office uses," Ryan said about the commercial development that might come along with the new homes. "A lot of them are tied into the fitness and wellness theme of the oval."

Ryan said buildings will be restricted to 14 storeys in height because they are within Vancouver International Airport's flight path.

However, he is confident the developers will be able to minimize noise concerns and has done geotechnical assessments to determine that the site is structurally sound for what Aspac wants to build.

Brodie said the proposed Aspac development fits in with Richmond's official community plan, which has seen the city's central area increase in population density.

Richmond does have to update its city centre plan, but Brodie said the Aspac development will be part of that process.

"We've gone through a lot of consultation on what this area and the oval and the surrounding lands would look like," Brodie said.

The \$141-million price for the land works out to an average of about \$61-per-square-foot of building space on which Aspac will be able to build.

That is a new high mark for Richmond when it comes to residential property, but not unreasonable considering that it is waterfront, according to Sandra Cawley a principal with Burgess Cawley Sullivan & Associates, a Vancouver property appraisal firm.

Cawley said it is also comparable with Burnaby, where land prices run \$50-\$70 per square foot of building allowed, and North Vancouver, where a recent property sale had a \$133-per-buildable-foot price.

Richmond council was set to submit its agreement with Aspac to its regular meeting Monday night for a vote on its acceptance.

depenner@png.canwest.com

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