

Developers desperate to get building

Worried about a delay into 2009, many meet with the mayor and are ready to pay extra

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VANCOUVER - Major building projects in Vancouver worth hundreds of millions of dollars are in limbo as the city's planning department, already understaffed and having a hard time keeping up with the city's Olympic preparations and condo boom, struggles back on its feet after a three-month strike.

Major projects are potentially facing more than just the three-month delay that other builders are looking at.

That's because any project that requires rezoning has to go through all the complex steps of a year-long process with the same set of city councillors. The councillors who approve a project to go to public hearing and then sit through the public hearing are also the ones who have to sign the enactment bylaw, which only comes after a long process involving urban design panels, development permit boards, engineering approvals, and legal agreements.

Since there will be an election in the third week of November 2008, planners will be aiming to have the final enactment done by next September at the latest.

As a result, almost three dozen towers and several other major projects that required rezoning and were in line before the strike -- including the massive East Fraser Lands development, a massive new hospital complex at St. Vincent's, and the planned Canadian Tire on Southwest Marine -- face the likelihood that they will not make the deadline.

On that list are several residential towers on the edge of the Olympic Village, the controversial Norquay Village project at Kingsway and Nanaimo, the city's first office tower development in a couple of years, and at least a dozen downtown



CREDIT: Ian Smith, Vancouver Sun

While construction cranes line the south shore of False Creek east from the Cambie Street Bridge, a number of towers won't complete the city planning process before 2009.

residential towers.

The news is even grimmer for the 18 developers who had projects in the pre-application stage and others making new inquiries.

"This is a challenge and some projects may not be able to go through," acknowledged city planning director Brent Toderian.

That has developers so worried that they've set up a series of meetings with Mayor Sam Sullivan to try to find a solution to the problem that could delay the construction of thousands of housing units, along with other major projects.

Some are also saying they're willing to pay extra money to hire outside planners and lawyers in order to try to make the fall deadline.

"I don't think there'd be a developer who isn't concerned about this," said David Negrin, the president of the Urban Development Institute that represents larger builders in the region. "It is a major problem. If someone doesn't get through now, you have to wait for the new council to gear up and get going."

Projects typically aren't allowed to go through the final stage past September, two months before the election date, and projects that miss that deadline might not be able to get back in action until the following February or March. That can cost hundreds of thousands of dollars in interest, and potentially land a developer in the middle of a real estate slowdown.

Negrin's company, Concord Pacific, has 10 towers on two sites waiting in the line. Negrin thinks one set of four, at Pacific Boulevard and Nelson, will make it through. That's probably not going to be the case for the other six on a site farther east.

"I don't think that's going to make it. I'd like it to," said Negrin.

Bruno Wall, whose company Wall Financial is building four towers and a rehearsal space for the Playhouse Theatre at the edge of the Olympic Village, said he is hopeful his project will go through since it had already completed several steps of the process.

But he is concerned enough that he is willing to pay for the city to hire outside legal help in order to make sure that his projects can meet the deadline. Major projects often require extensive legal agreements of dozens of pages in order to specify setbacks, bonuses, design requirements and more.

Negrin said some developers with rezoning projects were already noticing backlogs with the city's planning and legal departments before the strike.

There were 25 unfilled vacancies in the 110-person planning department before job action, as a hot market enticed Vancouver planners to other municipalities or private-sector jobs. Another five left during the strike to go to Abu Dhabi, where Vancouver's former planning director Larry Beasley is working.

And now everyone is waiting to see how many more show up on the missing list.

Negrin said the mayor has told him the city won't know for two weeks exactly how many employees are coming back. (A provision in the contract settlement gives employees two weeks' grace to return to work, allowing those who have been temporarily working elsewhere to give notice to their strike-time employer before returning to the city.)

In the meantime, developers are finding out the bad news one at a time.

Phil Mondor, a senior rezoning planner with the city, said one developer who had called him with an inquiry before the strike called again last week, thinking perhaps he could move onto the next step in two or three weeks time.

"I told him it was going to be at least a couple of months before we can assign it and look at it," said Mondor. "I said, 'You're definitely looking at 2009 not 2008.' He said 'Ouch.' "

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MAJOR PROJECTS ON CITY HALL WAITING LIST

Almost three dozen towers and several other major projects that needed rezoning and were in line before the civic strike face the likelihood of not making the pre-election deadline.

711 West Broadway

17-storey residential tower

1300 Granville St.

Yale Hotel revitalization and mixed use 22-storey residential tower

29 E. 2nd Ave.

Mixed use 12-storey tower plus 18 storey tower

368 W. 1st Ave.

Mixed-use 5-storey building

2-88 W. 1st. Ave.

404 units, 4 to 15 storeys

728 Pacific Blvd.

Six towers and commercial space

1409 W. Pender

34-storey and 15-storey towers with 3-storey podium

236 W. 1st Ave.

12-storey tower and 4-storey podium

East Fraser Lands Phase 1

26 S.W. Marine Dr

Canadian Tire store

745 Thurlow St.

Mixed-use 23-storey commercial tower

1342 S.W. Marine Dr.

Mixed-use commercial/retail development

1304 Howe St.

Mixed-use tower

999 Seymour St.

21-storey residential/commercial tower

2330 Kingsway

Mixed use development

10 Terry Fox way

4 towers, 755 units

102-160 W. 1st Ave.

4 towers, 11 to 15 storeys

201 W. 2nd Ave.

Mixed use

1695 Main St.

13-storey mixed use tower

311 W. 2nd Ave.

10-storey tower with 5-storey podium

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