

John O'Donnell is senior vice-president of development with Ledingham McAllister, whose company developed Vancouver's Century Building.

Good development projects come to those who don't wait

Plan ahead to secure commercial tenants, engage the community

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SPECIAL TO THE SUN

When John O'Donnell of Ledingham McAllister thinks back to his company's development of the Century building on Fraser Street in Vancouver, he recalls it as a project that "went political" very quickly.

The 2011 mixed-use development at the 4500-block of Fraser Street today houses a busy No Frills supermarket, a Shoppers Drug Mart and a Starbucks, set below 312 low-rise condos and 32 townhomes. The total commercial space is about 50,000 square feet.

"The whole project went quite political because we were demolishing rental accommodation (at that location)," said O'Donnell, Ledingham McAllister's senior vice-president of development.

He recalled spending two nights before Vancouver city council — even though the project didn't require a rezoning — where he "got slammed pretty heavily" by members of the public who opposed the Century plan.

"The community was definitely riled up over the loss of rental space," he said.

But the project went ahead as designed for a couple of reasons, O'Donnell said: a vocal contingent of neighbours was eager for a revitalization of what had become a rather tired section of Fraser Street, and Ledingham McAllister was able to lock in recognizable commercial tenants before breaking ground.

Securing long-term commercial tenants early in the game is the key to having commercial or mixed-use developments like Century accepted by neighbourhoods in Metro Vancouver,

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BEAU JARVIS

SENIOR VICE-PRESIDENT FOR DEVELOPMENT, WESGROUP

O'Donnell said. Targeting and consulting with key members of the community and taking advantage of official community plans (OCPs) within municipalities also helps to develop and maintain neighbourly relations, he said.

In the end, Ledingham McAllister carried out the demolition of the older rental building at the site. But Vancouver's development guidelines required them to replace the units that were wiped out, so they purchased another site a few blocks south and built a rental building there with commercial space on the lower floor.

Successful developers identify early on who the commercial tenants are going to be and then design the building to suit the needs of those tenants, O'Donnell said.

"That helps the community understand what the building is going to be like. It also helps the developer because then they know they've got a tenant to go into their building and they're not going to be stuck with empty space later."

Problems arise with neighbours when developers leave their commercial tenant recruitment to the late stages and then can't find a business that will act as an anchor for the building and surrounding community. "No commercial landlord will rent to

some flake, so often the buildings sit there empty," he said.

One of the main sticking points around Metro Vancouver in recent years has been what developer Beau Jarvis calls "neighbourhood fatigue."

A common concern in the Lower Mainland by vocal opposition groups is the "too much, too soon" perspective when it comes to large mixed-use or commercial developments, said Jarvis, Wesgroup's senior vice-president for development. The bargaining process works best when you engage with groups that oppose the development for specific reasons.

"There are people who are opposed for valid reasons and there are people who are completely, irrationally opposed," Jarvis said, noting that you have to identify both groups and then respond to the legitimate worries.

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He said it's up to developers like Wesgroup (which is developing the Brewery District, a master-planned mixed-use project in New Westminster across from Sapperton SkyTrain station) to make sure solutions to

those potential problems are found before ground is broken. Often, the fix is as simple as adding a crosswalk signal to a bus intersection near the development. But sometimes the development just needs to be downsized to appease the neighbours, he said.

Municipalities' OCPs are another major tool for developer that reduce the need for complex re-zoning and drawn-out public consultation, O'Donnell said.

The City of Burnaby, in particular, has led the way in drafting (and modernizing) its community plans, which often prevent conflicts between developers and neighbours because the plans express specific vision and requirements for plots and neighbourhoods.

The plans reduce the element of surprise, he said.

"Burnaby was the leader in this notion of OCPs," O'Donnell said. "They did this work in the early '80s — even before the Expo Lin was built."

Burnaby's leaders realized that certain neighbourhoods needed commercial hearts, such as Metrotown, and later Lougheed Town Centre and now Brentwood Town Centre. He said these hubs have served as anchor for surrounding residential development.

"Communities need a heart," O'Donnell said, adding that well designed OCPs have proven to be very effective at sorting out what those "hearts" should be and where they should be located.

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