

BUSINESS BC

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URBAN DEVELOPMENT

Highway 99 expansion drives development in Squamish

Waterfront housing and 'sustainable' highrises being considered by council

BY BRIAN MORTON
VANCOUVER SUN

Development projects are picking up steam in Squamish, with a 1,500-unit waterfront housing project getting rezoning approval last week, days after council gave its endorsement in principle to a major high-rise plan.

As well, the environmental approval process continues for a proposed four-season mountain resort called Garibaldi at Squamish, which would include a major ski hill a few kilometres north of the town on Brohm Ridge. A public meeting was set this week to update residents on the environmental approval process, which has been a subject of concern for years.

All three developments are being boosted by the \$800-million Highway 99 expansion project, which is quickly nearing completion.

"I think the highway project is the biggest direct legacy of the Olympic Games [for Squamish]," district planning director Cameron Chalmers said in an interview Wednesday.

"It's certainly made commuting faster and safer, [and] it's put us in the commuter shed of the Lower Mainland," Chalmers said. "We're struggling with that, but the highway upgrade has opened the marketplace in Squamish."

"The highway has had the biggest impact in driving the demand side of the development industry."

Chalmers said much of the development that took place in 2006 and 2007 was prompted by developers anticipating the highway's completion, with quicker and safer commutes to Vancouver.

Last year was slower, he said, but the highway's pending completion will again heighten interest in Squamish.

Chalmers said while the resort project has been proposed for many years, the highway upgrade makes the plan more feasible.

Squamish Mayor Greg Gardner agreed that the Highway 99 upgrade is helping drive development by making Squamish a much more desirable place to live.

"It obviously shortens the time [to Vancouver] and makes the commute more safe. But we want to ensure growth is balanced and [that Squamish] does not just become a residential suburb."

Dubbed Waterfront Landing, the 1,500-unit Pridham Development is a housing project in downtown Squamish proposed for a 21-hectare site east of the Mamquam Blind Channel and just west of Highway 99 on the old Interfor mill property. The development — which will be built in stages over 15 to 20 years with the aim of building a vibrant downtown — also includes a marina, public amenities in-



The Sustainability Block project (above) consists of nine buildings, including 13-storey towers, which, if they are eventually built, would be the tallest buildings in Squamish. Plans for another major development in the downtown area, called Waterfront Landing (below), are also well underway. It would be built in stages over the next two decades.



cluding a waterfront walkway, parks and a lagoon and other land uses.

Pridham Development community relations consultant Andrew Pottinger said the company is "thrilled" by last week's rezoning approval. "It means we can envision construction beginning next year, in terms of servicing the site."

The project originally included three apartment buildings up to 20 storeys, but the towers were reduced to a maximum of 12 storeys after public opposition.

Plans for another highrise project — the proposed Sustainability Block project — also emerged this month. It was initially planned to include a 17-storey building, easily the highest tower in

Squamish, and council subsequently voted to move the project forward.

But Chalmers said the Sustainability Block is still "absolutely a work in process" and that he anticipates the towers will ultimately top off at 13 storeys — which would still, along with the Waterfront Landing highrises, make them the highest buildings in the community.

"We expect that shortly we'll get our first subdivision application," Chalmers said, adding that initial sales of Waterfront Landing units could begin in two or three years.

The district-driven Sustainability Block project would consist of nine buildings, including two mixed-use

highrise buildings built in collaboration with Westmana Development Corp., which owns land in Squamish's downtown core.

The plan, which would include a significant residential component as well as commercial and office space, would be a cutting-edge model of sustainable development — including such things as energy-efficient buildings, affordable housing and a renewable energy supply — and help set the tone for much of the district's future development and support economic revitalization of the downtown core.

"The district would offer additional density in return for top-notch sustainable initiatives, including employment," Chalmers added. "We anticipate this will proceed through the approvals process and be constructed when the market could accommodate it."

Chalmers said the Garibaldi at Squamish resort proposal could get environmental approval this year, along with a master-plan approval from the Ministry of Tourism. However, the proposal would still need approvals from the District of Squamish.

According to the proponent, Garibaldi at Squamish — developed over 20 years — would include up to 1,200 hectares of ski terrain, 124 ski trails, two 18-hole championship golf courses, a network of multi-use trails and 5,739 housing units, including more than 1,700 hotel units and extensive guest services, public amenities and facilities.

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INDUSTRY ANALYSIS

Canadian forestry, paper producers deliver worst results: PwC

11 firms account for half of global record losses

BY JOHN MORRISSY

Canada's forest, paper and packaging sector was the world's worst performer in 2008, accounting for half of the combined \$8 billion US in record losses posted globally by the top 100 firms in the field, according to a report Wednesday.

Canadian companies account for only 11 of those 100 companies but still had losses of \$4 billion, said the PricewaterhouseCoopers report. Not one of them made money in 2008 and only three turned a profit in 2007.

"All the stars were aligned in a negative sense here because the forestry industry is always cyclic, and we were already down when the economic tsunami began to take effect a year ago," said Craig Campbell, leader of PwC's performance improvement practice for the global forest and paper industry, and author of the survey.

"Not only did the much-anticipated recovery in the U.S. markets served by Canadian producers not materialize in 2008, a number of Canadian producers actually described the year as the most difficult and worst downturn in recent history."

The Canadian firms' losses represented a 355-per-cent increase over 2007, when they totalled \$900 million.

Worse yet, Canada delivered the poorest performance in the industry's key metric, which measures profitability as a percentage of the money invested in the business. It is used because the industry is one of the most capital-intensive in the world, with new plants costing in the neighbourhood of \$1 billion.

In Canada, the industry's return on capital employed, or ROCE, was a negative five per cent. Packaging firm Cascades was the only Canadian company in the PwC Top 100 to post positive ROCE, at 0.9 per cent, followed by fine-paper maker Domtar at zero per cent.

Inevitably, he said the other former leaders in the field — the U.S. and Europe — are being eclipsed by new players in Asia and Latin America who are investing in the newest technology and generating much better returns. Asia, Campbell pointed out, posted the best ROCE in 2008, a return of 7.2 per cent.

He said Ottawa's recently announced \$1-billion aid program will help in the short-term but will do little to correct the industry's fundamental problems.

It was the first time in 13 years that the top 100 companies posted a combined loss. In 2007, they reported profits of \$13.8 billion.

Financial Post

ONLINE

Out On A Limb

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INSIDE | C2

Malcolm Parry's Trade Talk

After long directing Li Ka-shing's global fortunes, former city lawyer Frank Sixt top-hatted in Ascot's Royal Enclosure this month.



FRIDAY

Money Watch

Business BC's series on personal finance: How investors risk repeating past errors.

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