



Urban Development Institute—Victoria Spring Newsletter May 2007

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Presidents Message—Glen Wilson

In all the time that I've been involved in UDI Victoria—as a member, Director, and as President—I have never been prouder of the organization than I am at this time.

I have never seen UDI Victoria more fully engaged and involved, and never more successful in fulfilling all aspects of its mission. Let me explain.

To become a developer, in Victoria or anywhere, all one needs is the determination, an appetite for risk, and the skills to manage a complex, high-pressure task. Developers are self-taught. Some learn from other, more seasoned developers. Some bring a particular skill-set to their work—a background in construction management, or a finance background, or an aesthetic vision. But development is not a credentialed profession. You don't go into a developer's office and find a wall full of diplomas or degrees from some certificate-granting institution. There's no School of Developology. This means that developers, regardless what brought them to the profession, are qualified by their last profitable project—that is, the last project in which they successfully managed the risks.

UDI Victoria's job, given this professional environment, is to support its members and the industry generally. While we don't have the resources locally to influence provincial policy, undertake research on major industry concerns, or mount ambitious education initiatives (our parent organization, UDI Pacific in Vancouver does these things), we do a good job of engaging in a number of ways...and we have never been busier doing so.

Homelessness, affordability, green buildings, sustainability, height and density issues, land use policies, interaction with local municipalities around governance and policy matters that affect our working environment—these are all issues and areas in which UDI Victoria plays an active role.

In many of these, we took initiative and organized events or activities that enabled us to bring forward some unique ideas. I'm particularly pleased with the 'conversations' we organized on the subject of homelessness. These allowed us to promote the idea that there were, in fact, market opportunities to respond to the need for homeless housing— (con't p.2)

PRESIDENT'S MESSAGE CON'T

an idea that has remained entirely dormant in the homelessness debate.

Regarding green buildings and sustainable development, we are not only participating with municipalities as they evolve their own policies, but are about to bring on, in the fall, an industry education program to assist our members. The big challenge, by the way, is not pulling together the content, the curriculum, but the learning methodology, the delivery system. That is, the content—both the theory and the practice—is well developed. But how to get the attention of the busy learner is the big question. A classroom setting? People don't have the time. Online? How do you assure people are participating? Workshops

and printed materials? How do you ensure take-up? And how do you promote and package all of this so it doesn't feel either onerous (that doesn't make for good or enthusiastic learning) or radical (code for 'more risk')? And how do you make sure that knowledge transfer takes place for whole development organizations, not just one individual in an organization? The questions themselves should tell you that we are taking all of this seriously.

Two things are growing at UDI Victoria: our membership, and the reputation of our monthly luncheon series. Ultimately, membership growth tells you if you are relevant and doing a good job. Probably our most visible effort is our monthly luncheons whose interesting

and provocative topics, and speakers, regularly bring out over-capacity audiences at the Embassy Inn (unless it's the fabulous luncheon buffet). We are pleased with the success of this program and particularly pleased that these luncheons have become a setting not just for the industry, but for planners, politicians, related businesses, community representatives and civil society. We take the view that land use is everybody's business, and this position appears to have served us well.

Our 'season' winds down at the end of June, but our work continues. I look forward to renewing our acquaintance at the end of the summer, and wish all of you the best.

UDI VICTORIA IS OFTEN ASKED FOR INPUT

The City of Victoria is undertaking a review of its current approach to planning neighbourhoods. As part of this review, the City's Community Planning Division will host a meeting with representatives from the Urban Development Institute and other development industry professionals. The meeting will be held from **2:00 to 4:00 PM**, on **Wednesday, June 13th, 2007** in the City Hall Council Antechamber, 1 Centennial Square.

The meeting will provide an opportunity for representatives from the development industry to come together with city planners to discuss the City's current approach to planning neighbourhoods - what works and what does not work.

Feedback gathered from the meeting will be used to review and improve the City's approach to planning neighbourhoods.

The meeting will begin with a short presentation followed by a facilitated discussion.

If you plan on attending, please **RSVP** to Steve Gauley, City of Victoria planner, by telephone at 361-0533 or e-mail sgauley@victoria.ca.



HOMELESS HOUSING AND AFFORDABILITY

UDI Victoria applauds Diane Carr and others in her team who, over the winter, explored to potential for housing for the homeless on a surplus school site, and FOCUS Magazine for getting deeply involved in publicizing the work of that team. The reason for our applause has less to do with the feasibility of that particular plan, and much more to do with taking initiative.

From late last year, when UDI Victoria held its 'expert conversations on homelessness,' we have been struck by the idea that what is needed to address both homeless housing and affordable housing is a new class of entrepreneur, utilizing a new set of tricks.

We have looked at a model for housing homeless or those with extreme affordability challenges in small, self-contained units aggregated in home-like structures that would appear to produce better than \$2.00 per square foot in monthly income, compared to current market rental which produces \$1.10-1.25 per month. We believe that there are numerous variations on this core opportunity, and that these could spawn new collaborations between entrepreneurs, service providers, creative lenders, and property owners.

One thing we are convinced of: if the challenges of housing the homeless and those in core need of affordable

housing are left only to senior governments and their housing programs, we will never solve the problem, but only dent it.

Currently, every unit of homeless or affordable housing created through government programs has a price tag of about \$250,000. We have seen examples of attractive, modular, self-contained housing that could be produced for a song, compared to those numbers.

Such units could house single occupants or, with rooms strung together, couples with or without children.

Municipalities must be willing partners in such innovative programs, as they are going to need to re-think certain land use regulations.

What we think in summary is that our collective failure as a community to respond to homeless housing needs and some of the more pressing affordability issues for the working poor is a tremendous self-indictment. For its part, UDI Victoria will continue to participate and put energy into innovative approaches and responses to the housing and affordability challenge.

UDI VICTORIA THANKS THIS SPRING'S LUNCHEON SERIES SPONSORS

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Interested in Sponsoring a UDI Victoria Event?
Contact Marie Savage, Executive Coordinator,
at udivictoria@shaw.ca or 383-1072 for more information.

THE STATE OF THE WORLD AND THE GREEN REVOLUTION

Every once in a while, the larger events on the world stage organize themselves in a way that points to opportunity for local action. Global conflicts and macroeconomic events may feel like they are happening a long way off, or are so abstract that there is no way to understand local applications.

But global warming and energy impacts feel both universal and very local. The Saturday, May 5th issue of the Vancouver Sun was entirely devoted to climate change and related concerns. The issue, guest-edited by David Suzuki, did a first-rate job of making the reader aware of implications for the entire planet but, at the same time, brought the issues home as they affect BC—specifically, the Lower Mainland and Capital Region.

Link this to Premier Gordon Campbell's epiphany, the result of which is that he is hell-bent to make BC the most sustainable region in North America. Certain key ministries and crown corporations have been given front-line responsibility to deliver measurable outcomes in a number of target areas concerning energy and other sustainability features. But of particular note is the Premier's so-called "Green Cities Initiatives." These have direct impact and bearing upon development practice in our area, and will feature new policies and programs in such areas as:

- Aggressive public building plan involving all publicly-funded buildings and landscapes, with an aggressive plan for integrated design to achieve highest standards Greenhouse Gas emission, water and other performance results; green, healthy workspaces; productivity benefits; and restoration of the ecological features of surrounding landscapes
- Green universities, colleges, schools, prisons, ferries, airports and ports
- Provincial and municipal fast tracks to reward high performance development with expedited approvals and the removal of unnecessary barriers
- Development of a new unified BC Green Building Code
- Retrofit incentives for homes and buildings to make them more energy efficient
- Incentives for smaller lots to make more efficient use of land and to reduce energy and other resource footprints
- New assessment class providing incentives by way of tax exemptions for small-unit, supportive housing.

This is remarkable stuff, and it is being driven by a leadership commitment at the highest level. Talk about thinking globally and acting locally!

**UDI VICTORIA ACKNOWLEDGES
THE GENEROUS ANNUAL SUPPORT OF THE CMHC**



TO FIND OUT MORE ABOUT CHMC AND THEIR EXCELLENT RESEARCH INITIATIVES VISIT
WWW.CMHC.CA.

MARKET

Our members report slower but steady condominium sales, even though pricing—fuelled by escalating land and construction costs—continues to move up. Concern a year ago about the lack of new office construction in the central area appears to have softened with the announcement of at least two significant new office commercial buildings.

Several of the regional shopping malls are either starting on, or engaged in, major expansions, and Langford continues to add to its mall acreage directly across Millstream from the existing big box developments anchored by Home Depot.

Rental rates have moved up in Greater Victoria by several percentage points. According to CMHC's latest survey for 2006, one bedroom apartments averaged \$681, up from \$657; and two bedroom units were \$874, up from \$837. Sources predict these will climb another 5% in 2007, chiefly owing to increased operating costs.

Rental prospects, from the renter's perspective, will continue to be dim in 2007, with vacancy rates hovering around the 0.5% mark. UDI Victoria is still contending that statistics like these can and should be seen as a signal to the industry of a market opportunity. It believes that the market has a responsibility to innovate and meet a market demand.

Condominium construction continues to dominate the landscape, with even Colwood and Langford getting into the game. The recent Coriolus report to the City of Victoria asserts that while the average between 1996 and 2006 was 195 new units per year, the number between 2004-2006 jumped to almost 400. The report predicts 350 units per year for a lower demand scenario and 450 units per year for a higher demand scenario. Such numbers speak to a potential for 8-12 projects of varying sizes per year, just in the central area. The Coriolus report recommends that the City consider increasing density and height limits, designating part of Downtown for commercial use only, increasing density in some of the shoulder areas adjacent to Downtown, and designating that part of Rock Bay south of Bay Street as a mixed use higher density urban area.

CMHC reports that robust demand for housing continues throughout Victoria and Vancouver Island, and that all recent numbers support the 30-year high recorded last month in Metro Victoria.

Welcome to New UDI Victoria Members

BC Hydro—Power Smart

**Boulevard
Transportation Group**

Chard Development

Concert Properties

Dockside Green

Knappett Projects Inc.

**Number TEN
Architectural Group**

**Ocean Estates
Development**

Patrician Ventures

Shaw Cablesystems

Vancity Enterprises

**Victoria Civic
Heritage Trust**

**Membership in UDI
Victoria is corporate.**

**For more information
on how your company
can join UDI Victoria
contact our offices at
383-1072 or by email
at udivictoria@shaw.ca.**

**UDI is a research,
education and advocacy
organization for the
land development
industry and related
professions. Join today.**

MEET THE NEW BOARD

Glen Wilson – President

Glen Wilson is President of Searidge Management Inc. Founded in 1983, Searidge has successfully completed more than \$100 million dollars of multi-family housing in the Victoria area.

Glen is an active member of the community and dedicated industry advocate with more than 20 years experience.

Henry Kamphof – Vice-President

Henry Kamphof is Executive Director of the Capital Region Housing Corporation.

Henry has developed over 150 residential projects having asset value over \$400 million. His property management activities have included approximately 18 housing authorities and 50 non-profit housing corporations having a portfolio in excess of 7000 units.

Lynda Mason, CA – Treasurer - Incumbent

Lynda Mason is a partner in Crawford Paterson Campbell & McNeill, Chartered Accountants.

Lynda has been treasurer for UDI Victoria for more than ten years and is well known for her work with development industry clients.

Lynda also volunteers her time as treasurer on a number of other boards, including the YMCA - YWCA of Greater Victoria. She is the President of the Victoria CA Association.

Gene Miller-Communications

Gene Miller is a development consultant hired by private and government clients to innovate in land use, land use policy, and public process. He emphasizes the value of bringing beauty into the world, the need to create distinct and unique places that foster a sense of connection, and the need to conceive built environments that respond to and cooperate with systems and rhythms of nature, rather than fighting with and damaging them.

Art Kool – Membership Chair

Art Kool is the owner of Aral Developments Ltd., which holds an interest in various commercial and residential real estate properties and is also a property development business. Art is a majority shareholder in Aral Construction Ltd., a Victoria-based construction company that has won numerous CARE awards over the years. And, President and CEO of First Island Financial Services Ltd., a construction mortgage lender.

David Adams, LLB

David Adams is a partner in Patterson Adams – Barristers & Solicitors and has been serving the development industry in Victoria for many years.

Detlef Beck

Detlef Beck is the Director, Community Enterprise for Vancity Enterprises, a subsidiary of Vancity Credit Union. Detlef is responsible for developing and implementing

a regional community investment strategy for Vancity Enterprises and Dockside Green, A LEED platinum development in Victoria.

Dennis Carlsen

Dennis Carlsen is a development consultant now working with Three Point Properties. He was attracted to the company by their commitment to excellence and respect for both the natural and social environment.

Richard Harris

Richard Harris is the President and COO of Somerset Estates Ltd.

He is particularly interested in LEED and sustainable building practices.

Travis Lee

Travis Lee is Vice-President in charge of day-to-day operations for Tri-Eagle Developments.

Travis is a graduate of the Certified Commercial Investment Member program and as such is a recognized expert in the disciplines of commercial and investment real estate.

Graham Smith

Graham Smith is Vice-President of Colliers International Victoria. He is an expert in retail sales and leasing.

Our thanks to Bob Cross and Mark Lindholm, who stepped down this year, for their expertise and past contributions to the board.



WATCH FOR THIS

**Coming
the Fall and Winter
of 2007-2008**

UDI Victoria's Development School

Learn about finance, approvals, and sustainability from experts in the field. Discuss issues of importance and concern, and walk through case studies with your fellow classmates.

WEBSITE

Get the most out of your membership – be sure to check out the UDI Pacific website for current industry information.
www.udi.bc.ca

NEWSLETTER CHANGE

UDI VICTORIA will be changing from a full newsletter format to a monthly bulletin to members starting in the fall of 2007.

KNOW SOMEONE WHO SHOULD BE ON OUR MAILING LIST?

Have them contact our offices at udivictoria@shaw.ca.

JUNE LUNCHEON

Join us Wednesday, June 20th at noon at the Embassy Inn, 520 Menzies Street for the final luncheon of our season.

Our last luncheon was recorded by volunteer Herman Rebneris. To see the podcast of the presentations about Density, visit:

<http://video.google.ca/videoplay?docid=2530076733318572346&hl=en-CA>

If you're typing that into your browser, it's all one address with no breaks.

HEARD OF HAP?

The Housing Affordability Partnership is a catalyst committed to increasing awareness and facilitating innovation/ solutions to improve community stability, through housing affordability in BC's Capital Region.

HAP operates on eight key principles: community solutions, broad/diverse participation, commitment, openness, use of plain language, cooperation, sharing (information and resources), and leadership.

Since 2000, HAP has evolved into a unique cross-sectoral partnership with representation on its Steering Committee from the public, private, and not-for profit sectors – involving key sectors of the housing industry.

UDI Victoria is a proud member of the Housing Affordability Partnership and supports its goals.

HAP's latest conference, held May 25 & 26th and called, "Having a Neighbourhood Vision," offered thought-provoking presentations that inspired neighbourhoods to take the initiative in discussing and determining their creative and collective future.

A podcast of the entire event will be available at <http://video.google.ca> very shortly. Search for "HAP conference."