

Greens could be turned into gold

Land occupied by city's golf courses worth billions

BY DON CAYO, VANCOUVER SUN COLUMNIST JUNE 20, 2012

The City of Vancouver is sitting on a gold mine - grossly under-used land worth billions that could be used to lighten the tax load or provide amenities.

Or maybe it's three gold mines. They are the city-owned golf courses - Langara, which sits near the southern end of the red-hot real estate corridor created by the new Canada Line, McCleery on the Fraser River in tony Southlands, and Fraserview, which overlooks the river near the city's eastern boundary.

The three tie up large tracts of land that, with realistic zoning, would be worth several billion dollars. Yet they hosted a total of only about 164,000 rounds of golf last year, which netted less than \$1 million after expenses. Compared to a prime multi-use public space like Stanley Park, they occupy about one-third as much land and were used by barely more than one-50th the number of people.

One alternative to get better value from these under-used spaces would be to convert them into parks, or a mix of recreational facilities that would attract a wider range of visitors.

But at the request of The Vancouver Sun, Paul Sullivan, a partner in the property tax-consulting firm of Burgess Cawley Sullivan, looked at the kind of options that could emerge from a blend of public and private usage.

Sullivan focused on what would happen if just 20 per cent of the land occupied by just one of the golf courses, Langara, were to be sold for well-planned development.

Single-family housing is the only private development that current zoning rules would permit on the strip of Langara land that borders on Cambie Street, he said. But, in keeping with other city plans for this key transportation corridor now that it's served by the Canada Line, it should realistically be approved for five or six times more density.

If this were done, just 9.7 hectares (24 acres) of the 48.5-hectare (120-acre) site would - based on the selling price of other land in the neighbourhood - go for about \$675 million. Reasonably dense condo development on this land could house as many as 7,000 people - about one per cent of Vancouver's total population - and could generate more than \$10 million a year in property tax revenue.

"Plus you'd have the \$675 million from the sale of the land," Sullivan said. "The prospect of the property tax revenue is nice, but the capital gain is massive."

How massive? Well, if that much money were simply invested quite conservatively, it would easily earn \$33 million a year - about five per cent of the city's total property tax levy.

Or, if every cent of it were invested in affordable housing, it would build more than 4,100 units - plus provide more than enough land to accommodate these homes if the other 80 per cent of the golf course land were to be freed up for development.

Other uses or combinations of uses are also possible. The 80 per cent of the remaining land could be refashioned into a smaller golf course if that's what the city wants. Or, although the land off Cambie would be worth less per lot than land fronting on this major street, the 80 per cent could be sold for even more money than the 20-per-cent strip - even with generous set-asides for streets, local parks and the like. As could the roughly similar-sized parcels that make up the McCleery and Fraserview golf courses. Or the city could decide on any combination of public and private uses it wants.

But Sullivan thinks it's unlikely that the city would have to, or would want to, convert all of its golf course land to other uses all at the same time.

"After all," he said, "how many problems does Vancouver have that couldn't be solved with \$675 million?"

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