



Powered by Clickability

Text

[Email](#) [Print](#) [Letter to Editor](#) [Share](#)

The Tri-City News

Financial worries mean Fraser Mills progress will be cautious

By Sarah Payne - The Tri-City News

Published: November 13, 2008 6:00 PM

Beedie says it will develop the land on its own schedule

With plenty of planning work ahead and an uncertain economy, it's likely that construction cranes won't go up at the Fraser Mills site until sometime in 2011.

Beedie Group cleared the zoning and official community plan hurdles with Coquitlam council last week and the development company's proposal to incorporate the seven-acre Wastech site was also approved. Now it's time to turn pretty artist renderings into detailed engineering work, road design and architectural plans for the first buildings, says Ryan Beedie.

"We're really not going to be in a hurry," he said. "Obviously, given the current market conditions, it gives us the opportunity not to be in a rush."

The current financial crisis is playing a significant role in how Beedie Group approaches the Fraser Mills project. A year ago, Beedie said he would peg 2010 as a likely construction start date; now it's more like 2011, as the Burnaby based development company waits for financial markets to stabilize and for the current glut of residential units to clear.

In the meantime, there is plenty of work to be done.

Beedie Group is currently pitching the planned light industrial and office space to some potential tenants and, depending on the interest, it may start construction in that corner of the 89-acre site.

"But my gut says the initial construction will be where the pier is, that centre courtyard, that's where the first towers will be," Beedie said.

The state of the economy, however, will again be a factor in how the project proceeds. Significant infrastructure costs associated with the first phase, including installation of utility services and construction of roads, the pier and boardwalk, will need to be in place to help potential buyers better

envision the neighbourhood.

“Those amenities are going to be in place from the get-go — we’re not just going to put up a building and say, ‘There you go,’” Beedie said. “The infrastructure costs will be high, so when we push the ‘go’ button, we have to be confident there will be some sustained activity.”

Pre-sales will be a given, especially under increasingly stringent financing rules, but Beedie said he’s confident Coquitlam’s Fraser Mills wouldn’t turn into Surrey’s Infinity, which recently halted construction as its offshore developer scrambled to refinance the megaproject. Beedie Group has the resources to get the project done, he said, and cost overruns won’t be a factor since construction costs have cooled.

But what happens if the developer runs out of money, as Millennium has done at Vancouver’s Olympic village site — will Beedie be coming to Coquitlam council for loans or other bail-outs?

Jim McIntyre, Coquitlam’s general manager of planning and development, said while Fraser Mills and the Olympic village are both large-scale projects going forward in difficult economic times, that’s where the similarities end.

“Fraser Mills is on privately owned land and will be privately developed” at Beedie’s discretion he said, while the Olympic athlete’s village is being built on a tight deadline on city-owned land.

“Other projects in Coquitlam have had to weather the winds of an economic downturn but they can’t come to the city — that’s not the city’s role,” McIntyre said.

Beedie said with no debt on the property, the company plans to take its time and get things right at Fraser Mills.

“There’s no rush, there’s no pressure. We’ll bring it to the market at the appropriate time — it will take a while but we’re patient and we’re looking forward to it.”

spayne@tricitynews.com

Find this article at:

http://www.bclocalnews.com/tri_city_maple_ridge/tricitynews/news/34430149.html

Check the box to include the list of links referenced in the article.

© Copyright Black Press. All rights reserved.