

A New Twist on Vancouver's Skyline

By Linda Baker Oct. 29, 2019



The Vancouver House, an asymmetrical 59-story glass tower designed by the Danish architect Bjarke Ingels, is scheduled to open in November. Martin Tessler for The New York Times

VANCOUVER, British Columbia — A pioneer in high-density urban development, Vancouver is famous for its approach to city planning, heavy on tall glass towers perched atop low-rise podiums interspersed by parks and low-rise buildings.

Now, as the city grows ever more dense, it is diversifying beyond its well-known model, known as Vancouverism.

The changes also shine a light on two defining features of the real estate market: the inexorable spread of luxury housing and a tech-fueled office boom heralding the city's transition to a knowledge-based economy.

A record 3.96 million square feet of office space is under construction downtown, said Jason Kiselbach, senior vice president for CBRE British Columbia. Sixty-five percent of the buildings that are planned to open in 2022 and 2023 are already leased, and nearly three-quarters of those have been taken by technology companies.

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“Tech is the No. 1 driver of the office market,” Mr. Kiselbach said. Big names like Amazon have already secured space.

City planners have been aiming to “up the game on building design,” said Susan Haid, Vancouver’s deputy planning director. That effort includes focusing more attention to public spaces and reinvigorating neighborhoods outside the central core.

“Citywide, we are seeing a number of iconic projects,” Ms. Haid said. “It’s the next layer of our urbanism.”

One of the most ambitious new developments will be Oakridge Center, a 28.5-acre project on the site of a suburban shopping mall between downtown and the airport. The development, which will cost 6 billion Canadian dollars (about \$4.6 billion), is a partnership between the real estate developer Westbank and QuadReal, the real estate arm of Canada’s pension fund, British Columbia Investment Management Corporation.

The Oakridge mall was built in 1956. It is the focal point of a new development, to be completed in 2025. Martin Tessler for The New York Times

Construction has started on Oakridge Center, an ambitious project that will include office, residential and retail space. Martin Tessler for The New York Times

When it is completed in 2025, Oakridge will feature 1.4 million square feet of

retail space, 500,000 square feet of office space, 13 residential towers, a 100,000-square-foot community center and day care, a library, a performing arts academy and a nine-acre park.

“When people think about Vancouver, they think of the downtown, which has been very successful, and they think of everything around that downtown as dominated by single-family construction built in an era when the automobile was dominant,” said Ian Gillespie, Westbank’s chief executive.

Oakridge is a departure from that concept, Mr. Gillespie said. “It isn’t a shopping center anymore. It is a cultural hub.”

The first phase of the development, which is sold out, features 709 condominiums ranging from around 900,000 to 6 million Canadian dollars.

Built in 1956, the Oakridge mall has been one of the most successful in Canada based on sales per square foot, said Remco Daal, president of Canadian real estate at QuadReal, which bought the mall in 2017. Nevertheless, Mr. Daal said, the shopping center needs to shift its orientation as consumers turn to e-commerce.

“The transaction of retail may happen somewhere else, but experience is what people remember. That is the journey we are on,” Mr. Daal said. Other malls have responded to the changing shopping habits of consumers by adding residential units and reducing parking, but Oakridge is “truly city building,” he said.

QuadReal is behind another prominent mixed-use project: the renovation of the historic Canada Post building. The project, which will cost 900 million Canadian dollars, will feature 1.13 million square feet of office space and around 185,000 square feet of retail space and is expected to breathe new life into the eastern edge of downtown.

The anchor tenant is Amazon, which will move into a 416,000-square-foot office tower in the complex as it aims to expand its Vancouver work force to 5,000 by 2022.

Mr. Kiselbach cited Vancouver's abundance of skilled labor and relative affordability as factors attracting software companies. The city's occupancy costs, including wages and rent, are 20 percent lower than Seattle's and 60 percent lower than San Francisco's, he said. Open immigration policies are another draw.

Other developments are reshaping the real estate market.

Over the past few years, Vancouver House, an asymmetrical 59-story glass tower, has been taking shape at the north end of the Granville Street Bridge, the gateway to the city for visitors coming from the airport or the United States border.

Designed by the Danish architect Bjarke Ingels and scheduled to open in November, Vancouver House is a mixed-used project that cost 750 million Canadian dollars (about \$575 million). The tower rises from a 6,000-square-foot base next to the ramps for the bridge, then twists before fanning out into a 14,000-square-foot rectangular building.

The 375 condos in the inverted structure sold out quickly when they went on sale several years ago. The building, another Westbank project, also includes 106 rental units and commercial space.

Enlivening new public spaces is central to the Vancouver House design, said Mr. Ingels, the architect.



Vancouver House includes triangular structures at the base of the tower and in between the ramps of the Granville Street Bridge. Martin Tessler for The New York Times

“Although the tower is what claims all the attention,” he said, “in the long run, it’s what happens between and underneath the bridge that is going to be the most striking.”

There, green-roofed triangular structures that appear to float in between the bridge ramps will house some of the project’s commercial spaces. An area under the bridge is being converted into a public art venue.

Commercial tenants for the Vancouver House development include a grocery store; a private business college, University Canada West; and a Momofuku outpost.

“I’ve never seen such an architecturally significant building in Vancouver,” said Jim Murray, managing partner at Brian Jessel BMW who bought a 2,400-square-foot unit on the 55th floor. Although he declined to reveal the

purchase price, the condominiums sold for 400,000 to 12 million Canadian dollars.

Other new projects include the 400 West Georgia building, a 24-story office building that has drawn attention for its design: an off-kilter collection of stacked glass cubes.

"It's the first building of its kind I've ever seen," said Mr. Kiselbach of CBRE. "It's basically modular construction."

Not everyone is enthusiastic about Vancouver's new real estate direction.

The city is one of the least affordable housing markets in North America, a crisis that experts say is fueled by investors, who have long viewed real estate here as a safe harbor. Almost half the condos in the city are not occupied by their owners, according to the Canadian Housing Statistics program.

"Vancouver House is quite interesting, but iconic architecture can have a counterproductive downside," said Patrick Condon, an architecture professor at the University of British Columbia. "The new developments seem like advertising billboards to the globe, which operates at the expense of local people who need housing."

The median household income in Vancouver is 65,327 Canadian dollars (about \$50,000), [according to Canada's 2016 census](#). The average home price in 2018 was 966,866 Canadian dollars, according to the Canadian Housing and Mortgage Corporation.

Provincial taxes imposed on investor-owned housing in recent years dampened the residential real estate market, Mr. Gillespie of Westbank said, but it has since rebounded.

He also said Oakridge Center includes 290 city-owned rental units at below market rate.

The development has been designated by the city as a municipal town center, a "regionally significant designation" that Ms. Haid said was part of a larger plan to make the surrounding neighborhood denser, taking advantage of proximity to the Canada Line SkyTrain and the B-Line bus rapid transit system.

Vancouver is changing, and the new developments symbolize the transition, Mr. Gillespie said.

"We're a society built from extracting resources: minerals from the earth, trees from the hill, fish from the water," he said. "We're also a city with a lot of high-level background buildings."