



ICBC Head Office Relocation

Major Capital Project

Expenditure Disclosure

September 2024





Overview

Subject to Section 14 of the *Budget Transparency and Accountability Act*, ICBC submits its disclosure of major capital project costs with respect to the relocation of its head office.

Objectives

In 2022, we announced our plan to move our head office from its current location in North Vancouver. For over 40 years, the 300,000 square foot building has served as ICBC's corporate headquarters. With one of the key pillars of ICBC's corporate strategy being smart and efficient, retaining one very large head office location no longer makes sense.

Several factors and intended outcomes supported the decision to relocate, including:

- **Better space utilization:** With our flexible work model, the current head office building is only 20%-40% occupied on any given day.
- **Reduced road congestion and improved employee experience:** Over 70% of our head office employees commute from outside North Vancouver, facing significant traffic and contributing to bridge congestion. A central location close to transit will reduce commute times and improve the employee experience for many while being more environmentally-friendly.
- **Carbon footprint reduction:** As outlined in our [Climate Change Accountability Report](#), we aim to cut corporate building emissions by 50% by 2030. To achieve this, we require a more sustainable, energy smart head office.

The costs and benefits of relocation are presented below.

Timelines

After announcing our move in 2022, we engaged a commercial real estate firm for advisory and brokerage services, canvassed various other crowns, and obtained feedback from employees. We sought properties with a smaller, more efficient footprint and central location near public



transit that could provide collaborative spaces. We received 23 responses from proponents to our Request for Information and, based on our pre-determined criteria, we narrowed our selection to four Metro Vancouver areas: Brentwood, Broadway Tech Corridor, False Creek Flats, and Metrotown.

In spring 2024, we announced our move to a new leased 165,000 square foot location at 2150 Keith Drive, Vancouver, in the False Creek Flats neighbourhood.

While the building is still under construction, we are on track to move by early 2027. Details around when and where specific teams and departments will move are to be determined and will be shared with as much notice as possible.

Costs

The current location was due for various costly upgrades. The current building is aging and needs significant investment in repair and renovation. Past estimates were prohibitive enough that long-term continued use was not deemed to be a viable option.

As outlined in this year’s BC Budget and denoted in the [2024/25 – 2026/27 ICBC Service Plan](#), we have estimated \$164 million over 15 years for the lease and leasehold improvements involved with relocating our head office from North Vancouver to False Creek Flats. This move has been budgeted for and is reflected in plans accordingly. We’re still in the early stages of this project and we’ll be refining the project budget over time.

Capital Expenditure

Major Capital Projects ¹ (over \$50 million in total)	Targeted Year of Completion	Project Cost to Dec 31, 2023 (\$m)	Estimated Cost to Complete (\$m)	Anticipated Total Cost (\$m)
ICBC Head Office Relocation ²	Fiscal 2027/28	-	164	164

¹ Only projects that receive provincial funding and have been approved by Treasury Board and/or Crown corporation boards are included in this table. Ministry service plans may include projects that still require final approval. Capital costs reflect current government accounting policy.

² 2025/26 - Head Office Relocation is a 15-year capital lease (\$111M) commencing April 1, 2025. Full cost of lease and leasehold improvements is \$164M with leasehold improvements spanning 2024/25 – 2027/28. Timing and amount of expenditure is subject to change and Board approval.



Benefits

The building and location provide many of the benefits we were looking for: a more central location with transit accessibility, an efficient layout conducive to collaboration and wellness, and nearby green spaces and parks. Constructed with sustainable mass timber and aiming for LEED Gold certification, it aligns with our commitment to environmental sustainability.

Located next to the VCC-Clark Skytrain station, the new office will also benefit from the completion of the Broadway Subway project and the surrounding South Flats development, offering even more transit options and amenities.

Risks

No.	Risk	Risk mitigation tactics
1	Construction and building fit-out may not complete on time, delaying ICBC's relocation.	Early assessment and due diligence including third party review. Further, ICBC can remain in its current office until the relocation.
2	Updates to amounts previously shared in ICBC's Service Plan(s) and budgets.	ICBC will continue engaging with qualified vendors to consult and deliver on the project and will adhere to its governance processes with regard to spending approvals.