

THE GLOBE AND MAIL

Pan Am Games put West Don Lands in high gear

Who will pay for the gleaming new athletes' village remains unclear

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It sure doesn't look like much now. More than anything else, it resembles a grey moonscape – hills of rivulet-punctuated gravel, wooden pallets and construction equipment, edges lined with weeds.

The minds behind the site where 8,500 Pan American Games athletes, coaches and officials will live, eat and train have five years to make it a gleaming athletes village and, afterwards, what they've promised will be a world-class mixed-use waterfront community.

What isn't clear is precisely how the building blocks are going to fall into place.

Toronto's victory in Guadalajara on Nov. 6 kicked development on the long-vacant West Don Lands into high gear. The 90-hectare parcel of provincially owned former industrial land has been under development in various forms for years. But there's nothing like a looming international sporting event to transform what was a meandering, 15-year route to new waterfront housing into a frantic sprint to conjure dining halls, bunk beds and massage rooms in a third of that time.

“It's a huge catalyst to really get things going and accelerate the development of the neighbourhood,” said John Campbell, CEO of Waterfront Toronto. “So we're very excited about that.”

Long after the medals have been handed out and the competitors gone home, what's left over will mean a transformed neighbourhood and a drastic makeover for the city's waterfront.

For John Libby, president of the Corktown Business and Residents' association, this new impetus for action on the West Don Lands has been a long time coming.

“I've been here 33 years. It's been weed fields, concrete.”

There's no shortage of moving parts: Waterfront Toronto has been working to develop the site since 2005 under the auspices of all three government agencies. Private developer Urban Capital is developing 900 condominiums in the northeast corner, 350 of which go on sale in the next few months. Nearby, the Toronto Community Housing Corporation is developing 243 units of affordable housing, and expects to break ground as early as January. Several parcels of land have yet to be sold to private developers.

The Urban Capital and Community Housing projects remain largely unchanged by the pending Pan Am frenzy. But for the 80 hectares of the future athletes village, the Games not only truncate the development timeline but alter what's being built and how it's being paid for. Without the

Games, Waterfront Toronto would have rolled out parcels of land to private developers over a dozen years, possibly with some government-subsidized social housing but nothing near the estimated \$1-billion it will take to build the athletes village.

Design procurement starts early next year, construction is slated for late 2012 and the keys to a Pan-Am ready site will be handed over by January, 2015.

One need only look to Canada's latest Olympic city for examples of athletes village construction gone awry. Vancouver was stuck with an unexpected \$1-billion bill when it was forced to take on financial responsibility from a private developer for its athletes village.

In the mind of Vancouver city councillor Geoff Meggs, the solution lies in the stark difference between Vancouver's athletes village experience and Whistler's. The resort town funded for its athletes village entirely with public money. Vancouver, on the other hand, went with private financing – and paid for it.

“It's one of the most important legacies,” Mr. Meggs said. “A housing legacy goes on forever. But you have to plan carefully for it.”

Tony Samara, a professor at Virginia's George Mason University, has studied preparations for major sporting events around the world. Over the past decade, he said, there has been intensifying pressure on cities hosting these events to promote ancillary social or developmental benefits for residents – often eliciting promises it's nearly impossible to follow through on, while low-balling the costs of making the event a reality.

“The tendency in every case I've ever seen is that they greatly over-promise what these events can actually do,” he said. “The discourse of development has become part of how a lot of these events are framed even by those who push them. And that was not the case always – that's a fairly recent development, to promise not only economic growth and investment but also deliverables to, say, lower-income people.”

Mr. Campbell said Toronto's Pan Am athletes village, funded entirely with government money, is unlikely to suffer Vancouver's fate. “I think the government made the commitment – it did not want to risk the private sector taking it on and saying, ‘Oops, sorry, we can't build this any more,’” he said. As for who will cover cost overruns, “That's a question you'd have to ask the province.”

Ontario's Ministry of Energy and Infrastructure, the department that owns the land and is responsible for its development, declined to comment.

However, it still isn't clear exactly how the three debt-mired levels of government will divvy up the village's price tag. Both Waterfront Toronto and Councillor Pam McConnell, whose Toronto Centre-Rosedale ward includes the West Don Lands, say the province will foot most of the bill.

Also undecided is what percentage of the new units will be set aside for affordable housing, or even what “affordable housing” means.

“Up until now we've been saying mainly affordable. We just don't know what the eventual mix will be. It's up to the province to decide,” Mr. Campbell said, although he added that “Affordable is not defined as British council flats, affordable is just defined as average rents. ... Affordable is such a loaded term.”

Councillor Michael Walker (Ward 22, St. Paul's), the only councillor to vote against committing the city to \$49.5-million in Pan Am spending, remains unconvinced Toronto's Pan Am

commitment won't come back to financially haunt multiple levels of government. The city should have made social housing a priority, period, he argues, rather than shoulder the burden of a massive international sporting event even as it struggles to close a \$500-million budgetary gap.

“I think it will be way more, and I think we will get squeezed on that.”

But Ms. McConnell said the city has made clear it won't be on the hook for overruns.

“We're not going to bankrupt this city,” she said, “in order to put on the Games.”
