

Strategies for Planning and Implementation of Infrastructure Projects for Major Events: the Barcelona Olympics and the France World Cup

Information on planning for the 1992 Summer Olympics in Barcelona was summarized in large part from: Brunet, Ferran (2005): *The economic impact of the Barcelona Olympic Games, 1986-2004: Barcelona: the legacy of the Games, 1992-2002* [online article]. Barcelona: Centre d'Estudis Olímpics UAB. [Date of consulted: dd/mm/yy] Available from: http://olympicstudies.uab.es/pdf/wp084_eng.pdf

Information on the planning and construction of the Stade de France in St. Denis was summarized in large part from: Newman, Peter and Melanie Tual (2002), "The Stade de France: The Last Expression of French Centralism?" *European Planning Studies*, Vol. 10, No. 7.

Planning for Major Events

Large-scale sporting events such as the Olympic Games or the World Cup require tremendous investment in facilities, infrastructure and services in host cities. While some funds must be earmarked for the immediate costs associated with event organization and implementation, the remaining investment can be leveraged toward projects whose effects will far outlast the short duration of the events themselves.

Barcelona Summer Olympics, 1992

The Summer Olympics held in Barcelona in 1992 were hailed as an almost unparalleled success in terms of sporting excellence, organization, economic and social impact, and urban planning. Not only were the Games well-organized and implemented, but the positive impact of investments made prior to and after the Olympics led to many future opportunities for Barcelona to host large-scale events and eventually resulted in its ranking as Europe's sixth most attractive city in 2001. Barcelona's experience with the Games is viewed as a model for urban transformation using a mega-event as a catalyst.

Planning for the Games

The success of the Olympic Games in Barcelona was based largely on the municipality's strategic objectives: ensuring sporting excellence in keeping with the Olympic spirit and bringing about urban transformation resulting in higher quality of life for Barcelona residents and greater attractiveness for the city. More specifically, Juan Antonio Samaranch, the president of the IOC during the time of the Barcelona Olympics, suggested in 1992 the key reasons for the success of the Barcelona Games:

- The strength of its organizational and urban objectives (mentioned above)
- Inter-institutional consensus;
- Use of special management bodies;
- Mixed private-public funding models;
- Harnessing of the Olympic Legacy and attracting of investment.

In the mid-1980s, the Barcelona City Council began strategizing to prepare the city for an Olympic bid. Barcelona was selected to host the Games in October of 1986, and by 1988 the "Strategic Metropolitan Plan of Barcelona Association" had been created to capitalize on the growing enthusiasm and momentum the Games had inspired. This association began as a partnership among private enterprises, civic and educational institutions, and government entities including the Barcelona City Council, Barcelona University, several Barcelona unions, municipalities in the Barcelona metropolitan area, the Port Authority, and other organizations. The first Barcelona Strategic Plan was approved by the Association in 1990 and played a considerable role in directing the preparation for the Games.

Barcelona's planning achievements and subsequent growth were due in large part to its strategic allocation of economic resources while preparing for the Olympics. The city was

able to make the important distinction between organizational costs which would not contribute to urban development after the Games and investment in buildings and infrastructure that would benefit the city long after the Olympics were over. In total, Barcelona invested 85.5% of total Olympic spending on infrastructure and facilities, including roads and transport, housing, offices and business development, telecommunications and services, hotels, sports facilities, and environmental infrastructure. Only 9.1 % of the total investment went towards sports facilities, allowing the remaining funds to be invested in other areas. New roads increased the city's road system by 15%, additions to the sewage system represented a 17% increase over the 1986 system and green spaces and beaches were increased by 78%.

To encourage private investment, the Central Government of Spain and Barcelona City Hall created a joint venture known as Barcelona Holding Olímpic, S.A. (HOLSA). Using mixed public-private funding, this entity constructed the primary Olympic facilities, most of the new road infrastructure and the Olympic Village. 38.6% of Olympic construction, primarily housing, hotels and business centers, was financed by the private sector, one-third of this with foreign investment.

Results Achieved

The impact of the Olympic-related investments in Barcelona is far-reaching and continues today. In addition to the significant structural transformation of the city and increased visibility on the international stage, Barcelona's unemployment rate decreased substantially due to more than 20,000 permanent jobs generated during preparations for the Games. Even after 1992, Olympic investment provided a cushion for the city in the midst of countrywide recession and Barcelona's economy continued to grow and generate employment. The tourism industry has also gained enormously from the Olympic investment. Between 1986 and 2000, the number of foreign tourists visiting Barcelona doubled to 3.5 million visitors per year, and the hotel capacity of the city tripled.

1998 World Cup, France

Planning to host the Football World Cup holds different challenges than planning for the Olympic Games which are usually held in only one city or in neighboring municipalities. In contrast, the World Cup games are played at a variety of venues in a number of cities across the country over the course of four weeks. It has been suggested that although the planning demands on the host city during the Olympics may be more intense during the two-week period, the World Cup actually places greater strain on the infrastructure of the country because the tournament takes place across a wider geographical area.¹

France was selected by FIFA to host the 1998 World Cup in 1992, winning out over Morocco's bid for the tournament. Stadiums in ten cities and towns were chosen to house the tournament's 64 matches, including Bordeaux (Parc Lescure), Lens (Stade Félix Bollaert),

¹ Bohlmann, Heinrich. *Predicting the economic impact of the 2010 FIFA World Cup on South Africa*. University of Pretoria. Working Paper : 2006-11, May 2006.

Lyon (Stade Gerland), Marseille (Stade Vélodrome), Montpellier (Stade de la Mosson), Nantes (Stade de la Beaujoire), Paris (Parc des Princes), Saint Étienne (Stade Geoffroy-Guichard), Toulouse (Stade de Toulouse), and Saint Denis (Stade de France). Nine of the ten stadia existed previously and most had been renovated in 1984 when France hosted the European Championships, so for large cities such as Paris and Montpellier very little work was done in terms of sports facilities. However, one new stadium with a capacity of 80,000 was needed to host the Opening Ceremonies and the Finals. France's decision to construct that stadium, the Stade de France, in La Plaine St. Denis was a strategic move leading to the revitalization of the declining Paris suburb.

The northern suburb of Saint Denis was a heavily industrialized area with a large immigrant population which had lost its industrial base in the 1970s and 1980s.² In 1999, the unemployment rate in Saint-Denis was 20.4% as compared to the regional unemployment rate of 11.5%, and the average net annual income was only € 6,000 while the regional average was €24,973. Decision-makers believed that building the Stade de France in Saint-Denis as part of a large-scale urban revitalization effort set in motion by the World Cup would rejuvenate this neglected area and benefit its residents.

The Stade de France was constructed on a derelict site formerly used for the production of gas after several studies reviewing various sites in Saint Denis. A consortium of developers was selected to construct the stadium itself. To develop the remaining site area, France created a national development agency (SANEM) and to date it has constructed housing, shopping, a large cinema complex and new office buildings. The site also provides a substantial amount of public open space.

During construction there were questions about the financial viability of the project, but the stadium itself is financially self-sustaining despite its lack of a "home team" (The Paris-St.Germain team was courted to relocate to the Stade de France but eventually refused due to legal issues and objections from its sponsor). Rugby and national football matches are played there, and it is slated to host the Rugby World Cup in 2007. In addition, the space is used for concerts and exhibitions. The success of the stadium and the revitalization of the surrounding area served as the basis for France's bid to host the 2008 Olympic Games, with the Olympic Village located in Saint-Denis.

Results Achieved

Overall, the construction of the Stade de France and hosting several matches of the World Cup has brought positive change to Saint Denis. These benefits include:

Significant investment in infrastructure and open space improvements. Unlike Paris or Montpellier who covered some of the costs of the improvements to their sports facilities, Saint-Denis was not required to contribute to the development of the Stade de France and its surrounding area. The Central Government funded the construction of the Stadium and the enclosure of a significant section of motorway next to the site, improving physical linkages and creating green space and area for development. A new regional railway station was built

² See case brief on Saint Denis, included as part of the course reference material.

and improvements were made to existing stations, creating a stronger link between Saint-Denis and Paris. The landscaped area along the Saint-Denis canal at the edge of the stadium site was significantly improved to offer public recreational open space and two bridges were constructed across the canal to improve transport linkages.

A new image for the city. Enhanced visibility on a national and international scale was a second benefit. 6000 written articles and 500 video pieces highlighted Saint Denis during stadium construction and the World Cup. As the home of the Stade de France and subsequent development, Saint Denis experienced substantial increases in tourism, and Parisians also took advantage of the improved public transportation to visit the area more often. Saint Denis residents reported being happy with the new development and its impact on the suburb.

An enhanced location for new businesses. The improved accessibility and public image of Saint-Denis made it an attractive location for new business development. Several key corporations have moved to Saint-Denis and the surrounding suburbs, including Canal +, a major television company. New office developments have been built, and service sector firms have relocated to the stadium site.