

International sporting events as triggers of urban restructuring and property market change: Some recent evidence from three European Cities.

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Paper Presented at the 12th Annual Conference of the Pacific Rim Real Estate Society

Auckland, New Zealand

January 22 – 25, 2006

Parallel Session 2: Property Management, Technology and Urban Change

(Conference draft. Please do not quote without the authors' permission)

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Abstract

Using an implementation structure approach this paper examines the use of headline international sporting events as triggers of urban restructuring and property market change. Based on evidence from three major European cities that have had recent experience of hosting such events, Athens, Greece, Manchester, England and Turin, Italy the paper identifies a number key consideration with respect to benefits and outcomes which are relevant to other cities considering a similar path to urban restructuring in the future. Benefits and outcomes are likely to be maximised if the chosen structure successfully integrates the requirements of the mega event with the cities urban restructuring priorities and individual actor objectives. Capacity constraints in both the public and private sectors are likely to be one of the principal sources of implementation failure.

Keywords: *international sporting events; urban transformation; land and property markets*

1. Introduction

Many cities have viewed the hosting of international sporting and other mega events as a unique panacea for leveraging funding from a variety of sources both public and private to tackle long-standing problems of adjustment in the urban economy (Essex and Chalkley, 2004; 1999; 1998; Hiller, 2000; Jones, 2001 Whitelegg, 2000). This trend if anything has become more pronounced in recent years despite the fact that it is far from clear how a time limited exposure on the global media stage can act as a long-term trigger for sustainable urban transformation (Andranovich et al, 2001). In many cases the primary motivations for hosting such events have centred on the desire to rectify significant deficits in physical public infrastructure and or as a means of addressing acute pockets of urban dereliction (Carriere and Demaziere, 2002; Essex and Chalkey, 1999; 1998). At a wider level such events have been viewed as an important mechanism to increase the attractiveness of the city involved as a business and residential location and in many cases also as a leisure and tourism destination (Rubalcaba-Bermejo and Cuadrado-Roura, 1995). The desire to become a city with 'international' status and influence has been a further significant motivator (Pinson, 2002; Rubalcaba-Bermejo and Cuadrado-Roura, 1995; Ward 2003). Whatever, the

balance of motivations such events inevitably involve a significant commitment of resource to the bidding process and if successful to the event itself (Shoval, 2002).

In all cases the transformation of the urban built environment has been a core component of proposals with significant new requirements made on urban land and property markets. Yet such proposals and their execution have almost universally failed to take explicit account of the capacity of urban land and property markets and the market process through which the built environments is created, modified and traded, to deliver the necessary mix of requirements within the time horizon specified (D'Arcy and Keogh, 1999; 1998; 1997). In many previous cases, evidence suggests that prior expectations of potential beneficial impacts on the urban built environment and the process of urban transformation have far exceeded the post-event reality, with significant cost overruns and the time horizon of impact much longer than expected (Andranovich et al, 2001). Moreover, little effort has been made to try and quantify the direct and indirect property market impacts, the returns to both the public and private capital committed to projects and at a more general, the critical determinants of what might be judged as a successful outcome.

This paper attempts to provide some new evidence on these issues through a systematic examination of the recent use of headline international sporting events as triggers of urban restructuring and property market change in three major European cities, Athens, Greece which hosted the summer Olympics in 2004, Manchester, England which hosted the Commonwealth games in 2002 and Turin, Italy which hosts the Winter Olympics at the beginning of 2006. Aside from addressing the issues raised above, the analysis will also focus on how the interaction of the property sector in each city with the 'implementation structure' - the network of organisations and resources associated with urban transformation projects related to the sporting event, plays an important role in shaping the magnitude and timing of impacts.

The paper is structured as follows. Section two provides a review of available evidence on the actual and expected impacts of hosting mega events on processes of urban development and restructuring. Potential property markets impacts are considered in section three with an explicit consideration of the importance of issues relating to implementation structure and the returns to both public and private capital.

In section four the insights obtained from the previous sections are used to examine the three case study cities. The paper concludes with an assessment of the implications of the results obtained for cities complementing a similar future path to urban restructuring.

2. Mega-Events and Host-City Impacts

The use of international sporting and other mega-events such as international fairs and exhibitions as catalysts of urban change is far from being a recent phenomenon. In fact the roots of this phenomenon can be easily traced back to the mid-19th century with the advent of universal exhibitions and world fairs and from 1896 with the beginnings of the modern Olympic movement. In the 20th century the number of such events increased significantly. A greater number of single sporting events with a quasi-global significance now exist. Examples include the football World Cup, Commonwealth Games and Winter Olympics. The number of international exhibitions and fairs continued apace and new types of mega-event principally focused on leisure and cultural activities, such as 'The European City of Culture' designation and more recently 'the cultural forum' concept have evolved. Aside from the increased number of such events the other principal change was in their scale and international scope. This is particular true in the case of sporting events. A key implication of this latter change has been a big increase in the resources that host cities need to commit to hosting such events. To justify such a resource commitment host cities have to deliver clear benefits from hosting the event in terms of lasting urban restructuring impacts. As a result the significance of such events as catalysts of urban change has increased over time.

A key issue in the context of delivering the required outcomes in terms of urban restructuring relates to how an event whose characteristics are transitory and very short-term in nature can deliver sustainable long-term benefits for the host city. As a result of this fundamental problem judgements about the impact of hosting mega events on urban change are generally controversial. The issues concerned in identifying the transmission mechanisms involved are further complicated as the principal purpose of the mega-event is not urban change, and such events tend to be multi-actor undertakings involving a mix of both international and local actors, with very different objective functions and criteria for success. Moreover, many of the

structures put in place to implement the projects required to host the event are likely to be public-private partnerships which again raise potential issues of conflicting objectives and differing notions of successful delivery. These types of problem highlight the conceptual and operational difficulties of clearly defining transmission mechanisms and assessing them empirically.

Most previous studies of the urban restructuring impacts associated with hosting mega-events have tried to distinguish between the tangible and intangible benefits or impacts. Considering first the tangible benefits a key emphasis has been placed on the physical infrastructure legacy of hosting the mega-event (Essex and Chalkley, 2004; 1999; 1998; Hiller, 2000; Jones, 2001 Whitelegg, 2000). This principally takes the form of the facilities created to actually host the event such as sporting arena, athlete's villages or exhibition space. In addition, most host cities embarked on significant programmes of investments in public infrastructure, particularly transportation infrastructure to support the event. Examples include new metro systems, new airports and ring roads.

In the context of event facilities the initial choice of location for such facilities will be an important determinant of potential benefit. Event facilities should be located so as to maximise the long-term urban restructuring benefit to the host city. Locations need to be chosen so as to address existing problems of urban economic adjustment while at the same time ensuring that the regeneration of such locations will not detract from established locations and create new problems of economic adjustment elsewhere in the city. This is very important because the hosting of a mega-event is equivalent to an external or exogenous shock and in order for its beneficial impacts to dominate it must fully reflect the cities key strategic restructuring requirements. The strategy adopted will also determine the location and magnitude of investments in public infrastructure especially in transportation infrastructure. As will be discussed further below, the location choices made need to reflect the requirement to address perceived infrastructure deficits and maximise the benefits from such investments.

The issue of post event utilisation will also be a key determinant of potential benefit. The existence of such facilities which in the majority of cases are likely to be world class can confer on the host city significant benefits as a host city of the future for

both national and international events. However, it is likely that most cities will not be able to fully utilise or even afford the costs of maintaining all such facilities. Therefore, potential benefit is likely to rest on the existence of a clear strategy of post event utilisation which may also incorporate a redevelopment option for some of the unusable facilities. A further issue which is likely to determine the rate of utilisation relates to the ownership structure of the facilities, specifically whether or not they were private, public or the product of a public-private partnership. If they were public and regarded as viable then they might attract interest from the private sector. But their sale might be hindered by the fact that they were created with public money and as a result it may be difficult to agree a correct rate of return to the public capital invested.

The most plausible source of long-term tangible benefit to host cities stems from investments in generic public infrastructure, in particular transportation infrastructure. City authorities have used such investments as the principal justification for hosting mega-events and for committing significant public resources to them. Most host cities have used the opportunity to host a mega-event as a means of infrastructure catch-up with plans for much needed new transportation infrastructure hinging entirely on the success of bids. Such investments can if effectively managed bring significant long-term benefits to the host city.

These investments have the potential to improve internal mobility and accessibility within the city if a significant upgrading of the public transportation system is involved. This will reduce commuting times and congestion and bring efficiency savings to both households and firms. Investments are likely to alter the location advantages of particular areas within the city, with obvious consequences for land values and property prices. In this respect it is important that infrastructure investments are strategically balanced so as to both reinforce established locations while at the same time opening up new locations for development. In the absence of such balance, infrastructure investments might run the risk of creating new locations at the expense of established ones. As outlined previously there is also the issue of interdependence here with the location of the event facilities. A large element of transportation infrastructure investments will obviously be geared towards transporting spectators to the venues, therefore it is important that venues are

strategically placed so as to maximise the potential long-term benefits from the investments in transportation infrastructure they necessitate. If such investments also result in a new airport or the upgrading of an existing airport issues of improvements in external mobility arise with potential benefits arising from improvements in international accessibility.

Assessing the intangible benefits to cities of hosting mega-events is inevitable more problematic, not least because it is very difficult to correctly identify the appropriate time frame of impact. Here we are trying to assess the impact which is likely to stem from the fact that the city concerned becomes the centre of global attention for the duration of the event and how this fact might change in beneficial ways external perceptions of the city as both a leisure and business location. Inevitably for such benefits to happen the hosting of the actual event has to be perceived as successful in international terms both from the perspective of organisers, participants, spectators and of course the global media.

Rubalcaba-Bermejo and Cuadrado-Roura, (1995) suggest that such intangible benefits might be categorised in terms of their impact on flows of economic activity and the international position of the city. The first might be relatively easy to assess in terms of investment flows both domestic and external, business and residential location choices and tourist numbers. However, as suggested previously the correct time frame of impact maybe very problematic to establish. In terms of the second potential impact, assessments may be very difficult despite the fact that becoming an 'international' city has become a core constituent of the restructuring strategy in many cities (Pinson, 2002). The fact that the city attracted the event in the first place might be perceived as evidence of an enhanced international position. Another important factor in this context might be the cities initial position in the urban hierarchy, for example was it using the event to become a city of national importance, regional importance or even global importance? In the case of both sets of intangible impacts a clear strategy of following up the key event through a targeted campaign of place marketing may be essential in order to maximise any potential benefit.

Aside from discussing the potential impacts associated with the mega-event, it is also important to understand the cities wider strategic position as an essential interpretive

context. In particular, the cities intrinsic economic characteristics, the magnitude of its existing urban adjustment problems and the prevalence of urban restructuring strategies or policy initiatives. This will provide an important benchmark from which to assess the strategic suitability of the decision to host the mega event and the potential impacts it is likely to deliver. Moreover, it will highlight the extent to which the policy interventions associated with the mega-event are complementary to existing restructuring strategies or in potential conflict with them. It will also facilitate the correct attribution of policy impact. Table 1 provides a summary of the principal issues of host-city benefit raised in the discussion.

Table 1 Mega-Event and Potential Host-City Benefit

Category of Benefit	Characteristics	Location Impacts	Benefit Maximisation Issues
<i>Tangible Benefits</i>	Event Facilities, Transport and other urban infrastructure investments.	Location specific, Land and property values, Accessibility, Urban amenities,	Location Strategy, Urban restructuring priorities, Post-event facility utilisation strategy, Sustainable long-term urban change.
<i>Intangible Benefits</i>	Global Media Attention, International/ National Position, Impacts on flows of economic activity.	City-wide, Host Country,	Successful event, Post-event place marketing

3. Mega-Events and Property Market Impacts

The above discussion has largely sidestepped the issue of property market impacts despite the fact that such impacts are likely to have an important influence on the characteristics and magnitude of the long term impact on host cities of mega-event (Carbonaro and D’Arcy, 1993; D’Arcy and Keogh, 1999; 1998; 1997). The pressures for urban change associated with the mega-event are inevitably mediated through the urban built environment and its property market which delivers, or in some cases fails to deliver, the space required to accommodate those pressures. Moreover, it is necessary to have regard not only to the physical built environment, but also to the property market process through which the built environment is created, modified and

traded. This suggests that in addition to the type of factors considered above it is necessary to incorporate in any analysis of impact, an explicit consideration of property market characteristics and an assessment of the ability of the property market to deliver the necessary mix of space.

Considering potential property market impacts again it is useful to distinguish between the tangible and intangible. Starting with the tangible, the construction and development of the event facilities may be important for the local construction and development industry if they have the capacity to develop what in many cases are likely to be highly specialised projects. If they lack this capacity it is probable that international players in the sector will be the principal beneficiaries. Local property actors may benefit from the redevelopment potential of some event facilities if no realistic post-event utilisation is envisaged. In fact the value of such sites for redevelopment may have increased significantly as a result of improved accessibility related to their status as an event location.

Most benefit is likely to come as a result of the new development opportunities presented by the changes taking place in the accessibility of particular locations in the city as a result of the location of event facilities and their supporting transportation infrastructure. Effectively, positive externalities or spill-over effects are the most likely source of tangible benefit. If the location of the event facilities are part of a wider integrated strategy of area based regeneration then the magnitude and range of potential property market opportunities is likely to be greater. Likewise, if the supporting transportation infrastructure for the key event results in the development of a new airport, ring road or metro system then significant land use and value changes are likely, creating new rent gradients and significant new opportunities for the property sector.

Focusing on the intangible impacts, property market opportunities will be predicated on the actual success of the event itself, the degree of global exposure it achieved and on how these factors have changed perceptions of the city as a business, residential and leisure location. Again there are significant problems in determining the magnitude and time horizon of potential impact. If the event was part of a clear long-term strategy to alter international perceptions about the city and improve its

international position then the magnitude of potential benefit is likely to be greater. The efforts made through pro-active place marketing to keep the city in a positive international spotlight post the event and to maintain the internal momentum and dynamism of the event itself maybe very important.

The above discussion has highlighted the fact that the property industry in the host city has the potential to benefit significantly from the opportunities for property market involvement presented by the mega-event. However, the extent to which it does so depends on its explicit incorporation within the strategic planning process associated with the project. Much potential property market benefit is directly associated with policy actions and frameworks both pre and post the event. Likewise, the failure of those involved in the policy implementation process to incorporate property interests run the risk of severely curtailing the potential beneficial impacts associated with the event. This is particularly so if far reaching strategies of urban restructuring are planned around the key event and the immediate post-event period.

As a means of addressing this issue it is necessary to extent the focus of our analysis to consider how judgements might be made on the extent to which the property sector was fully integrated into the project and had the possibility to shape outcomes. This necessitates a focus on the components of the projects 'implementation structure'. Such a focus can also be used as a mechanism to interpret how the potential impacts associated with the project reflect the objectives of the network of actors directly involved in structuring its implementation. It also attempts to address the problems highlighted previously of the conceptual and operational difficulties of defining policy success and impact in the case of large multi-actor undertakings where the objectives of the actors involved vary considerably.

In this implementation research approach, the focus of judgement can shift to the notion of successful implementation, which is perhaps more flexible than a strict impact criterion. In particular, the *implementation structure* concept was developed in the early 80s (Hjern and Porter, 1981) to study policy areas where outcomes are determined by the interaction of multiple actors in "dense" policy arenas, is most useful given the concerns of the current paper. Without entering into the debate about the specific merits of this approach (for a critical appraisal see for instance Sabatier,

1986), it will suffice to say that the term implementation structure is used predominantly in the political science literature to describe the process through which public policies are formed and implemented and to analyse the relationships between the various actors, public and private, in this constantly evolving process (see also Van Horn, 1979; Mazmanian and Sabatier, 1981). The focus of the analysis is generally at a local level, at least to start with (a bottom-up approach), giving a relatively low weight on the achievement of formal objectives, possibly stated by a central authority or agency to which the policy has been mandated. The overall focus is then placed on characterising the strategic interaction among multiple actors in a policy network (Sabatier, 1986).

From the perspective of the current paper the key issue of importance is the extent to which the property industry can be successfully incorporated within the implementation structure and shape outcomes. It may be the case that the form of implementation structure will determine the role played by the industry. In the case of mega sporting events international organisations such as the *International Olympic Committee* may be very important in determining the exact form of implementation structure based on its previous experience. Alternatively, the public sector may try to reshape it in order to pursue its own goals. Again, the type of relationships which the property industry develops with the other interest groups in the project implementation process will be very important in determining the property market outcomes of the process. Apart from judging the viability of the projects strategic goals as such, the property industry must assess the potential opportunities for participation in the process and decide what form any participation should take. Assuming that some form of participation is warranted, building on the work of Carbonaro and D'Arcy (1993) Table 1 summarises the main issues confronted by property interests when considering the possibility of committing to such projects.

Table 2 Property Actors Participation Options

		Non-Property Actors Attitude	
		Full commitment, clear objectives	Uncertain commitment, ambiguous objectives
Property Actors attitude	Active involvement	<p>Market shaping functions. Potentially high risks and rewards. Main objective to reduce scope for conflicts.</p> <p style="text-align: center;">A</p>	<p>Market creating functions. Vast resources may have to be committed to coalition building. Maximum risks, possibly long gestation period, high political and 'lock-in' risk, high potential for 'hidden' conflicts</p> <p style="text-align: center;">B</p>
	Adaptive involvement	<p>Lower risks, lower rewards (particularly for followers)</p> <p style="text-align: center;">C</p>	<p>Limited risks, limited rewards. Low lock-in risks. Primarily market presiding functions.</p> <p style="text-align: center;">D</p>

Different levels of involvement reflect different degrees of risk and commitment of resources for the property industry. The diagram above provides a conceptual overview of how well a property component can be integrated into the package at a given time from the point of view of the property sector. It should be noted that this diagram refers to a dynamic process, where the sectors role, public sector attitudes and those of any sponsoring international organisation are likely to evolve in time and influence each other. The most desirable pattern from a property perspective is one where there is a robust commitment to the project from the other actors involved combined with clear objectives.

However, a situation where the attitudes of the other principal actors are less clearcut may perhaps provide more scope to "create" the market, i.e. structure the project and the related implementation structure in ways that are more likely to reward substantially the property interests. Risks may be higher if unclear objectives or conflicting views exist within other actor groups and could mean that certain enabling

public decisions - planning approvals, infrastructure investment - are reversed or do not occur at the required time.

Appropriate property market analysis remains crucial in deciding the timing and the resource intensity of participation in the project. It may be very easy for property interests to get carried away with the momentum of the event. This is particularly important because while the time scale for the event itself is finite, the time scale and magnitude of long-term impact is far from certain. As result the property industry in certain circumstances runs considerable risks in terms of oversupply with consequent negative implications for market performance while the oversupply is absorbed.

Another way to look at the problem of how property industry objectives can fit into the event is in the context of the need to strive for the right mix of public and private capital and more importantly the expectation of return. The most appropriate situation would appear one where complementarities between public and private capital insure that the overall return on investment is maximised, so that from the point of view of success and maximising long-term benefit, quadrant A in Table 2 would represent the most desirable situation. In this case there is a high return on public capital (fully-used infrastructure and event facilities) as well as private capital. It is also important to stress that there is scope for conflict and for purely opportunistic gains to the public as well as the private sector, with the possibility that strategic behaviour conforms to a zero sum game, with what is lost by one side being gained by the other.

Table 3 Participation Incentives and Predicted Outcomes: Returns to Public and Private Capital

		Return to public capital	
		HIGH	LOW
Return to private capital	HIGH	Successful project implementation A	Opportunistic gain to private sector or low public - private interdependence B
	LOW	C Opportunistic gain to public sector or low public - private interdependence	D disaster

4. Case Study Analysis

This section provides some illustrative evidence on the issues identified in the previous discussions based on a strategic analysis of the recent use of headline international sporting events as triggers of urban restructuring and property market change in three major European cities, Athens, Greece, Manchester, England and Turin, Italy. While the specific characteristics and history of urban adjustment problems in each city are obviously different, with corresponding differences in urban policy frameworks and actions over time and in the timing of the mega event itself, nevertheless important strategic insights into the impact on host cities of hosting mega sporting events can be gained from the construction of such a comparative analysis.

4.1 Athens

The decision in 1997 by the *International Olympic Committee*, to award Athens the 2004 summer games provided this major southern European city with a unique opportunity to address long-standing problems of urban restructuring, in particular the poor quality of urban transportation infrastructure and the wider urban environment. Athens of all major European cities had a very unusual experience of urban development in the 20th century as a result of very rapid and unstructured urban growth in the 1920s due to the influx of over one million Greeks from Asia minor within a two year period. In many respects many of Athens urban adjustment

problems date from this period. Over time such problems of urban structure were compounded by a failure in the planning system to curb both illegal development and significant urban sprawl. These problems were further exacerbated by a lack of public commitment to a clear strategy of urban restructuring. Prior to the Olympics the principal public sector led attempts at restructuring had focused on the regeneration of historic central areas such as the Plaka and limited attempts to pedestrianise key retail streets in central areas. A further concern in recent periods relates to the poor quality of the natural environment as a result of significant air pollution generated largely by traffic volumes.

Despite the opportunities presented by the Olympics, Athens was slow to capitalise on them. The initial period after the successful bid was characterised by political infighting resulting in little or no action. This resulted in the need for substantial catch-up in the later periods of the project and contributed significantly to unfavourable global press coverage prior to the event. A key problem was in effect uncertain public sector commitment to the event and the projects it necessitated. Aside from the political issues involved this possibly reflected a lack of capacity and experience in the public sector in the management and successful implementation of such projects and in the use of public-private partnerships as a means of project delivery. Such problems increased risks particular for the active involvement of the private sector. A good example of this reluctance to commit private sector capital to the Olympic projects is provided by the Olympic village where the Greek Social Housing association had to construct the project because of a lack of private sector interest. Problems relating to public sector deficiencies and indeed political interference resulted in some cases in the award of contracts to firms who did not have the capacity to deliver the project involved in the relatively short time frame required. However, these problems might also reflect a similar lack of capacity and experience in the private sector, especially in the context of working within public-private partnership frameworks.

Because of the time wasted in the initial post award period the objectives of the projects implemented associated with hosting the Olympics were almost exclusively focused on the needs of the event itself rather than on some integrated strategy for urban restructuring. The only exception being the series of projects linked to the

unification of the archaeological sites of Athens, which ranged from the creation of an archaeological park in the historic centre to the redevelopment of many central squares. While this programme of work predated the Olympics its completion was given significant momentum and a clear time horizon by the event. A more integrated approach to urban restructuring priorities might also have ensured that the Olympics delivered a new permanent use for the prime site of the old Airport at Eliniko in the cities southern suburbs.

Given the significant deficit in public transportation infrastructure which existed in Athens prior to the Olympics hosting the event necessitated a very extensive programme of investment in transportation infrastructure. Given the finite time horizon associated with hosting such an event this ensured that upgrading had to take place in a relatively short period of time. Key projects included a new international Airport at Spata, the expansion and upgrading of the Metro system, the construction of an orbital motorway(Attiki Odos), connecting the new airport with the city and key Olympic venues, a new tram serving the southern suburbs, a suburban railway and numerous individual road upgrading projects. The impact of these projects and their consequences for land values, accessibility and urban restructuring are the most likely source of tangible benefit to the city of Athens associated with hosting the Olympic Games. Such infrastructure improvements may in the future provide private sector property interests with significant potential for opportunistic gains. This is particularly true as the airport, metro, suburban train, and orbital motorway have reinforced the attractiveness of emerging office and retail location along the northern portions of Kifissias Avenue and in the Messogion valley. From a wider perspective such a level of investment in public transport infrastructure may help to alleviate the serious problem of traffic related air pollution with consequent benefits for the quality and attractiveness of the urban environment.

While many post Olympic assessments of the Athens games have inevitably focused on their very significant monetary costs and the lack of a clear strategy for post event utilisation of Olympic venues, a reflection of both poor public sector implementation capacity and increased security costs post 9/11, the magnitude of transportation investment undertaken in the run up to the event is likely to pay significant long term dividends to the city. The intangible benefits, despite what was deemed almost

universally as a successful event were curtailed again because of a lack of strategic planning in the post award phase, resulting in the scramble to finish projects, which prompted negative global media attention. Other than a significant programme of wider tourism marketing, which appears to have paid some dividends in the summer of 2005, little attempt has been made in terms of post event place marketing to capitalise on the event. The Athens case provides a very good illustration of how problems in the projects implementation structure can seriously curtail potential benefits. Returns to public sector capital are likely to be low but because of the public transportation legacy opportunistic gains to private sector property interests are potentially very high. However, the internal capacity of the sector might restrict the scope of potential gains.

4.2 Manchester

The Manchester case provides many contrasts to Athens particularly in terms of implementation structure and the respective roles of public and private actors. Manchester's impetus for its successful bid to host the 2002 Commonwealth Games resulted from its failed bid to host the 2000 summer Olympic games. Manchester in recent years has been an example of successful implementation of flagship regeneration initiatives. The context of regeneration in Manchester is one common to many northern European cities which had a legacy of early industrialisation. In particular, Manchester in the 1970s and 80s suffered from very acute urban adjustment problems associated with this legacy culminating in riots. Over the last two decades Manchester has embarked on a very activist programme of urban restructuring and in the process attracted significant funding from both the public and private sectors. Key projects include the redevelopment of Hume, Salford Quays, Trafford Park and more recently the redevelopment of the city centre as a retail, leisure and residential location.

This experience of urban regeneration, the use of public private partnerships and the ability to successfully leverage private sector funding through such mechanisms has resulted in the creation of significant public sector capacity in the successful implementation and management of such projects. Likewise, previous private sector experience of such projects has been positive and as a consequence the risks of active

involvement are reduced. Therefore, it is not surprising that the implementation structure of the projects associated with hosting the Commonwealth games reflected this experience, which a clear strategy for post event utilisation of the venues and the integration of their location into an equally clear strategy for the regeneration of East Manchester, an area with significant urban adjustment problems which had not been targeted by previous policy initiatives.

The outcomes reflected the implementation structure, the event venues have become 'Sportcity' a major entertainment and leisure complex, with Manchester City football club as tenants in the City of Manchester Stadium, and other sports facilities been used as part of a national strategy of sports development by Sport UK. The momentum associated with hosting the games has been channelled into a special purpose 'New East Manchester Urban Development Company' whose principal task has been that of coordinating the various urban restructuring projects stemming from the legacy of hosting the games. These range from those with a clear focus on residential development such as the regeneration of Beswick and New Islington to Central Park with its focus on commercial property development.

The urban restructuring and property market legacy of the Manchester games is very clear because of the nature of the implementation structure with its focus on urban restructuring rather than the event. Its successful implementation was greatly facilitated by the previous experience of public-private partnership in the city and the capacities it created. While the event was deemed successful, because of the limited number of countries involved, many of which are unlikely ever to generate significant investment flows in the near future, its global reach was inevitably constrained. Therefore it is unlikely that Manchester would have significantly improved its international position as a result of hosting the event but possibly has changed domestic perceptions of its location as a business, residential and leisure location. The city has embarked on a relatively pro-active strategy of post-event place marketing in both domestic and near Europe markets to capitalise further on such changes.

4.3 Turin

The Turin case study has some similarities to Manchester, in that the key context of urban adjustment problems in the city relate to industrial restructuring, in this case of the automotive sector. The choice of location for the projects directly related to hosting the Winter Olympic games of 2006 reflects a desire to fully integrate the mega-event within the framework of a wider strategy of urban restructuring and regeneration. Furthermore, the strategy also reflects the cities declared intention of increasing its international position. Like Athens, there is a significant commitment to project related transportation infrastructure as part of the strategy. Unlike the other two cases the full impact of the project associated with hosting the mega-event will not be contained solely within the metropolitan area, a function of the nature of the project and its requirements for winter sport facilities. The outline presented here refers only to the projects contained within the city.

The strategy adopted has a number of clear urban restructuring goals. The core of the strategy focuses on the concept of a 'Central Backbone' a new north south avenue with a mixture of urban restructuring and event facility projects arranged strategically along it. Most of the event facilities have been located in the southern sections of the 'backbone' in particular the Lingotto and Piazza D'Armi. The key focus here is to address acute problems of urban restructuring in these industrial areas which have poor quality urban environments. These projects also complement previous attempts at regeneration such as the redevelopment of Fiat's Lingotto Factory. The other non-transportation projects undertaken are not directly related to the Olympics but reflect a strong desire to tackle other urban restructuring problems in the context of the momentum generated by hosting a mega-event. These projects include the creation of a new cultural and arts district, a complete programme of neighbourhood restructuring focusing on a number of mixed-use developments and an urban park along the northern portion of the Dora River, the creation of a knowledge district related to existing higher education institutions and finally the regeneration and restoration of many of the historic central area squares and public spaces. Of the cities considered Turin is attempting to implement the most ambitious coordinated programme of urban restructuring associated with hosting the mega-event.

Aside from these projects Turin has embarked on a significant programme of investment to upgrade its public transport infrastructure. Key projects include a cross-rail system, involving the placing underground of fifteen kilometres of previously above ground railroad tracks, the redevelopment of the Porta Susa Station and the construction of the city's first metro line to serve central areas and some of the principal Olympic locations. Again a key focus of the upgrading has been to reinforce the locational changes necessitated by the urban restructuring projects outlined above.

Considering the potential intangible benefits associated with hosting the event, Turin like Manchester may suffer in that the global reach of such a mega event is not as extensive as that of the Summer Olympics. The global media coverage prior to the event is likewise not as comprehensive as that of the summer games despite a relatively active programme of place marketing by the city. As a result it is debatable as to whether or not the city will be able to reposition itself as an international city – its stated objective - through its hosting role. It is more likely that the city will improve its standing within the wider Alpine region and in particular in domestic Italian urban hierarchy.

Considering the strategy from the perspective of actor involvement, the Turin experience is very much dominated by the public sector. While the intention was to engage the private sector there has not been much evidence of its active involvement in the majority of projects. This may reflect both capacity and a lack of practical experience. Unlike the Manchester case the experience of public private partnerships in Italy is relatively limited. Turin may also suffer from the relatively small size of its private sector especially with respect to property actors. Likewise questions remain as to the capacity of the public sector to successfully implement all the projects as currently outlined in the absence of extensive private sector input. The public sector will deliver the transportation improvements and the facilities needed to stage the event. Despite a relatively well developed strategy of post event utilisation it may nevertheless run the risk of an outcome with low returns to public capital and some form of opportunistic gain to the private sector.

4.4 Summary

The following tables provide a brief comparative outline of the case studies and potential host city outcomes. Table 4 sets out a comparative assessment of the key strategic features of the projects across the three cities. In Table 5 based on the case study analysis an assessments is made of the position of each city with respect to the potential for property actor participation outcomes. Of the three cases Manchester is the most likely to result in the active involvement of property actors. In both the other cases it is likely to be at best adaptive involvement. This may reflect the internal capacity of the property sector in both Turin and Athens. As compared to Manchester the sector in both cities might reasonable be expected to accommodate a narrower range of objectives, as a result of differences in property market process and market maturity. It may also be a reflection of the private sectors limited experience of active participation in public-private partnership undertakings in both countries. In the Athens case it might also reflect increased risks associated with the uncertainties relating to non-property actor attitudes, especially those of the public sector.

Table 4 Project Characteristics of each Case Study City

Mega Sporting Event	Global Reach	Project Features	Location of principal land and property market benefits.	Investment in Transportation Infrastructure
Athens Olympic Games 2004	Full	Event Facilities, Transportation Infrastructure.	Kifissias Avenue, Messogion Valley, Eliniko Attiki Odos	Very Significant <i>Key Projects:</i> Airport, Ring Road, Tram, Metro, Suburban Rail
Manchester Commonwealth Games 2002	Partial	Event Facilities, Integration within urban regeneration strategy.	Sportcity area, Beswick New Islington Central Park	Limited <i>Key Projects:</i> Metrolink (tram) extension,
Turin Winter Olympics 2006	Partial	Event Facilities, Transportation Infrastructure, Integration within urban regeneration strategy.	'Central Backbone' Olympic District, Central Areas, Dora Area	Significant <i>Key Projects:</i> Metro, Cross-Rail, Railway Stations, Tram, Regional Rail and Road Investment, Airport Upgrading.

Table 5 Host Cities Property Actor Participation Outcomes

		Non-Property Actors Attitude	
		Full commitment, clear objectives	Uncertain commitment, ambiguous objectives
Property Actors attitude	Active involvement	Manchester A	B
	Adaptive involvement	C Turin	D Athens

Table 6 examines host city outcomes from the perspective of the returns to public and private capital. From this standpoint Manchester delivers the optimum situation with potentially high returns to both public and private capital. Athens is placed in quadrant B reflecting the view that returns to public capital may be low because of its failure to provide a clear focus for the project, its deficiencies in project implementation and its failure to capitalise potential benefits into a well developed strategy of urban restructuring. Also its failure to have in place an effective strategy for post event utilisation adds further to this judgement. In contrast the returns to private capital in Athens could be potentially be high as private sector actors may be able to exploit improvements in accessibility and benefit in terms of increased land and property values. However, their ability to do so may be constrained by capacity issues.

Turin is allocated to quadrant C. This reflects the fact that the public sector is likely to achieve high returns to public capital as a result of the clarity of its objectives, the integration it has achieved between urban restructuring priorities and the mega-event and the fact that it has a relatively well developed strategy of post event utilisation. In contrast the private sector may experience low returns to capital, reflecting its reticence to get involved, its failure to shape project objectives, and its limited capacity.

Table 6 Host City Outcomes: Returns to Public and Private Capital

		Return to public capital	
		HIGH	LOW
Return to private capital	HIGH	Manchester A	Athens B
	LOW	C Turin	

5. Concluding Remarks

This paper has examined the potential urban restructuring and property market impacts of hosting mega international sporting events using evidence from three recent European examples of such strategies. It has suggested that given that such events are inevitably multi-actor undertakings the concept of implementation structure becomes an appropriate framework within which to examine benefits and outcomes. Key actors, such as the property industry, public and international organisations, have generally and in different degrees the opportunity of shaping implementation structures and thereby exerting their influence on objectives and outcomes. The characteristics of the implementation structure associated with the event are likely to be decisive in determining the magnitude and time frame of potential benefits to the host city. Benefits and outcomes are likely to be maximised if the chosen structure successfully integrates the requirements of the mega event with the cities urban restructuring priorities and individual actor objectives.

The comparative case study analysis has indicated a divergence of approach between the three cities. Manchester provides an example of optimal project implementation and the maximisation of long-term benefit to the city. This may reflect superior implementation capacity built up over two decades of public-private partnerships. The Athens case is a complete contrast in that it highlights serious deficiencies in the public sectors implementation capacity which severely constrained potential benefit. Returns to public capital are low with significant potential for opportunistic gains by the private sector. Turin provides yet another contrast, with private sector capacity deficient. The returns to public capital are likely to be high with low public-private interdependence. The case studies also highlight the importance of public transportation investments as a significant source of long-term benefit, especially where the mega event has not been sufficiently integrated with urban restructuring priorities. Likewise post event strategies for facility utilisation and place marketing have important roles to play in maximising benefit.

The case study analysis provides a number of important general considerations with respect to benefits and outcomes which are especially relevant to cities considering a similar path to urban restructuring in the future. Firstly, benefits are most likely to be

maximised where objectives are clear, the mega event is undertaken in the context of specific urban restructuring outcomes and all appropriate interests are locked into successful implementation. Secondly, the capacity and experience of the various actors will be important for successfully implementation and benefit maximisation. Capacity constraints in both the public and private sectors are likely to be one of the principal sources of implementation failure. Finally, consideration of the respective returns to both public and private capital provides an important focus within which impacts can be judged and failures explained.

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