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Redevelopment Project Doubles as Social Experiment

By LINDA BAKER

VANCOUVER, British Columbia — This city of elegant luxury condominium towers and grand public spaces won the right to hold the 2010 Winter Olympic Games in part because of a promise to create “the inclusive Olympics.” But critics have long complained about a blotch on the city’s self-image as an urban utopia: the Downtown Eastside, a notorious high-poverty neighborhood known for its concentration of homeless people and drug and crime problems.

The city, which has a population of 578,000, has long listed the area as a target for redevelopment, but some community groups have balked because of concerns about displacing low-income residents.

Now the first step in that redevelopment is under way: Woodward’s, a 1.1-million-square-foot project with an inclusive design. The project, which is costing 500 million Canadian dollars (about \$475 million), is one of the biggest redevelopments in city history.

It is also controversial — because of a tangled history and a high-stakes social engineering approach. “There is so much riding on this project,” said Ian Gillespie, chief executive of Westbank Projects, one of the developers. “Everyone sees it as a panacea for huge social problems.”

When completed in January, the project will encompass four interconnected buildings with a central atrium on the edge of the Downtown Eastside, just a few blocks from the business district.

It will feature 536 market-rate condominiums, 200 “affordable” rental units, a supermarket, a drugstore and Simon Fraser University’s School for Contemporary Arts. It will also have 31,500 square feet of office space for nonprofit organizations, 59,329 square feet of federal and city office space, a bank, a restaurant and a rooftop day care center.

“It is a microcosm of the city,” said the project architect, Gregory Henriquez.

The other project partners are the Peterson Investment Group, the city government and Simon Fraser. The site, which covers a full block, originally housed the Woodward’s department store, which closed in 1993. That building has a contentious past, including several failed development efforts and a three-month occupation by advocates for the homeless.

The latest chapter began in 2003, when Jim Green, a city councilman and affordable-housing promoter, refused to support the city’s Olympic bid unless the British Columbia provincial government, which owned the land, agreed to several conditions. To upgrade the bleak area, “I needed Woodward’s and 200 units of social housing,” recalled Mr. Green, who is now a consultant.

The gambit worked. The city purchased the site for 5.5 million Canadian dollars — one-quarter the market rate — and

then selected a pair of odd bedfellows as winners of a design competition.

Mr. Henriquez is an award-winning designer of affordable housing and the co-author of the book “Toward an Ethical Architecture” (Simply Read Books/Blue Imprint, 2006). Mr. Gillespie is known for building the most expensive luxury condominiums in Canada, including the Fairmont Pacific Rim, a downtown Vancouver waterfront property now selling for 2,400 Canadian dollars a square foot.

Mr. Henriquez said the project was intended to revitalize the Downtown Eastside, but not to gentrify it. To meet this objective, the development will pack many diverse tenants onto the site — a strategy that Mr. Henriquez described as generating “body heat.”

For example, one of the four buildings, a 32-story tower, will include 75 rental units for low-income families; 170 market-rate condos; the offices of the National Film Board; and Nesters Market, the first new grocery in the neighborhood in more than 15 years. The building is the first in the city with both subsidized housing and condominiums. The various pieces of the tower have separate owners.

The neighboring Flatiron-style triangular tower features 43 floors of market-rate units — but reserves one floor as housing that will be accessible for people with physical disabilities. Westbank will retain ownership of the building’s ground-floor restaurant space.

As part of the development deal, the city will own Woodward’s Heritage building, which preserves a section of the original department store’s 1903 facade. It will house the day care center, local government offices of drug policy and Downtown Eastside planning, and nonprofit organizations.

The fourth structure houses the Simon Fraser campus, which is costing 71 million Canadian dollars, and includes London Drugs, a ubiquitous local chain, and 125 studios for low-income singles, many with mental health and addiction problems. These units and the 75 family units are being financed by 48 million dollars in city, provincial and federal funds.

The building parcels are owned, respectively, by Simon Fraser, Westbank and the city.

To lure condominium buyers to the Downtown Eastside, the development team issued a provocative marketing slogan: “Be Bold or Move to Suburbia.”

Apparently, many people here had a sense of adventure, although thriftiness may also have played a part. Westbank presold all of the Woodward’s condominiums in 2006. The price was about 500 Canadian dollars a square foot, about 200 dollars less than comparable units downtown at the time, with similar water and mountain views.

Westbank and Peterson provided 15 zero-interest second mortgages to help people of moderate income purchase market-rate units in the development.

Financial incentives are also in place for the commercial spaces. To help cover the neighborhood’s “economic shortfalls,” Woodward’s retailers will receive a 10-year suspension on property taxes, said Michael Flanigan, the city’s project manager. In exchange for building on the site, Westbank itself received a 250,000-square-foot density bonus, which can be applied to a project in a higher-rent part of town.

Many stakeholders expressed confidence in Woodward’s regenerative potential. “We anticipate 5,000 people on the site

daily,” said Dan Bregg, president of Buy Low Foods, which operates Nesters Markets. “Over time, this corner of the neighborhood will see rejuvenation.”

With five performance sites, Woodward’s “will be a real meeting place for culture downtown,” said Ann Cowan, executive director of the Simon Fraser University campus.

But some community groups, many of which participated in the design process, are reserving judgment about Woodward’s big-tent approach to development.

The Portland Hotel Society, a Downtown Eastside nonprofit group that runs the only site in North America where addicts can legally inject drugs like heroin and cocaine, will manage the Woodward’s singles housing. “We have committed to a naïve rainbow vision that all the different groups are going to get along,” said its executive director, Mark Townsend. “Whether that works remains to be seen.”

Mr. Henriquez said design details were intended to help smooth over class differences. Special window panels are being installed in the singles units to deter residents with mental health or addiction issues from taping over the glass to keep out the light, and offending condominium dwellers.

Then, there is the 10,000-square-foot atrium at the center of the development, a soaring glass-topped 24-hour public venue that Mr. Henriquez likens to a train station. It includes a basketball court and interpretive art displays. “Everyone will mix in this space,” Mr. Henriquez said.

Flanking the entry, which is accessible from an outdoor plaza, is a 50-foot photographic mural by the Vancouver artist Stan Douglas commemorating the 1971 Gastown riots, a seminal event in Downtown Eastside history, pitting police officers in riot gear against about 2,000 people who were protesting drug laws and undercover police raids.

With so many public and private interests involved, the Woodward’s challenge was “how to give everyone a part in the movie, yet not be so burdened by their interests you could actually create something,” Mr. Gillespie said.

“Come back in a year,” he said, “and see how this social experiment turns out.”

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