Nearly every major city in the world has some sort of master plan to guide its growth and development over a set period of time, usually over multiple decades. Unfortunately, political, economic, social, or physical realities often result in those plans never being fully realized. While the upside to this is the ability to adjust to changing realities on the ground, the downside is that the full vision is rarely implemented.

For a city chosen as host of the Olympic Games, the event can become the impetus for comprehensive master planning. The massive influx of money and human capital, combined with the opportunity for intense media exposure, often is seen as justifying wide-ranging city rebuilding. The inconvenience and cost of holding the games can be a burden to residents, but promises of
dubbed the most expensive Olympic Games ever, the 2004 Athens Olympics included many venues designed without their subsequent use in mind.
improved infrastructure and amenities have traditionally been used to garner broad community support.

The condensed time line for planning and construction means that the opportunities to react to real-time conditions on the ground are severely limited. Some host cities have largely been able to overcome this impediment, while others have faltered and been left with a whole herd of white elephants—empty venues. Still others have stumbled initially, but over time have recovered from their Olympic experience. The Olympic Games can offer an opportunity for a host city to transform itself for the betterment of its residents. But, the games also can end up being a failure that saddles a society with empty venues and heavy debt loads. A case in point: it took Montreal nearly 30 years to pay off the debt accrued from holding the 1976 Olympics.
An overview of the three most recent Summer Olympic Games—Atlanta in 1996, Sydney in 2000, and Athens in 2004—sheds some light on the opportunities and pitfalls of being a host city.

Atlanta 1996
To the world, Atlanta’s Olympic legacy may be the bombing that occurred at the centerpiece Centennial Olympic Park, but for residents and subsequent visitors, much more remains. To the international Olympic movement, Atlanta’s legacy is significant: though some infrastructure improvements were made to bridges, sidewalks, and landscaping at public expense, the Atlanta Olympics were funded entirely by private money, according to Bill King’s article “The Power of the Dream” on the American Politic Web site.

That private funding came with a public cost—commercialization. Corporations such as Coca-Cola and Delta Airlines garnered tremendous amounts of publicity by sponsoring the event, to the chagrin of many Olympic officials and enthusiasts, leading the celebration of amateur athletics to become a branded mega-event. Regardless, that private participation meant that Atlanta was left with no Olympics-related debt.

For example, Centennial Olympic Stadium was converted to Turner Field, the home of Major League Baseball’s Atlanta Braves. Privately financed, the stadium bucked a nationwide trend that continues today—publicly subsidized stadium construction. The Olympic Village, which housed athletes, was converted to a dormitory for students at Georgia State University and Georgia Tech, and the swimming and diving venue was also transferred to Georgia Tech. In the heart of it all was created the 21-acre (8.5-ha), $57 million Centennial Olympic Park, touted as the largest urban green space constructed in the United States in more than two decades.

As is hoped by any host city not fully on the world stage, the Olympics introduced Atlanta to the world. Even more relevant for residents of the Atlanta region, the Olympics fostered a more inward-looking agenda aimed at catalyzing a downtown amid a sprawling suburban urban region—and doing so many years before the nationwide trend of going back downtown took hold.

Adjacent to and surrounding Centennial Olympic Park, itself the redevelopment of a blighted ten-block industrial district, more than 8,000 residential units have been built. Complementing this emerging residential district are institutional facilities, such as the Children’s Museum of Atlanta and the Georgia Aquarium, and commercial venues. More than $1.8 billion has been spent on downtown Atlanta projects since 1996, including hotel, office, residential, and entertainment projects.

However, a result of the focus on private investment was a lack of overall planning for infrastructure—namely much-needed transportation networks for the automobile-dependent region. The Olympic venues were decentralized for the most part, and the lack of viable transit networks made travel to and from events difficult and time consuming. While it is commendable that the public was spared heavy debt loads, the political will usually required to hold the Olympics also could have been mustered to implement widespread transportation upgrades. Nevertheless, the Olympic effort succeeded in sparking the rebuilding that continues today in parts of downtown Atlanta and in creating amenities for the region’s residents.

Sydney 2000
In 2001, for the first anniversary of the 2000 Sydney Olympic Games, the New South Wales (NSW) Department of State and Regional Development commissioned PricewaterhouseCoopers (PWC) to make a formal assessment of the benefits of being a host city. The main thrust of the study was to take a novel approach to evaluating the games: looking at business development.

A total of $2.3 billion (A$3 billion) was spent—$1.47 billion (A$1.9 billion) by the public sector and $850 million (A$1.1 billion) by the private sector—on facility development and supporting infrastructure for the city. This included nearly $1.55 billion (A$2 billion) in upgrades to the Sydney airport, a $544 million (A$700 million) highways project, and a $250 million (A$320 million) beautification project for the central business
district. The benefits of these efforts, though clear, are hard to measure.

More easily quantifiable are the results of a business development and investment attraction strategy organized by the NSW and federal governments. According to the PWC study, directly attributable to Sydney’s Olympics program were nearly $233 million (A$300 million) in sales generated by the Australian Technology Showcase held in conjunction with the games, and more than $466 million (A$600 million) of new business investment and almost $1.55 billion (A$2 billion) worth of sports infrastructure and service contracts by NSW businesses leveraging their Olympics experience.

The addition of these figures to the more than $4.7 billion (A$6 billion) in tourism and retail spending by an additional 1.6 million visitors the year after the Olympics constitutes a real achievement, according to Sydney’s business-based model. PWC concluded that “the business generated by the games—in terms of skills, contacts, international awareness, partnering, and investment—may come to be recognized as their most enduring legacy.”

While still not profitable, Sydney Olympic Park, the 1,500-acre (600-ha) centerpiece of Sydney’s Olympics effort, is emerging as a community resource. In the year after the Olympics, 4 million people visited the site. By 2005, that number had risen to 7 million, and officials are aiming for 10 million visitors by 2010. Plus, as part of Vision 2025, the Sydney Olympic Park Authority’s 20-year master plan for growth and development, a new town of 15,000 residents and 15,000 daily workers is expected to grow at Sydney Olympic Park by 2025.

According to the Sydney Olympic Park Authority, the value of business events, total visitation, and number of major events at the site’s Telstra Stadium have been steadily rising over the past five years. In fact, business events alone accounted for nearly $19.7 million (A$25.4 million) in 2006.

While there is still ground to cover, Sydney’s comprehensive strategy of empowering and promoting local businesses while providing useful venues for recreation and education is showing that the Olympic legacy does not have to be an empty promise.

**Athens 2004**

Perhaps no other Olympic Games in recent memory were plagued by as much uncertainty as those held in Athens in 2004. Dubbed the “Dream Games” by international Olympic Committee head Jacques Rogge, the event was heralded as the return of the modern and ancient games to their birthplace. But their legacy for now is their place as the most expensive Olympic Games ever, estimated at $14 billion.

Athens’s greatest achievement in 2004 was its success in providing security at a time when worldwide tensions and risks were high. But this did little for the residents of the host city. To be fair to Athens, it has been less than three years since the Olympics left, and the experience of other cities has shown it can take several years before any benefits are visible.

However, Athens faltered from the outset. “We did not have a reliable post-Olympics plan in Greece,” Fani Petralia, deputy culture minister and Greece’s top Olympic official, has said. “Many venues were designed without their post-Olympic use in mind.”

This is why Athens continues to struggle with a protracted postgames hangover. Oscar Reyes, in an April 2005 article titled “The Olympics and the City” in independent magazine Red Pepper, identified the Olympic legacy as surveillance and privatization. The surveillance aspect resulted from the need to address security realities, which alone cost $1.5 billion. The city is now awash in security equipment and closed-circuit television cameras, much to the displeasure of the locals, who do not appreciate the constant monitoring.

But the privatization aspect is a reaction rather than the execution of a plan. Since the Olympics ended, Athens has tried to sign long-term leases for, or to sell outright, many venues as a way to curtail the continued security and maintenance costs for largely unused facilities. According to a recent article on the Web site AroundtheRings.com, Hellenic Olympic Properties, manager of government-owned Olympic real estate, spends more than $100 million annually for security and maintenance at empty venues. The issue has been embroiled in local politics between the two primary parties in Greece as the party in power accuses the opposition, which was in power before and during the games, of mishandling the process.

A recent 30-year lease by a private company to operate a water park at the former whitewater venue will yield $370 million over the life of the lease, contributing to the total $870 million in long-term lease deals. But, given the initial cost, Athens is still quite a way from recovering its investment. And, with only a “handful of signed leases
Sydney Olympic Park is now a collection of Olympic venues, corporate addresses for more than 60 firms, and public parkland. The number of major events at the site’s Telstra Stadium has risen steadily since the 2000 Sydney Olympic Games.

[that] will create recreational facilities . . . out of Olympic properties,” according to AroundtheRings.com, Athens residents seem unlikely to benefit from the 15-day party held way back in 2004.

The Olympics can present a unique and unmatched opportunity for a host city to implement massive and extensive infrastructure and public amenities projects through a giant influx of capital and energy. But, that same opportunity can also yield long-term and difficult-to-surmount economic, social, and political damage. In order to promote the benefits and avoid the problems, future Olympic agendas could focus more on sustainability and potential host cities that have venues in place, rather than on requiring massive rebuilding and overly burdensome outlays of public funds. In this way, cities could focus on updating and revamping existing facilities already a part of the community fabric, and on improving transportation links among these facilities. Upgrades and improvements create positive legacies, not empty and disconnected facilities, even if they are shiny and new. UL

HOWARD KOZLOFF is development manager at the Martin Group, a Santa Monica, California–based urban infill development firm focused on mixed-use opportunities.