

Remington: Don't panic at Bow's delay

Credit crunch slows building worldwide

BY ROBERT REMINGTON, CALGARY HERALD APRIL 2, 2009

Before anyone fears that delaying construction of the seven-storey secondary building at the Bow site is a sign of Calgary's impending apocalypse, some perspective is in order.

Globally, the credit crisis has halted work on 142 --or 11 per cent--of 1,324 skyscraper projects, according to Emporis GmbH, a German company that tracks skyscraper development.

Work is stalled on the five tallest buildings on five continents, including the Spire, a planned 150-storey tower in Chicago.

Also on hold is the Nakheel Tower in Dubai, proposed to be nearly a full kilometre in height.

There's a gaping hole where the Spire was supposed to be built and, in lower Manhattan, half-built sites include two skyscrapers and a pit where another was supposed to rise.

A delay on the comparatively puny south building at the Bow is unfortunate, considering that a heritage building, the York Hotel, was taken down brick by brick in hopes of reassembling its facade on site.

Yet, in the big picture, it is hardly a catastrophe.

It would have been much different if the main tower of the Bow, the future headquarters of EnCana Corp. in Calgary's core, was scrapped, but unlike the modern-day towers of Babel that are now little more than expensive holes in the ground, Calgary is fortunate that it is still getting its iconic skyscraper.

It won't be long before Calgarians see a dramatic change at the Bow site. With steel girders arriving from Ontario and Edmonton, the skeletal superstructure of 58-storey Bow will begin rising at the rate of one storey a week, according to David Jefferies, the project's architect of record.

The agreement for the York Hotel site stipulates that construction must begin within a year of the completion of the Bow's main tower, scheduled for early 2011. That's a much better outcome than history has dealt other projects in downtown Calgary, where booms and busts have befallen much grander edifices.

A few blocks away from the Bow, the ghost of another boom is buried beneath a downtown plaza adjacent to the 41-storey First Canadian Centre, which was completed in 1983. The site was to have a second tower, even bigger than the Bow. But the proposed 64-storey second tower at First Canadian Centre was never built, and today a plaza at that site provides some much-welcomed el-bow room in the concrete jungle.

It's difficult to imagine that a halt on the south building at the Bow will have much impact on Calgary's psyche, even though it is part of the city's showpiece project. In a city driven by fossil fuels where people think they can be billionaires overnight, a dose of sober reflection certainly won't hurt. Yet Richard White, formerly of the Calgary Downtown Association and the city's planning commission, says work on main tower will overshadow any negative mood surrounding the York Hotel site.

"Psychologically, the biggest urban project in Canada is still going forward," says White.

He feels the above-grade work stoppage at the Bow's south building may actually be a good thing.

"There is an opportunity for us to rethink that whole part of the project and how it connects to Olympic Plaza and Stephen Avenue. It could come back in a much more innovative way," says White, who works as a media and government liaison for an architecture firm.

The Bow is one of eight office towers under construction in Calgary, including the one million-square-foot Phase I of the \$1-billion Eighth Avenue Place.

Downtown office vacancy rates of 4.5 per cent in this city remain the envy of North America.

In Manhattan, the rate is more than 11 per cent. Our five-year projected rate still remains much lower than the 10 per cent that White says is considered healthy.

As oil prices rose, Calgary's office vacancy rates went from just under 12 per cent in 2005 to less than one per cent in 2007.

In Chicago, the uncertain future of the Spire, designed by renowned Spanish architect Santiago Calatrava, has created a bit of a funk in a city pitching itself for the 2016 Summer Olympics. Yet, don't cry for Calatrava. He's the guy whom Calgary is hiring to design a pair of \$25-million pedestrian bridges over the Bow River.

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