PMI 2005 Project of the Year

by Libby Ellis \* photo by Jean-François Bérubé



Foreground, from left: Clément Demers, Réal Lestage Sitting, from left: Renée Daoust, Louis L'Espérance

Standing front, from left: Jean-François Houle, Martin Maillet Back row, from left: Céline Topp, François Perreault, Caroline Beaulieu, Jean-Claude Cyr

## Five years ago,

no one wanted to live in the 66-acre Quartier international de Montréal. An expressway acted as a trench, turning the city's international district into a dysfunctional gap between the historic district, Old Montréal, and the business district. Today, because of a massive urban revitalization project, the area is a thriving destination for both locals and tourists. Housing is

#### Executive Summary

- → The Quartier international de Montréal project team divided the urban revitalization effort into smaller pieces, scheduling them for efficiency.
- The team gave financial investors a stake in the project by asking for their input.
- Champions were identified from each stakeholder group, and the team relied on them to inspire others and further project goals.
- Project leaders did not skimp on cost when it came to selecting contractors and materials.

both locals and tourists. Housing is booming, too. There are more than 1,000 new units completed or under construction—recently a condo-

minium sold for \$2.5 million and, overall, the project has generated \$770 million in related construction.

The aim of the \$90 million, fiveyear Quartier international de Montréal (QIM) project was twofold, says Clément Demers, PMP, architect, urban planner, director general for QIM. "We often hear 'location, location, location,' and it's true. The first goal was increased access. We needed to recreate the link between

Old Montréal and the Central Business District while developing a new area that would improve accessibility for cars, public transportation and pedestrians," he says. "The second was to build out the space with quality design and quality materials, creating an area that will stand the test of time."

#### The Details

The two-phase QIM project involved major urban changes. The team had to:

- Cover an expressway
- Overhaul a sewer and aqueduct system
- Increase sidewalk surface area by 40 percent
- Restore Victoria Square
- Create the Place Jean-Paul-Riopelle, a new public square
- Plant 500 mature trees
- Integrate art and sculpture
- Expand an indoor pedestrian network.

Mr. Demers took a unique project execution approach, dividing work into packages that allowed for smaller-scale testing of management techniques and contract awards. Benefiting from experience gained in each stage, managers then could adjust future work segments and management styles accordingly.

The team relied on partnerships, value analysis and a communications plan that included a Web site dedicated to public concerns. "We updated the site weekly to share information with area owners and residents and allowed them to e-mail questions and receive responses from the project team," Mr. Demers says.

The integration phase included three periods of research:

- 1. Preliminary studies from January to March 1997
- 2. Feasibility studies from April 1997 to June 1998
- **3.** Pre-development studies from July 1998 through December 1999.

The principal partner, the city of Montréal, worked with professionals and designers toward optimal planning. Leaders from the key stakeholder groups met weekly with key contractors and subcontractors to voice concerns and foster respect among all parties. They developed the QIM and city agreement along with a special planning program for

## Global Impact

Expecting the unexpected always is a necessity for any large project. The QIM team included extra time in the schedule to allow for the typically harsh Montréal winter, but couldn't have prepared for the global events that impacted the city's international hub.

On 11 September 2001 a special meeting of the International Civil Aviation Organization took place in the convention

center—then under construction. In 2003, the SARS epidemic swept Toronto, prompting many corporate offices to relocate their annual meetings to Montréal, and the large population influx impacted project plans. "We were removing the sidewalk in front of a large company's building," Mr. Demers says. "In the morning, we were digging and by evening we were making a temporary sidewalk and had relocated work."

There were numerous state funerals that required heightened security as well as 60 international congresses between 2000 and 2004. The weather, however, gave the team a break. "It was the mildest winter in history—we were lucky," Mr. Cyr says. "It's not something you can plan for, and it helped in terms of the schedule, because we had 25 more working days than you'd have in a typical year."

### Vital Dates

Project commences
January 1997

**Project defined**June 1998

**Client approval** January 2000 Project closeout:
Phase 1
November 2003

Project closeout:
Phase 2
October 2004

the International District, two documents that enabled the project manager to create the charter and plan.

After preliminary research, the team split the project into two flexible phases. By dividing the project this way, the team could accomplish additional work requested by

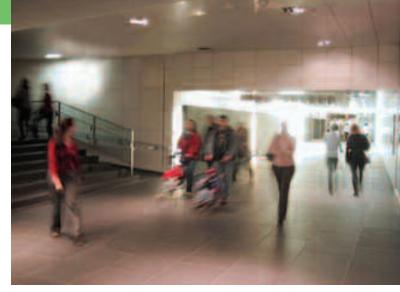
into two flexible phases. By dividing the project this way, the team could accomplish additional work requested by stakeholders without significantly compromising initial cost and time estimates. The approach allowed for better adaptability—important considering the unknowns inherent in such projects—and it promoted ownership among stakeholders.

In the first phase, Jean-Claude Cyr, president of QIM, coordinated with architects and consulted with the city, the transportation authority and the public works department. Together, they aligned work with city standards and ensured that the overall concept of the project would be feasible. For the second phase, Mr. Demers created a four-part work breakdown structure beginning with infrastructure projects and culminating in real estate development. The bulk of the work, including covering the expressway, extending sidewalks and creating new public spaces, took place in between.

#### **Smart Budgeting**

Securing the necessary financing and working within a fixed development budget required non-traditional techniques. A budget committee tracked construction costs; a coordinator monitored all costs, and an external comptroller and auditors ensured coordination. "We made sure QIM had seed money as well as interim financing," Mr. Cyr says. "Banks usually won't forward money before a formal contract is signed, but because we knew people were committed to this project, we worked with them and got the bank to provide interim financing so the project could stay on schedule." Overall, the federal and local governments each contributed \$30 million, the city contributed \$14 million and private investors kicked in \$16 million—getting private funding was a challenge.

The International Quarter may have been "no man's land," Mr. Demers says, but it was far from abandoned.



Plans included construction of a large, indoor public network.

The scope included massive construction amidst 12,000 businesses and a lot of traffic. "Convincing people to spend money on a public project is not an easy task," Mr. Cyr says. "We needed 12 of the 25 businesses to agree to chip in funds—and we got them all. Owners with empty lots were enthused because the impact on them would "be limited. We relied on past partnerships to get larger owners."

As part of the agreement, no business or access route was completely closed during the project. The QIM team went further than just trying to stay out of the way, however. They turned potentially inconvenienced landlords into key stakeholders, giving them a say in the project and asking them to contribute \$8 million to be paid over 20 years.

Mr. Cyr credits Mr. Demers with establishing a payment approach appealing to large property owners. In addition, they didn't increase property costs in the area by more than seven cents per square foot. "It was tremendous that someone brought together all of the people in the area," says Phyllis Lambert, founding director and chair of the board of trustees of the Canadian Centre for Architecture in Montréal. "For other renovation projects in the city, we have had citizens without a sense of what it means to revitalize."

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Victoria Square has become a gathering spot for workers and residents.

that were artists at heart. "A connection with people concerned about the urban form gave background to the project," Ms. Lambert says. "There's a strong sense of architectural collaboration in the city and a strong sense of the public good. All architects [working on the project] are from the city, committed to the city."

The sense of public good extended beyond the present-day needs. The team committed to sustainable development, striving to create a neighborhood for future generations. To achieve this goal, the team worked on the

#### **An Inspired Team**

To complete a project with such high international status—the site is home to the highest concentration of international organizations in Canada and the third-largest international convention center in North America—stakeholder commitment had to go beyond buy in. The stakeholders had to be collaborators who were passionate about the goals and the result, Mr. Demers says.

At the beginning of each project phase, he gathered everyone in a room for two days to discuss difficulties and to strategize solutions to prevent conflict. "You have to find a champion in each stakeholder group. Identify the people who are passionate about the values and objectives of the project," Mr. Demers says. "These people are emotionally intelligent, strategic and not necessarily at the CEO-level. My team is not just my seven-person group here at QIM. It's all of the champions, the people who fully buy in and will always work with me on a solution."

The trick to getting these invested team members is the project itself. "You can't have that on an ordinary project," he says. "It has to be inspiring."

#### **Design Matters**

The project team kept quality of design and materials at the forefront of their minds, going to great lengths to ensure that the project reflected the culture of Montréal. Members sought out architects, engineers and urban planners with exemplary technical skills, and chose firms and individuals

## Public Involvement

The team was dedicated to developing the International Quarter for the people of Montréal, says Jean Claude Marsan, an architect and urban planner who consulted on the project. "Centers of civic activity date even farther back than the Middle Ages. In Antiquity they had a place called the Angora, well that's what we have now. But to do it, you have to understand it and you have to have the political will to make it happen. And in this case, what's fascinating, is it's the civilians who wanted it from the start," he says.

The public remained a vocal stakeholder. "The public was involved at all times," says Céline Topp, director of heritage and territory for Montréal. "The owners of properties in the Quarter were involved defining the development concepts and sat on the project's board of directors. Montréalers were invited to comment on the project and make recommendations during consultation sessions held by the urban development commission. And, now that the work is complete, the association of property owners in the Quarter oversees public activities and the maintenance of public amenities there."

premise that quality was worth the price. "If you try to reduce costs by squeezing out the people who have the tools to reduce cost wisely, you end up reducing the costs at the wrong place and sacrificing quality," Mr. Cyr says.

Mr. Demers budgeted with those values in mind and treated contractors as stakeholders, allocating 21 percent of costs to fees (ultimately using 19.2 percent). They paid all professionals a fixed price for full service and all fees were paid quickly. "We didn't take the lowest bids," Mr. Demers says. "We found a way to work only with the best."

Working on the Place Jean-Paul-Riopelle Square, Mr. Demers was shocked when the price of the granite was about \$2 million more than he had expected. Looking at his options, he inquired about using concrete—which no one wanted to do—or buying granite from China. "We worked together to negotiate with the contractor and his subcontractors, explaining that we could buy from China or use concrete, but we wanted it to be Québec granite because of its high quality and the nature of the project," he says. He worked for two months to reach an agreement.

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This Hector Guimard subway entrance was a gift to the city from France.

"If you cut into the dream at the first difficulty, it will no longer be an inspiring project," Mr. Demers says.

als and into contract negotiations. Contractors owned their projects. "We tried to have the same contractors doing

everything bottom to top to reduce litigation and avoid the problem of two contractors working vertically. The one above always blames the other," Mr. Cyr says.

Wrapping up without one lawsuit, QIM was exemplary in handing more than 75 complex agreements—without involving too many lawyers. "We chose one law firm with a lot of credibility to do all of the legal work for all of the partners, including the city," Mr. Cyr says. This approach helped the team save time and money while building on the feeling that team members were a single entity working toward one goal.

#### **Award-Winning Leadership**

Very few projects receive the accolades the QIM project has enjoyed—20 awards in 13 fields, booming construction and

100 percent client satisfaction. "To invest in a high-quality urban revitalization project is how the city has chosen to make a difference," says Gérald Tremblay, Montréal's Quality extended beyond raw materi- mayor. "The International Quarter offers residents and visitors the best in public services and spaces. It also provides an exceptional showcase for the rich cultural life of the city by exhibiting prestigious works of art and quality design. It's a place that the citizens of Montréal can be proud of."

> Mayor Tremblay offered more praise in a letter to Mr. Demers. "You have succeeded in completing a unique project that will help position Montréal in the world of international design and urban development. ... No major project can exist without the leadership and the team to carry it out."

> While the desire to reinvent the city provided inspiration, it was teamwork, leadership and the stakeholders' ability to choose the right partners that set this project apart. "The leadership and enthusiasm for the project brought out the best in the stakeholders," Mr. Cyr says. "Everyone knew this would be the most exceptional project in their lives." PM

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