

*Adjournment Debate*

does not say with what result or purpose. He in no way indicates why it is necessary to spend a further \$25 million on that particular site.

Perhaps I should explain that Granville Island is not really an island. It is a man-made peninsula in False Creek that was built during the thirties. For many years it has been an industrial estate, well located I should say.

During the tenure of the hon. member for Vancouver Centre in the Ministry of State for Urban Affairs between January, 1972, and August, 1974, the property was transferred by the previous government body which owned it to Central Mortgage and Housing Corporation, the corporation for which the Minister of State for Urban Affairs has responsibility. At that time the matter was raised in certain quarters. I raised it here because there is absolutely no housing and no mortgages involved in Granville Island. It was asked why CMHC should be involved in such a property.

Just 11 days ago the Vancouver *Sun* announced that in a surprise move on Friday, which would be April 29, the Granville Island trustees accepted not one but two proposals for new theatre facilities as part of island redevelopment. The Arts Club is going to build two theatres, one of 350 seats and the other of 200 seats. The Theatre Space Project is the other one. It too is going to build a theatre. I quote from the article:

The federal government is in the process of transforming the former light industrial park to "people" use, and the introduction of some form of theatre space has been a major priority in government planning.

I still have not got anywhere near housing. Some four years ago, in June, 1973, the planning department of the city of Vancouver put out a policy booklet on False Creek dealing with Granville Island which lies in False Creek. I quote from that booklet:

An urban public area, some open and park space with waterfront walkways. Recreational, commercial and entertainment facilities. A significant portion of current leases will expire in the early 1980's so that large scale redevelopment can be expected at that time.

All that happened when they first transferred that property to CMHC is that they hired a former president of the Liberal association in British Columbia, a gentleman named Russell Brink. They paid him a salary higher than that of members of parliament and called in a project manager. They bought a few leases when they expired and the project manager created a park in the corner of the island. Since then several restaurants and other people and places have come along. Now we are to have theatres. All of this is on this small so-called island which is served by a circuitous two-lane roadway which runs under the Granville Street Bridge. This is hardly a place for automobiles and people.

A \$25 million expenditure should not surprise us very much. It is a continuing example of the operations of CMHC under the present president, Mr. Teron. There have been recent criticisms of blatant examples of the corporation insuring loans for a luxury hotel in Ottawa which went bankrupt, and ever increasing loans on buildings such as York Place in Hamilton which is in trouble at the moment because the developers were not able to finish the project.

[Mr. Clarke.]

Years ago when one wanted to fool Central Mortgage and Housing Corporation, buildings were designed and called apartment buildings. Then after Central Mortgage and Housing Corporation financing had been obtained, it was a simple matter to convert them to hotels. It was a good way to finance hotels, and it happened in Vancouver a number of times. But in the case I referred to here in Ottawa, the building was originally planned to be, and was stated directly on the building permit filed with the city of Ottawa to be, an hotel.

I realize I am digressing a little, Mr. Speaker, but I do so to illustrate the irresponsible attitude which is being demonstrated by Central Mortgage and Housing Corporation. We need better answers than that.

**Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs):** Mr. Speaker, it is amazing how a member can confuse hotels, hostels, and Granville Island; it really surprises me.

The Granville Island project was initiated in 1973. At that time up to \$25 million was authorized for the acquisition of land and the buying up of existing industrial leases for this long term redevelopment project. Granville Island has an area of 42 acres—it is quite a substantial site—and is located in Vancouver's False Creek, adjacent to the city centre of Vancouver.

The government's intentions with respect to the Granville Island property are to plan this site as an inner core redevelopment, related to the over-all plans and priorities of the city of Vancouver. The Ministry of State for Urban Affairs is generally concerned with improving the quality and efficiency of the urban condition. The department works closely with federal government departments and agencies as well as other levels of government which have programs and capabilities available in support of over-all urban objectives.

CMHC was appointed as agent for the assembling and management of the Granville Island site. Roughly \$14 million of the \$25 million authorized has been committed to the project to date to cover land assembly and site improvement. The specific end use of the island will be determined when optimum alternatives, bearing in mind the development of adjacent areas of the city, have been identified.

**Mr. Clarke:** You mean, you don't know?

**Mr. Gauthier (Ottawa-Vanier):** No, we don't know. It is a people place; you said that yourself. The eventual use of the site will relate to public needs and the development potential of the waterfront area.

In conclusion, Mr. Speaker, Granville Island may be cited as a demonstration project, and it is, but we hope that with the people of Vancouver we will be able to plan that area so that their local needs and wishes are met.