

**A CASE STUDY OF PUBLIC LAND BANKING
IN WINNIPEG: TOWARDS A FUTURE DIRECTION**

by

Don Armstrong

A thesis

presented to the University of Manitoba
in partial fulfillment of the requirements

for the degree of

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IN
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EXECUTIVE SUMMARY

This thesis constitutes an attempt to organize a vast array of ideas, issues, policy and problems related to the concept of public land banking in Canada. The need for organization is a result of a general lack of direction for current public land banking programs in Canada and a growing suspicion that the public sector has been unable to obtain those benefits as originally intended.

As part of the framework for the organization, a background section on the concept of public land banking has been included in Chapter two. The section highlights the development of the public land banking concept as a land management instrument in various European countries, as a response to the conflict between private rights and community needs. The concept is further developed in terms of the objectives and goals of public land banking and a summary of European and Canadian Public Land Banking programs.

The concept of public land banking is further examined in Chapter three within the context of a case study which provides an actual setting to explore the many ideas, issues, policies, and problems related to the concept of public land banking in Canada. The case study provides an understanding of the nature and extent of public land banking programs and roles at each level of government as a prerequisite to understanding the issues, policy and problems related to the concept of public land banking in Canada.

The subsequent organization of the many issues, policy and problems is presented in Chapter four and is analyzed to provide a step towards establishing a future direction for public land banking in Canada.

The Conclusion is presented in Chapter five as a response to the questions raised from the examination of Winnipeg's land banking experience and are presented as a step toward a future direction and recognizing the limitations, constraints and appropriate uses of land banking in the future.

CHAPTER 1: INTRODUCTION

1.1 SCOPE AND PURPOSE

This thesis is intended as an examination into the concept, use and implementation of public land banking in the City of Winnipeg. Over the past fifty years, the concept of public land banking has evolved from a relatively small unintended tax sale activity at the municipal level to direct public intervention into the land market at the provincial government level, as a result of a federal government initiative. As the concept progressed from the conceptual to operational stage, many issues, policies and problems have resulted. The intent of this thesis is to explore the evolving concept of public land banking in theory and practise through description and explanation of the Winnipeg case study, as a means to provide a sense of direction for the future from a planning perspective.

Though primarily concerned with establishing a sense of direction for the future, the thesis will explore current programming, set against a background of public land banking experiences. The analysis of current programming set against the background will provide a reflection of current strengths and weaknesses, as a basis to venture forward.

1.12 AREA OF KNOWLEDGE TO BE ADDRESSED

In reviewing relevant public land banking literature and current programming at the municipal, provincial and federal levels of government, it becomes most evident that a gap in knowledge has occurred between the conceptual and operational stages of current programming in Canada.

The current gap in knowledge is primarily centered around a lack of direction to guide current public land banking programs in Canada. The lack of direction is summarized in the following quote by J.P. Ryan in his remarks to the Habitat Conference as follows:

"There is no national direction as to what order or priority should be given to various goals such as social housing, preservation of agricultural lands, balanced urban growth, infrastructure on the recycling of urbanized lands".¹

In focussing the attention on the current lack of direction, Ryan is not criticizing the federal government directly for not providing absolute direction to the various Provinces on this program but is focussing the need for the Provinces to develop a direction for the various public land banking programs in Canada. The rôle of the Provinces are to assure a leadership role in developing a direction in order to attain a sense of national direction comprised of each Province's input into the individual public land banking programs in Canada.

In addition to the lack of direction for public land banking at the National level in Canada, a related problem exists in terms of the operational stage with specific reference to the following:

"There is little comment upon the effectiveness of the current land banking programs because although the idea of public land ownership as a tool has been institutionalized, evaluation procedure has not. There is a lack of checks of the efficiency of public ownership in meeting various program goals, whether they be lower housing prices, the recapture of the unearned increment or the attainment of better planning."²

-
- 1 Ryan, J. P., "The Central Mortgage and Housing Corporation" remarks to the Habitat Conference, Vancouver B.C., July, 1976.
 - 2 Kehoe, D., "Public Land Ownership: Frameworks for Evaluation: Lexington Books Toronto, p. 110.

In essence, the thesis will explore the concept of public land banking in terms of the implementation of current programming at different levels of government and the subsequent differences at each level, particularly at the municipal and provincial levels. The thesis will address the operational gap in terms of the current issues, policy and problems in the implementation of a public land banking program and the lack of feedback systems to enhance the success of current programming in Canada.

1.13 DEFINITION OF PROBLEM

As noted in the previous section, a gap in knowledge exists within current land banking literature and practise in Canada. Essentially, the direction for public land banking has not been developed by Provincial or Municipal governments in Canada with the exception of a small number of agencies. The direction has not been established in terms of developing policy to address particular objectives or in terms of achieving a set of previously stated goals and objectives for the program.

Related to the existing lack of direction for public land banking programs in Canada is the lack of evaluation tools and techniques, to assist in the development and ongoing review of current land banking programs in Canada.

Due to the lack of knowledge concerning these two areas, many issues, policies and problems have not been addressed in past years and have negatively impacted on the relative success of current programming, as is presented in the analysis of the Winnipeg case study in Chapter 4. As a result, it appears that the public sector ie. municipal, provincial and federal governments in Canada have been unable to obtain those benefits

originally envisioned under the initiation of current programming. Therefore, those governments who embarked on relatively large land banking projects in the early 1970's are without direction, evaluation techniques and are now faced with many financial and organizational problems. The thesis is intended to address this area in the context of the City of Winnipeg in the Province of Manitoba.

1.2 METHODOLOGY AND PROBLEMS

This thesis is intended as an exploratory study rather than a confirmatory one. The study represents an examination into the concept of public land banking in the City of Winnipeg rather than an exhaustive quantitative approach to particular components of a public land banking program in practise. A confirmatory thesis assumes a particular question may be quantified and analysed within a particular setting; however, this approach is not suitable in a research area which is not clearly defined and developed. The exploratory approach was selected on this basis in order to provide a wide framework to approach the concept of public land banking in a particular setting. The following is a description of methodology utilized in the development of this thesis.

Originally, a search of relevant literature was undertaken to establish a relevant thesis topic area. Several literature items were selected including texts, reports and articles on public land banking in Canada. This selection of literature provided a substantial part of the conceptual framework to approach the concept of public land banking in Canada. Outside of this literature, selected pieces were obtained from public land banking authorities in Canada, notably, the City of Saskatoon, Ontario Housing Corporation and the City of Winnipeg and Province of Manitoba land

banking programs, as well as information obtained on the British and Sweden land banking programs as discussed in chapter two.

The next stage of the thesis was the assembly and coordination of existing literature and the definition of a topic area as set out earlier in this chapter. The topic area was defined in terms of the existing gap in knowledge and in consultation with officials at the municipal and provincial levels in the City of Winnipeg. Following this stage, was the identification of the City of Winnipeg as a case study to explore the public land banking concept.

The case study method was selected as it provided the framework to explore the selected topic area. The case study method provided the vehicle for the exploration of the public land banking concept in terms of the development and practises in one setting as a general representation of state of conceptual to operational implementation of the program in Canada. Furthermore, the method appeared to be the most feasible way to organize current literature and explore current problems within one setting. The City of Winnipeg was selected as the setting as it represented an example of the current problem area in terms of exploration of the concept from conceptual to operational stages with particular reference to issues, policy and problems that have not been developed. The setting was also selected to provide a sense of accessibility to municipal and provincial officials in terms of carrying out the exploration of the concept. Following the case study was the subsequent exploration of issues, policy and problems related to the current public land banking programs in the City of Winnipeg as set out in chapter four. This represents an analysis of current programming as set out in Chapter 3 and explanation of those in terms of the current situation.

The last phase of the thesis process, was the development of a sense for a future direction of public land banking representing a series of conclusions for the future. This chapter is organized in terms of addressing those areas in Chapter 4 which provide the basis of a future direction, in furthering the research on and providing direction for the City of Winnipeg public land banking programs.

1.3 DEFINITIONS

For the purposes of this thesis, five definitions are required, for the clarification of terms prior to embarking on the exploration of the public land banking concept and subsequent analysis. The first definition concerns the concept of public land banking; the second, third and fourth relating to the various levels of government in Canada and lastly, the orientation of the public land banking concept in Canada.

1.31 MUNICIPAL LEVEL OF GOVERNMENT: THE CITY OF WINNIPEG

Throughout the thesis, the term municipal level of government and the City of Winnipeg are used interchangeably. The term is used primarily to represent the municipal level of government in terms of land banking policy and program development. The term will refer to various components at the Municipal level such as the Land and Surveys Department and Environmental Planning Departments and the prevailing nature of policy intervention at the municipal level as adopted or inferred by the City council.

1.33 THE PROVINCIAL LEVEL OF GOVERNMENT: THE MANITOBA HOUSING AND RENEWAL CORPORATION

For the purposes of this thesis, the Provincial Level of government shall be limited to its Housing and Land Development arm known as the Manitoba Housing and Renewal Corporation. The terms are used interchangeably and refer to the provincial level of government and its' policy and program development through MHRC. Eventhough the province has many branches which hold lands for various purposes such as the Department of Natural Resources, the Housing Corporation was selected as it hold residential lands for future development in the City of Winnipeg. As well, the discussion of goals and objectives section is orientated to the City of Winnipeg case study as it relates to the planning perspective for the City. Furthermore, the public land bank for the City of Winnipeg is distinguished from other land holdings of the Corporation for the purposes of this thesis.

1.34 THE FEDERAL LEVEL OF GOVERNMENT: THE CANADIAN MORTGAGE AND HOUSING CORPORATION

The Federal level of government and the Central Mortgage and Housing Corporation are used inter-changeably. The term ultimately refers to the Federal level of government and its position as stated in 1949 with the amendment to the National Housing Act, to include a public land banking component.

The federal government has many agencies which hold land for public purposes, but for the purpose of this thesis, the Canada Mortgage and Housing Corporation has been isolated as one of several public land banking programs. In exploring specific land banking programs to address the needs

of the corporation in 1949, the residential public land banking program was selected on which to explore public land banking.

1.35 ORIENTATION OF CANADIAN PUBLIC LAND BANKING PROGRAMS

In exploring the concept of public land banking, it is important to establish the orientation and nature of acceptance of a program. The intent of this thesis is not to debate the issue of public land ownership, but to explore the concept of public land banking in the following orientation.

"In Canada, with a tradition of consensus politics, the public ownership of land was presented as a technical government solution to a particular crisis that did not strike at any of the ideological foundations of the society".¹

The public land banking concept will be explored utilizing this orientation in the City of Winnipeg case study.

1.4 GOALS AND OBJECTIVES OF THESIS

In selecting the topic of public land banking programs in Canada, and addressing the problem area as previously discussed, several objectives and goals were apparent. The following is a summary of those as part of the introduction to the thesis.

1 Kehoe, D., "Public Land Ownership, Frameworks for Evaluation", Lexington Books, Toronto, 1976.

1.41 TO DESCRIBE CURRENT PUBLIC LAND BANKING PROBLEMS AT THE PROVINCIAL AND MUNICIPAL LEVELS OF GOVERNMENT

The first objective in exploring the concept of public land banking was to address current problems at each level of government. In reviewing relevant public land banking literature and completing discussions with public land banking officials at the municipal and provincial levels of government, it became quite apparent that several problems existed. The first problem was related to the lack of direction for public land banking programs in Canada. The Provincial and Municipal governments do not have a formal set of objectives and goals set out to act as a guide for current programming. The second problem was related to the lack of understanding regarding differences in current programming at each level of government. These represent the conceptually based problems in reference to the provincial and municipal levels of government. The third related problem involves the lack of evaluation the development and delivery of particular land banking programs. This problem represents the main operational problem related to each program.

The operational problem relates to each unique program at the municipal and provincial levels. The set of operational problems involved the lack of policy to guide programming in specific areas, to organizational problems related to a specific organization. The operational problems were related to origination of each program and were not formally addressed as the programs developed, but became more severe in terms of their negative impact on current programming.

Therefore, the first objective of the thesis is to address current problems, detailing their sources in conceptual and operational terms and relating these problems to the gap in current land banking literature.

1.42 TO INCREASE AWARENESS OF PUBLIC LAND BANKING PROGRAMS IN ORDER TO STIMULATE RESEARCH AND DISCUSSION AS A MEANS TO INCREASING THE EFFECTIVENESS OF PROGRAMMING IN CANADA

The second objective in exploring the concept of public land banking is to increase awareness of the subject area in order to stimulate research and discussion. The last major work on public land banking was the Habitat conference held in Vancouver, British Columbia in 1976. Since the conference, no major research has been undertaken with respect to public land banking in Canada for the last ten years.

Even though research has not been undertaken, many of the same original problems are apparent, except they are now more severe. The thesis is intended to increase awareness of public land banking problems and hopefully stimulate further research and discussion. The need to develop evaluation tools and techniques is only one of many areas that required further attention as will be discussed later in the thesis.

The linkage of further research and discussion to the increased effectiveness of programming in Canada is foremost in terms of this objective.

1.43 TO PROVIDE A BASIS FOR GREATER UNDERSTANDING OF PUBLIC LAND BANKING PROGRAMS IN A MANITOBA CONTEXT

The third objective in exploring the concept of public land banking is to provide a basis for greater understanding of public land banking programs in the City of Winnipeg in the Province of Manitoba. During the last ten years, no major studies have been completed nor has any significant discussion been undertaken concerning current programming.

The City of Winnipeg as the case study, provides a unique historical development of public land banking as detailed in Chapter 3 and a combination of issues, policies, problems and opportunities to examine and develop the concept of public land banking for the future.

The exploration of this concept in the City of Winnipeg also provides a sense of understanding of the concept to be utilized in other centres in Manitoba, particularly in other rural centres where land banking may be utilized.

1.5 SUMMARY

As has been seen, the concept of public land banking and its subsequent implementation in Canada is inherently complex. The scope of the exploration into the concept is comprised of many elements including the understanding of the Canadian land banking experience to understanding the complex implementation between the three levels of government.

The question of direction relates to the question of how to go about transforming the existing land management system, which rests upon and reinforces an existing perspective of land use in the best interests of the individual, to one reflecting a new land management perspective based on the best interests of the community. Chevalier comments that it may occur through a transformation in the land management perspective.

He suggests that "the search for new perspectives and the design of policies and programs based on them is a process of substantial innovation which is distinguished from the process of marginal innovation, which is characterized by the kind of policy design and implementation done implicitly or explicitly within an established perspective".¹

1 Chevalier, M. "Prerequisites for Innovation in Land Management", Faculty of Environmental Studies, York University, 1976.

As he notes, the distinction of these perspectives has very different implications. Marginal innovations can be realized by working through the various planning and decision making mechanisms now present within and among public and private organizations. In the case of land management, innovations are achievable within existing patterns of regulation, taxation, planning and development. It can most often proceed according to a logical sequential process of selecting and applying means to achieve relatively well defined ends.

Substantial innovation does require a realignment of existing institutional relationships. It is the process of seeking and creating an extremely different perspective. It can not be mapped out in advance with the same degree of clarity, because in the beginning, ends are not well defined. It requires continual learning and a much higher degree of integration and feedback between planning and implementation.

CHAPTER 2: BACKGROUND

2.1 INTRODUCTION

In examining the public land banking concept, one must be cognizant of the various policy instruments which may be used to address current land problem. The public land banking device is one of a series of instruments which is available to address current land problems and has been combined with other policy devices in many environments as a response to existing land problems.

This chapter is organized in terms of describing the series of various policy devices and explaining the public land banking concept as one of these instruments. The concept is defined and accompanied by a set of objectives and goals as defined by various pertinent literature items and then explored in different environments.

The intent of this chapter is to examine the public land banking concept in various environments, namely, the United Kingdom, Sweden and Canada, so as to provide a basis for understanding the different public land banking programs and there implementation with other policy instruments. The comparison of these programs will provide a basis for understanding public land banking in Canada and the inherent differences of Canadian programs as compared to other public land banking programs.

2.2 POLICY INSTRUMENTS

As Hall notes in his article, "A Review of Policy Alternatives",¹ there is a series of different instruments available for public land management, ranging from zoning to full scale nationalization of land ownership to achieve both efficiency and equity in planning.

The various land management instruments which may be used in addressing land problems are North American Zoning, Betterment taxes, Widespread or City Purchase, Public Purchase of Development Land and full scale nationalization of land ownership.

The following is a brief description of the instruments. As Hall notes, the instruments exist along a continuum with North American Zoning at one end, signifying a minimalist type of intervention to full scale nationalization of land ownership at the opposite end, signifying the highest level of intervention.

North American Zoning: The zoning instrument is a land management instrument which is aimed at controlling the type and intensity of land uses. In North America, the instrument is used as a general policing power and requires no specific intervention by local government. On this note, the instrument is criticized as being ineffectual, as it cannot be used outside of its regulatory nature to reserve and protect lands for agricultural, biological or recreational uses. The other criticisms are that zoning benefits are outweighed by its' monetary and time costs. Lastly, that

¹ Hall, P. "A Review of Policy Alternatives", Public Land Ownership, Lexington House, 1976.

potential conflicts arise within a local authority for tax revenues versus the non-support for particular developments from a planning perspective.

Betterment Levy: The betterment levy is a land management instrument aimed at recapturing the betterment to a particular land holder as a result of a public decision to improve or service property. The levy is a form of a capital gains tax that is charged on both realized and unrealized gains. The British experience with the levy is the most publicized and will form the basis for criticism of this instrument. The levy concept is sound, but the implementation is difficult. From the British experience, it was found that it presented great political difficulty as it required extensive valuation and revaluation of sites on a continuous basis and must continually negotiate the actual increases in value which has proven to be very difficult. The main criticisms are its arbitrary valuations in implementation and shortages in the land market caused by sales resistance. The implementation of the levy without other measures has proven to be very difficult.

Widespread or City Purchase: This land management instrument is the subject of the thesis and is discussed briefly in this section as one of a series of instruments to identify its placement along the continuum. This instrument originated in Stockholm, Sweden in the early years of this century. The city, basically builds up a land bank at agricultural or forest value in advance of need. The use of the instrument requires that land be bought a very long time in the future to avoid speculative prices.

The main criticisms are that it involves a considerable injection of public money and that it requires a long time horizon to achieve the benefits of such a program.

Public Purchase of all Development Land: The instrument is based on the premise that all land needed for development in any defined time period is defined by plans and must then be bought by public agencies. The lands are purchased at existing use value and is sold or leased at Market values. the most commonly referred example is the British 1975 Community Land Act. Local authorities are given powers to acquire lands for a five year period. The main criticisms of this instrument is the cost of a public land bank and the requirement for a large bureaucracy.

Nationalization of Land Ownership: The Nationalization of Lands is the "immediate acquisition of all land in the country, including not merely development land that it is not proposed to develop immediately and general title to all lands". The instrument has been used rarely and has not been criticized on the basis that control is only required over development land, and that it is highly expensive to buy all lands and which negate its political viability.

The various land management instruments utilized in the British, Swedish and Canadian environments are further examined later in this chapter. The public land banking concept has been separated from the series of instruments, and positioned along the continuum as set out in the above descriptions. The thesis is intended as an examination into the

public land banking concept in Canada and while noted, it is not intended to explore the other policy instruments, but to examine the area where the public land banking instrument is most useful in conjunction with the others.

2.2 CONCEPT OF PUBLIC LAND BANKING

Public land banking is the advance acquisition of land by a government entity in advance of its intended development. The concept of land banking is some 100 years old, having originated in European countries such as Stockholm, Sweden, as a response to the conflict between private rights and community needs for land. The concept evolved out of a need to address the growing problems of private ownership in cities throughout Europe. Urban sprawl, chaotic urban administration, expenditures for transportation, continuing economic segregation of people within a city and the inability of government to recapture the increase in property value as a result of a public planning decision referred to as the unearned increment in the development of new lands, which posed serious planning problems for cities during this period. Therefore, a response was required to address the conflict between private rights and community needs. The concept of public land banking represents the response of government to address the problems of private land ownership and their resulting impacts on cities.¹

1 Penalosa, Enrique, Secretary General for the United Nations Conference on Human Settlements, remarks to the Habitat Conference July 1976, Vancouver, Canada p. 4.

2.3 GOALS AND OBJECTIVES OF PUBLIC LAND BANKING

In reviewing the general literature of this subject, it became apparent that no formal goals and objectives exist for the concept of public land banking. As a result, a classification and grouping of objectives and goals was necessary in order to produce a set for use in this thesis. The classification and grouping of goals and objectives is based on a classification system of a well known author on this subject in Canada.¹

The following represents the classification system by objective with particular reference to the various goals within each. The importance of this procedure is denoted throughout the thesis as this step has not been undertaken in the development of many land banking programs in Canada, most notably in the Winnipeg case study.

1. Physical Objective: The physical objective is to control urban spatial expansion in support of planning goals to establish a pace and direction for growth in a city. The goals of this objective are to: improve land planning; to prevent urban sprawl; to preserve agricultural lands; to preserve natural resources; and physical growth within a city.
2. Social Objective: The social objective is to provide lands for various public needs such as social housing, transportation, open spaces, schools and churches and municipal services. The goals of the social objective are to reduce overall segregation by economic class;

1 Spurr, P., "Land and Urban Development", James Lorimar and Son, Toronto 1976, p. 245.

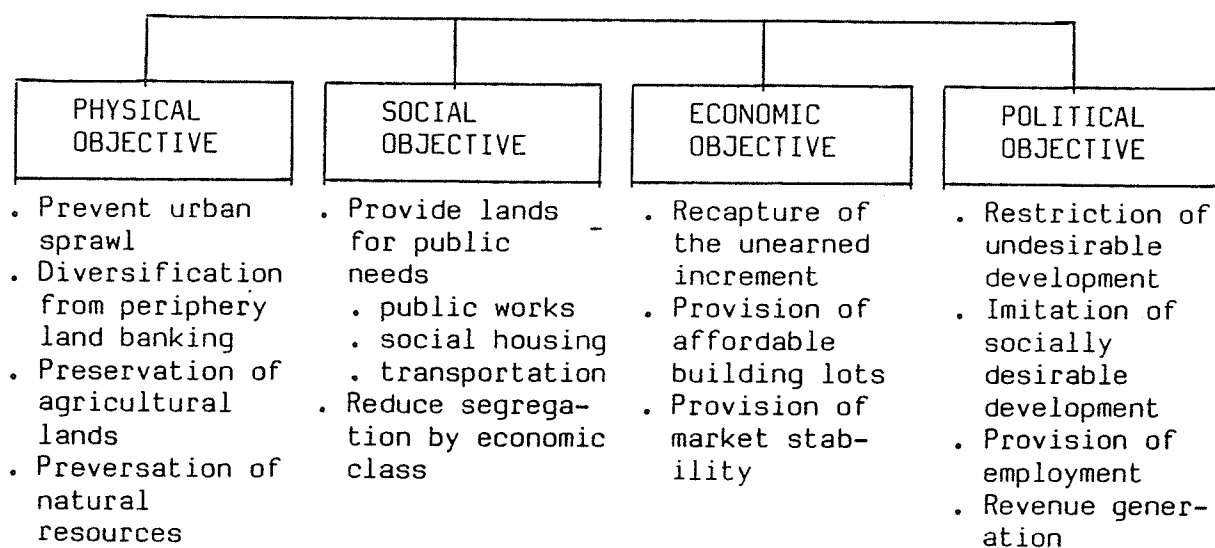
to promote harmonious relations between socio-economic classes within a city and to ensure an adequate supply of lands to provide for public needs as required.

3. Economic Objective: The economic objective is to reduce the land costs for the consumer and to recapture the unearned increment that rightfully accrues to a city as a result of its growth. The goals of this objective are: to provide affordable building lots; to control land values; to recapture the unearned increment as a solution to the compensation - betterment problem and to provide market stability within a given land market.
4. Political Objective: The political objective is to provide a tool for managing the conflict between private interests and community needs for land. The goals of this objective are to ensure the land as a commodity approach does not outweigh the needs of a 'community'; to restrict undesirable development through negative control and to initiate development that is socially desirable; to provide employment during periods of unemployment and to generate revenue as required.

As noted in the introduction, the concept of public land banking evolved out of a need to address the land problems associated with private ownership of lands. A summary of these objectives is denoted in Figure 2-1.

FIGURE 2-1

CONCEPT OF PUBLIC LAND BANKING IN CANADA



2.3 PUBLIC LAND BANKING: STRENGTHS AND WEAKNESSES AS A LAND MANAGEMENT INSTRUMENT

As part of the discussion on the public land banking instrument, a small section has been included which outlines its' unique strengths and weaknesses. The discussion is intended to delineate the instrument as one of several tools, by clarifying its' unique characteristics as compared to other land management instruments.

Strengths: In reviewing current literature, it appears that the strengths of the public land banking instrument are concentrated in three distinct areas. The first area of strength is that the instrument goes well beyond the realm of regulation into the realm of ownership of land which dramatically improves the opportunity for being more effective than other instruments. In many instances, regulation could not address problems inherent to land management such as concentration in a land market.¹

The second area of strength is that the instrument is broad in conceptual form which provides an opportunity for use in many situations while accomplishing several objectives at once. The instrument may be used to achieve broad planning and fiscal objectives simultaneously. The third area of strength involves the societal acceptance of the instrument. The instrument does not possess the disruptive aspects of full scale nationalization of land ownership when introduced into a mixed economy. The obvious strength is in the political objective of introducing a land management instrument without incurring an immediate resistance, while simultaneously establishing an opportunity to utilize the instrument.

1 Spurr, P., Land and Urban Development, James Lorimar and Sons, Toronto 1976.

Weaknesses: In reviewing current literature, it appears that the weaknesses of public land banking instrument are concentrated in four distinct areas. The first area of weakness is the relatively large injection of public expenditure required to start or expand a public land banking program.¹ The main criticism is whether the same benefits could be achieved using a less expensive instrument.² The second area of weakness is the long time horizon for the realization of potential benefits of better planning and fiscal improvements. The third area of weakness is concentrated in the ideological realm of whether government is operating outside of its' bonds into the private ownership arena.³ The criticism is based on the premise that any public land banking program is viewed as 'creeping nationalism' rather than a positive planning tool. The fourth and final area of weakness is concentrated in the implementation process whereby a bureaucracy must be created and agreement must be required between one or more levels of government whom often have competing agendas.⁴

The discussion of the strengths and weaknesses will be further discussed in the summaries of the various programs in British, Swedish and Canadian case examples to further supplement the discussion in terms of each countries' experiences.

1 Spurr, P., Land and Urban Development, James Lorimar and Sons, Toronto, 1976.

2 Ibid, P. 140.

3 Bureau of Municipal Research, Opct. p. 40.

4 Hamilton, S., "Critical Perspectives on Public Land Banking", Simon Fraser, 1974.

2.4 SUMMARY OF EUROPEAN AND CANADIAN PUBLIC LAND BANKING POLICY

The Concept, objectives and strengths and weaknesses of public land banking have been discussed in the two previous sections. The following section on European and Canadian Land Banking policy is an overview of the most relevant policies and techniques for public land banking that have developed over the last hundred years. This section attempts to review the most relevant literature by briefly describing the British legislation and the Stockholm experience as the example of European policy and explore the Canadian public land banking policy through an examination of current legislation and techniques.

2.41 BRITISH LAND BANKING POLICY

The most significant piece of legislation to influence planning in the United Kingdom was the Land Commission Act of 1967 which recognized a fundamental difference between land and other kinds of property. Essentially, it recognized the necessity to treat land differently from any other commodity and that the market value of a piece of land was a function of the public planning decision attached to it. In the British governments' view,

"it was wrong that planning decisions which are public decisions about land use should often result in the realizing of unearned increments by owners of land to which they apply and that desirable development should be frustrated by owners withholding their land in the hope of higher prices".¹

On this basis, the British government instituted a policy with the following objectives:

¹ Thomas Wyndham, Land Planning and Development in Postware Britain, Trends, American Society of Planning Officials, 1967 p. 2.

- "1. to ensure that the right land is available at the right time for the implementation of national, regional and local plans
2. to ensure that a substantial part of the development value created by the community returns to the community and that the cost of land for essential public purposes such as housing, transportation and open space is reduced"¹

The Commission was empowered to buy any land it thinks it might require for development or redevelopment. The Commission was able to compensate the land owner for the value of the land and an amount to cover any contingent losses plus an amount arising from the prospect of development. The compensation included a percentage of the development value that would not be recognized by the original owner.

The Commissions power was limited to the acquisition of the following:

"land which, in the opinion of the commission, ought to be acquired in order to secure its early development or redevelopment;
land which, in the opinion of the commission, ought to be acquired in order to secure its development or redevelopment as a whole;
land required by a public authority, possessing compulsory purchase powers, for the purpose of its functions;
and land which is to be disposed of to housing associations or through local authorities or directly on concessionary terms for private housing".²

The above powers allowed the Land Commission to broaden its public land banking powers to include land that was to be immediately developed or to acquire lands for redevelopment. The powers were not only limited to banking lands far in advance but allowed the Commission to publicly bank lands in the short term as well.

1 Desmond Heap, The Land Commission Act, London, Sweet and Maxwell, 1967 p. 108.

2 Ibid, p. 20.

A second instrument utilized to secure the public part of the increase brought about by a planning decision was known as the betterment levy. The levy was introduced in 1967 and was set out at 40% and gradually increased to 50%. The tax is changed each time a land parcel is transferred thus causing a resistance to the sale of lands. The levy was repelled in 1970, as the land supply was cut sharply due to the resistance to sell lands, thus avoiding taxes.

The British public land banking program was very broad as defined in the commission's power to acquire the various types of lands for development. The public land banking instrument and the betterment levy were integrated to provide an effective and fair solution to the land problems of supply and betterment but were not without numerous shortcomings. The most notable shortcoming was related to the introduction of the program into a mixed economy. The initial political opposition was fierce, but the opposition softened as the resulting proceeds were shared by local authorities.¹

2.42 STOCKHOLM, SWEDEN: LAND BANKING POLICY

Another example of European land banking policy is known as the Stockholm land experience. The Stockholm land banking policy represents the total nationalization of lands as a policy instrument in addressing land problems. The instrument represents a high level of intervention in terms of available policy options. During the last 100 years, Stockholm has assembled a vast amount of land reserves near areas selected for

1 Hall, P. "A Review of Policy Alternatives", Public Land Ownership;

population and economic expansion. The Stockholm land experience is comprised of three instruments as follows:

1. A Regional Plan

As a basis for the assembly of land, sites were selected for population and economic expansion. Prior to the official adoption of a regional plan, the city had managed to purchase parcels of land at predevelopment price levels. The concept of relating land purchases to a preliminary plan allows the city to acquire large tracts of land while simultaneously reducing speculation and increasing the amount of reserve land.

2. Capital Gains Tax

The second necessary component of Stockholms' land banking program was the implementation of a capital gains tax. The tax was computed through a fairly complex formula which accounted for profit, rates geared to duration of ownership, depreciation for improvements and cost of living index rates. The capital gains tax was successful in that it exempted profits from land held ten years or more thus reducing short term speculation.

3. Strada: A Municipal Land Buying Company

The third component of Stockholms' land banking program was the existence of a municipal land buying company known as Strada. The company was created in the 1950's to increase the amount of land acquisitions in order to compete more effectively in land markets throughout Sweden. In terms of process, policies were formulated by a real estate board composed of political, legislative, technical and administrative officials which carried out five major responsibilities:

- "(a) approving land prices proposed by the staff of the real estate division in accordance with national government guidelines;
- (b) coordinating national housing policies for Stockholm;
- (c) approving builders for long range projects;

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- (b) coordinating national housing policies for Stockholm;
- (c) approving builders for long range projects;

- (d) supervising preparation of raw land for construction, including installation of streets and utilities by the city's roads division or by a private contractor and
- (e) security financial arrangements for real estate purchases and related costs."¹

Prior to the finalization of purchase contracts, city council must approve major projects and appropriation for land acquisition. In terms of land acquisition, Stockholm utilizes four revenue sources:

- "(1) Municipal revenues including income tax, earnings from municipally owned cooperative, rents and lease hold fees from publicly owned housing and other properties
- (2) National government loans, primarily from the National Pensions Insurance Fund and a loan created by parliament to encourage towns to acquire reserve land;
- (3) bank loans on the open market;
- (4) Long term bonds issued by permission and under debt limitations of the National Bank of Sweden."²

In summary, the Stockholm, Sweden land experience represents a policy instrument based on the total nationalization of lands. In addressing the land problems in Sweden, the government combined several instruments including the Capital Gains Tax: nationalization of lands and the creation of a municipal land buying company known as Strada. Strada carried out the public acquisition of lands in accordance with regional plans. The Stockholm experience has been successful at solving the unearned increment problem and in providing public lands for development in and around Swedish population centres. The main criticism of the program was the size of financial investment required to undertake a high range public land banking policy.

1 Shirley Passow, "Municipal Land Reserves in Sweden; key to a Planning Success", Columbia University, New York, May 1969.

2 Ibid, p. 86.

2.43 CANADIAN PUBLIC LAND BANKING POLICY

The most significant piece of legislation in shaping public land banking policy in Canada was the amendment of the National Housing Act in 1949. The amendment to Section 40 under the N.H.A., provided funding to governments across Canada for the acquisition and development of land for residential use and acquisition of raw land for future development. The general program objective was stated as follows:

"to promote an orderly and responsible land market place, to insure an adequate supply of serviced residential land, to stabilize and where possible reduce serviced land prices and to promote a high standard of residential development and a satisfactory community environment."¹

The program goal was all encompassing in terms of overall land banking objectives, however, the amendment to the National Housing Act was based primarily on the Federal Housing objective of increasing housing production throughout Canada and while planning objectives are mentioned, they were given relatively small importance. The Federal housing objective is primarily focussed on the following program objectives:

- (1) to provide federal assistance to municipalities wishing to assemble raw land for residential development in areas where lack of serviced land is limiting housing growth.
- (2) to provide serviced lots in areas where the lack of frontage services is limiting housing construction, but where the municipality is taking adequate steps to overcome any shortage of heavy municipal plant and trunk services.²

¹ Ryan, J. P., "The Central Mortgage and Housing Corporation", Public Land Ownership, remarks to the Habitat Conference, Vancouver, Canada, p. 110.

² Ravis, D. "The Saskatoon Experience", Community Planning Association of Canada, May 1973, p. 10.

On this basis, the first phase of the general program objective was being met in terms of providing an adequate supply of serviced residential land in areas where it was limiting housing growth.

A municipality would submit a development proposal to the province for approval. Upon agreement, the Provincial and Federal governments would agree to share the costs of acquisition and development to supply serviced residential land in areas where housing growth was limited. The overall responsibility for the development would be shared by all three governments. CMHC would be responsible for subdivision planning and sale of serviced lots, the province would survey and registrar the plan and the municipality would acquire the land and supervise, design and install the services. The serviced lots would then be sold on to individual homeowners who had to occupy the unit and remaining sites would be developed for public uses such as schools and churches at cost. The proceeds from the sale of all sites would be shared on the basis of the original agreement.

In terms of the second phase of the general program objective, acquisition of raw land for future development was included in Section 35A as follows:

"In addition to the purchasing and servicing of raw land for residential development, provisions exist under Section 35A of the National Housing Act for CMHC to enter into a partnership agreement to acquire and hold raw land for development. Between 1949-1969, over 23,000 acres were assembled in Canada, adjoining many large and small sized urban centres in Canada."¹

The provisions under Section 35A of the National Housing Act were not well utilized until 1969. The program was not utilized because a low level of coordination existed between the three levels of government and the program was not well promoted. In 1969, Sec. 40 was augmented by Sec. 42

¹ Ibid, p. 11.

of the N.H.A. which allowed the Federal government to finance land assembly strictly on a loan basis. Up to 90% of its cost. The program was instantly popular as it allowed the Provinces and Municipalities to assemble and develop lands as they deemed necessary.

In summary, Canadian Public land banking was initiated at the Federal level of government and administered by the Canada Mortgage and Housing Corporation under Section 40 of the N.H.A. The original program was not highly successful because of the lack of coordination between the three levels of government and the lack of awareness of the program. The revision to the N.H.A. Act in 1969, under Sec. 42, provided the Provinces and Municipalities with a large amount of autonomy by providing financial assistance to the other levels of government on a strict loan basis. This allowed a greater amount of local autonomy and contributed to the high rate of success of this program, in terms of its reception by Provincial and Municipal governments. The public land banking program was the instrument selected to provide lands for housing production as intended by the Central Mortgage Housing Corporation, but was not combined with other instruments to address current land problems as compared to the European examples.

2.44 SUMMARY OF BRITAIN, STOCKHOLM AND CANADIAN PUBLIC LAND BANKING POLICY AND PROGRAMS

In examining the British, and Stockholm land banking experiences and the origins of Canadian public land banking programs, it is evident that each of the countries wished to address the land problems associated with the private ownership of lands. The land banking experiences are unique and must be compared and contrasted to present a range of public land

banking policy and programs, so as to differentiate Canadian public land banking policy and programs.

In summarizing the British land banking experience, one is immediately struck with the comprehensiveness, the use of and implementation of the public land banking instrument to achieve both general planning objectives and fiscal equity. The uniqueness of the program is deeply rooted in the firm conviction of how land should be treated differently from all other commodities and the willingness of the British to execute this ideology into reality. In terms of comprehensiveness, the British public land banking program is an example of a highly integrative program which has synthesized the instrument with National, Regional and local plans.

The second aspect of comprehensiveness is the broad powers given to the land commission for various types of land acquisitions. The use of and implementation of public land banking in Britain has been undertaken within the broadest possible framework and given the broad acquisition powers to support this activity. The use of the betterment levy with the public land banking instrument has not been as successful in achieving fiscal equality, which was the ancillary objective of the British ideology in the Land Commission Act of 1967. Problems with the continuing updating of valuations on property holders and the refusal of private owners to sell to the commission have caused various land shortages under the British experience.

Compared to the British land banking experience, the Stockholm experience is somewhat more extensive and ideologically unique in terms of complete nationalization of land ownership versus the British example of

public purchase of private lands prior to development. In summarizing the Stockholm experience, one is stuck with the comprehensiveness of the program and the implementation of the instrument with other instruments such as the capital gains tax and the creation of a land buying company to carry out land acquisition for regional plans. The program has been highly successful in terms of supporting the general planning objectives and ensuring land is available for growth at pre-development price levels, around Swedish centres and in acquiring lands in conjunction with regional plans. The Stockholm experience has also been successful at integrating the public land banking instrument with the capital gains tax to recapture the unearned increment on lands as a result of public planning decisions. The Stockholm program is some 100 years old and has been implemented over a longer period of time than the British program. The main criticisms of the program have been the size of financial investment required to undertake the program and the long time horizon for the fruition of benefits.

In summarizing the origins of the Canadian land banking experience, one is immediately cognizant of the inherent differences of the Canadian experience as compared to the British and Stockholm experiences. The Canadian public land banking programs are based on the Federal Department of Housing's objective of supplying serviced lands for its' programs. More specifically, it was an attempt to extend the acceptance of public land banking to include housing. The program was less confrontational than the British or Stockholm experiences which represent the most direct interventionary experiences. Although it met a considerable degree of public outcry and rejection from both Provincial and Local governments in Canada. Because the intervention was conceived and implemented as a step in

extending the support for public land banking in the housing realm, the program lacked in the degree of comprehensiveness and clear mandate as it was an example of 'substantial innovation'¹ which cannot be mapped out in advance with absolute clarity as opposed to the British and Swedish experiences of 'marginal innovations'² which occur within established perspectives.

The above summaries and comparisons of the British, Swedish and Canadian public land banking experiences help to establish the basis for some conclusions regarding Canadian public land banking policy and programs. The British and Swedes have obviously gone much further than Canadian programming in experimenting with public land banking in terms of comprehensiveness and degree of intervention but do not appear to have obtained much success. There is still dissatisfaction with the environments which have been created and as Hall notes, or the British Experience, "The rich are living in semi-rural greenbelt communities or in high environmental quality suburban enclaves. The middle class are absorbed in improving their residential settings and in ownership. They are competing for high priced residential properties in suburbs and settlements beyond greenbelts. The employed working class are settled in public housing of varied quality while the lowest income and unemployable group have no access to decent housing and are competing for high priced rental accommodation in decaying inner city areas."³

The conclusion then becomes will Canadian programs be any more successful. The question as Chevalier suggests is whether the learning capacity of a more flexible Canadian society than European society, can

1 Chevalier, M., "Prerequisites for Innovation in Land Management", Faculty of Environmental Studies, York University, 1976.

2 Ibid, p. 104.

3 Kehoe, D., "Public Land Ownership: Frameworks for Evaluation", p. 200.

achieve "goods" for individual communities. He suggests that the possibility of a success is supported

"by the fact there has been a change in the way in which people view public land banking. Values have shifted to the extent that public involvement in the provision of space for parks, schools and other public services is now taken for granted. Whether this process can extend to include an acceptance of the public development base for housing is less certain".¹

To this end, the background chapter on public land banking is now complete. The conclusion relating to the question of whether a public development base for housing as part of the City of Winnipeg's Land Banking experience has been implemented and if not what has land banking been able to achieve in the City of Winnipeg context.

1 Chevalier, M., "Prerequisites for Innovation in Land Management", Faculty of Environmental Studies, York University, 1976.

CHAPTER 3: CASE STUDY OF WINNIPEG'S PUBLIC LAND BANKING EXPERIENCE

3.1 INTRODUCTION

The City of Winnipeg's public land banking experience is a combination of marginal innovations at the Civic level and an attempt of substantive change at the Provincial government level. The exploration of Winnipeg's public land banking experience is presented as a case study in order to explore the concept of public land banking with specific reference to an actual program in Canada. The study is intended to provide a history of the public land banking programs in the City of Winnipeg and an overview of current municipal and provincial public land banking. The examination of the extent and the nature of these roles will serve as the basis for analyzing current issues, policy and problems to be presented in Chapter four. The first section of Chapter 3 describes the evolution of private land assembly and development prior to the 1960's and the changing roles of the municipal level of government and developers, as a prerequisite to understanding the development of municipal and provincial public land banking programs in the City of Winnipeg.

3.11 BACKGROUND: THE EVOLUTION OF PRIVATE LAND ASSEMBLY AND DEVELOPMENT PRIOR TO 1960 IN THE CITY OF WINNIPEG

Prior to 1960, land development was carried out by a group of small development and builder companies in Winnipeg. The group would lobby City Council and the various surrounding municipalities for the installation of municipal services adjacent to their properties around Winnipeg. The City would then install municipal services to these lands and levy the costs as local improvements at time of construction.¹

1 Interview, James West, Former Director of Land and Surveys Dept., City of Winnipeg, September 15, 1986.

This method of land development occurred in the City of Winnipeg until the 1950's when development conditions began to change. Until this point, land development had occurred on a relatively small scale which was comprised of many companies developing small land parcels. As the mid fifties and early sixties approached, two development conditions began to change, as Peter Spurr notes in Land and Urban Development in Canada.

"The nature of land development has been changing during the last twenty years as this activity is undertaken by progressively few, increasingly large specialist groups. A number of sources indicate a growing concentration in the production of residential lots in the Winter Lot Inventory."¹

The number of lots per subdivision has been increasing which shows a tendency towards larger subdivisions which reflect a larger concentrated trend in the land development industry.

3.12 CITY OF WINNIPEG AS SERVICING AGENT

Prior to the 1960's, the City of Winnipeg serviced lands for residential development. In addition to servicing lands for development and building companies, the City also serviced lands that had been held as tax sale properties or vacant properties sold to the City. The City would service these sites and sell the buildable lots to individuals at a cost equal to the acquisition and development cost. As well, the City would utilize some of these sites for the provision of recreational or civic purposes in some cases. The program was adhoc in nature and was not planned in advance. The program was informal and was utilized to service lands that did not have a specific purpose. The funding for the servicing and

¹ Spurr, P., "Land and Urban Development", James Lorimar and Company, Toronto 1976, p. 184.

TABLE 3.1

AVERAGE NUMBER OF LOTS PER SUBDIVISION
 FOUND IN WINTER INVENTORY - NHA
 ACCEPTED SUBDIVISIONS - VARIOUS CITIES

URBAN REGION	1965	1966	1967	1968	1969	1970	1971	1972	1973
Halifax	58.4	20.4		11.1	33.1	52.2	50.7	45.0	306.3
Hull				116.0	93.1	77.5	96.8	90.6	143.9
Ottawa			85.4	77.9	55.9	123.5	101.8	68.2	58.0
Peterborough	55.1	71.7	58.0	50.2	22.7	41.0	129.0	26.0	122.3
Toronto				136.5	124.8	184.7	153.1	117.8	140.9
Kitchener	41.0	92.9	94.3	94.2	70.5	73.3	98.8	132.4	69.3
Winnipeg	92.3	57.4	67.8	94.9	92.4	98.3	92.2		125.6
Edmonton				267.1	168.7	226.0	198.6	183.1	129.1
Calgary	114.7	89.1	45.7	113.5	139.7	165.2	156.4	189.6	222.6
<u>AVERAGE LOTS PER SUBDIVISION (ARITHMETICAL)</u>									
	35.8	27.3	28.3	65.0	75.1	94.6	88.7	104.9	123.3

SOURCE: Spurr, P., Land and Urban Development, James Lorimar and Company, Toronto, 1976, p. 180.

acquisition of these lands were raised under the local improvement levy and were used to generate future tax revenue in some cases. During the same period, tax sale lands were acquired and serviced at cost by the Cities of St. James and Tuxedo.¹

The City of Winnipeg as the servicing agent provided an opportunity for local government to provide some serviced lands to accommodate housing growth and development of miscellaneous lands for civic purposes. The City of Winnipeg and the various cities around the City such as St. James and St. Boniface, would acquire lands through tax sale and miscellaneous acquisitions which are noted in table 3-2 as follows. These totals included vacant tax sale lands and lands held for civic purposes. The assembly and acquisition of these lands was carried out in a highly adhoc fashion and were funded out of a land expenditure account at the Municipal level, but no formal organizational structure or policy guided the activity.²

3.13 SUMMARY OF CITY OF WINNIPEG AS SERVICING AGENT

Prior to 1960, the City of Winnipeg acted as the servicing agent for new residential development. The City was the facilitator and controller of new residential development in the City by virtue of holding the monopoly position as the servicing agent. During this period, the city would not allow private developers to service their own individual land parcels.

1 Interview, James West, Former Director of Land and Surveys, City of Winnipeg, September 15, 1986.

2 Ibid, n.p.

TABLE 3-2

MUNICIPAL LANDS
WITHIN EXISTING COMMUNITY COMMITTEE AREAS
Prior to Dec. 31, 1971

<u>Community Area</u>	<u>Acres</u>	<u>Land Assessment</u>	<u>Building Assessment</u>
City Centre-Fort Rouge	519.3237	\$ 9,698,740	\$28,563,050
St. James-Assiniboia	1,491.3157	3,040,017	2,612,270
Lord Selkirk-West Kildonan	790.5089	3,413,761	11,366,100
East Kildonan-Transcona	762.6564	2,614,192	2,060,520
St. Boniface-St. Vital	1,950.5252	4,456,051	4,709,150
Assiniboine Park-Fort Garry	3,596.6470	7,743,860	11,281,800
TOTAL	<u>9,110.9769</u>	<u>\$30,966,621</u>	<u>\$60,592,890</u>

SOURCE: City of Winnipeg Annual Report 1985/86 p. 14.

At this point, the City was able to ensure the provision of newly serviced residential land to accommodate a small level of housing growth and to control the location and amount of residential growth in the City. The position of controlling the location and amount of residential growth was one of necessity versus the result of an explicit policy. In terms of the evolution of the private land assembly business in Canada, this is the period whereby small growing development companies were dependant upon the City to provide servicing. At this point, the City was just able to supply the level of servicing demanded, but as the size of new developments increased and the developers began to grow, the City began incurring problems.¹

The major problem in this relationship with the private developers was that the City had to finance the installation of new municipal services to the sites. Because the City of Winnipeg was not selling the new lots and revenue in the form of future tax collections was not immediately forthcoming, the City began to incur substantial financing costs in the provision of services to privately owned lands. The cost was substantial because the City did not have sufficient cash flow or the local government will to cover financing as the development conditions began to change.²

3.14 CHANGING ROLE OF LAND DEVELOPERS IN THE CITY OF WINNIPEG

Prior to the 1960's, the developer's role was very limited in terms of the land development process. The developer would purchase small parcels of land and lobby the City council for installation of services. Upon receiving services, the developer would act as the marketing agent for the

1 Interview, Doug Kalcics, Acting Director of Environmental Planning, City of Winnipeg, October 10, 1986.

2 Ibid, n.p.

newly serviced building lots. This was carried out until the late 1950's, when the role of the developer began to change. The role began to evolve in two specific areas. Firstly, the developer began installing municipal services on site which the City had previously carried out. This occurred because the City was incurring significant financial charges in providing municipal services and, thus transferred this activity to developers. This allowed developer's autonomy over the amount and timing of municipal services in terms of the level of growth in the City of Winnipeg.¹

Secondly, the evolution of the private land assembly business in Canada, resulted in the emergence of many large development companies who were assembling lands on the periphery of urban areas. This resulted in large tracts of land being assembled under private ownership.²

In summary, these two changes would begin to change the scale and effect of the land development process in Winnipeg. The City would begin to feel the pressures for urban growth outwards from the Central City.

3.15 CHANGING ROLE OF THE CITY OF WINNIPEG FROM A PLANNING PERSPECTIVE

As development conditions began to change, the City of Winnipeg abandoned its municipal servicing agent role in the early 1960's. The City faced with rising financial costs, transferred the right to service land to private developers. The City maintained some control over the servicing process in terms of development agreements but no longer had direct control over the servicing of residential lands.³

1 Interview, Ibid, n.p.

2 Spurr, P., "Land and Urban Development", James Lorimar and Company, Toronto 1976, p. 240.

3 Interview, Ibid, n.p.

As well, the City and its municipalities were faced with the private assembly of large tracts of land on the periphery of the old inner-city limits and further outwards around the City. These two factors were the underlying causes in the changing role of the City of Winnipeg.

The City's role was to change from a direct servicing agent to an indirect planning role in terms of residential land development in the City of Winnipeg.¹ Upon assuming an indirect planning role, the City would be faced with many future problems associated primarily with urban sprawl and concentration in the urban residential land market in the City of Winnipeg as a result of fewer specialized individual groups as Spurr notes.²

3.16 SUMMARY

The first section of Chapter 3 was intended to provide a brief description of the evolution of private land assembly and development prior to the 1960's, in terms of the changing roles that evolved between developers and the City of Winnipeg. The description of the evolution and changing roles is presented as a prerequisite to understanding the development of the municipal and provincial public land banking programs.

1 Interview, Ibid, n.p.

2 Spurr, P., "Land and Urban Development", James Lorimar and Sons, Toronto, 1976, p. 184.

The section highlights the development and history of the well established norms and institutional frameworks and processes which support private ownership and development of lands in the City of Winnipeg. The section sets the background for understanding the origination and development of public land banking as a response to the problems which are direct impact of the land arrangement which had developed at the municipal level.

3.2 MUNICIPAL AND PROVINCIAL PUBLIC LAND BANKING PROGRAMS

3.21 INTRODUCTION

In exploring the concept of public land banking, the City of Winnipeg was selected as a case study as a vehicle to explore an actual public land banking program in practise in Canada. The second part of this chapter is intended to provide an explanation and description of the two major public land banking programs in the City of Winnipeg, in order to set the foundations for understanding current issues, policy and problems in Chapter 4.

3.211 City of Winnipeg Land Bank

As noted earlier, the City of Winnipeg public land banking program had been evolving from a relatively adhoc activity in the early 1940's and 1950's, to a coordinated activity in the mid-sixties. The program received

formal authorization and recognition during this period to provide lands for public needs as a result of the changing conditions as mentioned in section 3.1. The Land and Surveys Department was established in 1965 to begin assembling lands for public needs.¹ It should be noted, that public uses were restricted to assembling lands for Transportation; Sewer and Water right of ways and for recreational uses. Over the following eight years, lands were assembled on a small scale and in an adhoc fashion. Following the approval of various development proposals, further lands were assembled. In addition to this activity, was the municipal land banking activity which held lands for various public uses. Each municipality had a portfolio of lands held for public uses in their respective jurisdictions, prior to the formulation of Unicity. These lands are shown in Table 3-2.

After Unicity was approved, the program became more organized and advance acquisition of lands was beginning to take place and was funded under a civic expenditure account. Lands were assembled in such as fashion as to facilitate the provision of public services to newly developing areas. Eventually, the public land bank became quite diversified including the following areas; lands for community parks, regional parks, transportation, water and sewer, public works, industrial land, residential land, commercial lands and lands reserved for future development. These areas are summarized in Tables 3-2 through 3-7.

In summary, the City of Winnipeg's public land banking program began with the assembly of tax sale lands. The activity evolved from a small tax

1 Interview, James West, Former Director of Land and Surveys, City of Winnipeg, September 15, 1986.

sale activity to a formal acquisition program following the unification of the various municipalities in Winnipeg under the Unicity plan. The orientation of the program is on facilitating private development of lands on the periphery of the City by ensuring public services are delivered to the new sites. Services such as transportation and water right of ways are required to provide services to these new sites. In reviewing, the following tables, it can be seen that the City of Winnipeg does hold a significant amount of land for the provision of services to newly developing areas but does not hold a significant amount of residential lands as compared to the Province and Private developers.

In summary, the land bank was set up to provide public services to new areas as described in Section 3.1. The need relates back to the private assembly of lands on the periphery of the City and the need to supply land for public purposes.

3.22 MUNICIPAL PUBLIC LAND BANKING FUNDING

As part of the examination of public land banking in the City of Winnipeg, a section on funding has been included. The municipal land bank for the City of Winnipeg is primarily funded under the five year capital plan. Provisions are made under various accounts for the advance acquisition of lands in newly developing areas as listed in Tables 3-8 through 3-10. The funds are generated through the general tax levy and are appropriated to the Land and Surveys Department.

Currently, no additional funding is available for a continuing program of land acquisition in periphery areas around the City, but may be available upon submission of a request for additional funding for a specific

program area. In discussion with Municipal officials, it appears that a new direction in terms of new policy areas such as Inner City land assembly would be required prior to the authorization of further funding.

The source of additional funding could be the City of Winnipeg's land operating reserve account estimated at some twenty million dollars.

TABLE 3-3

JURISDICTION OF CITY PROPERTIES (DEC.31/85)**City of Winnipeg including properties Outside of Winnipeg**

<u>Present Jurisdiction</u>	<u>Acres</u>	<u>Land Assessment</u>	<u>Building Assessment</u>
Community Park	2,491.7088	\$17,504,105	\$ 8,815,850
Regional Park	5,158.2579	12,074,452	7,835,320
Transportation	1,104.0945	2,804,997	2,876,050
Water & Waste	11,002.9976	7,035,200 *	13,849,280 *
Public Works	2,292.3102	4,174,670	15,949,690
Winnipeg Hydro	2,073.5819	1,162,550 *	3,577,210 *
Industrial	858.9916	1,509,400	325,970
Residential	1,403.6877 *1	2,065,256 *1	2,248,185 *1
Commercial	41.8527	1,054,470	5,605,662
TOTAL	<u>26,427.4829</u>	<u>\$49,385,100</u>	<u>\$60,083,217</u>

Status of land available for sale, future development and under rental

. Available for sale	170.5513	\$ 817,772	\$ 164,760
. Reserved from sale	409.3271	1,178,835	4,681,570
. Reserved for future development	1,673.3127	2,323,714	1,437,042
. Under Agreement for sale	17.8421	109,620	4,150
. Under rental	<u>4,482.6062</u>	4,777,170	10,980,036
	<u>6,753.6394</u>		

* Land and building assessments of the following noted properties are not included, as they have not been assessed by the Province of Manitoba.

- 1) Indian Bay Water Intake Site and Buildings,
- 2) Slave Falls Power Station and Dam,
- 3) Pointe du Bois Power Station and Dam.

*1 Included is:

- 1) Willow Park Co-op Housing 26.069 Ac., Land Assessment \$169,690 and Building Assessment \$1,783,500.
(Lease on land for 60 years expires in the year 2031, after which the City will become the owner of all buildings)
- 2) Burrows-Keewatin Housing Project, the City's share is 12.5% or 2.1848 ac., Land Assessment \$14,160 and Building Assessment \$147,675.)

TABLE 3-4

VACANT LANDS (DEC.31/85)**RESIDENTIAL
Available for Sale**

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	2.0575	919.263	\$ 35,810
St. James-Assiniboia	5.1830	692.196	43,591
Lord Selkirk-West Kildonan	3.6762	1,240.883	42,861
East Kildonan-Transcona	6.8932	3,196.302	34,250
St. Boniface-St. Vital	7.0531	4,937.585	57,100
Assiniboine Park-Fort Garry	<u>18.0206</u>	<u>2,542.821</u>	<u>127,890</u>
TOTAL	<u>42.8836</u>	<u>13,529.050</u>	<u>\$ 341,502</u>

**RESIDENTIAL
Reserved for Future Development**

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	6.0733	824.746	\$ 88,030
St. James-Assiniboia	17.6380	4,248.559	51,341
Lord Selkirk-West Kildonan	33.0709	4,356.955	211,200
East Kildonan-Transcona	123.6838	16,923.428	90,010
St. Boniface-St. Vital	165.3318	4,557.221	307,401
Assiniboine Park-Fort Garry	<u>192.1159</u>	<u>38,208.107</u>	<u>348,422</u>
TOTAL	<u>537.5137</u>	<u>69,119.016</u>	<u>\$1,096,404</u>

TABLE 7.5
VACANT LANDS (DEC.31/85)

INDUSTRIAL
Available for Sale

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	1.4441	679.032	\$ 28,360
St. James-Assiniboia	7.1715	387.547	16,810
Lord Selkirk-West Kildonan	1.6030	127.999	19,970
East Kildonan-Transcona	2.3648	332.550	7,310
St. Boniface-St. Vital	101.5208	1,074.311	307,110
Assiniboine Park-Fort Garry	<u>2.6557</u>	<u>84.449</u>	<u>2,830</u>
TOTAL	<u>116.7599</u>	<u>2,685.888</u>	<u>\$ 382,390</u>

INDUSTRIAL
Reserved for Future Development

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	7.7274	777.339	\$ 46,760
St. James-Assiniboia	11.5430	-	19,250
Lord Selkirk-West Kildonan	11.6517	2,078.838	85,650
East Kildonan-Transcona	9.8548	759.692	8,820
St. Boniface-St. Vital	347.1521	5,295.603	246,830
Assiniboine Park-Fort Garry	<u>168.3284</u>	<u>3,131.043</u>	<u>265,190</u>
TOTAL	<u>556.2574</u>	<u>12,042.515</u>	<u>\$ 672,500</u>

TABLE 3-6

VACANT LANDS (DEC.31/85)**COMMERCIAL
Available for Sale**

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	0.0929	43.001	\$ 2,610
St. James-Assiniboia	0.4579	126.086	7,140
Lord Selkirk-West Kildonan	2.0759	33.298	16,170
East Kildonan-Transcona	0.2950	513.501	3,210
St. Boniface-St. Vital	0.2550	104.540	5,220
Assiniboine Park-Fort Garry	<u>0.2384</u>	<u>-</u>	<u>2,490</u>
TOTAL	<u>3.4151</u>	<u>820.426</u>	<u>\$ 36,840</u>

**COMMERCIAL
Reserved for Future Development**

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	0.3970	192.500	\$ 15,190
St. James-Assiniboia	0.3403	127.182	13,780
Lord Selkirk-West Kildonan	1.0950	167.641	9,420
East Kildonan-Transcona	1.9801	396.001	15,600
St. Boniface-St. Vital	1.3232	236.690	5,620
Assiniboine Park-Fort Garry	<u>2.2211</u>	<u>234.350</u>	<u>31,010</u>
TOTAL	<u>7.3567</u>	<u>1,354.364</u>	<u>\$ 90,620</u>

TABLE 3-7

VACANT LANDS (DEC.31/85)**TOTAL
City of Winnipeg**

<u>Community Area</u>	<u>Acres</u>	<u>Frontage(Ft.)</u>	<u>Assessment</u>
City Centre-Fort Rouge	17.7922	3,435.881	\$ 216,760
St. James-Assiniboia	42.3337	5,581.570	151,912
Lord Selkirk-West Kildonan	53.1727	8,005.614	385,271
East Kildonan-Transcona	145.0717	22,121.474	159,200
St. Boniface-St. Vital	622.6360	16,205.950	929,281
Assiniboine Park-Fort Garry	<u>383.5801</u>	<u>44,200.770</u>	<u>777,832</u>
TOTAL	<u>1,264.5864</u>	<u>99,551.259</u>	<u>\$2,620,256</u>

3.23 CITY OF WINNIPEG LAND BANKING PROGRAM: ORGANIZATIONAL STRUCTURE

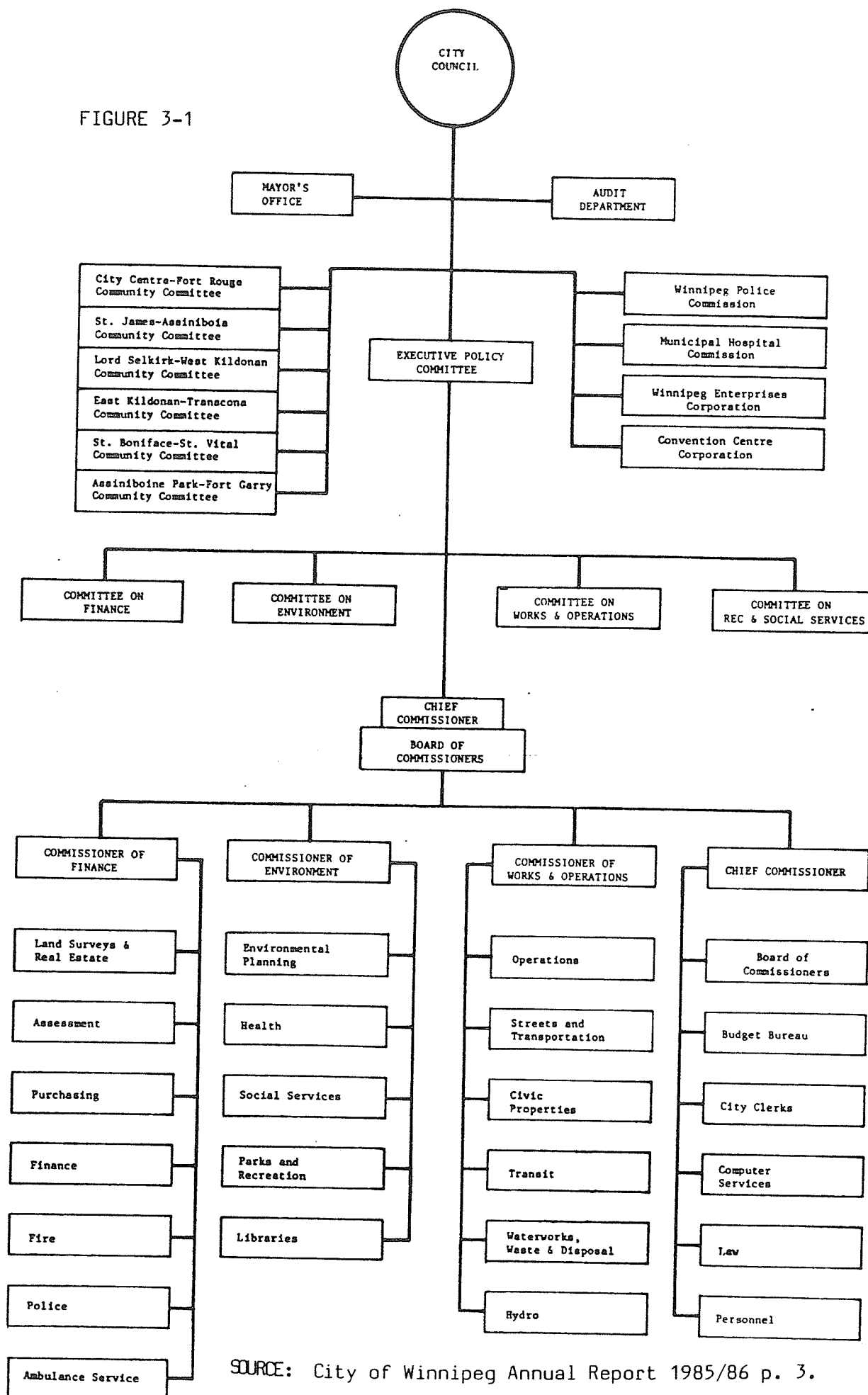
The City of Winnipeg land bank is under the direction of the Commissioner of Finance as shown in Figure 3-1. The department responsible for the administration of the program is the Land and Surveys Department. The department receives direction and funding from City Council via the adoption of a five year capital plan.

The five year capital plan has several provisions for the acquisition of lands and maintenance of existing land holdings. The provisions are budgetted accounts on a revolving basis as shown in Tables 3-8 through 3-10, for the acquisition of future right of ways for transportation, municipal services and the acquisition of riverbank lands. As noted earlier, these land accounts are used to acquire lands in advance of development to facilitate delivery of services to newly developing areas.

The land bank is utilized as a tool to facilitate private development of residential lands by incorporating various department needs. Departments such as Streets and Transportation; Waterworks and Waste Disposal and Parks and Recreation require sites to provide future services in newly developing areas.

The land bank does not have any other direction in terms of the various objectives of public land banking as noted in Chapter 2. The Land and Surveys Department has an informal relationship with the Department of Environmental Planning and does not participate in the drafting of growth plans for the City such as Plan Winnipeg. The Land and Surveys Department operates on fulfilling the limited objective of supplying lands for public uses in new areas but does not have policy developed in terms of addressing

FIGURE 3-1



SOURCE: City of Winnipeg Annual Report 1985/86 p. 3.

TABLE 3-8 FIVE YEAR CAPITAL PROGRAM 1985 TO 1989

Category	B. STREET SYSTEM	CENTRAL COUNCIL	Community		
Sub-Group	120 - LAND ACQUISITION	NORMAL ANNUAL PROGRAM	Project		
<div><div><div>Description:</div><div>Acquisition of land for future regional transportation rights-of-way not included in any specific Capital Project within the given year's Capital Program.</div></div><div><div>Function:</div><div>To allow for eventual implementation of proposed transportation plans by acquiring rights-of-way for these plans when the necessary land becomes available or when non-compatible private development is proposed on the land in question.</div></div></div>					
YEAR OF AUTHORIZATION					
1985	1986	1987	1988	1989	
	1,000,000				
YEAR OF EXPENDITURE (cash flow)					
1985	1986	1987	1988	1989	1990
	850,000	150,000			
SOURCE: City of Winnipeg Five Year Capital Program			METHOD OF FINANCING		
			Debentures	\$ 1,000,000	
			Provincial Assistance	\$	
				\$ 1,000,000	

TABLE 3-9

FIVE YEAR CAPITAL PROGRAM 1985 TO 1989

Category D. Solid Waste DisposalCentral Council CommunitySub-Group 302 - Land Acquisition for Solid
Waste Disposal PurposesLand Acquisition for Future Project
Landfill Sites

Review of existing landfill sites indicates that a new landfill site will have to be developed about 1989. This project provides for the acquisition of land for a new landfill as required to protect the health and environment of the community.

This project is in accordance with the Plan Winnipeg policy of continuing sanitary landfilling.

1984 land acquisition \$ 750,000
 1985 land acquisition \$1,250,000
 1986 land acquisition \$1,000,000
 1987 land acquisition \$1,000,000

YEAR OF AUTHORIZATION

1985	1986	1987	1988	1989
	1,000,000			

YEAR OF EXPENDITURE (cash flow)

1985	1986	1987	1988	1989	1990
	1,000,000				

METHOD OF FINANCING

SOURCE: City of Winnipeg
 Five Year Capital
 Program

Debentures	\$ 1,000,000
Provincial Assistance	\$
	<u>\$,000,000</u>

TABLE 3-10 FIVE YEAR CAPITAL PROGRAM 1985 TO 1989

Category E. Culture and Recreation Central Council CommunitySub-Group 430 - LAND ACQUISITION 1. Development Project1. Development

Riverbank Acquisition - A general provision for purchase
of land for riverbank purposes \$ 200,000

YEAR OF AUTHORIZATION

1985 1986 1987 1988 1989

200,000

YEAR OF EXPENDITURE (cash flow)

1985 1986 1987 1988 1989 1990

180,000 20,000

METHOD OF FINANCING

SOURCE: City of Winnipeg
Five Year Capital
Program

Debentures \$ 200,000

Provincial Assistance \$

\$ 200,000

a physical objective such as urban sprawl.¹

3.23 LACK OF APPROPRIATE POLICY FOR PUBLIC LAND BANKING: CITY OF WINNIPEG

In terms of the objectives of public land banking as set out in Chapter 2, the City of Winnipeg land banking policy is inappropriate. The program is comprised of fulfilling a very limited social objective in providing lands for various public needs but has ignored the remaining objectives in developing a public land banking program such as the physical, social and economic objective. The policy is inappropriate in that it follows a very limited scope in terms of assembly of lands for public needs in newly developing areas but does not address the other problems related to private ownership as outlined in Chapter 2. The limited scope and reluctance or inability to address other problems related to private land ownership is addressed in Chapter 4 in terms of the issue of direction for public land banking programs in Canada. Figure 3-2 denotes the limited scope of programming at present. The categorization of the policy areas which are developed and not developed is based on a review of existing policy papers at the Municipal and Provincial levels of government. Furthermore, in the discussions with Municipal and Provincial Land Banking officials, it was clear which policy areas were developed and undeveloped. These two steps provided the basis for evaluating which policy areas are addressed in terms of the objectives and goals as set out in Chapter 2.

1 Interview, James West, Former Director of Land and Surveys, City of Winnipeg, September 15, 1986.

3.3 PROVINCE OF MANITOBA PUBLIC LAND BANK FOR CITY OF WINNIPEG

3.31 INTRODUCTION

The original purpose of the public land banking program initiated by the Manitoba Provincial Government and funded by the Federal Government under Section 42 of the National Housing Act, was to establish a public development base for housing. The intent of the program was to address the land problems associated with the existing land management perspective and to attain a substantive change in the City of Winnipeg land market. During the period 1973-75, the Manitoba Housing and Renewal Corporation expended some \$9,000,000 to acquire 3,800 acres of land around the City. A summary of these lands is listed on Table 3-11, p. 56. These lands are currently held under the MHRC land portfolio. The two major assumptions underlying the program were philosophical and economic. A number of people in government and in the public felt land was a unique commodity and that a new perspective was required to facilitate an improved land management system.

3.32 PROVINCIAL PUBLIC LAND BANKING PROGRAM ORGANIZATIONAL STRUCTURE

The Provincial public land banking program for the City of Winnipeg operates within a series of agencies with the Housing Corporation at its' core. The structure includes the following agencies; The Manitoba Housing and Renewal Corporation; The Planning Secretariat of Cabinet (E.R.I.C.); the Land Value and Appraisal Commission and the Land Acquisition Board. A description of each agency and their role in the initiative is as follows:

1. The Planning Secretariat (E.R.I.C.)

The Planning Secretariat is the overall Planning and Priorities committee of cabinet. In terms of the land banking programs for the City of Winnipeg, the secretariat would set the policy and framework for carrying out the initiative. The Secretariat originally set out the policy and guidelines for each agency in the program and empowered each through various 'acts' of government. The decision to and the initiative to create a 'substantive' change in land management in Manitoba originated with this body.

2. MHRC (Manitoba Housing and Renewal Corporation)

The Provincial Housing Corporation was empowered to carry out the policy making and implementation of the initiative. the powers included the MHRC Act, which authorized the Corporation to deal in all phases of housing and land development and provided a framework for the implementation of a public land banking program. The land acquisition act, which requires that lands be acquired by other agencies on behalf of the Corporation. The last act was the expropriation act which gave the government a statutory right to acquire lands for a public purpose. This act was used to acquire most of the 3,800 acres of land around the city.

3. Land Acquisition Branch

The land acquisition branch was established in the Department of Public works in 1965. The Branch has the responsibility to acquire all lands required by provincial agencies of which MHRC is one. The Branch usually reserves a requests for acquisitions from a Minister. The Branch then initiates the acquisition and negotiations with a private land owners.

TABLE 3-11

MANITOBA HOUSING AND RENEWAL CORPORATION
LAND PORTFOLIO FOR THE CITY OF WINNIPEG

REF. #	NAME	ACRES
1206	DIETER	114.0
1207	ARMSTRONG	58.68
1250	WESTWOOD	19.96
2103	ST. BONIFACE	176.77
1217	FRAIPONT	244.0
1219	SABRAY	28.0
1220+	FORT GARRY	1,269.7
1203	ROBERTSON	119.69
1204	FINDCAY	100.0
1209	HALPRIN	52.34
1212	SCHREINER	30.12
1213	MATHESON	116.0
1216	BUDNIK	50.93
1223	KOZAK	180.33
1229	HOOKE	276.41
1249	YOUNGWOOD	219.75
1264	TUNDRA	376.8
TOTAL		3,500.0

SOURCE: REAL PROPERTY DEPARTMENT, MHRC

4. Land Value Appraisal Commission

The Commission was established under the land acquisition act of July, 1965. The Commission Acts as a protection agency for both the public and government. The basis for protection is the independent determination and certification of the amount which is due compensation in respect to the acquisition of land by a government department.

5. Central Mortgage and Housing Corporation

Through Section 40 and 42 of the National Housing Act, CMHC provides funding for the province to acquire land for housing purposes. The CMHC acts primarily in the role of banker, primarily to lend money to governments for land banking and housing purposes.

6. The Land Review Committee (MHRC)

The Land Review Committee was created in November 1973, for the purpose of policing and expediting the land banking program. The representatives of MHRC, L.A.B., CMHC and the City of Winnipeg are covered to discuss the strategy and all other matters dealing with the program.

7. Management Committee of Cabinet

The Management Committee of Cabinet rules on all expenditures of \$25,000. The current land banking program, the government directed the committee to give blanket approval to all expenditures. The committee acts primarily in form in respect to public land banking.

In describing the Provincial initiative, it appears that processes dealing with the interaction of the Corporation and its' agencies were well thought out. However, the strategical process of realigning the

Corporation and the City of Winnipeg within a new perspective was not. Perhaps this was to be part of the opening planning process, but it was lacking which is to be of significance in later analysis.

3.34 PROVINCIAL PUBLIC LAND BANK FUNDING

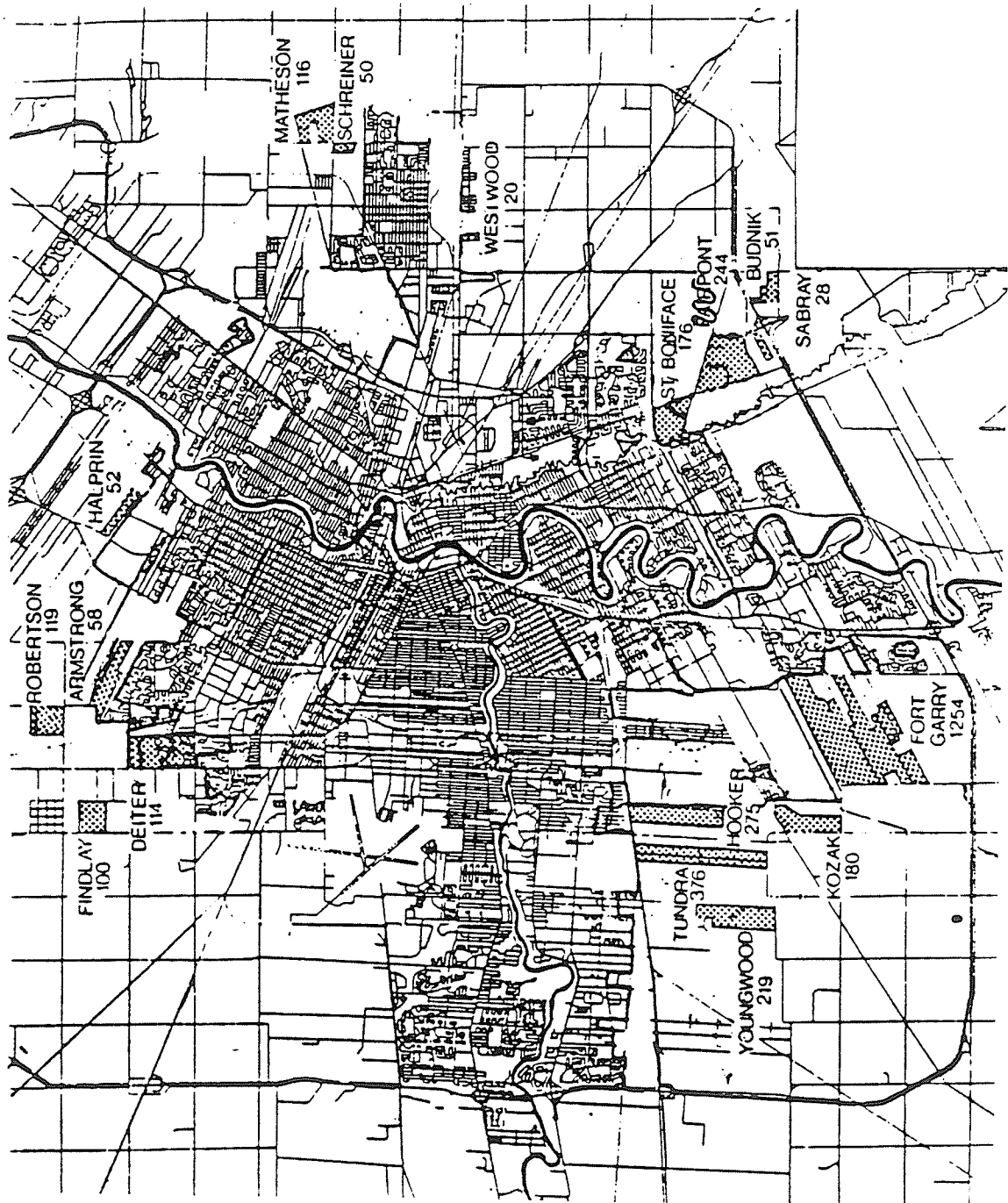
As part of the examination of public land banking in the City of Winnipeg, a section on funding has been included. The provincial public land bank for the City of Winnipeg is primarily funded by N.H.A. Loans with the Central Mortgage and Housing Corporation. As part of the funding agreement, the province is repaying the interest on the loans from the CMHC and repaying the debt on the ten percent contribution on the original acquisition prices. The current value of payments and loan amounts on each parcel in the portfolio is unavailable, but is estimated at some thirty six million dollars.

Currently, no additional funding is available for a continuing program of land acquisition, but may be available upon submission for additional funding at the provincial government level. The linkage between further funding and the formulation of a direction for the program are closely related. In discussion with provincial officials, it appears that the existing land banking program would be ineligible for additional funding until the program receives a direction to guide the program in the future.

3.35 TYPE AND LOCATION OF PROVINCIAL LAND BANK

The Province of Manitoba's public land bank for the City of Winnipeg is primarily composed of lands to accommodate future residential growth in the City of Winnipeg. The land bank has a development horizon of approximately fifty years and is comprised of some 3,800 acres. The location of

MAP 3-1



SOURCE: Leaf Rapids Corporation

Land Banking Report

these lands is located on map 3-1 as attached. The lands are dispersed around the City of Winnipeg with a sizeable amount of acreages in the South-West corner. The location of these lands indicates the requirement to acquire lands in each sector so as to force prices doing through competition of each sector. The lands ready for development are located in the Northwest and Southeast sectors with lands in the southwest awaiting a sizeable expenditure in municipal services.¹

3.4 SUMMARY AND CONCLUSIONS

Chapter three is an examination of Winnipeg's public land banking experience, which has been organized using the case study method. The examination began with the background to the evolution of the private land assembly and development business prior to 1960 in the City of Winnipeg. The section highlights the changes roles of the municipal government and developers and the shifts of responsibility and changes in the composition and scale of the land industry in the City of Winnipeg. The section is concluded on the basis that a land management perspective was entrenched at the municipal level of government which supported the norms and practises, institutional and legal frameworks and processes to support the private land and development industry. The City was then obliged to provide a marginally innovative public land banking program to negate the effects of the arrangement at the municipal level. The programming was centered around the provision of space for parks, schools and other public services, which had wide public support.

1 Interview, Henri Daudet, Manager of Real Property, Manitoba Housing, September 20, 1986.

In the face of the existing land management perspective at the municipal level, a provincial initiative aimed at creating a new perspective was undertaken in conjunction with the Federal government's initiative to establish a public development base for housing in the City of Winnipeg, thereby extending the public acceptance of public land banking into the existing housing and land development industry. More specifically, it was a 'substantive' innovation aimed at realigning the municipal government with the provincial housing corporation and associated agencies to embark on a new land management perspective in which the existing land management system is transformed from a perspective of the best interests of the individual to one which is based on the best interests of the Community. The initiative was not opposed to the rights of private property but to the abuse of property which causes hardship and unjust distribution of resources within the context of a city.

In concluding, it is evident that Winnipeg's public land banking experience is comprised of two separate and distinct public land banking programs. The first being a marginally innovative type of program which is enacted within the current constraints of the land management 'system' and the second being a 'substantive' innovative type of program which is enacted outside of the current system, which would involve minimal direction at the outset of the initiative and would rely heavily on an open planning strategy supplemented by a learning system of feedback between planning and implementation of change and on a highly integrative intergovernmental policy and decision making structure.

In concluding however, it appears that a well thought process for the Housing institution and its' agencies was apparent but a higher level strategy dealing with the development of each institution and the realignment within a new perspective was non-existent, that is, a strategy to guide the development of the Corporation and a realignment with the City of Winnipeg. As well, it appeared that there was a belief that an extensive public land banking program would provide the sole basis for solving the many problems associated with the existing land management perspective at the municipal government level. The public land banking program as part of the provincial initiative would surely prove to be a challenge and would be highly difficult to implement in the absence of such a strategy, in the face of a well established land management system at the municipal level of government.

CHAPTER 4

4.0 INTRODUCTION

As a result of the lack of a high level strategy to guide the provincial public land banking initiative in the formation of a 'new land management perspective', a series of major issues, policy design and implementation and problems have resulted in the attempt to attain substantive change through the initiative. Chapter four is a discussion of these within the context of the Winnipeg land banking experience, and attempt to summarize to their effects on the relative success of the initiative to date.

4.12 ISSUES

As part of the examination of current programming and selected land banking literature, three broad issues are apparent with respect to public land banking as follows: lack of direction; lack of checks in efficiency of public ownership in meeting program goals and the lack of coordination between three levels of government. Section 4.1 is intended to discuss these issues as they relate to the public land banking programs in the City of Winnipeg.

4.13 LACK OF DIRECTION

As compared to European land banking programs, Canadian programs lack sufficient direction. The lack of direction issue is evident at each level

of government and will be discussed at the federal, provincial and municipal level. The federal government is

"well aware of Canadian disrespect for land and the lack of understanding of its level of tolerance to development or the long term consequence of development decisions"¹

but has not provided direction to the provinces or local municipalities.

The Federal government chose a relatively narrow role as a financier in initiating public land banking in Canada but did not expand its role in terms of the overall land banking objectives as noted in Chapter 2. In essence, the federal government was seeking to increase the number of available residential building lots for the sole purpose of increasing housing production in Canada. The federal government focussed the need for planning by provincial and municipal bodies, but did not provide

"a national direction as to what order or priority should be given to various goals such as: social housing, the preservation of agricultural land, balanced urban growth, provision of infrastructure or the recycling of urbanized land"²

The Federal government provided the necessary funding to encourage provinces and municipalities to assemble land but did not provide direction for the implementation and development of future programming.

1 Ryan, J.P., "The Central Mortgage Housing and Renewal Corporation Public Land Ownership Objectives," remarks to the Public Land Ownership Conference, July, 1976, Vancouver, Canada.

2 Ibid, p. 114.

The Provincial government of Manitoba initiated a land banking program in response to the federal government initiative to achieve a substantive change in the land management perspective which existed at the Municipal level. The initiative included a process including provincial agencies but lacked a strategy for the provincial initiative in terms of how to implement the initiative.

The lack of direction at the Provincial government level is most evident in several instances. Firstly, the province began assembling lands in a haphazard fashion with no policy incorporating servicing plans, land absorption rates and a development plan for the City. The inability of the province to coordinate the acquisition of lands with the municipal level of government has resulted in a land banking program which does not reflect coordinated policy development in terms of servicing plans and land absorption rates. Secondly, there was no formal body to develop and administer the land banking program within the Manitoba Housing and Renewal Corporation at the time of acquisition. The Corporation relied solely on the Real Property Department to assemble lands with directives for specific acquisitions coming from the planning division of the Corporation. Thirdly, the province had not developed a policy to guide the Corporation into the land market. The major thrust of the acquisition was focussed on periphery lands on the outskirts of the City but did not address land assembly for the inner city. Fourthly, the province was pursuing a very limited objective of land banking to address an economic concern of the rising lot prices in the City. The province did not undertake policy development to address and establish its position in the Winnipeg land

1 McArton, D. "Report on Provincial Land Banking", Manitoba Housing and Renewal Corporation, P. 12, 1978, unpublished.

market prior to its intervention in 1973. Lastly, the province had no consultations with the City nor a plan of action to address future land development in the Winnipeg as discussed in Chapter 3. In essence the program was developed within a very short time frame and narrow scope in terms of public land banking objectives and will be source of policy discussion and subsequent problems in later sections of this chapter.

The municipal government as discussed in chapter 3, had developed a land banking program to facilitate future private residential development. The nature of the program was focussed on providing municipal services to new residential sites but was not intended to compete with private residential development. The City pursued a policy as follows:

"The City will pursue a continuing program of land acquisition in order to accommodate present and future requirements for public services and programs as determined by Council."¹

In summary, the issue of direction was not recognized and developed at the time of the Federal government's program to encourage the provinces and municipalities to assemble land. The Province of Manitoba and the City of Winnipeg had not dealt with the issue of direction as required to effect a successful land banking program. In essence, three levels of government possessed three different objectives for establishing a land banking program and did not resolve the issue of direction before implementing the program. The failure to resolve this issue is at the basis of many current problems in the programming as will be discussed in section 4.3.

1 City of Winnipeg Acquisition guidelines, Order in Council, #489, May 13, 1975.

2 Kehoe, D., "Public Land Ownership: Framework for Evaluation", Lexington Books, Toronto, p. 110.

4.14 LACK OF CHECKS IN EFFICIENCY OF MEETING PROGRAM GOALS

A second issue to be described is the lack of checks in efficiency of meeting program goals under current programming. As Stanley Hamilton describes in his article, 'A Critical Perspective on Public Land Banking',

"a need exists to develop criteria that can be used to evaluate the instrument of public land banking as a means of achieving specific objectives"¹

In examining various reports, documents and summaries of land banking programs across Canada, it is most evident that an evaluation and monitoring system is required to evaluate current land banking programs.

"There is little comment upon the effectiveness of the programs because although the idea of public land banking as a tool has been institutionalized, evaluation procedure has not. There is a lack of checks of the efficiency of public land banking in meeting various program goals whether they be lower housing prices, the recapture of the unearned increment or the attainment of better planning".²

The evaluation system would attempt to measure and evaluate the programs according to various criteria such as: ability to control urban expansion; ability to provide lands for social housing; ability to reduce land costs; ability to recapture the unearned increment and the ability to supply serviced residential lots for housing construction.

1 Hamilton, S., "Essays on the Price, Ownership and Government of Land", The Fraser Institute, 1977, p. 75.

2 Kehoe, D., "Public Land Ownership: Framework for Evaluation", Lexington Books, Toronto, p. 110.

Currently, the City of Winnipeg and the Province of Manitoba do not have evaluation and monitoring systems to evaluate their respective programs. The City of Winnipeg publishes a summary of land activities for a given year but does not formally evaluate its program.¹ The only check in the program is the various acquisitions of property to facilitate servicing of future residential sites. The Province of Manitoba has recently undertaken an evaluation of its land banking program in terms of developing a base of developable properties during the next ten to fifteen years; however, the province has not evaluated its program nor any land development projects to date.² This report is summarized under Section 4.224.

In summary, the critical value of these checks would be of use in developing land banking policy for the future. Because, this resource is not utilized, policy development has suffered immensely. This point will be developed further in policy section 4.2.

4.15 COORDINATION OF THREE LEVELS OF GOVERNMENT

The coordination of a land banking program utilizing three levels of government is the third major issue to be explored in this section. The issue of coordination is best described in the following quote:

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- 1 Interview, Henry Dyck, Administrative Assistant, Department of Land and Surveys, City of Winnipeg, October 16, 1986.
 - 2 Interview, Henri Daudet, Manager of Real Property, Manitoba Housing and Renewal Corporation, September 20, 1986.

"The federal government is basically the banking institution for housing and land development but it tends not to retain any actual program control. The ten provinces are the major coordinators of housing and land related development and any new programs or policies are usually run through provincial agencies. However, the major workhorses for the local regulation of land use are the municipalities or in some provinces, the newly emerging regional municipalities and any new program or policy must be coordinated with these units which are often jealous of their powers and prerogatives".¹

As described in the above quote, differences in perspectives, roles, agendas of the day and existing powers and prerogatives at each level of government make the coordination of a land banking program very difficult.

The federal government acts as a financier and collects interest payments from the various provinces and municipalities across Canada. The federal perspective is based on acting as the financial institution and relies on the provinces and municipalities to develop and manage programs. The subsequent provision of land allows the Canada Mortgage and Housing Corporation to meet its national production quotas by making sure that serviced land is available.

In terms of the provincial level of government Dalton Kehoe notes,

"For the second level of government, the provinces, programs were not viewed from the long-range focus of the federal government housing banker, whose major interest was housing construction and the national economy, but from the short term focus of particular provincial aims"²

1 D. Kehoe, "Public Land Ownership: Frameworks for Evaluation", Lexington Books, Toronto, p. 105.

2 Ibid, p. 108.

As in the case in Manitoba, the province intervened in the land market with a specific objective to reduce rising lot prices as part of the set of objectives for public land banking as outlined in Chapter 2. Lastly, the local level of government acts in a support capacity to facilitate the conversion of private property on the fringe into private or corporate gains. As in the case in Winnipeg, the land bank is primarily focussed on providing municipal services to future private residential subdivisions.

4.2 POLICY

As part of the examination of public land banking programs in Winnipeg, a policy section has been included. The section is intended to describe current land banking policy in Winnipeg at the municipal and provincial levels. The section will also describe those policy areas that are not currently developed and their subsequent relationship to current problems to be discussed in Section 4.3. As well, a summary of policy areas that are developed and undeveloped is included as a means to indicate the level of program development in terms of those objectives as outlined in Chapter 2.

4.21 CITY OF WINNIPEG LAND BANKING POLICY

The City of Winnipeg passed land acquisition and assembly guidelines on May 13, 1975. This represented a public policy on land acquisition and assembly as follows:

"The City will pursue a continuing program of land acquisition in order to accommodate present and future requirements for public services and programs as determined by Council. The City also supports the principles of linear and model riverbank park development of adequate size, accessibility and distribution, accommodated primarily through the relocation of present industrial uses and the acquisition of undeveloped properties.

The City shall adopt programs for the acquisition of lands for present and anticipated requirements, subject to the priorities established by Council, of:

- a) transportation
- b) public works and civic buildings
- c) river bank development
- d) parks and recreation
- e) sports and recreational facilities
- f) rehabilitation and conservation of older areas
- g) public utilities

The City shall acquire and assemble lands for public planned industrial and residential development. The City may acquire and assemble lands to assist in the development of areas by the private sector where such action is agreed to be in the public interest.

The City may acquire and assemble lands on the periphery of urban development for the purpose of controlling future development. The City shall define areas on a continuous basis which are deemed to be unsuitable for future urban development.

The City shall adopt a short and long term acquisition program geared to satisfy the needs of the City but in keeping with its financial resources and providing for an order of priority. The programs of property acquisition for the various will be adopted by Council sufficiently in advance of their implementation to enable negotiations to be carried out with property owners and, if unsuccessful, to finalize expropriation proceedings as laid down by Provincial Statute.

The City shall adopt a procedure for the maintenance of land acquired and assembled by the City in the implementation of its programs."¹

As discussed in Chapter 3, the City of Winnipeg land banking policy is based on the assembly of lands to ensure the facilitation of public services in newly developed areas. As shown in the above excerpt, the City

1 City of Winnipeg Acquisition guidelines, Order in Council #489, May 13, 1975.

assembles land to provide municipal services in new areas in each of the seven categories for land assembly. The total acquisition fund has been estimated at some \$4.5 million dollars annually. The exception is category (f) which will be discussed later in this section. In reference to the City's policy to acquire and assemble residential lands, it intends to assist in the development of areas by the private sector when in the public interest. Lastly, in terms of controlling future development, the City intends to acquire and assemble those lands which are deemed to be unsuitable for future urban development.

In summary, the City's land banking policy is focussed on several objectives of public land banking. Firstly, the City is able to control the pace and direction of Winnipeg in terms of acquiring lands to facilitate municipal services to the site but in undertaking this step does not control urban expansion or preserve agricultural lands on the periphery. The City may preserve some natural resources but evidence is lacking. Secondly, the City does provide lands for various public needs such as transportation and riverbank parks but does not address any further social objectives in its' land banking policy as noted in Chapter 2. Thirdly, the City does not appear to address itself to reducing land costs or the issue of the unearned increment. The City is not presently developing residential lands and has not implemented a policy or changes to address the issue of the unearned increment. Lastly, the City does not appear to be addressing the issue of direction in terms of urban sprawl and inner-city redevelopment. The land banking policy is currently active as noted in the five year capital budget in Chapter 3 and further provisions are underway to enhance urban expansion.

4.22 PROVINCE OF MANITOBA LAND BANKING POLICY FOR THE CITY OF WINNIPEG

The Manitoba Housing and Renewal Corporation is the provincial agency responsible for provincial land banking policy in the City of Winnipeg. In examining various reports and interviewing several employees in the Corporation it became most apparent that land banking policy has not been extensively developed for the program in the City of Winnipeg. The current minimal policy is comprised of the initial intervention into the land market in 1973 and subsequent reports on the land bank resulting from various adhoc requests. As a means to describe existing policy, a brief summary of each report will follow in order to describe current policy and policy areas that are not developed in terms of public land banking objectives as set out in Chapter 2.

4.221 Initial Intervention

The Province of Manitoba acquired some 3,800 acres of land around the City of Winnipeg in the period 1973-75. The lands were acquired by the Manitoba Housing and Renewal Corporation under the Land Value Appraisal Commission acquisition guidelines.

"The original purpose of the land banking program as initiated by the Schreyer government and funded by the federal government under Section 35A of the N.H.A. was to make new housing as affordable as possible. This was to be done through direct public sector intervention into the land market"¹

The focus of the program was on the substantial part that the land developer's profit played in the price of newly serviced lots.

1. Bloxom, B. Leaf Rapids Development Corporation, Report on Public land banking, 1975.

"During the period 1972-77, the pre-tax profit to the developer are as high as 40% of the final serviced lot cost. The method whereby the program sought to eliminate this incremental profit was by selling its own lots directly at cost plus 10% and by doing this in a sufficiently large volume and enough sectors of the City to force prices down through competition. It is estimated that the continuous capability of supplying some 20% of the market would be required to accomplish this."¹

Clearly, the Provincial intervention was focussed on the land development industry which had become specialized and concentrated. As a result of this change in the industry structure, new building lots had increased dramatically in price. The sources of the large price increases were attributable to many factors including the monopoly price structure at the time.

The question in policy is whether this problem could have been addressed using other land management instruments, however, the program should of had a larger focus in terms of addressing the larger, set of objectives for a public land banking program.

As discussed in Chapter 3, the Province of Manitoba land banking policy was based on the dilemma of rising lot prices within the City of Winnipeg. As a response, the Province intervened directly into the land market and assembled lands for future residential development. In terms of policy, the provincial government had undertaken the initial steps in developing a land banking program and carried out the acquisition of some 3,800 acres around the City of Winnipeg. The Provincial Government directed the Manitoba Housing and Renewal Corporation to:

"assemble lands on the periphery of the City in a checkerboard fashion and to minimize acquisition time and costs".²

1 McArton, D., "Report on Provincial Land Banking", Manitoba Housing and Renewal Corporation, p. 3, 1978.

2 Ibid, p. 12.

The acquisition of lands was carried out in a relatively short period of time. The acquisition process did not include the development of policy to guide the acquisition. Land parcels were acquired in a haphazard fashion without regard to existing growth patterns of the City; without land absorption calculations for particular land parcels or coordination with the City of Winnipeg with respect to servicing and development plans.

4.222 The McArton Report 1978

Following the acquisition of various land parcels around the City, the Provincial government was under considerable pressure to immediately develop land in the City of Winnipeg. The McArton report examines the initial intervention into the land market and the first land development project known as Meadows West. The report also notes that the Corporation lacked an appropriate land banking policy prior to intervention into the land market with specific reference to the following: timing of development; type of residential development; the amount of land to be developed and the target groups for the program. As well, the report notes the effect of changing conditions on assumptions held during the assembly of lands and their influence on the land absorption rates of particular parcels. The report suggests that an excess amount of land was assembled during the acquisition stage and that many parcels held in the land portfolio are in excess of the requirements for the Corporation.

The report was the first examination of the program since 1973 and stressed the need for policy development. The report was not a formal evaluation of the program but was an adhoc report drafted for the planning division. The McArton report essentially assigned land absorption rates and development periods for specific land parcels and designated those

parcels whose development horizon exceeded 25 years. The main justification for the designation of these parcels as excess was the large financing costs associated with holding a particular parcel and its subsequent negative effect on the program.

4.223 The Mary Cameron Report 1983

The Mary Cameron report was commissioned by the Manitoba Housing and Renewal Corporation to examine the development feasibility and analysis of development alternatives for several parcels of land that are ready for development. The scope of the report is narrow in terms of examining a few parcels but represents a step in developing policy regarding the determination of feasibility and program delivery of the land banking program. The report examined various alternatives for the development of several parcels but does not address the development of land in terms of the larger context of land banking objectives. That is, the report addresses the internal situation at the corporation but does deal with development in terms of controlling urban expansion or current efforts to redevelop the inner-city.

The report was the first examination of program feasibility and delivery since the inception of the land banking program in 1973; however, the report is limited in terms of its scope relating to a few parcels and its context in terms of a limited program delivery perspective.

4.224 Report on the Land Bank Portfolio 1984

During the fall of 1984, Treasury Board requested a report on lands held by the Manitoba Housing and Renewal Corporation. The report was to include an evaluation of each land parcel and recommendation as to hold, dispose or further study. Specifically, the report was to detail lands

which are developable within the next fifteen years and lands not developable during this period.

The land bank portfolio report was an attempt to examine the land banking program in terms of analyzing the existing land inventory. The report details the acquisition time, financial information and planning information in terms of absorption time for each parcel. The report also examines the relationship between parcels in each sector of the City and the entire land bank. The report was the first examination of the program since 1973 in terms of understanding the nature of the portfolio and its resulting implications as will be discussed in Section 4.3.

In summary, the Provincial Governments' land banking policy for the City of Winnipeg is mostly undeveloped. The minimal level of existing policy is comprised of several adhoc reports and does not provide a basis for administering a land banking program. Each report deals with very specific concerns of the day and does not provide direction for the program. Currently, provincial land banking policy for the City of Winnipeg is focussed on several limited objectives of public land banking. Firstly, the Province through the Manitoba Housing and Renewal Corporation has undertaken the development of one residential subdivision since the inception of the program in 1973. The Meadows West project allowed the Corporation to provide sites for schools and subsidized housing in terms of multiple zoned sites in the subdivision. The Corporation was able to provide a range of buildable lots to the public but was unable to sell these during the initial development period in 1977. Following the initial development, lots were sold over the period of 1978-1985. In terms of the social objective, the corporation was able to provide sites for public

needs as well as offering a range of housing choices and types within the subdivision to achieve a mix of income classes within the subdivision with particular reference to the low income earners affordability.

As well, the corporation was able to provide affordable building lots to new homeowners over the period of 1978-1981 at a cost substantially lower than market values during this period.¹

Lastly, the province is now in a land market position to begin exerting some influence over the prevention of urban sprawl with particular reference to several parcels, however, it is faced with the dilemma of ever increasing financing costs on the remainder of the portfolio thus a decision will be required. The lack of policy and changing position in the land market will be discussed in Section 4.3 in relation to this objective.

1. Interview, Henri Daudet, Manager of Real Property, Manitoba Housing and Renewal Corporation, September 20, 1986.

4.23 SUMMARY OF MUNICIPAL AND PROVINCIAL LAND BANKING POLICY FOR THE CITY OF WINNIPEG

TABLE 4.2

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped
1.0 PHYSICAL OBJECTIVE				
a) Prevention of Urban Sprawl		X		X
b) Preservation of Agricultural Lands		X		X
c) Preservation of Natural Resources	X	-		X
d) Diverification from Periphery Land Banking		X		X
2.0 SOCIAL OBJECTIVE				
a) Provide lands for public needs				
i) public works	X			X
ii) transportation	X			X
iii) schools	X			X
iv) subsidized housing		X	X	
b) Social Integration		X	X	
3.0 ECONOMIC OBJECTIVE				
a) Recapture of unearned increment		X		X
b) Provision of Affordable Building Lots	X			X
c) Provision of Market Stability/Affordability		X		X

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped

4.0 POLICIAL OBJECTIVES

a) Restriction of undesirable Develop- ment		X		X
b) Initiation of socially desirable development		X		X
c) Provision of Employment		X		X
d) Revenue Generation		X		X

4.23 SUMMARY OF MUNICIPAL AND PROVINCIAL LAND BANKING POLICY

As indicated in the introduction to the policy section, a summary of policy areas that are developed and undeveloped is included as a means to indicate the level of program development in terms of those objectives as outlined in Chapter 2. In reference to table 4.1, various public land banking objectives are listed with corresponding municipal and provincial policies indicating which policy areas are developed in relation to each objective. The following summary organized by objectives, is intended to provide an indication of whether current programming is meeting each individual objective at the municipal or provincial policy levels.

4.231 Physical Objective

In examining current land banking policy at the municipal and provincial levels of government it becomes quite evident that policy is lacking in relation to the physical objective of public land banking as noted in Table 4.2. The prevention of urban sprawl is addressed in a sense at the municipal level in terms of developing lands in a contiguous format; however, the timing and amounts of developable lands are subject to market demand with no consideration to the effects of long term urban sprawl on the City of Winnipeg. A second consideration of importance at the municipal level is the lack of policy development with respect to preservation of agricultural lands and natural resources. Provisions in the initial draft of the original City of Winnipeg land banking policy for these areas; however, formal policies are not developed or addressed. The policy entails protection of natural habitats and provision of walkways along waterways in Winnipeg but does not address any other physical aspects in

the City of Winnipeg. The last component of the physical objective at the municipal level involves the diversification of land banking on the periphery of the City. The City has not developed a land banking program for the inner-city to meet either the conservation, rehabilitation or redevelopment of various areas within the inner city of Winnipeg.

At the provincial level of government, most land banking policy is undeveloped in relation to the physical objective. The two areas of prime interest in terms of land market position and the redevelopment of the inner-city provide prime opportunity for policy development to address these key issues. The province faced with lands ready for development has not developed policy in terms of weighing the prevention of urban sprawl versus revenue generation to finance increasing costs of the land portfolio. In terms of addressing inner-city redevelopment, a prime opportunity exists for development of an inner city land banking policy in view of the current efforts to redevelop the City. A diversification of land banking policy to address recycling of urbanized land in the core represents an obvious opportunity for land banking policy.

In summary, the municipal and provincial levels of government have not developed sufficient land banking policy to achieve the physical objective of public land banking as denoted in table 4.2.

4.232 Social Objective

The social objective of public land banking is comprised of two main parts. Firstly, the provision of lands for public purposes such as public works, transportation, schools and subsidized housing and secondly to reduce segregation by economic class through the provision of a mixture of

housing types and choices with specific reference to the low income spectrum.

At the municipal level, land banking policy is developed to acquire and assemble lands in advance for the provision of transportation right of ways; municipal services and public works sites. Sites for schools and recreational uses are acquired at the time of development from the particular developer. The City of Winnipeg does not bank lands for the provision of subsidized housing in newly developing areas. In terms of addressing segregation by economic class, the city does not have a social policy to guide the development or redevelopment of sites in the City. As far as the social objective of public land banking is concerned, the municipality only addresses the provision of physical sites and corridors to facilitate the private development of residential lands and has not developed policy to reduce segregation in newly developing areas.

At the provincial level, land banking policy is limited in terms of meeting the social objective with the exception of providing sites for subsidized housing. The province has provided sites for public uses at cost for the provision of municipal services at the Meadows West project. As well, various sites were provided for subsidized housing within this project under the RentalStart and Cooperative Housing programs. In terms of reducing segregation by economic class, the province provided a range of housing choices and types in the Meadows West project including the designation of sites for lower income families. The obvious point is that the province has only developed informal policy to guide the corporation in terms of subdivision design but has not developed a formal policy in terms of addressing the social objective of public land banking in the City of Winnipeg.

In summary, the first component of the social objective is developed in terms of policy at the municipal and provincial levels of government. The second component of the social objective is not developed at either level of government and represents a significant flaw in land banking policy in terms of managing the social resources within the City of Winnipeg. As denoted in Table 4.2, the component requires extensive policy development particularly at the provincial level whose land banks are comprised of future residential lands.

4.233 Economic Objective

The Economic objective of public land banking is comprised of three policy areas. The recapture of the unearned increment; the provision of affordable building lots and the provision of market stability and affordability as defined in Chapter 2.

At the municipal level, the City has not developed policy to address the issue of the unearned increment. Furthermore, the city has not designated a policy to recapture the costs of municipal services to newly serviced residential subdivisions outside of a general levy approach. The provision of banked land to provide future municipal services to privately developed residential lands is viewed as a cost to the City and not recaptured in any mean. Clearly, the city is unable to relate the increase in value of property as a result of public planning decisions to newly developed areas as a result of its current land banking policy and lack of policy development in this area.

In terms of providing affordable building lots, the City undertakes certain efforts to ensure a continuing supply of lots through the provision of its land banking program; however, it does not have a role in price setting as residential lands are privately developed and marketed. Lastly, the City has not developed policy in terms of addressing market stability and affordability. This most likely stems from the reluctance of the City of Winnipeg to be involved in any housing activity thus a lapse in policy development to address this policy area.

At the provincial level, the Manitoba Housing and Renewal Corporation has not developed a formal policy to address the issue of the unearned increment and its' relationship to the City of Winnipeg in this context. The Meadows West project represents the only land development project in the City and the issue of the unearned increment was addressed in part by the Corporation assuming a greater share of the off site servicing costs for its subdivision; however, a formal policy is not developed for the remainder of its' lands.

In terms of providing affordable building lots, the province has not developed a policy for either supply or pricing of residential building lots. Prior to 1986, the province had constructed only 400 lots or 120 acres which were priced at cost plus 10%*. In examining the production of residential lots from 1973 to 1985, some 4,000 acres were developed in the City of Winnipeg or approximately 20,000 building lots were developed. The effect of providing affordable lots is slight in relation to overall production; however, prospects are positive in terms of the provinces land

* Cost is defined as the acquisition and development cost plus 10% for administration and financing.

market position improving during the first ten years of the program. Lastly, the Province has not developed a formal policy to address market stability and affordability in the City of Winnipeg. The lack of policy development appears to be related to a weak land market position in the past; however as its position improves, a policy regarding affordability and stability would prove highly valuable in the design and administration of future subdivisions in the City of Winnipeg. Of prime importance, would be the requirement to address the development of subdivisions to ensure affordability to the lowest income group and inability in term of various market and non-market groups within a particular subdivision or area of the City. As an addendum to this discussion, an obvious opportunity exists in the inner-city of Winnipeg in terms of stabilizing various land markets as the new areas are redeveloped with particular reference to existing residents. The development of an inner city land bank would provide such a vehicle. In summary, policy development is required at the municipal and provincial levels to fulfill the economic objective of public land banking. The recapture of the unearned increment and provision of affordable building lots require extensive policy development in view of the differences in the nature of the land banks as noted in Chapter 3 and the changing land market position of the provincial land bank.

4.234 Political Objective

The political objective is comprised of four main policy areas. The restriction of undesirable development; the innovation of socially desirable development; the provision of employment and as a revenue generation tool.

At the municipal level, the City has not developed its political objective outside of the intent of its program to facilitate private development of residential lands. In terms of restricting undesirable development, the City has assembled lands for public needs in certain areas of the City to guide development in a sense; however, no formal policy is developed in terms of guiding acquisition of lands for the future. This in part is a result of the City's inability to establish a direction for itself in the future including a position for its public land banking program.

The second policy area involves the innovation of socially desirable development. Examples such as densification of suburbs or the union of school and recreational sites provide opportunities for maneuverability within current land banking programming. Other examples such as inner-city land banking or waterways land banking provide opportunities which require policy development.

The third and fourth policy areas include the stimulation of provision of employment and revenue generation at the municipal level of government. The City of Winnipeg by nature of its public land banking program, establishes the opportunity for employment and revenue generation through facilitating the development of residential lands but has not developed policy in terms of relating the stimulation activity to the remaining objectives of public land banking. It tends to view its programming only in terms of facilitating development and establishing new revenue bases without consideration for its other objectives.

At the Provincial level, the Manitoba Housing and Renewal Corporation has been unable to address or develop policy in terms of achieving the political objectives of public land banking. The Province entered the Winnipeg land market to address the rising costs of building lots in the City of Winnipeg. The development of the Meadows West project was based on pressure to develop land immediately and was not part of any employment generation program. The description of policy areas is highly similar to the municipal level with the exception of the restriction of undesirable development and revenue generation. The restriction of undesirable development has not been developed in terms of land banking policy. The integration of the Manitoba Housing and Renewal Corporation and another arm of the Provincial government, Urban Affairs, has not been established to utilize the program as a tool in controlling or restricting undesirable development in the City of Winnipeg.

In terms of revenue generation, the policy area has not been developed in terms of financing the costs of carrying lands in the land portfolio versus stalling development of ripe lands in favour of supporting inner-city redevelopment efforts.

4.3 PROBLEMS

As part of the examination of public land banking programs in the City of Winnipeg, a section outlining current problems is included. The section is intended to describe current problems associated with the public land banking programs in Winnipeg as a result of the inability of the two levels of government to resolve issues and develop policy to provide direction for the programs. The organization of this section is based on the presentation of problems at the municipal and provincial levels of government.

4.31 LACK OF POLICY: CITY OF WINNIPEG LAND BANKING

The municipal land banking programs is based on facilitating the private development of residential lands within the City. The program is most successful in providing lands for public needs; however, policy is lacking in two main areas. Firstly, the program is without direction outside of facilitating growth on the periphery of the City. The program does not have policy to address direction outside of this particular activity. Policy areas relating innovative policy such as diversification of suburbs; combining school and recreational sites or the development of an inner city land bank to complement efforts to redevelop the inner-city are lacking.

Secondly, the program is without direction in terms of recapturing the unearned increment as lands are developed on the periphery of the City utilizing the publicly banked lands to ensure the provision of municipal servicing to the various sites around the City. The City undertakes the assembly of lands around the periphery area to facilitate the delivery of municipal services and derives the funds from a land reserve account under the City treasury. The monies appropriated to these accounts is funded from the general tax levy and thus is collected at a city wide scale. The essential point in describing this part of the policy problem is to point out the inability of the City to recapture the costs associated with implementation of the land banking program and the subsequent increase in the value of property accruing to the private owner.

In summary, the land banking policy at the municipal level is successful of ensuring that municipal services and public works sites are acquired in advance of development, however, the City does not address the problem of recapturing the costs of the program nor does it set a direction for the City in terms of controlling urban sprawl or inner-city development.

4.32 LACK OF POLICY: PROVINCE OF MANITOBA LAND BANKING PROGRAM FOR THE CITY OF WINNIPEG

The Manitoba Housing and Renewal Corporation's land bank is comprised of future residential lands held for development. The intent of the program was to provide affordable building lots and provide sites for public use within newly developing areas of the City. Outside of the Meadows West project, the province has suffered from a lack of policy to provide direction for its program as detailed in table 4.2

Beyond the lack of policy development problem at the Provincial level, is a series of problems associated with the lack of policy development. These problems are grouped in two distinct groups. Firstly, those problems associated with the landheld portfolio and secondly, organizational problems within the Corporation.

4.321 Problems Associated with the Land Portfolio

A second related problem related to the land portfolio was the change in the assumption of demand for developable lands in the City of Winnipeg. The original estimates of 820 acres per year were reduced to 350 for the City of Winnipeg. The changes in structure and makeup of population as denoted in Plan Winnipeg. As well, further reductions are possible as new

dwelling starts are shifted to the central city as a result of the Core Area Initiative Program.¹ The lack of ongoing policy development to recognize these changes has resulted in a land portfolio which is mainly comprised of lands not developable for at least twenty five years as denoted in 1984 Land Portfolio report. The lack of policy development at the initial stages of the program and continuing have resulted in the above problems which pose serious administrative problems.

4.322 Organizational problems within the Corporation

Two main organizational problems exist within the Manitoba Housing and Renewal Corporation related to the public land banking program as a result of the lack of policy development to include organizational instruments to administer the program. The first problem involves the financial management of the land portfolio with particular reference to carrying costs. The original acquisitions were obtained under Sec. 42 of the N.H.A., utilizing Sec. 42 CMHC debentures at 10% interest rates per annum. The current method of accounting is to capitalize carrying costs as part of the land parcel cost on a general ledger for the entire portfolio. The accounting treatment and changes in absorption times are a critical component in terms of managing the portfolio. As noted in 1984 land portfolio report, many parcels have a book value far in excess of current market values. The problem is attributed to the accounting treatment of capitalizing costs and the change in absorption time as a result of the decrease

1 McArtor, D., "Report on Provincial Land Banking", Manitoba Housing and Renewal Corporation, p. 16, 1978.

in developable acres. The exact value of each parcel is difficult to appraise, as new planning decisions reflecting the decision to construct municipal services adjacent to the parcel, significantly influence the market value of the property. The second organizational problem involves the limitation of staff and expertise in terms of administrative capacities. The time required for the development of a land bank is considerable. In discussing this problem with staff at the corporation, it became evident that a resource question was apparent in terms of staff time and quality. The program was administered under the managers of Real Property and Land Development who held many additional tasks as well. The organizational question is one of establishing a division staffed with a group of diversified backgrounds in planning, engineering and development administration.

4.4 SUMMARY AND CONCLUSION

Chapter four is an analysis of the issues, policy development and problems associated with the City of Winnipeg public land banking experience. The analysis is based on a summary of outstanding issues, existing policy development and problems associated with initiative since its inception in 1973. The major issues that were analyzed the elements of direction evaluation and coordination. The lack of direction issue is directly related to the inability of the three levels of government, especially the Provincial and Municipal governments to resolve their differences and to adapt and attain flexibility as entities within a new land management perspective. The inability appears to be a lack of strategy, professional knowledge and political will to attain a substantive type of change which was in part at the 'heart' of the provincial/federal initiative.

The second unresolved issue which formed part of the analysis was the lack or absence of learning feedback systems to supplement the open planning strategy which was associated with the provincial and federal initiative of trying to establish a public development base for housing. The systems would have been of paramount importance in assisting the entities in planning and implementing the provincial land banking program in the City of Winnipeg. It is clear, these systems were not developed.

The third issue is related to the lack of coordination between the three levels of government. The attempt to attain the degree of change as envisioned by the Provincial government, lacked a carefully structured coordination mechanism which would act to resolve differences through dialogue and also to generate information required for the initiative.

The second part of the analysis of the City of Winnipeg public land banking experience is comprised of policy development, implementation and the existing degree and level of policy. In analyzing the policy section, it was found that policy development was weak or absent and that the City and the Provincial housing corporation had not searched out a firm public land banking policy. Further, that policy which was developed was of a 'marginal' nature to support accepted uses of public land banking and were implemented in a 'minimalist' type of degree, which is especially reflective of the city's policy to assemble residential lands. The analysis of the policy section also notes the lack of policy and development strategy for the realignment and networking of the Provincial agencies as well as the inability to form and implement policy to achieve specific goals for public land banking. The neglect of the policy area is most likely attributed to the unwillingness, change or lack of support of the provincial

initiative and the inadaptiveness and inflexibility inherent in each situation.

The third section of the analysis is a composition of the current problems associated with the City of Winnipeg public land banking experience. The main problem areas included the lack of policy development, organizational problems in the corporation and problems with the land portfolio. The problem with the lack of policy development was the absence of a basis for providing and implementing a feedback system for continuous learning, as the housing institution ventured forward within the context of an open planning framework. Organizational problems in the Corporation were at the planning and management levels. The analysis uncovered a lack of planning systems for developing and implementing policy, lack of management systems to generate plans for annual, five year and ten year plans and the absence of administrative systems to evaluate and provide feedback on the initiative.

In reaching a conclusion from the analysis, it is most evident that issues associated with the experience were not resolved, due to the absence of a strategy to resolve them. As well, that policy development, implementation and design were seriously lacking and have negatively impacted the City of Winnipeg's experience with public land banking, due to a lack of understanding, unwillingness to adapt and perhaps a void of political support in each arena, particularly at the provincial and municipal levels of government. Lastly, the analysis points out the difficulties in the attempt to attain a substantive change within a well established framework of norms, values and processes.

CHAPTER 5: CONCLUSION

5.1 INTRODUCTION

As a basis for the beginning of the conclusion, a call is issued for the need to rethink the existing land management perspective in the case of the City of Winnipeg. The need to rethink the existing perspective is to identify the current concerns and problems with how land is managed in the City. Upon rethinking the perspective, a strategy for change, adaptation and revision may be developed which includes the past experience and appropriate uses of public land banking. The preceding thesis outlines the breadth of public land banking initiatives which form the City of Winnipeg public land banking experience. Noting that particular approaches to land banking to solve problems in existing land management perspectives are significantly different in Britain, Stockholm and Canada, it is interesting to note that despite these differences, they all share the common concern with the urban environment. The British and Swedish have gone much further in experimenting with public land banking and appear to have not met with great success. The Canadian experience was an attempt at a more 'substantive' use of land banking and appears to not have achieved success as well. The City of Winnipeg experience was comprised of two types of land banking programs, one being a 'marginal type' at the municipal level, the other being a 'substantive type' initiated at the provincial government level as an attempt to extend the public development base into the housing realm. The City of Winnipeg experience not only demonstrates the breadth of different programs but provides an excellent case for analysing the use of land banking. The following set of conclusions are a response to questions

raised from the examination of Winnipeg's land banking experience and are intended as a step toward establishing a future direction by learning from the past and recognizing the limitations, constraints and appropriate uses of land banking in the future.

1) What is the verdict or conclusion on Public Land Banking from the Study

In reaching a verdict on Winnipeg's public land banking experience, one must give consideration to the nature of the programs, the environment in which they are placed and the difficulties and constraints which are placed on a particular initiative. The City of Winnipeg's experience is comprised of two public land banking initiatives. The first, was a program initiated by the City of Winnipeg in the mid-sixties to negate some of the negative effects of private land assembly and development. The program is of a marginal nature and worked within a well established framework. The program was set out in a logical sequence, and steps were implemented to develop and support the program including policy and funding and the establishment of a division. The program was successful in meeting its stated objectives and continues to be a viable use of public land banking.

The second initiative was a program undertaken by the Provincial government as part of a federal initiative to establish a public development base for housing in Canada. The initiative was of a substantive nature and was not to be a part of the well established framework for urban development in the City of Winnipeg, but was part of an initiative aimed at creating a new land management perspective for the City of Winnipeg, outside of the current established framework and entrenched for land management in the City of Winnipeg.

From the case study and analysis it appears that the initiative was somewhat of a failure. The initiative was very broad and extremely well intentioned, however due to a number of reasons and constraints directly related to the initiative it appears to have failed. The goal in reaching this verdict is not so much intended to declare the initiative a failure, but to learn from the experience and to provide a 'step' in venturing toward a future direction for the use of public land banking in the city.

The following is a composition of reasons and sources explaining the ineffectiveness and failure of the provincial initiative.

- o breadth and degree of change and expectation that public land banking could solve many problems associated with the existing land management perspective
- o lack of strategy support and guide the adaptability and flexibility of the City and the Housing corporation in attaining a new perspective for land management
- o lack of support by the Provincial Planning Priorities Committee in response to political changes
- o inability to be flexible and adaptive in resolving differences at the Municipal and Provincial levels of government
- o lack of network for the Housing Corporation and like agencies, too much reliance on one institution to achieve such a change
- o Inability of the Housing Corporation to develop policy; planning systems and feedback systems as learning tools to support its open ended planning strategy
- o and the characteristics of the land bank, which is mostly comprised of lands that are to be developed over a long time horizon.

2. How well does land banking achieve broad objectives and the Policy areas as organized in the attached chart

As part of the conclusion of this thesis, an evaluation of how well public land banking achieves broad objectives and policy is included. The evaluation is based on a description of current policy and current use of land banking at the Municipal and Provincial levels of government.

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped
1.0 PHYSICAL OBJECTIVE				
a) Prevention of Urban Sprawl		X		
b) Preservation of Agricultural Lands		X		
c) Preservation of Natural Resources	X			
d) Diversification from Periphery Land Banking		X		

The Physical objective of land banking is comprised of the following policy areas: Prevention of urban sprawl; preservation of Agricultural lands; Preservation of Natural Resources; and the Reuse of Inner City Lands. At the Municipal level, land banking in its marginal state is used to ensure lands are acquired in advance of development. Public land banking is not implemented for the use of controlling or directing growth in the larger sense of planning.

The use of public land banking to protect agricultural lands and natural resources is non-existent. Provisions in the City's land banking policy are available for lands bearing a particular natural resource of 'interest' to the community, but as a rule public land banking is not used to protect agricultural lands or natural resources in the City.

Finally, the use of land banking for the acquisition and assembly of lands in the inner city is not currently a conscious policy. Lands have been assumed for various Neighbourhood Improvement Projects but the use is minimal and unstructured on a city wide basis.

The evaluation of Provincial land banking to achieve the objective and policy areas is directly related to the inability of the Housing Corporation to develop policy, implement and use land banking to achieve particular ends. With respect to the physical objective, the Province has not used land banking to achieve the objective nor has it developed any policy related to physical objective. The exception is the reuse of inner city lands, but a policy and program are not in existence as a guide to assist the proper redevelopment of those lands.

From the description of current design, implementation and use of land banking to achieve the policy areas under the physical objective, it is concluded that current uses of land banking are 'minimal' or undeveloped. Land banking has not been used to achieve substantial results in these areas, with the exception of the City's policy of assembling lands for public uses in advance of development, thereby attaining a sense of contiguous development.

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped
2.0 SOCIAL OBJECTIVE				
a) Provide lands for public needs				X
i) public works	X			X
ii) transportation	X			X
iii) schools	X			
iv) subsidized housing		X	X	
b) Reduction of Segregation by Economic Class		X	X	

The social objective of land banking is evaluated on the basis of the following policy areas: Provision of lands for public needs such as Public Works; Transportation; Schools; Subsidized Housing and a social goal of integrating various socio-economic groups in the city.

At the municipal level, land banking is used to provide lands for public uses. The design, implementation and use of land banking to achieve the objective is an accepted use and successful application of public land banking. This evaluation is of course, related to the 'marginal' nature of the program in satisfying its role under the existing system of land management. The use of land banking to supply lands for public housing and to integrate socio-economic groups is not presently developed. An evaluation of the social objective at the Municipal level is based purely on its use to supply lands for public purposes. At the provincial level, land banking is used to provide lands for social housing and has been used to achieve part of the socio-economic policy but on an extremely limited scale. The Province has only used land banking in several suburban subdivisions and in assembling lands at random for its various program.

From the description of current policy, implementation and use of public land banking to achieve social objectives, it is concluded that current uses of land banking are restricted to the 'accepted' uses at the Municipal level and to the use of land banking insofar as supplying lands for the housing corporations needs. The use of land banking to achieve the 'social objective' in terms of a 'new perspective' whereby community interests in land exceed individual interests as in the current perspective, is clearly non-existent.

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped

3.0 ECONOMIC OBJECTIVE

a) Recapture of unearned increment		X		X
b) Provision of Affordable Building Lots	X			X
c) Provision of Market Stability/Affordability		X		X

The economic objective of land banking is evaluated on basis of the following policy areas: Recapture of Unearned Increment; Provision of Affordable Building Lots; and the Provision of Market Stability and Affordability. At the Municipal level land banking is not designed, implemented or used to achieve specific policy areas to fulfill the economic objective. The Municipal levels of government obviously uses land banking to facilitate private development thus relying on the private market to provide the affordable lots and to rely on the market to attain a sense of stability/affordability. In terms of achieving a particular policy area under the economic objective, the City has not designed, implemented or used land banking to achieve any of the policy areas. At the provincial level, the housing Corporation has used public land banking to achieve some of the policy areas. Land banking is used to provide affordability of serviced building lots but on an extremely limited scale. The higher level policy of market stability and affordability has not been attained.

LAND BANKING OBJECTIVES	MUNICIPAL POLICY		PROVINCIAL POLICY	
	Developed	Undeveloped	Developed	Undeveloped

4.0 POLICIAL OBJECTIVES

a) Restriction of undesirable Development		X		X
b) Initiation of socially desirable development		X		X
c) Provision of Employment		X		X
d) Revenue Generation		X		X

From the description of current policy, implementation and use of land banking to achieve the policy areas under the objective, it is concluded that current uses of land banking are underdeveloped. Under this objective, it appears that public land banking could have been used extensively particularly to provide affordable building lots and in the provision of market stability and affordability. The lack of policy development at both levels of government is most visible in reviewing this particular use of land banking.

The political objective of public land banking is evaluated on the basis of the following policy areas: Restriction of Undesirable Development. Initiation of Socially desirable development; Provision of Employment and Revenue generation. At the municipal level of government, land banking is not used to achieve the first two policy areas but is used indirectly for employment and revenue generation. Land banking is used to facilitate delivery of public services to newly developing areas to ensure the maintenance of private development interests. At the provincial level land banking is not used to achieve the first two policy areas. The province has used public land banking as part of an employment initiative, in the 1978 'Homes in Manitoba Program', but no policy development is undertaken regarding the last two policy areas.

From the description of current policy, implementation and use of land banking, it is concluded that it has not been used effectively to meet the policy areas of the larger political objective, except within the existing 'system' to facilitate development of lands at the municipal level.

3. Where is land banking most appropriate and where other tools more appropriate? Where shouldn't land banking be used?

As part of the conclusion of this thesis, a conclusion where land banking is most appropriate and where the use is not appropriate is of unmeasurable value in formulating a step towards a future direction. The use of appropriateness in context specific, that is the use of land banking in a marginal context is different and separate from the use of land banking in a substantive context. As well appropriateness is directly related to the type and amount of lands developed or held as it provided the basis to attain change in a substantive context. The analysis clearly demonstrated that lands acquired were not on a short time horizon thus the 'appropriateness' of using land banking is duly effected. From Winnipeg's public land banking experience it is concluded that 'marginal type' uses of public land banking are appropriate. That is, uses such as land for public involvement in the provision of space for parks, schools and other public services, of which the municipal land bank is comprised. The 'substantive type' uses of public land banking appear to be less appropriate, although the conclusion is not to exclude the use of public land banking for a purpose of developing support for a public housing base. The conclusion is that it appears to have been a less appropriate use in the Winnipeg experience. This conclusion is based on the Winnipeg experience where land banking was used as a basis for addressing the problems of the current land management system. The use of land banking should not of been used in place of a comprehensive plan or a range of planning tools to address problems, but should have complemented these. Therefore in reaching a conclusion, the following arranged in priority,

appear to be the appropriate uses of land banking in the City of Winnipeg experience.

- o use of land banking to support the redevelopment of Inner city by developing a land bank for the reuse of land.
- o to provide lands for social housing and to integrate those uses with a range of housing choices.
- o to supply affordable building lots on the periphery as the Provincial land bank is absorbed.
- o to provide employment opportunities during periods of unemployment.

As detailed in the previous conclusion, it appears land banking has not achieved or been used effectively in addressing the many policy areas. Other tools such as Zoning, the betterment levy or the use of Comprehensive planning are more suited to the broader based problems in the current land management perspective. Zoning could be used more effectively to achieve the protection of agricultural lands or in the protection of natural resources, where as, land banking could be used to assemble lands for reuse of within the inner city under the physical objective. In terms of the policy areas listed under the economic objective, a betterment levy on tax appears to be a more effective tool to recapture the 'unearned increment' rather than a broad based use of land banking. Lastly, it is evident that the use of comprehensive planning to achieve a broad change in how land is managed is more appropriate than the use of a particular institution to acquire lands. Specifically, it is inappropriate to use land banking as an initiative for the development of a public base for housing, where the higher level of planning strategies are absent or unattainable.

4. What should be implemented for Winnipeg

As part of completing the conclusion a question is raised as to what should be implemented for Winnipeg. In view of the current experience with land banking and how to reconcile the past land banking initiative with the use of more recent planning initiatives such as Plan Winnipeg and the Urban Limit line.

The response to the question appears to fall into three components. Firstly, a thorough evaluation by the Provincial Housing Corporation, Urban Affairs and the Planning Secretariat should be undertaken to establish the uses of land banking and to rethink the original initiative to detail the problems, limitations, and constraints of using land banking in the City of Winnipeg. The second component involves the draft of a land policy for the corporation as an institution on how to use the existing land resources to undertake the task of developing a base for public housing. From the case study, it appears this process was absent and has contributed to the ineffectiveness and subsequent failure of the initiative. Further as part of the second component, an evaluation and management system should be developed and integrated with the existing program to provide a vital feedback system for policy making.

The third component involves the reconciliation of the initiative with the more recent use of planning initiatives such as Plan Winnipeg and the Urban limit line. As detailed in the analysis, several parts of the existing land bank are currently unuseable at the present time, because they run counter to the goals of Plan Winnipeg and like initiatives. The use of land banking with more recent initiatives may also suggest further appropriate uses of the instrument such as inner city land banking to aid in the current redevelopment efforts under the Core Area Initiative.

5. Who should implement for Winnipeg

The question of who should implement a response to the past land banking initiative is directly related to the origin of the initiative. The City of Winnipeg was not a direct contributor to the substantive initiative but nonetheless should be made part of the broad implementation of a response. Clearly, the implementation of the response as detailed in the previous conclusion should be undertaken by the Province. Being that the province was the main thrust behind the land banking initiative in the City of Winnipeg they should take responsibility for the design, implementation evaluation and revision of the initiative. The question of which provincial agencies should be included must also be addressed. They are, the Planning Secretariat, the Housing Corporation and Urban Affairs.

6. What is the future of land banking in Winnipeg

The final part of the conclusion is a look into the future to predict the successes or failures of using land banking in the City of Winnipeg. The Winnipeg experience was comprised of two land banking initiatives, which have to be dealt with separately in order to properly assess the possible success and failure in the future. The municipal land banking program which operates within an established perspective will continue to secure lands strictly for public uses which are currently accepted. The use of land banking in this way, will be a continuous type of marginal innovation. The Provincial land banking initiative which forms part of Winnipeg's land banking experience, has not been developed to such an extent to achieve a substantive change in the way land is managed in the City. The recognition of past failure, the delineation of appropriate uses

of land banking and an implementation plan have been proposed to deal with the past initiative and to provide a step toward a new direction in the future. Whether the willingness, acceptance and ultimate successful use of land banking occurs outside the established perspective for land management in Winnipeg is uncertain. It appears from the past experience, that to develop a public base for housing as part of new perspective is a broad initiative and the degree of change has not come to 'fruition'. The future of land banking will ultimately lie with the learning capacity of the 'agencies' and whether the will, support and past experience can be synchronized to achieve 'change' in the way land is managed in the City of Winnipeg.

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