Planning for Economic Development: A Social Justice Approach

by

Alex Henderson

A thesis submitted to the Faculty of Graduate Studies of the University of Manitoba in partial fulfilment of the requirements of the degree of

MASTER OF CITY PLANNING

Department of City Planning
University of Manitoba
Winnipeg, Manitoba

ABSTRACT

I begin by asking the question: *what are socially just forms of economic development*? In an era where the inequality of wealth is extreme, it is imperative for planners to understand the philosophical literature about social justice, especially as it pertains to economic development. I attempt to show how 'socially just economic development' is possible, in a capitalistic context, when planning works toward increasing the equality of capability for the least advantaged. I posit that this kind of socially just economic development can happen when social enterprises or mainstream businesses are encouraged to locate near to and hire from disadvantaged neighbourhoods. The problem with contemporary urban economic development is that most centres of employments are planned in places that are only truly accessible by people who own vehicles. The other issue is that older and outmoded areas of employment, which are typically closer to less advantaged inner-city neighbourhoods, are often subject to pressures from residential redevelopment or competition from newer employment centres. In addition to this, the role for alternative inner-city employment, such as social enterprises, is not always properly understood. My thesis contains an empirical portion that involves scenario planning. A scenario planning exercise was conducted with stakeholders in the North End and Point Douglas in Winnipeg. The scenario planning yields insights into possible neighbourhood changes that might occur over the next twenty years. These findings are meant to give context for developing planning policies that could produce more socially just outcomes in these neighbourhoods.

ACKNOWLEDGEMENTS

I would like to express my gratitude to Dr. Richard Milgrom as my thesis advisor. Throughout this process I have been made keenly aware of how busy life is for university academics, especially for those who also serve as Department Head. In spite of that, you have given your time to help me get to the stage of completing this thesis and for that I am truly thankful.

My committee members Dr. Stacy Harwood and Dr. Shauna Mackinnon are both experts in their fields. They nevertheless shared their time and wisdom with me to help me understand scenario planning or inner city issues. Committee members like these deserve high accolades for the help that they freely offer to graduate students.

TABLE OF CONTENTS

TABLES

FIGURES

LIST OF COPYRIGHTED MATERIAL FOR WHICH PERMISSION WAS OBTAINED

1. INTRODUCTION

1.1 Statement of Purpose

My primary goal with this thesis is to understand how planning for economic development can be an exercise of social justice. It is about applying a philosophy that guides actions and values to planning practice. I mean to promote how economic development can have a significant positive role to play in advancing the cause of social justice. The spirit of this thesis is meant to be in line with what Rosamund and Benjamin Zander (2000) call "the art of possibility" (2000). I try to avoid offering yet another critique of mainstream economic development practices; I want to explore a realm of alternative possibilities. Critique is not meant to be the central contribution of my thesis.

This does not mean that I shy away from critique in this thesis. The *modus operandi* of mainstream economic development and planning practices, at least around Winnipeg, Manitoba, warrants critique. Aside from many real problems with hiring practices, the provision of a living wage, and reasonable working hours, I argue that one of the biggest social problems with mainstream businesses is that they are continually enticed to (re)locate to commercial areas and business parks that are planned ever-further afield from central city neighbourhoods. I argue that most planning done for the sake of economic development in this city and region primarily benefits an already financially stable segment of the population which can afford personal automobiles. I base this critique on the location of newly developed employment areas and their relative distance to lower income neighbourhoods, and typical commuting patterns of residents of lower income neighbourhoods in Canada (National Household Survey, 2013a). Planning and mainstream economic development practices typically ignore the need for easily accessible employment by the least advantaged in this city.

There is often a sharp divide between the values of mainstream and alternative economic development practitioners. It seems that proponents of mainstream economic development[1] primarily value large-scale effectiveness, significant revenue opportunities, an export-focus, and staying ahead of future trends (Shindleman, 2012). Proponents of alternative theories of community economic development (CED), on the other hand, primarily value small-scale decentralization, localization, and social justice (Loxley, 1981). In this thesis, I recognize that mainstream economic development can be faulted for being too focused on sectors which export goods and services and for being disinterested in the least advantaged segment of the population. Attempts at community economic development can also faulted for setting sights too low. From my perspective, there are merits to both of these critiques. One problem for planners and practitioners of economic development is to discern which theory and attendant set of tools to use. Each suggests very different courses of action to strengthen local and regional economies.

In any case, a planner or practitioner pursuing social justice through economic development will be trying to find ways to create and maintain good jobs for disadvantaged people. This certainly is my own underlying research problem. It may be tempting though to think that socially just economic development is purely a matter of creating jobs for disadvantaged people. It cannot, however, be separated from the philosophies and ideologies of politics and economics. Social justice as a concept is an inherent part of these non-technical and speculative subjects. Interpretation is essential. That is why this thesis explicitly uses a moderately liberal Keynesian interpretation of social justice as applied in economic development.

[1] By contrasting practitioners' theories of economic development between 'mainstream economic development' and 'community economic development' it does not imply that all theories of economic development either align with one or the other. Indeed, some would challenge this thesis' use of the term 'mainstream' to describe the once much more dominant export-led theory of development.

In order to understand the role for economic development to advance the cause of social justice, I ask three preliminary questions. The first question is: what framework of social justice will be most agreeable and applicable to the purposes of economic development? Many interpretations of *social justice* deal with the concept of equality in some manner. I argue that since equality is seemingly a universal theme of social justice, taking the position that equality is the central component of social justice will resonate with many people. If this idea of social justice can more easily resonant with many people it can be assumed that it can more easily be applied in society. With this thesis, I endeavour to explain the different schools of thought on the meaning of equality in social justice as it would apply to urban economic development. I then suggest which is the most useful interpretation based on the notion that the different interpretations of equality are not all immediately implementable given the current structure of society.

The second question is twofold: are social enterprises are a worthwhile form of community economic development? And, if worthwhile, what can be done to propel new social enterprises to start and others to grow larger? My empirical research will address the latter question by means of directly asking representatives from social enterprises and then inferring from their discussions how to best prepare for possible future scenarios. I also ask questions of the academic literature to see if a case can be made to support social enterprise's unique role in economic development.

The third question is how can mainstream businesses be encouraged to locate in disadvantaged inner city neighbourhoods? This question is addressed in empirical research with select owners of businesses in the North End and Point Douglas as well as through my literature review.

My fourth and central question also has two parts: what future economic changes will affect these neighbourhoods in the next twenty years? And what are the social justice ramifications of different future scenarios? In order to do this I interview social enterprise stakeholders, business owners, real estate developers, housing non-profits, and economic development practitioners. I also create a neighbourhood analysis and an economic outlook to get a clear sense of the geographic area and current trends. Using the data from these sources, I create future scenarios for each neighbourhood. The ultimate goal of the scenario planning exercise is to allow local decision makers and the community to anticipate future employment transformation in these disadvantaged inner city neighbourhoods and hopefully, in doing so, help them plan for economic development in a more socially just manner.

1.2 Significance of Project

One of central underlying questions of my thesis is philosophical: what are socially just forms of economic development? The reason this question is pertinent, especially in recent history, is because this is an era in the developed world where the inequality of wealth is getting extreme ("Speed Bumps Ahead", 2012). Planning has been critiqued by many as an instrument of capitalism (for examples see: Sager, 2011 & Harvey, 2008). In order to counter this, planners, especially those in economic development, should understand the literature surrounding social justice in planning. By understanding and advocating for social justice in urban economic development, planners can avoid having their work discredited by others as being simply a tool of a morally bankrupt capitalistic society. This thesis, therefore, might serve as a resource or guide to ethical strategies for those in the professional practice of economic development and city planning.

The scenario planning exercises that I use might also assist the businesses and social enterprises in thinking about and planning for different possible futures in their neighbourhoods. The scenarios may help them start to think of long-term business strategies.

1.3 Background

Apart from the fact that I reside in Winnipeg and am familiar with its geography and society, it presents a clear example of a city with a definitively poorer inner city neighbourhood that is close to a central city that has lost many lower-skilled jobs. My main area of focus is the commercial and industrial zoned property in the North End and Point Douglas neighbourhoods[2] (See Map 1.). In the 2011 National Household Survey, the North End of Winnipeg showed the largest cluster of poverty compared with all other inner city neighbourhoods (National Household Survey, 2013 b). The same survey shows that Point Douglas is much better off but this is only indicative of the recently changing nature of a once poor-only neighbourhood (City of Winnipeg, 2014 b). Both can still be considered economically less advantaged areas. For this reason, I feel that these neighbourhoods of Winnipeg, in particular, are good candidates for which to explore the possibilities of economic development as it pertains to the social *injustice* of spatially segregating jobs away from inner city neighbourhoods.

[2] In this thesis I consider the North End a *neighbourhood* though it is not an officially a City of Winnipeg neighbourhood. The official City neighbourhoods that I define as the North End largely consist of the official neighbourhoods: Lord Selkirk Park, Dufferin, Dufferin Industrial, Burrows Central, William Whyte, Inkster-Faraday, and St. Johns Park. The neighbourhood I refer to as Point Douglas is largely the two official City neighbourhoods known as South Point Douglas and North Point Douglas. I particularly focus on the industrial and commercial zoned land in these two areas, as highlighted on Map 1.

Map 1. North End & Point Douglas Map. Permission granted by R.W. Sherby, G.L.I.S. Administrator, 8/11/2014.

New research shows that there is a growing suburbanization among some segments of the poor population in North America (Raphael & Stoll, 2010). Some planners assume that this as a positive trend for employing the poor and would like to create measures to continue this process through promoting car ownership schemes or the sprawl of low-income housing among the job-rich suburbs (Fan, 2012; Ong, 1995). In this thesis, I do not discount the value of these approaches but do not dwell on them at any length, either. I feel it is also sufficient to limit my geographic focus to two disadvantaged inner city neighbourhoods in Winnipeg, where poverty is still largely concentrated in the core area.

1.4 The Social Economy in Manitoba

Winnipeg and the province of Manitoba provide a welcoming political, intellectual, and institutional framework for community economic development (CED) initiatives like social enterprises. Manitoba is nationally known for its significant *social economy* sector. This is partly

due to policies implemented under New Democratic Party governments that have had large lobbying constituencies highly supportive of CED (Loxley & Simpson, 2007). Under the large umbrella of the social economy there are sub-sectors in the province that support the principles of CED. They include community development organizations, credit unions, cooperatives, as well as other types of social enterprises.[3]

Researchers have determined that these 'other types' of social enterprises provided $25 million in wages in Manitoba in 2010. The same researchers estimated that this potentially saved the Province somewhere between $211-264 million in costs related to unemployment as 90% of social enterprise employees come from under-served or disadvantaged demographics (O'Conner et. al, 2012). In economic terms, cooperatives generate a much bigger impact in the province. The largest single cooperative is the Red River Co-op with 123,000 members earning $200 million a year through its retail gas stations. All credit unions in Manitoba together have a combined membership of 525,000 members with $11 billion in assets – a significant figure considering that the province only has a population of 1.2 million (Loxley & Simpson, 2007).

While cooperatives and credit union represent a significant proportion of the community economic development initiatives in the province, I focus here on the much smaller social enterprise sector for a few reasons. While cooperatives and credit unions promote the principles of community economic development, they do not necessarily act differently from their mainstream counterparts in their approaches to determining business locations or in making hiring decisions. Only the more CED-attuned Assiniboine Credit Union, for example, made the

[3] In this thesis, I make a distinction between cooperatives, generally, and social enterprises. A social enterprise may or may be a cooperative and a cooperative may be a social enterprise. However, I make a distinction based on the notion that 'social enterprises' typically base hiring and location decisions on criteria of social justice and/or have a social cause or a parent non-profit organization that they are supporting. Some cooperatives in Manitoba do not do this.

intentional decision to open new branches in inner-city neighbourhoods at a time when all other financial institutions were leaving (ACU, 2011). Most other credit unions and large-scale cooperatives in Manitoba do not practice this kind of alternative business-location decision making. In contrast, social enterprises are defined by their hiring and location decisions (European Commission, 2013). Social enterprises typically base decisions on criteria of social justice for the benefit of disadvantaged people and neighbourhoods. That is why I primarily focus on social enterprises as opposed to both social enterprises and cooperatives. Social enterprises routinely promote the central themes of this thesis regarding hiring and location decisions whereas cooperatives may not.

1.5 Employment Centres in Winnipeg

As in virtually all other major North American cities, Winnipeg's employment geography has been radically transformed due to changes in society in the last half-century. Most significant among the changes are 'ecological factors,' "modern advances in transportation and communication technologies have reduced the advantages of physical proximity and made compactness unnecessary for conducting many of today's economic and social exchanges" (Kasarda, 1995 p. 226). As the drawbacks of central city locations became apparent, it became more feasible to move industries to the suburbs. There were increasing costs associated with high density including: congestion, high rent, loss of privacy, and the need to replace aging 19th and early 20th century infrastructure. The Exchange District in downtown Winnipeg is a perfect example of this – de-industrialized due to changing 'ecological factors.' The Exchange District has a new life now due to high-end condos, luxury retail, and entertainment venues.

Industry in Winnipeg is still enticed to move further afield with the Municipal, Provincial, and Federal Governments' latest efforts to spend hundreds of millions of dollars to subsidize and

develop a massive 2000 acre 'inland port' near the James Armstrong Richardson International Airport, partially outside of the city limits. The inland port is dubbed CentrePort and its website highlights the ecological factors that should entice modern industry to locate or expand operations into this particular area (CentrePort, 2012). The advertised features include: special free-trade zone exemptions; plentiful cheap land; access to a large semi-trucking industry in Winnipeg; uninterrupted access to a newly created four-lane highway; two planned rail intermodal facilities; and immediate proximity to the 24-hour international service airport. CentrePort seems to be trying to appeal to the needs of current industries for flexibility and greater international reach in a fast-changing and globalized world. In many ways it illustrates mainstream economic development theory that, as stated before, emphasizes large-scale effectiveness, significant revenue opportunities, a focus on exports, and the ability to adapt to future trends quickly.

The legislated mandate for the CentrePort Development Corporation includes participating in consultations with the community, private investors, and government; participating in planning processes; marketing the inland port; and promoting port sustainability (*The CentrePort Canada Act* S. 3). In no part of its mandates is there any mention of increasing employment opportunities for the people of Winnipeg and the Capital Region, let alone the least advantaged. It is certainly expected that employment will be created, but the fact that it is not explicitly mandated indicates that there is little thought as to *who* will be employed at CentrePort. Unfortunately, inattention to questions of who benefits (and who does not) is all too typical of mainstream economic development practice. As this exercise in mainstream economic development attempts to attract even more jobs to the edge of the city and beyond, non-driving,

lower income people in inner-city neighbourhoods like the North End will be excluded from sharing in much of the future employment opportunities.

1.6 Assumptions and Limitations

My most important underlying assumption is that the location of places of employment significantly impacts the potential for less advantaged people who do not own personal vehicles to access employment opportunities. It is assumed that greater the distance someone has to travel to work, the fewer transportation options they will have to get there. It seems self-evident that when a place of employment is short distance away people can more easily walk, bike, or take transit. If the place of employment is a moderate distance away, then fewer people may be able bike and walk, transit may be reasonable on certain schedules, and driving is still possible. If the journey is long, then commuting by transit can become quite inconvenient, requiring multiple transfers, and make many jobs with shift-schedules untenable. So when new business parks like Centreport are planned far outside city centres to gain full access to freight transportation networks, or possibly avoid clashes with existing residential neighbourhoods, they invariably exclude people with fewer options for transportation.

I intentionally avoid a plethora of potential questions about transportation behaviour. It is admittedly a limitation of this thesis. This would require too large of a scope and would demand a thesis-worth of attention on its own. I am convinced, however, that even a causal researcher will find a significant amount of literature and data which will support my basic assumptions in these subjects. Indeed, data from the National Household Survey of Canada and elsewhere has already pointed to the fact that residents of lower income neighbourhoods commute more by

walking or cycling (NHS 2013 b[4]; Plaut, 2005). Researchers from the U.S. have also shown that transit commute times to work can be so long for low income people that it practically restricts access to newly established employment areas (Shen, 2007; Shihadeh & Ousey, 1998). Added to this, there is also US research from the 1990s with a thousand female welfare recipients who owned vehicles and it showed that they had higher rates of employment compared to recipients without vehicles (Ong, 1996). The researcher attributed this fact to their abilities to conduct a geographically broader job search in auto-oriented American cities. In any case, this thesis is not about analyzing employment and transportation behaviour or public transit policies; it relies on the pre-established notion in academic literature that physical proximity to places of employment helps those without personal vehicles to have access to more job opportunities. It is on this assumption that I build the case for this thesis.

A second major limitation of my thesis is that I do not determine whether certain kinds of jobs actually help people in a socially just manner. It seems obvious to say that good quality jobs offered to low-income people will better increase their equality of opportunities. An important question then is: do low pay, low quality jobs also increase the equality of capabilities, if even slightly? Are low income individuals actually hampered and stagnate in terms of social mobility because of low wages, long hours, no/low skills training, and no benefits? Social researchers have criticised the notion that low paying jobs lead to greater social mobility or long term employment (Stewart, 2007). Single mothers, for example, often find that low paying jobs are unhelpful because they are then forced to pay for expensive childcare (Mackinnon, 2014). Others argue that even though people with low paying jobs struggle, they will still be better off than their counterparts who are only on welfare (Jackson, et. al., 2000; Morgan, 2012). It appears,

[4] This data is inferred for Winnipeg by looking at the same patterns in other major Canadian cities and the 2006 census (City of Winnipeg, 2014 b).

therefore, that there are serious questions to be raised about the quality of a job in any discussion about socially just economic development and, at the same time, I do not have the scope for which to delve into this issue very deeply.

My third limitation is directly related to the discussion about job quality. My thesis is limited by its focus on jobs in social enterprises and the private sector and not public sector employment. Public sector employment tends to be higher paying and offer greater opportunity for social mobility. It is argued that if governments made an effort to hire for public sector positions from people in less advantaged neighbourhoods, it would result in an increase in consumer spending in those neighbourhoods and make them more attractive places for businesses (Mackinnon, 2014). There could be many complex issues involved that might make governments loath or willing to do this. It is worthy of further research but beyond my scope in this thesis. Instead, I limit my focus to the private sector because it is the larger employer in Manitoba (Statistics Canada, 2014). I also focus on social enterprises because, unlike the public or mainstream private sectors, they are known for their ability to hire people who would otherwise have barriers to employment.

Fourthly, my thesis makes an assumption that businesses located in a less advantaged neighbourhood will actually hire low-income individuals from that neighbourhood. If inner city companies hire few if any people from nearby low income neighbourhoods then it undermines a central premise of this thesis. The Institute for a Competitive Inner City (ICIC), based in Boston Massachusetts, analyzed US census data to show that people from typical inner cities in America fill about 22% of all positions in the inner city, 11% in the rest of the central city, and 3% in the metropolitan region outside of the central city (Lynch & Kamis, 2012). This means that people

from inner cities mostly find their jobs in immediate or nearby neighbourhoods.[5] That said, a study undertaken by ICIC in West Louisville found that an entire economic cluster in a disadvantaged neighbourhood hired very few nearby residents (Morgan, 2012). So it depends on any particular situation. My thesis will, in a limited fashion, attempt to confirm the underlying assumption that employers do hire locally by simply asking each research participant from the mainstream businesses and social enterprises whether they hire from the inner city of Winnipeg and why. It is not within the scope of this thesis to look at what percentage of employers in the North End or Point Douglas hire from nearby neighbourhoods, though it is a relevant consideration and worthy of further research.

Fifthly, this thesis is limited in that it does not address other barriers to employment, other than distance, for less advantaged people in inner cities. Barriers to employment which have been highlighted through social science research include: psychiatric, learning or physical disabilities, criminal records, illegal drug abuse, alcohol dependence, health issues, and racial prejudice (Turner, Danziger, & Seefeldt, 2006; Rown, Spencer & Deakin, 2007; Razzano & Hamilton, 2005; Blitz & Mechanic, 2006).

Racial prejudice is a particularly a problem in Winnipeg. This city has the largest number of urban aboriginals in Canada (Aboriginal Affairs and Northern Development Canada, 2014). The city's indigenous community is also routinely forced to deal with the ongoing effects of colonization and racism in many aspects of life, including employment (Mackinnon, 2014).

Other barriers to employment include a lack of subsidized day care for single mothers, unstable housing situations, and lack of educational attainment or job readiness training. The

[5] Despite the difference in national context, it can be safely assumed that this would also generally be true of Canada which has a similar pattern of urban geography.

problems of underemployment in disadvantaged neighbourhoods, therefore, cannot be solved by only encouraging businesses to locate nearby and supporting social enterprises to grow. In this thesis I recognize planners working towards socially just economic development must be part of a larger coordinated effort among many players.

Lastly, while this thesis uses scenario planning as its research method, it is not necessarily fair to equate the work I have done with other scenario planning projects that are largely driven by the community — the people who the scenarios directly impact. That is, I was unable to do the same level of community engagement in my scenario building process as other professionals planners who have been involved in making scenarios closely with communities over much longer periods of time (see for example, Harwood, 2007). My only community engagement comes from interviewing a dozen stakeholders in the North End and Point Douglas' mainstream business, social enterprise, economic development, real estate development, and housing non-profit sectors. With the limitations of writing a masters-level thesis, I had to work largely alone to compile research data and to interpret this data to build the scenarios myself. This is by no means an ideal way to create scenarios. The results have been most certainly been shaped by my middleclass privilege. This last point is important to remember because my aim with scenarios is to envision possible futures of two lower class neighbourhoods. The scenarios therefore may be prone to some inaccurate assumptions.

2. LITERATURE REVIEW

2.1 When is Economic Development Socially Just? – An Analysis of Philosophical Approaches

2.1.1 Introduction

Contemporary city planning and development finds itself deeply embedded in the processes of global capitalism (Allmedinger, 2002). Global capitalism, or *globalisation*, is a transnational process of cultural, social, technological, and political, exchange and assimilation. It is also a process of increasing economic liberalisation which removes trade barriers and subsidies, deregulates industries and foreign investment, intensifies competition, encourages multi-national sourcing for manufacturing, increases the sizes of potential markets, and allows for the formation of hugely powerful multinational corporations. The liberalisation of the global marketplace is primarily seen as a boon for economic development among powerful international organizations, such as the International Monetary Fund (2013) and the Organization for Economic Cooperation and Development (2013). These organizations claim success for liberalism's role in the economic development and poverty reduction of nations like China and India, effectively reducing levels of international income inequality (The World Bank Group, 2013). Others like Richard Freeman (2011) and Kentaro Toyama (2008) point out that while global capitalism has helped bridge the gap between rich and poor countries, inequality is still a growing problem *within* most countries. That is, when the data compares developed and developing nations, it confirms that they become more equal as global capitalism has progressed, but when examined individually, most nations have developed more stratified societies with increasingly unequal incomes over the last thirty years (Suter, et. al., 2013).

Economists argue that the main reason to pursue any economic development initiative should ultimately be the reduction of poverty (Musoke, 2010). City planners pursuing economic

development to reduce poverty in their cities and districts will encounter the forces of globalization and liberalization. Bish Sanyal (2002) infamously encouraged planners to deal with these forces as if they are normative. However, he does not insinuate that globalization and liberalization are wholly positive, just that they are inevitable: "Not only that the volume of [international financial] flows has increased, so has its volatility, creating chronic uncertainties and uneven distribution of benefits" (p.xx). He says modern globalization is intensifying, growing more complex, prone to instability, and even causes inequality. He balances these points by saying: "...planners appreciate the potential for growth, development and modernization which globalization offers" (p. 118) – that globalization is also good for economies and is, therefore, good for the people in those economies.

Sanyal (2002) sees globalization as a force responsible for some rather ambiguous results. Some schools of thought within academia, he suggests, naively embrace or reject globalization outright, and planning theory ill-equips planners to ethically navigate through such a complicated subject as globalization (p. 119). Sanyal's remarkable response is that the task of the planner, therefore, is to abandon preconceived principles and a clear code of conduct. He says planners must find a good compromise between the diverse interests at stake in the process of globalization.

Arguably, Sanyal's ethical approach is problematic. He rejects ethical theories as a means to deal with the dilemmas caused by globalization but still holds out for the possibility of planners making "good" compromises. This raises questions about of how one may evaluate the 'goodness' or 'badness' of a compromise without first subscribing to an underlying system of values. In a world where the outcry for economic justice is increasingly serious, Sanyal's suggestion of compromising with globalization seems rather tepid and unsatisfying. The idea of

deliberately seeking compromises seems inappropriate when the moral stakes are placed so high. This is why one of my central questions in this thesis is: what framework of social justice will be most agreeable and applicable to the purposes of economic development?

This literature review analyzes different theorists from the fields of planning, geography, sociology, and economics. Each writes about economic development and city growth/transformation in different ways but each seeks a just approach to these processes. The first author, Amartya Sen, is an economist and philosopher. Sen writes from a very moderate liberal perspective about economic development and seeks to broaden the understanding of development so that it is socially just. His liberal views on development should be differentiated from 'neo-liberal' thinkers who promote a *laissez faire* form of economics. Sen can be considered more of a Keynesian economist, as he places enormous importance on the role of government intervention in economic development. The second author, David Harvey, is a socialist political economist and a philosopher. Harvey writes from a Marxist perspective about urban development and in this too he envisages what could be a just society. Though they say very different things about ethics, both authors' conception of justice can ethically inform planners pursuing economic development in a context of globalization. The third author, Susan Fainstein, is a planning academic. She brings together many of the conclusions of Harvey and Sen and applies them to her multifaceted ideas of socially just economic development.

2.1.2 Sen's Moderate Liberal Approach

Amartya Sen's (1992) conception of justice is heavily influenced by the work of the liberal political philosopher, John Rawls (1921-2002). Sen says: "it would be difficult to construct a theory of justice today that would not have been powerfully influenced by the illumination

provided by Rawl's deep penetrating analysis" (p. 36). He suggests that contemporary political philosophers must work within Rawls systematic vision or explain why they do not. Sen is a philosopher who falls into the former camp, he holds true to much of what Rawls said. He raises questions of the analysis but he adheres to Rawls' overall goal of a democratic order characterized by fairness, equality, and individual rights.

Rawls (1971) put forward a kind of social contract theory in which people imagine they are structuring the primary conditions of society but do not know what kind of people they are. In such a situation, Rawls says, rational people would choose to organize the 'primary goods' of society in such a way that the least advantaged are in the best possible situation – as the chance exists that they 'are' in the least advantaged group (p. 125). Sen (1992), however, disagrees with some of the rationale Rawls employed, arguing:

> Equality of freedom to pursue our ends cannot be generated by equality in the distribution of primary goods. We have to examine interpersonal variations in the transformation of primary goods (and resources, more generally) into the respective capabilities to pursue our ends and objectives (p.87).

Sen's modification to Rawls' theory of justice is to change the equality of freedom from solely focusing on means to also include end results. That is, Sen believes there is a more accurate way of examining the equality issue by recognizing there are different kinds of capability needs between people. He believes that justice is *equality* of freedom in society and that this requires equal capabilities (Sen, 1992 & 2009). Sen argues that Rawls wrongly makes non-interference and negative liberties the ultimate principle in his theory of justice. Sen's theory of development and justice is much more in line with a Keynesian interventionist framework (MacKinnon, 2013). Meaning, he stresses the importance of government involvement to mitigate social

problems like unemployment. Sen, like Rawls, is still very much a liberal philosopher though because he holds that there is special importance to be given to individual negative liberties.

If principles of justice can be derived from liberal thinking and applied to an example of urban economic development, then negative liberty may mean that individual downtown business owners ought to be protected against utilitarian economic arguments that advocate for their displacement as part of some 'greater good' of downtown renewal. Tore Sager (2011) has argued that this is the very kind of rationale that planners often use in our neoliberal, business-focused municipal environment.

Sen's ideas about economic development and social justice follow from his conception of how freedoms and capabilities relate to development. In *Freedom as Development*, Sen (1999) writes: "In this approach, expansion of freedom is viewed both as (1) the *primary end* and (2) the *principal means* of development" (p. 36). By "freedom," Sen means the capability to avoid things like starvation, undernourishment, and morbidity, as well as to have choices associated with education, meaningful roles in political participation, and freedom of speech. He defines *development* as a process of expanding freedoms that enrich human life. This definition of development is distinct from many who tend to define it solely in economic terms.

Sen (1992) argues that viewing development purely in economic terms makes for wrong-headed goals, despite the often obvious correlation between increased incomes and increased living standards. He refuses to view GNP or income sizes as adequate measures of development because he believes they are too narrow – they fail to grasp how cultural and individual differences come into play and to see how capability needs are different. He explains: "In the income space, the relevant concept of poverty has to be *inadequacy* (for generating minimally acceptable capabilities), rather than *lowness* (independent of personal characteristics)" (p. 111).

According to Sen, income levels play a part in alleviating poverty, and thus development, but only insofar as they provide people with the minimally acceptable capabilities to accomplish this. Unlike Marxist philosophers who are committed to a complete redistribution of wealth, he says: "...the causes of the persistence of hunger in rich societies cannot be fully understood if we confine our attention only to the size of incomes" (p. 114). He uses the example of the inner city poor of the U.S. to show how his capabilities perspective helps explain this phenomenon (p. 114). This he illustrates with the situation where a person in the lowest income bracket in the US may make more than an average Bangladeshi, but it is the American who faces more food security problems. Sen points out that people in the US require more income for the capability to buy the right amount/kind of food to avoid malnourishment. This, Sen says, shows how different levels of income may achieve the same capability, that of being able to avoid malnourishment. He concludes that income certainly plays a part in all development but it, like many other things, is needed in different amounts by people in different contexts – it is not necessarily about an equality of incomes. This is why the goal of development for Sen is maximizing capabilities rather than maximizing incomes or the GNP.

In Sen's analysis, capability is a far more accurate determinate of development given that capabilities are always the factor in deciding whether or not people have proper nutrition and access to healthcare. Jane Samuels (2005) applies Sen's ideas about development and justice theory to her framework of socially just urban development. She advocates Sen's belief that citizens need freedom and capabilities to achieve development. She lists five potential "instruments of freedom" that give greater capabilities to city dwellers: political freedoms, such as the rights against eviction; economic facilities, such as access to markets, training and transport; social opportunities, such as proximity to schools, stability of dwelling, and safe

neighbourhoods; transparency guarantees, that allow civil society participation in zoning and major public works; protective security, such as the provision of shelters in the case of a natural disaster (p. 8). These categories use Sen's ethical and developmental theories to expose the potential constraints on freedom which poor city dwellers often face. The conclusion of Sen's and Samuels' analyses for city planners is that, producing environments that remove the capability constraints of all city dwellers, could help create a more just city.

2.1.3 Harvey's Marxist Approach

David Harvey's conception of justice in urban development is fully conditioned by the socialist economics and philosophy of Karl Marx and it picks up on some themes of Marxist, Henri Lefebvre's the *Right to City*.

Harvey adopts Marx's notion of ethics as being a subject which cannot be separated from the lived realities of people. As Donald Palmer (1988) summarised: "Marx...argued that all change must begin at the level of material configurations" (p. 268). Marx was a critic of Western philosophy and its tendency to promote and argue about ideas of justice without addressing the lived reality and its unjust structures. One of Marx's (1845/2002) most famous quotes refers to this very concept: "The philosophers have only interpreted the world in various ways; the point, however, is to change it" (para. 11). This emphasis on real life and its structures is what made Marx a *materialist* philosopher rather than an *idealist* who emphasizes ideas. Harvey picks up Marx's materialist ethical framework applies it directly to observation of the built form of cities. For planners listening to Harvey, it is useless to theorize about justice in the city without acting on it. It also raises serious questions about the pursuit of a concept of socially just theory of urban development. In Harvey's (1988) words: "[Marx] deals with how concepts of social justice

and morality relate to and stem from human practice rather than concepts" (p. 15). For Harvey and Marx, observation is inherent in the act of evaluation; justice cannot be ascertained in concepts apart from real life city functions.

Harvey (1988) finds Marx's analysis essential for understanding justice because it refuses to take for granted the patterns, organization and the built form of society. Harvey uses Marx's analysis because it does not see space, urbanism, and ideas of social justice as separate subjects – to be studied in abstraction from one another. He says: "the power of Marx's analysis is that it promotes such reconciliation among disparate topics and the collapse of dualisms without losing control over the analysis" (p.17). Harvey recognizes the importance of Marx's approach to justice and its uniqueness in Western philosophy. He says that much of Western thought is heavily imbued with dualisms such as that between the concept of justice and the physical world. Harvey criticizes the liberal tradition for this very reason; he says it has "a predisposition to regard social justice as a matter of eternal justice and morality" (p.16). Harvey, following Marx, suggests that the liberal analysis is problematic because, in fact, justice is "contingent upon the social processes operating in society as a whole" (p.16). That is, justice is not a *thing* unless it is incarnated in social processes.

Harvey (1988) argues that Rawls, as a token liberal philosopher, fails to see the problem of examining distributive justice as totally separate issue from production. He says: *"[Rawls'] A Theory of Justice* … contains an explicit statement on the nature of distributive justice without mentioning production: this, it is assumed, will be taken care of, presumably through the workings of the market mechanism" (p. 15). Liberal justice, Harvey says, is misguided and that "production and distribution are related to each other and that efficiency in the one is related to equity in the other" (p. 15). Here he draws on Marx's theory of the alienation of labour. Marx

criticizes the efficiency of modern capitalist industry because he believes it alienates humanity from its true nature as creative producers. Marx even preferred the designation of human being as homo faber ('man the producer') rather than homo sapien ('man the knower') because our knowing is dependent on our doing (Palmer, 1988). Humans create products but our knowledge of how to make these products becomes the content of our minds. In a sense, we are what we make. So, Marx's theory goes, if we create within capitalism's efficient division of labour, screwing merely one screw into a Ford Fiesta rear door then we will become alienated and uncreative human beings. The human here is creating not out of a natural need to be creative but out of an economic necessity and, even more tragically, often for the greed and profit of another person (Palmer, 1988). Therefore, according to Harvey, Rawls and the whole liberal tradition has mistakenly conceptualized a theory of justice in abstraction from the real life issues such as the existential conditions of employment. According to Marxist theory, justice cannot exist without a reformulation of the tragic ways in which people are employed in capitalism. Justice, for Harvey, requires the overthrow of the unjust capitalist system. How else may planners promote socially just urban economic development? The capitalist corporations that might move to an impoverished city neighbourhood and employ local people will, according to Marx and Harvey, make those people less human.

Production receives a lot of attention in Harvey and Marx's systems not just because individuals suffer injustices in particular kinds of work environments, but because the dominant mode of production used by a society speaks to the essential character of the society itself. Production patterns, such as the Ford Fiesta example, exist in an intricate relationship with the institutions of the whole society and complex antecedent historical processes. Harvey (1988) summarizes it this way: "The essence of the matter is that the totality of interacting political,

legal, institutional, and other forms, as well as the state consciousness, are necessarily both supportive and reflective of conditions in the economic basis of society" (p. 200). He argues that a capitalist mode of production relies on certain structures in society to function and it actively reproduces those structures to continue existing. In order to achieve this, he believes, it actively influences (necessarily limits) the structure and scope of democratic society. He suggests that inequality in society, which necessarily arises from capitalist production, subverts egalitarian democracy and hinders the project of the socially just city.

Harvey (2008) considers democratic decision-making essential to just urban economic development. He builds a case against the wealthy and business elite's hegemonic control of capital surpluses in the process of urbanization in his article: *The Right to the City* (2008). He says: Urbanization, we may conclude, has played a crucial role in the absorption of capital surpluses, at ever increasing geographical scales but at the price of burgeoning processes of creative destruction that have dispossessed the masses of any right to the city whatsoever (2008. p. 328). Surplus capital is the money needed to constantly fuel the capitalist economy. Capitalism constantly needs to find new ways (consumers) to reinvest its surplus capital or else its very existence is threatened. Harvey suggests that capitalism in advanced economies finds a massive outlet for surplus capital in the suburbanization process (1988) and in the gentrification of the inner-city America and in the slum-clearance and renewal of huge cities in India and China (2008). These examples demonstrate how the economic mode of production shapes society. However, for Harvey this kind of economic activity creates a massive social problem – it is urban economic development done solely for the benefit, and continued increasing prosperity of, the owners of capital at the expense of the poor.

He argues that the control of surplus capital has disproportionally gone into the hands of private interests in the last 30 years. The neoliberal political movement of the early 1980s undid a lot of policy that had kept the control of that surplus in the hands of governments. The result, according to Harvey, is that corporate capital and the upper classes gain much more from the process of urban development. Harvey's admonition to social movements in cities around the world (because globalisation necessitates this) is to struggle with finance capital over control of capital surpluses. Using Marx's historical dialectic, Harvey points to the recent global financial crises as opportunities, because capitalism's crises in history have always been for "greater democratic control over the production and utilization of the surplus" (p. 328). He gives the example of the Paris Commune in 1871 and the mass civil-rights protests in the USA in 1968 both of which occurred in cities at the onset of major financial crises. He points to the more recent example of Brazil's social movements successfully forcing their government in 2001 to include the 'right to the city' in their national constitution. Harvey says that the 'Right to the City,' originally a concept of Henri Lefebvre's, should become the rhetoric of social movements world-wide which, together, "reshape the city in a different image from that put forward by the developers...and an increasingly entrepreneurially minded local state apparatus" (p. 324).

Harvey and Lefebvre's ethical admonition to planners is that they abandon their current form of economic development in its neoliberal framework and join a democratic struggle (not within the current political structures) to reshape everything about the city. The notion of just urban economic development within the current capitalist market is therefore out of the question for Harvey. Participatory planning within the Right to the City format would, in some way, become central to the decision making that goes into the production of urban space (Purcell,

2002). It would also involve a radical redefinition of political jurisdictions, decision-making bodies, and likely many of the current laws concerning planning and economic development.

2.1.4 . The Fainstein's Synthesis

Harvey and Sen promote a few similar ideas of justice in the city but in important ways their views are hard to reconcile. On one hand, Sen is advocating for a very moderate form of liberalism compared to other, such as modern day 'neoliberal' thinking. Sen implies that a material redistribution of wealth/goods/services may be necessary in some cases to achieve an equality of capabilities and, therefore, justice. He can be considered to be on the left of a political continuum of liberalism (Shauna MacKinnon, personal communication, June 22nd 2013). Despite some similarities, Sen and Harvey's differences are indicative of a deeper political-philosophical debate between liberalism and Marxism. Sen's conclusions seem to imply that justice can be achieved by economic development only if it alters the conditions within the existing city so that an equality of capabilities is maximized. Harvey's conclusions seem to imply that justice can only be achieved if current neoliberal as well as moderate liberal forms of economic development are abandoned and the city is totally reshaped by proletariat urban democratic forces. Susan Fainstein's theory of justice is especially useful in an analysis such as this because her approach synthesizes some of most compelling points of both Harvey and Sen, or, liberalism and Marxism, and offers a theoretical framework as well as practical guidelines for planners to achieve socially just urban economic development.

Aware of fundamental difference between the liberal and Marxist responses to the potential injustices in the city caused by economic development, Susan Fainstein (2010) writes:

> The assertion that meaningful justice is attainable in cities caught within the contemporary system of global capitalism provokes two possible responses: (1) It is impossible to work within the system and achieve a modicum of justice. (2) The

> pressure for nonreformist reforms can lead to incremental changes in the system that place it on a path towards justice (p. 170).

Harvey falls into the first category whereas Sen falls into the second. Fainstein's own view is that these two perspectives are not irreconcilable. She believes that demands expressed by Right to the City and other anti-globalization movements have shown the possibility of: "[reconstituting] the system of global capitalism in ways that are less than totally revolutionary" (p. 170). She challenges Harvey's insistence that justice can only be achieved through urban revolution because it has the implication of revolution would continue in perpetuity or reoccur in the future – and she finds this to be inherently undesirable. She also states that Harvey's own idea of participatory budgeting as a collective form of governance is being instituted within capitalist societies despite Harvey's complete write-off of the current (neoliberal and moderate liberal) governments (p. 65).

Though Fainstein (2010) is critical of some aspects of Marxism and Harvey's urban theory, she claims that she is not a faithful adherent of deontological ethics either. Sen and other liberal philosophers rely on a deontological system of ethics consisting of rights and principles that are pre-established prior to experience. She says: "Naming specific policies derived from the general criteria defining urban justice undoubtedly goes beyond what would be acceptable to rigorous deontological philosophers" (p. 171). Fainstein (2009) does not claim to propose just solutions to urban economic development that are rationally justified *a priori*. She finds that her list of just urban policies is more context specific and that they presume the existence of a society already committed to the general goals of democracy and egalitarianism (p.1). Her research is primarily focused on exploring the idea of justice in all its inherent complexities as well as how it applies to real urban examples.

Fainstein's (2009a) criteria for urban justice consist of three broad categories: equity (material and non-material equality), diversity, and democracy. For her, democracy is an essential component of urban justice and urban economic development. However, she argues that application of theories like those informing the communicative planning movement (eg. Healey, 1996; Innes, 1995), which focus on creating thoroughly democratic planning processes, do not alone create a just city. In fact, she expresses deep scepticism that just processes will yield just results in any case:

> My criticism of the proceduralist emphasis in planning theory is not directed at its extension of democracy beyond electoral participation but rather at a faith in the efficacy of open communication that ignores the reality of structural inequality and hierarchies of power (Fainstein, 2010. p. 30).

In her critique of communicative planning and its emphasis on democracy, Fainstein (2009) appeals to Marx's ideas of false consciousness which state that unequal social relations structure people's perceptions. Similar to Harvey, she says: "economic inequality constantly produces and reproduces hierarchies of power that preclude genuine deliberation" (p. 4). She also appeals to John Stuart Mill's notion of the "tyranny of the majority," which she says can equate to self-centeredness and NIMBYism, to draw attention to the fact that just democratic procedures on their own do not necessarily create a just city.

To undo the effects of false consciousness and guard against self- centeredness, Fainstein (2009) argues there is a need for a separate principle of equity: "Justice … requires more than participation but also encompasses, at least minimally, a deontological reference to norms transcending the particular" (p. 5). Distributive justice is the deontological norm that Fainstein (2010) is referring to. She says: "A pro-equity program favours the less well off more than the well-to-do...it should be redistributive, not simply economically but also, as appropriate,

politically, socially, and spatially" (p. 36). Here she is directly appealing to Rawls by rendering justice as a fair distribution of material and social goods. What she finds most applicable from Rawls for public policy is simply "a fair distribution of benefits and the mitigation of disadvantage" (p. 39). While these statements seem to suggest that she is firmly within the liberal tradition of justice, however, she has a wider scope and also incorporates a strand of Marxist thought in her idea of equity.

Conceding that Marx renounced the possibility of real change without altering the relations inherent in production and that he explicitly denied taking a moral stance on distribution (Marx merely saw it as the logical outcome of the historical dialectic), Fainstein (2010) argues that the heart of Marx's critique of capitalism is a call for distributive justice. Granting that, she asks: "whether any effort that begins with distribution instead of production can make a real difference in the lives of the relatively disadvantaged" (p. 41). The answer she finds is that the political realm, regardless of the existing relations of production, is open to class antagonism. That is, if it is sufficiently challenged by forces of social mobilization, "the state has within its capacity the ability to mitigate [the economic crises of capitalism]" (p. 41). Essentially, she is saying that social mobilization against capitalism, using the mechanisms of the state, is an integral component of realizing justice. Therefore, Fainstein believes that Marxist-inspired social mobilization, as well as Rawls' theory of fair distribution, both provides normative guidelines for pursuing equity in the city.

Lastly, Fainstein (2010) incorporates diversity as a necessary component of justice because of the poststructuralist critiques of liberalism and Marxism and the increasing pluralisms in Western society. She summarizes this component of justice: "In its call for recognition of difference it is emancipator in pressing for the end of discrimination and acknowledgement of

the positive aspects of maligned cultures" (p. 42). She agrees with poststructuralist critics that liberal and Marxist theories are do not properly recognize the importance of an individual's family, religion, and culture. Poststructuralist critiques of Marxism argue that they run rough-shod over different ways of thinking, actively dissolving differences, and wrongly defining all social stratifications in terms of class. Likewise, the cultural poststructuralists expose the liberal tradition, which attempts to be tolerant of differences but only ends up taking account of common interests and trying to assimilate non-conforming groups (2009, p. 6). Rather, Fainstein (2009) shares a similar opinion with Iris Marion Young's (2000) philosophy of difference which, applied to the city, calls for "a differentiated solidarity that would allow voluntary clustering of cultural groups" (p. 7). Fainstein, however, has serious concerns that poststructuralism might lead to useless conflict and even be used to pardon forms of oppression in the name of cultural relativism. Nevertheless, she sees consideration of group difference in the concept of justice as essential.

Fainstein (2009b) pleads no logical consistency between her three categories of justice, and freely acknowledges that they "are not automatically supportive of each other and, in fact, in any particular situation, may well clash or require trade-offs" (p. 8). She not only finds that the three categories conflict, but each category on its own is subject to internal contradiction (2009a. p. 54). So her remarkable response is: "Within crucial urban policy arenas, context and historical moment make the choice of the most just policy indeterminate in the abstract" (p. 85). In other words, her theory of urban justice based on democracy, equity, and diversity contains no categorical imperatives. They cannot absolutely rule out a particular kind of action taken by a planner pursuing economic development. What she does offer is a list of criteria that can be used to generally evaluate the justice of policies. The content of these lists are derived from

experience and research in New York, London and Amsterdam and from reflection on her three categories of justice (Fainstein, 2009a). Of these criteria, ten out of fifteen bear important relevance to the concept of socially just urban economic development. They are as follows:

> In furtherance of equity:
>
> - No household or business should be involuntarily relocated for the purpose of obtaining economic development or community balance.
> - Economic development programs should give priority to the interests of employees and small business owners. All new commercial development should provide space for public use and to the extent feasible should facilitate the livelihood of independent and cooperatively owned businesses.
> - Mega-projects should be subject to heightened scrutiny, be required to provide direct benefits to low-income people in the form of employment provisions, public amenities, and a living wage, and, if public subsidy is involved, should include public participation in the profits.
> - Transit fares should be kept very low.
> - Planners should take an active role in deliberative settings in pressing for egalitarian solutions and blocking ones that disproportionately benefit the already well off (p. 8).
>
> In furtherance of diversity:
>
> - To the extent practical and desired by affected populations, land uses should be mixed.
> - Public authorities should assist groups who have historically suffered from discrimination in achieving access to opportunity in housing, education, and employment (p. 174).
>
> In furtherance of democracy:
>
> - Groups that are not able to participate directly in decision-making processes should be represented by advocates.
> - Plans should be developed in consultation with the target population if the area is already developed. The existing population, however, should not be the sole arbiter of the future of an area. Citywide considerations must also apply.
> - In planning for as yet uninhabited or sparsely occupied areas, there should be broad consultation that includes representatives of groups currently living outside the affected areas (p. 175).

There is much to say about each of these, but this lies beyond the scope of this literature review. This list is of general usefulness to planners pursuing socially just economic development. It is the real value of Fainstein's work. In her attempts to synthesize greatly different theories on justice and bring them to bear on real planning practices, she argues that only actions like these which promote equity, diversity, and democracy can be considered just.

Her approach is much more in line with liberal notions of justice, than Marxist. She does incorporate Marxist ideas, like social mobilization and false consciousness, but ultimately promotes a form of social justice that does not require rejection of the current capitalistic system of production. As a result her list of recommended policies is largely indistinguishable from policies that could also be supported by liberal advocates of justice, such as Sen. Arguably, it is possible to endorse Fainstein's criteria as an extension of Sen's principle of justice. The only problem with using her principles of justice is that they are less clear for the planner using them. As she stated, defining justice as equity, diversity, and democracy means that actions might be considered completely just in light of one or two of her principles but not in the other.

2.1.5 Conclusion

An underlying theme brought up by each, very different theorist is that justice basically necessitates equality. Though there is enormous disagreement on the finer-points of what is meant by *equality*, and how exactly it is achieved, it is clear that it must share a significant relationship to the concept of justice in economic development. However, economic development – as it is understood today— only makes sense in a capitalistic context. Capitalism, by nature, obscures a justice based on the Marxist notion of material equality. Total material equality requires society to abandon the tenets of capitalism altogether. Therefore, total material

equality cannot serve as the criteria for justice for economic development as we know it today – which is not the same as saying that it should never be. At best, material equality can only be achieved in part through government intervention, services, and taxation. The kind of equality that can serve as criteria for justice in a capitalistic context is equality based on capabilities. As Amartya Sen makes clear, equality of capability is a form of equality that does not necessarily require material equality (it does not preclude it, either). Therefore, Sen's definition of justice – an equality of capability — can serve as straightforward criteria for socially just economic development in modern Western society.

Any form of economic development which promotes an equality of capability can be considered just. All the items on Susan Fainstein's list of socially just economic development policies too can be considered to meet this principle. Therefore, throughout this thesis, I use Amartya Sen's principle of justice and borrow from Fainstein's examples of it.

2.2 Determining the Role of Social Enterprises in Economic Development

2.2.1 Introduction

If economic development can be conceived as a just practice when it creates an equality of capability, then we must look to examples where equality goes hand-in-hand with it.

This brings the discussion to social enterprises. Arguably, social enterprises have the strongest claim to promoting social justice in the realm of business. They are businesses with an often explicit social justice objective and are often used to alleviate the conditions of the least-advantaged in society (Loney, 2012). Thus, social enterprises promote an equality of capability

and meet the set-out criteria of justice. The central debate about social enterprises, however, is not whether are socially just. The key issue is whether they should be considered a part of economic development strategies and whether they have long-term economic viability.

The literature on social enterprises is diverse. I will provide a mix of perspectives on social enterprises and their viability for community economic development (CED) purposes. I conclude with that social enterprises are a viable form of CED.

Social enterprises are difficult to define and a great deal of research has simply sought a common definition (Nicholls, 2006). Social enterprises themselves are not necessarily amorphous organizations; they are difficult to define because they take many different forms and blur the lines between traditional sectors in society. Social enterprises are a mixture of the private and third/voluntary sectors and can also get support from the public sector. Nevertheless, definitions of social enterprises do exist and these are important for a number of reasons, including legitimization and gaining government support (Hines, 2005). One definition used by The Canadian CED Network is: "a social enterprise [is] defined as a business venture owned or operated by a non-profit organization that sells goods or provides services in the market for the primary purpose of creating a blended return on investment, both financial and social/environmental/cultural" (O'Conner, Elson, Hall, & Reimer, 2012). It is essentially a business owned by a non-profit organization with two objectives: to meet a social goal in a given community, and to (partly/fully) sustain the business by generating revenues in the marketplace.

CED also lacks a single clear definition, and individual organizations or writers must supply their own. Some employ a very broad definition, suggesting that it is, for instance, "a tool that contributes to the quality of life for people in their communities" (Caldwell, 2010 p. 2). Other authors prefer a more rigorous definition. For John Loxley (2007) it is problematic that

CED can refer to almost anything because there no standard of evaluating claims of CED. He remarks on the irony of international neoliberal organizations like the World Bank claiming to promote CED when, in fact, their work is diametrically opposed to Marxist school of development from which concept of CED emerged. A generalized definition of CED that I use can be found on the Canadian CEDNetwork's (2013) website: **"**Community Economic Development (CED) is action by people locally to create economic opportunities and better social conditions, particularly for those who are most disadvantaged." This definition works well with my notion of socially just economic development.

Manitoba is home to a number of social enterprises in many different sectors of economy. The province has a particularly welcoming climate for organizations of this kind because as Loxley and Simpson (2007) said: "The broader social economy in Manitoba has a long history and is built into the cultural fabric of the province" (p. 27). Practically speaking, this means that local financing is available and that there is public support for social enterprises. For example, the Assiniboine Credit Union (ACU) which is a large CED-driven credit union now has 108,000 members in Manitoba and it provides grants and funding to local social enterprises and cooperatives (ACU, n.d.).

Research that Loxley undertook in the 1970s and early 1980s with *The 'Great Northern' Plan* is one of the foundational reasons why Manitoba has large community committed to clear principles of CED (Loxley, 1981). The 'Great Northern' Plan promoted a Marxist theory of development for the indigenous community in Northern Manitoba. It is based on the work of C.Y. Thomas (1974). Thomas and Loxley both determined that problems relating to underdevelopment are tied to past and present colonialism and the non-indigenous control of surplus capital. Loxley, like Thomas, says production must be geared towards local consumption

and utilize local materials in order to create import substitution to limit the remittance of local surpluses to sources of capital in other regions. In addition, they both stress the need for alliances among the proletariat to support these principles. Loxley's work eventually led to an articulation of CED, called the Neechi Principles (Shauna MacKinnon, 2013). The principles are:

1. Use of locally produced goods and services;
2. Production of goods and services for local use;
3. Local re-investment of profits;
4. Long-term employment of local residents;
5. Local skill development;
6. Local decision-making;
7. Promotion of public health;
8. Improvement of the physical environment;
9. Promotion of neighbourhood stability;
10. Promotion of human dignity; and
11. Mutual aid and support among organizations adhering to these principles

(Loxley & Silver, 2007)

The Neechi principles provide the definition of CED for Neechi Foods Co-Op Ltd., a social enterprise that aims to achieve these goals. However, they are widely used by Winnipeg's inner city development organizations, co-ops, and social enterprises (Loxley & Simpson, 2007). Since 2001, they have even been included within the provincial government's official CED policy. The government even explicitly stated the government's support for social enterprises when they published their 2006 budget.

Contrasted with "urban economic development," CED has aimed to meet *local* needs with *local* products and services, making sure that surpluses from business activities stay within the *local* economy. Mainstream theories of urban economic development are criticized by CED advocates for focusing too much on increasing the local export-base and attracting outside investment as a means to economic growth. Outside-oriented economic development is criticized as being ineffective at developing diverse and robust local economies (Loxley & Silver, 2007; Dugan, 2012). CED is a community-based tool to improve local economies by encouraging

residents to spend money on local products and in turn create local jobs and local businesses. It is a theory of development focused primarily on strengthening the local economy and considering what is best for well-being of an individual community. This is why social enterprises most often fall within the CED rather than mainstream economic, because their underlying operating principles are often about promoting the well-being of disadvantaged local communities and neighbourhoods.

If traditional forms of economic development can be faulted for failing to pay enough attention to local people and concerns, then encouraging CED, and especially social enterprises as a form of CED, is an attractive policy alternative. Social enterprise business models seem like they would fit well within a larger CED policy framework -- they seem to share many of the same priorities. Social enterprises and CED both put emphasis on building social goods into communities through economic means.

2.2.1 Social Enterprises as Win-Win Economic Development

Sherri L. Wallace (1999) believes that social enterprises are part of a revolutionary new way to do community economic development (CED):

> [My] general discussion of social purpose enterprises attempt to identify how particular public/private (sacred/secular) non-profit can facilitate and expand local economic activity while also delivering social and human services to community residents (p. 155).

Wallace thinks that encouraging social enterprises through CED is a viable way to both increase the level of economic prosperity of a given community as well the residents' social wellbeing. She says social enterprises are an especially viable form of CED because they act like non-profits which are "change agents [which can] capitalize on the mobilization of the resources of both public and private institutions" (p. 160). In other words, their social mission, plus their

ability to raise/generate money across sectors, make social enterprises especially useful and innovative organizations for CED.

Wallace (1999) strongly believes that the third sector brings important values and services to communities, but she insists that the only way social enterprises can be considered viable tools for CED is if they are financially self-sufficient. She says this because, "traditional social welfare policy is disintegrating" on a national and global scale (p. 171). In other words, there is little government money left in the new economy for funding the third sector and new ideas are needed. She sees opportunities in this funding gap for innovations in social policy.

Wallace (1999) understands CED and social enterprises as part of a new policy approach – that is, non-profits that generate much their own revenue and do not rely as much on government grants or donations (p. 162). To be less financially dependent they need to successfully adapt their products to global and local market demands. She cites cases where government grants were given to social enterprises to cover their business' operating losses and says this "has the adverse effect of discouraging profitability and the development of a market orientation for the social purpose enterprise" (p. 169). She suggests that they will need to emulate the virtues of the private sector because: "private enterprise teaches fundamentally vital lessons about self-reliance, motivation, ownership, and most importantly, hard work. Traditional government programs have promoted dependency" (p. 166). For Wallace, social enterprises have the potential to serve invaluable roles in CED and address wider social concerns, but to her, they must marry "their missions to the reality of contemporary economic conditions" (p. 171).

Alan Kay (2005) concurs with much of what Wallace says. He argues that social enterprises and other non-profits foster social capital. He says they can actively make a community "a better place to live" and "help establish a more vibrant social economy where the

welfare and the quality of life of residents is more important than a drive towards a more efficient capitalist economy" (p. 168). Social enterprises, he observes, can produce social capital in a way that mainstream business simply does not. Further, he argues that social enterprises and the third sector rely on social capital to operate and therefore, by necessity, generate and sustain it, too. Kay defines social capital as a community's mutual trust, reciprocity, human networking, shared values and norms, and an overarching sense of solidarity (p. 163). For these reasons, Kay supports social enterprises and the third sector in CED policy.

2.2.2 Social Enterprises as Unsustainable Neoliberal Fads

Not all scholars share Wallace's enthusiasm for social enterprises as a tool for CED. Some scholars, like the sociologist Raymond Dart (2004), believe that the excitement over social enterprises is merely "a 'faddish' response to changes in socio-political environment (p. 412). He says that social enterprises now have legitimacy because socio-political values have changed, especially in America and the United Kingdom, as market-driven activities become the norm and are given moral legitimacy; all the while, welfare-state ideology has declined since the rise of neo-liberalism in the 1980s. In other words, traditional non-profit institutions are getting supplanted by social enterprises because they no longer have society's approval if they do not adopt the goals, self-sufficiency, and fiscal rectitude of the private sector.

Dart (2004) argues that the legitimacy of social enterprises is largely political and tied to a certain socio-political perception rather than more pragmatic forms of legitimacy such as the ability to actually generate revenue and sustain employment. For him if social enterprises lack this kind of pragmatic legitimacy, then, "over time [it] would influence institutional beliefs regarding the value and social standing of social enterprise" (p. 418). Essentially, the enthusiasm

Wallace and others share for social enterprises could be due to their neoliberal moral value system and not to actual observed practical successes in the business marketplace. This, Dart says, spells trouble for the social enterprises. What he does not mention is how societal rejection would certainly also affect their viability as a part of a CED strategy which depends on public support.

The social scientists Angus McCabe and Sangjin Hang (2006) find that social enterprises in the UK and South Korea do not produce "observed practical success" as self-sufficient businesses do. They suggest that they largely serve as tools of government social policy, whether as part of job creation strategies or welfare-to-work programs. This means that they therefore:

> remain heavily dependent on state financial support, either through contracts, grants or 'soft loans' rather than being fully commercial or independent enterprises, and that their future sustainability and potential growth is, in the current economic climate, fragile (p. 392).

They found that a large percentage of social enterprises operate with a heavy reliance on different forms of government subsidies and, therefore, they are not really revolutionizing the traditional third sector. They also found that they were no more cost-effective when providing traditional third sector kinds of services. They also point to the fact that most social enterprises are very small and such businesses face precarious existences (see also Hines, 2005). This leads them to ask the rhetorical question: "Can they, then, become major players either in the provision of social welfare or as an alternative to, or replacement for, large, corporate employers?" (p. 393), They are doubtful of the role of social enterprises in economic development and wider social policy. Instead, they ask: "Is it 'bottom–up' economics, independent and sustainable or [are they] the creation of new 'quasi-markets' artificially stimulated by governmental social

policies? Is it a viable response to globalisation?" (p. 396). Their answer is a resounding 'no.' They are very critical of the position Wallace and others take.

2.2.3 Another Way to Understand the Role of Social Enterprises in Economic Development

While it is clear that social enterprises may have strong detractors and proponents regarding their potential roles in CED, the arguments each author puts forward need to be assessed and evaluated in greater detail. Wallace seems to overlook what other authors see as a major drawback of social enterprises; that many are not self-sufficient like regular businesses and rely on operating grants. From a CED perspective, this is an important point. CED is about developing local economies and a business which relies on government or outside donor funding to operate seems to counteract that principle. In other words, how can the social enterprise be considered a viable, sustainable form of CED when their success depends on continual injections of non-business money? If true, that undermines Wallace's argument that social enterprises are a more sustainable way to deliver social goods and create CED in an era of government austerity.

After conducting a survey with over one hundred social enterprises in Manitoba, Ryan O'Conner, Peter Elson, Peter Hall, and Brendan Reimer (2012b) released a document called *Measuring the Size, Scope, and Scale of the Social Enterprise Sector in Manitoba*. They concur with McCabe and Hang's, and Dart's findings, stating that almost all social enterprises require non-business revenues to operate. These non-business revenue sources include loans, government grants/subsidies, and donations. However, they found that, on average, social enterprises generate a total of 64% of their revenue from their own business income (O'Conner et. al, 2012 a, p. 2). With grants, loans, and donations included, more than three quarters of all social enterprises generated more revenue than expenses. Certain kinds of social enterprises are

more self-sufficient than others. If the business itself has a social purpose then they are often less self-sufficient than social enterprises with more of an income generation focus (generating income for a non-profit parent organization) (2012 b, p. 48). They found that thrift stores are more profitable and require less non-business revenue than social enterprises in the arts and culture industry (p. 50).

O'Conner et al. (2012b) conclude their survey suggesting that social enterprises are a sustainable form of CED despite their reliance on external funding. They found that the sustainability of social enterprises is linked to: 1) their ability to earn the business of consumers; 2) their ability to demonstrate to government the economic benefits of supporting social enterprises; and 3) their ability to present to financial institutions the real risks of investing in social enterprises. Their second category is of most interest in the discussion of the role of social enterprises in CED. In this regard, they found that social enterprises in Manitoba have an enormous economic impact on local economies. They paid 25 million dollars in wages in 2010; they employ 3,750 people and provide workplace training to up to 5,725 people; 90% of their employees come from an under-served or disadvantaged demographic; and because they employ people with barriers to employment, they calculated that Manitoba saved between $211 – 264 million in costs related to unemployment (2012b, p. 40). Their research suggests that social enterprises create enormous economic benefits for Manitoba.

The point that O'Conner et al. make is really critical to the whole debate about the viability of social enterprises as a form of CED. Dart, McCabe and Hang, have all criticized social enterprises for being unable to produce profits in the same way as regular businesses whereas Wallace praises social enterprises due to their increased self-sufficiency over traditional non-profits. However, it seems wrong to assume that social enterprises must necessarily operate

as a conventional business because, clearly, they are not a conventional business; they deliver a blended return on investment and build social capital, as Kay points out. A report by the Manitoba CED Network (2009) finds that social entrepreneurs need social service skills as well as business skills. It says: "There is much discussion in the social enterprise sector about the challenge of finding entrepreneurs with a passion for the social values as well as the business skills required to run a strong enterprise" (p. 30). It seems logical that if social enterprises partially function like the traditional third sector, then the government should partially fund social enterprises as they do the third sector.

If social enterprises save the government money by employing people with barriers to employment, reducing poverty, or addressing other social goals, then perhaps there is a rationale for the government to continue supporting the sector. In other words, even though the social enterprise sector relies on government grants and private donations, this cannot really be used to say that they are not financially sustainable or viable. Even McCabe and Hang (2006) admit that small and medium-sized businesses face a precarious existence in the marketplace. Why should social enterprises be considered more precarious because they require additional financial support outside of the marketplace? Indeed, even regular businesses must rely on indirect government financial support for things infrastructure and education to operate.

McCabe and Hang's and Dart's contend that social enterprises face a precarious existence because neoliberal governments have continued to slash social spending. However, Dart himself said that social enterprises are neoliberal society's new favoured form of delivering social goods because they are more self-sufficient and business-like than the traditional third sector. This seems to be a fatal flaw in the logic of the critics who say that social enterprises are not viable. If neoliberal society produced social enterprises, surely it will to continue to support them. McCabe

and Hang and Dart all seem to suggest that the traditional third sector is more efficient at delivering social goods and less precarious than the social enterprise sector. Whether or not the traditional third sector is more efficient at delivering social goods, they are not less precarious. In an era of government austerity, a social purpose organization which generates 64% of its own revenue will likely be spared funding cut-backs compared with an organization that generates 0% of its own revenue. So if social enterprises can be fairly certain that non-business funding will continue to exist for them, then they can be considered as sustainable as any regular business. Social enterprises can, therefore, be considered a viable form of CED even though they are not financially self-sufficient in the same way as a regular business.

2.2.4 How to Support Social Enterprises

If social enterprises can be considered a viable form of CED, the question remains how to support them. One CED strategy is to find ways to get social enterprise products purchased regularly by governments and other community-minded organizations (Loxley, & Simpson, 2007). In Winnipeg there is already a structure to support this, the social purchasing program (SSP) – started in 2004 by a non-profit called Supporting Employment and Economic Development (SEED) and now run by Local Investment Toward Employment (LITE). The SSP connects companies/agencies that want to bolster their image of corporate social responsibility (CSR) to businesses that are CED-certified suppliers of products.

Purchasing programs are of interest from an economic development perspective – however, I am interested in exploring the role of land use planning in helping to create economic development in locations that are disadvantaged. *Prima facie*, however, there does not appear to be much that land use planning can do to promote social enterprises since they already fall within the established zoning frameworks for mainstream businesses, whether commercial, industrial,

or home-based. In other words, the issues social enterprises have with land development and land use planning are likely similar to the issues faced by mainstream business in locating, operating, and expanding in disadvantaged neighbourhoods. The problem, however, with equal treatment of both types of enterprise under land use regulations is that they are not the same. However, social enterprises typically have superior commitment to social justice, well-being in the local community, and people with barriers to employment than most mainstream businesses. They are an asset to a community and community-building in a way that mainstream businesses are not. On the other hand, as discussed elsewhere, they are not on equal-footings with mainstream businesses in terms of competitiveness. Most social enterprises must receive public subsidies to accomplish their social-oriented objectives, like hiring people with disabilities or criminal records, in a very competitive and sometimes "fickle" marketplace (Loxley & Simpson, 2007).

There is a literature gap regarding how land use planning can be of assistance to social enterprises. The ideas presented here are not tested, but only my speculations of what land use planning might be able to do to promote the development of social enterprises within communities. One possibility is to alter the costs imposed on developers by municipalities. Developers have to pay for things like impacts of their development on public roads and other community services, parkland dedication requirements, and other administrative costs. They are limited by things like floor area ratios (FAR), lot size, and parking stall requirements. If land use plans were to explicitly promote social enterprises as part of a CED strategy, then they could specify to developers that by choosing to use social enterprise construction companies or other services in any stage of their development process will grant them benefits or relief of some kind or another. In Winnipeg this would be decided in the negotiations between the developer and the

municipal administration and City Council. It would require some kind of list of bona fide social enterprises, however. This might simply mean that their contribution to a community services fund might be lessened, or more significantly, that they will have permit-approval expediency and can build at 10% increased density, for example. The patronage of social enterprises by developers, in any case, should be recognized as a form of community contribution and rewarded in an appropriate way.

2.2.5 Conclusion

In conclusion, social enterprises are a viable and extremely valuable/unique component of CED. They are unique in that they, as Kay (2005) argues, develop social capital in communities in a way that regular businesses do not. They will likely never replace the role of regular businesses entirely, as McCabe and Hang (2006) mention, but they will nevertheless continue to serve an important role. They provide jobs and training to people who face barriers to employment. They fund not-for-profit parent organizations which also generate social capital in communities. They stimulate the economy through wages paid and provide a wide range of products and services to many different kinds of clientele. Social enterprises are not financially self-sufficient, but because they generate a large percent of their own revenue they are better positioned to face an era of austerity than the traditional third sector. They might benefit from support from economic development initiatives and land use planning though there could be more research done on the ways in which land use planning could be of more assistance.

2.3 Socially Just Mainstream Business and Economic Development Theory

2.3.1 Introduction

The previous chapter described a debate about whether outcomes of social enterprise activities are economically worthwhile for their respective communities. Mainstream businesses and mainstream economic development (as opposed to CED) on the other hand, rarely have explicit social justice agendas – in fact, critics are dubious of their capacity to help local communities in an equitable and sustainable manner at all (Harvey, 2008; Reimer, 2005). Nevertheless, the presence of numerous, thriving small-to-medium sized businesses in a community is often a good sign in terms of employment numbers and tax-revenue (Temali, 2004). This is one of the reasons why the tools to develop/attract mainstream businesses to communities are often the centrepieces of economic development strategies. But I am asking here:: what can mainstream businesses do to be considered a part of 'socially just economic development' and what can communities do to support these socially just mainstream businesses?

One of the answers to this question, as I discussed in a previous chapter, is that businesses can locate in or near, and hire from, disadvantaged neighbourhoods. My emphasis is on location. Socially just economic development is primarily a matter of equalizing the economic opportunities between various areas of a city or region where opportunity and access to employment is divided unequally. Therefore, this section discusses Michael Porter's theories about the competitive advantages of disadvantaged neighbourhoods. It also addresses the issues surrounding planning and the fate of older industrial districts in inner city neighbourhoods. I discuss different concepts that may promote socially just economic development.

2.3.2 Michael E. Porter – Unleashing the Entrepreneurs in Disadvantaged Neighbourhoods

In all of the literature on economic development, few authors respond to the geographical economic inequality *within* cities with the same rigorous mainstream business perspective as Michael E. Porter. Porter details how the (often obscured) structural advantages of the inner city

can be built upon to help in its competition with the suburbs. In Porter's perspective, economic development is really about the competition for capital, businesses, and jobs. So he sees the act of developing a competitive business strategy for the disadvantaged inner city as a means to foster greater economic equality and participation in capitalism. His general framework can be summarised by a statement he wrote in an article to BloombergBusinessweek.com:

> Economic inequality raises fundamental challenges to capitalism, and inequality will not be solved until we help residents of disadvantaged communities prosper in the market system. Inner-city residents need jobs near their homes that offer good pay and the prospect of long-term employment. These can only be created by business (Porter, 2010).

Without explicitly saying so, Porter is laying a theoretical framework for socially just economic development in disadvantaged neighbourhoods built on the principles of free-market capitalism and competition.

Porter sees the location of businesses as an essential component of socially just economic development. He cites research from his own foundation, the Initiative for a Competitive Inner City (ICIC), which has found that 40% of the employees of the top-ranked inner city businesses come from the neighbourhood in which they are located or one nearby (2010). Speaking as the founder of the ICIC, he says: "We've always believed that to deal with this problem of getting residents into the workforce, proximity does matter, having jobs in or near communities in which underserved communities live" (Olster & Porter, 2011). So Porter analyzes the ways in which businesses have found competitive advantages by locating and expanding in disadvantaged urban neighbourhoods. Here I summarized five of his primary objectives that may be useful concepts for planners working in land use, social policy, and business development.

Porter (1995) says that there are ways to help attract, expand, and retain businesses to disadvantaged neighbourhoods, but he gives a few important caveats. His recommendation for

planners, and the various levels of governments involved in inner city economic development, is to primarily focus on supporting free market and mainstream business objectives. He says that those financial incentives, subsidies, or other 'economic distortions' due to government intervention tend to prove unhelpful to businesses in the long-run. Porter sees inner city economic development as being stifled by some forms of CED programs and third sector practices. According to Porter, government policies towards the less advantaged neighbourhoods have failed to provide a solid foundation for profit-driven entrepreneurship, healthy competition, and business expansion He suggests, therefore, a reorientation towards a more robust capitalist framework for less advantaged neighbourhoods.

Porter's first objective for governments and planners is to focus on supporting businesses that will create wealth rather than on social programs that redistribute wealth. It is commonly understood among economists and community developers that the private sector alone cannot bring about economic development in disadvantaged neighbourhoods (see for example, Temali, 2002; Harrison & Glasmeler, 1997). But Porter is arguing that government redistribution efforts through social programs cannot bring about economic development alone either. Writing in 1995, he wanted his audience to start considering that the decline of inner cities was at least partly due to economic competition and was not merely a social problem. In a recent interview with *Fortune,* Porter reported that developing small, competitive, self-sufficient businesses is now usually considered to be an important part of the rejuvenation of disadvantaged neighbourhoods (Olster & Porter, 2011).

Porter's (1995) second objective is to let economic development be driven by the self-interest of the private sector rather than government preference programs. He says that government must not spend money subsidizing particular businesses because they are owned by

particular disadvantaged minority groups. According to Porter, this would undermine their need to be competitive and self-sustaining in the marketplace. Subsidies, he suggests, hamstring businesses' natural competitiveness, because there is an artificial price set for goods and a sure source of business -- which is often the government. This is precarious because when government policies or budgets change, as they often do, the subsidized businesses are left scrambling to find ways make up the revenue losses. As Porter (1995) says: "...preference programs in effect guarantee companies a market. Like other forms of protectionism, they dull motivation and retard cost and quality improvement" (p. 69). He is primarily concerned with advocating for the creation of competitive inner city businesses, but he does not touch upon other relevant issues that subsidies raise regarding socially just economic development.

Perhaps more problematic than government preference programs are subsidies that are used by municipalities to attract large, established businesses that insist on some kind of extra financial persuasion to locate in a community. Many of these businesses have been found to utilize the subsidy or ultra-low taxes until it ends and then relocate to a different location that offers generous subsidies and low taxes (Sullivan and Green, 2002). On a regional basis, this can lead to revenue-depleting competition between individual municipalities and can become self-defeating. It is an economic development practice that is officially denounced by the American Planning Association (2008), which instead advocates for intraregional cooperation. When a local economy is showing signs of decline, businesses have been known to be particularly demanding because they know that their presence in a community is urgently needed. If attracting large, established businesses is a possibility, subsidies need to be carefully conceived and applied only upon a proper cost-benefit analysis, not matters of political expediency (Ha & Feiock, 2012).

Porter's (1995) third objective is to create regulations and infrastructure that will provide a good environment for profitable businesses. Porter argues that this must be government's primary role in stimulating the economic development of disadvantaged neighbourhoods. He lays out tools for various kinds of planners/levels of government to achieve this. A significant impediment to businesses looking for locations in disadvantaged inner cities is, according to Porter, that available sites tend to be undersized for the requirements of many contemporary businesses, and:

> Once assembled, an inner city site often requires expensive demolition, environmental cleanup, and extensive litigation. Private developers and banks tend to avoid sites with even a hint of environmental problems because of punitive liability laws (p. 63).

To address the problems of land development in the inner city, Porter sees a role for municipal development corporations. They could, he argues: "streamline all aspects of building -- including zoning, permitting, inspections, and other approvals" for businesses locating in the inner city (p. 68). Porter believes that a development corporation could also be charged with assembling existing small parcels of land, and with subsidizing demolition, environmental cleanup, and other costs pertaining to inner city real estate development. This preparation and assembly of land in impoverished areas could help open the door to entrepreneurs and private investors with business proposals. Porter suggests that these types of actions are best handled by municipal development corporations. In a Winnipeg context, it would mean an organization equivalent to CentrePort Canada (2012) focused on disadvantaged neighbourhoods like the North End and Point Douglas. Porter's overall idea is that government should focus on creating good environments for inner city businesses, giving them a competitive reason to locate in a particular disadvantaged neighbourhood apart from any direct subsidies.

Creating positive business environments, according to Porter, requires simplifying development regulations in municipal land use planning processes. He says that the pace at which inner city development proposal reviews move forward is slower than in the suburbs because there, generally, there is stricter oversight in terms of planning, zoning, permitting, design regulations, as well as satisfying various community interests. Porter contends that the length and complexity of applications processes should be addressed by governments and planners working together.

Planning for socially just economic development does not mean creating a laissez-faire environment in disadvantaged neighbourhoods. Indeed, the total non-regulatory approach to urban development had full-swing in the nineteenth century in industrialized cities, and its outcomes made clear then needs for planning, by-laws, and zoning for the sake of public health, infrastructure, quality housing, and public well-being (Ward, 2004). Today, planning has broadened its scope to also include other issues such as the environmental crises, cultural repression, aging societies, and sometimes even social inequity. Bromley (2004) argues that careful planning can be a good foundation for lasting economic development in communities**;** however, this does not mean planning is always implemented in ways that are conducive to economic development. There could, for instance, be a permit expediency process for businesses wishing to locate in specific neighbourhoods to prevent unnecessary and costly delays to development.

In Winnipeg, developers say there is greater uncertainty getting planning approval or the right conditions of approval in the central city area because there is greater community interest and more potential for opposition (Penner, 2012). It seems to me that community opposition might be lessened if developers were to properly consult with community members in their pre-

planning stages. Municipal planners could specially focus their resources on disadvantaged neighbourhoods to assist in these early communications and brainstorming stages to help facilitate business development that meets the objectives of community members.

Porter and others argue that economic development incentives must not be used to simply attract *any* kind of business to a disadvantaged neighbourhood or else they may be geographically isolated from their necessary pools of employees, customers, and suppliers (1995; Temali, 2002). Ann Markusen (2004) sums up this common concern:

> Many mistakes were made in industrial targeting when economic development planners simply followed the leader elsewhere, imagining that any place could become a biotech haven or a software enclave. Understanding the draw of your competitors— other cities, other neighborhoods, the suburbs—is essential for a pragmatic strategy. You must have some reason to believe that your locality has a real or potential comparative advantage for the given occupations (p. 264).

Instead of trying to create a business cluster ex nihilo, economic development tools must be used by planners to continually work with the existing labour pool and competitive factors in disadvantaged neighbourhoods.[6] One regional cluster which effectively accommodates the lower skilled, harder-to-employ individuals is the Transportation, Distribution, & Logistics (TDL) cluster (Morgan, 2012). TDLs typically comprise of warehouses, trucking terminals, courier services, air transportation, and wholesale trade. On one hand they are hopeful candidates because of labour skills compatibility, but the inner city might not provide the most competitive location for this regional cluster (Milgrom, 2014).

This relates to the fourth objective **w**hich is to encourage companies in the inner city to be export-oriented rather than local-oriented. When Porter (1995) writes about exporting, he is thinking about exports and imports *within* the city, in a sort of an economic microcosm. He

[6] The North End in Winnipeg appears to have a business cluster related to the food services industry. A disproportionate number of non-commercial businesses are in the food processing and distribution industry. This may have to do with the central location and the ability to supply locations around the city without being too far from anyone.

criticizes some efforts of CED in the1990s: "They have encouraged and supported small, subscale businesses designed to serve the local community but ill equipped to attract the community's own spending power, much less export outside it" (p. 55). Porter sees the greatest potential for the inner-city businesses in exporting goods and services to other city neighbourhoods, especially the central business district.

According to Porter (1995), economic development efforts by government and planners should encourage businesses in disadvantaged inner-city neighbourhoods to link with the greater regional economy. Porter recommends this by way of forming clusters of suppliers and services that have good proximity to their target customers and employees. The idea behind cluster development is that it becomes a self-sustaining source of growth. To provide an example of how a cluster grows, consultants, engineers, and lawyers who specialize in serving a certain kind of business will find a competitive advantage in locating their offices close to a cluster of their customers – in turn, these offices will require their own services which can create even more local jobs (Temali, 2002).

Through empirical research, Porter (1995) found that inner city businesses in Boston tended to have a unique competitive advantage in providing timely services to the central business district because of their ideal location. He perceived that a few of the most successful business clusters operating in the Boston inner city were in the catering, events, and cleaning services industries. All of these businesses were located in such a way that they could provide faster services to the offices and convention centre downtown than the suburban areas of the city; this was the inner city's competitive advantage.

Porter (1995) places special emphasis on helping businesses in disadvantaged neighbourhoods to export by way of regional cluster development, but does ignore the role of the

local consumer demand in economic development. He says that local consumer spending in America's disadvantaged inner cities of the 1990s tended to be an untapped potential:

> The inner city market itself represents the most immediate opportunity for inner-city-based entrepreneurs and businesses. At a time when most other markets are saturated, inner city markets remain poorly served -- especially in retailing, financial services, and personal services (p. 58).

He suggests that those entrepreneurs who emerge from disadvantaged neighbourhoods are better able to adapt their products and services to suit the culture and preferences of their community than the large retail companies, which are mostly suited to the clientele in the middle-class suburbs. He cites many cases where inner city businesses learned how to serve their respective neighbours well and then successfully emerged to become national U.S. brands, serving inner city clientele from outside of their region. He argues that there is real potential for disadvantaged neighbourhoods to grow, economically, by serving the local demand, but that the ultimate goal of businesses should be to export outside their neighbourhoods and regions.

What Porter is proposing is a largely exogenous perspective on economic development known as *export-base theory*. More recently, notable economic development theorists, such as Ann Markusen (2009), have criticized export-base theory for not paying sufficient attention to the potential for endogenous growth in local consumption patterns. In other words, economists can be accused of being narrow-minded on the sources of growth, perceiving growth only as the result of income coming from outside of a region (or in this case, a neighbourhood), creating multiplier effects locally. To provide a brief example of how this theory operates: a local manufacturer sells air conditioning parts to Brazil, the employees at the air conditioning plant in turn spend their money at the local grocery store, the grocery store clerks spend their money at a local restaurant, and the restaurant staff invest their money in renovating an old building to establish another restaurant. The theory suggests that the restaurant, which serves the local

economy, cannot expand unless there is some money being brought in from outside the local economy. To simplify matters, this is why many theorists believe that export-based businesses or an external source of government revenue are the underlying key to local economic development. As one Winnipeg business leader has said: "We can't grow just by selling insurance to one another" (Shindleman, 2012).

Though no one would argue that exports are bad for economic development, they are not the only way growth can happen. According to Markusen (2009), economic theorists assume that local spending patterns are fixed and that new sources of growth must come from attracting spending from outside the community. In contrast, she argues,

> If new consumption activities are offered in communities in which they previously did not exist, they may divert local consumer expenditures from one set of goods and services to an entirely different consumption mix... new norms can be created through innovation and marketing efforts that offer people expanded consumption possibilities" (p. 348).

For disadvantaged neighbourhoods this means that if a new type of business opens up to serve local residents, and it is providing some product/service which is not already available, then there is greater potential to retain local spending. For example, a local family might have intended to travel in the summer but instead decided to buy passes to a new nearby recreation facility. It is a variation on the idea of import substitution which has been advocated by other economists since the mid-twentieth century. Advocates include Jane Jacobs who argues for this type of development in *The Economy of Cities* (1968).

Michael Porter's (1995) fifth objective for government is to build up the private sector by preventing the third sector and public sector from absorbing too many of the most talented 'would-be' managers and entrepreneurs. As he says:

> Behind the creation and building of those organizations is a whole cadre of local entrepreneurs who have responded to intense local demand for social services and

> to funding opportunities provided by government, foundations, and private sector sponsors. The challenge is to redirect some of that talent and energy toward building for-profit businesses and creating wealth (p. 62).

He says that endogenous inner city economic development is partly stifled by the fact that the large concentrations of social services and third sector organization are employing those who have some of the best leadership, education, and organizational skills available in the neighbourhood. While Porter affirms the essential role that social services play in providing people with job-readiness training and meeting other basic human needs, he says that some of those highly skilled individuals would be better off serving their respective neighbourhoods as entrepreneurs and managing wealth-generating businesses. They could be creating employment, which is as pressing a human need in disadvantaged neighbourhoods as anything else.

Regarding this objective, Porter is criticized for not properly accounting for the value of third sector organizations like community development corporations (CDCs) and government in local economic development (Harrison & Glasmeler, 1997). Research done by the Canadian Centre for Policy Alternatives (CCPA) says local economic development in Winnipeg's disadvantaged aboriginal community could also hinge upon third sector involvement, particularly in the case of labour market intermediaries (LMIs) (MacKinnon, 2012). So even though Porter argues that the third sector and social services capture too many highly skilled individuals from disadvantaged communities – negatively crowding out inner city businesses – the third sector should still garner respect as a unique enabler of socially just economic development.

Porter's (1995) critique regarding third sector monopolization of the skills in disadvantaged neighbourhoods is useful in pointing out that there is often overlap in community development services. The proper way in which rationalize or merge these services, however, is an extremely

complex matter that is beyond the scope of this thesis. It has been tried before in Winnipeg and failed because rationalizations failed to take in account things like cultural differences in the services provided (Milgrom, 2014).

The first four of Porter's six objectives are more applicable to land use planning while the fifth and sixth objectives relate more to those in social policy and business planning. Since the time of his main contribution (1995) major changes are underway in almost every North American urban environment. Planners and academics can no longer justifiably equate 'disadvantaged neighbourhoods' with 'inner cities.' There is an important distinction to be made regarding disadvantaged neighbourhoods and inner cities because of the considerable amount of re-urbanization, repopulation, and gentrification that has taken place in North America's inner cities in the last two decades. Porter (Olster & Porter, 2011) himself has recognized how re-urbanisation has given inner cities a "vast array of jobs" particularly in the service sector (para. 5). Indeed, the decline and subsequent transformation of suburbs is now beginning to emerge as a worldwide geographic trend and topic of academic discussion (see for example Audirac, Cunningham-Sabot, Fol, & Moraes, 2012).

2.3.3 *Why the Theories of the Creative Class Will Not Help Disadvantaged Neighbourhoods*

Theories of economic development have also shifted as a result of this new wave of re-urbanization. The massive rise of condo development has led to the repopulation, gentrification, and reshaping of major urban centres in Canada, especially Toronto, Vancouver, and Montreal. Younger professionals, commonly branded the new 'creative class' and members of 'culture industries,' are believed to be today's main drivers of economic growth in large North America cities (Rantisi, 2013). These young, talented professionals are flocking to urban neighbourhoods

and seeking out other creative people, urban experiences, and high-quality lifestyles. However, despite the particular image of a cool young adult 'hipster,' the broadest definition of those in the creative class, provided b Richard Florida (2013a) is anyone of any age who works within the knowledge industry.

The best known thesis on the subject of the creative is one proposed by Florida (2003), who posited that the creative classes would be attracted to places that offered a high standard of living and were tolerant of a wide-variety of lifestyles. Florida claims that creative and cultural industries should represent a paradigm shift for people working on regional economic development issues. Instead of trying to build mutually-beneficial clusters and partnerships amongst industries, new strategies focus on the attractiveness of a place to live. He argues from his experience as an economic development professional that when today's creative, high-tech companies look for a place to do business, they first consider whether a place is attractive and diverse, with sophisticated cultural and civic spaces, so that their company will continue to be able to attract the brightest and the most talented – the "creative class." Partly as a result of the popularity of Florida's and similar theses, many cities have been influenced by economic development policies geared toward attracting these people, who tend to be highly educated and liberal-minded (Florida, 2003; Robinson, et. al 2011; Wright, 2010). The hope of many cities seems to be twofold: to use the creative class to help bring wealth, jobs, and start-up companies into their region, ultimately raising everyone's wages; and to help revitalize their urban core areas.

Critics of this strategy argue that it can engender greater economic inequality by catering to one highly-advantaged demographic (Peck, 2005). This critique of Florida's thesis is confirmed by none other than Florida himself. He says:

> On close inspection, talent clustering provides little in the way of trickle-down benefits. Its benefits flow disproportionately to more highly-skilled knowledge, professional and creative workers whose higher wages and salaries are more than sufficient to cover more expensive housing in these locations. While less-skilled service and blue-collar workers also earn more money in knowledge-based metros, those gains disappear once their higher housing costs are taken into account (Florida, 2013b).

In the early years, Florida overlooked the amount that high housing prices in gentrifying urban neighbourhoods outstripped all of the wage gains by workers who were not in the creative classes. So those in the service sector or industrial sector might receive moderate gains in income but all these gains may be erased by higher housing costs. It may not matter, therefore, if a new cluster of creative people and companies move into an urban neighbourhood and create greater wealth within a region overall. The increased incomes go to the most highly educated, forcing the less advantaged to deal with a significant increase in the cost of housing.

Unless the strategies and policies used to attract the creative class to disadvantaged urban neighbourhoods are correlated to a greater or equal effort to provide affordable housing, then this approach to economic development is perfectly unjust according to the definition of justice I have been using. Socially just economic development, on the other hand, must create greater opportunities for those with the least advantages. Instead of providing opportunities to the least advantaged, the kind of development which Florida and others promote has been responsible for out-pricing many disadvantaged people and forcing them to leave neighbourhoods (Kotkin, 2013). A socially just approach to a creative class development strategy must at the very least include a serious effort to provide affordable housing

Another serious critique of this theory of economic development is that it is a closed-loop-system, where advantaged cities attract still more advantages and more wealth (Macgillis,

2009). So even if strategies that build on the theories of creative class were able to help disadvantaged neighbourhoods, they might only apply in the largest few urban centres in Canada. Creative people are attracted to large urban places with high numbers of other creative people, which will draw yet more creative people in the future. This suggests that that the wealth generated by the creative classes will be primarily agglomerated in world-class cities. This leaves less hope for the economic development of smaller urban centres that struggle to find new employment sources in post-industrial economies. So if Florida and others are right about the migration patterns of the creative class, this type of development might not be best suited for non-world-city centres like Winnipeg.

2.3.4 Why Industry and Gritty Service Sector Businesses Should be Protected

Strategies to 'renew' or gentrify disadvantaged inner city neighbourhoods with cultural industries and the creative class have been highly effective in the largest urban centres, such as Toronto, New York, and London. Nevertheless, some smaller cities like Winnipeg still aspire to this kind of development. Many of these smaller-to-medium sized cities have visions for redeveloping their waterfronts and old industrial districts just as the larger centres have done (see for example, "Saskatoon Downtown Plan," n.d.). In Winnipeg's case, a neighbourhood that has been slated for redevelopment many times is Point Douglas. It is predominately an old industrial neighbourhood abutting the Red River, close to downtown, as well as to other disadvantaged neighbourhoods in Winnipeg's inner city. Most future visions of Point Douglas have imagined the area becoming a mixed-use neighbourhood, an artist colony, an urban reserve, or a combination of all three (City of Winnipeg, 2008; Bridgman, R. & Finnigan, H., 2009 ; McNeil, 2011). Noticeably, none of the visions suggest a positive future role for existing industries

though, arguably, these businesses make a social contribution in terms of accessible employment to a number of disadvantaged neighbourhoods in close proximity.

The irony of most contemporary attempts at mixed-use development is that they are often promoted with at least a faint echo of Jane Jacobs' seminal 1961 book, *The Death and Life of Great American Cities*, but they mostly ignore her principles for successful mixed-use neighbourhoods and districts. She talked about the importance of having local industries close by and observed that industry can lend a great deal of strength and diversity to urban neighbourhoods:

> Of course reeking smokestacks and flying ash are harmful, but it does not follow that intensive city manufacturing (most of which produces no such nasty by-products) or other work uses must be segregated from dwellings. Indeed, the notion that reek or fumes are to be combated by zoning and land-sorting classifications at all is ridiculous. The air doesn't know about zoning boundaries. Regulations specifically aimed at the smoke or the reek itself are to the point (p. 232).

She even thought highly of the glue factory near her house in Greenwich Village.

Jacobs' idea of a healthy mixed-use community is inclusive of blue collar and service sector people who sometimes work in grittier buildings and environments. Jacobs urged cities and planners to stop trying to zone-away industrial uses in order to create successful, attractive urban communities. Instead they should focus on mitigating the problems of these businesses by regulating the emissions and all other nuisances. A example might be to implement a by-law to ban idling trucks, which one Point Douglas resident complained about (City of Winnipeg, 2008).

There are types of industrial uses which likely will never be made compatible with residential uses because the kinds of emissions, by-products, or equipment used may not be able to be sufficiently mitigated through measures like air filtration technology or visual screening. The other significant problem with trying to integrate industries with urban residential neighbourhoods is the fact that large contemporary production and distribution facilities require

significant amounts of land and are not typically job-dense (Calthorpe, 2011; Wolf-Powers, 2012a). Major industrial uses typically require large floor plates, single-storey buildings, and complex truck-staging areas, which mean that they are suited to the lower-density suburbs where parcels of land tend to be bigger. It may be that the number of jobs per net-acre may be too few for it to be worthwhile to try and accommodate these large land uses close to disadvantaged inner city neighbourhoods. Following the principles of just economic development, however, these large industries should be encouraged to locate within easy access of any emerging disadvantaged suburban neighbourhoods. Laura Wolf-Powers (2012) has said that nineteenth century multi-storey loft-style industrial buildings in Philadelphia's inner city are now housing successful "small-scale artisans and fabricators" (2012a, pp. 44). In most cases it would seem that small- scale industries with lower floor space requirements, smaller truck-staging areas, and greater job-density, would be better suited to central city neighbourhoods.

The problem with contemporary planning's relationship to industry is that all forms of industries have been thought better suited to the suburbs. Progressive planners are beginning to take note of the detrimental loss of manufacturing in places close to disadvantaged neighbourhoods in central city areas. In a Winter 2012 issue of *Progressive Planning,* a number of planning professionals and practitioners together argue that recent redevelopment efforts of central-city industrial districts have pushed many high paying manufacturing jobs out of the struggling inner cities of the United States. According to Robert Giloth (2012b), the vice-president of the *Centre for Community and Economic Opportunity*, socially just economic development must consider that not all business sectors are of equal benefit to an impoverished community. As he says, "The equity dimensions of manufacturing – the quality of jobs and the accessibility of jobs in terms of education and geographic location of firms – are consistently

favorable but frequently unrecognized" (2012a, p. 11). Creating jobs with good income is an important part of socially just economic development; it can be the difference between a living wage and a non-living wage. Gary Loewen and Jim Silver (2007) point out: "A focus on poor quality jobs does not benefit job seekers in the long term... A 'good' job that pays a living wage, offers benefits and presents a career ladder provides a foundation upon which workers and their families can build better lives" (p. 113). The principle of socially just economic development is about increasing the equality of capabilities for the least advantaged. Equality in employment ultimately means there are good jobs for disadvantaged people.

To protect good manufacturing jobs in central Chicago in the 1980s, an enthusiastic mayor and planners worked on establishing planned manufacturing districts (PMDs) throughout the city's core area (Giloth, 2012a). The PMDs were used to stem the loss of manufacturing buildings and land to residential real estate speculators. Select sites throughout the city were placed under restrictive zoning to protect industrial uses. In addition, these special zones were given investments in terms of neighbourhood industrial infrastructure. Despite some success, recent research has revealed that only one third of the occupants of PMDs are actually related to manufacturing (Rast, 2012b). The rest of the occupants encompass uses like distribution centres or back-office operations, which may pay much less than manufacturing jobs. These zones did successfully protect some higher-paying manufacturing jobs in central Chicago, but they could not prevent a societal economic restructuring which made a number of traditional forms of manufacturing obsolete (Rast, 2012b). PMDs, therefore, are a partially a useful tool that can be applied elsewhere to other cities thinking of protecting urban industrial areas.

Major economic upheavals are well known to cause skills mismatches in cities/regions and create unemployment (Audirac, Cunningham-Sabot, Fol, & Moraes, 2012). Urban planning

has to change its expectations if economic upheavals or restructuring are occurring. Planning, however, should not treat an economic restructuring as total when it may in fact be only partial. To the point, planners do not have to label all forms of urban manufacturing as outmoded if certain forms of urban manufacturing are still successful. Manufacturing should not be discouraged or ignored in land use planning policy unless the narrative is indeed true that 'manufacturing is dead' in North America. The problem with this narrative is that, according to *The Economist,* signs now point to some manufacturing returning from overseas to North America because labour costs no longer weigh as favourably against all other costs related to doing business overseas ("Coming Home," 2013). The other factor is that which Ann Markusen (1985) brings up with her profit cycle theory – an adaptation of Joseph Schumpeter's classic thesis of 'creative destruction' and product cycle theory. Essentially, she states that as long as there is product innovation in North America, manufacturing will never really 'die' but constantly reshape itself. According to her theory, manufacturing only relocates when a product becomes so widely produced that the competition causes the profit margins to shrink, thus making advantages in labour cost extremely important. In other words, manufacturing is naturally mobile, but it will by no means 'die.'

2.3.5 Conclusion

The principle of socially just economic development is about encouraging planners to think of ways in which businesses can locate in, and hire from, disadvantaged neighbourhoods. The ideas of Michael Porter are about creating an amenable environment for businesses to locate, expand, and remain in disadvantaged urban neighbourhoods. They provide essential guidance to planners thinking about encouraging the development of all types of mainstream businesses in these neighbourhoods. Current trends in planning would suggest that the real economic generators of

urban inner cities are cultural industries and the creative class, not ordinary businesses operated by local entrepreneurs. This represents an unjust movement in economic development because it primarily provides greater advantages to those who already enjoy many advantages. It is about creating jobs for people with higher education and it often creates conflicts with existing industrial businesses. The tragedy of theories like this is that industrial employment is of special importance to disadvantaged neighbourhoods because of their greater social mobility potential. If planners working in economic development are going to seriously examine policies with the criterion of justice, they need to assess how they are targeting the best forms of employment for the least advantaged and encouraging the right kinds of businesses to locate, expand, and remain in/near disadvantaged neighbourhoods.

3 RESEARCH METHODS

3.1 How Scenario Planning Fits Within the Objectives of this Thesis

The empirical research in my thesis is primarily being done to anticipate future changes and produce recommendations regarding pathways to socially just economic development. These anticipated future changes are derived from the scenarios. The secondary objective of this empirical research exercise is to give my research participants an opportunity to prepare for plausible future changes that may occur in their neighbourhood and to stimulate their future-thinking in their organizations or businesses. Companies will sometimes utilize professionals trained in scenario research for these purposes and it is simply a bonus for participating in my thesis. In a way, my research supports socially just, inner city economic development by helping these organizations and businesses in so far as it stimulates future-thinking.

3.2 How Scenario Planning Research was Undertaken

As I outlined in the Assumptions and Limitations section in Chapter 1 of this thesis, most professional scenario planning projects become community-driven processes and are worked on in close collaboration with the people or organizations that the scenarios affect.

In my thesis, my tools to do scenario planning were limited to doing twelve interviews and an independent analysis of data, statistics, and other trends. My participants in the interviews were asked to reflect on possible neighbourhood conditions, in the businesses zones around the North End, which might affect their social enterprise or business in about 20 years time. Those interviewed included representatives from social enterprises, mainstream businesses, economic development organizations, the not-for-profit housing sector, and condo development industry, who all work in and around Winnipeg's North End or Point Douglas.

My scenario research methodology is largely based on Erik Smith's article, *Using a Scenario Approach: From Business to Regional Futures* (2007) and Stacy Anne Harwood's *Using Scenarios to Build Planning Capacity* (2007). The scenario research determined that the North End and Point Douglas have two sets of different plausible futures independent of each other. From the interview data, I developed a set of *critical uncertainties*, general future themes, and implications for the future, for both the North End and Point Douglas. Critical uncertainties are aspects of the future which people feel could completely change in one way or another. With the neighbourhood analysis, trends, and statistics research I generated a couple *future givens* for each neighbourhood as well as general future themes. The future givens are those other aspects of the future which trends and data show are likely, if not certainly, going to be present in coming years.

3.3 The Purpose and Function of Scenario Planning

Scenario planning is said to be built on four principles. These include: "thinking from the outside in"; "taking the long-view"; "including multiple perspectives"; and "telling stories" (Smith, 2007 p. 83). My scenario research finds its orientation in these principles.

In a planning context, thinking from the outside in is a thought process where the future is conceived first in terms of hypothetical global, international, or regional changes that result in an altered society, environment, or economy, on a local-level. The purpose of thinking from the outside in is get people thinking about the implications of different possible futures and the effects that they might have on their region. Harwood (2007) describes 'outside-in' thinking by saying: "Looking outside-in means reflecting on what outside changes, over time, influence the inside..." (p. 142). The 'inside', in the case of this study, is the local government, as well as the North End and Point Douglas community, which includes its businesses, social enterprises, non-

profit agencies, and residents. For planners, scenario research is a tool which can help generate thought on the 'inside' about the future 'outside' issues relevant to a neighbourhood/city/geographic area.

I chose to focus on Smith's conversation tool framework in this study (Smith, 2007). He describes this form of scenario research as ideally suited for a regional setting, but can be used at other scales: "...to enable safe and productive conversations among different stakeholders about difficult issues" (p. 85). In this thesis, I do not have a region-sized focus. My two neighbourhoods of study, however, are comprised of many different stakeholders and have difficult issues to discuss. Scenarios are conducive to otherwise difficult conversations because scenarios are probable futures not plans. Ideally, these conversations generate hope, cooperation, and are proactive (Smith, 2007 p. 98). This is why scenario research focuses on the 'outside-in,' because the changes coming from outside of a community are not necessarily decided upon by the community. Scenario planning itself creates an opportunity to discuss the future without having to make decisions. Hard decisions though eventually surface when a community has to act upon scenario implications (Harwood, 2014).

Scenario research also involves mapping out the implications of each possible scenario. The' inside' makes actions along the way that are partly responsible for making a particular scenario happen in the future. As is often the case, some of these scenarios will have unwanted implications and others will be more desirable. The purpose of discussing the implications of each scenario is to engage in "multi-stakeholder conversations" and to maintain a "proactive stance toward the future" (Smith, 2007 p. 85). In a regional planning context, scenario research can help all the stakeholders prepare for what the future might hold. It does this by helping people begin the process of thinking critically about decisions being made in the region in the

present and to help them think about strategic plans for different possible futures (Harwood, 2007). Scenarios, however, are not just a set of alternatives which can be simply decided-upon, because they also deal with changes that occur outside of the sphere of local-control. On the other hand, local actions do contribute to making future scenarios happen. By seeing the implications of different possible futures, it helps people test, weigh, and choose the most appropriate plans today to realize their preferred future scenario tomorrow (Smith, 2007).

Scenario research is not the same as a projection based on trends. Research of trends is still an important first step to establish what appears fixed in future scenarios, such as population growth or decline, etcetera (Scearce, D. & Fulton, K., 2004). Scenarios are fundamentally different from projections based on trends, however, because they are not simply a matter of extrapolating upon what exists in the present and what has happened in past. Instead, they offer what Smith calls a: "method of systematically imagining a richly plausible set of futures" (Smith, 2007 p. 98). In other words, scenario research helps groups of people or regions to start to consider the future in ways that a high versus low projection of trends cannot encapsulate. They are futures which are 'richly plausible' yet may also be very different from what the trends show 'will likely happen' in that region. Scenarios, unlike projections, may represent something outside the scope of past trends – scenarios accept there is always an element of uncertainty about the future. In fact, it has been said that scenario planning is best employed in situations that are "highly uncertain environment[s]" (Scearce, D. & Fulton, K., 2004, p. 21).

Stacy Anne Harwood says that scenarios are created by identifying the critical uncertainties and the fixed aspects of the future (Harwood, 2013). Each scenario shares the same future givens because they are those things that trends confirm will be present in the future. The critical uncertainties are those really big unknowns about the future which are expressed by

different outcomes depending on the scenario. Often times, scenario planning involves four scenarios that deal with two critical uncertainties. This is easily demonstrated when it is displayed visually on a grid or 'matrix'. When it is displayed, there are four scenarios on a matrix with one critical uncertainties displayed on the x-axis and another on the y-axis.

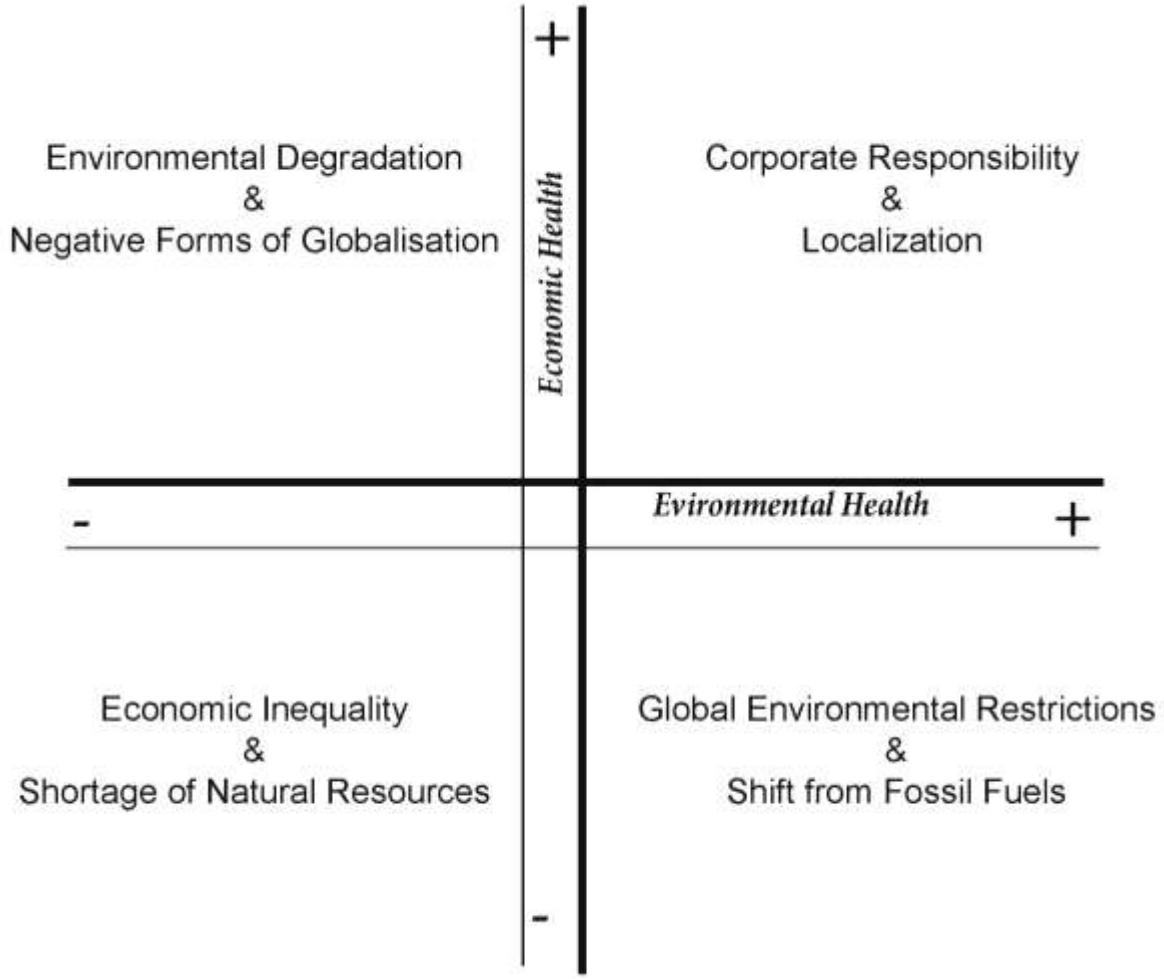

Fig 1: Scenario matrix example. Adapted from Smith (2007).

Scenarios take the long view of the future. Smith (2007) says they should typically represent fifteen to twenty years in the future"...in order to allow significant systemic changes to take place" (p. 83). In a region, or in the case of this research, central Winnipeg, it is especially important to create scenarios in the long-time frame. Big changes tend to take a long time due to

the presence of many stakeholders. Scenario planning with a single business is normally done with a five year time frame because there is only one stakeholder involved and decisions in business are often done by executives who can institute rapid changes. Individual businesses often want to envision a shorter timeframe because they can use the scenario planning exercise to help position themselves for a near-term competitive advantage (Smith, 2007 & Harwood, 2007). However, the scenario planning model that I use with the social enterprises, businesses, economic development organizations, non-profit housing manager, and the real estate developer, will more resemble a regional model of scenario planning instead of the typical individual business model. Therefore, I use the twenty year time frame.

It is an essential for scenario planning to include multiple perspectives. The reason why it is essential include people with wide-ranging opinions in the scenario planning process is because, as Harwood (2007) says: "The focus is on bringing in multiple perspectives and diverse voices to challenge assumptions people hold about the future" (p. 136). If research includes people who think differently, then it will likely mean that their vision of the future will be dissimilar as well. It is important to encapsulate the greatest variety of perspectives in order to anticipate all the possible future changes that may occur. For instance, a single individual may overlook a number of factors that another person does not take for granted.

The last principle of scenario planning is telling stories. Smith (2007) says: "The importance of communicating scenarios cannot be emphasized enough...[and its] even more important for multistakeholder situations, such as regions or urban areas" (p. 84). Thus, scenarios dealing with the subjects of this thesis will need to be communicated with stories. Smith says the story-telling principle is so essential because stories are primarily geared towards "changing minds" and, "experiential learning" (p. 84). Scenario planning can be a process of helping

businesses or organizations think critically of their current activities and how they might plan for the future.

3.4 Economic Outlook and Neighbourhood Analysis

Prior to scenario building, and its attendant forms of research, it is necessary to research the demographics, economics, land development, and market trends that may impact the decisions of businesses and social enterprises. In his book, *Real Estate Development*, Jim Whitehead (2008) expounds upon the process of analysis from the perspective of a for-profit real estate developer. Using real estate analyses presented in this book helps reveal what trends or data drive business location decisions and development patterns in Winnipeg and the North End and Point Douglas in particular. By using an economic outlook and neighbourhood analysis, I help to establish a more rigorous understanding of the situation and environment for businesses and development. This understanding is in turn used to help hypothesize about possible future scenarios.

An economic outlook typically takes a broad view of current international, national, regional, and local trends and summarizes and explains how they are relevant to a particular development proposal – or, as I apply it in this thesis, the future of all development, mainstream businesses, and social enterprises in Winnipeg's central neighbourhoods. The economic outlook primarily tries to ascertain those outside-in factors that affect a particular locale. It primarily attempts to examine economic trends, but also political, technological, environmental, and societal trends, which are at work within a given area.

I use the neighbourhood analysis to critically assess the suitability of future development potential in the North End and Point Douglas, particularly in regards to existing industrial and commercial land. These analyses examine the accessibility and amenities in the neighbourhood

as well as highlight the competitive advantages and disadvantages of the area. The neighbourhood will be judged using a perspective derived from general land use theory. General land use theory guides most decisions to acquire a property or decide its land use because it provides a sense of certainty to decision makers who make predictions (Whitehead, 2008). General land use theory states that land use patterns are the result of consistent, recurring, processes that are the result of consistent activities of change agents. These change agents, such as planners, developers, and financiers, accept that the principles of 'highest and best use,' accessibility, and land value, are the proper determinates of land use and development (Whitehead, 2008).

Whereas this is a thesis about the social justice inherent in business location, the neighbourhood analysis does not consider social justice a valid motivation for a business to locate somewhere. That is because these are tools utilized by the urban development industry which is driven by profit rather than ideas of social well-being. For this reason, this analysis is extremely useful in understanding the motives and location decisions of many mainstream businesses and property developers.

The metrics for choosing a business location, however, do not apply to social enterprises in the same way. In fact, they often apply in an opposite sense. That is, social enterprises will likely be attracted to those areas in Winnipeg with less conventional real estate development potential. Where there little perceived real estate value, there is likely to be more poverty and other social issues; in such a place social enterprises could more easily meet their defined social objectives. So the neighbourhood analysis, which is borrowed from the real estate industry, can be considered a useful tool for assessing the quality of locations for both mainstream businesses and, inadvertently, for social enterprises.

3.5 Interviews

Economic outlooks or neighbourhood/location analyses are not enough to form plausible future scenarios on their own because these analyses are done with an outsider's perspective. The interviews allowed me to gain some future perspective of people who have experience working or living in and around the North End and Point Douglas and have witnessed either transformations or stagnations over the years. As noted elsewhere, however, simply incorporating data from a set of interviews and inserting them into future scenarios at my discretion is not sufficient to ever warrant saying 'these scenarios represent the community's perspectives on the future'. The scenarios represent a mixture of perspectives, including my own.

The interview findings, albeit limited, are nevertheless essential to the process of creating future scenarios. In order to properly conduct these interviews, however, I needed an interview methodology. I decided that they would be done in a 'focused interview' style and follow a model set out by Zeisel in his chapter called *Focused Interviews* (2006). He recommends only interviewing people known to have been involved in the concrete situation of interest. In my thesis, it meant ensuring that all of the participants have significant work experience related to the North End or Point Douglas. Zeisel's interview model also required me to do a 'situational analysis' of the area of interest in order to anticipate hypothetical responses that may come from the participants. This helped me to continue to ask relevant questions when new and diverse subjects/ideas arose in the interview. By all intents and purposes, I did a situational analysis by doing the economic outlook and neighbourhood analysis in concurrence with the interviews. The interview questions were refined in accordance with the insights derived from these real estate studies.

Most of the interview questions were of an open-ended nature, based on examples by Diana Scearce and Katherine Fulton, in *What if? The Art of Scenario Thinking for Non-Profits* (2004). Scearce and Fulton say that the best kinds of interview questions are ones that are open-ended because they allow the participants to divulge their underlying assumptions. These implicit assumptions were important, because if they were shared by most participants from a neighbourhood, then I often selected these as the fixed aspects for the scenarios. I borrowed and adapted a set of interview questions, or 'interview guide,' from Scearce and Fulton that generally set the tone of the interview questions I asked:

- If you could have any question about the next 20 years in the North End answered, what would you want to know?
- What do you believe are relatively sure changes for the next 20 years in the North End?
- If you looked back from 20 years hence and told the triumph of your business/social enterprise/organization, what would be the story? Why?
- What are the most important strategic issues/decisions for your business/social enterprise/organization and this neighbourhood on the long-term horizon?

For the representatives from social enterprises, I generally asked:

- How does a social enterprise like yours contribute to the economic development of this neighbourhood?
- How might this contribution to economic development be different than a mainstream business?
- What will propel organizations like yours to get started and grow larger now and into the future?

For the representatives from mainstream businesses, I generally asked:

- Why or why do you not hire employees that live in the North End?
- What motivated you to locate your business in the North End?
- What do you think might be done to encourage other businesses to locate in and hire from this neighbourhood?

And I always began the whole interview by adding my own causal questions to may help to start the flow of conversation, such as:

- How long have you lived in Winnipeg for?

- How did you end up working here?

Interview questions invariably lead to replies which require further clarification from the interviewer in order to determine their meaning. That is why Zeisel's (2006) focused interview model emphasizes the importance of what he calls the conversation 'probe'. Probes are conversation techniques that aid in the actual process of interviewing. There are six probes that Zeisel lays out for focused interviews, but only four of were relevant to this research. I often employed these interview techniques during the interviews.

The first of these techniques is the *addition probe.* An addition probe is a technique that simply encourages the flow of conversation in an interview. This might be as simple as a 'uh-huh,' a nod, or another kind of verbal affirmation which indicates to the participant that they should continue their line of thought.

Second, there is the r*eflecting probe*. The reflecting probe allows the interviewer to reveal those questions that are most salient to the research participant. This means beginning an interview with general and unstructured questions, based on the hypotheses laid out in the interview guide, and then switching to more particular questions that appear to most relevant to the participant. For example, if I asked: "What will propel organizations like yours to get started and grow larger now and into the future?" If they respond enthusiastically by saying, "Changes to the financial system!" I might additionally ask the more particular and relevant question, "What changes to the financial system do you see could make a difference?"

Thirdly, there is the cu*ed transition probe*. The cued transition probe is a way that an interviewer can shift the topic of conversation without seeming overtly in control of the conversation. Zeisel (2006) says that this can be accomplished by using "...analogy, association of ideas, or a shift in emphasis to effect smooth transitions" (p. 235). When an interviewer feels

like the research participant has already covered a particular subject with sufficient depth they must skillfully use these cued transition probes to link the topic being discussed with a new topic.

Lastly, there is *re-representation probe*. The *re-representation* probe can incorporates things like photographs or maps. It can be essential to help an interviewer understand what it is specifically about a place or situation that causes the research participant respond they way they do. It allows the research participant to further pinpoint what it is they are trying to say about a place or situation. For my interviews, I brought a poster-sized, colour orthographic parcel map with all the zoning designations listed on it. Participants often looked at and pointed to places that served as examples of what they were saying.

3.6 Methodology for Building the Scenarios

The process of turning research data into four scenarios for both Point Douglas and the North End each displayed on an axis involved testing, trial and error, and fine tuning. I went over the interview recordings, neighbourhood analysis, and economic outlook, numerous times to determine the critical uncertainties, future givens, outside-in forces, and internal actions. ‘Outside-in forces’ are influences that are poised to affect the future of North End and Point Douglas business areas but are, at the same time, largely outside the sphere of local control. ‘Internal actions’ are those things which local governments, businesses, social enterprises, and communities do to shape the future. ‘Future givens’ are those aspects of the future which appear certain. ‘Critical uncertainties’ are those controversial issues or subjects which underlie most discussions about the changing future in a particular area.

I made lists out of the outside-in forces and internal actions for each neighbourhood which were derived from my research data. I then started with an axis with what I thought the critical uncertainties and fixed factors were and then tried to see how which forces and actions fit into which quadrant of the axis. The goal was to create four of the most plausible and different scenarios that represented all of the data. Once the axis was complete, I created narratives to explain the content of the scenarios. These scenarios narrative and axes were then emailed out to the participants to get verification and to make refinements, where needed.

3.7 Summarizing the Sequence of the Research

The research began by analyzing broad economic, demographic, political, social, and environmental trends to determine those large 'outside-in' forces that will affect the future. Next a neighbourhood analysis of the North End and Point Douglas was conducted to judge their suitability, according to general land use theory, for industrial and commercial development. These analyses were used to help better understand and anticipate the responses of the participants in the interviews, which were happening concurrently. The interviews involved fourteen key research participants who are working in, managing, or owning or assisting businesses, social enterprises, economic development organizations, non-profit housing agencies, or real estate development in the North End and Point Douglas. Using the interviews and the background analyses, four scenarios were developed that reflect plausible futures for economic development in the North End and four for Point Douglas. The scenarios were both placed on a matrix or grid pattern (See Fig. 1) and based on two critical uncertainties and a couple of fixed aspects. Narratives were created for the scenarios in order to summarize all of the aspects and complexities of each scenario and to convey this information to every participant. The interview participants were asked by email if they thought the scenarios were plausible and to explain their

preferred future scenario for their neighbourhood. Once the participants had their input, the scenarios were revisited and a new and final draft of the scenarios was added to this thesis.

4 NEIGHBOURHOOD ANALYSIS & ECONOMIC OUTLOOK

4.1 Introduction

The goals and objectives of this section are to determine the marketability of business spaces in the North End and Point Douglas neighbourhoods of Winnipeg. This involves assessing the local, national, and international economy, analyzing the trends of commercial/industrial land, assessing neighbourhood characteristics, describing the competitive factors for the North End and Point Douglas, speculating about the highest and best land use for these general areas, and then ultimately making different scenarios that hypothesize the demand for commercial/ industrial spaces in the North End and Point Douglas business areas.

4.2 Neighbourhood Analyses of the North End and Point Douglas

4.2.1 Why Study the Two Neighbourhoods Separately?

There are two main areas of focus in this study. In the first area of study, which I call the 'the North End Business Areas', there are the two older commercial streets, Selkirk Avenue and Main Street, and one older industrial area around Dufferin Avenue. The second area of focus is the old industrial lands around mainly concentrated in the official City neighbourhood known as South Point Douglas. The three sub-districts within the North End Business Areas are grouped together under one name because they share similar development opportunities and constraints despite having unique features and different land use. Point Douglas is treated separately because it is a different neighbourhood with very different future development opportunities (see Map 2). Currently, these three North End areas and Point Douglas have many things in common in regards to urban form, ages of buildings, vacancies, location desirability issues for businesses,

and social problems (see Maps 3 & 4). However, Point Douglas has more real estate development speculation and interest primarily because of its greater proximity to Downtown and its location on the Red River. This significantly changes the future possibilities for the neighbourhood. Whereas the business areas in the North End do not have this same interest due to a lack of amenities, stigma, and the negative effects of the CP rail yards. As this neighbourhood analysis will uncover, these outside-in trends are significant enough to warrant treating each neighbourhood separately and developing different sets of scenarios for each.

Map 2. Study Areas. Permission granted by R.W. Sherby, G.L.I.S. Administrator, 8/11/2014.

Map 3. Underutilized Properties Selkirk Ave. Permission granted by R.W. Sherby, G.L.I.S. Administrator, 8/11/2014.

Map 4. Underutilized Properties in Point Douglas. Permission granted by R.W. Sherby, G.L.I.S. Administrator, 8/11/2014.

•North End Findings:

Due to its various stigmas, and disconnect from the rest of the city, the development type that captures the highest and best use of this land are not retail locations geared to the whole city or medium-to-high-end residential like Point Douglas. Parking is not abundant along these older streets and the perception of inner city crime may keep away some unfamiliar people from Winnipeg's suburban neighbourhoods. The highest and best use for the commercial and industrial zoned land appears to be businesses that do not require significant walk-in traffic or businesses that are only geared to the surrounding inner city neighbourhood. The one exception to this rule is heritage businesses. Due to their unique North End reputation and generations of loyal customers, heritage businesses have the unique capacity in the North End to continue to attract walk-in customers city-wide. Heritage businesses often have customers whose families' had long ago moved out of the North End, but due to family traditions, they continue to frequent the same North End establishment for generations.

• Point Douglas Findings:

With the proximity to the River, parks, and some of the finest cultural amenities in Winnipeg, the development concept that appears to capture the highest and best use of this land is medium-to-high-end mixed-use residential development. It can be anticipated that when major redevelopment occurs in Point Douglas it will largely be in this format. Winnipeg's development plan is supportive of mixed-use redevelopment here despite the current industrial zoning for the area (Robinson, Shenback, Anderson, & Holmes, 2011). Possible building patterns might be high-to-medium density with ground floor retail and residences above in areas of good visibility or live-work units and artisanal workshops in areas with low visibility. The residential units would be geared to any segments of the population that wants to live close to Winnipeg's centre

and best amenities. Based on historical real estate data in Winnipeg, apartment-style condominiums should make up approximately half of the residential development with apartment-style rentals making up the other half (CMHC, 2013b). Real estate data, however, shows an increasingly large inventory of unsold apartment style condominiums in Winnipeg in the beginning of 2014 (CMHC, 2014). Developers therefore would have to carefully asses the market prior to starting any redevelopment projects here. For all of these old industrial properties in Point Douglas, extra cost considerations also need to be made for soil tests and remediation should there be any changes to residential use. Much of the ground in this area has been used by heavy industry for more than a century.

• Redefining 'Highest and Best Use':

In this analysis, I redefine the meaning of the real estate concept of 'highest and best use.' I use the neighbourhood analysis to generally hypothesize what the highest and best use(s) might be for whole a neighbourhood. This differs from the conventional means to determine highest and best use whereby someone calculates future income flows for developing a particular property in different ways and then figures out which is the most profitable option.

4.2.2 Neighbourhood Analysis North End Business Areas

• Study Area:

I define the 'North End business areas' as one area with three sub-sections. Two are commercial and one is industrial. The first is the commercial areas along Main Street from the CP rail yards to Mountain Avenue. This corridor consists of properties on either side of the street for approximately 1.6 kilometers. The second is the commercial areas along Selkirk Avenue from Main Street to Arlington Avenue. This corridor also consists of properties on either side of the street but runs for approximately 1.9 kilometers. The third is the industrial areas between the CP

yards and Dufferin Avenue from Main Street to just beyond Arlington Avenue. This area includes the southern portion of the Lord Selkirk Park neighbourhood. This area is larger than the other two and runs about 2.1 kilometers east to west for two or three blocks north and south.

• Neighbourhood Character and Condition:

The physical characteristics of these three business segments or 'sub-neighbourhoods' of the North End have a number of similar characteristics. Public infrastructure is often in poor condition. Neglect is evident in some many run-down buildings though a few commercial properties appear to be maintained with great care. Graffiti is generally abundant. Security fences and bars on windows are commonplace. Businesses are mostly locally-owned and there are very few nation-wide chains.

Most commercial buildings along Selkirk Avenue and Main Street were built in the first half of the 20th century. As a result, they are geared to pedestrians and past streetcar traffic and so most storefronts are built right to sidewalk's edge. Parking is limited to on-street public parking or back lane parking lots. Storefronts along Selkirk Avenue tend to especially small, often as small additions to the front of single-family or duplex buildings. Many of these small storefronts are vacant on Selkirk Avenue (see Map 3.). These features have contributed to the undesirability of this Selkirk Avenue for most retailers in past decades that opted instead for locations with suburban parking and size standards. Major new real estate trends, however, show that big box retailers are again learning how to "shrink into urban streetscapes to capture business from move-back-in trends" (Miller & DiRocco, 2013 p. 55). Selkirk Avenue though will likely not benefit much from this new retail trend because this is not really a gentrifying urban area.

The industrial buildings between the CP yards and Dufferin Avenue were mostly developed in the early to late mid-20th century and are situated on comparatively small lots. The buildings are mostly either late mid-century single storey or multi-storey heritage structures (see Fig. 1 & 2). In either case, they do not have the high ceiling clearances or the right trucking bays which are necessary for large-scale, modern industrial companies (Wolf-Powers, 2012). Many of these industrial businesses are also positioned on streets that are not easily accessible by larger semi-trucks.

All three business areas can be best described as being outmoded for the purposes of large-scale industry and not gentrified enough to spur major urban retail or residential redevelopment. There is still good reason, however, to believe that these areas could be retrofitted to better serve the local and small-scale business sector.

Fig. 2 Early 20th century industrial building. Photo by Google Maps July 2012.

Fig. 3: Mid 20th century industrial building. Photo by Google Maps July 2012.

• Adjacent Uses:

The North End has had a negative stigma in Winnipeg since time immemorial because of racist attitudes and the social problems faced by its residents. The racism and stigma first started shortly after the first Eastern European immigrants settled here at the end of the nineteenth century to be close the jobs in the CP rail yard and the surrounding North End industries (Silver, 2010). The stigma continues today and it is a factor which helps keep commercial real estate prices low. North End businesses properties along Selkirk Avenue, Dufferin Avenue, & Main Street are not positioned near or next to any natural asset like the Red River in Point Douglas. Most of the North End business areas in my study area are central and as close to downtown as they are in Point Douglas, but they are separated by the massive CP rail yards. Even if distances were technically equal, a property along the Red River in South Point Douglas would seem more naturally connected to Downtown than a property in the North End. These yards are a physical and unconscious barrier between the North End and Downtown. They could be described as a 'hard edge' in the average Winnipeggers' mental map. Decades ago, activists such as Greg Selinger, the current Premier of Manitoba, and more recently, the Social Planning Council of

Winnipeg, have advocated for the expensive process of moving the rail yards outside the city so as to break down this immense social and physical barrier (Welch, 2012).

• Local Attitudes Towards Development:

The North End, at the time of this writing, has not experienced major new investment in terms of new real estate development. However, based on information from North End real estate listings, there appears to be trend towards small-scale private investment in the rehabilitation of existing buildings as well as new infill residential development (MLS, 2014). The residents around these North End business areas also seem supportive of all such attempts to improve the look, safety, and perception of their neighbourhood as well as to preserve the viability of the businesses and commercial spaces (William-Whyte Residents Association, 2012). For years, the nearby residents have dealt with the problems associated with slum landlords as well as businesses being shuttered to be left vacant or replaced by low-income residential development and social services.

• Municipal Planning Objectives:

The City of Winnipeg currently zones the industrial areas north of the CP yards and south of Dufferin Avenue largely as ‘Light Manufacturing’ ‘General Manufacturing,’ or ‘Heavy Manufacturing.’ However, Winnipeg’s highest level development plan, Our Winnipeg - Complete Communities, declares that the southern portion of Lord Selkirk Park is an “obsolete, non-strategically located” industrial area and states the City would like to transition this area away from industry and more towards residential and commercial mixed uses (Robinson, Shenback, Anderson, & Holmes, 2011). Legally, it means that new industrial businesses will not be permitted to be established and that existing businesses will not be permitted to expand in these locations. Existing businesses in this area will only be allowed to maintain their current

operations through an existing non-conforming status, colloquially know as a ‘grandfather clause’.

Selkirk Avenue is largely zoned ‘Commercial Community’ which permits an array of traditional neighbourhood commercial land uses. In Complete Communities, it is designated as a ‘Community Mixed Use Corridor’ which supports preserving traditional, small storefronts that abut the sidewalk as well as a mixture of uses (2011). These building formats, which Selkirk Avenue has in abundance, are deemed by the City to be an asset upon which to build and carefully intensify.

Main Street is also largely zoned ‘Commercial Community,’ and its designation in Complete Communities is a ‘Regional Mixed Use Corridor’ (2011). This means that the City would like to support an intensification of higher-density of mixed uses, especially at large intersections, along this key route into downtown.

• Possible Future Infrastructure:

According to Winnipeg’s Transportation Master Plan, the North End will be one of the last corridors to get a bus rapid transit line. It is relegated to a long-term City objective. This is despite the fact that the same Plan shows that this line would, by far, be the cheapest route and is projected to have the highest potential peak ridership (City of Winnipeg, 2011). The rapid transit route will expected to travel along Main Street from Portage to Jefferson, where there is high ridership potential, or west along a CP train line. In the next ten years, the City hopes to replace the Arlington Bridge which spans the CP yards. A wider bridge will help freight trucks from Dufferin Industrial area that are presently constrained by this narrow two-lane bridge that gets congested by 15,600 vehicle-trips a day (City of Winnipeg, 2012 a).

• Relationship to Other Activities:

The North End business areas host much of the City's social housing, social services, and social services education. There is a University of Manitoba social services campus as well as a University of Winnipeg urban and inner city studies campus on Selkirk Avenue. The neighbourhood is also a cultural centre for Winnipeg's Eastern European and Aboriginal populations. The North End hosts many of the organizations, clubs, and businesses that serve these two cultural groups in the city.

4.2.3 Competitive Advantages of the North End Business Areas: For Businesses Geared to Customers City-Wide

The three North End Business Areas have some competitive advantages for commercial or industrial businesses that have customers outside of their immediate neighbourhood. These advantages are explained as follows:

• Cultural Identity:

There are many Aboriginal and Eastern European cultural centres and institutions throughout the North End. A number of businesses have been able to build on this and are geared towards their specific cultures (see Fig.4). There is a significant culture-based customer-pool in Winnipeg too. Aboriginal people make up 11.7% of the total population of Winnipeg and people of Eastern European decent make up another 23.5% (National Household Survey, 2013 c). There is a large customer base for more businesses in the North End to tap into this culture-specific market.

Figure 4. Ethnic institutions in North End. Photo by Google Maps, May 2012.

• Opportunity for a Heritage Business District:

Many businesses in the North End have become city-wide institutions over the long years that they have been operation. For those Winnipeggers who long ago moved out of the North End, they can still return to some the North End's heritage businesses to re-experience their favourite bakery, butcher, or restaurant that they once enjoyed in younger years (Schewe, 2012). Other types of heritage businesses which only do business with other companies will try to stay in the North End because their operations have become synonymous with this iconic neighbourhood and their customers know where they are. Based on an interview with one North End business owner, it was revealed that they have a record of customer accounts with another business in Point Douglas that goes back every year to the early 1920s.

There is an opportunity for the North End to further build the competitive advantage of these heritage businesses by establishing a heritage business district or association. Part of the function of this association would be to guide historical walking tours of participating heritage businesses in the North End and to install historical plaques/signposts. The Exchange District Biz sets a good precedent in Winnipeg for this kind of service. They have seven types of historical walking tours of their district offered throughout the summer months (n.d.). A North End

heritage business version could help boost the reputation of the North End as well as well as boost retail sales of participating businesses with customers coming from outside the neighbourhood. By seeing various products made, tasting samples, and learning about the company long histories in the area, it may help pass the baton of loyal customer patronage to a new generation of suburban Winnipeggers who did not grow up in the North End themselves.

• Proximity to Central Business District:

While the North End does not have beautiful pedestrian connections to Downtown, such as the waterfront trails in Point Douglas, it still has physical proximity and is easily accessed by Downtown. This means, for example, that caterers in the North End have a competitive advantage over caterers in the suburbs because they are much closer to downtown's offices and are a short drive away for a food pick up or delivery.

• High Visibility on Main Street:

Retail and commercial enterprises along Main Street benefit from the free advertising they receive from high traffic volumes, which are in excess of 41,000 car trips a day (City of Winnipeg, 2012 a).

• Inexpensive Lease or Purchase Prices for Industrial Property:

Though cost considerations for starting or operating a business in any location are more complex than simply adding the cost of land and buildings together, the cost of land and buildings are still a factor. Commercial real estate reports from 2014 find that central locations for industrial property have the lowest per square foot lease rate or purchase price in the entire city; they run about 15% cheaper than in any other quadrant for purchasing and 11% for leasing (CBRE a).

Depending on the suitability of a particular property for the type of industrial business, land and building cost could prove to be a competitive advantage for doing business in the North End.

4.2.4 Competitive Advantages of the North End Business Areas: For Businesses Geared to Customers from the Neighbourhood

The North End Business Areas also have some competitive advantages for small-scale retail businesses that have their customers coming from North End neighbourhoods. These advantages are explained as follows:

• Inexpensive Multi-Use Buildings and Commercial Leases on Selkirk Avenue:

There are numerous small storefronts along Selkirk Avenue that can be rented for relatively little money. There is a large supply of underutilized or vacant space (see Map 2.) which helps puts this downward pressure on real estate prices. It presents an opportunity for small-scale start-up companies to lease a low-cost location for their business. Another opportunity for entrepreneurs is to purchase the entire multi-use building that contains these small storefronts. The residential rental units behind/above the storefront present another revenue source for the building's owner (see Fig. 5).

Fig 5. Small storefront on Selkirk Ave. Photo by Google Maps (2012).

• Retail Sectors are Not Saturated by National Chains:

Given a number of 'ecological'[7] factors, and the fact that it is one of the lowest income neighbourhoods in Winnipeg (Winnipeg Free Press, 2013), the North End does not have a high concentration of national chains or any big box retailers. For example, there are no large-format national grocery chains in the neighbourhood only one older, smaller-sized Safeway. This is despite the fact that the residents around my study areas in the North End (pop. 9,265) still bring in a gross annual income of $376,201,043, according to the most recent National Household Survey and Census (Statistics Canada, 2011 a & b; Winnipeg Free Press, 2013). A similarly-sized Winnipeg suburban area (pop. 10,310) with a gross annual income of $569,704,000 hosts two large-format grocery stores and another medium-sized national chain. Instead, the North End meets its grocery demand with a plethora of mini-marts (12) and convenience stores, as well as one medium-sized cooperative grocery store called Neechi Commons.

People in the North End sometimes are forced to travel outside their neighbourhood to satisfy their consumer demand for basic things like banking services (Assiniboine Credit Union, 2011). There are going to be opportunities for small businesses in the North End to get a piece of a market share in a sector that might otherwise be saturated by the large national corporations in other suburban neighbourhoods.

4.2.5 Competitive Disadvantages of the North End Business Areas: For Businesses Geared to Customers City-Wide

[7] 'Ecological' is defined here as meaning economic, technological and social realities that shape our geography.

The three North End Business Areas have some competitive disadvantages for commercial or industrial businesses that have customers outside of their immediate neighbourhood. These disadvantages are explained as follows:

•Crime and Perception of Crime:

In Winnipeg, there is a common perception of crime in the North End which is partly corroborated by publically-available crime statistics (Fernando, 2012; City of Winnipeg, 2014). This can hurt North End businesses which mainly do business with people from outside of the neighbourhood. Unless it is an existing or heritage business with clientele that are already familiar with the area, a new business which relies solely on attracting non-local foot traffic to their location in the North End will have a problem. Again, this might not be as much a problem for new non-retail businesses, such as cleaning companies, who do not necessarily need to have customers visit their physical location.

•Parking:

A number of properties along Main Street have their own off-street parking lots but a significant proportion of the parking is done on-street. Most of these on-street spaces along Main Street are time-restricted to better accommodate rush hour traffic, only permitted parking between 9:00 am and 3:30 pm. On Selkirk Avenue, where is there mostly on-street parking, parking requires payment in order to reduce student and faculty overuse from nearby educational facilities. Despite having good rationales, these two factors also create a disincentive for people wanting to visit stores here from other neighbourhoods.

• Freight Issues:

A number of old buildings and streets in the North End are not conducive to large semi-trucks that large-scale modern industrial and distribution facilities require. Built before the advent of modern trucking, buildings have incompatible cargo loading bays and are located on narrow streets. At one time, the North End was the ideal location for industrial freight because of adjacency to CP yards and the importance for many firms to be able to ship or receive bulk goods by rail (Wolf-Powers, 2012). Though rail still remains important infrastructure for industry, modern large-scale industrial and distribution facilities now require multimodal shipping options that include rail, as well as very large trucks, and airplanes (Crockatt, 2000). In Winnipeg today, land in Centreport, adjacent to the James Armstrong Richardson International Airport, is more valuable to industry because of the current importance of quickly shipping/receiving special order parts anywhere in the world.

•The Non-Profit Cluster:

The North End hosts a large number of social services, third-sector organizations, and social work education facilities. In many regards, their work and presence can be viewed positively as part of larger community economic development picture in the North End. However, in some ways this cluster infringes on some of the objectives of CED as makes it harder for nearby businesses to attract customers city-wide. On Selkirk Avenue, in particular, there is a large and almost overbearing social service and non-profit cluster. It changes the public perception of the street away from its once iconic commercial character (Simard, 2012; Green 2012). It is a transformation that was cited as a concern by local residents who feared the loss of businesses (William-Whyte Residents Association, 2012).

4.2.6 Competitive Disadvantages of the North End Business Areas: For Businesses Geared to Customers from the Neighbourhood

The North End Business Areas also have some competitive disadvantages for small-scale retail businesses that have customers coming from North End neighbourhoods. These disadvantages are explained as follows:

• Negative Neighbourhood Conditions:

Commercial properties in the North End often deal with a combination of negative neighbourhood conditions. These conditions include: signs of gang activity, arson, graffiti, overgrown vegetation, razor wire fences, no landscaping, boarded-up windows, insufficient street lighting, and vandalism. Infractions of the City of Winnipeg's Livability By-law are rampant. Residents in the area have reported that these things make the area feel unsafe and even more prone to criminal activity (William-Whyte Residents Association, 2012). These negative neighbourhood conditions give North End residents a reason to shop outside of their own neighbourhood.

4.2.7 Summary of Potential Land Uses in the North End Business Areas

• Summary of Competitive Factors:

Competitive Advantage: Businesses Geared to Customers City-Wide	Competitive Disadvantage: Businesses Geared to Customers City-Wide
Cultural Identity	Crime and Perception of Crime
Heritage District Potential	Parking
Proximity to CBD	Freight Issues
High Visibility on Main St.	Non-Profit Cluster
Low Lease Rates and Land Prices	
Competitive Advantage: Businesses Geared to Customers from the Neighbourhood	**Competitive Disadvantage: Businesses Geared to Customers from the Neighbourhood**
Low Lease Rates and Land Prices	Negative Neighbourhood Conditions
Not Saturated by National Chains	

Table 1: Competitive factors of the North End

• Highest/Best Use:

According to this neighbourhood analysis, it is likely that the highest and best uses[8] of commercial and industrial land in the North End are retail businesses geared towards local residents in the North End and heritage retail businesses and non-retail businesses geared towards those outside the North End.

The central and inexpensive locations mean that new businesses can start here and serve customers elsewhere in other neighbourhoods of Winnipeg with greater cost efficiency. Businesses that can take advantage of this include: equipment/event rental companies, local bakeries, contractor services, and small-scale/custom manufacturing, wholesale companies, small-scale distribution companies, catering services, and cleaning services. The other best use of commercial land in the North End includes retail geared towards the surrounding North End neighbourhoods because there is sizeable purchasing power and a consumer demand that is currently underserved by national chains or big box retailers. Neighbourhood-oriented businesses include: small-scale grocery stores, bars/pubs, restaurants, banks, pharmacies, and clothing/thrift stores.

4.2.8 Neighbourhood Analysis of Point Douglas'

• Size of Study Area:

For the purposes of this study, I define the business areas of Point Douglas as all commercially and industrial zoned properties in that neighbourhood. These commercial and industrial properties are mostly concentrated in South Point Douglas, south of Sutherland Avenue. I define Point Douglas as everything east of Main Street, north of Alexander Avenue, and south of Selkirk Avenue. Point Douglas is a peninsula and has the Red River as its western

[8] I make a generalized hypothesis as to what the highest and best use might be for a typical property in a area based solely on my neighbourhood analysis.

boundary. Point Douglas' business areas are made up of many small blocks and it is approximately 1.8 km at its widest, east to west, and 0.7 km at its longest, north to south.

• Neighbourhood Character and Condition:

The physical characteristic of the neighbourhood is greatly varied. North Point Douglas is a changing, predominately single family residential area with old housing stock. A large number of properties here show pride of ownership but many other properties still show signs of impoverishment and a lack of proper maintenance. In the southwestern portion around Waterfront Drive there are a few trendy, luxury condominiums. Throughout the rest of South Point Douglas there are a few pockets of late nineteenth century single family houses, small-to-medium scale mid-century industrial facilities and commercial establishments, and multi-storey brick heritage industrial buildings.

These old, multi-story brick industrial buildings help give the area its 'gritty feel' and it makes the area attractive to some segments of the luxury residential market. Some of these multi-storey buildings have not been maintained or renovated over the years and are not currently being used for industry or just being left vacant.

In the mid-to-latter-half of the twentieth century (1950s to 1970s), some multi-storey industrial buildings were demolished and replaced by mechanic shops or newer single-floor industrial buildings. Most of these buildings are being used, but they do not have the height required for modern warehousing technology nor access that allows for largest formats of trucking (Wolf-Powers, 2012).

Due to the outmoded buildings, inadequate property accesses, and even external factors like the decline of manufacturing in Canada in the past few decades, there are a number of vacant and underutilized industrial properties throughout Point Douglas (see Map 3). Nevertheless,

many small-to-medium sized businesses still continue to operate successfully in these types of locations. This neighbourhood would be best described as being in a state of decay or stagnation in terms of businesses and rejuvenation in terms new residential development.

• Description of Adjacent Uses:

The site has access to some of Winnipeg finest amenities within a short walking distance. Encapsulating the neighbourhood is the Red River and a walk along the waterfront of the beautiful Stephen Juba Park will take someone Downtown to the massive new Canadian Museum of Human Rights, the Forks national historic site (major recreation destination & market), or Shaw Park (baseball stadium). Also in the neighbourhood, and within walking distance, are the Exchange District with its famous cluster of high-end restaurants, clubs, and fashion stores, the Millennium Concert Hall, Manitoba Museum, and other theatres/cultural venues. Within a short bike or bus ride are Winnipeg's Downtown central business district, which is a major employment centre, and the MTS Centre, which is home of the Winnipeg Jets.

• Local Attitudes:

The local attitudes towards development can be understood as distrustful among business owners and among residents. With a previously-failed attempt at the Asper Stadium megaproject, a proposed Provincial Park, real estate development pressure, and designation as a 'major redevelopment area' under Winnipeg's plan (Robinson et. al, 2011), they are inundated with different visions of Point Douglas that often do not include them continuing living or operating a business here. Existing businesses owners received a message that their operations are no longer welcome. Residents, who have been engaged in many pre-planning consultations, are concerned with gentrification (Lett, 2011).

• Municipal Planning Objectives:

The City of Winnipeg currently zones the southern portion Point Douglas as either 'Light Manufacturing,' 'General Manufacturing,' or 'Heavy Manufacturing.' Like Lord Selkirk Park, Our Winnipeg - Complete Communities, declares that Point Douglas is an "obsolete industrial area" and also states it would like to transition this area away from industry and more towards residential and commercial uses (Robinson, Shenback, Anderson, & Holmes, 2011). Same as in Lord Selkirk Park, it means that existing industrial businesses in this area will be allowed to currently operate within their current footprint and operations through an existing non-conforming status. Additionally, Our Winnipeg – Complete Communities designates Pont Douglas as 'a Major Redevelopment Site' (2011). This implies that the City would be receptive to development proposals which would completely change the nature of the land use in Point Douglas.

• Possible Future Infrastructure:

According to the Transportation Master Plan, either Point Douglas or North St. Boniface will be getting the Eastern phase of bus rapid transit line before 2031 (City of Winnipeg, 2011). This would have the effect of giving even greater accessibility and transportation options to the future residents of Point Douglas, making the area even more attractive to residential development. If the decisions regarding the current Southwest phase of rapid transit set any precedent, then the City would likely choose Point Douglas over North St. Boniface as it presents more opportunities for transit oriented development (TOD). The City is eager to use rapid transit as a tool to spur new TODs. There is also the fact that the Louise Bridge, the second oldest bridge in Winnipeg, situated at the Eastern point of Point Douglas, is soon going to be replaced and this

will present a timely opportunity to incorporate rapid transit infrastructure into a new bridge (City of Winnipeg, 2011).

• Relationship to Other Activities:

The Point is a transportation corridor for commuters in Elmwood and Transcona travelling downtown via the Louise Bridge. The Higgins Avenue sees high traffic volumes of 25,600 per average weekday day (City of Winnipeg, 2012 a).

4.2.9 Competitive Advantages of Point Douglas: Residential Development

Point Douglas has some competitive advantages for higher-end residential developments. These advantages are explained as follows:

• Riverfront:

The Red River, which surrounds Point Douglas, has natural beauty is used for recreation in both winter and summer. It enhances the charm, interest, and ultimately the appeal of the area for higher-end residential redevelopment (see Fig.6). It is for these powerful aesthetic reasons that major redevelopment potential exists and why waterfront revitalization is a phenomenon that has been experienced by many post-industrial cities across the world (Marshall, 2001). An article in the Winnipeg REALTOR's® newspaper is quoted saying: "One can imagine residential developers enthusiastically looking forward to getting their hands on a chunk of Point Douglas land" (n.d.).

Figure 6. View of Red River from Grace St. Photo by Google, July 2012.

• Proximity to Central Business District:

As abovementioned in 'Description of Adjacent Uses,' Point Douglas has the potential to be a very attractive location for people who want to live in a central area with walking or easy access to Winnipeg's premiere amenities, entertainment, culture hot spots, shopping, beautiful parks, trails, and Downtown employment.

• Trendy:

Point Douglas is just beginning to emerge as a trendy central neighbourhood to live in for students and artists. The Planning and Property Development Department who did an inventory study of Point Douglas go so far as to draw similarities between it and Wicker Park in Chicago (City of Winnipeg, 2008). Wicker Park was once an underutilized central industrial neighbourhood but it is now a trendy enclave for various artists and people who moved in to find affordable spaces to live and make their cultural products and develop niche businesses. Interviews with condo developers in Point Douglas reveal that the gritty, historical industrial-feel of the area is not a hindrance to condo purchasers. The historic industrial grittiness reportedly helps increase the trendy vibe of the neighbourhood.

Residential properties in Point Douglas have a proportionally higher value as compared to homes in the North End. Between 2012 and 2014 the average assessed values of residential property in Winnipeg increased by 12% but in that same time the inner city, including Point Douglas, increased by 19% (Kives, 2014). It is indicative of the growing desirability of the area and a 'move-back-in' population who are buying homes here but do not come from the less advantaged inner city.

•Underutilized Industrial Land:

The abundance of underutilized industrial land in Point Douglas means that there are opportunities for developers to convert the land from industrial usage to residential (see Map 3). Large amounts of vacancy drives real estate prices down and it indicates to city planning officials that there is a rationale for major redevelopment.

4.2.10 Competitive Advantages of Point Douglas: Existing and New Business Development

Point Douglas also has some competitive advantages for a variety of industrial and commercial businesses. These advantages are explained as follows:

• Proximity to Central Business District:

Businesses locating here will have proximity to large number of customers in the Central Business District with its high concentration of offices, businesses, and event/entertainment facilities. Businesses in Point Douglas are of equal distance to customers anywhere in the city and are never very far from anyone. If the traffic congestion on Higgins Avenue during rush-hours could be avoided, it would be an efficient location for a company doing a limited amount of product distribution inside Winnipeg.

• Freight Advantages:

Industries in Point Douglas are close to the Canadian Pacific intermodal rail yards which provide bulk shipping services. This is still a useful feature for a few industries in Point Douglas, such as the grain elevator on Higgins Avenue.

• High Visibility for Commercial:

Retail and commercial enterprises along Higgins Avenue benefit from the advertising they receive from high traffic volumes, which are in excess of 25,000 car trips a day (City of

Winnipeg, 2012a). Higgins acts as a major thoroughfare because it extends to the Louise Bridge over the Red River and carries east-west traffic. It provides a rationale for more retail and commercial development here.

• Hub for Artisan Manufacturing:

As Point Douglas has features which make it an ideal location for artists and craftspeople doing low-impact artisan manufacturing. A number of North American cities with gentrifying urban cores have experienced a loss of their large traditional manufacturing firms only to discover an emergence of small artisan/custom manufacturing operations that are eager to use inexpensive industrial loft space or historic buildings to produce custom or speciality goods usually geared towards higher-end retail and construction markets (McCormick, 2012). Point Douglas has an abundance of underutilized historical industrial buildings and is emerging as a trendy location. Higher-end, speciality, and customized products could be both manufactured and retailed on site in mixed-use environment.

Artisanal manufacturing is not limited by residential development in the same way as traditional manufacturing. For example, an artisanal manufacturer called ‘the Metropolis Factory’ sells and makes customized salvage furniture and goods in a central Toronto neighbourhood called Junction Triangle (Metropolis Factory, 2014). This area is a historically industrial but is increasingly becoming a trendier, gentrifying residential neighbourhood (Ireland, 2014; Yu, 2014). It is also a site of conflicts between the remaining large traditional manufacturers and new residential development, where there are frequent resident complaints made about noxious emissions (Kienapple, 2012; Anonymous, 2012; see fig. 4). The artisanal manufacturing occurring in Junction Triangle, however, avoids the conflicts because it is an activity with design-aesthetic, low-impacts, and no-emissions.

Fig 4. The Junction Triangle, Toronto. Photo by Google Maps (2011).

4.2.11 Competitive Disadvantages of Point Douglas: Residential Development

Point Douglas has some competitive disadvantages for higher-end residential developments. These disadvantages are explained as follows:

• Traffic and Industry Potentially Noxious:

Higgins Avenue generates a lot of noise with truck traffic and busy morning and evening rush hour traffic. There are a few industrial operations in Point Douglas that might also create some unpleasant sounds during the day. These are features which are problematic for residential development. While some of these noxious industrial operations may eventually cease to operate in the future as the area gives way to more residential development, Higgins Avenue will continue to remain a busy east-west traffic route. This is because it terminates at a bridge which crosses the Red River and connects Downtown to the northeast quadrant of Winnipeg. To remain competitive with residential developments elsewhere in the city, developers in Point Douglas may find it important to ensure that sound-proofing measures are taken with their buildings, especially if they are built in proximity to Higgins Avenue.

• Crime and Perception of Crime:

For decades, Point Douglas has battled a reputation as being unsafe and crime ridden with prostitution, gangs, and crack houses (Galstone, 2012a). Recently, with strong and organized community-driven efforts to stop crime, many crack users and gang members have been evicted and crime was reduced (Ibbitson, 2011). Still, crime rates in Point Douglas are not necessarily decreasing every year and remain stubbornly high (City of Winnipeg, 2014 a). As Point Douglas is still only in the early stages of gentrification and major socio-economic changes, some people purchasing higher-end residential units here will have to be convinced that the area is changing in order to make a major investment like buying a condo.

• No Large Grocery Store:

There are no large full-service grocery stores in close proximity to Point Douglas. A lack of a large grocer is widely considered to be a major impediment to further residential development in Downtown Winnipeg and the same would hold true for Point Douglas (Grande, 2012; Kirbyson, 2013). Point Douglas, however, does have relatively easy access to the medium-sized full-service grocery store, Neechi Commons, in the North End as well as small ethnic grocery stores in nearby Chinatown.

• Soil Contamination Issues:

A soil test or Environmental Site Assessment must be undertaken by an Environmental Engineer to ensure that previously industrial land in Point Douglas is safe for residential development and, if not, what steps toward soil remediation must be made in order to make it safe. Soil remediation adds another layer of cost of doing residential projects here, in South Point Douglas, that would not exist in many suburban greenfield locations surrounding the city. Two properties in Point Douglas are designated as ‘contaminated sites,’ seven as ‘impacted sites,’ and many others are sites of potential concern (City of Winnipeg, 2008).

4.2.12 Competitive Disadvantages of Point Douglas: Existing and New Business Development

Point Douglas also has some competitive disadvantages for a variety of industrial and commercial businesses. These disadvantages are explained as follows:

• Freight Issues for Large-scale Industry:

Most properties in Point Douglas are not conducive to double or large semi-trucks which large-scale modern industrial facilities require. Some turning radiuses on narrow streets off of Higgins or Sutherland Avenue are insufficient for anything but a cargo van. Interviews with business owners in Point Douglas reveal that the newer curbs being installed in the area are not designed to allow semi-trucks to access properties. The buildings themselves were largely built before the advent of modern trucking and this means that they too will sometimes have improper cargo loading bays.

After 1881, Point Douglas became the ideal location for industrial freight because this is where the CPR rail line, the first rail line to reach Winnipeg, was located (Galstone, 2012 b). Today, lands near airports, outside congested inner cities, are prized locations for large-scale industry because of reasons such as growing importance of quickly shipping/receiving special order parts anywhere in the world (Crockatt, 2000). Point Douglas is still a viable, central location for niche, small-scale, local-oriented businesses, but freight trucking issues make it prohibitive for operating large-scale modern industry.

• Crime and Perception of Crime:

Business owners have to deal with more graffiti and vandalism in Point Douglas than more suburban areas of the city (see Fig. 8). This raises the costs of security and repairs and can reinforce a perception that Point Douglas is an area of high crime.

Figure 8. Vandalism on Sutherland Ave. Photo by Google Maps (2012, July).

4.2.13 Summary of Potential Land Uses in Point Douglas

• Summary of Competitive Factors:

Competitive Advantage: Residential Development	Competitive Disadvantage: Residential Development
Riverfront	Traffic and Industry Noxious
Proximity to CBD	Crime and Perception of Crime
Trendy	No Large Grocery Store
Underutilized Industrial Land	Soil Contamination Issues
Competitive Advantage: Existing and New Business Development	**Competitive Disadvantage: Existing and New Business Development**
Proximity to CBD	Freight Issues for Large-scale Industry
Freight Advantages	Crime and Perception of Crime
High Visibility on Higgins	
Artisan Manufacturing Potential	

Table 2: Competitive factors of Point Douglas

• Highest/Best Use:

According to this location, neighbourhood, and site analysis, the highest and best use of land in Point Douglas is likely mixed-use development with increasing concentration of multi-family residential buildings the closer the proximity to the Red River. The residential units should be geared towards people who value trendiness and want to live close to the city's centre and the best amenities. The mixture uses should include less noxious forms of higher-end, artisanal and

small-scale industrial uses throughout the Point. Retail and other commercial uses would likely be the highest and best use for properties alongside Higgins Avenue which is a high traffic corridor.

4.3 *Economic Outlook*

4.3.1 Introduction

The economic outlook is broken down into two sections: the economic forecast and trends in real estate. The 'economic forecast' section looks at economic trends affecting the world, national, and local economy and business environment. The 'trends in real estate' section looks at real estate trends that are affecting the Canadian and Winnipeg industrial, residential, and commercial markets. How these forecasts and trends will affect business areas in the North End and Point Douglas is described later in the scenarios.

4.3.2 Economic Forecast

• Short-term Outlook:

At the time of this writing, there has been sustained improvement in the world economy since the 2008 Financial Crisis. In 2013, the world posted a GDP growth rate of around 2.4-2.9% and is forecasted to grow by 3-3.5% in 2014 (TD Securities, 2014; The United Nations Department of Economics and Social Affairs, 2013; The World Bank, 2014). The United States have managed to continue a modest growth since the end of 2009 but signs are showing that growth is accelerating. They are projected to post an overall GDP increase of about 2.8% in 2014 after only a 1.8% growth rate in 2013 (TD Economics, 2014; The World Bank, 2014). Europe and Japan are beginning to show signs of fragile improvement after some of the longest recessions in their histories (Ernst & Young, 2014; UNDESA, 2013; Wall Street Journal, 2014 a). China's

GDP growth appears to be stabilising at around a relatively healthy 7.5%, but concerns have been raised regarding property asset bubbles and escalating debt (Wall Street Journal, 2014 b; "Haunted Housing," 2013).India and Brazil are forecasted to return to positive, modest growth after none or little growth in 2012 (UNDESA, 2013; "Speed Bumps Ahead", 2012). Most of these signs are positive worldwide indicators of more economic growth in 2014, aside from a few caveats with Europe, Japan, and China.

In Canada, growth historically mirrored the United States, as it is its largest trading partner. In the half-decade following the 2008 financial crisis, whenever the US has been sluggish or in recession so has Canada. Similar to trends in the US, the GDP growth in Canada was last forecasted at 1.7% for 2013 and 2.3% for 2014 (CMHC, 2013 a). The strengthening US economy as well as the declining value of the Canadian dollar both likely mean that Canada will soon experience more economic growth, as the demand for Canadian products and services grows south of the border. This demand, however, is expected have less impact in commodity-rich Prairie Provinces like Manitoba and more in the manufacturing and mineral-rich Ontario and Quebec (TD Economics, 2014).

In terms of risks to the Canadian economy, economic experts persist in pointing out that all signs point to a housing correction being fairly imminent, despite the real estate market's dogged rise in the sales price and new construction activity (CBC, 2014). The other major risk is whether job creation will continue to be paltry, as it was throughout 2013 (CMHC, 2013a).

A number of factors are helping the local market in Winnipeg continue a sustained growth in the size of its economy. In the past five years, Winnipeg's gross domestic product has grown an average of 1.7% a year, which is 0.6% higher than the national average and is ranked

seventh out of Canadian cities (Economic Development Winnipeg, 2013). The economic drivers for Winnipeg are its tight job market, diversification, stability, and population growth.

The city has never boasted of staggering economic or population growth rates since the early 20th century, but what it can boast of is slow and consistent growth. For example, during 2009 when the Great Recession was afflicting most cities across Canada, Winnipeg's economy simply neither grew nor shrank. This has much to do with the fact that its economy is highly diversified. In a national ranking, it is tied for third place for most diversified cities in Canada (Economic Development Winnipeg, 2013). Unlike Calgary, which is highly dependent on the success of its energy firms, Winnipeg is not as prone to fluctuations in a single sector of the economy.

In terms of population, between the 2006-2011 census periods, the Census Metropolitan Area of Winnipeg grew by a somewhat modest 5.1% when compared to the national increase of 5.9% (Statistics Canada, 2011). Winnipeg typically loses population to interprovincial migration, but gains population through international migration. Since early 2012, however, the numbers of incoming international migrants started to slow and should continue to slow into 2014 with a federal cap on immigration and more competition from other provinces (CMHC, 2013). Winnipeg will still continue to gain some population growth through migration albeit by a moderate amount.

Employment growth, which was 2.1% in 2012, softened in 2013 to less than 1% (CMHC, 2013). The Canadian Mortgage and Housing Corporation and the Conference Board of Canada forecast employment growth in Winnipeg to rebound in 2014 to somewhere between 1.2-2.1% (2013). Between the years 2002-2012, employment in Winnipeg grew by 11% but it falls short of the national average of 15% (Economic Development Winnipeg, 2013). The city's

unemployment rate sits well below the national average of 7.2% at 5.7% (Statistics Canada, 2013). If employment continues to grow, Winnipeg should be expected to continue to attract international migrants because of its more favourable job market and therefore continue to expand its economy. There is no major boom or bust projection for the near term horizon.

In summary, the short term economic horizon for Winnipeg looks to be like a repeat of the same economic conditions of the last few years –steady, but modest growth, with no major fluctuations. In the short term, the North End and Point Douglas or may not experience the benefits of this modest economic growth that will occur locally. The structural disadvantages of the North End and Point Douglas business areas, highlighted earlier in the neighbourhood analysis, may or may not hamper the increase of business and job growth in these areas.

• Long-term Outlook:

Winnipeg's economic future in 20-25 years will be determined by its ability to increase worker productivity and increase international immigration amidst growing labour shortages due to declining birthrates (Altus Clayton, 2008). It is obvious that a growing population is an essential component for economic growth, especially in places where populations are largely aging. Manitoba, and Winnipeg, currently benefit from a large number of incoming immigrants each year (Statistics Canada, 2012). It is important that Manitoba continue to host as many immigrants as possible because of its aging population and the large numbers of people who continue to leave this province for others (Statistics Canada, 2012). The only problem with this is that almost all developed countries in the 21st century will need immigrants too, due to their aging populations. This will likely present a situation, unlike in centuries past, where developed countries will be actively competing for any immigrants, skilled or unskilled (Friedman, 2009).

Given its harsh winter climate, Winnipeg may find it will have some structural disadvantages in this competition for labour. This could pose a long term economic problem for this city if it ever became the case that just having a tight job market and low housing prices becomes an insufficient allure for immigrants. The North End, however, with its large, young, and growing aboriginal population may find itself at a significant economic advantage within Winnipeg in twenty years (Statistics Canada, 2011 a; City of Winnipeg, 2014 b).

Winnipeg's largest fastest employment sectors from 2016 to 2031 are forecasted to be: finance, insurance, and real estate services (FIRE); healthcare; construction; and education. In 2031, the single largest employment sectors in Winnipeg are forecasted to be healthcare followed by trade, manufacturing, and transportation/utilities/storage (Altus Clayton, 2008). Services and professional jobs will make up an even larger share of the overall employment picture though blue collar type jobs, such as manufacturing and transportation/utilities/storage, will continue to make up a large contingent. For these reasons, is anticipated that the majority of development that will occur on Winnipeg's employment land (or industrial land) will be for transportation/communication companies, biotechnology and life sciences, advanced manufacturing, and professional services/small-offices (Altus Clayton, 2008).

Most of these types of businesses will require employees with some form of post-secondary education. The North End and Point Douglas, unfortunately, reported few numbers of people who have completed any postsecondary education or apprenticeship training (24.9% and 25.3%, respectively) and a large percentage who have not completed high school (52.5% and 50.7%, respectively) compared with the city of Winnipeg as a whole. Looking at the entire city, 48.7% of people have some form of postsecondary education and only 23.1% have not completed high school (City of Winnipeg, 2014b). In order for the North End and Point Douglas

to take advantage of its position of having a growing labour force amidst a larger decline, it will need to also increase rates of postsecondary education and apprenticeship training.

4.3.3 Trends in Real Estate

• Urban Mixed Use:

According to a PWC and Urban Land Institute study of national real estate trends, they note a marketed shift in the development community who are now mostly favouring projects that intensify downtowns and central city areas across major Canadian metropolises (Warren, Kramer, Blank, & Shari, 2014). Urban mixed-use developments and infill housing are ranked as having excellent development prospects and high-income apartment, central city offices, and multi-family condominiums are ranked as having good development prospects. They point to major trends which favour the redevelopment of high-vacancy downtown class B or C office space into residential/retail/office/hotel mixed use. They are quoted as saying: "The desire of tenants to be able to live, work, and play in an urban location will drive further demand for projects that could offer residential, retail, and office" (Warren, Kramer, Blank, & Shari, 2014 p. 73). They argue that residents of suburbs and employees of suburban workplaces have grown tired of long commutes and they rank suburban offices, power centres, and golf-course communities, as generally having poorer development prospects.[9]

I assume that *secular trends*[10] in real estate that are now noticeable in the largest Canadian cities will, in time, fully emerge in Winnipeg too. The phenomena of reurbanization in the metropolitan centres of Toronto or Vancouver, for instance, has only been piecemeal and

[9] Not all suburban development is viewed poorly, however. Moderately-priced single family housing, master planned communities though still generally have good development prospects across the country (Warren, Kramer, Blank, & Shari, 2014).

[10] 'Secular trend' here is defined as a long-lasting market trend.

incremental in Winnipeg as of yet. A traditional suburban model of growth is still the primary orientation of the much of the mainstream development community in this city (Carruthers, 2010). Reurbanization, however, could eventually change the orientation of the Winnipeg development community if it continues to transform the local real estate market. There are some signs that residential and office development is heading in that direction.

• Residential:

Trends show that residential development in Winnipeg will comprise more of multifamily development, both rental and condo, than single family development in coming years. The average price of new single family homes in Winnipeg consistently increases more each year than average wage increases (CMHC, 2013 b). The single family housing developers are focusing on the luxury market as a greater percentage of homes built are listed for over $450,000. This makes new single family houses largely unaffordable to early entrants to the real estate market primarily limiting them to those who can trade in on the increased resale value of their existing homes.

In response, the demand for multifamily housing has soared amongst the children of baby-boomers just entering the housing market, international migrants in search rental units, and retiring baby boomers seeking to downsize and/or utilize the increased equity in their single family residences. This is why in 2013 the number of multifamily units under construction in Winnipeg was at greater level than had been in 25 years (CMHC, 2013 b). This is a trend that will support increased residential density in Winnipeg and may even support a ‘move-back-in’ population to locate in central Winnipeg.

• Office:

Due to high construction costs in Winnipeg and a high demand, the supply of class A office space in the Downtown is scarce and it is expected to continue to remain so for some time (Colliers International, 2013b). All other office markets in the city, including Downtown class B, class C, and class B suburban, have much higher vacancies with less demand (CBRE, 2014 b). There are no major short-term shifts anticipated in Winnipeg's office market, either. It therefore makes sense to expect that some of this underutilized class B or C office space downtown will be redeveloped as mixed use residential, class A office space, and perhaps retail.

• Retail:

The PWC and Urban Land Institute study from states that Canada is under-retailed even with the increasing challenge of online sales in North America (Miller, Rocco, 2013; Warren, Kramer, Blank, & Shari, 2014). As a result, regional shopping malls are renovating, retail buildings expanding their floor plates, and neighbourhood and community strip-malls are being considered attractive investments, nationally.

In Winnipeg, suburban power centres in Winnipeg still garner the most attention from developers and investors with a vacancy rate, according to Colliers International, at an astonishingly-low 0.27% (2013 c). Most retail development in the city is occurring on existing underutilized commercial properties in parking lots or in the redevelopment of mature commercial buildings. There is one large, loosely transit-oriented development (TOD) in an older, more central Winnipeg neighbourhood which is in the planning stages. It will incorporate up to 500,000 square feet for traditional big box retailers, residential, and office components (Colliers International, 2013c; Shindico, 2014).

Downtown retail development in Winnipeg is paltry and is evidenced numerous vacancies on storefronts. The downtown development agency, Centreventure, is establishing a

Sports Entertainment and Hospitality District around Winnipeg's new NHL team's stadium and this area has had some retail development and redevelopment (Cenventure Development Corporation, 2014). The Downtown Biz is filling underutilized retail spaces with young entrepreneurs who will open a store for a temporary time in a 'pop-up shop' experiment (Glowacki, 2014). Otherwise, Downtown retail is still not yet an attractive retail development decision for many companies or investors.

• Industrial Prospects:

In terms of industrial development across Canada, manufacturing is struggling. Much of the Canadian manufacturing that was lost in the 2008 recession has not rebounded. The persistently high Canadian dollar reduces the appeal of exports and subsequently also led to loss of some Canadian production to the United States. Warehousing industrial, on the other hand, has excellent prospects for real estate development: "Modern multipurpose logistics space with the desired ceiling height and amenities is in high demand by both investors and owner-occupiers" (Warren, Kramer, Blank, & Shari, 2014 p. 75). Older, less-functional industrial space is sought after too for its potential for businesses serving the local market or for redevelopment purposes.

Winnipeg's local industrial market has lowest vacancies second only to Edmonton (3.7% Q4 2013) it is considered to be in a good position of growth in both the near to long term (Colliers International, 2013a). The City of Winnipeg's 2008 Employment Lands Study stated that between years 2011 and 2021 that the greatest opportunity for new industrial development in Winnipeg would be around the airport, in lands designated as part of Centreport in North West Winnipeg (2008). It has all the essential features that make it a desirable location for modern, large-scale industrial businesses. Commercial real estate reports commend the virtues of this area for development, by saying: "Northwest Winnipeg continues to dominate the industrial real

estate market landscape as the sector remains attractive for a variety of manufacturing, transportation, and warehousing users" (Colliers International, 2013a). Despite this, Centreport is currently lagging behind other quadrants of the city in industrial development: "Outside of the Northwest, leasing activity is much stronger and spaces are being absorbed much faster" (CBRE, 2014). This development lag is expected to be a temporary situation and that the eventual servicing of the Centreport lands outside of Winnipeg, within the Rural Municipality of Rosser, will lead to even greater levels of development.

• Analysis of North End and Point Douglas Real Estate Prospects:

The move-back-in population boom that is occurring in large metropolitan centres like Toronto or Vancouver will eventually fully come to pass in Winnipeg, as residential trends show. This, coupled with the fact that Downtown office space will continue to be the prized working environment for many large employers, will mean that there will be all the necessary underlying factors to support the nearby Point Douglas' redevelopment. Large-scale redevelopment is not a certainty, however. With a move-back-in population, and a possible future East rapid transit line going through Point Douglas, there may be justification for limited retail development here too.

Retail or residential development in the North End likely will not capture a market-share from a move-back-in population, as in other central Winnipeg neighbourhoods. Instead, due to low vacancies in other neighbourhoods, the North End will witness the redevelopment of old, less functional industrial space on multiple properties. This redevelopment will not be for large-scale logistics and distribution space but for small-scale industrial users serving the local Winnipeg market.

5 INTERVIEW FINDINGS

5.1 Introduction

The data generated through discussions with all twelve interview participants helped inform the neighbourhood analyses, but it also shed light on issues that may go beyond the scope of a neighbourhood analysis and the profit-minded, real estate development framework used to create that analysis. The interviews took place with three founders of social enterprises, one non-profit housing agency, one condo developer, one business development organization, one economic development organization, and five owners or managers of businesses. These interviewees all either live, work in, or have key understanding of the issues and future possibilities of the North End and Point Douglas business areas. The central question in these interviews was: 'what future changes will affect these neighbourhoods in the next twenty years?' This section is a set of highlights of those key issues, according to the interviewees, that will shape the future of these neighbourhoods. The participants talk about a variety of things which can be defined, in terms of scenario planning, as 'outside-in forces,' 'inside actions' and 'critical uncertainties'. Their main points will be later categorized and inserted into the scenarios in chapter six, titled *Building Scenarios*.

5.2 Interview Highlights

• Employment Potential for Young Aboriginals:

The various people I interviewed often expressed the view that there are barriers to employing people from the North End. One participant argued that there is a future employment problem for the North End because of targeted oppression against children in poverty:

> Those kids have a rough time and by the time those kids are teenagers... some of them make it out and they will get an education and get a decent life. But the others,

> they are against so much, they are starting from behind the line... they don't have a chance to really have a quality of life.

Essentially the interviewee is saying that equality of capability does not exist between children in Winnipeg's North End and more affluent parts of the city. The root cause of this inequality is racial oppression and oppression of the poor, in general. The participant describes oppression as an exercise of power that keeps people in a cycle of poverty, thereby reducing the opportunity for children to succeed later in life.

As stated before in other parts of this thesis, racism and stigma towards impoverished North Enders has been a reoccurring phenomenon in Winnipeg's history. This still strongly exists today in some quarters of the population. Even a very small minority of business owners in the area that I talked to espoused prejudiced views in the sense that they intentionally avoid hiring anyone from the North End or Point Douglas. It seems to support the accusation that people here are 'targets of oppression' by those with power. Other mainstream business owners in the area had totally different views about hiring from the neighbourhood. Some only hire locally. As one North End business owner said, "We just put a 'help wanted sign' in the window." This owner finds success with hiring locally because they only need to draw from a low-skill, low-pay labour pool – which the North End has in abundance. Other neighbourhood businesses that require higher-skills found that hiring locally does not always work, despite their best intentions. One mainstream manufacturing business in the North End had tried to hire local people dealing with difficult life circumstances and no training but told me they mostly did not work out. This person being interviewed suggested that there is generally a job readiness problem in the area as well as a lack of training with the young people.

People were concerned about whether most young aboriginals in Winnipeg will find good employment despite ongoing racial oppression. It is critical uncertainty for the North End and Winnipeg. Young aboriginals are the fastest growing segment of the population and already make up a significant percentage of Winnipeg's inner city population. One person being interviewed said there is hope for the North End, albeit against some odds, that growth in the local economy will bring prosperity to young aboriginals in search of employment. The participant believed that: "our economic future as non-aboriginals is completely tied to the success of the aboriginal community." That is to say, the employment of aboriginal youth tomorrow will have ramifications which impact all of Canadian society. This person said that the problem is threefold: many aboriginals are essentially "economic refugees" because their traditional economy has collapsed; there is persistent mass unemployment among young aboriginal men; and lastly, more aboriginal children are in the foster care system today than there ever were in residential schools.

• Money Leaving the North End or the Rise of the Local Economy:

A critical uncertainty about the future of the North End's economy is whether or not locally-owned businesses will take precedence over the national businesses, box stores, and retail chains. One participant highlighted how much of the North End resident's money is spent outside the North End neighbourhood in power centres in other Winnipeg neighbourhoods and that this negatively affects North End businesses and, ultimately, the availability of employment nearby, "There are a lot of professional salaries being paid in these neighbourhoods, the schools, the clinics, and all of those wages. They go and take those wages and go and shop at Costco... If they take their paycheque and shop in the suburbs they are contributing to the problem." The person noted how if these people working in education and social services actually shopped in the

neighbourhoods they work in, then they would be making their jobs easier by improving the living conditions of the people in those neighbourhoods. The person also noted how new power centre commercial development in Winnipeg is located outside the North End. The inexpensive goods offered by its large, nation-wide stores draw spending away from this lower-income neighbourhood. The result is a loss of in-neighbourhood spending and a reduced need for local, neighbourhood jobs.

Another participant pointed out why commercial power centres do not locate in the North End by simply stating, "The inner [city] community do not have the disposable income to necessarily purchase a large range of goods and services." Though people from inner cities have grown accustomed to shopping at places like Walmart for their basic needs, a store like Walmart might not locate in the inner city because it would limit its range of marketable goods and services.

I asked one social enterprise manager how they saw their future in the North End in twenty years in light of intense competition from larger, nation-wide companies. The response was that they need to specialize in the local economy and local product s in order to stay in business. Their vision is to be: "... the best of the North End and more." They participant also perceives that though they want to help the local economy to expand it is largely 'thinning out.' Another locally-owned manufacturing business manager told me of the increasing competition from the United States and Mexico. They admitted to me that they desire to establish an expansion to their North End operation south of the border because of the lack of incentives to expand locally. At the same time, other local business owners told me they had a desire to expand locally, even in the neighbourhood, to build on their location-reputation as being from the North End.

• Residential Development Pressure on Businesses:

Most of the participants, from many backgrounds, believe the future direction of development in Point Douglas will be residential. The decline of industry here is on the minds of property owners, real estate developers, economic development practitioners, and business/social enterprise managers. When I asked people how they saw Point Douglas, particularly the industrial South Point Douglas, evolving in twenty years, common types of answers included the following: "Ideally, what you would like to see is reclaiming back the riverbank. You know, try to figure out how to deal with the industrial properties that are there. And try to come up with something that creates neighbourhood."And, "I've heard it from other people you wouldn't expect, but I think South Point Douglas is where a lot of people are going to retire... . I think it'll just keep on expanding...it'll just continue to grow as part of downtown."

Other business owners expressed to me a great deal of concern about the loss of nearby businesses to what they consider as encroaching residential development and inevitable land use conflicts. An affiliate of an industrial social enterprise in Point Douglas told me that the City of Winnipeg is actively working with them to help them find a more suitable location for their business outside of the neighbourhood to allow for more residential development. Business owners here understand that City wants to see Point Douglas move away from an industrial past and into a residential future. The uncertainty surrounds the industries: will they be able to continue to operate here in the future, even if they wanted to and what kinds of land-use conflicts will there be? Interviewees had things like this to say: "Gradually I think these businesses see the writing on the wall... It used to be where you wanted to be, in the centre of the city, now it feels like you are intruding in where people want to live." And,

> It is very difficult for me to get semis in this location...If they cut the sidewalks a certain way then trucks could back up without having to go over the boulevards...

> Right across from my location a brand new [residential] development came up. While they were doing the sidewalks I saw that it was going to be a problem – a problem for me, not for them.

The people I interviewed consider it a certainty that the area will become more of a residential and commercial extension of downtown. One commercial businesses owner in Point Douglas that I interviewed expressed support for residential redevelopment as "improving the area," "modernizing," removing the stigma of the red light district around Higgins Avenue, and even allowing for "more retail development." Some industrial business owners, however, had no desire to move and felt that others were just obsessed with change, saying, "...what's wrong with the way things are?" Another stated, "[one industry has] no interest in moving because they are a successful business and have been there for forty years, why would they move? Just because someone wants to build a condo in their building?" Some industrial businesses in Point Douglas feel the pressure from residential development but do not necessarily want to take expensive or unneeded actions to move. Everyone is wondering how the conflicts will play out in the future because of this.

• Central City Revitalization:

A trend that could drive the transformation of Point Douglas is the overall revitalization of Winnipeg's central city, but it is a critical uncertainty. A developer working in central city said this about Point Douglas, "Winnipeg is getting gradually more and more spread out. But if it revitalizes from within...I've earmarked this place as where the next sort of revitalization will happen… ." Other participants foresee Winnipeg experiencing a movement of middle to upper income residents becoming part of 'move-back-in' populations to older, central urban neighbourhoods – like other large North American cities. They are suggesting that if Point

Douglas is going to have major and widespread residential redevelopment, this outside-in force will be primarily responsible.

If central city revitalization does not take place in Winnipeg on a larger scale in the future, the redevelopment of Point Douglas will be slowed completely. A local developer explained to me that a number of multifamily residential projects in the area are struggling to sell and that this could be an indicative of a slack demand for higher-end housing in central Winnipeg,

> There has to be, all of a sudden, from somewhere, a thousand middle class people who volunteer to live downtown in the next couple of years because there are units. Right now it is super slow. There is an entire empty project right here.

The current pace of reurbanization in downtown Winnipeg and Point Douglas is slow particularly in regards to residential condo sales. The developer is saying that more middle class people need to be willing to live in these areas in order for recently built condo projects to sell and more projects to be built in the future. For some reason, he says, middle class Winnipeggers are hesitant to purchase condos Downtown or in Point Douglas en masse.

• Perception and Actuality of Crime and Vandalism:

I asked all mainstream business or economic development participants that I interviewed, 'what are challenges to operating a business in this neighbourhood?' One particular participant reported that either the actuality or perception of crime is a disincentive to continuing a business in the North End, "especially if your product or service can be set up elsewhere." This person also said that the sheer costs of nuisance crime such as damaged windows and doors can be very expensive to fix and add costs to doing business in the area. In a similar vein, a business owner said that they had paid the added expense to build a fence around their property because neighbourhood kids were trespassing onto it causing trouble.

Other North End business owners, however, seemed to suspect a certain prejudice in my question – that I would be expecting them to say 'crime' – and instead responded by rejecting the idea that there are problems for businesses in the North End. One said that they never have problems with security and that the only problem they have in the area is insufficient on-street parking. And, when I asked another long-time North End manufacturer about the challenges of running a business in the neighbourhood, this individual responded, that retailers are hurt by the neighbourhood's stigma more than them as a manufacturer:

> It can be challenging for a retailer, the North End is noted for not being that great... But people know us and know that this is where we have always been located. Personally, I would not have any issues with say of putting up a store and actually selling our product.

The participant stated that while most new retailers would have a hard time attracting people to the North End due to its stigma, they would have an easier time retailing because they have been in the same location just over one hundred years. In other words, the participant felt that their heritage and reputation means more to customers than the stigma and perception of crime of their location in the North End.

In Point Douglas, business owners and developers have noted that though the neighbourhood they work in still has a negative image passed down from many decades of an infamous prostitution trade, most feel that the actual lived experience of the neighbourhood is much different today. They told me things like, "I think the only negative thing about the area is the connotation of Higgins Avenue which is totally dated and not even true anymore. There isn't prostitution on that street." Others see a transformation and "modernization" of the neighbourhood as a sign of improvement and expect other Winnipeggers will begin to notice it too and come to Higgins Avenue to shop more or even choose to live in the neighbourhood.

• Brownfield Sites Limit Development Potential

When I asked an economic development practitioner what are the economic challenges or opportunities with the North End or Point Douglas business areas, he was quick to point out that the existing soil conditions can greatly limit the types of development that are possible and that expensive brownfield remediation would likely be required. "When you're talking about industrial or a commercial opportunity [here]... you're talking brownfield activity" he said. The participant noted how challenging it is for an individual developer or property owner to pay for the remediation and that it reduces development potential.

• Property Owners Holding Out for Unrealistic Payout

A couple people interviewed spoke of the challenges to redevelopment projects in Winnipeg's inner city as mainly having to do with the unrealistic expectations of property owners. Property owners in the area are basically waiting for the government, some investor, or a developer offer them a large purchase price for their parcel. It is the cause of frustration among some developers. It was explained to me somewhat brusquely, "Some of these idiots are holding onto a piece of land like it is a goldmine." As redevelopment is stymied by 'holder-outs' who want to cash in on a proposed project to get an overvalued price for their much needed property, it was suggested to me that local government might take over the land assembly process and buy out these landowners: "So maybe pay their ridiculous asking price and maybe everything around it will change."

• Difficulty in Redeveloping Heritage Structures

A developer I interviewed explained to me that there is great financial difficulty in redeveloping heritage structures as residential buildings. He told me about the current slow-down in downtown residential construction and sales and told me about one inexperienced developer who

made local media headlines who proposed to develop a residential tower on top of a noted historical building that has been vacant for years. The developer being interviewed supported the idea of more residents in central Winnipeg, in principle, but believed this particular proposal to be vacuous, "They are giving away that building for free and every developer downtown has been offered that building before. No one is tempted. It is not a free building because it is going to cost millions... ." The participant said that the experienced developers truly know how cost-prohibitive redeveloping heritage buildings as residential can be and explained how the current downtown residential market is not hot-enough in Winnipeg to justify this kind of development activity. This is a factor which could prevent the redevelopment of many existing heritage industrial buildings in Point Douglas.

• Moving the CP Rail Yards:

Another outside-in factor that could affect the North End's economic future is whether or not the CP rail yards and other rail mainlines will eventually be moved out of Winnipeg's central city neighbourhoods, as had been done with the Forks a few decades ago. One participant considered this a large, costly unknown that was at the same time strongly plausible due to a larger, national movement towards rail rationalization, rail safety, and the economic competitiveness of Canadian freight travel times. The particant also pointed to the fact that even though, "an inner city rail yard doesn't make sense...it's costly and difficult to move it." This person felt that there are compelling reasons to think that the rail yards in the North End will be moved in the future, but it relies on dubious political and financial backing. Other participants interviewed in the North End talked about the removal of the rail yards as an instrumental factor to change the entire neighbourhood, first and foremost, by eliminating the perception of a barrier; and second, as one community

economic development practitioner said, by creating a large enough space to serve modern, large-scale industrial businesses.

• Government Support for Social Enterprises

Social enterprise managers had divergent views and experiences on the availability of money for their organizations to expand. One non-profit manager explained to me that they are successful with their social enterprise and well-supported by government programs to help them grow because of 'green grants,' despite some taxation setbacks. Another organization, however, says that there is really is not much access to capital to expand because social enterprises do not qualify for government small-business grants and banks can only provide limited loans, "Social enterprises are ineligible for any small business grant...You have to be for-profit for reasons we don't understand. We agree that you have to be profitable, but why do you have to be for-profit?"They told me that they are also lobbying the government to change the small-business grant criteria.

The same social enterprise manager said that the reason there are still financial issues with the social enterprise model is that government likes to treats the symptoms of poverty without creating the conditions for people to achieve prosperity – so that is why significant government support for social enterprises is not always forthcoming:"To think that if we could have more employment through social enterprises then we could have a lot less poverty, crime, and violence, and hospitalization, all these types of things..."The interviewee believes that if the government were to fully support a large-scale, expansion of social enterprises then many of the social problems commonly associated with poverty and the North End would be eliminated as jobs keep people out of poverty.

• Government Support for Affordable Housing

A representative of a local non-profit housing corporation explained to me that a significant factor in the economic development of the North End and parts of Point Douglas is access to stable, affordable housing. The idea simply being that people need education to get a job and they need a stable home to get a decent education: "Affordable housing and economic development go hand in hand. We have to first provide housing, then education, job training, in order for people to get a job... . "The same representative, however, expressed concerns about the future of affordable housing and the sustainability of their operations without government support, "I wonder what will happen to subsidized houses? Unless we do something they could come off subsidy." Housing policies in higher levels of government positively or negatively affect the North End and Point Douglas by affecting the children who grow up in these houses in these neighbourhoods. Ultimately, a child's ability to do well in the economy of the future depends on their ability to receive a decent education right now. The participant suggested that the provincial or federal government take a more active role in assisting non-profit housing corporations buy and subsidize houses for below-market rent.

• An Effective Apprenticeship Program:

One business owner told me that they find it is difficult to expand their production facilities locally because of there is not many skilled trades people available that are willing to work in the private sector for the pay they can offer. The owner says that with all the state governments in the U.S. offering many incentives to court Canadian businesses to open south of the border, our governments should work on establishing, "...a real apprenticeship program." Instead, the public sector only offers them competition for good employees: "...businesses are expected to put all the time and effort into training staff. Once they are trained, they all want jobs in the public sector where they can get better benefits and wages." He is suggests the token efforts that governments

currently make at encouraging businesses to locate locally is outweighed by the competition that the government creates for its potential labour.

One economic development practitioner in the North End said skills training and neighbourhood employment growth are interrelated. In order to give people access to better paying jobs outside of the service sector, they need better skills, "There are a few manufacturing operations in the area but those need highly skilled workers. And if they are not available in the community... highly skilled means highly paid, it makes them mobile." The economic development practitioner said to me that skills training are needed to give North Enders a chance at higher-paying manufacturing jobs because manufacturing companies in the neighbourhood can easily recruit people who live farther away. Entry-level and service sector jobs, however, tend to be filled by people from around the neighbourhood exclusively, so they serve a purpose as well. The same participant felt that entry-level service jobs make an important contribution and should not be overlooked: "We need a combination of manufacturing and retail that can work with the existing community and their skills. We need to develop them in parallel: skills training as well some other entry-level type jobs.

• Streetscaping:

A number of participants noted the need for improving the physical image of the traditional shopping streets in the North End. When I asked one business owner 'what could be done to encourage businesses like his to locate in the North End?' the response was: "I think streetscaping. When you drive down Corydon Avenue or Provencher Boulevard they look really nice and enticing? And Main Street looks terrible...I don't know why our City ignores it..." The person felt that as a main artery through the city, Main Street should receive some at least some beautification efforts. Another participant, working in community economic development

working in the area said that they are actively researching and promoting streetscaping and block renewal strategies for the North End and that significant transformation can take place if there is support from the local and provincial governments.

• Start-up Business Incubator:

A manager of a local non-profit organization told me about old idea for a start-up business incubator to help spur the economic development of North End. The manager explained that there are many contractors in the North End who are really good at what they do but do not know how to make a business out of their trade. The incubator would, "give people a free space to run their business out of for a few years, as well as coaching from seasoned business veterans, and accounting services - the idea being that they move on once established." There was talk about starting the business incubator on Selkirk Avenue. The incubator would get financial assistance from various levels of government and operate like a non-profit but the start-up businesses would be for-profit. The business incubator would help the neighbourhood residents by transforming employees into employers.

• Enforce the Livability Bylaw:

One participant felt that if the City of Winnipeg really wanted to clean-up the image of the North End they could do so by enforcing their existing bylaws, "I think more could be done with the existing City of Winnipeg Livability By-law to address large areas of the North End - homeowners, everyone." The City would only need to be thorough, systematic, and fair in their application of their bylaws in order to achieve the desired effect of making the neighbourhood feel safer, cleaner, and a better place to do business or shop. These bylaws address unsightly property including dangerous, abandoned buildings, overflowing garbage, and graffiti. The participant does not think any more bylaws are

needed; what is needed is a more effective application of existing bylaws. The problem right now is derelict, vandalised, or unclean properties that are targeted sporadically by bylaw officers on a complaint basis. All effort into making one building look good can be to no avail if the property next door is in squalid state. The participant told me if every property owner on a particular block had to clean-up at the same time, there would be a noticeable and more meaningful difference.

• Point Douglas Industry Rebranded as 'Gritty' and 'Cool'

A developer said to me in the interview that people who purchase condo units from him in Point Douglas are not offended by the historical industrial nature of the neighbourhood. In fact, he has instead found that people appreciate old brick warehouses and smokestacks, saying, "Even the industrial kind of adds a cool, trendy vibe." The developer is referring to architecture of post-industrial urban landscapes, which have admirers. The implication is that Point Douglas does not necessarily need to rid itself of its industrial heritage or even the leftover industries; it only needs to rebrand industry as a gritty but interesting and cool aspect of the neighbourhood. This might involve the adaptive reuse of some buildings and properties or it might involve a unique process of blending industrial lands with residential amenities.

6 SCENARIOS

6.1 Introduction

The scenarios look to future changes that may occur on what are now the North End and Point Douglas' respective business areas. These 'business areas' include both commercial and industrially zoned lands, which may or may not have any business activity occurring at the moment. The scenarios are based on an approximate twenty year time frame looking forward from the date of this thesis in 2014 to around 2034. The scenarios describe the neighbourhoods and the forces at play in those imagined futures.

6.2 Scenario Building

The scenarios are developed using a matrix system. The matrix has four quadrants for four different scenarios. The first step is to determine the main two critical uncertainties and to place them along an x and y axis and determine future givens and list them below the matrix. For the North End, the critical uncertainties I found through my research were the employment of tomorrow's youth and growth in the local economy. When these uncertainties are placed on a matrix, they each have a positive and negative correlation along their respective axis. For example, quadrant A has a better outlook for employing tomorrow's youth while it has less growth in the *local* economy (see Fig. 9).

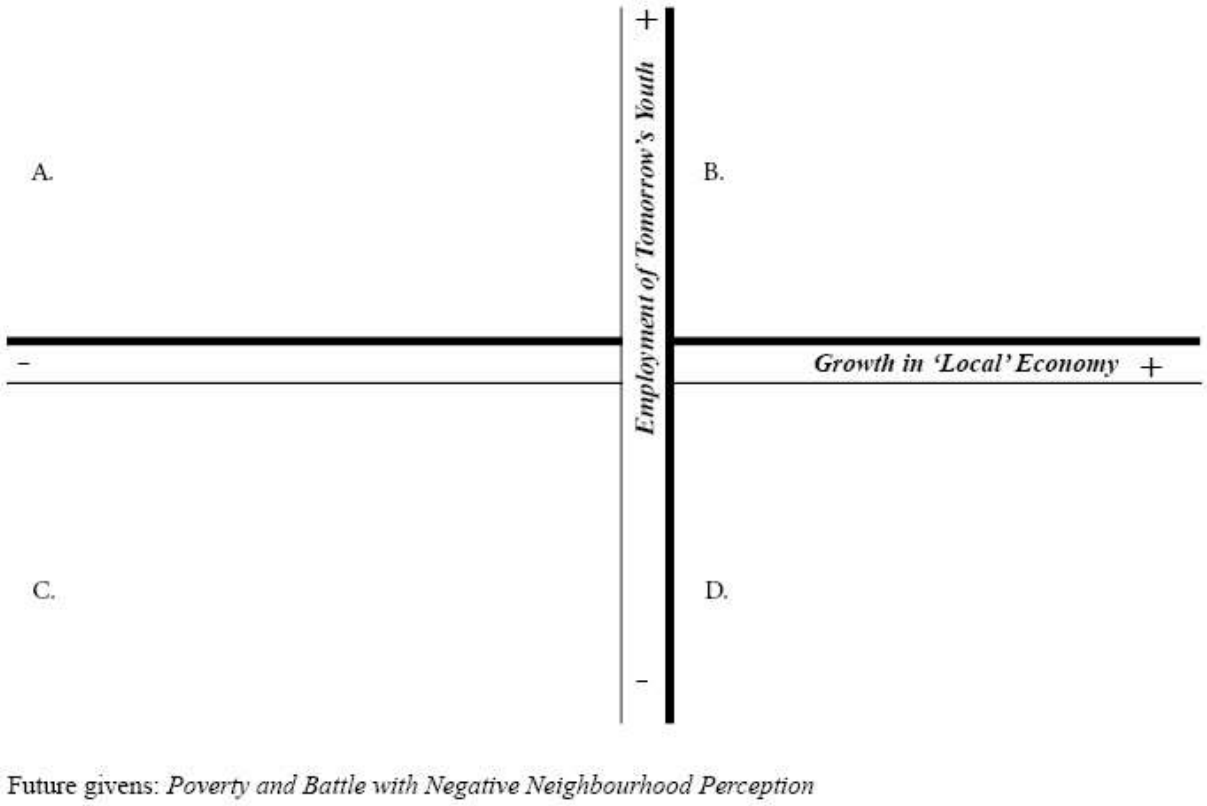

Figure 9. Scenario building example: first step

After establishing the uncertainties along a positive/negative axis, I then try to determine which outside-in trends and internal actions make sense to be pronounced within each quadrant. For quadrant D, an outside-in trend that I determined would fit is the overwhelming number of jobs that are needed for young inner city people. Quadrant D has both a negative employment outlook for young people and a positive outlook for the *local* economy. So I also determined that a pronounced internal action would be the formation of a Heritage-Cultural Business District (See Figure 10). A district would likely help locally-owned North End specialty businesses flourish but would not necessarily lead to an abundance of jobs for younger people. These are only two examples. Each quadrant has a few outside-in forces and internal actions shaping it. Every trend or action that I included in a quadrant is listed under 'Themes' before each scenario

narrative in sections 6.4 to 6.12. I did all the determinations for every quadrant this way; I based it on my own intuitive sense of scenario plausibility and according to the scenario's internal logic.

Once all the outside-in forces and internal actions are assigned to their appropriate quadrants, future narratives and scenario names (i.e. "Bandages") are created to represent all the trends and actions said to be occurring in these scenarios. The only two themes that are present in every scenario, to varying degrees, are the two future givens listed below the matrix.

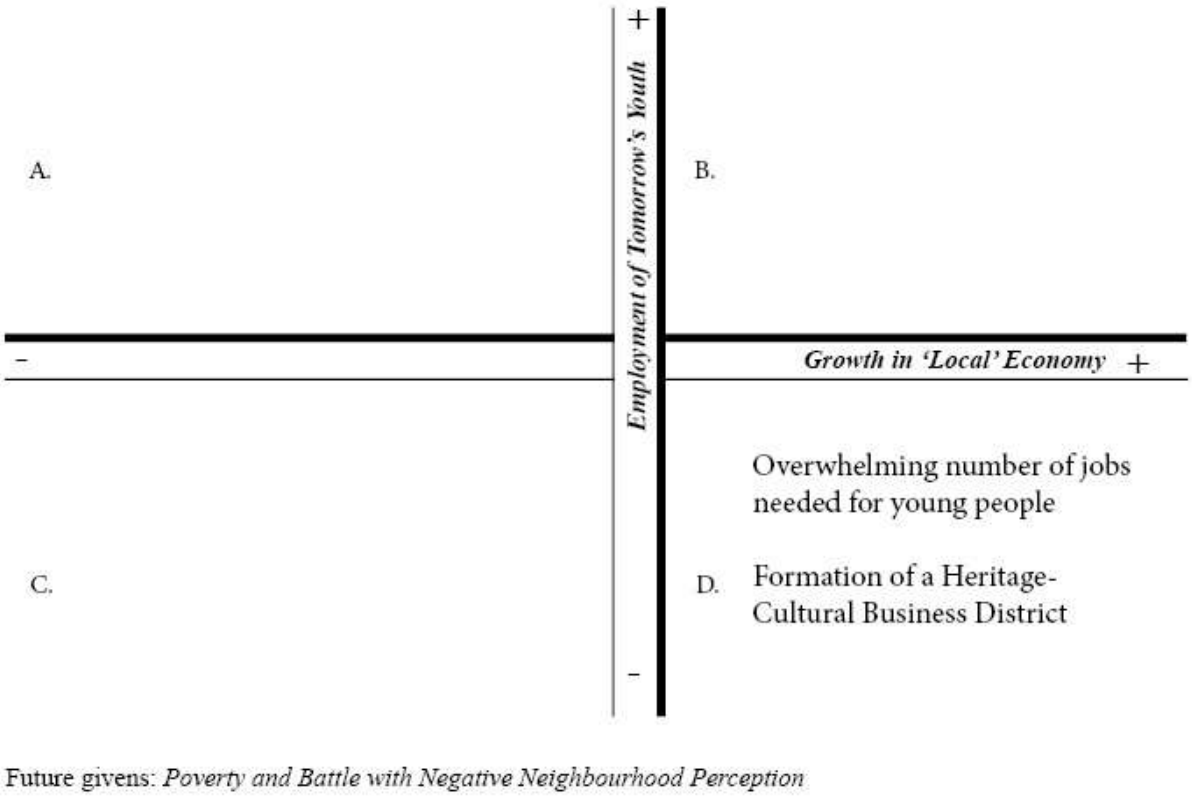

Figure 10. Scenario building example: second step

6.3 North End Scenario Matrix

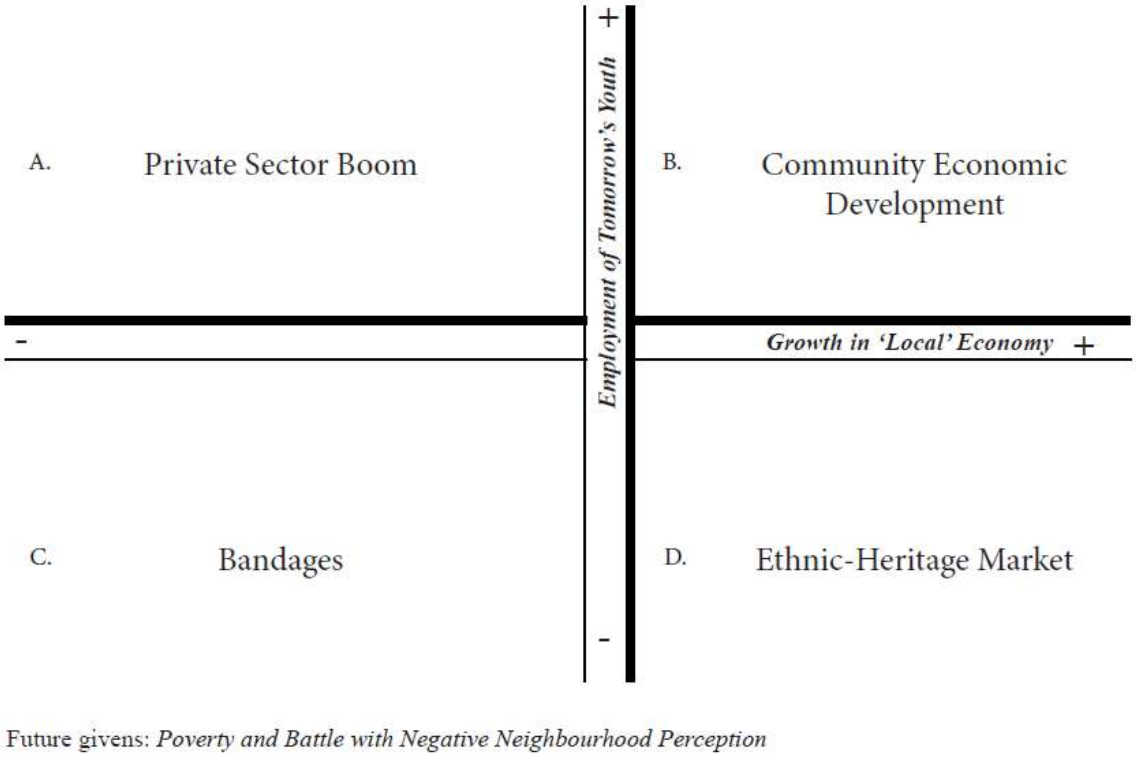

Fig. 11 North End scenario matrix

6.4 Scenario A: Private Sector Boom

• Themes

Private Sector Boom is a story about the North End building on its competitive advantages in the mainstream economy, particularly in the service sector. The main outside-in forces at play are: location advantages; commercial space affordability; ready, low-cost labour; increasing neighbourhood employment rates; economic growth; and a negative neighbourhood perception limiting types of development. The primary internal actions are: partial removal and redevelopment of CP yards; affordable housing, and youth workplace training programs.

• Narrative

With its close proximity to the offices of the central business district, service sector companies in catering, cleaning, and event rentals, are finding great advantage in being so close to their central

city customers by avoiding increasing traffic congestion in the outlying suburban areas. Essentially, all companies who do not require walk-in traffic from outside the North End are looking to take advantage of this generally stigmatized location. Lower and entry-level pay scale employees are easy to come by too. With a large, reliable pool of ready-to-work young adults in adjacent lower income neighbourhoods, filling positions is as simple as placing a 'help wanted' sign out front, which is not as easy to do in other city neighbourhoods with aging populations.

The neighbourhood unemployment rate among young adults is dropping and the overall labour force participation rate is up for the North End except that those with most significant barriers to employment are still left out of the labour market. Early investment into providing stable, affordable housing for less advantaged families as well as building a robust youth workplace training program has paid off.

Large, nation-wide companies are taking notice of the benefits of being in the North End too. Many small-scale, speciality companies are able to find functional, albeit old, buildings that can be purchased or leased at a very low cost, though larger companies who rely on large semi-trucks or warehouses with high ceiling clearances only have a few properties to choose from in older business areas of the North End. For new, more accessible locations, larger companies are looking to purchase and build on former CP yard commercial land that recently became available. With all the private sector interest in the North End building over the last two decades, a more affordable solution to the prospect of a costly redevelopment of the CP yards was to convert the less contaminated portions of the heavy industrial rail yards to light industrial and commercial use. They limited the land uses in order to avoid having to pay to remediate the soil to the higher residential standard. This process was initiated by an effort made by community leaders at a local level, though higher levels of government and CP corporate leadership

ultimately brokered the decision. This redevelopment dealt with concerns raised by some in the real estate development community that the persistent negative stigma of the North End would never justify any costly residential redevelopment of the site. Most of the new construction on the former CP yards is being done for non-locally owned commercial businesses.

6.5 Scenario B: Community Economic Development

• Themes

Community Economic Development is a story about the North End focusing on its *local* economy, particularly with an upsurge in social enterprises. The main outside-in forces at play are: the growing 'buy local' movement; deleterious effects of oppression and poverty, which make the conventional labour market out-of-reach; subdued economic growth because of disconnection with mainstream economy; and negative neighbourhood perception turning away mainstream businesses. The primary internal action is: support for social enterprises.

• Narrative

The North End is a place where residents widely understand and protect their self-interest in purchasing a locally-made product, of locally-sourced materials, in a locally-owned store. The 'buy local' movement of earlier decades has evolved to the stage where local goods are no longer niche products only valued by the progressive middle-to-upper classes. Less advantaged people in the North End are intentionally buying Manitoba grown grocery products from locally-owned cooperatives and social enterprises because most now know at least one person from their community who benefitted by working at such a place. In addition, criminal gang membership is down and so are visits to hospitals and food banks. People are attributing this change as well to the increase in employment in the *local* economy.

People have generally lost faith in the mainstream economy to employ people with any sort of barrier to employment that are commonplace with poverty. Mainstream, for-profit companies rather tend to be widely seen as perpetrators of oppression and as serving the interests of the wealthy elites. Some business owners have reported to the media of their intention to move their businesses out of the North End in dismay over episodes of harassment and anti-business attitudes.

Social enterprises themselves are gaining wide endorsement from a variety of political parties as a solution for inner city poverty. Conservatives endorse it as a non-welfare 'employment solution' to poverty while progressives endorse it as a way to break down barriers to employment for the less advantaged and to promote community economic development. Most local political candidates now create platforms that support social enterprises as a key method for addressing social ailments and underdevelopment, especially in Winnipeg's impoverished urban neighbourhoods. Over the last two decades, increased funding for social enterprises, as well as regulatory and legislative changes in favour of social enterprises, has substantially improved the viability of starting and growing such a business.

While CED in the North End is emerging slowly, more and more new social enterprises and cooperatives are entering into many different kinds of sectors in commerce and industry. As the North End continues to lose mainstream businesses, hurting local economic activity, social enterprises and cooperatives have grown more and more vital to serving the everyday consumer needs of nearby residents. As a result, there are much fewer gaps in service today then there were twenty years ago, even if the problem persists somewhat. They also provide a nearby opportunity for employment for North End residents entering the labour market with barriers to employment, such as those lacking basic job readiness skills and automobile transportation. As a result, a large

number of young adults in the North End, especially young aboriginals, now start their working lives in social enterprises and, after a while, some of these people move on to work in cooperatives.

6.6 Scenario C: Bandages

• Themes

Bandages is a story about the North End losing its local businesses and experiencing increasing unemployment. The main outside-in forces at play are: political pressure to cut support for social enterprises, education, job training, and other social spending; the deleterious effects of oppression and poverty, which make the conventional labour market out-of-reach; negative neighbourhood perception and actual conditions, which turn away mainstream businesses; vicious downward spirals resulting from increasing criminal gang activity; and later, political pressure to pay for costlier and more expansive social spending and aid programs. The primary internal actions are: bowing to pressure to cut services; and expanding aid programs.

• Narrative

The North End has for years been a beneficiary of social spending, aid programs, subsided housing, government grants, a plethora of government sponsored non-profit organizations, and special employment training programs. Higher levels of government are taking austerity measures to control growing public debt in the wake of rapidly increased health care costs for senior baby boomers. With less money being given to municipalities for public infrastructure, tax-payers are looking at local government spending in Winnipeg's inner city as superfluous. Better-off people that are not from inner city neighbourhoods are asking: "If the money is so important, why does poverty and crime in places like the North End persist?" "Is all the money being funnelled to inefficient social service bureaucracies and non-profit salaries and not getting

to the people who actually need it?" "Can't we spend it better on fixing roads?" Or, "Are residents in the North End refusing to find a job and contribute to the society on which they depend?" Local politicians are pressured into cutting 'fruitless' inner city development spending and claim they do so on the necessary basis of fiscal austerity.

Social advocacy groups in the North End and elsewhere in Winnipeg's inner city are calling these so-called 'austerity' movements targeting the inner city short-sighted, oppressive, and fueled by blatant racism. They point to rising rates of unemployment, homelessness, youth delinquency, and crime since the deepest cuts have been made. A social crisis is underway in the North End and a new dimension to gang violence against 'rich people' leads to numerous neighbourhood businesses shuttering. Jobs cannot be found in the neighbourhood and less advantaged young adults with the capacity to work must rely on public transportation to growing suburban employment areas like Centreport to find work. Public transit service proves inadequate for entry level positions on rotating night and evening schedules and reduces the types of work available. Unemployment, homelessness, hunger, and despair is increasing among the young adult population and leads to a further increase in criminal gang membership.

The social crises eventually spread beyond the borders of the inner city and the political pressure shifts to increasing funding to the inner city. Politicians are now tasked with an even bigger social problem that requires even more social spending to deal with properly. The only seemingly possible action is to offer the least expensive bandage solutions that ameliorate the surface problems of crime and poor nutrition without treating the underlying structural problems that led to these issues in the first place. Social aid services and agencies in the North End increase and the social services cluster that emerged on Selkirk Avenue in earlier years is now replicated in all other North End business areas.

6.7 Scenario D: Ethnic-Heritage Market

• Themes

Ethnic-Heritage Market is a story about the North End branding itself as a place to find speciality businesses, including one-of-a-kind historically 'Winnipeg' products and ethno-culture specific establishments. The main outside-in forces at play are: increasing outside customer traffic; improving outside perception; rising housing costs; the overwhelming number of jobs needed for young people; the persistence of poverty; and the limited social impact of speciality businesses. The primary internal actions are: a joint struggle to overcome the North End's negative reputation; and the creation of the North End's history and culture business district.

• Narrative

'North of the Tracks' is the phrase emblazoned on the pamphlets describing tours of classic North End establishments. You can visit hundred-year old bakeries, lumber mills, and butchers, and get to hear the stories that make up the North End legends. On these walking tours through the History and Culture Business District you can stop by and taste foods or buy products from iconic establishments that embody what it means to be truly 'Winnipeg.' Many of these businesses have stayed in their historic locations, but have added to their footprints newer production areas, retail sections, and small interpretive centres. Walk-in traffic has improved greatly for these speciality retailers and stores as people from around Winnipeg are realizing how such a historically tough neighbourhood like the North End really has a number of unique qualities and is worth the time to check out.

The streetscape has also improved markedly for pedestrians with serious efforts two decades ago to plant trees alongside all the main commercial streets and more recently to install benches, lighting features, bike lanes, bike racks, pocket parks, gardens, traffic calming, and

wider sidewalks. Improving the image of the North End resulted from a collaborative spirit amongst local business owners and residents, but also from the wider Winnipeg community which pressed for funding from all levels of government.

The prices of houses are increasing with the improved image of the North End. Predictions abound that in a number of years it could even become the next up-and-coming trendy central city neighbourhood. Despite increasing housing costs, poverty and youth unemployment are still significant factors in the area – the rise in housing costs only exacerbates problems. The success of the History and Culture Business District and the speciality businesses involved in it has not led to a significant enough increase in jobs to employ many more young people from the North End. Young people entering the labour market who want to work must travel to other suburban areas like Centreport where more full-time hiring takes place. The inadequacy of bus routes to Centreport, however, means most entry-level jobs with night and evening shifts have to be turned down.

6.8 Point Douglas Scenario Matrix

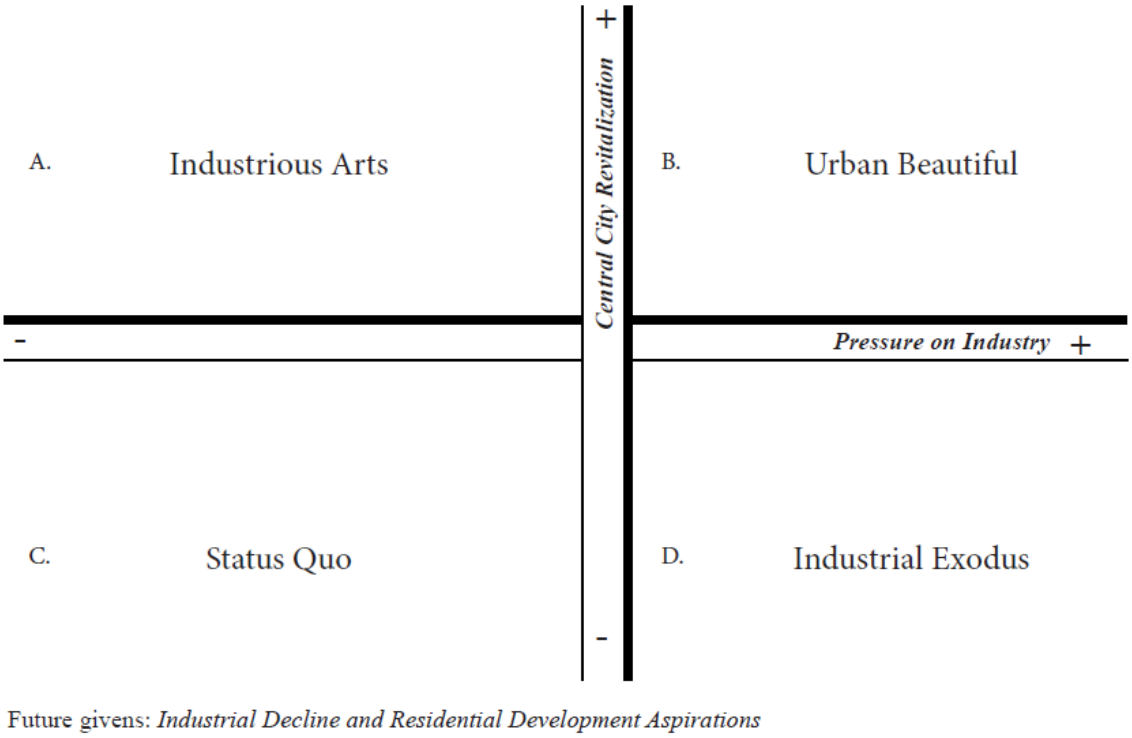

Fig. 12 Point Douglas scenario matrix

6.9 Scenario A: Industrious Arts

• Themes

Industrious Arts is a story about Point Douglas becoming a trendy, mixed-use, post industrial, central city neighbourhood. The main outside-in forces at play are: a growing 'move-back-in' population; the decline of traditional industrial businesses; the surge in artisanal manufacturing; rise of the artistic creative class; and loft space redevelopment. The primary internal actions are: historic industrial legacy preservation; ensuring high development standards; and ensuring diverse housing choices.

• Narrative

Point Douglas is undoubtedly one of Winnipeg's most popular neighbourhoods with young adults. Architecture critics and design students from other provinces and abroad tour the

neighbourhood to take in what is considered to be Canada's most interesting post industrial landscapes. Walking through the neighbourhood you can find a couple ultra modern-aesthetic parks with massive early-twentieth century iron smelting machinery half-buried in the ground as a sort of memorial to a by-gone era.

Loft spaces in heritage industrial buildings are prized and are used for accommodations for artistic people and their workshops. Due to the architectural interest in the area, new residential buildings are tightly controlled by design guidelines which aim to preserve the industrial heritage of the area and add to its architectural legacy. Local councilors are well aware that residents will fight for all new residential developments to meet these rigorous standards. Many people who value trendiness have moved into the older single family residential areas of North Point Douglas. Real estate prices have gone up substantially in the last few decades. Point Douglas is no longer considered to be an impoverished inner city neighbourhood despite there still being a number of social and affordable housing units leftover from an earlier era. Most of the new residential construction is mixed-income projects, which goes some way to help address the unstoppable tide of gentrification occurring here.

Though most old Point Douglas industries are gone, some remain. Generally, residents appreciate these leftover businesses because they are a part of the gritty, industrial heritage of the area. Urban design guidelines have been put in place which mandates that new residential developments must not allow windows direct views towards any active industrial properties, to help prevent land use conflicts. Industries, in turn, are prevented from regularly loading freight or operating heavy machinery before 8 am and after 6 pm. The new artisan manufacturers tend to be very small, have high design standards, and do not require much semi-truck traffic or noxious

industrial processes. As a result, they are considered a permitted commercial use in the local zoning bylaw.

The artisan manufacturers have a higher-end clientele and are usually selling custom-design or one-of-a-kind artistic products. You can find ‘factories’ that turn old machinery into upscale furniture, small-scale fashion design and production companies, vintage toy workshops, or workshops that convert recycled electronics into artworks. These artisan workshops tend to be very small, have high design standards, and do not require much semi-truck traffic. Other non-industrial businesses include a handful of trendy coffee shops, clothing stores, salons, grocery stores, and restaurants.

6.10 Scenario B: Urban Beautiful

• Themes

Urban Beautiful is a story about Point Douglas becoming an upscale, primarily residential, central city neighbourhood. The main outside-in forces at play are: a growing ‘move-back-in’ population; the rise of the professional creative class; retiree settlers; a residential redevelopment surge; land prices skyrocketing; and gentrification. The primary internal actions are: routing rapid transit through Point Douglas; planning a commercial street along Higgins Avenue; expropriating remaining industrial businesses; and rejecting requirements for mixed-income developments.

• Narrative

Twenty years ago you would have hardly recognized the same Point Douglas as you can see today. Glass condominium and apartment towers and a beautiful trail network line the waterfront all along the southern Point. People see it as a natural progression to the type of development that

occurred along Waterfront Drive earlier in the 2000's. The intensity of development occurring is on a grander scale though. There is now a much larger number of people who want to live in the central city today compared to twenty years ago. Higgins Avenue, for instance, shed its seedy reputation as the hub of prostitution and emerged into a modest shopping street, with respectable, urban-format commercial development. Some lower-wage service positions on this street are filled by people from other inner city residential areas.

One segment of the population that wants to live on the Point are baby boomers. Those who did not downsize their living arrangements upon retirement now are downsizing based on the limitations of old age. Developers on the Point have built age-specific accommodations for these seniors. The beautiful scenery of the Red River and waterfront gardens, proximity to other relatives in the city (central), and close proximity to Health Sciences Centre, all make this an attractive place to live out one's latter years. The other segment of the population that wants to live on the Point is professionals who work in Winnipeg's Central Business District. The quick commute to work by rapid transit, proximity to all Downtown amenities, without having to live amidst the grit and noise of Downtown, make the Point especially attractive to this group.

The major redevelopment started shortly after the rapid transit line was extended through this neighbourhood. Developers began paying large premiums for land. Owners of parcels that were hoping for a big payout eventually got one. In order to cash in on the increased value of land, property owners were financing the remediation of their contaminated sites and selling them. Once the first significant developments were built, the last remaining old industrial businesses in the area were soon faced with complaints because of noxious sights, sounds, and/or smells. City councilors expressed sympathy with these new residents, but tried to remind them that the industries can still operate under a grandfather clause. Developers agreed with residents

warning that redevelopment on the Point may slow and halt. So the City, eager to speed up redevelopment of the Point, finally responded with a plan to expropriate all land by these remaining industries.

Lower income people in North Point Douglas that did not own land or have accommodations were essentially priced out of the neighbourhood because of renovations and rent increases. Property owners were able to flip their homes for significant profit when Point Douglas became a desirable neighbourhood. Existing social housing projects were either updated or made to look like they integrate into the surrounding upscale neighbourhood or relocated elsewhere. A developer-friendly Council rejected the social advocates and city planners' request for a mixed-income requirement in the area, saying that the costs to redevelop the Point with its contaminated sites was already a significant burden to developers and that the bare redevelopment effort contributed enough to the public good.

6.11 Scenario C: Status Quo

• Themes

Status Quo is a story about Point Douglas not changing much over the next two decades. The main outside-in forces at play are: a slow decline in industry; economic stagnation; low market demand for new residential developments; and low income residents continuing to live and work in the area. The primary internal actions are: rapid transit is routed through St. Boniface instead of Point Douglas; and frustrated ambitions and plans to redevelop the area makes private and government investment look elsewhere.

• Narrative

People expected that by now at least Point Douglas would have emerged as a natural extension of Downtown and become more residential. Instead, nothing much has changed in the last twenty years. People in Winnipeg have bucked national trends and there really is not much of a 'move-back-in' middle class population that wants to live in the city centre. It seems like this is, and always will be, a suburban city. Those eager 'pioneers' who bought into early Point Douglas condo developments built in the 2000's and 2010's are basically stuck owning non-appreciating real estate assets now.

When rapid transit was decided to be routed through St. Boniface instead of Point Douglas, developers began cancelling even modest redevelopment plans for uncontaminated sites. Only a couple of small residential projects have been built since the mid-2010s. These are in the most favourable locations on the Red River close to Waterfront Drive in the southwestern part of Point Douglas.

Most of the neighbourhood remains the same as it once was. Industrial businesses still maintain their operations on the Point and have found little reason to leave, except for those who found more suitable sites elsewhere or have gone out of business. Some inner city people continue to work in these remaining industries but there has been very limited new hiring. The residential areas in North Point Douglas are still quite low income.

With the lack of change, governments and private sector interests have lost interest in pushing for more residential redevelopment in Point Douglas. Past planning efforts to make something big happen in this neighbourhood are being compared to the failed efforts to have the Portage Place mall revitalize downtown in the 1980's. Investment, both public and private, has shifted focus to other areas of the city.

6.12 Scenario D: Industrial Exodus

•Themes

Industrial Exodus is a story about Point Douglas losing all of its industrial businesses over the next two decades. The main outside-in forces at play are: a precipitous decline in industry due to competitive pressure from other locations and regions; low market demand for new residential developments; and increasing poverty. The primary internal actions at work in this scenario are: rapid transit being routed through St. Boniface instead; frustrated ambitions and plans to redevelop the area, which make private investors look elsewhere; and government plans changing from promoting middle-to-high income residential development to providing more low-income housing.

•Narrative

Point Douglas, especially South Point Douglas, was known for heavy industry since the early twentieth century. Iron works, flour mills, salvage activity, and various types of manufacturing, all occurred here for many years. At one time this was the best place to run such a business with proximity to the rail yards, river barges, and downtown. Now, it is one of the least desirable locations. With increasing traffic congestion, and no relief offered by rapid transit that ended up being routed through St. Boniface, people find it is a headache to travel here to work or do business in rush hour. Larger semi-trucks are not able to maneuver the tight streets that were never designed to accommodate such vehicles. The heritage industrial buildings that most companies had occupied were generally outmoded and unsuitable for any modern freight distribution or logistics. Added to all of this, more and more incentives that attract industries south to the U.S. or Mexico, Manitoba's Provincial government, in partnership with local governments, have responded by making Centreport a tax-free zone for industry. That is, industrial companies who set up shop within the bounds of Centreport are exempt from property

taxes as well as some business and corporate taxes. The combined effects of this have had a marked impact on Point Douglas industries and have given reason to virtually all industries to leave.

The joint effects of rapid transit being routed through St. Boniface instead of Point Douglas and the overall weak market for central city residential development meant that most major residential redevelopment plans done in the 2010's never came to fruition. Private sector developers and land speculators who paid significant sums for land in Point Douglas lost out. The supply of properties in Point Douglas, including empty parcels and empty buildings, increased substantially when virtually all the old industries moved away. Land has become substantially cheaper here because of it. The government saw this as an opportunity to build more low income housing in Point Douglas.

By building more low-income housing, more young adults have relocated to Point Douglas. It is has not helped these young adults escape unemployment, however, by living here. The people who do work from this neighbourhood generally have to commute far to do so. Younger people who are just entering the labour market with few skills and no automobiles have much fewer choices. Low-skill, full time positions generally require rotating evening or night shifts and it makes taking public transit impractical from Point Douglas. This is because most of the companies hiring workers like this are located far away on Winnipeg's western fringes, in Centreport.

7 SOCIAL JUSTICE RAMIFICATIONS & REVISITING THESIS QUESTIONS

7.1 Discussion of Scenario Ramifications

A local government or a community does not exactly get to choose one scenario over another – because scenarios are influenced by outside-in forces. These forces are those trends that are outside the sphere of local control. The local government and community rather choose their own internal actions. Internal actions are also inherent to the formation of a scenario, however. Communities and local governments can review the possible scenarios to see how their actions might help shape the future of a neighbourhood. This is important from a social justice perspective because all future scenarios have positive and negative social justice ramifications. The important thing is for local governments and communities to anticipate these scenarios as they are emerging and to plan for economic development with understanding of the future social justice ramifications. In the next sections, I will discuss the internal actions that are formative in each scenario as well as their social justice ramifications.

7.2 Private Sector Boom

Three internal actions are essential to making this scenario come about. Two critical components of this scenario are support for a comprehensive job readiness and skills training programs directed at young aboriginals and inner city youth and affordable housing to provide a stable home environment for kids to better focus on their education. Without these components, this scenario will never fully come about. Jobs might be found in the North End, but the impoverished youth of tomorrow will not work in them. The last internal action component of this scenario is the partial removal of the CP yards. Without redeveloping these yards into

modern commercial and industrial space many large companies will not be able to set up shop and create nearby jobs.

The social justice ramifications of a Private Sector Boom scenario are somewhat positive. The positive aspect is that prospects of employment for inner city youth are good. The problem with this scenario is that the types of jobs available are largely in the lower pay service sector. For some people, having a job, even a low paid job, increases their equality of capabilities if only slightly. For other people, like a single mother, a low paid job might not increase their capabilities at all. The other social justice ramification of Private Sector Boom is that people who normally face significant barriers to employment are still left out of the labour market. Mainstream businesses typically do not hire people in this population segment and mainstream businesses are the only substantial employers in this scenario.

7.3 Community Economic Development

The internal action that the local government and North End community takes to make this scenario is a reality is to comprehensively support for social enterprises in every way. Unlike regular businesses, or even cooperatives, social enterprises often need to be subsidized through operating cost assistance, initial start-up grants, or special loans. Without the social enterprises in this scenario people with barriers to employment will have fewer opportunities and more social problems like increased gang membership, homelessness, and poor health. One of the primary outside-in forces in this scenario is the buy-local movement which is kept going by the community's perception of its ability to self-improve the North End. So, in a roundabout way, social enterprises work to propel the buy local movement and make this scenario happen.

The social justice ramifications of Community Economic Development are largely positive. What is good about this scenario is that the employment opportunities for inner city

youth are sufficient and many jobs are in more socially just working environments such as cooperatives. Jobs are also available for those who would otherwise face significant barriers to employment through social enterprises. What is not good is that the prevalent anti-business attitude against mainstream private enterprises and corporations is limiting the amount of economic potential and opportunities for the whole North End.

7.4 Bandages

The internal action which helps this scenario come to fruition is local government bowing to political pressure to cut spending in the inner city. The latter response, to pay for increased aid programs accomplishes nothing to deal with all the underlying social problems in this scenario.

The social justice ramifications of Bandages are entirely negative. There is a complete lack of nearby employment for all people living in the area. Commuting outside of the neighbourhood offers the only substantial employment opportunities. Those who are impoverished can be particularly affected because transportation difficulties may add to a growing list of their barriers to employment.

7.5 Ethnic-Heritage Market

The primary internal actions in this scenario are the joint efforts to overcome the North End's negative perception through the creation of the History and Culture Business District and streetscaping projects. This is what enables the North End business to successfully attract customers from outside of the neighbourhood.

The social justice ramifications of Ethnic-Heritage Market are rather mixed. In general, increasing the opportunity for businesses in a disadvantaged neighbourhood meets the criteria of social justice set out in this thesis. In this case, however, it meets the criteria in a fairly small

way. Not many jobs can be created by exploiting only two speciality business niches and the subsequent rise in housing costs hurts the less advantaged.

7.6 Industrious Arts

There are two primary internal actions that the local government and Point Douglas community do to make this scenario a reality. They are to ensure that the mixed use redevelopment meets high standards, including providing affordable housing units, and that the industrial legacy of the area is preserved in a significant way. These are issues that deal with land use planning implications and can be addressed through a secondary plan for the area. Without the proviso that new developments must be mixed income then the area will completely gentrify given the amount of central city redevelopment occurring. Without the careful preservation of the industrial legacy, Point Douglas will lose its gritty vibe and potentially its interest to artists and artisans too.

Based on the criteria of justice used in this thesis, Industrious Arts can be considered a somewhat socially just scenario. What is good about this scenario is that there are some less advantaged people able to continue living in the neighbourhood and find work in either the old remaining industries or in the new artisan workshops. What is not good though is that, as the neighbourhood gentrifies, there will be fewer less advantaged people that will be able to live here than before. Some of the newly arrived artists may eventually get priced out of Point Douglas as it gentrifies.

7.7 Urban Beautiful

There are four internal actions that the local government and Point Douglas community can do to make this scenario a reality. The central and most important is the decision to route rapid transit through the Point. The other key actions are to expropriate the remaining industrial businesses,

plan for Higgins Avenue to be a commercial shopping street, and to reject the requirement for developers to build mixed income projects. Without the requirement that new developments be mixed income, and without the presence of gritty industries, the area will completely gentrify. It will be populated by middle and upper income baby boomers and working downtown professionals responding to 'move back in' trends and the convenience of rapid transit.

The social justice ramifications of Urban Beautiful are mostly negative. There is total social exclusion in terms of not providing places for less advantaged people to live except for a few remaining social housing buildings. The only redeeming part about this scenario is that there is potential for some less advantaged people from other inner city neighbourhoods to work on the Point in the new commercial strip on Higgins Avenue. However, these jobs only provide a modicum of an increased equality of capabilities because they are low-wage service jobs.

7.8 Status Quo

There are two internal actions that the local government and Point Douglas real estate development community do to help make this scenario a reality. The central and most important is the decision to route rapid transit through St. Boniface instead of the Point. The other action is more like a reaction to the first decision, and that is to look elsewhere with private and public investment dollars. The decision to select a different rapid transit route, combined with weak demand for central residential development, and the slow decline of industry, means that little will change here in two decades.

The social justice ramifications for Status Quo are mixed. Unlike Urban Beautiful, there is no social exclusion. This is still a neighbourhood that less advantaged people can afford to live in. There is also still some nearby employment in the form of the remaining industries in South Point Douglas, even if it is not much. The main problem with this scenario is that nearby jobs are

too few and that the remaining industries are in a process of slow decline with no sign of reversal.

7.9 Industrial Exodus

There are three internal actions that the local government and Point Douglas real estate development community can do to help make this scenario a reality. The central and most important is the decision to route rapid transit through St. Boniface instead of the Point and to offer significant incentives to businesses (re)locating to Centreport. The private sector reaction to the St. Boniface rapid transit line will be to cancel their modest redevelopment plans in Point Douglas. The public sector reaction will be to swap their middle-upper income residential redevelopment plans with low income ones. The weak demand for central city residential development, and the heavy competition from other employment lands for industries, means increased vacancies and drastically lowered property values. It is what makes large scale, low income residential development a possibility.

The social justice ramifications of Industrial Exodus are entirely negative. There are virtually no jobs in the neighbourhood and more disadvantaged people are now living here which compounds the problem. Similar to *Bandages* in the North End, commuting outside of the neighbourhood offers the only viable way to retain employment. This can add another layer of difficulty for some less advantaged people who already have other barriers to employment to contend with.

7.10 Revisiting the Thesis Questions

At the outset of this thesis I spoke about four main questions that guided my research. My responses to these questions now, at the end of my thesis, are thoughts which are formed by looking back on the entirety of this project and thinking about it as a whole.

My first question was, "What framework of social justice will be most agreeable and applicable to the purposes of economic development?" I found that interpreting social justice using Amartya Sen's (1992) concept of "increasing an equality of capabilities" is useful because it supports a wide array of approaches to equitable economic development. I thought this was especially important because I was doing planning work with scenarios in this thesis. The outside-in trends and forces that shape scenarios may limit the type of development or employment that is plausible for the future of a given area. I could not plan with scenarios and expect that a either a CED/Marxist or mainstream/capitalistic form of economic development would be plausible in every case. For a Marxist type of economic development to occur, certain societal changes have to take place but these changes are uncertainties in the North End's future. That is why it was important for me to use a broad principle of socially just economic development, like Sen's, which can apply either in a more Marxist or capitalistic-type economy. I believe that planners seeking more socially just approaches to economic development will find there are more opportunities using this approach.

My second question was, "Are social enterprises a worthwhile form of community economic development? And, if worthwhile, what can be done to propel new social enterprises to start and others to grow larger?" I found in the interviews with people from the North End, particularly, that there is a great hope for social enterprises to be the main driving force in turning the neighbourhood around for the better. I did not find the same debate, as in some academic circles, as to whether or not they are a worthwhile form of economic development. It became clear making the scenarios that social enterprises will likely play a pivotal role in realizing socially just economic development for Winnipeg's inner city neighbourhoods. The only ideas that emerged as to how to propel more of them to start and existing ones to grow

larger, apart from my idea to grant breaks to developers who use their services, is to provide them a means to acquire credit with the same ease as regular businesses and for governments to enact a bold social enterprise strategy. A social justice approach to economic development will undoubtedly mean finding ways to support the growth of the social enterprise sector.

My third question was, "How can mainstream businesses be encouraged to locate in disadvantaged inner city neighbourhoods?" In my literature review I looked at different economic development initiatives geared towards improving the inner city. These included what I determined to be helpful proposals from Michael Porter (1995) and others, as well as a socially unjust economic development tactic espoused by Richard Florida (2003). Through my research with various stakeholders in the study area, I found that people would generally advocate for one approach or the other when I asked what could help businesses locate in and thrive in the inner city.

From talking to people in these interviews, as well as doing the neighbourhood analysis and economic outlook, I also found that one of the biggest issues is that there simply are not enough of the right kinds of spaces available for certain businesses that might otherwise locate or expand in the North End or Point Douglas.[11]At the same time there is an abundance of underutilized spaces for businesses. Most of the underutilized space comprises of small, less functional space for modern businesses. There is a rationale, therefore, for local government and community development corporations to spearhead the redevelopment of older less functional industrial and commercial spaces in the North End and Point Douglas, possibly including some of the land under the CP rail yards, to make these locations attractive to businesses.

[11] These are businesses that do not require incoming customer traffic.

Lastly, still in regards to my third question, Winnipeg's planning policy could be more helpful in encouraging nearby, accessible employment for disadvantaged people in the North End and Point Douglas. In the City's development plan, *Complete Communities* (2011), all of South Point Douglas is designated 'obsolete' employment land as well as nearly a quarter of the North End's industrial land base, particularly around Lord Selkirk Park. As the neighbourhood analysis revealed, there is a strong real estate rationale for the land use in Point Douglas to transition to a higher and better use. The same is not true, however, for this other land in the North End which does not have apparent uses other than for more social services or low income housing. As changes are likely and sensible for Point Douglas, plans should be made to deal with the forces of gentrification. Without careful public sector involvement with major redevelopment sites like Point Douglas, the current lower income residents could be priced out of the area and excluded from participating in any sort of new economic development activity that might occur here. A large portion of the North End is essentially being declared outmoded for industrial businesses without a plan or even a plan for a plan as to what should fill the void when they will leave. Instead, to promote social justice, the City must start to plan for what could be done to increase employment opportunities within these neighbourhoods.

My fourth and last question was, "What future economic changes will affect these neighbourhoods in the next twenty years? And what are the social justice ramifications of different future scenarios?" This question pertains to the scenario planning research. This research tool is used to uncover a wide spectrum of possible futures and to identify the potential economic changes. Some of these identified potential economic changes included further decay on and vacancy of the commercial and industrial spaces in the North End and Point Douglas. Other trends indicate a potential reversal of decay for the North End as well as major

redevelopment in Point Douglas. Gentrification is a potential change that could change the face of Point Douglas but also touch the North End too, in a more modest manner.

The social justice ramifications are somewhat nuanced and varied for each possible scenario. However, based on the criteria I use in this thesis, I essentially categorize potential scenarios that have jobs available for less advantaged people as more socially just than those without. There are different levels of social justice based on how it increases the equality of capabilities for the least advantaged. So a scenario with a sufficient number of good paying jobs, or jobs for people with barriers to employment, is better than a scenario with an overabundance of low paying jobs.

I have also found that development activity in future scenarios is not a good metric of socially just economic development in and of itself. In some cases, a scenario with no development activity might be preferable to a scenario with lots of activity. Development activity can sometimes disrupt employment areas if it involves changing land uses from industry to mixed uses that include residential. Or, the development activity might mean that less advantaged people will eventually find themselves entirely priced out of their neighbourhood. This kind of development activity may benefit the city's economy on the whole, but it cannot be called 'socially just' if it does not help foster an equality of capability between different classes of people. Planners should embrace development activity only after weighing its outcomes against the principles of social justice.

REFERENCES

Aboriginal Affairs and Northern Development Canada. (2014). *Urban aboriginal peoples.* Retrieved from: https://www.aadnc-aandc.gc.ca/eng/1100100014265/1369225120949

Altus Clayton. (2008). *City of Winnipeg comprehensive employment lands strategy.* Retrieved from: http://winnipeg.ca/ppd/planning/pdf_folder/EmpLandStrategy.pdf

Anonymous. (2012, August 11th). Nitta Gelatin factory emissions increasing? [web log comment]. Retrieved from: http://www.junctiontriangle.ca/node/1661

APA. (2008). *Tools of the trade.* Retrieved from: http://www.planning.org/eda/toolkit/

Assiniboine Credit Union. (2011). *ACU announces North End branch*. Retrieved from: http://www.assiniboine.mb.ca/news/acu-announces-north-end-branch.aspx

Assiniboine Credit Union. (n.d.). *About community enterprise development grants*. Retrieved from: http://www.assiniboine.mb.ca/My-Community/Sponsorships---Grants/About-Community-Enterprise-Dev.aspx

Audirac, I., Cunningham-Sabot, E., Fol, S., and Moraes, S.T (2012). Declining Suburbs in Europe and South America. *International Journal of Urban and Regional Research, 36* (2), pp. 226-244. doi: 10.1111/j.1468-2427.2011.01093.x

Harrison, B. and Glasmeler A.K.. (1997). Response: Why business alone won't redevelop the inner city: A friendly critique of Michael Porter's approach to urban revitalization. *Economic Development Quarterly.* Vol. 11 I. 28. pp. 28-38. DOI: 10.1177/089124249701100103

Blitz, C. L., & Mechanic, D. (2006). Facilitators and barriers to employment among individuals with psychiatric disabilities: A job coach perspective. *Work: A Journal of Prevention, Assessment and Rehabilitation*. V. 26. I. 4. pp. 407-419. Retrieved from: http://iospress.metapress.com/content/A8A9TTF6MRPVYVR3

Bridgman, R., Finnigan, H. (2008). South Point Douglas pre-consultation study. *Planning and Property Development*. Retrieved from: http://www.winnipeg.ca/ppd/planning/Secondary_Plans/SouthPointDouglas/SPD_Pre_Consult.pdf

Bromley, I. (2004). *Modern economic development planning: Regional foresight exercises as risk reduction strategies and negotiated co-investment processes.* Toronto: Innovation Systems Research Network.

Building Urban Industries for Local Development. (2011). *Company bio*. Retrieved from: http://www.warmupwinnipeg.ca/index.html

Calthorpe, P. (2011). *Urbanism in the age of climate change.* Washington: Island Press.

Carruthers, M. (2010, July 14). *UDI submission to the City Council for the 'Our Winnipeg' public hearing*. Retrieved from: http://udimanitoba.ca/public_hearing_presentation_letter_july%2014_2010.pdf

CBC. (2014, Jan 14). The bottom line: 2014 economic outlook. *The National*. Video retrieved from: http://www.cbc.ca/player/News/ID/2430104623/

CBRE. (2014 a). Winnipeg industrial. *Marketview, Q1.* Retrieved from: https://researchgateway.cbre.com

CBRE. (2014 b). Winnipeg office. *Marketview, Q1.* Retrieved from: https://researchgateway.cbre.com

CentrePort. (2012). *CentrePort Canada – open for business.* Retrieved from: http://www.centreportcanada.ca/about-us

Centreventure Development Corporation. (2014). *This is the SHED.* Retrieved from: http://www.shedwinnipeg.com/

Christiuk,M., Kowalke, K. (2009). Meeting notes: South Point Douglass secondary plan. *Planning and Property Development*. Retrieved from: http://www.winnipeg.ca/ppd/planning/Secondary_Plans/SouthPointDouglas/meetingNotes_042109.pdf

City of Bozeman. (2013). Ordinance no. 1874. In *Ordinances* (section 38.24.1865). Retrieved from: http://weblink.bozeman.net/WebLink8/0/doc/56052/Page1.aspx

City of Winnipeg. (2008). *South Point Douglas neighbourhood: Neighbourhood inventory.* Retrieved from: http://www.winnipeg.ca/ppd/planning/Secondary_Plans/SouthPointDouglas/SPD_nhbd_inv.pdf

City of Winnipeg. (2011). *Winnipeg Transportation Master Plan.* Retrieved from: http://transportation.speakupwinnipeg.com/moving-winnipeg-toward-2031/

City of Winnipeg. (2012a). *City of Winnipeg public works department transportation division: Average weekday daily traffic on major streets.* Retrieved from: http://www.winnipeg.ca/publicworks/InformationAndResources/TrafficData/TrafficData/traffic_flow_map.asp

City of Winnipeg. (2012b). [orthographic map of North End business areas with zoning and property lines]. *City of Winnipeg land information services.*

City of Winnipeg. (2014a). [map of various types of crime incidents in Winnipeg]. *Crimestat.* Retrieved from: http://www.winnipeg.ca/crimestat/

City of Winnipeg. (2014b). *City of Winnipeg neighbourhood profiles* [data set]. Available from: http://winnipeg.ca/census/2006/

CMHC. (2013a). Canadian housing market: Housing starts to remain stable and resales to increase modestly in 2014. Retrieved from: http://www.cmhc-schl.gc.ca/odpub/esub/61500/61500_2013_Q04.pdf?fr=1389826581532

CMHC. (2013b). Housing market outlook: Winnipeg CMA. Retrieved from: http://www.cmhc-schl.gc.ca/odpub/esub/64355/64355_2013_B02.pdf?fr=1398027473736

CMHC. (2014). Housing now: Winnipeg CMA. Retrieved from: http://www.cmhc-schl.gc.ca/odpub/esub/64191/64191_2014_M03.pdf?fr=1398027892056

Colliers International. (2013a). Year-end industrial market report 2013: Manitoba overview. *Market report.* Retrieved from: http://www.collierscanada.com/en/Commercial-Property-Research

Colliers International. (2013b). Year-end office market report 2013: Manitoba overview. *Market report.* Retrieved from: http://www.collierscanada.com/en/Commercial-Property-Research

Colliers International. (2013c). Year-end retail market report 2013: Manitoba overview. *Market report.* Retrieved from: http://www.collierscanada.com/en/Commercial-Property-Research

"Coming Home" (2013). *The Economist.* Retrieved from: http://www.economist.com/news/special-report/21569570-growing-number-american-companies-are-moving-their-manufacturing-back-united

Crockatt, M. (2000). *Airport infrastructure and regional development: A case for resurrecting the growth pole concept.* Retrieved from: Amicus Canadian National Catalogue (Amicus No. 23985523).

Dart, Raymond. (2004) The legitimacy of social enterprise. *Non-profit Management and Leadership.* 14. 5. 411-424.

Dugan, P. (2012, February). Personal communication.

Economic Development Winnipeg. (2012). Core services. Retrieved from: http://www.economicdevelopmentwinnipeg.com/about-edw/core-services

Economic Development Winnipeg. (2013). Economic performance indicators. Retrieved from: http://www.economicdevelopmentwinnipeg.com/uploads/document_file/2013_economic_performance_indicators.pdf

Ernst & Young. (2014). *Emerging from recession the Eurozone will start growing in 2014.* Retrieved from: http://www.ey.com/GL/en/Issues/Business-environment/EUROZONE-FORECAST

European Commission. (2013). Social enterprises. Retrieved from: http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/social-economy/social-enterprises/

Exchange District Biz. (n.d.). *Walking Tours.* Retrieved from: http://www.exchangedistrict.org/tours-attractions/walking-tours/

Fainstein, S. (2009). *Spatial justice and planning.* Retrieved from: http://www.jssj.org/

Fainstein, S. (2010). *The just city*. Ithaca: Cornell University Press.

Fan, Yingling. (2012). The planners' war against spatial mismatch: Lessons learned and ways forward. J*ournal of Planning Literature*. V. 27. pp. 153-169. doi:10.1177/0885412211431984

Fernando, Spencer. (2012, December 3). Winnipeg's North End. *The Manitoban*. Retrieved from: http://www.themanitoban.com/2012/12/winnipegs-north-end/13142/

Florida, R. (2003). Richard Florida: The rise of the creative class. *LeaderTrends*. San Diego, CA: San Diego Regional Economic Development Corporation. Retrieved from: https://www.youtube.com/watch?v=iLstkIZ5t8g

Florida, R. (2013a, 3, 19). Class divided cities: Philadelphia edition. *The Atlantic*. Retrieved from: http://www.theatlanticcities.com/neighborhoods/2013/03/class-divided-cities-philadelphia-edition/4858/

Florida, R. (2013b, 1, 30). More losers than winners in America's new economic geography. *The Atlantic*. Retrieved from: http://www.theatlanticcities.com/jobs-and-economy/2013/01/more-losers-winners-americas-new-economic-geography/4465/

Freeman, R. (2008, February 29). Inequality and global capitalism with Richard Freeman. *UC Berkeley Graduate Council Lectures*. Video retrieved from: http://www.youtube.com/watch?v=UKinQbBF1Ek

Friedman, G. (2009). *The next 100 years: A forecast for the 21st century*. Toronto: Random House of Canada.

Galston, R. (2012a, November 6). Two centuries on Point Douglas, part one: 1912-2012. *Spectator Tribune.* http://spectatortribune.com/article/two-centuries-on-point-douglas-part-two-1912-2012/

Galston, R. (2012b, October 30). Two centuries on Point Douglas, part one: 1812-1911. *Spectator Tribune.* Retrieved from: http://spectatortribune.com/article/two-centuries-on-point-douglas-part-one-1812-1911/

Giloth, R. (2012a). Planners and manufacturing: An uneasy alliance. *Progressive Planning.* No. 190. pp. 9-12. ISSN 1559-9736

Glowacki, W. (2014). Small business to get a taste of downtown. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/local/Small-businesses-to-get-taste-of-downtown-252305721.html

Government of Manitoba. (2006). Community economic development. In *Meeting commitments. Building opportunities.* (Budget Paper F). Retrieved from http://www.gov.mb.ca/finance/provincialbudgets.html#2006

Grande, S. (2012). Grocery store fundamental to creating people-friendly and vibrant downtown. *Real Estate News.* Retrieved from: http://www.winnipegrealestatenews.com/Resources/Article/?sysid=1829

Green, S. (2012, April 23rd). Selkirk Ave can have a future. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/opinion/analysis/selkirk-avenue-can-have-a-future-148478285.html

Ha, H. and Feiock, R. C. (2012). Bargaining, networks, and management of municipal development subsidies. *The American Review of Public Administration*. vol. 42 no. 4 pp. 481-497. doi:10.1177/0275074011408588

Habermas, J. (1981). *Communicative theory of action; Lifeworld and the system: A critique of functionalist reason.* (Vol. II) (T. McCarthy, Trans.) Boston: Beacon Press.

Harvey, D., (1988) *Social justice and the city.* Athens: University of Georgia Press.

Harvey, D., (2000) *Spaces of hope.* Los Angeles: University of California Press.

Harvey, D. (2008). The right to the city. In D. Harvey, *Social justice and the city* (324-341). Athens: University of Georgia Press.

Harwood, S. (2007). Using scenarios to build planning capacity. In L. Hopkins & M. Zapata (Eds.), *Engaging the Future* (135-143). Cambridge: Lincoln Institute of Land Policy.

Harwood, S. (2013, May). Personal communication.

Harwood, S. (2014, September). Personal communication.

"Haunted housing" (2013). The Economist. Retrieved from: http://www.economist.com/news/finance-and-economics/21589877-even-big-developers-and-state-owned-newspapers-are-beginning-express-fears

Havery, D. (1997). Contested cities. In R.T. LeGates & F. Stout (Eds.), *The city reader* (230-237). New York: Routledge.

Healey, P. (1996). The communicative turn in planning theory and its implications for spatial strategy formation. *Environment and Planning B: Planning and Design*. V 23. p. 219-234.

Hines, F. (2005). Viable social enterprise. *Social Enterprise Journal*. 1.1. 13-28.

Ibbitson, J. (2011, September 27). In Winnipeg's Point Douglas, fighting crime is everyone's business. *The Globe and Mail.* Retrieved from: http://www.theglobeandmail.com/news/politics/in-winnipegs-point-douglas-fighting-crime-is-everyones-business/article595847/

Innes, J.E. (1995). Planning theory's emerging paradigm: communicative action and interactive practice. *Journal of Planning Education and Research.* V 14. p.183-189. DOI: 10.1177/0739456X9501400307

International Monetary Fund. (2013, August 2). Spain: Continue reforms to strengthen recovery, create jobs. *IMF Survey*. Retrieved from: http://www.imf.org/external/pubs/ft/survey/so/2013/CAR080213A.htm

Ireland, C. (2014, February 13th). Toronto's once scruffy neighbourhoods are now cool. *The Globe and Mail.* Retrieved from: http://www.theglobeandmail.com/life/home-and-garden/real-estate/torontos-once-scruffy-neighbourhoods-are-newly-cool/article16860102/

Jackson, A. P., Brooks-Gunn, J., Huang, C. and Glassman, M. (2000). Single mothers in low-wage jobs: financial strain, parenting, and preschoolers' outcomes. *Child Development*, 71: 1409–1423. doi: 10.1111/1467-8624.00236

Jacobs, J. (1961). *The death and life of great American cities.* New York: Random House.

Jacobs, J. (1969). *The economy of cities.* New York: Random House.

Kasarda,J. (1995). Industrial restructuring and changing location of jobs. In R. Farley (Ed.), *State of the union: America in the 1990s, volume I: Economic trends* (pp. 215-266). New York: Russell Sage Foundation.

Kay, A. (2005) Social capital, the social economy, and community development. *Community Development Journal.* 41. 2. 160-173.

Kienapple, B. (2012, February 9th). Could the junction triangle become the next liberty village? An ambitious development could introduce major change to this tiny west-end neighborhood. *Torontoist.* Retrieved from: http://torontoist.com/2012/02/could-the-junction-triangle-become-the-next-liberty-village/

Kirbyson, G. (2013). Grocery store a challenge: Expert. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/local/core-grocer-a-challenge-expert-208450301.html

Kives, B. (2010, March, 3rd). Councillors grill planners. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/local/councillors-grill-planners-86144982.html?device=mobile&c=y

Kives, B. (2014, January, 9th). Homes in the Inner City Moving On Up. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/local/homes-in-inner-city-moving-on-up-239381691.html

Kotkin, J. (2013, 3, 20). Richard Florida concedes the limits of the creative class. *The Daily Beast.* http://www.thedailybeast.com/articles/2013/03/20/richard-florida-concedes-the-limits-of-the-creative-class.html

Kruger, R. (1988). "The Process of Conducting Focus Groups." *Focus Groups: A Practical Guide for Applied Research*. Newbury Park: Sage Publications.

Lett, D. (2011, August, 22rd). Point Douglas park too good to be true? *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/local/point-douglas-park-too-good-to-be-true-128168378.html

Loewen, G. & Silver, J. (2007). Moving low-income people in Winnipeg's inner city into good jobs. In Loxley, J., Sexsmith, K., & Silver, J. (Eds.). *Doing community economic development*. Winnipeg: Canadian Centre for Policy Alternatives.

Loxley, J. & Silver, J. (2007). Community economic development: an introduction. In Loxley, J., Sexsmith, K., & Silver, J. (Eds.). *Doing community economic development*. Winnipeg: Canadian Centre for Policy Alternatives.

Loxley, J. & Simpson, D. (2007). Government policies toward community economic development and the social economy in Quebec and Manitoba. *Canadian CED Network.* Retrieved from: http://usaskstudies.coop/socialeconomy/files/LLL_Final_Reports/Report_CL5_04_MB.pdf

Loxley, J. (1981). The 'great northern' plan. *Studies in the Political Economy.* No. 6. pp. 151-182. Retrieved from: https://jps.library.utoronto.ca/index.php/spe/article/viewFile/13587/10464

Loxley, J. (2007). Introduction. *Transforming or reforming capitalism*. Fernwood Publishing & Canadian Centre for Policy Alternatives-Manitoba. Retrieved from: http://fernwoodpublishing.ca/website_pdfs/transformreformcap.pdf

Lynch, T., Kamis, A. (2012). *Creating equity: Does regionalism have an answer for urban poverty? Can it?* Institute for a Competitive Inner City. Retrieved from: http://www.icic.org/ee_uploads/publications/Regional_Equity_Final_August_2012.pdf

Macgillis, A. (2009, 12, 18). The ruse of the creative class. *The American Prospect.* Retrieved from: http://prospect.org/article/ruse-creative-class-0

Mackinnon, S. (2012). Increasing aboriginal labour market participation. *Canadian Centre of Policy Alternatives.* Retrieved from: https://www.policyalternatives.ca/publications/commentary/increasing-aboriginal-labour-market-participation

MacKinnon, S. (2013, June). Personal communication. Winnipeg, MB.

MacKinnon, S. (2014, September). Personal communication. Winnipeg, MB.

Manitoba CED Network (2009) *Creating a robust social enterprise sector in Winnipeg* [PDF document]. Retrieved from the Canadian CED Network website: http://www.ccednet-rcdec.ca/files/ccednet/SE_Report_feb_09.pdf

Manitoba Hydro (n.d.). *History & timeline.* Retrieved from: http://www.hydro.mb.ca/corporate/history/hep_1920.html

Marhsall, R. (2001). *Waterfronts in post-industrial cities*. Spoon Press: London.

Markusen, A. (1985). *Profit Cycles, oligopoly, and regional development*. Boston: MIT Press.

Markusen, A. (2004). Targeting occupations in regional and community economic development. *Journal of the American Planning Association, 70* (3), pp. 253-268. Retrieved from: http://www.ebscohost.com/academic/academic-search-complete

Marx, K. (2002). *Theses on Feuerbach.* (W. Lowe, Trans) Moscow: Progress Publishers. (Original work published 1888) Retrieved from: http://www.marxists.org/archive/marx/works/1845/theses/theses.htm

McCabe, A., and Hang, S., (2006) Promoting social enterprise in Korea and the UK. *Social Policy & Society.* 5. 3. 387-398.

McCormick, L. (2012). A role for manufacturing in the real estate capital of the world? *Progressive Planning.* No. 190. pp. 27-30. ISSN 1559-9736

McNeil, M.(2011,August, 26th). Dreaming of a new Point Douglas. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/business/dreaming-of-a-new-point-douglas-130549048.html

Metropolis Factory. (2014). Custom. Retrieved from: http://www.metropolisfactory.com/#!custom/ch6q

Milgrom, R. (2014). Personal communication. Winnipeg, MB.

Miller, J. Rocco, C. Jr. (2013). *Emerging trends in real estate® 2013* . Retrieved from: http://uli.org/wp-content/uploads/ULI-Documents/Emerging-Trends-in-Real-Estate-US-2013.pdf

MLS. (2014 a). [Interactive property search map March 14, 2014]. *Residential search.* Retrieved from: http://beta.realtor.ca/Map.aspx#CultureId=1&ApplicationId=1&RecordsPerPage=9&MaximumResults=9&PropertyTypeId=300&TransactionTypeId=2&SortOrder=A&SortBy=1&LongitudeMin=-97.1641881855149&LongitudeMax=-97.12015704232643&LatitudeMin=49.90727920436487&LatitudeMax=49.92015708018792&PriceMin=0&PriceMax=0&BedRange=0-0&BathRange=0-0&ParkingSpaceRange=0-0&viewState=m&Longitude=-97.1502227783203&Latitude=49.9091606140137&ZoomLevel=12&CurrentPage=1

Morgan, J. Q. (2012) Regional clusters and jobs for inner city workers: the case of transportation, distribution, and logistics. *Community Development* . Vol. 43, Issue. 4. 492-511 DOI: 10.1080/15575330.2012.694108

Mother Earth Recycling. (2013). Welcome to Mother Earth Recycling. Retrieved from: http://www.motherearthrecycling.ca/

Musoke, S. (2011, February). What is development? *Macroeconomics*. Lecture conducted from St. Stephen's University, St. Stephen, NB.

National Household Survey. (2013 a). Thematic maps by theme. Retrieved from: http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/map-carte/index-eng.cfm#tabs2

National Household Survey. (2013 b). [Map illustration of the Winnipeg CMA 2010]. *Winnipeg - Percentage of the population below after-tax low-income measure in 2010 by 2011 census tract (CT*). Retrieved from http: http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/map-carte/thematic_download-thematiques_telecharger_R3-eng.cfm?SERIES=9&GEOCODE=602

National Household Survey. (2013 c). *NHS profile Winnipeg, cy, Manitoba, 2011* [Data file]. Retrieved from: https://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=4611040&Data=Count&SearchText=winnipeg&SearchType=Begins&SearchPR=01&A1=All&B1=All&Custom=&TABID=1

Neechi Foods Co-op Ltd. (2012). Neechi foods community store 325 Dufferin Ave. Retrieved from: http://neechifoods.files.wordpress.com/2010/12/brochure-sept-2012.pdf

Nicholls, A. (2006). Playing the field. *Social Enterprise Journal*. 2.1. 3-6.

"Not quite together" (2011, October 6) *The Economist*. Retrieved from: http://www.economist.com/node/21533377

O'Conner, R., Elson, P., Hall, P., and Reimer, B. (2012 a) *A survey of social enterprises in Manitoba* [PDF document]. Retrieved from the Canadian CED Network website: http://www.ccednet-rcdec.ca/files/ccednet/nterprises_in_Manitoba_-_Research_Highlights_0.pdf

O'Conner, R., Elson, P., Hall, P., and Reimer, B. (2012 b) *Measuring the size scale and scope of social enterprises in Manitoba* [PDF document]. Retrieved from http://www.mtroyal.ca/cs/groups/public/documents/pdf/ins-mbsurvey.pdf

Olster, S.(Interviewer) & Porter, M. (Interviewee). (2011). *Rebuilding America's inner cities.* [Interview transcript]. Retrieved from CNN Money website: http://money.cnn.com/2011/05/12/smallbusiness/michael_porter_rebuilding_inner_city_america.fortune/?section=money_latest

Ong, P. M. (1996). Work and automobile ownership among welfare recipients. *Social Work Research.* V. 20 I. 4. pp. 255-262 doi:10.1093/swr/20.4.255

Ong, P. M. (1996). Work and automobile ownership among welfare recipients. *Social Work Research.* Volume 20. I. 4. pp. 255-262. Retrieved from: http://swr.oxfordjournals.org/content/20/4/255.short

Organization for Economic Cooperation and Development. (2013). *Understanding aid for trade.* Retrieved from: http://www.oecd.org/dac/aft/Policy_brief_AfT_Showing_Results.pdf

Palmer, D. (1988) *Looking at philosophy: The unbearable heaviness of philosophy made lighter.* Mountain View: Mayfield Publishing Company

Peck, J. (2005). Struggling with the creative class. *International Journal of Urban and Regional Research.* V. 29 I.4. pp. 740-770. Retrieved from: http://www.boell-

bw.de/fileadmin/Heinrich-Boell-Stiftung/2008/city/Peck_Struggling_with_the_creative_class.pdf

Penner, M. (2012, October). Interview. Winnipeg, MB.

Plaut, P.O. (2005). Non-motorized commuting in the US. *Transportation Research Part D: Transport and Environment*, *Volume 10*, Issue 5, September 2005, Pages 347–356 http://dx.doi.org/10.1016/j.trd.2005.04.002

Porter, Michael. (1995). "The competitive advantage of the inner city." *Harvard Business Review*. May-June. pp. 55

Purcell, M. (2002). Excavating Lefebvre. *Geojournal, Vol 58,* 99-108.

Rantisi, N. (2013, February). CAPS conference key note speech. Montreal, QC.

Raphael, S., & Stoll, M. (2010). Job sprawl and the suburbanization of poverty. *Brookings Institute.* Retrieved from: http://www.brookings.edu/~/media/Research/Files/Reports/2010/3/30%20job%20sprawl%20stoll%20raphael/0330_job_sprawl_stoll_raphael.PDF

Rast, J. (2012b). The promises and pitfall of planned manufacturing districts: Lessons from Chicago. *Progressive Planning.* No. 190. pp. 9-12. ISSN 1559-9736

Rawls, J. (1971). A theory of justice. Cambridge: Harvard University Press.

Razzano, L. A., & Hamilton, M. M. (2005) Health-related barriers to employment among people with HIV/AIDS. *Journal of Vocational Rehabilitation*. V. 22. I. 3. pp. 179-188. Retrieved from: http://iospress.metapress.com/content/NNUPP178HQVTVFP6

Reeves, L. (2012). Winnipeg's social purchasing portal: Past, present, and future. Retrieved from: http://www.policyalternatives.ca/sites/default/files/uploads/publications/Manitoba%20Office/2012/11/Social%20Purchasing%20Portal.pdf

Reimer, B. (2005). CED – Business Oriented Strategies for Winnipeg's North End. Retrieved from: http://www.manitobaresearchallianceced.ca/Documents/14-CEDBusinessModels1.pdf

Robinson, M., Shenback, B., Anderson, A., Holmes, G. (2011). *Complete communities.* City of Winnipeg. Retrieved from: http://speakupwinnipeg.com/wp-content/uploads/2011/07/CompleteCommunities.Jul_.12.2011.WEB_.RGB_.pdf

Rown, K., Spencer, J. and Deakin, J. (2007). The reintegration of sex offenders: Barriers and opportunities for employment. *The Howard Journal of Criminal Justice*. V.46. I.1. pp. 32–42. doi: 10.1111/j.1468-2311.2007.00452.x

Sager, T. (2011) Neoliberal urban planning policies. *Progress in planning, Vol 76 (4),* 147-199.

Samuels, J., (2005) *Removing unfreedoms.* Rugby: ITDG Publishing.

Sanyal, B. (2002) Globalisation, ethical compromise and planning theory. *Planning theory, Vol 1 (2),* 116-123.

Scearce, D. & Fulton, K. (2004). What if? The art of scenario thinking for non-profits. Emeryville: Global Business Network.

Schewe, K. (2012, September 4). Gunn's Bakery: Catering to Winnipeg from the heart of the North End [web log comment]. Retrieved from: http://asteriskonline.ca/2013/gunns-bakery-winnipeg/

Sen, A., (1992) *Inequality reexamined.* Toronto: Oxford University Press.

Sen, A. (1999). *Development as freedom.* Toronto: Oxford University Press.

Sen, A. (2009). *The idea of justice.* Cambridge: Harvard University Press.

Shen, Q. (2007). Spatial and social dimensions of commuting. *Journal of the American Planning Association, Volume 66,* Issue 1, 2000, pages 68-82 DOI: 10.1080/01944360008976085

Shihadeh, E.S. & Ousey, G.C. (1998).Industrial Restructuring and violence: The link between entry-level jobs, economic deprivation, and black and white homicide. *Social Forces, Volume 77(1*), 185-206. DOI: 10.1093/sf/77.1.185

Shindico. (2014). *Grant Park Pavillions.* Retrieved from: http://www.grantparkpavilions.com/retail.html

Shindleman, S. (2012, November). Personal communication. Winnipeg, MB.

Siamandas, G. (n.d.) *The Amy street plant: Winnipeg's era of steam heat.* Retrieved from: http://timemachine.siamandas.com/PAGES/institutions/AMY_STEAM_PLANT.htm

Silver, J. (2010). Winnipeg's North End: Yesterday and today. *Canadian Dimension, Volume 44,* Issue 1, 2010. Retrieved from: http://canadiandimension.com/articles/2674/

Simard, C. (2012, April 7th). Selkirk Ave was a kid's paradise. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/opinion/analysis/selkirk-ave-was-a-kids-paradise-146514115.html

Skelton, I., Selig, C., and Deane, L. (2006). *Social housing, neighbourhood revitalization and community economic development.* Canadian Centre for Policy Alternatives. Retrieved from: http://www.policyalternatives.ca/sites/default/files/uploads/publications/Manitoba_Pubs/2006/Social_Housing.pdf

Smith, E. (2007). Using a scenario approach: From business to regional futures. In L. Hopkins & M. Zapata (Eds.), *Engaging the* (80-101). Cambridge: Lincoln Institute of Land Policy.

Social Purchasing Portal. (2012). 2012 social purchasing portal (ssp) supplier criteria. Retrieved from: http://www.sppwinnipeg.org/sites/default/files/SPP%20Supplier%20Criteria%20finalpdf.pdf

Solar Radiation and Climate Experiment. (2007). [Graph illustration the SORCE Spectral Plot May 8, 2008]. *Solar Spectral Data Access from the SIM, SOLSTICE, and XPS Instruments*. Retrieved from http://lasp.colorado.edu/cgi-bin/ion-p?page=input_data_for_ spectra.ion

"Speed bumps ahead?" (2012). *The Economist.* [Video]. United States: The Economist Online. Retrieved from: http://www.economist.com/blogs/freeexchange/2012/07/future-emerging-markets

Statistics Canada. (2011 a). [Map illustration of the North End of Winnipeg with census tract boundaries]. *Geosearch 2011 – Census Tracts.* Retrieved from: Statistics Canada. (2011). [Map illustration of the North End of Winnipeg with census tract boundaries]. *Geosearch 2011 – Census Tracts.* Retrieved from: http://geodepot.statcan.gc.ca/GeoSearch2011-GeoRecherche2011/GeoSearch2011-GeoRecherche2011.jsp?minX=5819440.81477421&minY=1532379.77068476&maxX=5838480.19052451&maxY=1543968.95592408&LastImage=http://geodepot.statcan.gc.ca/Diss/Output/GeoSearch2011_f6geoimspaz1541652164037.gif&lang=E&boundaryType=ct&switchTab=0

Statistics Canada. (2011b). [Map illustration of Sage Creek and Island Lakes in Winnipeg with census tract boundaries]. *Geosearch 2011 – Census Tracts.* Retrieved from: http://geodepot.statcan.gc.ca/GeoSearch2011-GeoRecherche2011/GeoSearch2011-GeoRecherche2011.jsp?minX=5819440.81477421&minY=1532379.77068476&maxX=5838480.19052451&maxY=1543968.95592408&LastImage=http://geodepot.statcan.gc.ca/Diss/Output/GeoSearch2011_f6geoimspaz1541652164037.gif&lang=E&boundaryType=ct&switchTab=0

Statistics Canada. (2012). *Observed [2009] and projected [2014] population, average annual growth rate and components of population growth according to the short-term scenario, Canada, provinces and territories* [Data file]. Retrieved from: http://www.statcan.gc.ca/pub/91-520-x/2010001/t478-eng.htm

Statistics Canada. (2014). Employment by age, sex, type of work, class of worker and province [monthly]. Retrieved from: http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/labr66h-eng.htm

Stewart, M. B. (2007). The interrelated dynamics of unemployment and low-wage employment. *Journal of Applied Econometrics*. 22: 511–531. doi: 10.1002/jae.922

Sullivan, D.M., & Green, G.P. (2002). Business subsidies and municipal controls. *Journal of Urban Affairs.* Vol. 21, I. 3. pp. 267-280. Retrieved from: http://onlinelibrary.wiley.com/doi/10.1111/0735-2166.00016/abstract

Suter, C., Bonvin, J.M., Curty, G., Herkenrath, M., Nollert, M., Scholtz, H., & Vlase, I. (2013). Introduction. In Suter, C. (Ed.), *Inequality beyond globalization: Economic changes, social transformation, and the dynamics of inequality* (pp. 1-10). Zurich: Transaction Publishers.

TD Economics. (2014). Growth rates to turn upwards in six provinces in 2014-2015. Retrieved from: http://www.td.com/document/PDF/economics/qef/ProvincialForecast_January2014.pdf

TD Securities. (2014). *2014 Global Outlook.* Retrieved from: http://www.td.com/document/PDF/economics/global/2014GlobalOutlook.pdf

Temali, M. (2004). *Community economic development handbook*. St. Paul: Amherst H. Wilder Foundation.

The Canadian CED Network. (2013). *Neechi CED principles.* Retrieved from: http://ccednet-rcdec.ca/en/node/4539

The United Nations Department of Economics and Social Affairs. (2013). *World economic situation and prospects 2014: Global economic outlook [chapter 1]*. Retrieved from: http://www.un.org/en/development/desa/publications/wesp2014-firstchapter.html

The World Bank Group. (2013). *About us: Globalization.* Retrieved from: http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/0,,contentMDK:23272496~pagePK:51123644~piPK:329829~theSitePK:29708,00.html

The World Bank. (2014). *Developing countries need robust blueprints to sustain growth.* Retrieved from: http://www.worldbank.org/en/news/feature/2014/01/14/developing-economies-need-robust-blueprints-to-sustain-growth

Thomas, C.Y. (1974). *Dependence and transformation: the economics of the transition to socialism.* New York: Monthly Review Press.

Toyama, K. (2011, May 13). Income inequality around the world is a failure of capitalism. *The Atlantic.* Retrieved from: http://www.theatlantic.com/business/archive/2011/05/income-inequality-around-the-world-is-a-failure-of-capitalism/238837/

Turner, Lesley J., Danziger, Sheldon., & Seefeldt, Kristin S. (2006) Failing the transition from welfare to work: Women chronically disconnected from employment and cash welfare. *Social Science Quarterly*. V. 87. I.2. pp. 227-249. Retrieved from: http://dx.doi.org/10.1111/j.1540-6237.2006.00378.x

Unknown author. (2013, January, 19th). Coming home: A growing number of American companies are moving their manufacturing back to the United States. *The Economist.* Retrieved from: http://www.economist.com/news/special-report/21569570-growing-number-american-companies-are-moving-their-manufacturing-back-united

Unknown author. (n.d.). Downtown Saskatoon plan. Retrieved from: http://ww9.saskatoon.ca/tpapp/dtp/landuse/index.html

Wall Street Journal. (2014a). *Bank of Japan 2014 outlook.* Retrieved from: http://blogs.wsj.com/economics/2014/01/05/bank-of-japan-2014-outlook/

Wall Street Journal. (2014b). *People's bank of China – 2014 oulook.* Retrieved from: http://blogs.wsj.com/economics/2014/01/05/peoples-bank-of-china-2014-outlook/

Wallace, Sherri L. (1999). Social entrepreneurship. *Journal of Developmental Entrepreneurship.* 4. 2. 153-174.

Ward, S. (2004). *Planning and urban change.* Thousand Oaks: Sage Publications.

Warren, A., Kramer, A., Blank, S., and Shari, M. (2014). *Emerging trends in real estate® 2014.* Retrieved from: http://www.uli.org/wp-content/uploads/ULI-Documents/Emerging-Trends-in-Real-Estate-Americas-2014.pdf

Welch, M.A. (2012, July 7th). The right track for renewal: Moving Winnipeg's inner-city rail yards. *Winnipeg Free Press.* Retrieved from: http://www.winnipegfreepress.com/special/offtherails/the-right-track-for-renewal-161537745.html

Whitehead, J. (2008). *Real Estate Development.* University of British Columbia: Commerce Real Estate Division & Kwantlen University College.

William-Whyte Residents Association. (2012). Interview findings. In *William-Whyte Neighbourhood Housing Plan*. Retrieved from: http://www.bridgmancollaborative.ca/Media%20Files/Housing%20Plan/12%2010%2009%20William%20Whyte_reduced%20size.pdf

Winnipeg Free Press. (2013, August, 11th). [Interactive map indicating annual income by census tract in all CMAs]. *MAP: Income in Canada's urban centres*. Retrieved from: http://www.winnipegfreepress.com/canada/MAP-2011-National-Household-Survey-Income-223314661.html

Winnipeg REALTORS® (n.d.). Point of return. *Real Estate News.* Retrieved from: http://www.winnipegrealestatenews.com/Resources/Article/?sysid=437

Wolf-Powers, L. (2012). Designing an urban industrial future: Philadephia's Lower Schuylkill River District. *Progressive Planning.* No. 190. pp. 42-46. ISSN 1559-9736

Woods, A. (2012, November 16th). Montreal's Mile End: Deal lets artists stay in their studios. *The Star.* Retrieved from: http://www.thestar.com/entertainment/2012/11/16/montreals_mile_end_deal_lets_artists_stay_in_their_studios.html

World Trade Organization. (2013) *What we stand for.* Retrieved from: http://www.wto.org/english/thewto_e/whatis_e/what_stand_for_e.htm

Wright, G. (2010). *Toronto official plan.* City of Toronto. Retrieved from: http://www.toronto.ca/planning/official_plan/pdf_chapter1-5/chapters1_5_dec2010.pdf

Young, I.M. (2000). *Inclusion and democracy.* New York: Oxford University Press.

Yu, S. (2014, January 30th). Junction home gets 32 offers, sells $208,725 over asking. *The Globe and Mail.* Retrieved from: http://www.theglobeandmail.com/life/home-and-garden/real-estate/junction-home-gets-32-offers-sells-208725-over-asking/article16608093/

Zander. R. & Zander, B. (2000) *The Art of Possibility.* Toronto: Penguin Books.

Zeisel, J. (2006). *Inquiry by design.* Toronto: W. W. Norton & Company.

APPENDICES

APPENDIX A: Statement of Informed Consent

UNIVERSITY OF MANITOBA

Faculty of Architecture

Department of City Planning
201 Russell Building
84 Curry Place
Winnipeg, Manitoba
Canada R3T 2N2
Tel: [redacted]
Fax: [redacted]

Research Project Title: *Planning for Economic Development: A Social Justice Approach*

Researcher(s): **Alex Henderson**
Research Supervisor: **Dr. Richard Milgrom**

Please contact me or my thesis advisor if you have any questions:

Alex Henderson
Email: [redacted]
Phone: [redacted]

Richard Milgrom
Email: [redacted]

This consent form, a copy of which will be left with you for your records and reference, is only part of the process of informed consent. It should give you the basic idea of what the research is about and what your participation will involve. If you would like more detail about something mentioned here, or information not included here, you should feel free to ask. Please take the time to read this carefully and to understand any accompanying information.

1. Purpose of the Research:

The purpose of this research is to satisfy the major degree project requirements of the Master of City Planning Degree at the University of Manitoba. The project is titled *Planning for Economic Development: A Social Justice Approach*. The purpose of this project is to produce findings and create discussion on social justice issues regarding the planning of employment areas in inner city urban neighbourhoods. I aim to create future scenarios about the economic development of Winnipeg's central neighbourhoods, particularly around the North End, an urban district with higher-levels of poverty. I would like to determine what role there is for planning to address the challenges and opportunities of creating more employment in these areas. My underlying assumption is that planning which supports the growth and retention of places of employment in proximity to less advantaged neighbourhoods is more socially just.

2. Risk:

There are no particular risks or benefits to you in participating in this study. If there are risks, they are not risks which go beyond normal everyday risks. The study does not address personal or confidential issues. The study asks only for your perspective and to share your questions on future of economic development in and around the North End of Winnipeg. For any reason, before May 31st 2014 you may request to have your contribution to the scenarios and my thesis removed.

3. Procedures:

You are being asked to participate in an interview involving questions on the future of economic development in and around the North End of Winnipeg. The interviews are intended to help create four plausible future scenarios. The content of these scenarios will also be supported by research into economic trends, a neighbourhood analysis, as well as a review of relevant academic works. The project will include up to eight interviews with businesses and community organizations. Perspectives and information generated from this interview will used to create the scenarios. You will have the opportunity to critique and comment on a draft of these scenarios at a later date.

4. Recording Devices:

This interview will take approximately 10-20 minutes. With your permission, the interview will be recorded with a digital recorder and notes of the interview taken. You will not be identified in the thesis document. All audio files and interview notes collected during the research process will be stored in a locked drawer in my home office or in a password-protected digital folder. One year after the project is complete (expected May 2014), interview recordings and notes will be destroyed. If you do not wish for the conversation to be recorded, I will take hand-written notes only. However, recording will ensure a more accurate record of your responses.

5. Confidentiality:

Your privacy is important. You will not be personally identified in the thesis document. Excerpts from your interview may be quoted in my final thesis. Any information you provide during the interview will be coded to conceal your identity. Recordings of interviews, and notes taken, will be secured during the project and destroyed one year after project completion, expected in May 2014. You should be aware that the general nature/locale of your place of work, and the broad parameters of your professional role will be indicated to help contextualise your input. It may be possible for those with special knowledge of these contexts to infer your identify. However, no personal information will be gathered and I will only be asking questions relating to your perspective on the subject of this study. To further ensure your own confidentiality, you may ask to review and alter the sections of my thesis which involve excerpts from your interview. If at **any** time you wish to withdraw from the interview please let me know and your responses will not be used in the final document. If after the interview you wish to withdraw from the project, or alter any sections pertaining to you, please contact me directly **(prior to May 31st, 2014)**.

6. Feedback:

A description and graphic of the final scenarios results will be made available to all participants. For those who are interested, the final completed thesis will also be made available digitally via email. Feedback can be sent by email.

7. Credit or Remuneration:
There is no credit, remuneration, or compensation for participant involvement in this study.

Your signature on this form indicates that you have understood to your satisfaction the information regarding participation in the research project and agree to participate as a subject. In no way does this waive your legal rights nor release the researchers, sponsors, or involved institutions from their legal and professional responsibilities. **You are free to withdraw from the study at any time, and /or**

refrain from answering any questions you prefer to omit, without prejudice or consequence. Your continued participation should be as informed as your initial consent, so you should feel free to ask for clarification or new information throughout your participation.

The University of Manitoba Research Ethics Board(s) and a representative(s) of the University of Manitoba Research Quality Management / Assurance office may also require access to your research records for safety and quality assurance purposes.

This research has been approved by the Joint Faculty Research Ethics Board. If you have any concerns or complaints about this project you may contact any of the above-named persons or the Human Ethics Coordinator (HEC) at [redacted]. A copy of this consent form has been given to you to keep for your records and reference.

Participant's Signature _____ Date _____

Researcher Signature _____ Date _____